GOOD PRACTICE, BETTER FINANCE
Project Overview

At Bonsucro, our goal is to collectively accelerate the sustainable production and uses of sugarcane. From our extensive work with farmers over more than a decade, we know that many farms are poorly prepared for external threats. Certification data from the Bonsucro Calculator for our Production Standard offers us robust knowledge that demonstrates sustainable production practices prepare farmers for external risks and have a positive impact.

To transform farming practices, producers need access to finance. But typically, farmers are unappealing to lenders – perpetuating a negative cycle.

Through our recent project – Good practice, Better finance – we co-created, with several partners, a methodology to help financial service providers improve how they assess their agricultural clients’ sustainability performance, by looking at site level and landscape level risks.

By better understanding the sustainability performance of farmers, financial service providers can offer better finance terms to more sustainable farmers and increase their investments in sustainable farming.

Minimising risks in an increasingly uncertain world

A key goal of this project was to better understand risks – for both farms and financial service providers. This is because risks are increasing; farms are increasingly affected by external events (also called landscape risks). There is a long list of potential risks, which differs for each location but could include:

- **The impact of climate change**: no other sector is more dependent on weather patterns than agriculture, so this is a major consideration. More extreme conditions, such as long periods of drought, are a particular problem in many parts of the world. For example, in 2015, drought impacts in California cost the region’s agricultural sector $1.84 billion.
- **Crime, social unrest, and wars**: as seen when protests linked to unemployment and poverty led to riots in Durban (2021) and as we are now experiencing globally because of the war in Ukraine.
- **Changing demographics**: this takes agricultural land out of production and means fewer people are available to work on farms. The UNCCD has predicted that between 1.6 and 3.3 million hectares of prime farmland could be lost to urbanisation between 2000 and 2030. India’s Kashmir region is losing 1,375 hectares of agricultural land on average each year.

This project was possible thanks to a grant from the ISEAL Innovations Fund, which is supported by:

Disclaimer: The views expressed in this publication are those of the author(s) and do not necessarily represent those of the ISEAL Secretariat, ISEAL Community Members, or donor entities to the ISEAL Innovations Fund.
ABOUT THE PROJECT

Helping financial service providers understand farming clients’ sustainability performance

Bonsucro worked with the project partners, Alliance for Water Stewardship (AWS), RCL Foods, WWF, Better Cotton, Nedbank, SRK Consulting, Akwandze Agricultural Finance, SA Canegrowers) to develop the Good practice, Better finance project to create a methodology to help financial service providers – let’s call them FSPs from now on – understand how their farming clients are performing when it comes to sustainability and minimising risk.

Sustainability is complex and FSPs around the world often have a limited understanding of best practices in sustainable agriculture. Instead, when structuring financing deals for farms, FSPs usually look at the client’s historical financial records and their financial forecasts. Some FSPs might have a checklist for legal compliance, but unless it’s a very large investment, they don’t usually factor in the sustainability of farming practices, long-term planning, and landscape level risks such as erratic weather patterns, induced by climate change and the related and often uncoordinated societal preparedness and responses, which can exacerbate the situation.

More sustainable farms: better prepared, less risk

Certification data shows that better sustainability practices make farmers more prepared for future events, particularly when they consider landscape level risks and practices beyond the farm, such as water-related challenges shared by multiple stakeholders. However, banks and other lenders, generally, don’t recognise that more sustainable farmers are lower-risk clients.

A client’s risks are further lowered if an assessment of their sustainability practices exposes challenges at farm level because the company can seek financial or other support to help them tackle the issues raised, making them better prepared for future events. Through these incentives, FSPs can encourage behaviour change across the sector by rewarding the most sustainable producers.

It makes practical sense for sustainable farmers to be offered better access to finance with more favourable contracting terms.

Project objective

The Good practice, Better finance methodology needed to be versatile and inform FSPs on the sustainability performance of their clients. It also needed to recognise:

The complexity of sustainability

Sustainability in the agriculture sector is complex and covers a broad range of themes while involving specific details that change per product. Consideration of the landscape is also vital - what is happening beyond the farm gate can have huge impacts on the agricultural practices and the workforce.

There are many barriers that make it challenging for a financial service provider to assess the sustainability profile of its clients. These include restricted access to relevant data and a limited understanding of sustainability frameworks. There are so many sustainability databases, initiatives, standards, and data collection tools that it can leave financial professionals and financiers feeling overwhelmed. What this project has achieved in the Landscape Level Water

1 In these cases, an external company is usually hired to do the social and environmental assessment.
Related Risk Assessment Framework, is to cut through to the essence of the issues and make it practical for financial professionals to make such assessments.

