Navigating the Water, Sanitation, and Hygiene (WASH) Sector

A Guide for Corporate Grantmakers

Prepared by Ben Mann, WASH Advocates, 571.225.5823, bmann@WASHadvocates.org
Introduction

The global corporate sector has consistently and generously supported sustainable development via many channels, including strategic philanthropy, corporate social responsibility, cause-related marketing, and employee motivation campaigns.

WASH Advocates is a *pro bono* resource for corporations when they decide to learn more and actively support solutions to the water, sanitation, and hygiene (WASH) crisis. This guide aims to provide an overview of opportunities for corporations to leverage resources and meet goals effectively.

Background – Why WASH?

The acronym “WASH” stands for *water, sanitation, and hygiene*. These basic necessities for healthy living are not available to many people in developing countries. In fact, more than 760 million people do not have access to clean, safe drinking water, and 2.5 billion people do not have access to basic sanitation facilities.

Each day, thousands of children die from easily preventable diseases because they do not have basic WASH services. Child and maternal health, education, HIV/AIDS, neglected tropical diseases, food security/nutrition, and other development efforts can be more successful over the long-term if they include sustainable WASH.

However, solutions exist and are being implemented every day by corporations, individual volunteers, civic groups, communities of faith, schools, international aid organizations, and governments. Safe drinking water and sanitation services have the potential to prevent at least nine percent of the global disease burden and six percent of all deaths.¹

The opportunities for the corporate sector to demonstrate leadership in WASH are widespread with great returns on investment for all stakeholders. For example, research has found that **WASH programs offer a return of $4 in increased economic productivity and reduced healthcare costs for every $1 invested.**²

Investing in WASH Solutions

Tangible benefits for corporations looking to invest in WASH solutions include access to new marketplaces, mitigating risk, building brand recognition, and improved employee morale.

Chairman of the Committee for Encouraging Corporate Philanthropy (CECP) and Campbell’s Soup Company former CEO Doug Conant said recently, “Much like R&D, philanthropy allows companies to make thoughtful investments in sectors where the
return profile is typically more speculative.” Corporate social responsibility (CSR) in the WASH sector can leverage business resources to deliver more social value to the communities around them, and help identify new entry points into new and sometimes complicated markets. In addition, through WASH, corporations can bring considerable expertise to strengthen partnerships among the public and private sector. These partnerships often lead to improved relationships with governments and other institutions.

Water is critical for human survival, yet if present trends continue, the livelihood of one third of world’s population will be seriously affected by water scarcity by 2030. In its 2014 Global Risks Report, the World Economic Forum cites water as one of the top eight threats to global stability. As a user and provider of water services, the private sector has an important stake in water management and can serve as a major source of innovation and good practices. Companies can work in partnership with other stakeholders to provide knowledge, experience, and insights and to help solve the global WASH challenge, while mitigating their own risk exposure.

The 2012 Edelman Trust Barometer notes that companies are likely to gain trust from a community by playing an active role in addressing and helping solve an issue or crisis. Through its wide ranging impact, investing in WASH solutions is a sustainable way to build on a brand’s positive reputation.

Finally, employees are encouraged by and respond to strong corporate social responsibility. Research has shown that a good social responsibility program can positively impact how employees view their companies and how they communicate its values to other stakeholders. With WASH, there are added benefits to employees. Assuring employees proper access to WASH increases job satisfaction, health, and productivity, especially in areas of the developing world.

**Selecting the Best WASH Solution**

When considering which WASH solution is the best fit for your corporate contributions, financial and otherwise, it is important to consider many factors. Here are some important steps to guide a good corporate strategy:

- Learn more about the global water, sanitation, and hygiene problem and the opportunities to have a positive impact.
- Define the business rationale for your company becoming active and supportive of this issue.
- Research case studies about how other companies have engaged WASH. See case studies below in the section entitled *Examples of Winning Strategies*.
- Decide to engage. Identify specific countries/regions of interest and specific project opportunities in those areas.
- Identify implementing partners working with on-the-ground projects who are able to scale up their operations in your chosen geography.
• Agree on an operational plan and begin work with a pilot project.
• Monitor, evaluate, and scale up as appropriate.¹⁰

Although exciting new technologies are being developed every day, simply implementing existing solutions and practices can produce effective change. For example, the basic act of handwashing can reduce the incidence of childhood diseases by approximately 45 percent.¹¹ Further, a study in Kenya found that schools that received basic water treatment and hygiene promotion had a 58 percent reduction in absenteeism for girls.¹²

Examples of Winning Strategies

The following are examples of effective strategies from recognized corporate leaders in the WASH sector.

