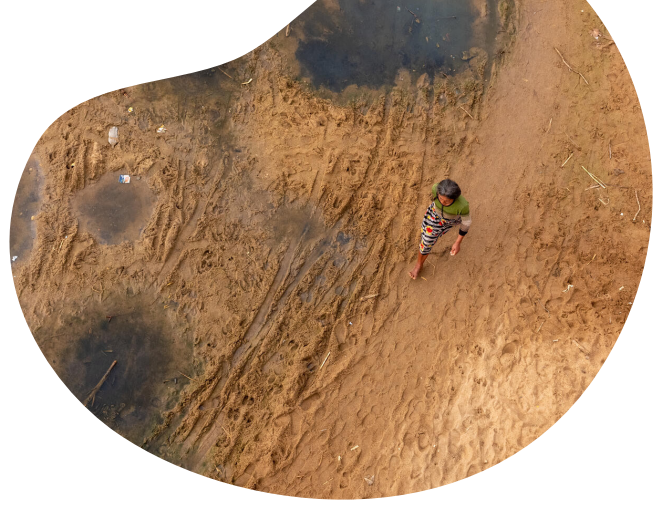


# Liquid Assets at Risk:

A global call to action for addressing  
climate change's impact on our  
water resources





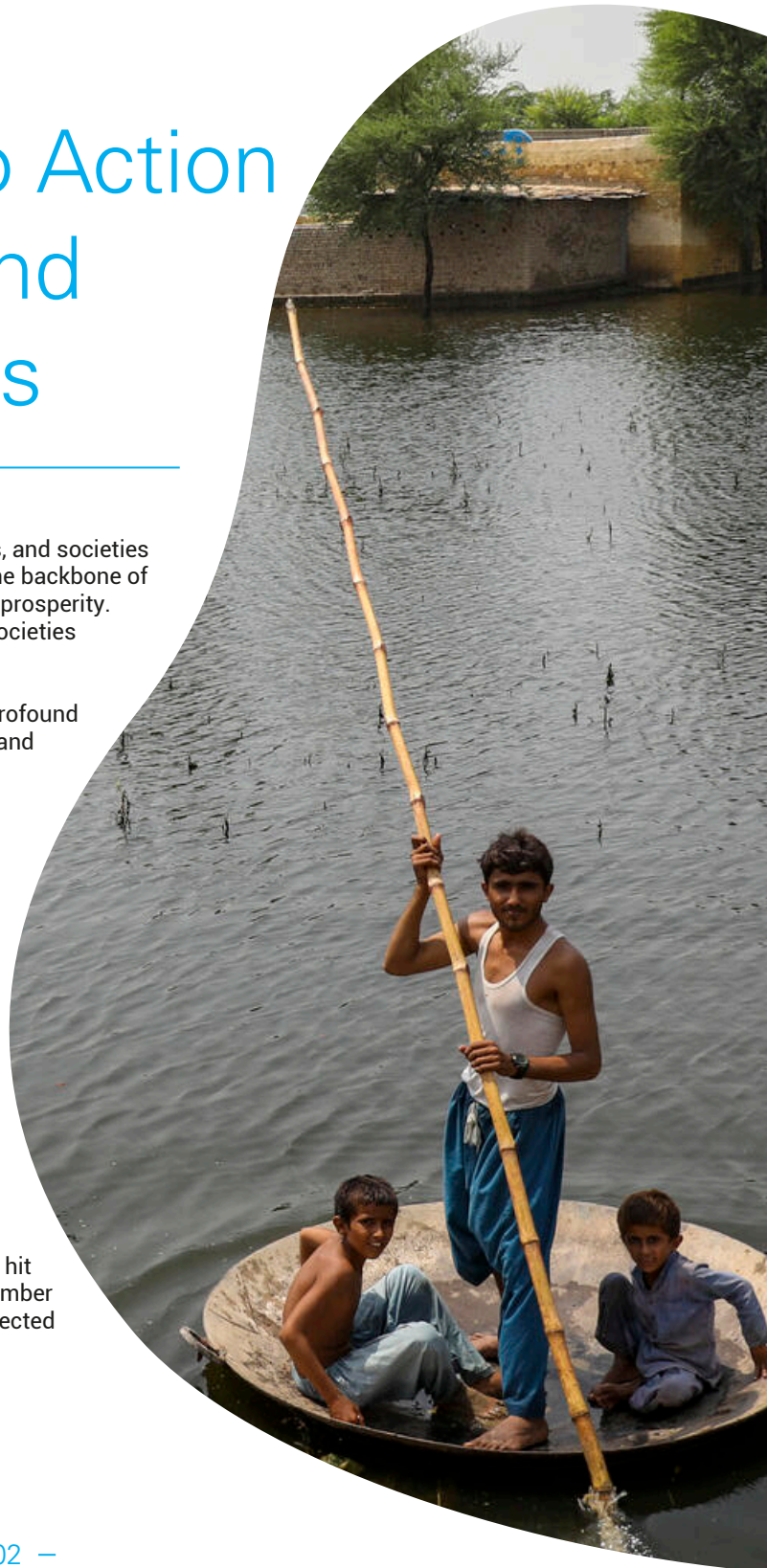
# A Global Call to Action on the Water and Sanitation Crisis

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Water is fundamental to life. Without it, children, families, and societies cannot survive. Safe drinking water and sanitation are the backbone of public health, food security, economic development and prosperity. Without water security, communities, ecosystems and societies collapse.