That collaboration is essential

Because risks and sustainability challenges are also present at a landscape level, collective action is imperative. For example, stakeholders representing all sectors of society have water related needs. Collaboration between stakeholders, from all sectors, is vital, in order to accommodate all interests, in a sustainable manner. The tools and frameworks that are developed in this project are commensurate with this need.

That sustainability data must be simple and meaningful

The project methodology needed to simplify the enormous amount of available information and present it in a format that would be meaningful to FSPs and other potential users. Data from existing databases, research results, and from the Landscape Level Water Related Risk Assessment Framework (Appendix A) was arranged appropriately to assess internal and landscape level external risks.

DEVELOPING A METHODOLOGY

Bonsucro, the Alliance for Water Stewardship (AWS), WWF South Africa, and SRK Consulting approached the project by considering how FSPs could pull data from existing sustainability systems and standards and combine this with landscape level data on issues such as rainfall patterns, local labour and governance conditions, so they could accurately rate their clients’ sustainability performance.

Kick-off and scoping

We developed insights to understand the scale of the challenge with an initial scoping phase of the project.

To foster a culture of collaboration, we felt it was important for everyone to get to know each other. We hosted two kick-off events where the team shared how they approach sustainability. Each partner brought a unique perspective that helped us to understand what FSPs need and what sustainability standards can offer. The collective expertise helped to frame the project around the question: “what is a good assessment that will offer reliable data to give an accurate perception of risk that includes both inherent risks to the sector and risks at landscape level?”

To give the project focus, we wanted to concentrate on one location. We identified Nkomazi Local Municipality in South Africa, where the farming town of Malelane is based, which we wanted to use as a pilot to experiment with different approaches. This is because farmers produce both sugarcane and cotton. It is also an area with a lot of labour migration, changing demographics, and challenges around access to water. It encapsulated many themes the project sought to address.

We refined the workplan, confirmed what sustainability data was available, and how it would flow through our process – for both sugarcane and cotton considering water with AWS for both crops.

We:

- Created an environmental and social baseline study report.
- Derived a Landscape Level Water Risk Assessment process.
- Completed a gap analysis report.
- Updated our monitoring and evaluation framework with measures of success.
Developing and testing the methodology

Using information gathered from the scoping phase, we developed our initial methodology and supporting tools (such as data collection forms and data visualisation) to inform decision makers of FSPs on the sustainability profiles of their clients. The methodology and tools were also aligned to the International Finance Corporation’s Performance Standard.

As you can see in the diagram below, our idea was for the farms, sustainability standards, and research organisations to each provide data which could be used to create a rating to send to the banks, putting them in a stronger position to offer incentives for sustainable behaviour.

The purpose of the methodology is to identify data sources, obtain access to the data, check and clean it, then collate and analyse it, with the results presented in a meaningful dashboard. Combining data from the agricultural sector and the regional landscape, like the Landscape Level Water Related Risk Assessment Framework (Appendix A) gives more meaning to the sustainability assessment than using data from a farm only.

The initial methodology achieved two of our goals – navigating the complexity of sustainability assessment and promoting collaboration. The Landscape Level Water Related Risk Assessment Framework (Appendix A) provided an affordable and effective way of gathering the key information required.

However, at the farm level the methodology fell short when it came to providing FSPs with simple overview of the different data that could be put into action. To make the solution work on a practical level, we needed to understand how the enormous amount of data identified could be used within FSPs’ systems. The improved methodology is illustrated in the diagram below, with the project extension (phase two, which is explained in the following section) shown in the green oval (Nedbank Farm Sustainability Assessment Model).
The second methodology was an improvement, but the scale of the data was still overwhelming to FSPs. We needed a system to structure the data and make it meaningful for the bank – this was the focus of the second phase of the project, which allowed us to take our work a step further by:

- Simplifying sustainability risks.
- Ensuring sustainability could be included in decision making at credit committee level.
- Informing sustainability reporting.
- Helping to identify new business opportunities for current and potential clients.