**Caterpillar**
The Caterpillar Foundation, which serves as Caterpillar’s corporate social responsibility agent, expanded its partnership with Water.org in 2013 by increasing its $3 million commitment to $8.3 million for the WaterCredit program in India, Indonesia, Peru, and the Philippines.¹³ In India alone, the partnership is expected to reach more than 218,000 people with clean water and sanitation.

WaterCredit facilitates small loans for water and sanitation access for people living in poverty without access to these most basic necessities. This successful, market-based solution is accelerating large-scale, sustainable progress against the water and sanitation crisis.

For example, since 2008, Water.org and its partners in India have used the power of WaterCredit to impact twice the number of people than could have been reached using other, more traditional approaches, all while reducing the philanthropic cost per person served by nearly 50 percent. Water.org’s program with the Caterpillar Foundation builds on this solid success.

**CH2M HILL**
The CH2M HILL Foundation, CH2M Hill’s community investment agent, partners with Water For People and Engineers Without Borders USA.

CH2M HILL has supported Water For People since its founding in 1991. Today, many employees participate in local Water For People committees and the board of directors. CH2M HILL has hosted a global online giving campaign benefiting Water For People since 2003, raising more than $647,000 to date. In addition, CH2M HILL supports a variety of public awareness and fundraising events throughout the year.

Employees volunteer as members of Water For People's World Water Corps. The World Water Corps program matches the specific needs and requirements of Water For People's country programs with the skills and passions of people.
Throughout North America who want to enhance the impact of the organization’s work overseas. CH2M HILL employees have assisted with projects such as mapping to provide baseline data for development, monitoring the functionality of past projects, and evaluating overall program effectiveness.

Through its decade-long support of Engineers Without Borders USA, the CH2M HILL Foundation is helping to bring basic infrastructure solutions to developing communities in 45 countries. This work improves the lives of 2 million people annually by providing access to clean water; building bridges that link communities to education, healthcare facilities and markets; and providing energy to power schools and health clinics.

Coca-Cola

The Coca-Cola Company is one of the largest single corporate donors to the WASH sector through multiple units of its business.

One example of its work is the Water and Development Alliance (WADA), a unique partnership between The Coca-Cola Company and the U.S. Agency for International Development (USAID) that addresses community water needs in developing countries around the world. In conjunction with local USAID Missions and Coca-Cola system partners, WADA contributes to protecting and improving the sustainability of watersheds, increasing access to water supply and sanitation services for the world’s poor and enhancing productive uses of water. With a combined investment of $28.1 million since 2005, WADA is having a positive impact on the lives of people and the health of ecosystems in 22 countries worldwide, 16 of which are in Africa.

WADA supports a broad diversity of water-related projects in support of four objectives:

- Establishing participatory, sustainable water and watershed resources management to benefit people and ecosystems
- Increasing access to community water supply and sanitation services
- Fostering improved behaviors in sanitation and hygiene for positive health impacts
- Promoting efficient and sustainable productive use of water to protect the environment and provide economic benefits to communities
- Each WADA project is unique, designed to address locally-identified water needs with sustainable solutions.

In Chimoio, Mozambique, WADA combined the resources of local and international public and private entities to address the city’s urgent water needs through the rehabilitation of the dilapidated TextAfrica water treatment facility and an expansion of the city’s piped water network benefiting over 25,000 residents. This is just one example of many of Coca-Cola’s efforts to end the WASH crisis.
Diageo
In 2006, Diageo launched their flagship CSR program “Water of Life.”

