



SIWI

ANNUAL REPORT 2012

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WATER SECURITY: GREATER THAN THE SUM OF ITS PARTS

Anyone who has worked in water very long recognises its deep and multi-faceted complexity. Water is a 'fugitive resource' that transcends borders and resists our efforts to confine and control. Water is a 'priceless resource' to which we find it notoriously difficult to assign monetary value. Water is a 'green,' 'blue,' 'black,' and 'grey' resource depending on how, when and where we examine it. Physical water resources are managed locally while virtual water resources are traded globally. Water is a social good, an economic commodity, a basic necessity, a spiritual purity, a human right, a source of political friction, an ecological currency, a matrix of life, and a catalyst for peace.

How does all that add up? No one individual or institution can respond to that question alone, definitively. Water is too slippery for fast easy answers. Besides, our collective needs change by the hour, community, and place. But as these communities join together to share recent experience and new research, something happens. We approach that elusive state of 'water security', in which the many diverse elements of water align into equilibrium. Demand meets supply; producer meets consumer; quality meets quantity; academic meets practitioner; and downstream interest meets upstream neighbour. In short, water security is revealed as something greater than the sum of its parts. Achieving this state is no easy task. It requires constant vigilance and reinforcement. Yet combining the right people with the right qualities in the right place at the right time is what the Stockholm International Water Institute opt to do better than anyone else in the world.

Rather than trust progress to accident or fate, we create opportunities. We put in place the ingredients to catalyse a new way forward. SIWI's **networks**, both with and through our partners, ensure a healthy exchange of ideas, with enough new views and diverse perspectives from outside the water community as well to ensure robust discussions. Our discussions alone cannot effect change without the **advice and support** from our trusted institutions

and policy frameworks in our focus areas on water governance, transboundary water, climate, economics and water's nexus with food and energy. Establishing trust among water stakeholders comes from applied **knowledge**, the authority of provocative scientific research combined with first-hand experience in the field. Of course, knowledge and discussions have little impact in networks that struggle to gain traction, so at home and abroad SIWI works to **build capacity** within and between institutions that transform the world of water.

Increasingly, people are realising how water affects all sectors of the society. Last year the focus of World Water Week was on the relationship between water and food security, hunger, and agriculture. The virtual water and water footprint concepts have gone mainstream in the past, partly through SIWI's catalyst, and the discussion on food security was no different.

But the water-food connection is hardly the only linkage we explore in depth and in detail. Other combinations include the water-energy, water-economics, water-sanitation, water-environment, water-cities, water-development, and water-climate adaptation. Since no life, health, growth, security or activity can take place without water, much of our work today and in the near future is ensuring other 'sectors' better recognise and then internalise water's dynamics into their own specific field of interest.

Conversely, SIWI has enough humility to appreciate that this recognition is less dissemination than conversation: water people need to better grasp the dynamics of other fields like energy and food into our own understanding. Our two-way approach has resonance. After too many years 'talking to ourselves,' traditional water experts appear ready and eager to push beyond their comfort zone and engage with other individuals and institutions outside the box. As that happens, we make the discussion more inclusive and equitable, and thus broaden the basis for building a water security that endures for all.

OUTLOOK: TRANSCENDING THE CONFINES OF SECTOR AND PLACE



Photo: Aqua Blue

Human demand for water is threatening to exceed nature's supply. Billions of new born and increasingly affluent people, all seeking a higher quality of life, will by 2030 demand far more energy and food, and thus require even more water on which both resources depend, thereby requiring 40 per cent more water than exists on earth.

During 2012 water-related challenges increased stress both within and between states. Droughts in North America and Africa led to an increase in global food prices, peaking as World Water Week in Stockholm highlighted the links between water and food security. Likewise, the World Water Forum in Marseille and the Rio+20 meeting in Rio de Janeiro underscored how essential water is to address global development crises.

These crises are as persistent as they are preventable. Today, 800 million people lack safe water; 2.5 billion suffer from the lack of improved sanitation; 900 million (mainly children) remain malnourished; more still go without energy for cooking and lighting. Such families are deprived of power in all senses of the word.

They lack income to buy water, the liberty to access water, and the ability to secure basic necessities through water. To them, conservation is not a luxury or lifestyle choice. It is a matter of equity and equality: the universal right to enough water for all, both today and tomorrow.

At the intersection of water rights, needs, resources, and infrastructure, you find governance. Governance determines the

difference between drought and scarcity. Governance empowers the impoverished on an equal water footing to the privileged. Governance unlocks the potential for development, and helps resolve conflicts over water that crosses jurisdictional boundaries. True, water can be a fugitive resource, yet it is the lack of good water governance that perpetuates poverty. To reverse the cycle, we must find ways to share fairly and efficiently among competing users.

In this vein, we must transcend the frontiers of exclusive notions like 'emissions reduction' or 'poverty eradication' or 'water management' or 'gender equity.' For example, a changing climate complicates water runoff patterns both in excess and in shortage; deluge and drought more heavily impacts poor people in low-income countries; decisions must include women and other marginalised groups; and even then resilient responses must engage the disciplines of health, energy, transport and education. SIWI never speaks of "the water sector," to reinforce how crucial water is in all sectors.

That's also why we recruit and welcome new players and new agendas. Banks and multinational companies in the private sector increasingly recognise water and nature less as superficial "corporate responsibility" than as the cornerstone of all business plans. As the old sectorial boundaries erode, green economic strategies emerge at the dynamic confluence of water, energy, and food – the very same intersection where the world finds SIWI.

SIWI'S ROLE: TRUSTED PARTNER AT THE CROSSROADS OF DEVELOPMENT


SIWI envisions a 'water wise' world, in which people value water as the fundamental source of our development and as a human right. In this world every society shares and allocates water equitably to benefit the greatest number of people, sustain ecosystems and the needs of future generations, and invests in efficient food and energy use to save the water their production requires.

