

Water Scenarios Workshop (NBI) Outcomes

18 September 2006, Saxon Hotel, Johannesburg, South Africa

Aim of the Workshop

The Water Scenarios aim to structure the complex world of water, yet still contain great amounts of information. Therefore the aim of the session was not for participants to remember the details of each Scenario, but rather to use the scenarios to better reflect upon water-business links.

Presentation of Scenarios

Approximately 30 participants attended this afternoon event, which began with a presentation of the WBCSD Water Scenarios by Eva Haden, WBCSD.

Download scenarios & other material: www.wbcSD.org/web/H2Oscenarios.htm

Breakout Groups

The participants were divided into three breakout groups, each one looking deeper into one of the Scenarios. Teams had one hour to reflect on three questions relevant to each story: Hydro, Rivers and Ocean.

- **What are the dilemmas/trade-offs in Hydro/Rivers/Ocean?**
- **How do you propose to respond to them in the story?**
- **How does this relate to your current situation now & in the future?**

Discussions were fruitful, and one rapporteur from each session gave the feedback in plenary. Some key take-aways from the three parallel discussions included: /



Hydro

Rapporteur: Martin Ginster – Sasol Limited

1. Focusing efforts in providing basic needs vs. efforts in improving efficiency through technological innovation, i.e. basic sanitation vs. high-tech solutions
2. 2010 World Cup, linked to high water demand, could be showcase for South Africa (like the 2008 Beijing Olympics in the Hydro story) and a reputational risk of concealing water issues vs. dealing with them now
3. Dealing with ageing infrastructure vs. spending resources on developing new technologies
4. Water and energy linkages – the more energy used, the more water required



Rivers

Rapporteur: Nicola King – Mintek

1. Supply and demand side management on an infrastructural level
2. Balancing social and environmental water concerns with the water needs of business, so dis-investment in SA vs. ecological and social imperatives.
3. Aligning social needs with reaching the 6% per annum ASGISA economic growth target.
I moved to common trends below
4. A combination of far-sighted government policies and market based mechanisms as solutions

Same as point 7 in common trends below

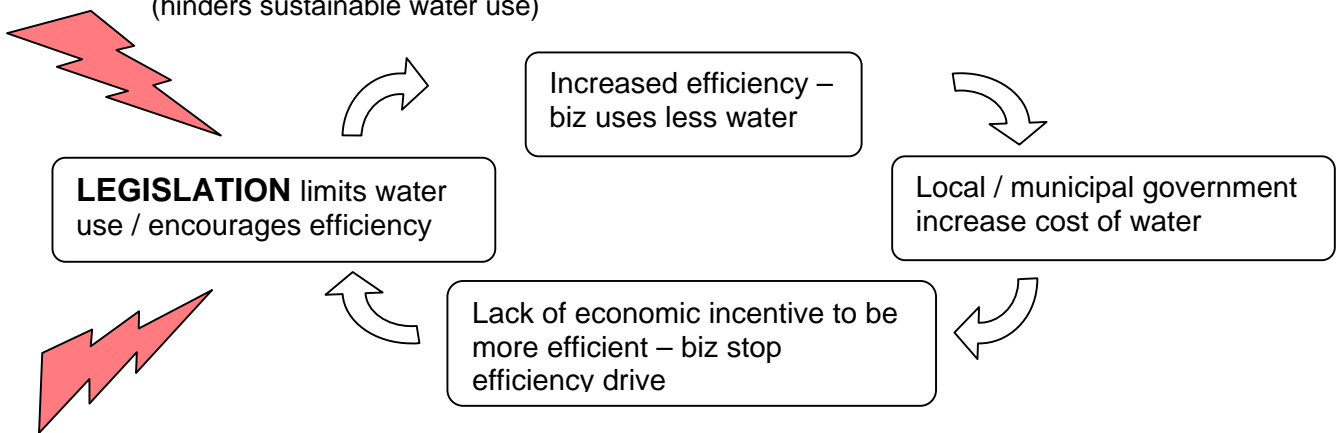
N.B.: “trade-off” was seen to have a negative connotation by some participants of this group, and did not necessarily reflect the option that there is not always a “lose” situation.