Water of Life’s “1 Million Challenge” campaign aspires to extend access to clean water to 1 million people in Africa each year through 2015. Projects are funded by Diageo’s local businesses, internal employee contributions, and the Diageo Foundation.

Through the Water of Life program, Diageo partnered with the International Business Leaders Forum to launch a series of business roundtables in Cameroon, Ghana, Kenya, Nigeria and South Africa in 2010. The end of these meetings culminated with a series of papers on each country’s commitments to improve access to water and sanitation. The findings were presented as a collected paper at the 2010 United Nations Global Compact Leaders Summit.

ExxonMobil
ExxonMobil has supported several country-specific water and sanitation initiatives and is also a corporate sponsor of Africare, a leader in development assistance and humanitarian aid to Africa.

In Angola, ExxonMobil invested $1.8 million in a community-based malaria intervention project that targets 95,000 people. The intervention projects included water and sanitation initiatives.

In 2009, ExxonMobil created a water and sanitation program in Indonesia to broaden access to clean water for Mobil Cepu Limited’s local communities. Eleven WASH committees were developed by villagers to build capacity and the technical knowledge to drill and construct their own wells.

In the Philippines, ExxonMobil is providing the communities on Mapun Island with potable water. The community project will supply potable water to 13,000 residents; about half of the island’s total population.

In addition, ExxonMobil funded a UNICEF grant to improve water and sanitation in schools in Equatorial Guinea. The project constructed latrines and water wells in preschools and primary schools in four districts. The objective of the grant is to improve the retention rates of students by improving the quality of education and providing healthy school environments.

General Electric
As part of its commitment to improving access to quality healthcare globally, the GE Foundation has initiated programs in Rwanda, Honduras, and Ghana to provide sustainable and scalable safe water supplies for hospitals and community health centers.

For more information, contact Ben Mann
Global Partnerships Director
bmann@WASHAdvocates.org (571) 225-5823
The GE Foundation, together with ministries of health, the Center for Global Safe Water at Emory University and Access Project, has introduced membrane filtration water purification systems in rural health centers and hospitals in Rwanda, Honduras, and Ghana. Three million people now have access to safe water and by June 2014, there will be 600 trained community health educators to ensure the systems are sustained. The hospitals now meet international safe drinking water standards for E. coli and chlorine and use treated water instead of purchasing bottled water for drinking, significantly reducing costs.

The GE Foundation’s water program is part of its Developing Health Globally program, which is committed to enabling access and building capacity for quality and sustainable healthcare for underserved populations.20

GlaxoSmithKline
Since 1998, GlaxoSmithKline’s Personal Hygiene & Sanitation Education (PHASE) project has worked to reduce diarrhea-related diseases and improve children’s overall health.21 PHASE partners with a group of nonprofits including African Medical and Research Foundation (AMREF), Save the Children, and the Earth Institute at Columbia University.22

PHASE is a simple handwashing program that teaches children how to reduce the spread of infection and been implemented in several countries, including Bangladesh, Bolivia, Brazil, India, Kenya, Malawi, Nicaragua, Peru, Senegal, Uganda, and Zambia.

PepsiCo
In 2012, PepsiCo met its target to partner to provide access to safe water to 3 million people in developing countries by the end of 2015 — three years ahead of our goal — through the efforts of the PepsiCo Foundation. Key to this success was the PepsiCo Foundation’s partnership with the Columbia University Earth Institute. The Earth Institute and the PepsiCo Foundation have had a successful working relationship on water-related projects since a grant by the PepsiCo Foundation in 2008 helped found the Columbia Water Center.