In its mission to achieve water wise decisions, SIWI generates and promotes knowledge, solutions and tools. We manage projects, draw on research and publish our findings and recommendations on water, environment, governance and human development. SIWI's neutral and international platform brings together the interests of science, business, and policymaking to forge linkages between water, society, the environment, and the economy. SIWI works with its diverse network of partners to integrate water concerns into public and private policy choices, informing decisions through an aquatic lens.

Our tight focus on a single resource unlocks dynamic collaboration with partners who approach challenges from entirely non-water perspectives. Similarly, our water-centred niche lets us link the separate worlds of policy and practice and bind global consequences with local causes. We also aim to advance knowledge that helps decision-makers use water equitably, to eradicate poverty.

During SIWI's new strategic period 2013-2017, we will remain the preferred independent partner, providing advice, applied research and capacity-building to client states and organisations. We will reinforce the scope and reach of our five, equally important and cross-reinforcing themes: **water governance**; **transboundary water management**; **climate change and water**; **water economics**; and the **nexus of water, energy and food**.

Having earned our reputation as trusted professionals and an honest broker, we will continue to develop new ideas and approaches through innovative and practical methods that penetrate the world well beyond "the water box." We will expand our involvement with,



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and impact on, international and intergovernmental processes, including the Post-2015 Development Framework Agenda, the UN-Water's work on Transboundary Waters and the UNs Framework Convention on Climate Change (UNFCCC) negotiations.

Indeed, while firmly rooted for more than two decades in Stockholm, we will further develop and refine our global outreach through thematic work and partner organisations, especially with the private sector, given the increased role of business in water governance and management. We embrace the gender, equity and rights-based approaches so relevant to poverty alleviation and a water wise world.

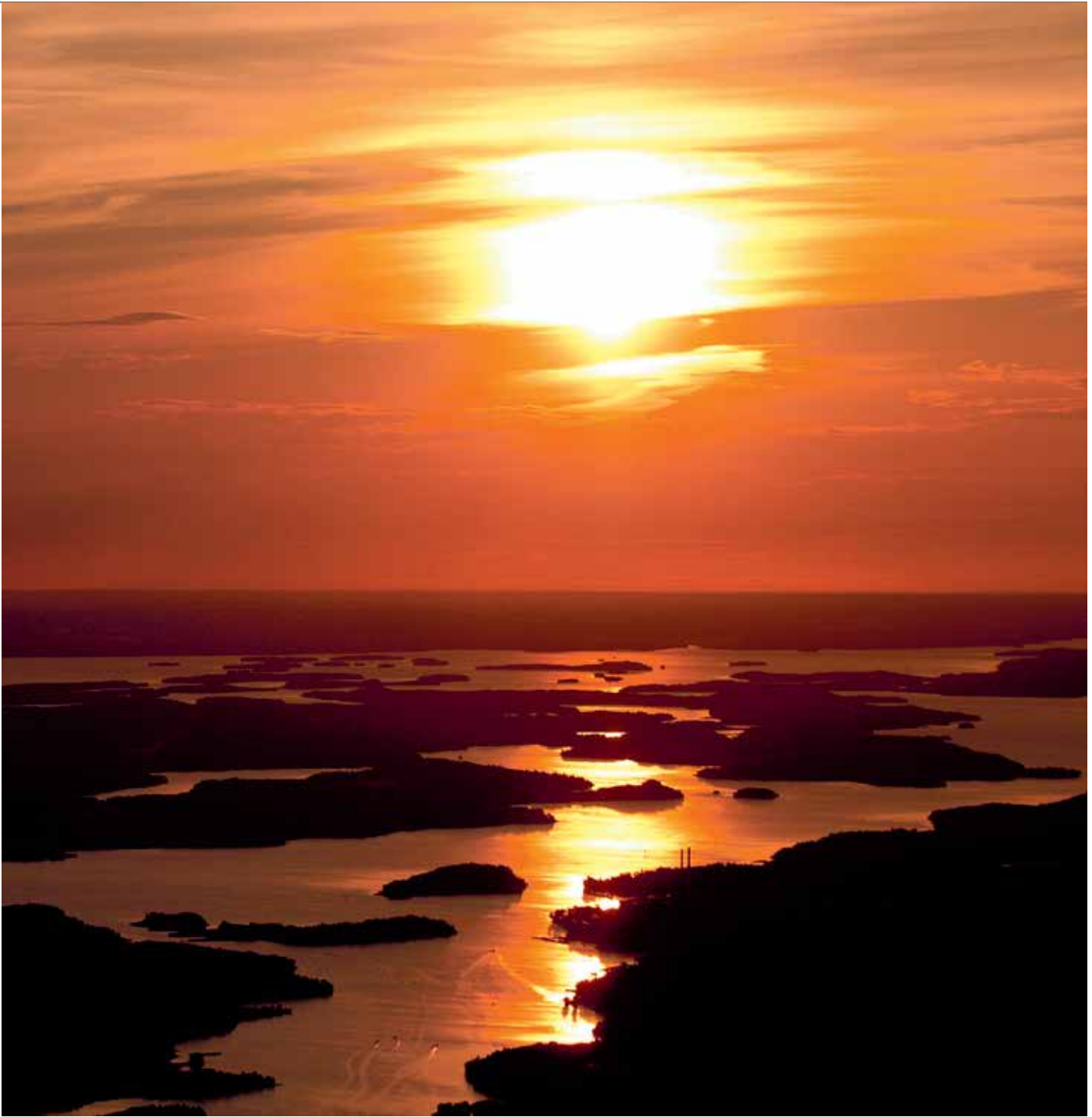


Photo: EdelPix

BUILDING GLOBAL NETWORKS

Bridging the divide of generations and communities

For decades World Water Week in Stockholm has been the essential intersection of the water world. Now Stockholm has diversified to become more: a platform that encourages water leaders to engage with actors in other fields like energy, health, agriculture, environment and development.