The link between climate change and water security is profound and multifaceted. The safety and reliability of our water and sanitation systems are increasingly compromised by extreme weather events. Rising temperatures, drought, floods and cyclones all place enormous pressure on water resources and can damage or destroy water and sanitation infrastructure. The effect is devastating for our economies, natural environments, and human lives.

Last year in Pakistan, heatwaves triggered a water crisis that led to a deadly cholera outbreak. Just a few months later, historic floods killed more than 1,000 people and damaged most of the water systems in affected areas, forcing more than 5.4 million people to rely solely on contaminated water from ponds and wells. In 2023, we witnessed waves of water-related disasters, including drought in Uruguay that severely impacted agriculture, damaged livelihoods and depleted the drinking water supply. In the first eight months of 2023 alone, 23 weather and climate disasters hit the U.S., each costing \$1 billion or more – the largest number since records began. These extreme events are only expected to increase as our climate continues to heat up.







## Children are the first impacted by the water and sanitation crisis

Climate change is contributing to *water scarcity*: where the demand for water exceeds the supply.

The latest analysis from UNICEF reveals that 1 in 3 children – or 739 million worldwide – already live in areas exposed to severe water scarcity.

Additionally, 648 million children do not have access to safely managed drinking water, and 1 billion children do not have safely managed sanitation in their homes.

When water scarcity is combined with inadequate drinking water and sanitation services, children experience *water vulnerability*, which severely jeopardizes their lives and futures. Today, 436 million children were living in areas facing extreme water vulnerability, with 8 in 10 exposed in Niger, Eritrea, Jordan, Burkina Faso, Yemen, Chad, and Namibia.

Children who experience water vulnerability are at heightened risk of disease, dehydration, severe malnutrition and death. Every day, more than 1,000 children under 5 die from diseases linked to inadequate water, sanitation and hygiene (WASH).

These diseases also affect children's ability to absorb nutrients they need to grow, exacerbating child malnutrition and stunting.

Without water and toilets in schools, children's education is disrupted. Girls are unable to manage their periods with safety and dignity. Some children may be forced to forgo school entirely.

Girls bear the brunt of the water and sanitation crisis. Globally, girls are nearly twice as likely as boys to bear the responsibility of fetching water for households. This burden threatens their physical safety and takes away from their time for school, work and leisure.

Widespread water insecurity ultimately drives migration and displacement, uprooting children and their families from their homes and exposing them to violence, exploitation and abuse.

## The need for comprehensive and coordinated action on water security has never been more urgent



Investment in sustainable safe drinking water and sanitation services is an essential first line of defense to protect children from the impacts of climate change. Building a low carbon and climate resilient water and sanitation sector also presents critical opportunities to contribute to global mitigation and adaptation goals.

Everyone has a role to play.



At the UN 2023 Water Conference in March, thousands of participants, governments, representatives of the UN agencies and diverse stakeholders, including civil society and business leaders, young people, mayors, scientists and more, came together to pledge support to solving the water and sanitation crisis through the Water Action Agenda.



At COP28, when the global community takes stock of progress on the Paris Agreement, it is crucial that we build on the commitments from the UN Water Conference with concrete actions from all sectors and make water a central consideration in climate action.



Meeting the global financing needs for water is a particularly big challenge. The World Bank has estimated that to deliver universal access to safe water and sanitation services under the Sustainable Development Goals (SDGs) by 2030 countries will be required to spend \$150 billion per year. ([Millions Around the World Held Back by Poor Sanitation and Lack of Access to Clean Water](#))



Governments and businesses must work together to build an environment where both water regulation and innovation can coexist and thrive.





## The role of governments

The latest data show that most WASH related policies do not address the risks posed by climate change or build the resilience of WASH systems. While over two thirds of countries have measures in WASH policies to reach people affected by climate change, only around one third either monitor progress or have specific funding allocations to these populations. Overall, 75 per cent of countries report insufficient WASH funding.

Governments must set ambitious national and international water and sanitation commitments, supported by effective policy environments, financing and regulation.