Building on its success to date, in March 2013, PepsiCo announced a new goal to provide access to safe water to an additional 3 million people over the next 3 years through continued partnerships with water organizations, doubling the company’s original goal. As one of the first major consumer product companies to endorse the United Nations Human Right to Water, PepsiCo’s initiatives include water conservation, distribution, purification and hygiene for underserved communities in China, India, Mali, Brazil, Colombia and other Latin American countries. In addition to the Earth Institute, PepsiCo’s partners include the China Women’s Development Foundation, Inter-American Development Bank, Safe Water Network and Water.org.
Some specific examples of PepsiCo’s giving, include:

- An $8 million contribution to start WaterCredit, which is the largest single contribution by the Foundation in its 50-year history.23
- A $2.5 million contribution to bring access to safe water to 56,000 people in western rural areas of China since 2001.
- A $5 million grant in June 2011 to support the All-China Women's Federation in its efforts to provide access to clean water in rural areas of China. The grant aims to provide safe water access for 500,000 people in the central and western regions of China by 2015.
- A $5 million grant to the Inter-American Development Bank's AquaFund, which aims to provide access to safe water and sanitation to at least 500,000 people in Latin America and the Caribbean.24

Procter & Gamble

Procter & Gamble (P&G) has made a significant commitment to the global safe drinking water challenge. P&G is committed to long-term, nonprofit provision of clean water in the developing world in an effort to reduce illness and death, particularly in children.

The Children’s Safe Drinking Water Program (CSDW)25 is P&G’s signature philanthropic effort to bring safe water to children and families. The cornerstone of this nonprofit initiative is the P&G water purification packet (formerly known as PUR Purifier of Water), a powdered mixture in a small sachet that removes pathogenic microorganisms and suspended matter, making previously contaminated water clean so that it meets WHO standards for safe drinking water.26

To date, P&G has invested more than $50 million toward clean drinking water.27 P&G works with advocacy and implementation partners to raise awareness of the global water crisis and bring clean drinking water to people in developing countries and emergency relief situations across the globe. Advocacy partners include the American Chemical Society, CDC, Clinton Global Initiative, Global Water Challenge, Rotary International/WASRAG, UNC Water Institute, USAID, and the UNICEF/WHO Network for Household Water Treatment and Safe Storage.28

In 2012, PepsiCo received the Stockholm Industry Water Award at World Water Week in recognition of the company’s innovative water stewardship initiatives. The award honors the business sector’s contribution to sustainable water management, improved performance in production, and innovative approaches in water process technologies.
In 2010, P&G announced a new goal to save one life every hour by delivering more than two billion liters of clean drinking water every year by 2020. P&G opened a new manufacturing facility in Singapore where it is forging new partnerships and is scaling up its CSDW Program operations into more countries. Nearly 7 billion liters of clean drinking water purified using P&G packets have been provided in more than 75 countries by global emergency relief and development organizations including AmeriCares, CARE, ChildFund, IFRC, PSI, Save the Children and World Vision.

**Unilever**

Unilever supports several WASH-focused initiatives as part of its commitment to improve the health and well-being of more than 1 billion people by 2020, as set out in its Sustainable Living Plan.

Lifebuoy, Unilever’s leading health soap, runs handwashing behavior change programs for schoolchildren and their mothers across 16 countries, as well as maternal and neonatal hygiene education programs. Since 2010, Lifebuoy has changed the handwashing behavior of over 130 million people, with several partners including Millennium Villages (Earth Institute), PSI, UNICEF, USAID’s Maternal & Child Health Integrated Program and local governments. As an active advocate of handwashing, Lifebuoy is a member of the Public Private Partnership for Handwashing with Soap and as part of this group, co-founded Global Handwashing Day in 2007. Lifebuoy also runs the Help A Child Reach 5 campaign which aims to reduce preventable diseases like diarrhea by teaching handwashing habits.

Domestos, Unilever’s leading toilet hygiene brand, is committed to supporting several sanitation-focused initiatives designed to change behavior and help individuals gain access to improved sanitation. Domestos and the Unilever Foundation are supporting UNICEF’s Community Approaches to Total Sanitation program which will result in more than 600,000 people living in open defecation free communities. With eKutir and the World Toilet Organization, Domestos runs the Domestos Toilet Academy program, a market based model that teaches entrepreneurs how to start their own sanitation business. In the next year, 24,000 toilets will be built, reaching approximately 120,000 people. Domestos also supports sanitation programs in schools, as well as advocacy activities with the London School of Hygiene and Tropical Medicine, WaterAid and WSSCC.

