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## The next carbon?

CARBON might well have the headlines at the moment but policy-makers and governments need to be aware that water security is a potentially catastrophic issue on both a global and local basis. ACCA (the Association of Chartered Certified Accountants) recently produced a discussion paper - "Water: the next carbon" - which argues that water needs to be given more attention.

ACCA is taking the issue so seriously that it has teamed up with WWF UK to bring it to the attention of UK businesses. Both organisations have signed a Memorandum of Understanding to work together on ACCA's UK Awards for Sustainability Reporting 2009 research, which will assess the standard of UK disclosures on water use and management.

Ultimately, Welsh businesses should be addressing and reporting on the importance of water resources and management in their operations as well as upstream and downstream activities - an element of which is calculating the water footprint.

Dr Dave Tickner, head of freshwater programmes at WWF UK, spoke at a recent ACCA event on Water Footprinting. He believes that there are physical, financial, regulatory and reputational risks arising from water scarcity and management issues. These include problems emerging through flooding, pollution and scarcity of water in the regions where an organisation operates, as well as an increase in water tariffs and cost inflation of water as a result of increasing water stress. As water scarcity increases, governments may decide to control business water use and decrease the number of water extraction licences issued. For many years, water has been a focus for environmental NGOs, charities and scientific research and with it the growing realisation that water is a significant material risk.

Unless businesses are aware of the ramifications of water misuse, it will become a problematic issue both globally and here in Wales

To access the report visit <http://www.accaglobal.com/documents/WaterFootprinting.pdf>

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