

Frequently Asked Questions about the Freshwater Challenge Business Supporter Program

SEE PAGE 2 for more details on joining the Program

- Which countries are currently a member of the Freshwater Challenge? Here is the latest list of Member Countries: <https://www.freshwaterchallenge.org/joining>
The Freshwater Challenge is open to additional countries, provided they make a commitment to establish quantifiable targets (in hectares/kilometers) by 2025 in their national plans to restore and conserve freshwater ecosystems.

- What is the role of the NGOs/UN Agencies involved in the FWC? The Freshwater Challenge is a country-led initiative, and a voluntary partnership. The Governments (“Country Members”) form the membership of the challenge, and guide and decide on the direction and strategy for the initiative. They are supported by a group of partners, namely:

- **FWC Core Partners** - Conservation International, IUCN, TNC, WWF, Wetlands International, UNEP, UNCCD, the Secretariat to the Ramsar Convention on Wetlands. They have been involved from the inception with supporting the creation of the FWC and provide secretarial and coordination support to the FWC Members (e.g. technical assistance), and, where requested, supporting implementation in Member countries

- **Supporting Partners:** Organisations supporting FWC implementation in Member countries, including Birdlife, FAO, IWMI, UN Water and WWT.

- What is the role of the NGOs/UN Agencies involved in the FWC business Supporter Program?

The FWC Business Supporter Program is coordinated and shaped by the FWC Core Partners, who, in consultation with the countries, also take the lead on the screening and onboarding process for (prospective) business supporters.

- Who funds the Freshwater Challenge?

The Freshwater Challenge has to date been fully funded by in-kind and grant contributions of the Core Partners, as well as some private sector contributions, both in-kind and cash. To sustain the support longer-term, we are looking for additional funding partners.

- What do you mean by ‘protection’?

As part of the Challenge’s goals, governments and other stakeholders should effectively conserve and manage freshwater ecosystems, especially areas of particular importance for biodiversity and ecosystem functions and services, through ecologically representative, well-connected and equitably governed systems of protected areas and other effective area-based conservation measures, integrated into the wider basin, while recognizing indigenous and traditional territories.

- What do you mean by 'restoration'?

The UN Decade on Ecosystem Restoration defines restoration as “the process of halting and reversing degradation, resulting in improved ecosystem services and recovered biodiversity.” Thus, restoration is a deliberate process, requiring focused actions that will rehabilitate freshwater ecosystems or habitats, by repairing, rejuvenating or regenerating them after they have been degraded, damaged, or altered by human activities or natural events. These actions must enhance the ecological integrity, resilience, and functionality of the ecosystems so that the ecosystems can successfully achieve the desired outcomes of the restoration.

Restoration is implemented to ensure the ecosystem is brought to some desired state of ecological integrity of the ecosystem’s biodiversity and ecosystem processes, which will deliver specific desired ecological or societal outcomes, or a combination of them. This ecological integrity includes, for example, the ecosystem’s species composition, hydrology, soil composition, nutrient cycling, water purification and storage, habitat provision, and carbon sequestration; the ecosystem processes that these contribute to, and landscape connectivity.

Measuring, monitoring and reporting on the restoration of freshwater ecosystems faces a lack of a common approach and harmonized set of indicators. There is work underway to address this and streamline reporting and indicator frameworks - including between the public and private sector - by the FWC's Technical Assistance Working Group. Their indicator recommendations will be broad to address country stakeholder, development partner, private sector and public information needs. Engagement of the private sector on alignment and use of the recommended indicator framework will also be an important element. While this work is underway, business supporters can use some of the resources/guidance recommended in the program document, under Annex 1 'Disclose'.

About the Freshwater Challenge Business Supporter Program:

- Why should my organisation focus on Freshwater Ecosystems? Freshwater Ecosystems are among the most heavily degraded ecosystems in the world, while many businesses depend on their ecosystem services. Restoring and protecting rivers, lakes and other wetlands is critical as it supports building resilience, avoiding runaway climate change, reversing nature loss, enhancing water & food security, and driving sustainable development. A whopping US\$58 trillion in annual direct (\$7 trillion) and indirect (\$51 trillion) value of water and freshwater ecosystems are at risk if we do not accelerate efforts to protect and restore rivers, lakes and wetlands - losses that would disrupt business models and supply chains.