Last year 2,600 people from 130 countries took part in discussions about water and food security. Regional focuses on Latin America, Africa and Asia began showing concrete progress on climate change, food and cooperation. With enough high quality content to fill two weeks, SIWI organised the week's events to maximise synergies between submitted proposals. As initial surprise over our 'arranged marriages' wore off, participants engaged in productive and enduring collaboration.

SIWI convened eight scientific workshops based on an abstract selection by the Scientific Programme Committee (SPC) and its young counterpart; the latter was part of our strong commitment to hear fresh voices and shake up old views. In addition, the compelling presentation of the Youth Vision at the Closing Plenary illustrated how we amplify the perspective of the next generation.

The 2012 World Water Week also integrated the Food and Agriculture Organisation (FAO) and the Consortium of International Agricultural Research Centres (CGIAR) as collaborating partners. Institutional leaders, especially those in the private sector, increasingly understand that we are all part of the global water community. They discover at World Water Week how *ad hoc* meetings, exhibition area discussions, social event conversations, and coffee breaks can be as critical than programmed events when it comes to initiating, launching and advancing key issues.

The Week helped representatives from science, business, civil society, governments, academia and financial institutions break traditional water-oriented institutions out of predictable conversations, push people beyond their comfort zones, and generate new approaches with others. Indeed, World Water Week recognised the urgent need for collaboration across different actors, sectors and development approaches.

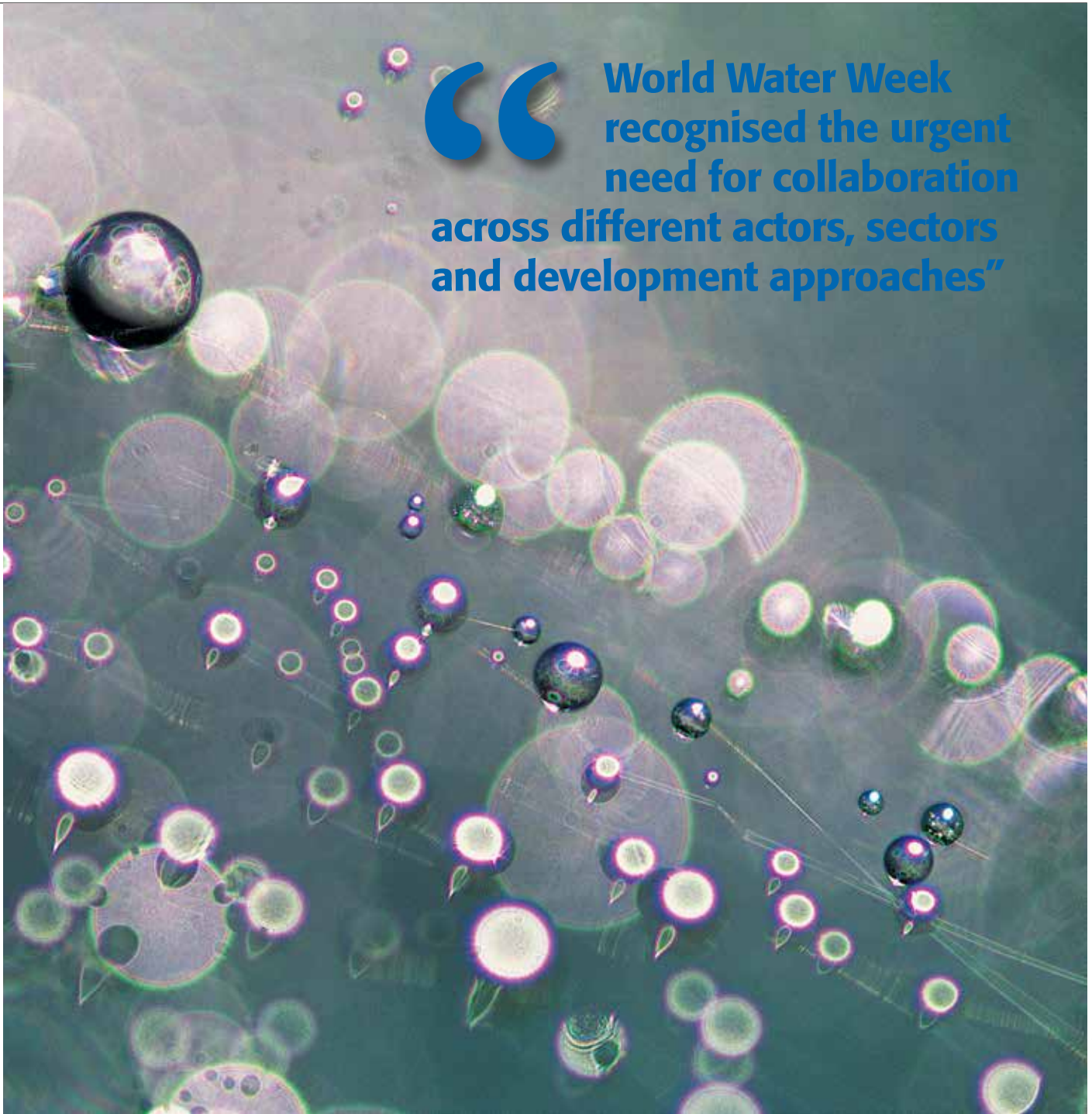
Today's challenges must be solved by linking all challenges as well as their solutions, because silo thinking will no longer suffice. Water plays key roles in agriculture, health, economic development, climate change mitigation and adaptation, urbanisation, energy production, international affairs, and the fulfilment of human rights. But the water community cannot act alone; we must show other actors how valuable water is to them, and integrate their perspectives into global water meetings. That is why World Water Week 2013 will focus on the theme of "Water Cooperation – Building Partnerships."