Our goal during this second phase was to build on the methodology and develop a model and supporting scorecard tool for Nedbank (which could be adjusted for other FSPs) to gain clear insights into the sustainability performance of their farming clients. As a result, we created the Farm Sustainability Assessment Model – illustrated below – which considered factors including:

- The original methodology.
- Legal compliance risk.
- Alignment with the SDGs.
- Simplicity for decision-makers.
- Current availability of data.
- The complexity of making data available.
- Ease of adoption for other FSPs.
- The potential to scale.
RESULTS

Our project illustrated that for FSPs to make an accurate determination of risk, sustainability standards are valuable. Their data is rich and can be applied to an array of tools, but this data must be complemented with the context of landscape-level information.

Our proposed methodology creates transparency and provides new insights into how farming is being done and what the main challenges are for the agriculture sector. This has benefits for FSPs and farmers alike, encouraging each of them to focus on sustainability. Through this project we:

- Developed a clear understanding of what FSPs need from a tool to assess clients’ sustainability performance.
- Learned how decisions are made to inform how this process could be improved.
- Collaborated with a range of partners to make sure this methodology would benefit all the stakeholders involved.
- Tested and continually updated our methodology to account for the many complexities in the sustainability and agriculture sectors.
- Developed a recommendation for moving forward, which is explained below.

Benefits

Through this project, we looked at sustainability issues from a practical perspective and considered the challenges that could arise for a financial institution or its clients.

Importantly, this methodology is scalable. The project was developed and piloted in the South African sugarcane and cotton sectors, however, it has the potential to be replicated across various sectors and locations. As a result, its implementation could have a significant impact globally by encouraging producers and FSPs around the world to focus on sustainability.
LOOKING AHEAD

Recommendation: a new hub for farm sustainability knowledge and data

Our proposed way forward is the pre-competitive platform that would serve as an information aggregator and clearing house akin to a credit rating agency. This conclusion took into account:

- The complexities of farming and sustainability.
- Limited capacity of FSPs.
- Time demand of data collection.
- The urgency of making data available.

This platform will act as a hub for farm sustainability knowledge and data, pulling existing sustainability systems together to create a rating system based on:

- Existing standards.
- Expertise from commodity or farming organisations.
- Sustainability initiatives.
- Research institutes.
- Civil society organisations.
- Existing datasets and platforms.

An independent sustainability rating system

A key element of the pre-competitive platform is creating and maintaining a farm rating system for sustainability performance. Once farms have supplied their data, they will be rated according to an independent, farm-specific system which also takes external risks and sector norms into account. A rough outline of the rating process system – which still needs further development and testing – is illustrated below.

Participants will each receive something meaningful back – for example, reduced risks and new opportunities for FSPs, support in improving data collection for sector organisations; alignment with the financial sector for sustainability systems and governance organisations; or advice, tools, and a sustainability rating for farms – not to mention, of course, better deals with FSPs.

Benefits of the platform include:

- Increased alignment on agricultural sustainability within South Africa.
- A GIS tool with key external and landscape risks.
- A Landscape Level Water Risk Assessment process.
• Sector information for farm management.
• Tools to improve data collection by farms, farming groups, and farming organisations.
• A rating system with certificates for farms and smallholder groups.
• Improved information and tools to prepare for what the future might bring.
• A means to encourage and empower producers to adopt more sustainable practices.
• Acting as a vehicle to help climate finance reach farmers.
• Helping farmers lower risks, which makes them more appealing to FSPs.

**Better informed, better finance, reduced risks**

Encouraging farmers through better finance can help them become more resilient and sustainable. Lenders tend to move away from risky businesses and the risks for the agriculture sector are increasing. By providing access to detailed information from the farm and landscape levels, including water and water-related governance, we hope to enable FSPs to fund businesses’ to innovate and develop green initiatives.

Once the platform is operational, a group of experts will work on mapping all relevant risks that could negatively impact farms and a Geographic Information System (GIS) tool can be used to gather, manage, and analyse the data. Moving forward, the types of potential partners – beside FSPs – that could move this forward are:

• Sustainability standards and initiatives.
• Commodity organisations.
• Research institutes.
GET IN TOUCH

Collaboration for a thriving, sustainable sugarcane sector

We believe collaboration between the finance and agricultural sectors, commodity organisations, sustainability standards and other stakeholders is critical. But together we have the power to find solutions and make real progress. By embracing partnerships, organisations can make sure they’re leading the way.

“Sustainability in farming can only be tackled if we work together. The work is simply too much and too complex for individual organisations to solve on their own. But by embracing partnerships, we can make huge progress.”

