

## Water Indicators

Indicator	Value	Description	Source
Overall Basin Risk (score)	2.47	Overall Basin Risk (score)	
Overall Basin Risk (rank)	134	Overall Basin Risk (rank)	
Physical risk (score)	2.23	Physical risk (score)	
Physical risk (rank)	145	Physical risk (rank)	
Regulatory risk (score)	3.20	Regulatory risk (score)	
Regulatory risk (rank)	45	Regulatory risk (rank)	
Reputation risk (score)	2.48	Reputation risk (score)	
Reputation risk (rank)	120	Reputation risk (rank)	
1. Quantity - Scarcity (score)	1.78	1. Quantity - Scarcity (score)	
1. Quantity - Scarcity (rank)	135	1. Quantity - Scarcity (rank)	
2. Quantity - Flooding (score)	3.63	2. Quantity - Flooding (score)	
2. Quantity - Flooding (rank)	67	2. Quantity - Flooding (rank)	
3. Quality (score)	2.00	3. Quality (score)	
3. Quality (rank)	152	3. Quality (rank)	
4. Ecosystem Service Status (score)	2.09	4. Ecosystem Service Status (score)	
4. Ecosystem Service Status (rank)	121	4. Ecosystem Service Status (rank)	
5. Enabling Environment (Policy & Laws) (score)	3.55	5. Enabling Environment (Policy & Laws) (score)	
5. Enabling Environment (Policy & Laws) (rank)	30	5. Enabling Environment (Policy & Laws) (rank)	
6. Institutions and Governance (score)	3.25	6. Institutions and Governance (score)	
6. Institutions and Governance (rank)	75	6. Institutions and Governance (rank)	
7. Management Instruments (score)	3.40	7. Management Instruments (score)	
7. Management Instruments (rank)	28	7. Management Instruments (rank)	
8 - Infrastructure & Finance (score)	2.10	8 - Infrastructure & Finance (score)	
8 - Infrastructure & Finance (rank)	99	8 - Infrastructure & Finance (rank)	
9. Cultural Diversity (score)	1.00	9. Cultural importance (score)	
9. Cultural Diversity (rank)	176	9. Cultural importance (rank)	
10. Biodiversity Importance (score)	3.46	10. Biodiversity importance (score)	

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Indicator	Value	Description	Source
10. Biodiversity Importance (rank)	102	10. Biodiversity importance (rank)	
11. Media Scrutiny (score)	2.55	11. Media Scrutiny (score)	
11. Media Scrutiny (rank)	130	11. Media Scrutiny (rank)	
12. Conflict (score)	2.80	12. Conflict (score)	
12. Conflict (rank)	67	12. Conflict (rank)	
1.0 - Aridity (score)	1.00	The aridity risk indicator is based on the Global Aridity Index (Global-Aridity) and Global Potential Evapo-Transpiration (Global-PET) Geospatial data sets by Trabucco and Zomer (2009). These data sets provide information about the potential availability of water in regions with low water demand, thus they are used in the Water Risk Filter 5.0 to better account for deserts and other arid areas in the risk assessment.	Trabucco, A., & Zomer, R. J. (2009). Global potential evapo-transpiration (Global-PET) and global aridity index (Global-Aridity) geodatabase. CGIAR consortium for spatial information.
1.0 - Aridity (rank)	149	The aridity risk indicator is based on the Global Aridity Index (Global-Aridity) and Global Potential Evapo-Transpiration (Global-PET) Geospatial data sets by Trabucco and Zomer (2009). These data sets provide information about the potential availability of water in regions with low water demand, thus they are used in the Water Risk Filter 5.0 to better account for deserts and other arid areas in the risk assessment.	Trabucco, A., & Zomer, R. J. (2009). Global potential evapo-transpiration (Global-PET) and global aridity index (Global-Aridity) geodatabase. CGIAR consortium for spatial information.
1.1 - Water Depletion (score)	1.11	The water depletion risk indicator is based on annual average monthly net water depletion from Brauman et al. (2016). Their analysis is based on model outputs from the newest version of the integrated water resources model WaterGAP3 which measures water depletion as the ratio of water consumption-to-availability.	Brauman, K. A., Richter, B. D., Postel, S., Malsy, M., & Flörke, M. (2016). Water depletion: An improved metric for incorporating seasonal and dry-year water scarcity into water risk assessments. <i>Elem Sci Anth</i> , 4.
1.1 - Water Depletion (rank)	135	The water depletion risk indicator is based on annual average monthly net water depletion from Brauman et al. (2016). Their analysis is based on model outputs from the newest version of the integrated water resources model WaterGAP3 which measures water depletion as the ratio of water consumption-to-availability.	Brauman, K. A., Richter, B. D., Postel, S., Malsy, M., & Flörke, M. (2016). Water depletion: An improved metric for incorporating seasonal and dry-year water scarcity into water risk assessments. <i>Elem Sci Anth</i> , 4.
1.2 - Baseline Water Stress (score)	1.00	World Resources Institute's Baseline Water Stress measures the ratio of total annual water withdrawals to total available annual renewable supply, accounting for upstream consumptive use. A higher percentage indicates more competition among users.	Hofste, R., Kuzma, S., Walker, S., ... & Sutanudjaja, E.H. (2019). <i>Aqueduct 3.0: Updated decision relevant global water risk indicators</i> . Technical note. Washington, DC: World Resources Institute.

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Indicator	Value	Description	Source
1.2 - Baseline Water Stress (rank)	174	World Resources Institute's Baseline Water Stress measures the ratio of total annual water withdrawals to total available annual renewable supply, accounting for upstream consumptive use. A higher percentage indicates more competition among users.	Hofste, R., Kuzma, S., Walker, S., ... & Sutanudjaja, E.H. (2019). Aqueduct 3.0: Updated decision relevant global water risk indicators. Technical note. Washington, DC: World Resources Institute.
1.3 - Blue Water Scarcity (score)	2.40	The blue water scarcity risk indicator is based on Mekonnen and Hoekstra (2016) global assessment of blue water scarcity on a monthly basis and at high spatial resolution (grid cells of 30 × 30 arc min resolution). Blue water scarcity is calculated as the ratio of the blue water footprint in a grid cell to the total blue water availability in the cell. The time period analyzed in this study ranges from 1996 to 2005.	Mekonnen, M. M., & Hoekstra, A. Y. (2016). Four billion people facing severe water scarcity. <i>Science advances</i> , 2(2), e1500323.
1.3 - Blue Water Scarcity (rank)	102	The blue water scarcity risk indicator is based on Mekonnen and Hoekstra (2016) global assessment of blue water scarcity on a monthly basis and at high spatial resolution (grid cells of 30 × 30 arc min resolution). Blue water scarcity is calculated as the ratio of the blue water footprint in a grid cell to the total blue water availability in the cell. The time period analyzed in this study ranges from 1996 to 2005.	Mekonnen, M. M., & Hoekstra, A. Y. (2016). Four billion people facing severe water scarcity. <i>Science advances</i> , 2(2), e1500323.
1.4 - Projected Change in Water Discharge (by ~2050) (score)	1.84	This risk indicator is based on multi-model simulation that applies both global climate and hydrological models from the Inter-Sectoral Impact Model Intercomparison Project (ISIMIP). To estimate the change at 2°C of global warming above 1980-2010 levels, simulated annual water discharge was averaged over a 31-year period with 2°C mean warming. Results are expressed in terms of relative change (%) in probability between present day (1980-2010) conditions and 2°C scenarios by 2050.	Schewe, J., Heinke, J., Gerten, D., Haddeland, I., Arnell, N. W., Clark, D. B., ... & Gosling, S. N. (2014). Multimodel assessment of water scarcity under climate change. <i>Proceedings of the National Academy of Sciences</i> , 111(9), 3245-3250.
1.4 - Projected Change in Water Discharge (by ~2050) (rank)	112	This risk indicator is based on multi-model simulation that applies both global climate and hydrological models from the Inter-Sectoral Impact Model Intercomparison Project (ISIMIP). To estimate the change at 2°C of global warming above 1980-2010 levels, simulated annual water discharge was averaged over a 31-year period with 2°C mean warming. Results are expressed in terms of relative change (%) in probability between present day (1980-2010) conditions and 2°C scenarios by 2050.	Schewe, J., Heinke, J., Gerten, D., Haddeland, I., Arnell, N. W., Clark, D. B., ... & Gosling, S. N. (2014). Multimodel assessment of water scarcity under climate change. <i>Proceedings of the National Academy of Sciences</i> , 111(9), 3245-3250.