Sharing knowledge across sectors, borders and brands

During 2012 Swedish Water House (SWH) organised a total of 17 seminars across Sweden, bringing together actors from academia, private sector, NGOs and government to share knowledge and perspectives on national and international water issues. The Swedish Water House cluster groups continued the sharing of knowledge across sectors and borders. These clusters – small, cross-sectorial networks – help translate words into actions, not just in policy but also within businesses. For example, one cluster produced a Database of Transboundary Water Management that documents the activities of 100 regional and international actors, help them coordinate work, identifies useful tools, draw on past lessons, and identify gaps. The Sweden Textile Water Initiative (STWI) is another prime example of just how powerful the SWH platforms can be. Starting as a cluster group a few years back, STWI has brought together companies in the textile industry to, with the support of SIWI, formulate joint guidelines for sustainable water use in the textile and leather supply chains. In 2012 the guidelines were formally launched and adopted by 30 of the biggest – and competing – Swedish textile companies and brands. At the same time a project was initiated together with SIWI to implement them in textile factories in India.



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PROVIDING ADVICE AND SUPPORT

Political integrity creates water efficiency

The larger the water governance community, the more it must invest in the framework for integrity. And that is when those communities turn to the Stockholm International Water Institute. The UNDP Water Governance Facility at SIWI (WGF) developed a robust system that enables a higher level of trust in government institutions; generates access to additional funds for water investments; and makes progressive impacts on economic growth, investment rates and poverty eradication. As a result, WGF contributes to integrity networks and collaborates to initiatives, such as the Water Integrity Network, Transparency International and the UNDP-Oslo Governance Centre. WGF also engages directly with more than 15 countries to help implement water reforms. In Palestine, we developed a water integrity risk assessment to strengthen water governance under the Palestinian Water Authority (PWA) and UNDP. In Tajikistan we developed a similar water integrity risk assessment with UNDP and the local water services providers, the *Vodakanals*, to improve water services efficiency and quality.

Ensuring Arab Springs don't run dry

With Friends of the Earth Middle East (FoEME), Global Nature Fund (GNF), and European Union funds, SIWI is helping to develop a Master Plan for the Lower Jordan River. Parties overcame the volatile and divisive politics of the region to engage in an honest dialogue and cooperate on governing the vital and scarce shared water resources that bind their fates. In 2012, SIWI formally launched the Shared Waters Partnership to promote cooperative approaches to shared water that advance peace, security and environmental protection. The Partnership helps riparian states sustainably develop their water resources through stronger multi-stakeholder platforms, diplomatic and development alignment, and building robust, responsive, cooperative management institutions. Our primary focus has been on the political process in the Nile River Basin, holding discussions among riparian countries during visits within the basin – Uganda, Rwanda and Egypt – and meetings outside the basin that provide an important conduit for dialogue.

Building resilience from mountain to valley

As a trusted thought leader at the climate-water nexus, SIWI advised conferences and countries on how to build resilience and security. It coordinated a panel of experts to review and provide strategic advice to the African Ministers Council on Water (AMCOW). SIWI offered strategic advice to how mountain countries best can find the common denominators for raising their voices in the international climate negotiations on the adverse impact from climate change that mountain regions struggle with. SIWI also helped Albania's water resources minister prepare a national integrated water resources strategy that enhances river basin management with reliable water and geographical data. Working through Sida and Sweden's embassy, our technical support helped Georgia reform its framework governing the country's water, sanitation and waste management.

Improving water governance in Africa

Water resource management is challenging enough even with seasoned professionals, extensive budgets, and ample data. Most African countries lack all three assets, yet have a far more pressing need for resilience. To fill the void, SIWI implemented the EU Water Initiative Africa Working Group (EUWI-AWG), a multi-year advisory and support programme. When in 2012 the African Ministers' Council on Water (AMCOW) commissioned an African version of a global UN-Water report, EUWI-AWG channelled the financing to make it happen. The report, which collected data of 40 member countries of AMCOW, found that nearly half were planning to implement integrated water resource management (IWRM) but were constrained by lack of funds, capacity and coordination mechanisms between sectors and government agencies. These findings helped drive seminars, panels, debates, and agendas on water governance at Africa Water Week in Cairo and World Water Week in Stockholm. Throughout 2012, EUWI-AWG also continued its work to strengthen aid effectiveness, mapping financial links with transboundary water management, and showing how EU resources could better support water-related development goals in Africa.



