

Water Security Programme for Vieux Fort

Letter of Intent (LoI)

between



**Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH
(GIZ-CATS)**

P.O. Box 1111, Morne Fortune, Castries, Saint Lucia

and



**Windward & Leeward Brewery (Heineken)
(WLBH)**

St. Jude's Highway, Vieux Fort, Saint Lucia

and



**Water & Sewerage Company Inc. Saint Lucia
(WASCO)**

L'Anse Road, Castries, Saint Lucia

I. PURPOSE

The purpose of this Lol is to set out the partner's objectives and anticipated next steps for establishing a partnership to improve water security in and around Vieux Fort. It is intended to cover a six-month period.

II. BACKGROUND

Freshwater is a fragile, finite and vulnerable resource vital to human, economic and environmental sustainability in Saint Lucia and determines national prosperity and quality of life. There is more than adequate rainfall in Saint Lucia for current consumption including that required for household, agricultural, commercial and other uses. However, the availability of water is not evenly distributed in space and time and there is also a high spatial and temporal variability. Therefore, Saint Lucia suffers periods of floods and drought, and hence water shortages and poor water quality. In the future this situation is bound to further deteriorate due to increasing demands and climate change. Action is needed to meet both short term demands and long term water security.

In this context, the Government of Saint Lucia (GoSL) invited private businesses and International Cooperation Partners (ICP) to assist in this vital endeavor. The partners in this Lol are responding to this call to explore the possibility of developing novel types of development partnerships in the water sector in order to possibly mobilize additional human, technical and financial resources.

The Water and Sewerage Company Inc. is the national utility in charge of water supply services. Lack of adequate storage capacity and declining water quality are negatively affecting the ability of the company to provide adequate potable supplies. This leads to interruptions in the public water supplies during extended dry periods and in times of extreme hydro-meteorological events. The resulting water outages, which are mainly due to damages to the pipe network, blockage of raw water intakes and incapacitated treatment facility/system due to excessive sedimentation, impact negatively on the productivity of all customers (domestic users, business establishments). Despite these annual/seasonal challenges, WASCO is committed to improve its services, continue to meet the daily water demands of customers and champion endeavors towards water security in Saint Lucia. The provision and access to safe, potable and adequate supplies of water is critical to achieving the sustainable development goals of the island and is the engine of growth and national development.

The Windward & Leeward Brewery (Heineken) is a beverage company with Heineken as the main shareholder and has been operational in Saint Lucia since 1975. The brewery continued to increase its production to meet the demands of local and export (Caribbean region) markets. However, continuous operations are sometimes affected by supply interruptions and water quality issues associated with weather and climatic conditions. These challenges are expected to increase in frequency and intensify as a result of the climate predictions and projections for Saint Lucia. The Windward & Leeward Brewery

(Heineken) is committed to build resilience to climate change in its operation in Saint Lucia, demonstrate corporate responsibility by contributing to water security and by extension the well-being of the entire community of Vieux Fort.

The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) is a federal enterprise supporting the German government in achieving its objectives in the field of international cooperation for sustainable development. GIZ, through its International Water Stewardship Program (IWaSP) aims towards:

- *Sustainable impacts.* We strive to work most strategically and effectively for the highest and most sustainable impacts on water security.
- *Shared benefits.* The outcomes of our partnerships benefit society, including its vulnerable members while enabling businesses to create value through sustainable operations.
- *High integrity.* We aspire to the highest integrity standards, ensuring transparency, accountability, inclusiveness.
- *Local capacity.* We always work to build the ownership and capacity of local actors to develop their own appropriate and lasting solutions.
- *Good governance.* We support the development and implementation of public policy with the mandated authorities and while encouraging multi-stakeholder engagement in water management.
- *Tailored innovation.* We encourage innovative partnership approaches and tools tailored to local needs, to help overcome traditional barriers to action in the water sector.
- *Open learning.* We openly share our lessons, practices and tools, to benefit and learn from others.

