Contribution from the Major Group Business and Industry to the Third Session of the General Assembly of the Open Working Group on Sustainable Development Goals

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My name is Jack Moss, I am speaking for the Major Group Business and Industry, trying to cover industries of all sizes from tiny local businesses, through small and medium enterprises to large multinationals. I have been the water spokesman for this group during the Rio conference and its preparatory process. I therefore have strong motivation towards water as a subject.¹

Over the last two days we have heard many interesting things: aspirations, hope, ambitions - poverty alleviation, well-being, happiness, harmony. We heard talk of sustainable development as being 3 integrated dimensions linked and interacting with each other, environmental, social and economic. I am sure this is the right way to look at sustainable development.

In side event organised by Germany, we heard the need to be practical, to devise solutions that work in the real world but also of the challenges of politics and negotiation, power, sovereignty, subsidies and trade.

Others talked of a new vision of society and others again about how to pay, - about new ways to see the value of things and new visions of economics. There was talk about transparency, governance and involvement, but also about leadership and decision-making by governments.

In short we heard of extreme **complexity**.

1. Our first message is therefore on this issue of complexity

From this complexity, we are all faced with devising a small number of simple Sustainable Development Goals that will help to take us towards a new order in a sustainable world and away from the many unsustainable divergences that face us today.

We heard many, and sometimes diverging proposals, that people hope will meet this challenge of high aspirations in extreme complexity. The richness of these suggestions adds to the complexity of the challenge of finding solutions. Some of these proposals are repeated in different forms and indicate that convergence is possible.

What we did not hear was any way to structure the complexity around some manageable organisational principles.

¹ Please note while this is not a pre-agreed statement it seeks to express commonly held positions by the community represented, but engages the speaker alone. It is an extended version of the remarks given in the session of the Open Working Group.

I know from my early management career in construction that a successful building emerges from a project that combines a clear view of the functions to be performed by the finished structure, and from a well organised design and construction process that works upwards from the foundations to the internal finishes.

In our process of constructing a new and better world, we need to build on sound foundations. We see the SDG's as being these foundations. However, it sems that a significant part of our current discussion is starting somewhere in the middle and that may be a mistake.

We would therefore like to propose that as an organisational principle one should look at the basic elements that form the foundations of any future sustainable development path.

For an individual organism, be it an insect, a plant, a fish or human being, I identify 6 fundamentals that are essential for survival. These are atmospheric gases to breathe, water to hydrate, place to exist (for most of us land, but for others the oceans and freshwater), energy (either direct from sunlight or in a secondary processed form), food (which is mainly a product of air, water, land and energy), and what most people forget, the ability to dispose of the wastes created by using these 5 other elements of survival.

It is only once an organism or a person has these 6 fundamentals satisfied that it can aspire to going beyond the struggles of survival to the possibility of reproduction and, in the case of humans, higher aspirations such as education, health, employment, stretching up to happiness leisure and well-being.

We would therefore suggest that we need to look at a first tier of sustainable development goals that address these 6 essential fundamentals. Such an approach needs a goal for each and needs to recognise that while each is interlinked and inseparable from the others, they all also have their own specific characteristics that need to be understood and worked in to the targets and indicators that will support each goal.

Once we have a firm platform for these 6 issues we can then use them to support the higher aspirations such as poverty alleviation, gender equality, public health, employment, well-being and so forth.

That is why we liked the clear proposal made yesterday about water with a single overarching goal linked to "water security" and 3 focused, interconnected and supporting targets that collectively make water management and it's contributing to society, the environment, and economics a reality.

We will return to this later in this presentation.

2. Lessons from the MDGs

We talked about the lessons and unfinished business of the water and sanitation MDGs. A lesson that I don't think has come across clearly is the importance of using clear definitions and well adapted monitoring processes. Unfortunately there has been confusion and obscurity created by the misuse of three adjectives applied to access, "Safe, Clean, Improved". The MDG aimed at access to "**safe**" water, whereas the indicator used to assess progress is "**improved**". Improved sources are essentially those that are segregated from use by animals. Much evidence indicates that "improved" sources do not equate with "safe". This has led many people and governments misinterpret the UN statistics and believe that only 800 million people lack access to safe drinking water, whereas in truth close to 2 billion people or more use unsafe water and half of humanity does not have its human right to water satisfied (see AquaFed reports).

Another difficulty is in the difference in the way access is defined in terms of distance from the user to the point of service. If these were comparable for water and sanitation, we would also find that the situation reported for water would be much less favourable than that reported.

Finally to truly protect public health, sanitation must be much more that simply improved latrines.