- Does the program require companies to make new commitments? Supporters are required to set an ambition to support the FWC goals (see details in program document), which serves as a commitment to (continue to) engage in Freshwater conservation to support the FWC goals but does not require a (new) quantified target to be set and/or communicated. Businesses are encouraged to articulate quantifiable targets on freshwater ecosystems, but this is not required. The 'Commit' pillar of the FWC ACT-D framework can guide on this.

- What does it cost to join the program?

There are no joining or membership fees that companies must pay to join the program. However, if companies wish to support the program and/or specific activities, that will, of course, be welcome and can be discussed.

- What is expected from my organisation during the screening process? In principle the screening process will be desk research by the FWC Core Partners. However if the information available may not suffice, or potential issues arise, we may seek to contact you with a request for elaboration/data gathering.

- Do we need to sign a statement to join the program? How will we be acknowledged as business supporter?

To join as a business supporter, your organisation must sign a 'letter of support', which refers to the 'Terms of Participation'. This letter will not be published publicly.

Once admitted to the program, the logo and name of the business supporter will be published on the FWC website, and your organisation/progress may be referred to in FWC materials, reports, events, etc. - where mutually agreed.

- What if my organisation is a financial institution, foundation, think-tank, or a technical expert? Can we also join the program?

The FWC offers multiple routes to support the initiative. Financial institutions, foundations, think-tanks or technical experts (e.g. academia, consultancies) are encouraged to reach out to info@freshwaterchallenge.org, indicating their interest in supporting and/or their areas of expertise, to see whether there is a match with the needs of member countries, and what program/membership is most appropriate.

- Are there specific requirements/minimum thresholds for the program? Any company - multinational or local— can join the program, provided they pass the screening procedure, and meet the program requirements (e.g. set an ambition, disclose annually). There is no strict minimum for project size or level of investment; Each business tailors its activities and contributions to its resources and the ecosystems it depends on. The core expectation is that members will undertake credible, transparent actions contributing to the FWC goals.

- My company doesn't have a significant water footprint, should we still join? Restoration and protection of Freshwater Ecosystems has many benefits beyond water security. These ecosystems are some of the most heavily degraded globally, and restoring and protecting them drives clear biodiversity, climate, and humanitarian benefits. Most companies rely on the ecosystem services that rivers, lakes, and other wetlands provide, including resilience against floods and droughts, which could directly impact company assets, supply chains, and the communities your business depends on. The 'Assess' pillar of the FWC ACT-D framework will help to identify these and support making a business case for investing in freshwater ecosystem restoration / protection.

Participating in the program:

- **Is adopting the FWC ACT-D framework mandatory?**

No, the ACT-D framework is the voluntary, recommended approach/journey for companies to engage strategically in Freshwater Ecosystem restoration and protection, and as such not mandatory to adopt (in full). Entry points/activities to undertake will vary based on for example the maturity of the company.

While adopting the framework and its activities is voluntary, some of the activities under the framework are part of the program requirements, such as annual public disclosure.

- **Does the program require additional reporting?**

The Freshwater Challenge will not set up a separate reporting stream or standard. Business Supporters are required to disclose publicly, on an annual basis, their progress and implemented activities towards the FWC goals, but can do so using existing company reporting. Details on what, when, how and where to disclose can be found in the program document, under annex 1 'Disclose'.

- **How is progress tracked and reported?**

The total self-reported contributions of the Business Supporters will be reported annually, on an aggregated basis across businesses. Specific businesses' progress / projects may be highlighted - if mutually agreed - in reports, case studies, events, etc.

- **Does the program require companies to participate in any activities/events/meetings?**

Business Supporters may participate in FWC events - e.g. those hosted at COPs, World Water Week, etc. - and engage in specific activities/deliverables as they see appropriate. Impromptu Working Groups/meetings may be established if this is helpful to advance opportunities (e.g. (joint) advocacy, collective action, indicator frameworks, etc.), but participation in any of these activities is not mandatory.

- **What if my organisation only wants to focus on its own sites/operations?**

The program is open to businesses that only want to act at site-level. However: 1) The company may then typically miss out on the areas where their impact, and or risks/dependencies related to freshwater ecosystems are the largest (e.g. where raw materials are extracted).