## Specifically, we are calling on governments to:

- › Commit to ambitious, domestic short term water governance targets and outline a pathway to strengthen national systems including clear water security roadmaps, for each water-dependent sector.
- › Incorporate climate-resilient sanitation into Nationally Determined Contributions (NDCs) and ensure climate-resilient water and sanitation is reflected in National Adaptation Plans, following guidance of the [Strategic Framework for WASH Climate Resilient Development](#).
- › Direct adequate climate finance towards climate change adaptation, including low carbon and resilient water and sanitation services for the communities most vulnerable to climate hazards and ensure the funds are easily accessible for the response that is needed now.
- › Honour the loss and damage agreement and fulfill financial commitments to the fund.
- › Encourage and incentivize private investments in climate resilient water and sanitation solutions, products and services.
- › Establish efficient mechanisms for pricing water risks and impacts, the removal of environmentally harmful subsidies by set deadlines, and the development of just transition plans for affected workers and communities.
- › Promote improved water cooperation between different users and integrate conflict sensitivity into plans for water supply systems.
- › Adopt and implement standardized, comparable, internationally aligned corporate water disclosures.





## The role of businesses

The business community plays a pivotal role in water security by adopting water-efficient technologies and practices, implementing wastewater management systems, engaging with stakeholders, supporting innovation, and investing in local water and sanitation infrastructure including nature-based solutions.

Water-related risks can have significant macroeconomic and financial implications, but addressing these risks generates a significant return on investment. As part of WaterAid's 'Boosting business' research project, Diageo, Gap Inc., HSBC, Twinings and ekaterra's plantations and factories experienced short-term returns on investment (ROI) of up to US\$2 for every US\$1 spent ensuring workers' access to safe WASH (and in some cases much higher long-term ROI projections). Reduced absenteeism, increased productivity, and a decrease in WASH-related medical costs were some of the business benefits.

According to CDP, which has access to the world's largest repository of environmental data, companies are increasingly providing water data. In 2023, nearly 5,000 companies provided CDP with water data, reflecting a 98 per cent increase over the last five years.

Increasingly, the business community is demonstrating its commitment to sustainable water management, water use efficiency, reducing operational risks, and inspiring broader adoption of responsible water stewardship practices. Continuing these positive trends and practice will be paramount to ensuring future water security.



## Specifically, we are calling on the business community to:

Achieve net positive water impact by

1. establishing best-in-class water efficiency, reuse, recycling and wastewater treatment
  2. supporting projects that address shared water challenges and stakeholder priorities
  3. driving collective action to improve watershed health, good water governance, sustainable water balance, good water quality status, important water-related areas, and/or safe water, sanitation and hygiene for all.
- › Engage in water stewardship as a mechanism to improve local basin outcomes, including by managing the companies' water footprint, increasing efficiency and wastewater treatment, and ensuring WASH access in company operations and in wider supply chains.
  - › Support the implementation of new, innovative mitigation measures for the sector, including the promotion of technologies and services that will help to reduce water and sanitation-related emissions and the reuse of emissions for energy, wherever possible.

- › Support the rapid scale up of investments and climate financing to unlock larger amounts of private investment in the water and sanitation sector in vulnerable countries.
- › Work in partnership across sectors, including with governments and civil society, to strengthen local water resilience, from scaling technology and innovations, to investing in nature-based solutions, ecosystem restoration, and other equitable climate-resilient solutions.
- › Build capacity and expertise within organizations, national systems and communities to develop knowledge and skills, to transform ideas into action and promote a thriving water and sanitation innovation system.
- › Champion systems strengthening and good governance, including calling for policies and regulation that prioritize and protect WASH services, especially in highly vulnerable areas, so that no one is left behind.
- › Engage with local markets to establish affordable, resilient sanitation products and services for all.





CDP is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts.

UNICEF works in the world's toughest places to reach the most disadvantaged children and adolescents – and to protect the rights of every child, everywhere. Across more than 190 countries and territories, we do whatever it takes to help children survive, thrive and fulfill their potential, from early childhood through adolescence.

WaterAid is an international not-for-profit, determined to make clean water, decent toilets and good hygiene normal for everyone, everywhere. Only with these three essentials can people change their lives for good.

And we never give up.

## Photo Credits

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On 20 June 2023, Rahmatullah, 9, drinks clean water inside his home in Nangarhar Province, eastern Afghanistan, pulled from a UNICEF-supported tap which draws from a new solar-powered water system. Rahmatullah used to walk down to the river to fetch water for his family. He had to walk to the river multiple times a day to fetch sufficient water for his family to bathe and wash their clothes. "One time I fell down and broke my leg while fetching water and I had to miss school for a long time," he recalls. "There were times when I was sick and my mother had to leave my baby brother at home to fetch water. He would cry for hours and we didn't have anyone to look after us." "I am very happy that I don't get injured or have to miss school just to fetch water because we have water taps in our homes now."

In partnership with the European Union, UNICEF is installing solar-powered water systems in remote villages across Afghanistan, bringing clean, safe water directly to people's homes.

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