



The CEO Water Mandate



wbcasd



## Corporate action on WASH in supply chains Case study



### Responding to demand for support on WASH from cocoa farmers in Ghana and Cote d'Ivoire

Sustainable access to water, sanitation and hygiene (WASH) is central to meeting global development goals on poverty, health, education and economic growth. With one-in-five people employed in corporate supply chains, and up to 90% of these working in developing country SMEs and farms, the potential benefits of a stronger focus and action on WASH in supply chains by global corporations are significant. By profiling company interventions on WASH in supply chains, this series of case studies aims to strengthen the evidence base and share learning to inspire and support other companies to take action.

#### Why is WASH a priority for Nestlé?

Nestlé's focus on WASH in agricultural supply chains emerges from the Nestlé Cocoa Plan. It is motivated by the need to secure the long-term supply of key raw materials. The three main components of the Nestlé Cocoa Plan are efforts to increase productivity, improve quality and to improve the livelihoods of farmers (see [Nestlécocoaplan.com](http://Nestlécocoaplan.com)). The focus countries for the Cocoa Plan are Cote D'Ivoire and Ghana, with work in Cote D'Ivoire more advanced because of the importance of the market and the strength and maturity of the Cote D'Ivoire farming co-operatives.

A demand for a focus on WASH came from the farming communities themselves, although WASH is not a priority everywhere relative to other issues. There is also a correlation between those communities and co-operatives who have sought certification via UTZ and Fairtrade and the demand for a focus on WASH, possibly because these communities are well-organized and better able to articulate and act on shared social priorities.

#### What was involved and what has been achieved?

The Nestlé Cocoa Plan incorporates analysis and action on a range of issues, including: training on farming activities (including hygiene); provision of seeds and plantlets; empowering women; action on child labour and WASH. WASH components are delivered in collaboration with the International Federation of the Red Cross (IFRC). Nestlé had a pre-existing WASH programme with the IFRC as part of the company's Corporate Social Responsibility programme, but the location of the interventions were driven by IFRC's focus on the most vulnerable communities rather than on Nestlé supply chains. Over time, the Nestlé Cocoa Plan and the IFRC WASH programme have moved closer together, with Nestlé local operations specifying the geographical focus of WASH interventions, driven in turn by engagement with supplier communities.

The original IFRC WASH interventions were philanthropic, whereas the Nestlé Cocoa Plan is owned by the businesses in each territory and is more business oriented. The identification of communities to work in can be a challenge, with three competing stakeholders (government; IFRC and Nestlé; and Nestlé local operations) having sometimes different views on the priorities for intervention. Nestlé's internal structures emphasise a high degree of autonomy within the federated parts of the business, and this internal dynamic is a factor in switching emphasis from centrally driven philanthropy to locally owned, business-focused community support.

Table 1 below summarizes the key achievements of the Nestlé-IFRC partnership on WASH since its inception in 2007.

Table 1. Nestlé/IFRC partnership on WASH: Key achievements 2007 to 2016	Overall partnership total
Water pumps repaired or rehabilitated	183
Family latrines built	8,475
Water and Sanitation Committees established	321
Access to water: Number of beneficiaries	109,990
Access to sanitation: Number of beneficiaries	87,775
Hand-washing facilities created	3,277
Hygiene awareness for community members	143,227
School latrines built or repaired	118
Hand-washing facilities provided in schools	390
School hygiene clubs established	93
Children who received hygiene awareness training	71,465



Photo credit: Nestlé

Local communities and co-operative members in Cote D'Ivoire attest to the benefits delivered through these achievements:

*Last year, Nestlé repaired the pumps in Bonicro and constructed latrines and water stands for our schools... this has enabled our children to stay healthy and avoid diarrhoea. With the repairs, women who used to have to walk many kilometers to get water now save a lot of time and can get clean water.*

**Kouadio Kouassi, Co-operative Chairman, L'Union des Co-operatives de Gagnoa**

*We're very pleased. The pump works, we drink, we wash – we can do everything. We can produce cocoa. When you are in good health, you can work and the cocoa trees produce more. We are very happy.*

**Konan DieuDonne Koukou, Pump Technician, Bonicro**

Nestlé and IFRC are now working to scale the approach and its benefits in Ghana through the CHF 2.78 million Gha-WASH initiative. **In order to track the impacts of this work, the IFRC/ Nestlé Initiative has established baselines on existing WASH coverage in the focal areas of Eastern and Ashanti Regions. These are summarised along with the programme activities in Box 1.**

### **Box 1. Baseline situation and planned Gha-WASH activities to drive improvements**

#### **WASH Baseline: Of households sampled**

- 33 % of water points need repairs or maintenance; 43% were found with low yield; and 39% provide poor quality water.
- Seventy percent of households used a protected source as their principal source of drinking water.
- Only 23% of the schools in the targeted communities had access to safe water on the school premises.
- 40% of households have latrines within their compound, while 30% of schools have latrines.
- 11% of households confirmed that they have benefited from health and hygiene promotion services.
- 18% of school children surveyed were able to demonstrate correct hand washing methods

#### **Gha-WASH activities will include:**

- Contribute to SDG6 through increased access to sustainable, equitable water services
- Increase access to adequate, equitable and safely managed sanitation and hygiene facilities and improved ODF (Open Defecation Free) status.
- Increase awareness and encourage behavioral change management of WASH and hygiene-related diseases.
- Improve technical and managerial capacity of main partners – government, communities and local private sector entities – to manage WASH projects.
- Leverage private, public and NGO coordination and cooperation for improved WASH service delivery.

## A call to action – advice to others and key messages

The Cocoa Plan, Creating Shared Value and Nestlé’s approach to water emerged from a top down policy agenda although the implementation of these is led by local markets. Feedback from local markets was instrumental in shifting WASH from being a matter for CSR into the Cocoa Plan, mainly led by a feeling of ‘why are we (the local business) doing and paying for all this stuff that has no benefit for us as a business?’ The business case for local operations is now the key driver for Nestlé’s action on WASH.

Based on Nestlé’s experience, priorities for acting on WASH in corporate supply chains include:

- The need to integrate top-down policies with local business and community priorities.
- Finding and articulating the local benefit to the business, e.g. strengthened long-term supply of raw materials.
- Involving local co-operatives who are supplying you in assessment and decision-making.
- Ensuring that a range of flexible support responses are available to respond to variable supply chain priorities, i.e. many of the interventions were linked to wider initiatives to improve schools, part of which includes improving school WASH.
- Consideration of sustainability of interventions at the outset, i.e. addressing how the infrastructure will be funded and maintained in future; ensuring that adequate management software, such as a water committee, is in place.





Photo credit: Nestlé



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