
*Accelerating Action on California Water: A Model to Achieve Collective Positive Water Impact
Executive Roundtable Summary (Sacramento/California –October 10-11, 2023)*

Background

California, the largest economy in the U.S. and fifth largest in the world, is experiencing more challenging water shortages year after year. The business community is aware of the need for action to support Gov. Newsom's [2022 Water Supply Strategy](#) for California.

Key public and private sector leaders convened in Sacramento, California, to launch the California Water Resilience Initiative, an effort to unlock the water conservation potential of the private sector. Organized by the [World Environment Center](#), CEO Water Mandate and its [Water Resilience Coalition](#) (WRC), and the [Pacific Institute](#), with support from [Ecolab](#), the *California Water Resilience Forum* brought together industry and state leaders to engage in insightful discussions, share successful case studies and explore innovative strategies to address water challenges in the state. The event ended with an introduction to the roadmap to implementing and tracking progress towards the goals of the California Water Resilience Initiative.

The event brought together 63 senior sustainability experts – with 50% from large companies of various industries, 24% from academia/NGOs, 17% from consultants and 6% from government. Its outcomes are as important for any water-stressed regions around the world as they are for California.

Participants

Host & partners:



- **Host: Emilio Tenuta, SVO & CSO, Ecolab**

Moderators

- **Ecolab:** Emilio Tenuta
- **Netafim (Orbia):** Val Fishman
- **Pacific Institute:** Jason Morrison
- **Starbucks:** Michael Kobori
- **World Environment Center:** Glenn Prickett

Speakers

- **Bowles Farming Company:** Cannon Michael
- **Department of Water Resources:** Kamyar Guivetchi
- **Ecolab:** Emilio Tenuta
- **Environmental Defense Fund:** Robyn Grimm
- **General Mills:** Margot Conover
- **LimnoTech:** Eddie Corwin
- **Pacific Institute:** Peter Gleick, Jason Morrison, Cora Snyder
- **Stanford University:** Felicia Marcus
- **Starbucks:** Christina Babbitt and Michael Kobori
- **State Water Resources Control Board:** Joaquin Esquivel
- **Walmart:** Roland Harmon

Key Points

1. **With Climate Change business as usual is not an option in California. More efficient use of water must be achieved through collective action.** Beyond storage capacity management, the private sector enabled by the state government can have a key role in improved water use management across the value chain. Smart solutions for more efficient use of water must be found, especially as reduced storage capacity in melting snowpacks resulting from climate change is intensifying the problem. California's Water Plans have evolved over time from the 1950s early plans when the focus was on investments in reservoirs & water supply infrastructure, towards today's sophisticated water demand management, which includes recycling, and reuse. And yet, with today's understanding of the state's water needs, solving the problem is not happening fast enough.

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- 2. Collective Action is an opportunity** to find ways to ① scale up smart water management (e.g. modernize water rights system, accelerate institutional change), ② scale up technological solutions (e.g. expand groundwater recharge and stormwater capture), ③ gather key indicators/metrics, and making them accessible and available, and ④ reform agriculture. Furthermore, ⑤ leveraging corporate engagement with its many active stakeholder relationships when policymakers are sometimes siloed.

Companies can often contribute to practical solutions and speed. The global corporate water stewardship community, involving 70+ companies through the [Water Resilience Coalition](#), has committed collective action in 100 basins worldwide: including California. Another UN Global Compact business initiative for collaboration is the [Water Action Hub](#), a free global online collaboration and knowledge-sharing platform interconnected with the [CEO Global Water Mandate](#) and Water Resilience Coalition. Specific to California, the [California Water Action Collaborative](#) is another action-oriented initiative through the business community.

The advantage of collective ambitions is on the one hand that they can be communicated as a contribution to a great impact. On the other hand, they often make corporate engagement easier as many of the barriers faced by the individual enterprise are less effective, e.g. public quantitative commitments. A volumetric goal for water reduction is easier to provide as a group than for an individual enterprise. As a result, through the California Water Resilience Initiative, corporations have committed to partner with each other and other sectors to reduce, reuse, and restore 1 million acre-feet of water per year by 2030, and 1.8 million acre-feet by 2040. In line with California's State Water Strategy, this will contribute to closing the projected water supply gap by 16% by 2030 and 26% by 2040.

- 3. Government agencies are often siloed, not having access to all complex interactions that companies generally have.** Part of the challenge is that federal states frequently don't have the resources to grow and develop their workforce, and thus, to connect the dots. In addition, institutions need to be faster and less bureaucratic. While these challenges exist, more leadership at the State level is asked for. Government reach can be extended through a framework aligned to the needs of corporations who want to engage, as well as campaigns that companies support throughout their value chains and spheres of influence. Both government agencies and companies must get a better understanding of each other's work processes and challenges to make their collaboration more effective.
- 4. Corporate Action makes a difference in meeting the Water Challenge.** That is because a business's ability to implement goals efficiently is grounded on the fact that any delay may reduce revenue and trust (e.g. with investors). Thus, stabilizing the system by solving the challenges already identified is a permanent driver for corporate speed, while at the same time, companies' reach to local communities through their own operations and value chain partners helps to implement practical action on the ground.

Further ideas for immediate corporate action were mentioned: (a) setting an example, e.g. by committing to net-zero or even net water-positive goals, (b) investing in innovative technologies and approaches such as e.g. Nature Based Solutions, water efficiency, and extended water recycling, and (c) advocating for sustainable policy development. Companies are well prepared as they have learned to operate in complex systems and connect the water issue with other sustainability goals (e.g. soil conservation, biodiversity, and climate change).