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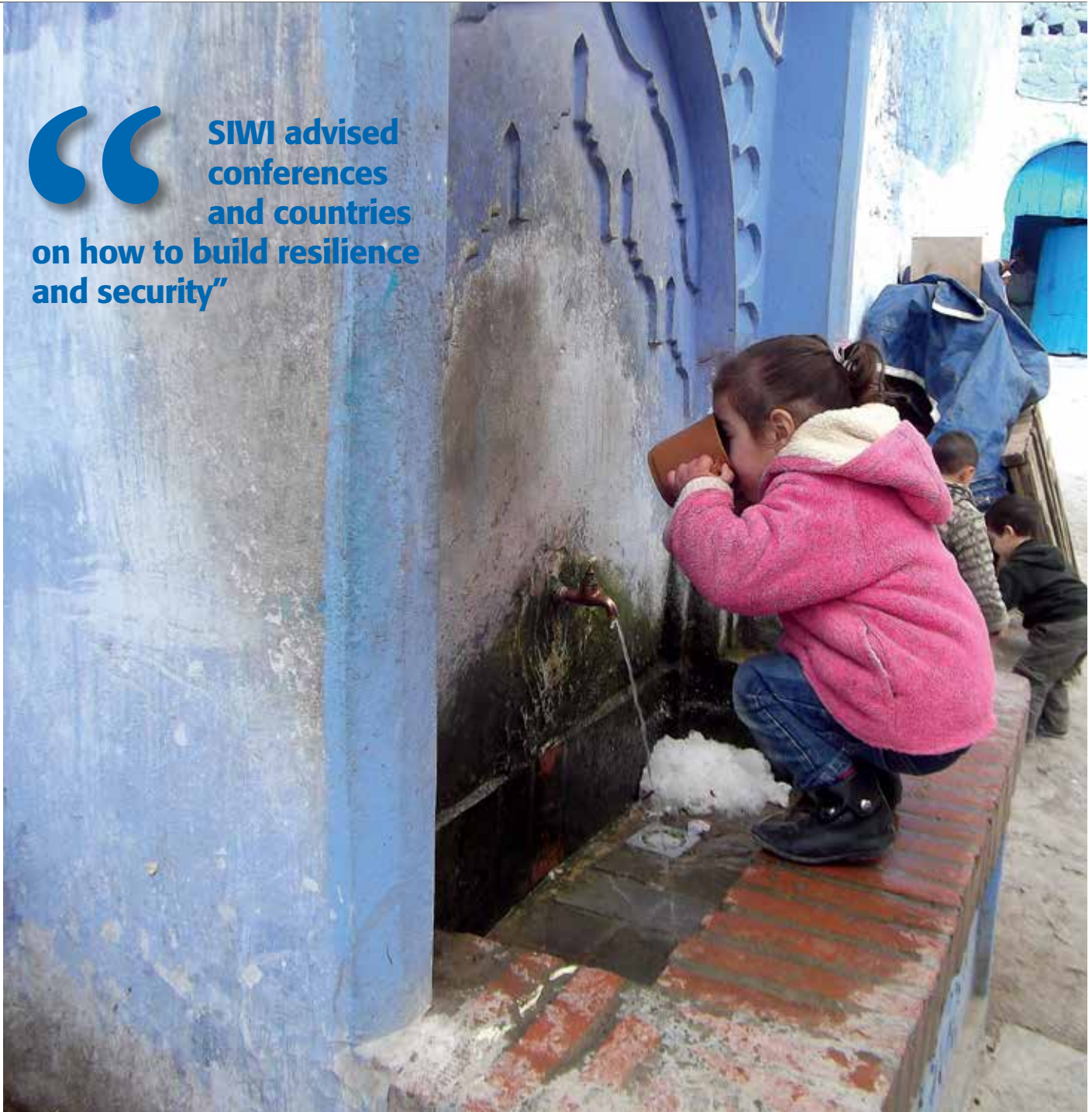


Photo: Rami Abdelrahman, SIWI

GENERATING KNOWLEDGE

Raising the profile of the Water-Energy-Food Nexus

SIWI does more than develop knowledge products on the linkages between water, energy and food; we also ensure these reports gain international visibility and impact through high level discussions at the top of the development agenda. SIWI informed the European community when the international journal, *Europe's World*, published a special edition on water in which we called for policy cohesion on water and energy that does not exist today. SIWI further argued that the European Commission's current "fitness check" on EU freshwater policy offers us a chance to recalibrate both energy and water policies in the Union. SIWI also advised the International Energy Agency on water issues as the agency drafted its "Technology Roadmap for Hydropower". SIWI shared its work evaluating the benefits and risks of large scale water storage infrastructure and hydropower development.

Rising seas and drying farms

SIWI worked with Vietnam's Association for Conservation of Natural Environment (VACNE) in preparing a project that will build climate change resilience among local farming communities in the Mekong and Red River deltas in Vietnam. The initial findings indicate looming sea level rise and consequent ground water salinity as major threats. Locally, there is a lack of knowledge on climate change and its potential impact on water in Vietnam. However, strong interest in increasing capacity from local governments and a good base in necessary national policy instruments for initiating change is promising for the future. In a timely article at the peak of crippling droughts around the world, SIWI wrote an article promoting early warning systems for water in agriculture.

Field to fork goes global

In 2012 SIWI advanced understanding of water's role in the food supply chain, globally and in selected areas. A SIWI/FAO collaboration showed how optimal use of water would contribute to food security while resource constraints are being recognised.



Presentations and discussions about these issues have been an important task. Among other things, we jointly organised a seminar at 6th World Water Forum with presentations from research, international organisations, EU and corporate sector in Marseille. SIWI has been invited to speak at other important international meetings, for instance, World Water Day, FAO, Rome and 4th International Forum on Food and Nutrition in Milan. Building momentum, professional film maker Valentin Turn produced 'Taste the Waste of Water', a short film launched during World Water Week. With private sector partners, we initiated a study for Nestlé in northern China. It examined food and water waste in the dairy sector. While low at the sources of production and processing, this and other studies show that losses and waste increased en route to consumers. There are indications that the problem will further escalate in proportion to urbanisation, long supply chains, increasing affluence and disposable income. Policies are still rare to coordinate efforts that aim for an increase of production with policies that aim for a most worthwhile and beneficial use of food and other goods that are produced. The fact that a large fraction of the food produced



We launched discussions on the application of the principles and methods that economics can be brought to bear on water management and policy”



Photo: Susanna Todorovic, SIWI

is lost or wasted has not been on research and policy agendas. To fill the vacuum, SIWI has produced seminal articles and reports and a book chapter on water and the Future of Humanity 2050, which models likely and desirable futures and shows how to meet growing demands for more water in an era of unreliable supply and climate variability.