2) The likelihood of overlap of interest/scope between national government priority areas and those of other FWC Business Supporters significantly reduces, perhaps limiting the value of the FWC program to this company

In line with e.g. SBTN, TNFD, and many others, we highly recommend including material impacts, risk and dependencies in the value chain in your assessments, and address these in your programs/projects. The FWC Core Partners can help to guide on frameworks and tools to support identifying these. See also the 'Asses' pillar of the FWC ACT-D framework.

- **What type of projects count as contributions to the Freshwater Challenge?** As overarching guidelines, efforts that count as contribution to the Freshwater Challenge under the Business Supporter Program should (support to) restore, protect, and/or improve management of (degraded / lost / intact) natural freshwater ecosystems. These improvements should be measured, quantified and reported.

Example projects (not exhaustive) could include e.g. wetland restoration, floodplain reconnection, barrier removal, removal of invasive species, erosion control / soil stabilization, groundwater recharge, riparian management/restoration, rewetting peatlands, etc.

Note: The following is an evolving list of 'what counts / doesn't count' based on projects proposed by (prospective) business supporters.

Investment into waste water treatment facilities (benefiting downstream FW ecosystems):

Yes grey infrastructure can count, but only under certain conditions:

To count as supporting *FW ecosystem restoration* it needs to be part of a catchment-wide restoration effort (not necessarily all supported by the individual company) and the WWT investment was identified as a key element to achieve the restoration outcomes.

To count as supporting *FW ecosystem improved/sustainable management*, there needs to be verifiable, quantifiable long-term impacts on the health and/or extent of the Freshwater Ecosystem that can be attributed to the WWT investment.

For both of these, **the interventions cannot be those as mandated under regulatory compliance**, i.e. they should be voluntary actions.

Developing Constructed Wetlands?

Yes it typically would support the FWC, but will be tracked separately from 'natural restoration', so the hectares of a constructed wetland will not directly (unless certain conditions are met) count towards the 350M hectares of wetlands to be restored.

To be eligible as supporting the FWC, the project needs to meet some conditions - e.g. has a measurable positive impact to downstream ecosystem functioning and/or biological diversity. For example, a constructed wetland that results in reduced pollutant load entering the downstream river, provided it is measured correctly and the numbers are verifiable. For constructed wetland projects we recommend reaching out to info@freshwaterchallenge.org to discuss the specific project and under which conditions it would count as a contribution.

Revegetation / Restoration / Reforestation of riparian areas?

The hectares of the riparian areas affected will count as support towards the FWC, but reported separately to numbers on wetland restoration and/or river connectivity/restoration.

If the impact (quantity / quality) on the river itself is measured, it can further be counted as supporting improved / sustainable management of xx kms of river.

Revegetation / Restoration / Reforestation / Management of headwater (forest) / Mountain slopes?

The hectares of the headwaters / mountain slopes revegetated / restored (or the # of trees / similar indicators) will not count towards the FWC. However, If the impact (quantity and/or quality) on the (downstream) freshwater ecosystem (rivers, wetlands, groundwater/aquifer, etc.) itself is measured, these quantified outcomes can be counted as supporting the FWC, either classified as restoration, or as 'improved management'.

Note: The above indicates whether this work would count as contributing to the FWC and its global goals; Contributions of private sector to national goals are always at the discretion of the relevant Member Country

- Do the projects / impacts need to occur in member countries of the FWC?

Projects in countries that are not (yet) a Freshwater Challenge member will still count as contributions, and may even be used to influence these countries to join.

- Will the program prescribe where and/or what type of interventions my organisation should pursue?

Business supporters are free to choose what type of interventions and/or locations they pursue, in line with their existing (water stewardship) programmes. However, the Freshwater Challenge Core Partners and/or Member Countries can help to guide what type of activities, as well as locations, are prioritized under national plans and strategies, for their value to resilience/adaptation, biodiversity, mitigation, food security, etc. and where there may be opportunities for more strategic investments - including potential for catalytic funding - and collective action.

For more guidance on this, please see the 'Transform' pillar under the FWC ACT-D framework.

To support this, FWC Core Partners will aim to share the outcomes of the work by FWC Country Members, e.g. the targets they set, which priority areas they have selected, which will also often have underlying assessments/diagnostics that may be of use to private sector actors.

- Is there a governance role / decision-making process for business supporters?