Ocean

Rapporteur: Mandy Rambharos – Eskom Holdings Limited

1. How to get water on business (and CEO) agenda when there are so many other sustainability issues being raised, e.g. energy, development
2. Water demand / use vs. energy demand / use and exploring the linkages
3. Business as leader of integration of water issues vs. locked situation with a government lacking institutional capacity
4. National legislation (encourages sustainable water use) vs. municipal government policy (hinders sustainable water use)



Common Trends throughout Discussions

1. Balancing South Africa’s water needs between economic growth, basic needs and ecological needs.
2. Necessity and crisis leading innovation and change vs. a gradual mindset shift (e.g. UN IPCC and other initiatives have raised Energy to top of many business agendas, “without major” crisis in terms of climate change)
3. Cost and true value of water vs. security of supply vs. “right to free” water
4. In SA, legislation is a key behavioral driver for business and can stunt development
5. The need for government department co-ordination on policy (DME, DEAT and DWAF) as well as local, regional and national co-ordination.
5. Traditional role of business vs. business as provider to supply, treat and clean water - where is the line between business and government?
6. Need for economic incentives and market-based mechanisms in water landscape.
7. Inertia in water decision-making processes. Need to move from policy to implementation

Provocateur: Pancho Ndebele – South African Breweries Limited

For a copy of the slides, email hermien@nbi.org.za

Pancho gave a stimulating presentation on SAB Miller’s work on water, and managed to immediately digest the Scenario discussions and integrate some key elements into his presentation. A few key elements included:

- Water metrics are essential to help understand company’s impact and dependency. SAB Miller has carried out a benchmarking exercise over all its breweries. However, one cannot compare water use at different breweries because they have different functions: a brewery that produces only one product will naturally be more efficient than one that produces a range of products.

- Gradually extend view on water use and impact beyond fence-line, but without going too quickly, otherwise will dissuade investors.
- Each brewery has its own wastewater plant with anaerobic digesters and the methane by-product can potentially be used as an alternative energy source for co-generators / boilers.

Provocateur: Marius Claassen – CSIR

Copies of the scenario booklet are available from the GRA Nerve Centre – just send a mail with your full mailing address to cmalan@theinnovationhub.com

- Marius presented some science and technology-based water scenarios for sub-Saharan Africa that were finalized at the same time as the WBCSD Water Scenarios. With a greater focus than the global WBCSD Scenarios, the Global Research Alliance has succeeded in highlighting some key challenges and drivers in a beautifully written set of stories.
- Marius briefed the participants on the four different types of water scarcity that their process had found: Scarcity with respect to water quantity and water quality; Infrastructure scarcity; Institutional scarcity and Water-use efficiency.
- There was a lot of overlap between the key issues contributing to water scarcity in both Scenario reports. Marius highlighted challenges such as climate change, allocation and equity, hydro-politics and capacity building.
- He then gave a flavor of each of the scenarios entitled (English-translations): “Parched landscape”, “May it rain on us”, and “Crossroads.”

Closing Remarks & Thanks

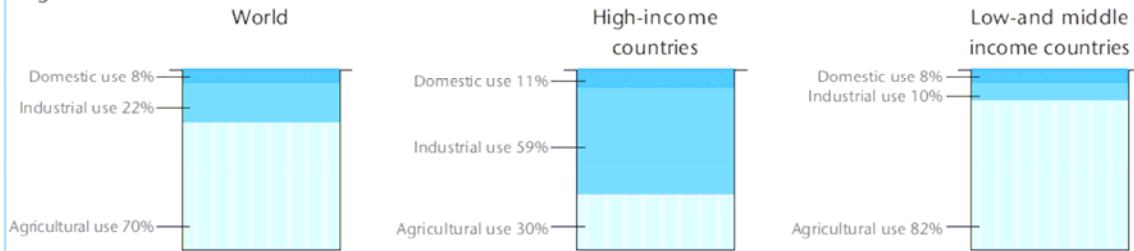
- The session hopefully triggered many thoughts and some key take home messages – these included the sense of urgency of the water situation; South Africa can become a leader in the water world; there is a need for legislation, policies AND implementation.
- Participants were presented with a set of scenarios, which they succeeded in internalizing in a very short space of time: “Hydro” “Rivers” and “Ocean” had become part of at least some participants’ vocabulary, which demonstrates the value of using them as a shared space for dialogue to talk about different, alternative worlds in which we may find ourselves.
- Thanks were given from and to NBI, WBCSD and the participants.