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Indicator	Value	Description	Source
1.5 - Drought Frequency Probability (score)	2.78	This risk indicator is based on the Standardized Precipitation and Evaporation Index (SPEI). Vicente-Serrano et al. (2010) developed this multi-scalar drought index applying both precipitation and temperature data to detect, monitor and analyze different drought types and impacts in the context of global warming. The mathematical calculations used for SPEI are similar to the Standard Precipitation Index (SPI), but it has the advantage to include the role of evapotranspiration.	Vicente-Serrano, S. M., Beguería, S., & López-Moreno, J. I. (2010). A multiscale drought index sensitive to global warming: the standardized precipitation evapotranspiration index. <i>Journal of climate</i> , 23(7), 1696-1718.
1.5 - Drought Frequency Probability (rank)	80	This risk indicator is based on the Standardized Precipitation and Evaporation Index (SPEI). Vicente-Serrano et al. (2010) developed this multi-scalar drought index applying both precipitation and temperature data to detect, monitor and analyze different drought types and impacts in the context of global warming. The mathematical calculations used for SPEI are similar to the Standard Precipitation Index (SPI), but it has the advantage to include the role of evapotranspiration.	Vicente-Serrano, S. M., Beguería, S., & López-Moreno, J. I. (2010). A multiscale drought index sensitive to global warming: the standardized precipitation evapotranspiration index. <i>Journal of climate</i> , 23(7), 1696-1718.
1.6 - Projected Change in Drought Occurrence (by ~2050) (score)	2.65	This risk indicator is based on multi-model simulation that applies both global climate and drought models from the Inter-Sectoral Impact Model Intercomparison Project (ISIMIP) . A drought threshold for pre-industrial conditions was calculated based on time-series averages. Results are expressed in terms of relative change (%) in probability between pre-industrial and 2°C scenarios.	Frieler, K., Lange, S., Piontek, F., Reyer, C. P., Schewe, J., Warszawski, L., ... & Geiger, T. (2017). Assessing the impacts of 1.5 C global warming-simulation protocol of the Inter-Sectoral Impact Model Intercomparison Project (ISIMIP2b). Geoscientific Model Development.
1.6 - Projected Change in Drought Occurrence (by ~2050) (rank)	185	This risk indicator is based on multi-model simulation that applies both global climate and drought models from the Inter-Sectoral Impact Model Intercomparison Project (ISIMIP) . A drought threshold for pre-industrial conditions was calculated based on time-series averages. Results are expressed in terms of relative change (%) in probability between pre-industrial and 2°C scenarios.	Frieler, K., Lange, S., Piontek, F., Reyer, C. P., Schewe, J., Warszawski, L., ... & Geiger, T. (2017). Assessing the impacts of 1.5 C global warming-simulation protocol of the Inter-Sectoral Impact Model Intercomparison Project (ISIMIP2b). Geoscientific Model Development.
2.1 - Estimated Flood Occurrence (score)	3.72	This risk indicator is based on the recurrence of floods within the 34-year time frame period of 1985 to 2019. The occurrence of floods within a given location was estimated using data from Flood Observatory, University of Colorado. The Flood Observatory use data derived from a wide variety of news, governmental, instrumental, and remote sensing source.	Brakenridge, G. R. (2019). Global active archive of large flood events. Dartmouth Flood Observatory, University of Colorado.
2.1 - Estimated Flood Occurrence (rank)	67	This risk indicator is based on the recurrence of floods within the 34-year time frame period of 1985 to 2019. The occurrence of floods within a given location was estimated using data from Flood Observatory, University of Colorado. The Flood Observatory use data derived from a wide variety of news, governmental, instrumental, and remote sensing source.	Brakenridge, G. R. (2019). Global active archive of large flood events. Dartmouth Flood Observatory, University of Colorado.

Indicator	Value	Description	Source
2.2 - Projected Change in Flood Occurrence (by ~2050) (score)	2.02	This risk indicator is based on multi-model simulation that applies both global climate and drought models from the Inter-Sectoral Impact Model Intercomparison Project (ISIMIP). The magnitude of the flood event was defined based on 100-year return period for pre-industrial conditions. Results are expressed in terms of change (%) in probability between pre-industrial and 2°C scenarios.	Frieler, K., Lange, S., Piontek, F., Reyer, C. P., Schewe, J., Warszawski, L., ... & Geiger, T. (2017). Assessing the impacts of 1.5 C global warming-simulation protocol of the Inter-Sectoral Impact Model Intercomparison Project (ISIMIP2b). Geoscientific Model Development.
2.2 - Projected Change in Flood Occurrence (by ~2050) (rank)	121	This risk indicator is based on multi-model simulation that applies both global climate and drought models from the Inter-Sectoral Impact Model Intercomparison Project (ISIMIP). The magnitude of the flood event was defined based on 100-year return period for pre-industrial conditions. Results are expressed in terms of change (%) in probability between pre-industrial and 2°C scenarios.	Frieler, K., Lange, S., Piontek, F., Reyer, C. P., Schewe, J., Warszawski, L., ... & Geiger, T. (2017). Assessing the impacts of 1.5 C global warming-simulation protocol of the Inter-Sectoral Impact Model Intercomparison Project (ISIMIP2b). Geoscientific Model Development.
3.1 - Surface Water Contamination Index (score)	2.00	<p>The underlying data for this risk indicator is based on a broad suite of pollutants with well-documented direct or indirect negative effects on water security for both humans and freshwater biodiversity, compiled by Vörösmarty et al. (2010). The negative effects are specific to individual pollutants, ranging from impacts mediated by eutrophication such as algal blooms and oxygen depletion (e.g., caused by phosphorus and organic loading) to direct toxic effects (e.g., caused by pesticides, mercury).</p> <p>The overall Surface Water Contamination Index is calculated based on a range of key pollutants with different weightings according to the level of their negative effects on water security for both humans and freshwater biodiversity: soil salinization (8%), nitrogen (12%) and phosphorus (P, 13%) loading, mercury deposition (5%), pesticide loading (10%), sediment loading (17%), organic loading (as Biological Oxygen Demand, BOD; 15%), potential acidification (9%), and thermal alteration (11%).</p>	Vörösmarty, C. J., McIntyre, P. B., Gessner, M. O., Dudgeon, D., Prusevich, A., Green, P., ... & Davies, P. M. (2010). Global threats to human water security and river biodiversity. <i>Nature</i> , 467(7315), 555.