Business supporters cannot actively participate in any decision-making / governance on the Freshwater Challenge. However, Business Supporters are warmly invited to share feedback and suggestions on the direction of the initiative, not limited to the Business Supporter Program. Additionally, we are actively seeking to list opportunities for policy engagement and governance mechanisms for businesses at the (sub)national level in our Member Countries.

- What type of support can business supporters expect from the program?

While the required and provided support will vary by business, generally speaking support will most likely build on the expertise of the NGOs/UN agencies involved, and center around providing high-level guidance and frameworks for activities under the ACT-D framework (e.g. how to assess, disclose, etc.). Core partners will also seek to pro-actively connect private and public sector/government representatives with overlapping (area) interests, and where possible flag opportunities for existing efforts/projects/proposals to expand/co-support.

More details on the support can be found in annex 1 of the program document.

- I already have a partnership with one of the NGOs supporting the Freshwater Challenge, how does joining the program then work and add value?

Where already in a partnership with any of the NGOs, they can typically support joining the FWC and identifying specific opportunities under the Business Supporter Program to pursue that build on the partnership work. They can also typically support with the quantification and reporting of FWC-aligned outcomes of the projects.

Under the program, the business supporter can build on the partnership work, including by showcasing these projects as case studies, seeking to leverage these and/or identifying matching public sector funding, expanding these with bringing in other FWC stakeholders, etc. It also offers an additional platform for convening and influencing governments, peers, businesses, FIs, suppliers, etc. to accelerate commitments, establish fit-for-purpose policies, and grow their investments into Freshwater ecosystem restoration and protection.

- Can Business Supporters be delisted from the program?

Yes, If a Business Supporter is found to be in breach of the Terms of Participation , or found conducting themselves in a way that could compromise the goodwill or reputation of the FWC, its Members, and/or Core Partners, the business in question will be at risk of having its membership of the Business Supporter Program revoked. The business will be notified and given - where appropriate - time for response and rectification.

Connection to other Water Stewardship, nature, climate, and other initiatives:

● What is unique about the Freshwater Challenge Business Supporter Program? The Freshwater Challenge as an initiative is Country-led and has the strong backing and engagement of National Governments. It has a primary focus on the restoration and protection of Freshwater Ecosystems, and as such a direct link to the Global Biodiversity Framework, with a clear set of (co-)benefits for Climate Change Mitigation, Adaptation, Resilience, Water Security, Food Security, etc.

The Business Supporter Program offers various unique opportunities, including:

- Coordinated collaboration and alignment with governments, NGOs, businesses, and other (local) actors to drive efficiency, leverage and scale for basin-/catchment-restoration and protection
- Platform to showcase leadership on freshwater ecosystem restoration and protection, and Nature-based solutions more broadly, while influencing peers, businesses, suppliers, governments and others to support delivery of the FWC goals
- Tackling shared water-related risks through collective action that includes both private and public sector/governments
- Alignment with global frameworks such as the SDGs (inc SDG 6 and 15), the Paris Agreement, the Global Goal on Adaptation, and the Global Biodiversity Framework.
- Credibility building towards your customers and stakeholders: According to recent surveys and polling, both the public and experts expect businesses to demonstrate tangible action in restoring and protecting freshwater ecosystems, and want to see collaboration with governments.

● How does the program plan to build on existing initiatives?

The Business Supporter Program is actively working with other initiatives and organisations to avoid duplication, and complement where possible. In many instances, the program can help companies already active in other initiatives to be more strategic in their freshwater ecosystem restoration and/or protection efforts, and bridge between the private and public sector, ensuring alignment to national plans and strategies. Joining the program and engaging in freshwater ecosystem restoration and protection is a credible and efficient way to address impacts, risks, and dependencies identified under e.g. TNFD, CSRD, but also a way to support delivery on SBTN targets. It also offers a clear pathway for advocacy efforts to relevant government stakeholders, and can help to seek leverage from public sector/multilateral funding.

The Freshwater Challenge does not plan to set up new Collective Action efforts/initiatives where those already exist (e.g. WRC Basin Champions, AWS Collective Action Accelerator) but rather build on these by ensuring a Freshwater Ecosystem restoration and protection component is included, linking into the public sector/national governments, ensuring alignment with national plans and strategies, etc.