Economists unlock the water box

Last year SIWI welcomed to Stockholm a new and increasingly influential group of visitors: water economists. As host of the 10th Annual Meeting of the International Water Resources Economics Consortium (IWREC), we launched discussions on the application of the principles and methods that economics can be brought to bear on water management and policy. Keynote speaker Dr. Prabhu Pingali of the Bill and Melinda Gates Foundation linked economics to water and food security. Our panel of Chief Economists from from a range of international organisations explored where economic analyses has contributed to the design of smarter water policy and how water economists can better support decision-makers. They

discussed barriers that keep economics out of water management and how best to overcome them. The panel argued that, rather than only one water policy, many policies concern the different services we receive from water, and thus open multiple entry points for economic analysis. Also, to influence policy, they urged participants to research what individual decision-makers need, then supply it, on the right issue, at the right time.

Do land acquisitions come with rivers included?

A relatively recent but escalating trend in the land-water-food-energy nexus involves the purchase of land for farming in developing, and typically African, countries. SIWI zoomed in on one aspect of this dynamic, to better understand how the current investment trends will affect transboundary water interaction. Will countries attracting new foreign investments tend to have less or more bargaining power? Will they be squeezed between a strong riparian protecting its own interest and a strong foreign government, or large multinational firms seeking to safeguard its food security? Our resulting exploratory report, *Transboundary Water Management and Land Acquisitions – A question unexplored*, highlighted that a land investment is in reality a water investment, with poorly understood geo-political consequences. A partnership of SIWI, the Nordic Africa Institute and the Swedish University for Agricultural Sciences will investigate these linkages with a closer focus on the Nile.

Turning water scarcity into water security

Decades of population growth and economic development have made water increasingly insecure. Preconditions for development differ radically by whether countries have harnessed their hydrology, remain hampered by hydrology, or remain hostages to hydrology. In 2012, SIWI deepened its earlier work on coping strategies by redefining water scarcity as a multiform phenomenon – one that refers both to liquid blue water in rivers and aquifers as well as green water in the soil from infiltrated rain. On this subject, SIWI authored two book chapters, and was an invited speaker at meetings in Oxford, UK and Lincoln, Nebraska. We showed that blue water scarcity may complicate *human water security*, and be both driven by demand (water stress) and by population (water crowding). Meanwhile, *agricultural or food water security* depends on overcoming green water scarcity – itself a function of repeat dry spells, aridification, and protracted long term drought. The latter scarcities can be met by rainwater harvesting and supplementary irrigation, by national economic planning, and by water policy alterations.

BUILDING CAPACITY

Cadres of water experts for Africa and Asia

SIWI's Capacity Building team is supporting China's Ministry of Environmental Protection develop training courses in integrated water quality management. This also entails establishing policies for water quality control, evaluating the application of economics instruments to water quality and designing hydro-economic modelling approaches aimed to develop scenarios of water quality management planning, as well as planning the China International Water Week. On another continent, matched by government funds, we are training 300 staff of Botswana's Department of Water Affairs to shift from mere water supplier towards long-term strategic planning, developing needed infrastructure, and performing monitoring and regulatory functions. Since neighbouring Namibia is arid and shares all its perennial rivers with neighbouring states, we supported its water agencies implement training on transboundary water management, hydro-climatic modelling, and establish regulatory, planning, water rights and financial institutions. In partnership with the Lake Victoria Basin Commission, SIWI held an initial training session on water integrity for East Africa, galvanising and maintaining political support for the initiative in the region. Thanks to free, spontaneous and informal demand, social media platforms Facebook and LinkedIn overtook SIWI's Capacity Building Alumni network, and increased activity.

Researchers enhance pragmatists, and vice-versa

Neither scientist nor practitioner can build water security in isolation. But World Water Week brings them together, improving the effectiveness of synergy between the two. Researchers offer the latest cutting edge findings to decision makers, who in exchange offer a reality check on how much or whether such work is relevant and practical in the field. Building such bridges also build capacity to transform policy to practical implementation. This process is showcased in the Overarching Conclusions, which synthesises messages from the 2012 Week's workshops, seminars and side events, while *On the Waterfront* reports highlights from scientific articles and presentations.

The rise of water integrity ambassadors

Most water crises result not from shortages of water but from failures in governance. Corruption, opacity, and unaccountability in the water sector challenge many countries. To overcome these challenges, SIWI engaged with Cap-Net, WIN and the secretariats of regional economic commissions in Sub-Saharan Africa. The goal of our collaboration is to improve capacities and raise a national government's awareness so that its institutions embrace integrity, accountability and transparency in water decision-making. Last year, we trained a pool of 20 Anglophone speakers to train others, starting with 30 regional staff in Eastern Africa. Meanwhile, we developed an online platform for the trainers and participants to interact and communicate solutions at a distance. The outcome is a cadre of ambassadors who spread the word about the importance of integrity in water governance and socio-economic development, and embed in their home institution's specific action plans.

Viral video for responsible water sharing

In 2012, the Democratic Economic Governance Knowledge Management (DEG-KM) Plan chose to share knowledge and experiences through videos. Building on a popular mini-proposal developed at its global workshop for a documentary series focusing on best practices the DEG-KM Plan produced two short videos about local water management – one in Honduras and one in Panama. The participatory production of the video in Panama helped clarify the rights and obligations of the local water committees and water users in the three indigenous communities, Siraín, Kankintú and Bisira (SIKABI), in the Ngäbe Buglé area. By clarifying the responsibilities of the actors, communities can sustainably manage the shared water scheme. Following standing ovations wherever the video was shown, Panama's Ministry of Health decided to adopt the video, and will use it in capacity building for local water committees in other rural areas of the country.



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Photo: Alastair Morrison, SWI

RECOGNISING ACHIEVEMENTS

Stockholm Water Prize

Since its inception SIWI has been striving to encourage and reward excellence in singular individuals and institutions, and has done so through its globally recognised Prizes. H.M. King Carl XVI Gustaf of Sweden is the patron of our oldest and most prestigious award to those actors who have truly made a difference for water in the world. In 2012, the King presented the Stockholm Water Prize to the Sri Lanka-based International Water Management Institute (IWMI), for their pioneering research within the agricultural water management. IWMI has been the driving force promoting policies and techniques to help farmers to produce 'more crop per drop', and to implement solutions that enable agriculture to cultivate enough food to feed the planet's growing population with limited water resources. In the words of the Nominating Committee, "IWMI's work has led to new policies and investments in agriculture that have not only enabled more productive use of water, but have enhanced food security, economic development and environmental health around the world."

