

WATER

Background

Water is a critical issue in terms of both human development and environmental sustainability, with many areas of the world already surpassing 'peak ecological water'¹. Despite the UN establishing the right to water as a basic human right in 2002², almost one billion people worldwide still lack access to safe drinking water.

Water stress – where demand exceeds supply – is also a problem within the UK, with 12 of the 22 water regions in England showing serious levels of water stress³. Climate change is forecast to further aggravate these issues.

Materiality and strategy

The Co-operative consumes water through its estate of over 5,000 properties, and through the 17,541 hectares of land managed by The Co-operative Farms. In addition, water is consumed indirectly, through the water use embedded in the production of food products, and the potential to influence water stewardship indirectly through the investments of The Co-operative Financial Services (CFS). Water consumption within the Food supply chain is likely to be significantly larger than direct uses.

The Co-operative's approach is to prioritise its direct consumption over which it has control. The Ethical Operating Plan (page 13) targets a reduction in water consumption across operations; water stress is the focus when considering indirect consumption within The Co-operative Food's supply chain, and suppliers are encouraged to practise good water stewardship. Water and sanitation are crucial components of the community investments delivered within the tackling global poverty programme (page 22).

🎯 Targets 2010	Progress	🎯 Targets 2011
Indicator: Water consumption across estate		
Reduce water consumption across The Co-operative's estate by 5% in 2010, excluding The Co-operative Farms.	✓ Total estimated water consumption across the estate decreased by 10.2% (see below).	🎯 EOP Reduce water consumption across The Co-operative's operations by 10% by 2013.
Improve water consumption accounting and reporting across The Co-operative.	✓ Water reporting now accounts for 63% of the estate, compared to 40% in 2009 (see below).	Further improve water consumption accounting and reporting.
Introduce a water policy framework for own-brand produce suppliers for The Co-operative Food to encourage better water stewardship.	⇒ In 2010, The Co-operative Food took the decision to adopt the Institute of Grocery Distribution (IGD) guide to 'Understanding, Assessing and Managing Water in Grocery Supply Chains' in place of its own water policy framework (page 79).	Produce an Agronomic Code of Practice and disseminate to all suppliers.

Water consumption

The Co-operative Estates

The Co-operative Estates is a large but non-intensive user of water.

🎯 Water bills are currently stored on a number of different systems, and data from the most comprehensive of these, which accounts for 63% of the estate (2009: 40%), is the basis for reporting and targets setting⁴.

🎯 In 2010, total estimated water consumption across the estate decreased by 10.2%, and estimated average water consumption per site decreased by 6.2%.

	2008	2009	2010
Average water consumption per site (m ³) ⁵	443 📈	390	366
Total water consumption (million m ³)	2.5	2.2	2.0

The Co-operative Farms

As the UK's largest farmer, The Co-operative Farms manages 14 farm units in England and Scotland, covering 17,541 hectares of land (of which 11,133 hectares are owned/tenanted by The Co-operative). Water consumption on farms is particularly affected by levels of rainfall, with dry years causing significant increases in the use of abstracted water for irrigation⁶.

Complex ownership, management, contracting and partnership agreements across The Co-operative Farms make the compilation of exact water consumption figures challenging. Water consumption figures for Farms are based on spray records and irrigation figures provided by farmers⁷.

	2007	2008	2009	2010
Water consumption (m ³ per cropped hectare)	24	18	37	43
Total water consumption (million m ³)	0.4m	0.3m	0.6m	0.7m

Rainwater collection at The Stoughton Estate

Rainwater is collected from the roof of the toilet block of the From Farm to Fork (page 57) buildings on The Co-operative Farms' Stoughton Estate. It is filtered and heated by solar panels, before being used by school children to wash their hands. Excess water is used by the children to irrigate crops in the farm's polytunnels.



Supply chain

In 2010, The Co-operative Food took the decision to adopt the Institute of Grocery Distribution (IGD) guide to 'Understanding, Assessing and Managing Water in Grocery Supply Chains'⁸ in place of its own water policy framework. In doing so, it joined forces with industry leaders to present a united message to suppliers about water conservation. This avoids multiple demands being placed on suppliers from different buying companies.

The IGD guide references the work of WWF on water, and sets out a three-stage approach to water management, recognising water stress as an issue in stages two and three. Links to the guide have been sent to major suppliers and added to the online supplier management portal. In the course of 2011, the guide will be supplemented by The Co-operative's own Agronomic Code of Practice, which includes a specific set of measures on water in agriculture, irrigation and the use of water in processes.

In addition, The Co-operative Food is a member of IGD's water stewardship council. The council is in the process of conducting a case study into water usage in a UK water catchment system, in order to holistically account for all demands for water use in the system. Results of the case study are expected in 2011.

