Anheuser-Busch InBev

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Short summary

This case will explore the tools used to integrate water stewardship into standard business activities at Anheuser-Busch InBev and build internal and external capacity to take actions to scale at the watershed level and reduce climate and water-related risks, both for the company's breweries and its barley supply chain. This includes:

- The water risk assessment process used to identify risks and opportunities
- Stakeholder mapping tools
- Goal setting and cascading systems to ensure internal alignment, integration, accountability and action across the company and, more importantly, with stakeholders
- Project management and reporting systems to ensure initiatives stay on course
- Company management systems, that integrate all of the above so they become standard activities, owned by groups of individuals that can make the greatest impact

A brewery and barley examples will be used to illustrate the above.

Key words:

Water risk assessment, goals, water stewardship, tools, capacity-building, stakeholders, integration, agricultural supply chain, collective action, pilot projects, scaling

Issues addressed:

Water resources management (water-use efficiency, integrated water resources management, transboundary cooperation, sustainable extraction and supply of freshwater)

Breweries

- Water use efficiency
- Effluent reuse
- Infrastructure improvement
- Collective action
- Restoration
- Green infrastructure
- Capacity building
- Awareness and education

Barley

- Irrigation efficiency
- Conservation agriculture
- Nitrogen optimization
- Improved barley varieties
- Yield improvement
- Use of information technology

Water quality (pollution, dumping of toxic materials, wastewater management, recycling, reuse, restore ecosystems and aquifers)

- Green infrastructure
- Watershed restoration
- Effluent reuse
- Compliance with exiting wastewater regulations
- Nutrient management
- Conservation agriculture

Specific actions being taken to improve water quality

Risks (mortality, economic losses caused by natural and human-induced disasters)

Water stewardship initiatives and collective action aim to reduce risks for all users within a watershed.

Tools for implementation:

Capacity development

- Water risk assessment process used to identify risks and opportunities
- Stakeholder mapping tools
- Goal setting and cascading systems
- Company management systems
- Forming and participating in watershed committees

Project management and reporting systems to ensure initiatives stay on course

Who is involved?: Senior executives, subject matter experts from global, breweries and barley operations, local stakeholders (governments, community groups, NGOs, agriculture associations, etc.), watershed committees, universities, stakeholder advisors.

What were the objectives of the intervention?

- Engage in watershed protection measures for high-risk breweries and improve water management in high-risk barley growing regions.
- Take actions to scale as soon as possible.

Implementation challenges

- Taking a long-term view of water issues
- Building capacity within a manufacturing oriented culture
- Building teams and cascading goals
- Identifying meaningful watershed engagement opportunities
- (note, these are all challenges and opportunities but things we didn't know how to do at the start)

Main task/activities undertaken / Tools used: Identified high water risk breweries and barley growing regions and set a plan to take action. Tools used are referenced above. These activities involved energizing internal employees and engaging with a variety of stakeholders to take action together. All activities are reviewed by our Third-Party Water Technical Advisors, and our achievement is being externally assured.

Main outcomes / impacts (what has changed?): This is very much work in progress, but we have several breweries engaging in watershed protection measures. We have piloted projects and are taking some to scale while we evaluate additional opportunities.

Lessons Learned:

Triggers: Increasing awareness and realization about water risks in direct operations and agricultural supply chain – that these are real and present business risk, but also opportunity. As we increase our knowledge of water stewardship, it is clear that action must be taken collectively and that we need long-term planning.

Drivers:

- Setting internal goals based on our external commitment
- Realization that water risks need to be addressed and that we can play a role along with other stakeholders.

Barriers:

- Multi-stakeholder processes such as these are very complex and alignment can be difficult to obtain.
- Requires long-term thinking outside of normal business cycles
- Sound water policy and local capacity is lacking in some watersheds

What has worked well? Company culture built around shared personal achievement targets has been a significant asset to integrating water stewardship into regular business activities and holding the right people and groups accountable. We are taking action, learning, and improving.

What can be improved? Watershed stewardship is hard and complex work, and most companies are just scratching the surface. We are learning as we go, and take the view that we can be 80% right, then learn, and adjust for the remaining 20%, if needed.

Actions need to be taken to scale, and we need better data and metrics on the best actions/solutions and their economic and environmental value. We need better science.

The way forward: Continue to engage employees and a wide variety of stakeholders. There is much more opportunity to work collectively at the watershed level.

Links:

http://www.ab-inbev.com/social-responsibility/environment/water-use.html - water section of our website

http://www.ab-inbev.com/social-responsibility/global-citizenship-report.html - pages 22 - 33, AB InBev Global Citizenship Report