

**WATER, POWER, DEVELOPMENT
CONFERENCE: EMBASSY OF SWEDEN
Washington, D.C.
11 April 2007**

**REMARKS BY GAVIN POWER
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Excellencies, ladies and gentlemen, friends and colleagues – it is an honor to be here and I wish to acknowledge the leadership of Ambassador Lund, the Embassy of Sweden and the Swedish International Water Institute for convening this important seminar.

The United Nations Global Compact was launched in July 2000 with the objective of creating an international partnership between the private sector, governments and civil society that would – as Secretary-General Kofi Annan then put it – help give a human face to globalization.

An experiment at first, the Global Compact has grown into a truly international initiative. Today, more than 4000 companies in over 100 countries have joined the Compact and are working – at the CEO level – to implement its ten principles in the areas of human rights, labour standards, the environment and anti-corruption.

The Government of Sweden has been among the Global Compact's strongest supporters, and we are proud that so many Swedish companies have been actively involved in the Compact from its beginning. Indeed, their leadership on a range of issues has served as a model for many companies around the world.

In addition to its ten core principles, the Global Compact focuses on priority development issues where the power of the private sector can be leveraged. Water, we think, is one such issue.

The picture is indeed grave:

- **1 billion people with no access to clean water**
- **2.6 billion without adequate sanitation**
- **1.8 million children dead each year from preventable water-borne diseases**

As the theme of today's conference highlights, this is not merely an environmental and humanitarian crisis but a development crisis. Water scarcity and poor sanitation – including substandard infrastructure and delivery systems – make a mockery of development objectives -- depriving societies and communities of a true lifeblood.

Indeed, water's central role within societies and economies is the reason it is enshrined in the Millennium Development Goals.

And just as the international community is focusing attention on this global crisis, so too is the business sector – recognizing the risks and opportunities associated with water stress, particularly in emerging and frontier markets.

While companies have had water-management policies for some time, the scope is changing significantly as the full scale of the current crisis sinks in. Among the changes:

- The recognition by private enterprise of the extent to which they use water in the production of goods and services, not just directly but across their supply chains.**
- The understanding that business sustainability depends on the sustainability of societies and natural resources. Water shortages, for example, have the potential of seriously disrupting business operations in the markets of the future.**
- The awareness that corporate and brand reputations could be at risk if business is seen as part of the problem rather than as part of the solution.**
- The realization that helping to solve the water crisis can generate tangible benefits, including significant cost efficiencies and new business opportunities.**
- And finally, a growing acceptance that the private sector has a responsibility to act where governments fail -- for whatever reason -- to do so.**

Thus, we see rising numbers of companies in all sectors beginning to make water management a priority, using newly developed tools and resources. Many of these corporate pioneers are in this room today.

What we need more of, clearly, are collective efforts which unite companies across industries and with other important global stakeholders to help solve the water crisis. In other words, scale.

On Thursday, here in the House of Sweden, the UN Global Compact, in partnership with the Embassy of Sweden and the UN Environment Programme, will convene a working session with some of the world's largest companies to explore the development of a unique private-public collective effort focusing on water.

Our hope is to announce a framework for action at the Global Compact Leaders Summit in July, in Geneva, where nearly 1000 CEOs, government ministers and heads of civil society will be gathered for the largest UN event ever held on the topic of corporate responsibility. We think this event, to be chaired by Secretary-General Ban Ki-moon, will offer a powerful platform to mobilize action.

Again, I wish to thank the Government of Sweden, the Embassy of Sweden and SIWI for their leadership on this critical topic. If there's one thought I'd like to leave you with it is this: the water crisis can be solved, if we work together.

Thank you.