

The Gold Standard[®]



Communication Recommendations For Water Benefit Certificate Buyers (beta)

The WBC mechanism uses a market-based approach centred around the idea of financing water related projects based on the environmental and social benefits they generate. Water Benefit Certificates (WBCs) serve as a common currency for a wide range of water projects and capture these benefits by certifying that a certain volume of water has been sustainably conserved, supplied or purified by a given project during a specific period of time. At the same time, each WBC project must fulfil thorough water quality and sustainability criteria. The sale of the WBCs generates revenue that is used to support the project activity.

Two scientific characteristics make 'water' and the related WBCs unique compared to other environmental certificates (such as carbon reduction or renewable energy certificates):

- **For water, geography and time are critical aspects of availability and management.** All water issues are inherently local such that e.g. a reduction in the use of water in one watershed does not affect water availability in another;
- Water is a renewable but limited resource that cannot be substituted for another.

Water therefore cannot be directly traded as a “like for like” currency. That is, a user of water in one geographic location cannot simply purchase water saved in another geographic location to “offset” their own water usage.

This difference has a significant impact on the communication options for purchasers of WBC. Specific WBC buyers' communication strategies shall be left up to each individual buyer to determine how best to convey WBC purchases to the public. However, whilst claims that misrepresent the environmental and social benefits of WBCs will undermine the credibility of the buyer, they may also serve to undermine the quality of the WBC brand. To avoid such miscommunication, buyers will be required to communicate within the broad recommendations detailed below. These also indicate which claims should be avoided.

Purchasers of WBCs can actively communicate:

- The kinds of WBCs purchased (e.g. the volume, type of project(s) financed);
- That the purchase of WBCs supports beneficial and verified outcomes in water-scarce regions that need the investment the most;
- How the specific project that was financed through the purchase of WBCs delivers water and other socioeconomic benefits;
- How this fits into and complements the buyer's water management or sustainability strategy (e.g. as part of a results-based water impact financing program or a corporate water strategy). Such communication could be included e.g. in annual sustainability reporting;
- How the purchase of WBCs contributes to fulfilling one or multiple sustainability criteria from rating agencies – e.g. Sustainable Asset Management (SAM) or the Carbon Disclosure Project – Water Disclosure (CDP-WD).

Purchasers of WBCs are asked to avoid communications claiming:

- That they have purchased a sufficient number of WBCs to offset their own water use and consequently become water neutral;
- That the purchaser has a net zero water impact on the environment as a result of purchasing WBCs.

The following are examples of how the purchase of WBCs might be communicated:

- To support good water practices beyond our operations, we have purchased 1.000 WBCs as part of our water impact financing strategy. With this investment, we support the supply of 1 million m3 of fresh drinking water to rural communities in Mali.
- Through the purchase of 100 WBCs, we directly support projects that promote the spread of water-efficient technologies in Mexican households as part of our corporate water strategy.
- To address concerns of water scarcity within our vast agricultural supply chains, we have supported the spread of drip irrigation technology to some of our Indian suppliers through the purchase of 500 WBCs. This verifies not only improvements to agricultural productivity, but also that the living standards of smallholders and their families have risen.