Facts that came up...

- Africa is considered the “continent most vulnerable to the impacts of climate change” by the UN IPCC. Even a small decrease in rainfall on the continent could cause a drastic reduction in river flows, for e.g. a 10% reduction in rain over the Johannesburg area could lead to a 70% drop in the Orange River’s levels...
- Agriculture uses 82% of total water use in low and middle-income countries

Competing water uses for main income groups of countries⁶

Industrial use of water increases with country income, going from 10% for low- and middle- income countries to 59% for high-income countries.



Ref. 6: "Water for People, Water for Life" United Nations World Water Development Report, UNESCO, 2003
www.unesdoc.unesco.org

For more information – WBCSD Water Facts & Trends:

http://www.wbcd.org/web/publications/Water_facts_and_trends.pdf

Participants list

First Name	Surname	Organisation	Email
Marius	Claassen	CSIR	mclaasse@csir.co.za
Mark	Drewell	Barloworld	mdrewell@barloworld.com
Christine	Dunbar	National Business Initiative	christine@nbi.org.za
Gavin	Fleming	Mintek	gavinjfleming@gmail.com
Andre	Fourie	National Business Initiative	andre@nbi.org.za
Peter	Gardiner	Mondi Business Paper	peter.gardiner@mondibp.com
Valerie	Geen	National Business Initiative	valerie@nbi.org.za
Martin	Ginster	Sasol Limited	martin.ginster@sasol.com
Shona	Grant	World Business Council for Sustainable Development	grant@wbcSD.org
Yolandi	Groenewald	Mail & Guardian	yolandig@mg.co.za
Eva	Haden	World Business Council for Sustainable Development	haden@wbcSD.org
Gillian	Hutchings	National Business Initiative	gillian@nbi.org.za
Annette	Kien	Holcim (South Africa) (Pty) Ltd	akien@mweb.co.za
Nicola	King	Mintek	nicolak@mintek.co.za
Landu	Landu	Mintek	landul@mintek.co.za
David	Lindley	The Mondi Wetlands Project	lindley@wetlands.org.za
Jeff	Magongoa	World Business Council for Sustainable Development	magongoa@wbcSD.org
Maryna	Möhr-Swart	Chamber of Mines of South Africa	mmohrswart@bullion.org.za
Pancho	Ndebele	The South African Breweries Limited	pancho.ndebele@za.sabmiller.com
Jacqueline	Obando	National Business Initiative	jacqueline@nbi.org.za
Mandy	Rambharos	Eskom Holdings Limited	mandy.rambharos@eskom.co.za
Dave	Salmon	Anglo American South Africa	dsalmon@anglotechnical.co.za
Johan	Schoonraad	Holcim SA	johan.schoonraad@holcim.com
Fatima B	Shaik	Shell South Africa Energy (Pty) Limited	fatima.shaik@shell.com
Peter	Teurlings	BKS	petert@bks.co.za
Hermien	Van der Walt	National Business Initiative	hermien@nbi.org.za
Sakkie	Van der Westhuizen	Sappi Limited	sakkie.vdwesthuizen@sappi.com
Filippo	Veglio	World Business Council for Sustainable Development	veglio@wbcSD.org
Steve	Walker	Sappi Limited	steve.walker@sappi.com
Stiaan	Wandrag	Sasol Limited	stiaan.wandrag@sasol.com