



***Accounting for Water:
From Global to Local
Initiatives***

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Agenda

- *To highlight global functions of Accounting Professionals in local initiatives;*
- *Linking accounting professionals to accountability of water;*
- *Share cases and developments of accountability of water in SADC.*

Acknowledgement

“Physical flow Accounting of water resources in organisations and companies is an emerging practice in corporate disclosure in SADC”

Global Functions:

- ***Financial Accounting - Recognition, measurement and disclosure of economic activities and flow of capitals through the business model;***
- ***Management Accounting – production of information for decision making (Cost Accounting, Valuation, full cost accounting and mgt accounting information systems)***
- ***Assurance - Reliability of systems of accountability and information;***

Global Accounting Instruments

1. International Financial Reporting Standards (IFRS):

(Available for use by private sector companies and organizations);

2. International Public Sectors Accounting Standards (IPSAS) ;

(Available for use by public sector institutions)

3. Sustainability Reporting Guidelines

(Available for use by all organizations including Public sector Institutions);

The Bridge?to natural capital accounting

Global Reporting Initiatives (GRI) - Sustainability Reporting Framework

Key Principles

- *Stakeholder Engagement;*
- *Materiality;*
- *Performance Indicators (Economic, Social, Environmental and Governance)*

GRI – G4 - Water Indicators:

- 1. G4 - EN8** – *Total Water Withdrawal by Source*
(*Surface water, groundwater, rain, municipal water, waste water from the company*)
- 2. G4 – EN9** - *Water sources significantly affected by withdrawal of water;*
- 3. G4 – EN10-** *Percentages and total volume of water recycled and reused;*

Public Sectors Cases from SADC ...

- Water accounts are being produced at a national level in countries like South Africa, Botswana and Namibia;***
- Progress has been noted in Tanzania and Mozambique in water accounts;***

These cases have been driven by national governments and local authorities in attempts to consider water as capital.

Private Sector Cases in SADC

- ***5% of Global GRI Sustainability Reports are from Africa (Economic, Environmental, Social and governance);***
- ***98% of Africa reports are from SADC (South Africa, Zimbabwe and Mauritius)***
- ***Mainly driven by Stock Exchanges (South Africa, Zimbabwe..);***
- ***Initiatives being influenced by the profession;***

Emerging Drivers in SADC...

- ***The rising influence of stakeholders like Civil Society Organisations (CSO) demanding accountability on natural resources including water;***
- ***Scarcity of water sources;***
- ***Influence of capital markets in SADC (JSE & ZSE);***
- ***GRI established Focal Point office in SADC***

In Closing.....

- ***Integration of economic and physical flow accounting in accountability of water;***
- ***Public Sector Accounting leadership role in accounting for water resources;***
- ***Sustainability leadership development on natural capitals management (including groundwater and aquifers);***
- ***Considering of water as capital? By who and at what stage?***

Our Vision

*‘Advancing Sustainability
Initiatives for Africa’*

Thank you!!!



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