Boudewijn Goossens, Bonsucro, Former Regional Director, Africa & Middle East and project lead for Good practice, Better finance

This phase of the project is now complete, but it has potential to build on successes and learnings so far and even scale up to other locations. By encouraging and enabling more collaboration, the platform can help us achieve thriving, sustainable farming sectors.

We’d love to hear from organisations which are interested in helping us develop the tool further. If you’re interested in tackling farming sustainability through the Good practice, Better finance project, and would like to read the full technical report, please get in touch with Norma Tregurtha, Bonsucro’s Director of Engagement and Markets: norma@bonsucro.com
Appendix A
Landscape Level Water Related Risk Assessment Framework

December 2022

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This document was produced for the ‘Good Practice, Better Finance’ project which has been made possible thanks to a grant from the ISEAL Innovations Fund which is supported by:

Swiss Confederation

Federal Department of Economic Affairs, Education and Research EAER
State Secretariat for Economic Affairs SECO

The views expressed in this publication are those of the authors and do not necessarily represent those of ISEAL or donor entities to the ISEAL Innovations Fund.
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1. Context

In 2019, the ISEAL Innovations Fund awarded a grant to Bonsucro to develop and test methodologies, as well as improve monitoring tools, which would allow for improved access to affordable finance for farmers. This improved access would be through reward systems based on the integration of farmers’ risk management and sustainability strategies with financial institutions’ own risk assessment frameworks.

Three ISEAL Members – Bonsucro, Better Cotton Initiative (BCI), and the Alliance for Water Stewardship (AWS) – are partnered in this project within selected pilot areas of the Inkomati-Usuthu Water Management Area (IU WMA), South Africa. This project focused on developing a practical methodologies and support tools to enable access better financing opportunities for farmers who produce sustainably.

This document describes the assessment framework developed by this project to assess landscape-level residual risk for water.

2. Objective

In this project, there was widespread recognition amongst project partners that when it comes to water management there are intrinsic risks (droughts, heat waves, excessive rainfall events, etc.) that cannot be prevented. However, there was also widespread recognition that it was the Residual Risk (i.e., that risk that remained after Mitigation actions had been taken), that is key to the practical assessment and thereafter use of the results of a landscape level water related risk assessment. Therefore, the objective was to develop an approach to assess how the water governance structure and processes functioned to reduce residual risk.

3. The framework

At the core of the project’s understanding of what constitutes behaviour that mitigates risk is the notion that sustainability is an emergent property of stakeholder engagement. Such engagement enables the early sensing of risk, the understanding of the dynamics that the information is signalling and the prepared and practiced collective action responses, to mitigate the risk.

Therefore, we chose to build our framework of residual risk assessment on a model of the de facto governance framework and the actions of the stakeholders, within that framework. The AWS Standard V2.0 and most other sustainability standards that refer to engagement in environmentally related governance processes beyond the site’s fence-line, require that the stakeholders work within the structures and processes as well as the policy, legislative and regulatory frameworks, of the country, in which they find themselves. The South African water related systems in this regard are widely acknowledged to be world class and so this project chose to use them as a macro-framework for the landscape level risk analysis work.

*Figure 1* below is the first in a series of schematic diagrams to explain the workings of this water related governance system and the risk assessment framework developed by the
The blue cloud in the centre of the diagram represents the multiple forms of possible engagement within and between sectors.

Figure 1. Schematic diagram of the Catchment Management Agency, multi-stakeholder configuration in South Africa.

The notion of sustainability as an emergent property of stakeholder engagement is captured in Figure 2, showing the core elements of such a strategic approach to landscape level risk, within the governance realm.
Figure 2. Schematic illustrating the co-generation of options and consideration of consequences by sector stakeholders, operating in the stewardship space, as they provide a basis for wise policy, regulatory and allocation decisions by the relevant authority.

Only the government has the authority to make binding decisions regarding laws, regulations, licenses, building of dams, pipelines, water quality thresholds and water allocation etc.

Stakeholder engagement can either be:

- nourishing, transparent, fair, inclusive engagement which yields creative options and serious reflections into the full systemic consequences of potential options, in the short, medium & long term and builds consensus. These processes are a highly preferred by government decision makers.

OR

- toxic, fragmented, unfair, selfish, non-transparent, short sighted, exclusionary “conflicts” that yield “lose/lose” situations and that do not assist governments to make wise decisions. These toxic processes are a nightmare for governments and stakeholders alike.

For such a governance model to function well each of the key groups of actors need to function well and the information flows need to be effective. Consequently, Figure 3 sets out the five collective action areas that need to function well, if landscape level risk is going to be sensed, assessed and addressed effectively.