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Indicator	Value	Description	Source
3.1 - Surface Water Contamination Index (rank)	152	<p>The underlying data for this risk indicator is based on a broad suite of pollutants with well-documented direct or indirect negative effects on water security for both humans and freshwater biodiversity, compiled by Vörösmarty et al. (2010). The negative effects are specific to individual pollutants, ranging from impacts mediated by eutrophication such as algal blooms and oxygen depletion (e.g., caused by phosphorus and organic loading) to direct toxic effects (e.g., caused by pesticides, mercury).</p> <p>The overall Surface Water Contamination Index is calculated based on a range of key pollutants with different weightings according to the level of their negative effects on water security for both humans and freshwater biodiversity: soil salinization (8%), nitrogen (12%) and phosphorus (P, 13%) loading, mercury deposition (5%), pesticide loading (10%), sediment loading (17%), organic loading (as Biological Oxygen Demand, BOD; 15%), potential acidification (9%), and thermal alteration (11%).</p>	Vörösmarty, C. J., McIntyre, P. B., Gessner, M. O., Dudgeon, D., Prusevich, A., Green, P., ... & Davies, P. M. (2010). Global threats to human water security and river biodiversity. <i>Nature</i> , 467(7315), 555.
4.1 - Fragmentation Status of Rivers (score)	1.68	<p>This risk indicator is based on the data set by Grill et al. (2019) mapping the world's free-flowing rivers. Grill et al. (2019) compiled a geometric network of the global river system and associated attributes, such as hydro-geometric properties, as well as pressure indicators to calculate an integrated connectivity status index (CSI). While only rivers with high levels of connectivity in their entire length are classified as free-flowing, rivers of CSI &lt; 95% are considered as fragmented at a certain degree.</p>	Grill, G., Lehner, B., Thieme, M., Geenen, B., Tickner, D., Antonelli, F., ... & Macedo, H. E. (2019). Mapping the world's free-flowing rivers. <i>Nature</i> , 569(7755), 215.
4.1 - Fragmentation Status of Rivers (rank)	149	<p>This risk indicator is based on the data set by Grill et al. (2019) mapping the world's free-flowing rivers. Grill et al. (2019) compiled a geometric network of the global river system and associated attributes, such as hydro-geometric properties, as well as pressure indicators to calculate an integrated connectivity status index (CSI). While only rivers with high levels of connectivity in their entire length are classified as free-flowing, rivers of CSI &lt; 95% are considered as fragmented at a certain degree.</p>	Grill, G., Lehner, B., Thieme, M., Geenen, B., Tickner, D., Antonelli, F., ... & Macedo, H. E. (2019). Mapping the world's free-flowing rivers. <i>Nature</i> , 569(7755), 215.
4.2 - Catchment Ecosystem Services Degradation Level (tree cover loss) (score)	3.24	<p>For this risk indicator, tree cover loss was applied as a proxy to represent catchment ecosystem services degradation since forests play an important role in terms of water regulation, supply and pollution control.</p> <p>The forest cover data is based on Hansen et al.'s global Landsat data at a 30-meter spatial resolution to characterize forest cover and change. The authors defined trees as vegetation taller than 5 meters in height, and forest cover loss as a stand-replacement disturbance, or a change from a forest to non-forest state, during the period 2000 – 2018.</p>	Hansen, M. C., Potapov, P. V., Moore, R., Hancher, M., Turubanova, S. A. A., Tyukavina, A., ... & Kommareddy, A. (2013). High-resolution global maps of 21st-century forest cover change. <i>science</i> , 342(6160), 850-853.

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Indicator	Value	Description	Source
4.2 - Catchment Ecosystem Services Degradation Level (tree cover loss) (rank)	38	<p>For this risk indicator, tree cover loss was applied as a proxy to represent catchment ecosystem services degradation since forests play an important role in terms of water regulation, supply and pollution control.</p> <p>The forest cover data is based on Hansen et al.'s global Landsat data at a 30-meter spatial resolution to characterize forest cover and change. The authors defined trees as vegetation taller than 5 meters in height, and forest cover loss as a stand-replacement disturbance, or a change from a forest to non-forest state, during the period 2000 – 2018.</p>	Hansen, M. C., Potapov, P. V., Moore, R., Hancher, M., Turubanova, S. A. A., Tyukavina, A., ... & Kommareddy, A. (2013). High-resolution global maps of 21st-century forest cover change. <i>science</i> , 342(6160), 850-853.
4.3 - Projected Impacts on Freshwater Biodiversity (score)	2.02	The study by Tedesco et al. (2013) to project changes [% increase or decrease] in extinction rate by ~2090 of freshwater fish due to water availability loss from climate change is used as a proxy to estimate the projected impacts on freshwater biodiversity.	Tedesco, P. A., Oberdorff, T., Cornu, J. F., Beauchard, O., Brosse, S., Dürr, H. H., ... & Hugueny, B. (2013). A scenario for impacts of water availability loss due to climate change on riverine fish extinction rates. <i>Journal of Applied Ecology</i> , 50(5), 1105-1115.
4.3 - Projected Impacts on Freshwater Biodiversity (rank)	119	The study by Tedesco et al. (2013) to project changes [% increase or decrease] in extinction rate by ~2090 of freshwater fish due to water availability loss from climate change is used as a proxy to estimate the projected impacts on freshwater biodiversity.	Tedesco, P. A., Oberdorff, T., Cornu, J. F., Beauchard, O., Brosse, S., Dürr, H. H., ... & Hugueny, B. (2013). A scenario for impacts of water availability loss due to climate change on riverine fish extinction rates. <i>Journal of Applied Ecology</i> , 50(5), 1105-1115.
5.1 - Freshwater Policy Status (SDG 6.5.1) (score)	3.00	This risk indicator is based on SDG 6.5.1. Degree of IWRM Implementation "National Water Resources Policy" indicator, which corresponds to one of the three national level indicators under the Enabling Environment category.	UN Environment (2018). Progress on integrated water resources management. Global baseline for SDG 6 Indicator 6.5.1: degree of IWRM implementation.
5.1 - Freshwater Policy Status (SDG 6.5.1) (rank)	81	This risk indicator is based on SDG 6.5.1. Degree of IWRM Implementation "National Water Resources Policy" indicator, which corresponds to one of the three national level indicators under the Enabling Environment category.	UN Environment (2018). Progress on integrated water resources management. Global baseline for SDG 6 Indicator 6.5.1: degree of IWRM implementation.
5.2 - Freshwater Law Status (SDG 6.5.1) (score)	4.00	<p>This risk indicator is based on SDG 6.5.1. Degree of IWRM Implementation "National Water Resources Law(s)" indicator, which corresponds to one of the three national level indicators under the Enabling Environment category.</p> <p>For SDG 6.5.1, enabling environment depicts the conditions that help to support the implementation of IWRM, which includes legal and strategic planning tools for IWRM.</p>	UN Environment (2018). Progress on integrated water resources management. Global baseline for SDG 6 Indicator 6.5.1: degree of IWRM implementation.