Stockholm Junior Water Prize

SIWI has also endeavoured to nudge forward diversity and progress in the water community at an early stage, H.R.H Crown Princess Victoria of Sweden is the patron of the Stockholm Junior Water Prize. The competition engages students from over 30 countries around the world, and encourages young people to take an interest in water issues and pursue a career in the field. Luigi Marshall Cham, Jun Yong Nicholas Lim and Tian Ting Carrie-Anne Ng from Singapore won the 2012 Stockholm Junior Water Prize for their research on how clay can be used to remove and recover pollutants from wastewater. The international jury stated: "This year's winning project shows the possibility of using a lower cost method to decrease an important water environment problem, which is relevant all over the world. The study does not only present an efficient way to remove a toxicant, but also a novel way to recover and reuse materials which would otherwise be discarded as waste."

Stockholm Industry Water Award

In SIWI's strive towards a water-wise world, one key ingredient is to honour outstanding water related achievements by actors in the private sector. The Stockholm Industry Water Award highlights good practices within the business sector that may inspire others to follow. In 2012, the global food and beverage company PepsiCo was honoured with the prize for its work to reduce water consumption in its operations. The International jury recognised PepsiCo's efforts to increase water efficiency, conserving nearly 16 billion litres of water in 2011, and emphasised that the company extended its commitment beyond its own operations to help solve water challenges on a broad scale.



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WASH Media Awards

Every two years, SIWI together with the Water Supply and Sanitation Collaborative Council give out the WASH Media Awards to recognise the crucial role of journalists in increasing awareness on water, sanitation and hygiene services. After evaluating over 150 entries



Stockholm Water Prize



Stockholm Junior Water Prize

from 40 countries, six winners emerged, acclaimed by the jury for their journalistic excellence, investigative ability, and originality:

- Alain Tossounon (Benin): “Access to safe water in the town of Ava-Sô, A perilous conquest for survival.”
- Ngala Killian Chimtom (Cameroon): “The Taps Have Run Dry”
- Berta Tilmantaite (Lithuania): “The River Runs Back”
- Francis Odupute (Nigeria): “The Strategists”
- Francesca de Châtel (Belgium): “Water Around the Mediterranean”
- Ketan Trivedi (India): “Alchemy of Earning Money through Wastes and Making a Village Clean, Hygienic and Lovely”

Tables (Gratefully) Turned

After years of awarding prizes to others, SIWI was in 2012 honoured to receive the Prince Albert II of Monaco Foundation’s Water Award in recognition of its “high contributions on water issues”. SIWI is the first organisation ever to receive the prize, and will use the prize money to sponsor the participation of young water professionals from developing countries at future World Water Weeks in Stockholm.



Stockholm Industry Water Award

STRATEGIC OUTREACH: SIWI'S STORIES MAKE HEADLINES

The Stockholm International Water Institute “makes headlines” through our deeds, our words, and our strategic alliances. Our stories are diverse. Our outreach tools may be cameras and keyboards, laptop screens and smartphones. Our medium may be print, electronic, film or in-person meetings. Our four websites may have different emphases. But our constant message is the continuous strategic quest to secure equity, efficiency, sustainability and resilience – through water.

Indeed, last year broke records in the number of SIWI publications, citations and resources downloaded. We absorbed 6,000 media hits, brought 2.6 million visitors to our websites, and welcomed more unique visitors to linger longer on our pages. During World Water Week alone, SIWI hosted 12 satellite interviews with Skynews, CNBC, Aljazeera, CNN, Reuters, and Bloomberg, among others.

The world's largest print and broadcast media featured our report, *Feeding a thirsty world: Challenges and opportunities for a water and food secure future*. Our findings – highlighted in BBC, the Guardian, Reuters, and the Economist – brought attention to the critical ways we can reduce food waste and build effective early warning systems to buffer against natural disasters. Likewise, SIWI's work

to explore the transboundary water implications of international land acquisitions also garnered global recognition in academic and political discourse, through our report and the High Level Panel at the World Water Week that put the spotlight on this neglected but potentially volatile issue.

At World Water Week we launched, as earlier mentioned, the short documentary *Taste the Waste of Water*, that highlights the linkages between water and food and the losses of both vital resources that accrue through inefficiency, incapacity, and carelessness. To further highlight this issue, a group of international thought-leaders joined the producer, SIWI and FAO in their call for action to cut waste in a joint op-ed, published in *National Geographic*.

The 2012 World Water Week in Stockholm closed with a “vision” capturing the views of young water scientists and professionals on what it will take to achieve water and food security by 2050. For several years SIWI engaged in global discourse, pushing to holistically manage the water-energy-food nexus, which we amplified, together with our four other thematic areas at the World Economic Forum 2012, World Water Forum 2012, Rio+20, WWW 2012, and now in the Post-2015 Development Agenda process.



Our constant message is the constant strategic quest to secure equity, efficiency, sustainability and resilience – through water”



Photo: Lotus Head

ORGANISATION & FINANCE



Photo: Rosanna Ricciuti

Changes at the top

Last year our esteemed Executive Director since February 2002, Anders Berntell resigned to join the Water Resources Group at the International Finance Corporation in the World Bank Group. Under Berntell's ten year leadership, SIWI developed into a premier policy institute and a respected actor in the international water community. His contribution to developing the World Water Week in Stockholm has been instrumental in making it the most important international annual meeting place for the planet's urgent water-related issues. In September, Mr. Torgny Holmgren, previously of the Swedish Ministry for Foreign Affairs, was appointed Executive Director. Holmgren's aim is to further develop SIWI's already established role as a world leading institute bridging research and policy-making, broaden the scope of water related issues to new policy areas and build active partnerships with different actors across the field.