Figure 3. Schematic diagram of the water related governance structure and processes in South Africa
Without these well-functioning human and organisation centric linkages the farmers and the Financial Institutions could have the best IT systems, but the information in such systems, will have very little impact on reducing risk.

As an assessment tool for residual risk and sustainability for the water related landscape, the project developed a list of questions that explore the actions and potential actions of stakeholders under each of the five collective action areas outlined in Figure 3. The questions were also designed to build a road map for what needs to be done and who needs to do it.

Answers are provided on a 1-5 Likert scale, where 5 is a strong YES. If all the answers to the questions are positive (i.e., 4s or 5s) then the risks will be visible and understood by the actors and actions to mitigate them will, in most cases be affordable, achievable, co-ordinated, effective, and timely. In such cases the landscape residual risk will be low, resilience strong and sustainability high. The converse is true if the scores are predominantly low.

The project recommends that financial institutions use this list of questions to assess landscape-level residual risk in terms of water every 2 years. The complete list of questions is provided in Annex A.

4. Testing the framework

The list of questions was built and tested in consultation with project partners in the following ways:

- Internal conversations within the core team of Bonsucro; BCI; SRK, WWF and AWS persons
- Numerous meetings over a period of 18 months with the full set of project partners, (including Nedbank), and /or a subset thereof.
- Meetings with ISEAL personnel and also with the senior leadership of Bonsucro.
- Early concepts were presented to the ISEAL Members- Africa and later to ISEAL International Staff.

The next activity after developing the model was to select key persons within the project partner group and engage them to test their understanding of the model and its rationale. Once such understanding had been tested and improved, the participants were asked if they were ready to score their catchment and its major stakeholders in terms of the collective action areas in the model, by answering the questions (see Annex A) according to the 1 to 5 Likert Scale.

The scores of these 5 key and knowledgeable respondents are presented in the table below:
It was evident from the survey interviews with Respondents A to E that the questions and the rationale for this approach were understandable to those being interviewed. The approach also had the effect of introducing the key participants to a new set of insights into the landscape level governance and information dynamics that would either add to or reduce landscape level risk, depending on the effectiveness of collective action mitigation efforts.

It was also clear from the predominantly low scores that there is much room for improvement in the water related governance actions of the stakeholders, towards water related risk reduction, in this catchment area (Crocodile River).
5. Conclusion and way forward

At the landscape level the model could be applied by the Banking Association of South Africa (BASA) members for their own clients OR they can co-ordinate their efforts to Assess ALL sectors in the landscape and share the results. It is anticipated that if BASA members declare a Water Management Area to be high risk or low risk, then all the banks and financial institutions will know where and how to intervene to turn the high risks into lower risks. The guidance on how to do this is in the Model Questions themselves.
Annex 1. List of questions for sector leaders

In the South African context, it is recommended that financial institutions assess the residual landscape level risk surrounding water management by interviewing sector leaders at least every two years. To support this assessment, the project has developed a set of 22 questions that correspond to the five collective action areas outlined in the Landscape Level Risk Assessment model developed by the project (see diagram in Figure 3). Answers should be provided on a Likert scale 1-5, where 5 is a strong YES.

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<tr>
<td><strong>1</strong></td>
<td><strong>Inter-Sector leadership engagement:</strong> Is your sector leadership engaging leaders of other sectors wisely at catchment level?</td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td>Is your sector leadership focused on gathering, organising, accessing, analysing &amp; sharing of water quality, quantity, usage and other relevant information cost effectively and sustainably?</td>
<td>AWS Indicators in Step 1</td>
</tr>
<tr>
<td>2.</td>
<td>Do transparency, candour, collective action, sharing costs, knowledge equity, appreciative enquiry, systemic understanding considerations characterise the approach that your sector leadership takes to these engagements involving information?</td>
<td>AWS Indicators in Step 5</td>
</tr>
<tr>
<td>3.</td>
<td>Is your sector leadership striving for water related management options to be co-generated and consequences of various options explored transparently and collectively off a shared base of socially robust information?</td>
<td>AWS Indicators in Steps 2 and 3</td>
</tr>
<tr>
<td>4.</td>
<td>Is your sector leadership mandating resources to carry out collective inter-sector strategies and plans at local/grass roots level, informed by trusted information?</td>
<td>AWS Indicators in Step 2</td>
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| **2** | **Vibrant connection site to site and sector leadership to sites and vice versa:** Are there vibrant, 2-way connections between your sector leadership and site level leadership? |   |
| 5. | Is there a 2-way flow of digital water related information from site to sector leadership & vice versa such that both are able to be fully informed on a near real time basis? | AWS Indicators in Step 1 & 3 |
| 6. | Are there mechanisms in place to facilitate rapid, multi-way, low transaction, cost verbal communications between sites & leadership representing sites in the sector at the catchment level? | AWS Indicators in Step 3 |
| 7. | Are sites and sector leadership on the same page with regard to information underpinning emergency and risk reducing strategies & plans as well as strategies to collectively grasp opportunities? | AWS Indicators in Step 2 |
| 8. | Are economies of scale and critical mass considerations being employed optimally to reduce the cost of ownership and transaction costs of IT systems to create the outcomes mentioned in action areas 1 to 6? | AWS Indicators in Steps 1 and 3 |
### Inter-sector local engagement: Is there vibrant inter-sector engagement at local level?