III. Objective of the water stewardship partnership

The Water and Sewerage Company Inc., Windward & Leeward Brewery (Heineken), EHS-CARPHA and GIZ, through its International Water Stewardship Program, are aiming at establishing a water stewardship partnership to improve water security for the Town of Vieux Fort located in the south of Saint Lucia. The partnership aims to:

- (1) Identify short term no regret measures to improve water security for Vieux Fort;
- (2) Collectively secure sustainable water supply for the community and industries located in the south of Saint Lucia in the long run; and
- (3) Actively seek the engagement of community member and organizations, other industries and water users in the region.

IV. Next steps

The partners will immediately after signing this Lol work on a concrete action plan, which will stipulate specific inputs, outputs and plans for the following activities.

July:

Step 1: Hands-on workshop by the founding partners (and, if required, additional partners):

- Assess and confirm the main water security challenges facing the particular areas;
- Bring to the table the solutions that are already in motion;
- Identify and agree quick-win and high-visibility measures to undertake that complement the solutions under implementation;
- Identify and agree on stakeholders to invite for a broader awareness raising and consultation workshop, along with the agenda and purpose of the workshop;

Step 2: Start implementation of quick-win actions and develop the architecture of the partnership:

- Plan and undertake quick-win actions;
- Develop governance structure for the partnership, including rules, roles, partnership processes, partner commitments and key documents;
- Develop communications materials to market the partnership to others, including key messages and value proposition;
- Work towards a roadmap for future actions.

End of August beginning of September:

Step 3: Workshop with broad participation of relevant stakeholders:

- Raise awareness and further validate challenges and solutions identified in Step 1, encompassing broader stakeholders priorities, perspectives and ideas;
- Demonstrate the effects of already identified solutions/measures that are under implementation by the founding partners and which are already planned for (investment of GoSL and WASCO respectively);
- Consult stakeholders on the building blocks of a roadmap for future action;
- Identify possible additional (long term) complementary solutions to the existing plans;
- Invite other relevant stakeholders to join the water stewardship partnership;

End September:

Step 4: Partnership Workshop:

- Interactively assess costs and benefits of the identified solutions;
- Prioritize and secure stakeholder commitments to fund and implement measures;
- Identify opportunities to expand the partnership (with additional partners) and increase its impact (scale of partnership);
- Develop and agree upon a road map for a period of 4-5 years.

Early October:

Step 5: Sign letter of commitment (road map):

V. Responsibilities of partners under this LOI

Partners shall undertake the following activities:

- Determine an action plan including timelines and budgets needed;
- Share all available data and information on the water situation;
- Provide dedicated support to coordinating and implementing measures;
- Provide technical and financial resources;
- Bring to the table all actions already foreseen and agree on complementary actions and investments;
- Promote the water stewardship partnership and its purpose and objectives by all means available such as the printed media and publications, TV and radio, press releases, water utilities seminars, conferences, and possibly parliamentary hearings.

VI. Non-binding nature

Nothing in this Letter of Intent shall be understood or construed as a binding right or obligation of the parties involved or as obligating the undersigning parties hereto to finally conclude any agreement. In particular, this Letter of Intent in no way restricts either party from pursuing similar activities on its own or from participating in similar activities with other public or private agencies, organisations, and individuals and shall not provide exclusivity between the parties in the scope of any cooperation, does not endorse a specific entity, does not create any rights in any person, and does not create any obligations for any third party.

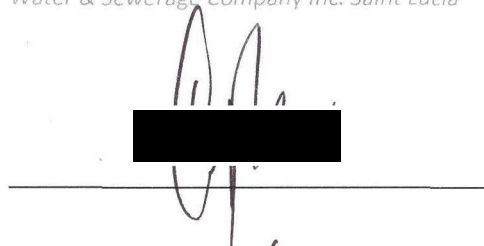
VI. Signatures and dates

Windward and Leeward Brewery (HEINEKEN)



02/07/15 Date

Water & Sewerage Company Inc. Saint Lucia



02/07/15 Date

Deutsche Gesellschaft für Internationale
Zusammenarbeit (GIZ) GmbH



01 July 2015