Staff growth and direction

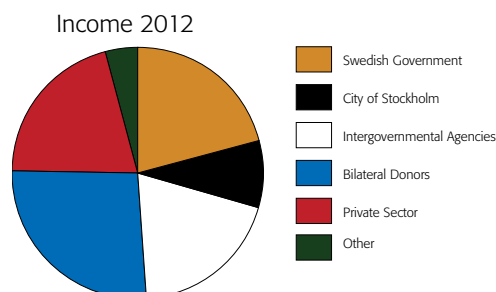
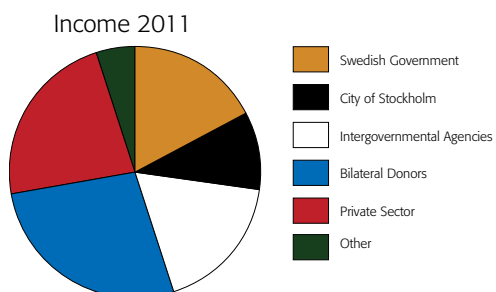
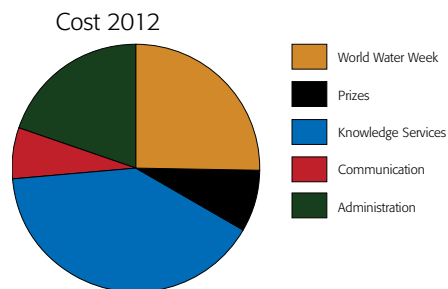
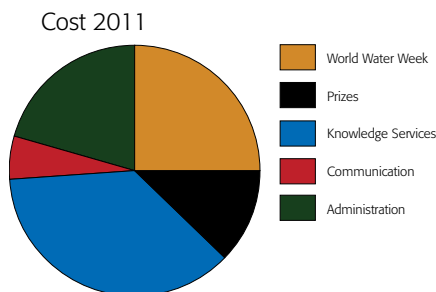
In 2012 SIWI added 9 new staff members leaving the total number of staff at 52. Staff members hail from 16 different countries. Substantial effort went into the formulation of the SIWI strategy

for the period 2013-2017 and the subsequent reorganisation of the Finance and Administration Department to better fit new reporting and administration requirements. With rapid and continuous expansion comes growing challenges, organisational complexity and adapting to scale; in response SIWI is continuously involved in process re-engineering. Funders and clients increasingly demand far more sophisticated reports and follow-up, adding external pressure towards higher levels of efficiency and productivity.

Revenues

SIWI revenues in 2012 amounted to SEK 84 million; an 11 per cent increase over last year. The number of client projects is steadily increasing and accounts for most of the staff inflow during 2012. The continuously increasing demand for SIWI's services makes an impact on revenues as well as costs, creating a pressure on financing and cash-flow. SIWI is, at current volumes, starting to enjoy economies of scale, allowing the organisation to decrease the share of administrative costs without impacting quality. Yet once again the financial situation has continued to improve in three metrics: SIWI enjoys higher overall revenues; we take advantage of the involvement by additional clients; and we have a more diversified base of funding institutions.

SIWI: Income categories and cost per department 2011-2012



Board members:

Peter Forssman, Gullers Grupp – Chairman
 Berthold Gustavsson (m)* – Vice Chairman
 Susanne Dahlberg, SAS
 Peter Dannered (m)*
 Eva-Louise Erlandsson Slorach (s)*
 Fredrick Federley (c)*
 Anders Fredriksén, Xylem
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 Kim Klastrup, Grundfos
 Joakim Nilsson, Scandic Hotels
 Erik Sellberg, Ragn-Sells
 Kenneth Sandén, ERV
 Caroline Silverudd Lundbom (fp)*
 Jari Visshed (s)*

Deputy members:

Richard Bengtsson (fp)*
 Andreas Bohlin, Fujitsu
 Åse Bäckström, KPMG
 Stellan Hamrin (v)*
 Jessica Ottosson, Ålandsbanken
 Birgitta Persson (m)*

Co-opted member:

Jan Peter Bergkvist, Sleep Well – Founders Council

Legend

*(m) = Moderate Party

*(kd) = Christian Democrats

*(mp) = Green Party

*(fp) = Liberal Party

*(s) = Social Democrats

*(v) = Left Party

SUSTAINABILITY: WHERE BLUE AND GREEN CONVERGE

SIWI strives to apply strict ethical and ecological criteria throughout the year, whether it relates to our IT services, catering, office supplies or travel agents. For that matter, we ensure our flight is carbon offset and we explore whether a desired outcome could be achieved through a conference call or interactive Skype meeting. That said, demand for more SIWI staff to help address water challenges around the world increased rapidly, and once again, our emissions rose – and we paid the price to offset every gram of carbon emission. Recognising the emissions and virtual water embedded in red meat, at the 2012 World Water Week SIWI only served vegetarian, chicken and fish protein along with ecological and fair trade coffee and tea. To reduce water lost from field to fork, left overs were donated to homeless people. The registration fee included free access to all local transport in Stockholm. Ecologically approved lodging and restaurants stood within walking distance – or were easily connected by rapid public transport – and maintained strict environmental practices approved by the Nordic eco-label, “Svanen”. Participants were given biodegradable bottles and jugs with which to tap water. Such efforts were small, but symbolic – showing influential water stakeholders from around the world how we, and they, can shrink our water footprint and reduce waste. We never seek to ask of others what we are not prepared to implement first, by ourselves, right here in Stockholm.





Photo: Rudy Tiben



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