9. **Is there a recognition that a vibrant, wise and cost-effective inter-sector engagement, informed by trusted information, at local/site/grass roots is imperative?**

   - AWS Indicators in Step 3

10. **Have the local level shared water challenges been collectively identified, based on trusted information?**

   - AWS Indicators in Step 1

11. **Are there collective action plans, based on trusted information, to address the shared water challenges?**

   - AWS Indicators in Step 2

12. **Are there accessible, shared information systems that lead to more trusted information being generated cost-effectively at local level?**

   - AWS Indicators in Steps 1 and 3

### Advisors to the sector and sites: Does the sector have professional services of a dedicated Sector advisor/s on water matters to sites & the sector?

13. **Has your sector leadership seen and fulfilled the need for one or more sector advisors with sound professional skills and experience in water matters?**

   - AWS Indicators in Step 3

14. **Are supply chains; mills; ginneries; co-ops; processing plants or any other forms of organisation assisting farmers with advisory services into the collective action water realm, described above?**

   - AWS Indicators in Step 3

15. **Is the advisor part of a team which also advises the agricultural sector in other catchment management agencies and as such able to bring a larger body of experience to apply to your sectors work at approximately the same annualised cost as one expert advisor and with the added benefit of continuity assurance?**

   - AWS Indicators in Step 3

16. **Is the advisor skilled at integrating and leveraging the work of advisors to other stakeholder sectors so as to deliver overall better economies of scale and critical mass to pre-competitive activities around information systems in the cloud space 5 (see Figure 3)?**

   - AWS Indicators in Step 3

17. **Is the advisor skilled at drawing in information that is collected by sites for operational purposes and integrating it into the collective space with appropriate privacy safeguards and hence orchestrate a steady stream of relevant information into the collective space, at low transaction costs?**

   - AWS Indicators in Step 3

### Inter-sector engagement at Catchment Management Agency (CMA) level
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<tr>
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<th>Question</th>
<th>AWS Indicators</th>
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<tr>
<td>18.</td>
<td>Is the inter-sector engagement taking place within the governance structures and legal and policy frameworks of national, regional and local government?</td>
<td>Indicators in Step 3</td>
</tr>
<tr>
<td>19.</td>
<td>Is it demonstrable that the inter-sector leadership engagement at the CMA level seeks to establish a common information system to which all sectors contribute?</td>
<td>Indicators in Steps 1,2,3</td>
</tr>
<tr>
<td>20.</td>
<td>Is it demonstrable that knowledge equity as well as representative equity are striven for by all stakeholder sectors?</td>
<td>Indicators in Step 2 and 3</td>
</tr>
<tr>
<td>21.</td>
<td>Is it demonstrable that the information systems for water quantity, water quality, water use, important water related area and WASH beyond the fence-line of sites are comparable with best practice and compatible with other such systems nationally?</td>
<td>Indicators in Steps 1 to 5</td>
</tr>
<tr>
<td>22.</td>
<td>Is it demonstrable that the primary output from the inter-sector engagement is co-generated options and co-consideration of the consequences of the said options, to lay before the national authority?</td>
<td>Indicators in Steps 3, 4, 5</td>
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### Co-generating options and consequences

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<th>Question</th>
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<tr>
<td>23.</td>
<td>The primary role of stakeholder leadership is to jointly develop options and to jointly consider the consequences of these options in an inclusive and transparent manner under the oversight of the DWS, who then take the final decision regarding infrastructure building and or regulation?</td>
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