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Indicator	Value	Description	Source
5.2 - Freshwater Law Status (SDG 6.5.1) (rank)	30	<p>This risk indicator is based on SDG 6.5.1. Degree of IWRM Implementation “National Water Resources Law(s)” indicator, which corresponds to one of the three national level indicators under the Enabling Environment category.</p> <p>For SDG 6.5.1, enabling environment depicts the conditions that help to support the implementation of IWRM, which includes legal and strategic planning tools for IWRM.</p>	UN Environment (2018). Progress on integrated water resources management. Global baseline for SDG 6 Indicator 6.5.1: degree of IWRM implementation.
5.3 - Implementation Status of Water Management Plans (SDG 6.5.1) (score)	3.00	<p>This risk indicator is based on SDG 6.5.1. Degree of IWRM Implementation “National IWRM plans” indicator, which corresponds to one of the three national level indicators under the Enabling Environment category.</p> <p>For SDG 6.5.1, enabling environment depicts the conditions that help to support the implementation of IWRM, which includes legal and strategic planning tools for IWRM.</p>	UN Environment (2018). Progress on integrated water resources management. Global baseline for SDG 6 Indicator 6.5.1: degree of IWRM implementation.
5.3 - Implementation Status of Water Management Plans (SDG 6.5.1) (rank)	99	<p>This risk indicator is based on SDG 6.5.1. Degree of IWRM Implementation “National IWRM plans” indicator, which corresponds to one of the three national level indicators under the Enabling Environment category.</p> <p>For SDG 6.5.1, enabling environment depicts the conditions that help to support the implementation of IWRM, which includes legal and strategic planning tools for IWRM.</p>	UN Environment (2018). Progress on integrated water resources management. Global baseline for SDG 6 Indicator 6.5.1: degree of IWRM implementation.
6.1 - Corruption Perceptions Index (score)	4.00	This risk Indicator is based on the latest Transparency International's data: the Corruption Perceptions Index 2018. This index aggregates data from a number of different sources that provide perceptions of business people and country experts on the level of corruption in the public sector.	Transparency International (2019). Corruption Perceptions Index 2018. Berlin: Transparency International.
6.1 - Corruption Perceptions Index (rank)	80	This risk Indicator is based on the latest Transparency International's data: the Corruption Perceptions Index 2018. This index aggregates data from a number of different sources that provide perceptions of business people and country experts on the level of corruption in the public sector.	Transparency International (2019). Corruption Perceptions Index 2018. Berlin: Transparency International.
6.2 - Freedom in the World Index (score)	1.00	This risk indicator is based on Freedom House (2019), an annual global report on political rights and civil liberties, composed of numerical ratings and descriptive texts for each country and a select group of territories. The 2019 edition involved more than 100 analysts and more than 30 advisers with global, regional, and issue-based expertise to covers developments in 195 countries and 14 territories from January 1, 2018, through December 31, 2018.	Freedom House (2019). Freedom in the world 2019. Washington, DC: Freedom House.



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Indicator	Value	Description	Source
6.2 - Freedom in the World Index (rank)	163	This risk indicator is based on Freedom House (2019), an annual global report on political rights and civil liberties, composed of numerical ratings and descriptive texts for each country and a select group of territories. The 2019 edition involved more than 100 analysts and more than 30 advisers with global, regional, and issue-based expertise to covers developments in 195 countries and 14 territories from January 1, 2018, through December 31, 2018.	Freedom House (2019). Freedom in the world 2019. Washington, DC: Freedom House.
6.3 - Business Participation in Water Management (SDG 6.5.1) (score)	4.00	This risk indicator is based on SDG 6.5.1. Degree of IWRM Implementation "Business Participation in Water Resources Development, Management and Use" indicator, which corresponds to one of the six national level indicators under the Institutions and Participation category.	UN Environment (2018). Progress on integrated water resources management. Global baseline for SDG 6 Indicator 6.5.1: degree of IWRM implementation.
6.3 - Business Participation in Water Management (SDG 6.5.1) (rank)	30	This risk indicator is based on SDG 6.5.1. Degree of IWRM Implementation "Business Participation in Water Resources Development, Management and Use" indicator, which corresponds to one of the six national level indicators under the Institutions and Participation category.	UN Environment (2018). Progress on integrated water resources management. Global baseline for SDG 6 Indicator 6.5.1: degree of IWRM implementation.
7.1 - Management Instruments for Water Management (SDG 6.5.1) (score)	3.00	This risk indicator is based on SDG 6.5.1. Degree of IWRM Implementation "Sustainable and efficient water use management" indicator, which corresponds to one of the five national level indicators under the Management Instruments category.  For SDG 6.5.1, management instruments refer to the tools and activities that enable decision-makers and users to make rational and informed choices between alternative actions.	UN Environment (2018). Progress on integrated water resources management. Global baseline for SDG 6 Indicator 6.5.1: degree of IWRM implementation.
7.1 - Management Instruments for Water Management (SDG 6.5.1) (rank)	92	This risk indicator is based on SDG 6.5.1. Degree of IWRM Implementation "Sustainable and efficient water use management" indicator, which corresponds to one of the five national level indicators under the Management Instruments category.  For SDG 6.5.1, management instruments refer to the tools and activities that enable decision-makers and users to make rational and informed choices between alternative actions.	UN Environment (2018). Progress on integrated water resources management. Global baseline for SDG 6 Indicator 6.5.1: degree of IWRM implementation.

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Indicator	Value	Description	Source
7.2 - Groundwater Monitoring Data Availability and Management (score)	5.00	This risk indicator is based on the data set by UN IGRAC (2019) to determine the level of availability of groundwater monitoring data at country level as groundwater management decisions rely strongly on data availability. The level of groundwater monitoring data availability for groundwater management is determined according to a combination of three criteria developed by WWF and IGRAC: 1) Status of country groundwater monitoring programme, 2) groundwater data availability for NGOs and 3) Public access to processed groundwater monitoring data.	UN IGRAC (2019). Global Groundwater Monitoring Network GGMM Portal. UN International Groundwater Resources Assessment Centre (IGRAC).
7.2 - Groundwater Monitoring Data Availability and Management (rank)	14	This risk indicator is based on the data set by UN IGRAC (2019) to determine the level of availability of groundwater monitoring data at country level as groundwater management decisions rely strongly on data availability. The level of groundwater monitoring data availability for groundwater management is determined according to a combination of three criteria developed by WWF and IGRAC: 1) Status of country groundwater monitoring programme, 2) groundwater data availability for NGOs and 3) Public access to processed groundwater monitoring data.	UN IGRAC (2019). Global Groundwater Monitoring Network GGMM Portal. UN International Groundwater Resources Assessment Centre (IGRAC).
7.3 - Density of Runoff Monitoring Stations (score)	3.67	The density of monitoring stations for water quantity was applied as proxy to develop this risk indicator. The Global Runoff Data Base was used to estimate the number of monitoring stations per 1000km <sup>2</sup> of the main river system (data base access date: May 2018).	BfG (2019). Global Runoff Data Base. German Federal Institute of Hydrology (BfG).
7.3 - Density of Runoff Monitoring Stations (rank)	74	The density of monitoring stations for water quantity was applied as proxy to develop this risk indicator. The Global Runoff Data Base was used to estimate the number of monitoring stations per 1000km <sup>2</sup> of the main river system (data base access date: May 2018).	BfG (2019). Global Runoff Data Base. German Federal Institute of Hydrology (BfG).
8.1 - Access to Safe Drinking Water (score)	1.00	This risk indicator is based on the Joint Monitoring Programme for Water Supply, Sanitation and Hygiene (UNICEF/WHO) 2019 data. It provides estimates on the use of water, sanitation and hygiene by country for the period 2000-2017.	WHO & UNICEF (2019). Estimates on the use of water, sanitation and hygiene by country (2000-2017). Joint Monitoring Programme for Water Supply, Sanitation and Hygiene.
8.1 - Access to Safe Drinking Water (rank)	149	This risk indicator is based on the Joint Monitoring Programme for Water Supply, Sanitation and Hygiene (UNICEF/WHO) 2019 data. It provides estimates on the use of water, sanitation and hygiene by country for the period 2000-2017.	WHO & UNICEF (2019). Estimates on the use of water, sanitation and hygiene by country (2000-2017). Joint Monitoring Programme for Water Supply, Sanitation and Hygiene.
8.2 - Access to Sanitation (score)	3.00	This risk indicator is based on the Joint Monitoring Programme for Water Supply, Sanitation and Hygiene (UNICEF/WHO) 2019 data. It provides estimates on the use of water, sanitation and hygiene by country for the period 2000-2017.	WHO & UNICEF (2019). Estimates on the use of water, sanitation and hygiene by country (2000-2017). Joint Monitoring Programme for Water Supply, Sanitation and Hygiene.