Motivating companies to engage, however, depends to a great extent on enabling policies to achieve scale, quality, and access. Involving corporates to collaborate on a local or regional level such as in the watersheds where companies operate, is most suitable, especially if those are high-priority water basins for the company. Co-benefits of any kind are also helpful to make the corporate investment case and get management & staff excited. The goal is that companies will use water more efficiently, in circles, not pollute, and develop products that help reduce water use. Companies in the agricultural value chain are especially affected and part of the solution.

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- 5. Net Positive Water Impact (NPWI)** ensures that a company’s contributions to a watershed continually exceed impacts on water stress in the same region. It is an ambition for company water stewardship at a strategic level. It links enterprise ambition to the greatest need (Focus), expands both scope and depth (Boost), and explicitly connects corporate ambition and efforts with SDG 6 (Align). [The UN Global Compact CEO Mandate and its Water Resilience Coalition call on businesses to join the NPWI journey](#). In practice, companies committed to NPWI can take action in three ways: (a) reducing the footprint (e.g. by greater efficiency); (b) investing in restoring or replenishing water-stressed regions; and (c) working collaboratively on the ground to have an impact on the scale in water basins.
- 6. Innovation in company practices is needed and also happening; however, it is a challenge.** In agriculture, for instance, [Regenerative Agriculture](#) or Organic Agriculture are opportunities to reduce surface water runoff and improve water quality: that is through soil regeneration, more emphasis on cover crops, and reduced use of chemical input. However, lack of data, lack of collaboration in value chains, lack of incentives for farmers, and lack of a clear, and trusted definition, are still preventing Regenerative Agriculture from scaling rapidly. Solutions are being discussed, however, and similar to the collaborations around water the business community is trying to scale these sustainable practices, also [with assistance from UN Environment](#). Food companies and agricultural retailers have key roles in any transition to regenerative agriculture.

Several hurdles to more projects and innovative solutions have been mentioned: ① (Water) associations in California are hesitant to comment on water, possibly due to perceived political risks ② Finding appropriate projects with the right partner is challenging, ③ Quantifying data is difficult (collecting data is not enough; data must be translated into action, meaning that a fixation on data collection can become a barrier in itself), and ④ Connecting the financial impact of water risk to climate change is not taking place as needed.

Roundtable participants mentioned that more pre-competitive collaboration is required, and positive stories about the opportunities and practical solutions must be communicated. Stories about bearing and sharing the risks and burdens with suppliers must be told, and investment opportunities must be enabled. After all, everybody will benefit from water resilience.

- 7. A practical Roadmap for Net Positive Water Impact, specifying how to achieve solutions faster, is needed and already under preparation.** At its heart is a system of partnerships and strategies to build and implement over the next 5-15 years a water-resilient future for California and conserve its environment.



Fig 1: Developing a Roadmap for Collective Net Water Impact in California – Five Action Items.
Source: Water Resilience Coalition, 2023

The Roadmap is being implemented in a way that honors reality and the complexity of the practical vs. theoretical visions of water. Key partners are the state government, the scientific and business communities, as well as the local communities and NGOs. However, although participation is good, the transition needed

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requires a ten-fold increase in participation to reach a truly measurable scale as one expert explained. Below find the intervention strategies and spheres of influence:

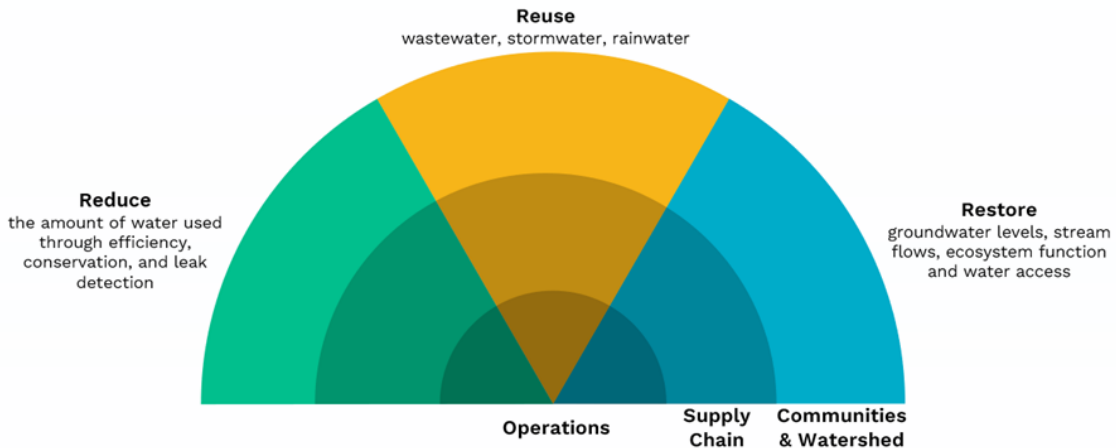


Fig 2: Developing a Roadmap for Collective Net Water Impact in California – Intervention Strategies and Spheres of Influence.
Source: Water Resilience Coalition, 2023

A key result, summarized as a conclusion of this Roundtable, is that the collaborative efforts that began at this event have set the business community on a path to create the California Water Resilience Initiative (CWRI), which is now driving the roadmap for a sustainable future in a more water-resilient California, built on two critical objectives:

1. Identifying and accelerating investments in projects and solutions that combat the water-climate crisis.
2. Driving collective action to establish water security and resilience on a significant scale within stressed basins across California.

The Next steps after this Roundtable have been developed: A first follow-up meeting on Nov 15th, 2023, to review the event insights and initiate the next action points.

Further reading:

Barton H. Thompson Jr. (2023): Liquid Asset: How Business and Government Can Partner to Solve the Freshwater Crisis. Stanford.

Note: Part of this Executive Roundtables was conducted under the Chatham House Rule, which is why no statements are attributed to any participants.