

Implementation of the AWS Standard by OLAM International in Tanzania



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AWS FOUNDING PARTNERS

ALLIANCE FOR WATER STEWARDSHIP

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The CEO Water Mandate



WHY A WATER STEWARDSHIP STANDARD?

- Establish global **consistency of approach**
- Drive **transparency**
- Engage diverse **stakeholders**
- Provide credible **recognition**
- **Connect** global with local
- Create **coherence**
- Framework for **locally-appropriate action**
- **Globally-consistent outcomes**



AWS STANDARD: OUTCOMES

GOOD WATER GOVERNANCE



SUSTAINABLE WATER BALANCE



GOOD WATER QUALITY



IMPORTANT WATER-RELATED AREAS



MULTI-STAKEHOLDER PROCESS



- **developed and agreed upon in 2013** to drive greater quality and consistency amongst standards and also help buyers, procurers and other users of certification to understand what to look out for.



SYSTEM DOCUMENTATION





Olam International Limited

 Olam origins



- ✦ Born in 1989
- ✦ 65 countries
- ✦ 16 platforms
- ✦ 44 products
- ✦ 4Mn+ smallholder farmers
- ✦ 23,000+ employees
- ✦ 15,9Mn tons of products
- ✦ 20,8Bn S\$ sales revenue



At Olam, we believe that **profitable growth** needs to be combined with a way of doing business. It involves creating value on an **ethical, socially responsible** and **environmentally sustainable** basis – we have called this '**Growing Responsibly.**'