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Indicator	Value	Description	Source
8.2 - Access to Sanitation (rank)	90	This risk indicator is based on the Joint Monitoring Programme for Water Supply, Sanitation and Hygiene (UNICEF/WHO) 2019 data. It provides estimates on the use of water, sanitation and hygiene by country for the period 2000-2017.	WHO & UNICEF (2019). Estimates on the use of water, sanitation and hygiene by country (2000-2017). Joint Monitoring Programme for Water Supply, Sanitation and Hygiene.
8.3 - Financing for Water Resource Development and Management (SDG 6.5.1) (score)	3.00	This risk indicator is based on the average 'Financing' score of UN SDG 6.5.1. Degree of IWRM Implementation database. UN SDG 6.5.1 database contains a category on financing which assesses different aspects related to budgeting and financing made available and used for water resources development and management from various sources.	UN Environment (2018). Progress on integrated water resources management. Global baseline for SDG 6 Indicator 6.5.1: degree of IWRM implementation.
8.3 - Financing for Water Resource Development and Management (SDG 6.5.1) (rank)	126	This risk indicator is based on the average 'Financing' score of UN SDG 6.5.1. Degree of IWRM Implementation database. UN SDG 6.5.1 database contains a category on financing which assesses different aspects related to budgeting and financing made available and used for water resources development and management from various sources.	UN Environment (2018). Progress on integrated water resources management. Global baseline for SDG 6 Indicator 6.5.1: degree of IWRM implementation.
9.1 - Cultural Diversity (score)	1.00	Water is a social and cultural good. The cultural diversity risk indicator was included in order to acknowledge that businesses face reputational risk due to the importance of freshwater for indigenous and traditional people in their daily life, religion and culture. This risk indicator is based on Oviedo and Larsen (2000) data set, which mapped the world's ethnolinguistic groups onto the WWF map of the world's ecoregions. This cross-mapping showed for the very first time the significant overlap that exists between the global geographic distribution of biodiversity and that of linguistic diversity.	Oviedo, G., Maffi, L., & Larsen, P. B. (2000). Indigenous and traditional peoples of the world and ecoregion conservation: An integrated approach to conserving the world's biological and cultural diversity. Gland: WWF (World Wide Fund for Nature) International.
9.1 - Cultural Diversity (rank)	176	Water is a social and cultural good. The cultural diversity risk indicator was included in order to acknowledge that businesses face reputational risk due to the importance of freshwater for indigenous and traditional people in their daily life, religion and culture. This risk indicator is based on Oviedo and Larsen (2000) data set, which mapped the world's ethnolinguistic groups onto the WWF map of the world's ecoregions. This cross-mapping showed for the very first time the significant overlap that exists between the global geographic distribution of biodiversity and that of linguistic diversity.	Oviedo, G., Maffi, L., & Larsen, P. B. (2000). Indigenous and traditional peoples of the world and ecoregion conservation: An integrated approach to conserving the world's biological and cultural diversity. Gland: WWF (World Wide Fund for Nature) International.
10.1 - Freshwater Endemism (score)	3.73	The underlying data set for this risk indicator comes from the Freshwater Ecoregions of the World (FEOW) 2015 data developed by WWF and TNC. Companies operating in basins with higher number of endemic fish species are exposed to higher reputational risks.	WWF & TNC (2015). Freshwater Ecoregions of the World.

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Indicator	Value	Description	Source
10.1 - Freshwater Endemism (rank)	103	The underlying data set for this risk indicator comes from the Freshwater Ecoregions of the World (FEOW) 2015 data developed by WWF and TNC. Companies operating in basins with higher number of endemic fish species are exposed to higher reputational risks.	WWF & TNC (2015). Freshwater Ecoregions of the World.
10.2 - Freshwater Biodiversity Richness (score)	3.20	The underlying data set for this risk indicator comes from the Freshwater Ecoregions of the World (FEOW) 2015 data developed by WWF and TNC. Count of fish species is used as a representation of freshwater biodiversity richness. Companies operating in basins with higher number of fish species are exposed to higher reputational risks.	WWF & TNC (2015). Freshwater Ecoregions of the World.
10.2 - Freshwater Biodiversity Richness (rank)	93	The underlying data set for this risk indicator comes from the Freshwater Ecoregions of the World (FEOW) 2015 data developed by WWF and TNC. Count of fish species is used as a representation of freshwater biodiversity richness. Companies operating in basins with higher number of fish species are exposed to higher reputational risks.	WWF & TNC (2015). Freshwater Ecoregions of the World.
11.1 - National Media Coverage (score)	3.00	This risk indicator is based on joint qualitative research by WWF and Tecnomia (Typsa Group). It indicates how aware local residents typically are of water-related issues due to national media coverage. The status of the river basin (e.g., scarcity and pollution) is taken into account, as well as the importance of water for livelihoods (e.g., food and shelter).	WWF & Tecnomia (TYPESA Group)
11.1 - National Media Coverage (rank)	143	This risk indicator is based on joint qualitative research by WWF and Tecnomia (Typsa Group). It indicates how aware local residents typically are of water-related issues due to national media coverage. The status of the river basin (e.g., scarcity and pollution) is taken into account, as well as the importance of water for livelihoods (e.g., food and shelter).	WWF & Tecnomia (TYPESA Group)
11.2 - Global Media Coverage (score)	2.00	This risk indicator is based on joint qualitative research by WWF and Tecnomia (Typsa Group). It indicates how aware people are of water-related issues due to global media coverage. Familiarity to and media coverage of the region and regional water-related disasters are taken into account.	WWF & Tecnomia (TYPESA Group)
11.2 - Global Media Coverage (rank)	128	This risk indicator is based on joint qualitative research by WWF and Tecnomia (Typsa Group). It indicates how aware people are of water-related issues due to global media coverage. Familiarity to and media coverage of the region and regional water-related disasters are taken into account.	WWF & Tecnomia (TYPESA Group)