Ethical finance

The Co-operative Asset Management (TCAM) engagement

Water Disclosure Project In late 2009 The Carbon Disclosure Project (CDP) launched its Water Disclosure Project, supported by 137 financial institution signatories including CFS. The project aims to make data available to institutional investors for assessing risks and opportunities associated with water scarcity and to help drive investment towards sustainable water use. In April 2010 a questionnaire requesting data on water usage and exposure to water-stressed areas was sent on behalf of these signatories to

302 of the largest 500 companies in the FTSE Global Equity Index Series that operate in sectors that are water intensive or exposed to water-related risks.

Responses were received from 150 companies and summarised in the Water Disclosure Global Report. In December 2010, The Co-operative Asset Management wrote to 10 non-respondents, urging them to participate in the project and to disclose data on total water use, water recycling, exposure to water-stressed areas and future water use goals.

- TCAM overseas shareholder resolutions** In 2010, TCAM was presented with two overseas shareholder resolutions relating to water. The resolutions called on Ecolab Inc and Exxon Mobil Corp to adopt policy commitments to the human right to water. Both resolutions were supported.

Affinity products and services

Fairbourne Springs

The Co-operative's own-brand bottled water, Fairbourne Springs, funds PlayPumps™ in Southern Africa (page 28). In 2010, The Co-operative sold 25,125m³ of Fairbourne Springs water, resulting in 160 (2009: 137 ⁹) PlayPumps™ being funded in 2010, which will provide a further 0.3 million m³ (2009 0.3 million m³ ¹⁰) of pumping capacity.

Due to increased logistical difficulties, there was a greater delay between funding and installation of pumps in 2010 than in previous years. All remaining PlayPumps™ will be installed in 2011.

The approximate number of beneficiaries from PlayPumps™ in 2010 was 404,000.



PlayPumps™

Year	Number of PlayPumps™ installed	Cumulative water pumped (m ³) ¹¹
2007	31	36,000
2008	34	124,000
2009	147	276,000
2010	70	538,000
Total	282	974,000

Water and sanitation beneficiaries 2010

508,900 estimated water and sanitation beneficiaries in the developing world

Climate change

Waste and packaging

Water

Biodiversity

Chemicals

WATER

The Co-operative antibacterial handwash

In early 2011, The Co-operative Pharmacy launched an affinity product with UNICEF. For each sale of its 250ml hand wash, The Co-operative Pharmacy will donate 15p, which will go towards extending the scope of a sanitation project in Togo (page 30).



Carbon offset

The Co-operative invests in carbon offset projects, one of which is a treadle pump scheme in India (page 67). In addition to providing an alternative to diesel-powered pumps and associated CO₂ emissions, over the course of a year, each treadle pump provides, on average, 5,100m³ of irrigation water outside of the monsoon season. An estimated 52,400 individuals benefited from treadle pumps in 2010.

Treadle pumps

Year	Treadle pumps funded	Cumulative pumping capacity of pumps funded (m ³)
2007	27,922	144m
2008	57,631	440m
2009	53,052	713m
2010	10,482	767m

The large decrease in the number of treadle pumps in 2010 is due to fewer offset credits being available from this project.

Community involvement

Water and sanitation beneficiaries in the developing world

Development uplift projects, with a focus on providing water, sanitation and renewable energy solutions, are an important focus for The Co-operative's work to tackle global poverty (page 22). Four projects aimed at improving access to clean water, sanitation and hygiene education are currently underway, two in Malawi, one in Mozambique and one in Panama (page 30). The estimated number of beneficiaries from these projects in 2010 is 52,500.

Water pump in Bauleni village, Malawi, a community investment beneficiary.



Accompanying notes

- The Pacific Institute defines 'peak ecological water' as being a state in which 'humans use more water than the ecosystem can sustain without significant deterioration and degradation', www.worldwater.org/data20082009/ch01.pdf
- In November 2002, the United Nations Committee on Economic, Social and Cultural Rights affirmed that access to adequate amounts of clean water for personal and domestic uses is a fundamental human right of all people.
- Environment Agency (2007) Identifying areas of water stress.
- An extrapolation was made to estimate full consumption.
- Total number of sites decreased from 5,738 in 2009 to 5,490 in 2010.
- Abstracted water in 2009 accounted for 90% of total water consumption, as opposed to 70% in 2008 and 67% in 2007.
- The Environment Agency and Scottish Environmental Protection Agency stipulate that farmers must keep a record of water abstracted.
- www.igd.com/water
- In the 2009 Sustainability Report, the 'pumps installed' figure was erroneously reported as the 'pumps funded' figure.
- In the 2009 Sustainability Report, 'increased capacity due to pumps installed' was reported. This has been changed to 'increased capacity from pumps funded', in order to be more consistent with reporting in the International Development chapter. However, once rounded up, 2009 figures from both pumps installed and pumps funded are the same.
- Figures in the table are based on PlayPumps™ spinning for four hours a day, pumping 1,400 litres an hour. This figure is multiplied by the number of pumps installed in that year (according to the rate at which they were installed), and the number of days in a year.