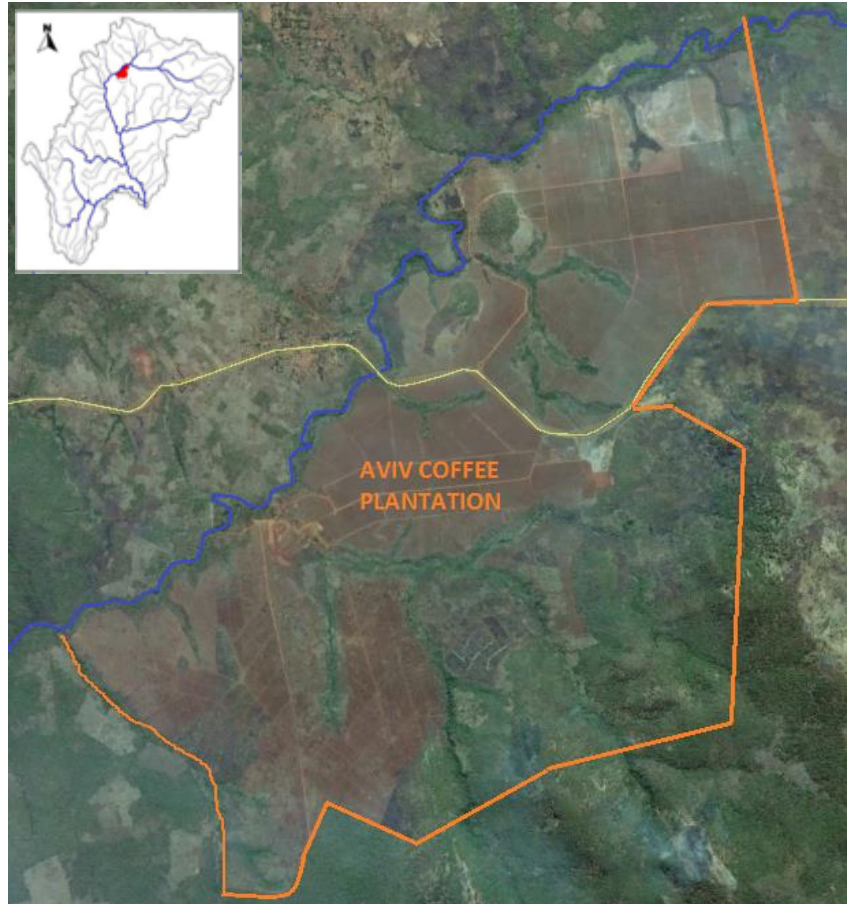


Sunny Verghese
CEO, Olam Int'l

GROWING RESPONSIBLY

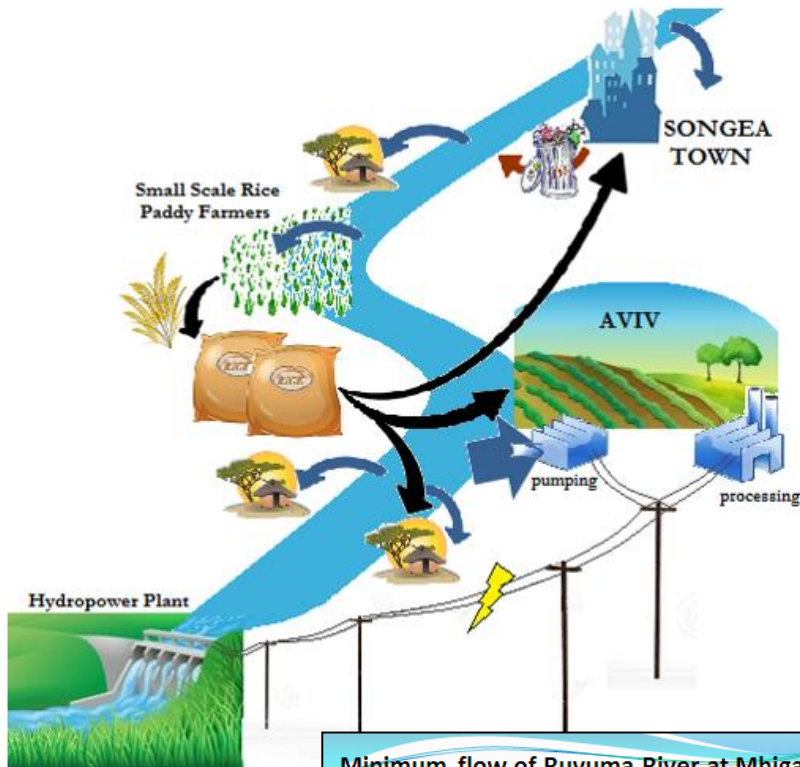


Aviv Coffee Plantation in Tanzania



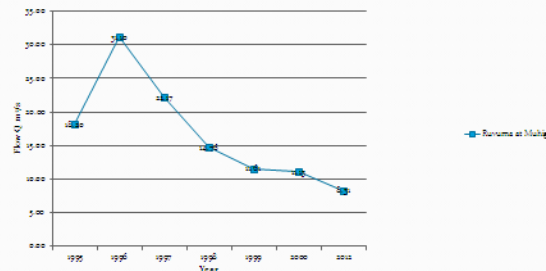
- ✿ Located in Upper Ruvuma sub-basin (5th largest basin in East Africa);
- ✿ 1,100ha of irrigated Arabica coffee plantation (directly from Ruvuma River);
- ✿ Original Water Use Permit granted in March 2012 for 60,000m³/day;
- ✿ Annual water requirements of 6.4Mn m³ for primary processing and drip irrigation;
- ✿ Naturally dynamic physical environment of regular flood and drought events.

Catchment Context & Shared Basin Water Risks



- ✦ Olam internal standards and policies;
- ✦ Development of sub-catchment IWRM Plan;
- ✦ Upstream/Downstream inter-dependency;
- ✦ Reduction in natural flow (Climate Change);
- ✦ Increasing basin demand from domestic use and agriculture;
- ✦ Need for maintaining Min Env. Flow;
- ✦ Weak governance and financial means;
- ✦ Creation of platform of dialogue to cool down stakeholder relationships;
- ✦ Increase in storage capacity at Aviv.

Minimum flow of Ruvuma River at Mhiga Station
Minimum Flow (m³/s) versus year



➡ **How to harvest benefits from work already accomplished into a framework allowing continuous improvement and allowing scalability?**



The CEO Water Mandate



- Gap analysis
- Action plan – closing the gap
- Mock assessment
- Input and outcome tracking
- Guidance & training
- Audit certification



Improved water quality management & pollution control

- improved erosion control & reduced soil loss;
- investment in water quality monitoring;
- comprehensive pollution control;
- addressing basin-wise pollution risks.



Sustainable water balance & equitable use

- proactive approach to conflict resolution
- protecting environmental flow needs;
- strengthening compliance.



Water supply, sanitation and hygiene provision

- safe and sufficient supply of potable water;
- provision of hygienic conditions.

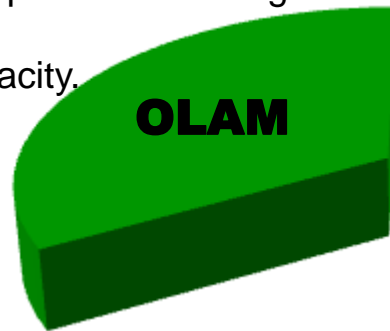
Improved governance & systemic changes

- improved coordination to manage water risks;
- constructive advocacy at national level.

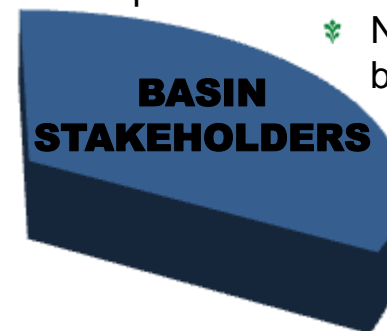


Costs & Benefits to all stakeholders

- ✦ Long term security of business operations;
- ✦ Reduced likelihood of regulatory actions;
- ✦ Long-term cost savings;
- ✦ Demonstrable credibility as a responsible water steward;
- ✦ Ability to scale best practice across global value chain;
- ✦ Enhanced staff capacity.



- ✦ Direct contribution to improved water security for 14,000+ people;
- ✦ Actions on water management towards communities and outgrowers;
- ✦ Reduced risk of pollution;
- ✦ Equitable water use amongst users;
- ✦ New investment towards sub-basin water management.



the AWS standard helped strengthening and structuring existing water stewardship efforts



- ✦ Advocacy for improved water resource management in Tanzania;
- ✦ Private sector alignment and compliance with water policy and legislation framework (WRM, 2009);
- ✦ Targeted support for the formation of Water User Association;
- ✦ Strategic beach-head for stewardship in the region (Training and uptake).

Challenges in implementation



Exposure to new risks



Overlap with internal management systems



'Sustainability gap' – adaptability to Tanzanian context



Readiness from other stakeholders



Cost of certification / Availability and readiness of certifiers

Want a copy...

- ✿ AWS is a cost effective and powerful mechanism for water stewardship and delivery of improved water security in Africa.
- ✿ Instigates new investment and new partnerships .
- ✿ Significant potential in governance challenged catchments.
- ✿ Scalable and sustainable business model.
- ✿ Outreach, support and quality of application are crucial.
- ✿ Knowledge management essential to track and share benefits and evolve the system for Africa.