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Indicator	Value	Description	Source
12.1 - Conflict News Events (RepRisk) (score)	4.00	This risk indicator is based on 2018 data collected by RepRisk on counts and registers of documented negative incidents, criticism and controversies that can affect a company's reputational risk. These negative news events are labelled per country and industry class.	RepRisk & WWF (2019). Due diligence database on ESG and business conduct risks. RepRisk.
12.1 - Conflict News Events (RepRisk) (rank)	45	This risk indicator is based on 2018 data collected by RepRisk on counts and registers of documented negative incidents, criticism and controversies that can affect a company's reputational risk. These negative news events are labelled per country and industry class.	RepRisk & WWF (2019). Due diligence database on ESG and business conduct risks. RepRisk.
12.2 - Hydro-political Risk (score)	1.59	This risk indicator is based on the assessment of hydro-political risk by Farinosi et al. (2018). More specifically, it is based on the results of spatial modelling by Farinosi et al. (2018) that determined the main parameters affecting water cross-border conflicts and calculated the likelihood of hydro-political issues.	Farinosi, F., Giupponi, C., Reynaud, A., Ceccherini, G., Carmona-Moreno, C., De Roo, A., ... & Bidoglio, G. (2018). An innovative approach to the assessment of hydro-political risk: A spatially explicit, data driven indicator of hydro-political issues. <i>Global environmental change</i> , 52, 286-313.
12.2 - Hydro-political Risk (rank)	162	This risk indicator is based on the assessment of hydro-political risk by Farinosi et al. (2018). More specifically, it is based on the results of spatial modelling by Farinosi et al. (2018) that determined the main parameters affecting water cross-border conflicts and calculated the likelihood of hydro-political issues.	Farinosi, F., Giupponi, C., Reynaud, A., Ceccherini, G., Carmona-Moreno, C., De Roo, A., ... & Bidoglio, G. (2018). An innovative approach to the assessment of hydro-political risk: A spatially explicit, data driven indicator of hydro-political issues. <i>Global environmental change</i> , 52, 286-313.
Population, total (#)	4034119	Population, total	The World Bank 2018, Data , homepage accessed 20/04/2018
GDP (current US\$)	55187700000	GDP (current US\$)	The World Bank 2018, Data , homepage accessed 20/04/2018
EPI 2018 score (0-100)	62.71	Environmental Performance Index	
WGI -Voice and Accountability (0-100)	60.48	Water Governance Indicator	Kaufmann, Daniel and Kraay, Aart and Mastruzzi, Massimo, <i>The Worldwide Governance Indicators: Methodology and Analytical Issues</i> (September 2010). World Bank Policy Research Working Paper No. 5430. Available at SSRN: <a href="https://ssrn.com/abstract=1682132">https://ssrn.com/abstract=1682132</a>

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Indicator	Value	Description	Source
WGI -Political stability no violence (0-100)	65.02	Water Governance Indicator	Kaufmann, Daniel and Kraay, Aart and Mastruzzi, Massimo, The Worldwide Governance Indicators: Methodology and Analytical Issues (September 2010). World Bank Policy Research Working Paper No. 5430. Available at SSRN: <a href="https://ssrn.com/abstract=1682132">https://ssrn.com/abstract=1682132</a>
WGI - Government Effectiveness (0-100)	61.06	Water Governance Indicator	Kaufmann, Daniel and Kraay, Aart and Mastruzzi, Massimo, The Worldwide Governance Indicators: Methodology and Analytical Issues (September 2010). World Bank Policy Research Working Paper No. 5430. Available at SSRN: <a href="https://ssrn.com/abstract=1682132">https://ssrn.com/abstract=1682132</a>
WGI - Regulatory Quality (0-100)	66.35	Water Governance Indicator	Kaufmann, Daniel and Kraay, Aart and Mastruzzi, Massimo, The Worldwide Governance Indicators: Methodology and Analytical Issues (September 2010). World Bank Policy Research Working Paper No. 5430. Available at SSRN: <a href="https://ssrn.com/abstract=1682132">https://ssrn.com/abstract=1682132</a>
WGI - Rule of Law (0-100)	56.25	Water Governance Indicator	Kaufmann, Daniel and Kraay, Aart and Mastruzzi, Massimo, The Worldwide Governance Indicators: Methodology and Analytical Issues (September 2010). World Bank Policy Research Working Paper No. 5430. Available at SSRN: <a href="https://ssrn.com/abstract=1682132">https://ssrn.com/abstract=1682132</a>
WGI - Control of Corruption (0-100)	36.06	Water Governance Indicator	Kaufmann, Daniel and Kraay, Aart and Mastruzzi, Massimo, The Worldwide Governance Indicators: Methodology and Analytical Issues (September 2010). World Bank Policy Research Working Paper No. 5430. Available at SSRN: <a href="https://ssrn.com/abstract=1682132">https://ssrn.com/abstract=1682132</a>

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Indicator	Value	Description	Source
WRI BWS all industries (0-5)	0.42	WRI Baseline Water Stress (BWS)	Gassert, F., P. Reig, T. Luo, and A. Maddocks. 2013. "Aqueduct country and river basin rankings: a weighted aggregation of spatially distinct hydrological indicators." Working paper. Washington, DC: World Resources Institute, December 2013. Available online at <a href="http://wri.org/publication/aqueduct-country-river-basin-rankings">http://wri.org/publication/aqueduct-country-river-basin-rankings</a> .
WRI BWS Ranking (1=very high)	141	WRI Baseline Water Stress (BWS)	Gassert, F., P. Reig, T. Luo, and A. Maddocks. 2013. "Aqueduct country and river basin rankings: a weighted aggregation of spatially distinct hydrological indicators." Working paper. Washington, DC: World Resources Institute, December 2013. Available online at <a href="http://wri.org/publication/aqueduct-country-river-basin-rankings">http://wri.org/publication/aqueduct-country-river-basin-rankings</a> .
Baseline Water Stress (BWS) - 2020 BAU (1=very high)	150	WRI country ranking	Luo, T., R. Young, and P. Reig. 2015. "Aqueduct projected water stress rankings." Technical note. Washington, DC: World Resources Institute, August 215. Available online at <a href="http://www.wri.org/publication/aqueduct-projected-water-stress-country-rankings">http://www.wri.org/publication/aqueduct-projected-water-stress-country-rankings</a> .
Baseline Water Stress (BWS) - 2020 Optimistic (increasing rank describes lower risk)	149	WRI country ranking	Luo, T., R. Young, and P. Reig. 2015. "Aqueduct projected water stress rankings." Technical note. Washington, DC: World Resources Institute, August 215. Available online at <a href="http://www.wri.org/publication/aqueduct-projected-water-stress-country-rankings">http://www.wri.org/publication/aqueduct-projected-water-stress-country-rankings</a> .
Baseline Water Stress (BWS) - 2020 Pessimistic (increasing rank describes lower risk)	150	WRI country ranking	Luo, T., R. Young, and P. Reig. 2015. "Aqueduct projected water stress rankings." Technical note. Washington, DC: World Resources Institute, August 215. Available online at <a href="http://www.wri.org/publication/aqueduct-projected-water-stress-country-rankings">http://www.wri.org/publication/aqueduct-projected-water-stress-country-rankings</a> .