Unilever’s in-home water purifier, Pureit aims to provide 500 million people with affordable access to safe drinking water by 2020. Pureit, the Unilever Foundation and PSI collaborate on Waterworks™, a program that has trained women in India in delivering and teaching families how to use Pureit water purifiers. The program has provided 15,000 households with water purifiers.

Unilever and its brands remain committed to working with governments, NGOs, UN organizations and academics to help drive transformational change in the area.
of WASH and to ensure water, hygiene and sanitation issues are all adequately represented within a new UN development framework.

**Xylem Watermark**

Xylem has long been a corporate leader in the WASH sector. Xylem Watermark is Xylem’s corporate citizenship and social investment program whose mission is to provide and protect safe water resources for communities around the world.

Xylem works closely with global humanitarian organizations including Water For People, Mercy Corps, Planet Water Foundation, China Women’s Development Foundation, and Fundación Avina in order to implement sustainable programs that will provide water access and security for those most in need.

Through school and community-based water, sanitation and hygiene education, disaster preparedness, and disaster relief and recovery efforts, Xylem Watermark “makes every drop count in finding solutions to global water challenges.” Today, Xylem Watermark has reached more than 2 million people in over 20 countries around the world.

**Access to the Opportunity**

There are a number of organizations that bring together members from the public and private sector to address the WASH challenge, including:

**WASHfunders.org**

WASHfunders.org, a project of the Foundation Center, provides a host of resources for new and established funders working in the WASH sector, including an interactive map of foundation grants, funder profiles, seminal research reports, as well as philanthropic news and information. Developed in partnership with WASH Advocates, WASHfunders.org also hosts a Funder Toolkit, an excellent resource for funders new to the sector.

**WASH Grantmakers Network**

The WASH Grantmakers Network is a peer-to-peer networking group staffed by WASH Advocates and the Foundation Center with generous support from the Conrad N. Hilton Foundation. Its main objective is to help support sustainable grantmaking in the WASH sector by convening and connecting peer grantmakers interested in or currently giving to water, sanitation, and hygiene programs. The Network works in partnership with WASHfunders.org. More information is available here: [http://www.washadvocates.org/get-involved/wash-grantmakers-network/](http://www.washadvocates.org/get-involved/wash-grantmakers-network/)

**CEO Water Mandate**
The United Nations Global Compact’s CEO Water Mandate, launched in 2007, is an effort to “mobilize a critical mass of companies in all regions of the world. The initiative will assist endorsers through policy dialogues, facilitation with respect to partnerships, and the dissemination of existing and new tools as well as other resources.” As of January 2013, there were 87 CEO signatories.

Global Water Challenge

Currently, the most strategic joint effort is the Global Water Challenge (GWC). GWC was formed to “catalyze transformational change” in the water and sanitation sector. GWC’s efforts focus on providing water to schools throughout the world, and on innovative financing for water and sanitation.

GWC was launched as an initiative of the United Nations Foundation, and gives its members the “opportunity to participate with other leading organizations to identify sustainable water and sanitation projects that are results-oriented.” GWC offers its corporate members the opportunity to support water and sanitation initiatives where the need is greatest and where corporate interests are at stake.

GWC’s first major program ($10 million over three years), funded by the Bill and Melinda Gates Foundation, focuses on WASH for schools in Kenya. Projects are overseen by UNICEF, CARE, and the Millennium Water Alliance, with support from Coca-Cola, Procter & Gamble, the Case Foundation, the Wallace Genetic Foundation, and other funders.

Trade Associations

Several trade associations play a tremendous role in helping corporations achieve their goals in the WASH space. The following highlights associations to note for future partnerships:

- **American Water Works Association**, the international nonprofit organization of water supply professionals, created Water For People in 1991 and supports this organization as its charity of choice.
- **Water Environment Federation**, whose 37,000 members have broad expertise in the wastewater industry, advocated for the successful implementation of the Water for the Poor Act.
- **World Chlorine Council**, a “global network of national and regional trade associations and their member companies representing the chlorine and chlorinated product industries,” donated $125,000 for PVC pipes to the West Africa Water Initiative.
- **Water Innovations Alliance Foundation** is focused on educating the public and key stakeholders as to new developments in fresh and waste water technologies. The Foundation works to gather data, develop reports, standards, economic analysis, and model training programs for advancing the development and deployment of new water technologies.
Many corporations are finding success working in partnership with the U.S. Government.