3. Importance of water to business

Water is a big and growing issue for businesses of all kinds. This applies to all three interlinked dimensions of sustainable development. Essentially with no water there can be no business and therefore none of the products and services that businesses provide into your communities and environments.

The interest of business does concern water and sanitation, which we recognise are essential as a very effective form of preventive health. This is important for us so we can have healthy employees and customers. We recognise the importance of the human right to access to safe drinking water and sanitation and want to see its implementation.

However, the interest in sustainable water goes well beyond this. Let me illustrate this by citing two recent business surveys. The first was conducted by the World Economic Forum in its "Global Risks Report 2013" <u>http://www.weforum.org/reports/global-risks-2013-eighth-edition</u>. This report identifies water supply in a sample of 50 different risk subjects. Water supply risk has risen to number 4 in terms of "likelihood" of occurrence and number 2 in terms of "impact". The second survey was carried out by the Economist Intelligence Unit "Water For All, A study of water utilities' preparedness to meet supply challenges to 2030" <u>http://www.oracle.com/webapps/dialogue/ns/dlgwelcome.jsp?p_ext=Y&p_dlg_id=1275866</u> <u>6&src=7604535&Act=15</u>. This report surveyed the leaders of both public and private operators of water supply systems in developed countries. It identifies a number of risks in terms of severity and likelihood and the three top ones are i) drought, ii) pollution of water sources and iii) failed infrastructure.

These surveys just give an indication of the ways the business and industry community sees the importance and challenge of a sustainable future for water and the need to support your work in the Open Working Group.

4. Approaches to including water in the future SDGs

The Open Working Group has had a paper on water prepared for it by the Technical Support Team. You are probably also aware of the draft paper that has been made available for public consultation by the Sustainable Development Solutions Network. The first paper proposes two alternative approaches to water (in its widest sense). These alternatives are either to have a specific water goal that addresses the key issues of access to water and sanitation, water resource management and management of wastewater, or to embed water into other goals and not have specific water goal. We specifically avoid using the expression "stand-alone goal", because as already indicated there must be complete interconnection between the fundamental goals.

The Sustainable Development Solutions Network comes down on the second approach advocating for no specific dedicated goal for water.

Let me deal with this second position first. The importance and complexity of devising and implementing policies for the allocation and management of water throughout the water cycle and the vital role this "primary resource" plays in all dimensions of sustainable development is recognised by more and more stakeholders, including the business community. For this reason alone not dedicating a specific goal to water is a serious omission. This is all the more so with the growing realisation by many stakeholders throughout the world that water is a limited and irreplaceable resource and only a renewable one if well managed.

The idea that water is cross-cutting so does not deserve a goal of its own is seen by many decision makers as an irritation, whereas in reality, without significant improvement of water management across the globe most of the goals that the document proposes and that the OWG is considering cannot be realised.

A specific goal on water with its attendant indicators is going to be needed. This goal needs to be developed under a general concept of ensuring water security and must encompass the 3 related aspects of access to safe drinking water and sanitation services, the protection, allocation and quality of water resources, and the reduction and removal of water pollution to enable more re-use of water that has already be used for other purposes and to protect other users and the environment from water pollution.

We do not find the paper's arguments for not including a specific water goal as set out in point 20 on page 31 of the paper in any way persuasive. The arguments used there are unconvincing.

The importance of an integrated approach to water as a fundamental enabler of sustainable development and primary resource for social well-being, economic development and environmental security clearly calls for a dedicated water goal. This water goal should reflect the importance given to water in the "Future we Want" as well as the overwhelming support given in the global UN online consultation and the advice from many water and non-water experts.

Pursuing the approach of diluting water within other goals, while not giving it a clear goal in its own right, also makes it almost certain that water will be under-represented in the process of determining the SDG's, because it means that a significant presence of water experts will be required to make input at every meeting and deliberation that leads to the goals being finalised, which is unlikely to happen. It presents a serious risk of leading to the exclusion of water as a vital issue from the process.

You will understand from this position, that we do not support the "either or" approach suggested by the Technical Support Team. What we do see as being the right approach is a combination of the two approaches. A dedicated water goal is clearly needed and water also needs active consideration and integration into other goals, both the 6 primary ones that we recommend and the more aspirational goals that they will support and enable.

The global water community is currently focussed on the challenge of the devising the detail targets and attendant indicators and monitoring processes that will be need to make a dedicated water goal a real and useful tool in the drive to a more sustainable, poverty free, inclusive, world where 9 billion people can live well and within the long term capacity of the planet to support them.