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Indicator	Value	Description	Source
Baseline Water Stress (BWS) - 2030 BAU (increasing rank describes lower risk)	154	WRI country ranking	Luo, T., R. Young, and P. Reig. 2015. "Aqueduct projected water stress rankings." Technical note. Washington, DC: World Resources Institute, August 215. Available online at <a href="http://www.wri.org/publication/aqueduct-projected-water-stress-country-rankings">http://www.wri.org/publication/aqueduct-projected-water-stress-country-rankings</a> .
Baseline Water Stress (BWS) - 2030 Optimistic (increasing rank describes lower risk)	155	WRI country ranking	Luo, T., R. Young, and P. Reig. 2015. "Aqueduct projected water stress rankings." Technical note. Washington, DC: World Resources Institute, August 215. Available online at <a href="http://www.wri.org/publication/aqueduct-projected-water-stress-country-rankings">http://www.wri.org/publication/aqueduct-projected-water-stress-country-rankings</a> .
Baseline Water Stress (BWS) - 2030 Pessimistic (increasing rank describes lower risk)	153	WRI country ranking	Luo, T., R. Young, and P. Reig. 2015. "Aqueduct projected water stress rankings." Technical note. Washington, DC: World Resources Institute, August 215. Available online at <a href="http://www.wri.org/publication/aqueduct-projected-water-stress-country-rankings">http://www.wri.org/publication/aqueduct-projected-water-stress-country-rankings</a> .
Baseline Water Stress (BWS) - 2040 BAU (increasing rank describes lower risk)	159	WRI country ranking	Luo, T., R. Young, and P. Reig. 2015. "Aqueduct projected water stress rankings." Technical note. Washington, DC: World Resources Institute, August 215. Available online at <a href="http://www.wri.org/publication/aqueduct-projected-water-stress-country-rankings">http://www.wri.org/publication/aqueduct-projected-water-stress-country-rankings</a> .
Baseline Water Stress (BWS) - 2040 Optimistic (increasing rank describes lower risk)	159	WRI country ranking	Luo, T., R. Young, and P. Reig. 2015. "Aqueduct projected water stress rankings." Technical note. Washington, DC: World Resources Institute, August 215. Available online at <a href="http://www.wri.org/publication/aqueduct-projected-water-stress-country-rankings">http://www.wri.org/publication/aqueduct-projected-water-stress-country-rankings</a> .
Baseline Water Stress (BWS) - 2040 Pessimistic (increasing rank describes lower risk)	158	WRI country ranking	Luo, T., R. Young, and P. Reig. 2015. "Aqueduct projected water stress rankings." Technical note. Washington, DC: World Resources Institute, August 215. Available online at <a href="http://www.wri.org/publication/aqueduct-projected-water-stress-country-rankings">http://www.wri.org/publication/aqueduct-projected-water-stress-country-rankings</a> .



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Indicator	Value	Description	Source
Total water footprint of national consumption (m <sup>3</sup> /a/cap)	1363.69	WFN Water Footprint Data	Mekonnen, M.M. and Hoekstra, A.Y. (2011) National water footprint accounts: The green, blue and grey water footprint of production and consumption, Value of Water Research Report Series No. 50, UNESCO-IHE, Delft, the Netherlands. <a href="http://www.waterfootprint.org/Reports/Report50-NationalWaterFootprints-Vol1.pdf">http://www.waterfootprint.org/Reports/Report50-NationalWaterFootprints-Vol1.pdf</a>
Ratio external / total water footprint (%)	30.57	WFN Water Footprint Data	Mekonnen, M.M. and Hoekstra, A.Y. (2011) National water footprint accounts: The green, blue and grey water footprint of production and consumption, Value of Water Research Report Series No. 50, UNESCO-IHE, Delft, the Netherlands. <a href="http://www.waterfootprint.org/Reports/Report50-NationalWaterFootprints-Vol1.pdf">http://www.waterfootprint.org/Reports/Report50-NationalWaterFootprints-Vol1.pdf</a>
Area equipped for full control irrigation: total (1000 ha)	32.14	Aquastat - Irrigation	FAO. 2016. AQUASTAT website. Food and Agriculture Organization of the United Nations (FAO). Website accessed on 2018/04/13
Area equipped for irrigation: total (1000 ha)	32.14	Aquastat - Irrigation	FAO. 2016. AQUASTAT website. Food and Agriculture Organization of the United Nations (FAO). Website accessed on 2018/04/13
% of the area equipped for irrigation actually irrigated (%)	100.00	Aquastat - Irrigation	FAO. 2016. AQUASTAT website. Food and Agriculture Organization of the United Nations (FAO). Website accessed on 2018/04/13
Electricity production from hydroelectric sources (% of total)	54.20	World Development Indicators	The World Bank 2018, Data , homepage accessed 20/04/2018
Total internal renewable water resources (IRWR) (10 <sup>9</sup> m <sup>3</sup> /year)	136.60	Aquastat - Water Ressources	FAO. 2016. AQUASTAT website. Food and Agriculture Organization of the United Nations (FAO). Website accessed on 2018/04/13
Total internal renewable water resources (IRWR) (10 <sup>9</sup> m <sup>3</sup> /year)	2.70	Aquastat - Water Ressources	FAO. 2016. AQUASTAT website. Food and Agriculture Organization of the United Nations (FAO). Website accessed on 2018/04/13
Water resources: total external renewable (10 <sup>9</sup> m <sup>3</sup> /year)	136.60	Aquastat - Water Ressources	FAO. 2016. AQUASTAT website. Food and Agriculture Organization of the United Nations (FAO). Website accessed on 2018/04/13

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Indicator	Value	Description	Source
Total renewable water resources (10 <sup>9</sup> m <sup>3</sup> /year)	139.30	Aquastat - Water Ressources	FAO. 2016. AQUASTAT website. Food and Agriculture Organization of the United Nations (FAO). Website accessed on 2018/04/13
Dependency ratio (%)	1.94	Aquastat - Water Ressources	FAO. 2016. AQUASTAT website. Food and Agriculture Organization of the United Nations (FAO). Website accessed on 2018/04/13
Total renewable water resources per capita (m <sup>3</sup> /inhab/year)	35454.00	Aquastat - Water Ressources	FAO. 2016. AQUASTAT website. Food and Agriculture Organization of the United Nations (FAO). Website accessed on 2018/04/13
World happiness [0-8]	6.43	WorldHappinessReport.org	World Happiness Report, homepage accessed 20/04/2018

## Country Aspects

### 1. PHYSICAL ASPECTS

#### 1.1. WATER RESOURCES

##### 1.1.1. WATER RESOURCES

Panama has 51 watersheds, 18 in the Atlantic slope and 33 in the Pacific. Because of its terrain and the narrowness of its territory, most of the rivers are short and discharge perpendicularly to the coastline. The annual precipitation average is about 233.6km<sup>3</sup>, and the surface runoff is 144.1km<sup>3</sup>, being split with 60 per cent through the Pacific slope, and the rest on the Atlantic side. Watersheds with abundance of water and potential for river exploitation are the Changuinola-Teribe Guarumo, Cricamola, Calovebora and Veraguas on the Atlantic slope and Chiriquí, Fonseca, Tabasará and Paul rivers on the Pacific slope.

The Chagres River, with artificial lakes Gatun and Alajuela, are the main sources of runoff in the regulation of navigation for the annual waterway operation of the Panama Canal (minimum flow 2.8km<sup>3</sup>).

The amount of usable groundwater is estimated at 3.31km<sup>3</sup>, 87 per cent on the Pacific side and 13 per cent on the Atlantic slope, with the Arco Seco region as having the most intensive use for drinking water and irrigation. The quality of such water is considered good for irrigation and supply. No control is made on drilling or on extraction volumes.