The United States Agency for International Development (USAID) continues to be one of the largest single donor to WASH programs in the world. Recognizing its place as a leader in the WASH sector, the Water Office at USAID has launched their first-ever 5-year Global Water and Development strategy, which includes opportunities for innovative partnerships with corporations.\textsuperscript{46}

USAID’s Global Development Alliance (GDA) is the main office responsible for partnerships with the private sector. The GDA welcomes partnership opportunities with the U.S. and global corporate sector on water and sanitation initiatives. One salient example is GDA’s Community-Watersheds Partnership Program with Coca-Cola. This alliance provided clean, potable water to Mozambique’s sixth largest urban region, by bringing together funding commitments from all partners totaling about $1.79 million, of which $500,000 comes from USAID.\textsuperscript{47} GDA is ready to assist any corporation ready to make a much larger impact.

The U.S. Department of State offers the Secretary’s Global Partnership Initiative.\textsuperscript{48} This program promotes collaboration between the U.S. Department of State, the public and private sectors, and civil society. The aim is to strengthen and deepen U.S. diplomacy and development through partnerships for effective and efficient impact. The Initiative is part of the U.S. Water Partnership, a convening of multiple private and government partners working together to curve the WASH crisis.\textsuperscript{49}

Since 2004, the Millennium Challenge Corporation (MCC) has delivered smart U.S. foreign aid by focusing on good policies, country ownership, and results. MCC has invested more than $2.1 billion in water projects in 20 countries around the world, based on its country partners’ priorities. This portfolio includes a combination of investments that support efficiencies in food productivity; water use for home, agriculture and industrial consumption; and power generation, transmission and distribution.\textsuperscript{50}

Recognizing the importance of water security to economic growth and poverty alleviation, MCC also joined the U.S. Water Partnership (USWP) as a Lead Partner in 2012. Working with the USWP, MCC seeks to deepen its development impact through joint action by catalyzing strategic public-private partnerships and co-investment. MCC is providing the USWP its expertise, knowledge, and lessons learned in addressing challenges to improving access to safe drinking water, sanitation, irrigation, infrastructure development, water resources management, and water sector policy reform.

**Conclusion**

WASH presents an opportunity for the corporate community to leverage resources and relationships to improve millions of lives globally, while providing a variety of benefits for corporate partners. Many corporations are helping solve the crisis, but there is room
for more stakeholders to offer dynamic solutions through partnerships and smart grantmaking.

WASH Advocates and its partners are here to help provide neutral advice. We are a nonprofit and fully funded since 2005 by the Conrad N. Hilton Foundation, the Wallace Genetic Foundation, the Osprey Foundation, and the Howard G. Buffett Foundation in part to provide pro bono guidance to corporate grantmakers. We do not endorse any particular solution, and can tailor advice to meet any corporate partner’s needs. Check out our resources at www.WASHadvocates.org or contact Ben Mann at 571-225-5823 or by emailing bmann@WASHadvocates.org for more information.

Endnotes

3 http://www.mckinsey.com/insights/corporate_social_responsibility/why_philanthropy_is_r_and_d_for_business
4 http://www.weforum.org/issues/global-risks
5 http://trust.edelman.com/
8 http://www.ccl.org/leadership/pdf/research/EmployeePerceptionsCSR.pdf
9 http://www.washadvocates.org/get-involved/corporate-philanthropy/
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18 Ibid.
19 http://ir.exxonmobil.com/phoenix.zhtml?c=115024&p=irol-newsArticle_print&ID=761606&highlight=
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22 Ibid.
For more information, contact Ben Mann
Global Partnerships Director
bmann@WASHadvocates.org (571) 225-5823