There are five dams in the country:

- Gatun (427 km<sup>2</sup>, 5.22 km<sup>3</sup>)
- Alajuela (41.4 km<sup>2</sup>, 0.56 km<sup>3</sup>)
- Bayano (254 km<sup>2</sup>, 3.14 km<sup>3</sup>)
- Fortuna (3.7 km<sup>2</sup>, 0.06 km<sup>3</sup>) and
- Stud (1.1 km<sup>2</sup>, 0.02 km<sup>3</sup>)

with a total reservoir capacity close to 9km<sup>3</sup>.

The national hydroelectric potential is estimated at 3,568MW (31,247GWh, with 56 per cent in the Pacific slope). The basins of greatest potential are: Changuinola (3,600GWh) Cricamola-Calovebora-Veraguas (7,425GWh), Tabasco Fonseca (7,418GWh) and Chiriqui (4,290GWh). In 1993, the total capacity of electricity generation installed was 912.4MW, of which 551MW were hydroelectric plants. The largest is La Fortuna (300MW), followed by Bayano (150MW) and the Valleys (48MW). The electricity generation in 1997 was 4,050GWh, of which 2,902GWh was from hydroelectric sources and 1,148GWh of thermal origin.

##### 1.1.2. WATER USE

There is no data on water withdrawals for different sectors. The National Water and Sewerage

Institute (IDAAN) serves the metropolitan area (Panama and Colon provinces), the province of Chiriquí, and the central provinces (Herrera, Cocolé, Los Santos and Veraguas). Drinking water is primarily taken from surface water, which is of good quality. In 1997 the volume of water and industrial supply was 461 million m<sup>3</sup>, of which 380 million m<sup>3</sup> were produced and 81 million m<sup>3</sup> were purchased.

IDAAN purchases water from the Miraflores treatment plant, which is owned and operated by the Panama Canal Commission. This was the federal agency of the United States of America for the administration and operation of the Panama Canal, until December 31 1999, on which date the administration and operation of the canal was assumed by the entity known as the Panama Canal Authority, which belongs to the Republic of Panama.

#### 1.2. WATER QUALITY, ECOSYSTEMS AND HUMAN HEALTH

Nationally, plants for wastewater treatment are scarce, except in certain areas of Panama City. These perform primary treatment to wastewater before discharging to the sea. In some plants, the designed flows have been overtaken by increase in the population served, and in others, lack of maintenance leads to poor operation. The discharge of untreated wastewater is the main source of pollution in the Bay of Panama. Return flows are estimated at 394 million m<sup>3</sup>/yr, with a coverage of 53 per cent of the sewage of the population.

### 2. GOVERNANCE ASPECTS

#### 2.1. WATER INSTITUTIONS

Management of the competition for water resources is assumed as follows:

- The Institute of Hydraulic Resources and Electrification (IRHE) takes charge of watershed management and hydropower generation (in the process of privatization in eight companies). There are plans for the creation of a new National Service of Meteorology and Hydrology, to undertake IRHE's water resources functions.
- The Ministry of Agricultural Development (MIDA) and the National Directorate for Agricultural Development (Dindo), support and encourage agriculture organization. They are responsible for the management of soil conservation and the transfer of state irrigation systems to users.
- The National Environmental Authority (ANAM) (formerly Institute of Renewable Natural Resources INRENARE) is responsible for water management, environment and renewable natural resource development, in addition to granting concessions for water use, including irrigation.
- The Institute of Aqueducts and Sewers (IDAAN) is dedicated to the operation and use of water and sewage for populations of over 1,500 inhabitants). However, it has created a Committee on Incorporation of Private Sector Participation (CIPSP) with responsibility for initiating the privatization of this sector.

## Country Overview - Panama

-The Ministry of Public Health oversees the regulatory framework for drinking water and sanitation.

-The Panama Canal Commission and the Interoceanic Region Authority are responsible for managing the water resources of the Canal Zone, which were transferred to Panamanian control in December 1999.

### 2.2. WATER MANAGEMENT

Government and private institutions are engaged in an initiative to modernize the water subsector, to define a water policy and to create a national authority in charge of the administration and protection of water, duly supported by a modern and efficient legal framework.

Despite the abundance of water resources and the low rate of use, deterioration experienced by watersheds in some densely populated areas has led the authorities to revise the standards of quality and control of urban, industrial and agricultural waste. The SFDA is about to issue the General Plan of the Environment.

The National Irrigation Plan, completed in 1997, contained four elements of government policy and programs:

-To promote, facilitate and establish standards for irrigated agricultural development rather than operating state irrigation systems.

-To facilitate and participate in irrigation infrastructure investments such as private sector partnership for the modernization of six irrigation systems for collective use (63.25km<sup>2</sup>), the construction of three modern irrigation projects and comprehensive agricultural exports (42.36km<sup>2</sup>) and the implementation of other irrigation projects (528.98km<sup>2</sup>).

-To improve incentives for private investment in irrigation through changes in the legal and institutional environment. To prepare a new water law, a new law on irrigation development and the establishment of a National Irrigation Commission.

-To ensure that the development of water resources for irrigation is sustainable and compatible with conservation of the environment.

There is no specific entity in charge of irrigation. The Agricultural Development Unit (MIDA) is dedicated to the supervision and monitoring of new projects. Among the strategies and policies of the irrigation subsector, it is planned to use drip irrigation to promote intensive vegetable farming on a small scale, to transfer state irrigation user associations, and to facilitate access to credits and training for modern irrigation. As a prelude to the transfer, an investment of US\$8.6 million has been proposed for the rehabilitation and modernization of the existing systems.

The Government is in the process of privatizing IRHE and some drinking water services of IDAAN which are facing serious social problems because of the lack of popular knowledge of the eligibility criteria applied to these processes. Private sector participation is expected to result in higher performance and efficiency in providing these services.

There is also a social reason to promote the development of irrigation in the Dry Arch. The tendency by its citizens to migrate to tropical forests and to the fertile slopes of the highlands of

Chiriqui, leads to destruction of those tropical forests, loss of wilderness area and degradation of natural resources. It is expected that the implementation of irrigation programmes in this economically depressed area, characterized by problems of land tenure and a reduced capacity to grow because of the lack of water, will reduce the current trend of migration.

### 2.3. WATER POLICY AND LEGAL FRAMEWORK

The waters in Panama are recognized as the public property of the State, free and for common use. The water law applies equally to all uses and activities. The legal framework for water resources integrates various laws and codes (agricultural, civil, sanitary, administrative, etc.) prior to the enactment of the constitutional reforms of 1983. The lack of technical standards to operationalize the law (Decree Law No. 35 Water Act, 1996, Disc. No. 39 Forest Act, 1996), dispersion and repetition of rules and the absence of regulation for different uses of water (industrial, commercial, inland navigation and others), has led to the revision and modernization of the Water Act. Similarly, the ongoing privatization processes introduce changes to the organic laws of the institutions such as IDAAN for drinking water and IRHE for electric power.

Water rights registered and approved by the SFDA are grants ranging from one year (temporary permit) or five years (temporary permission) to permanent lease, not transferable except for use in irrigation concessions, which are linked to ownership of land. In irrigation systems for collective use, users mostly do not own and only have rights of possession of land. This creates a legal uncertainty which MIDA is trying to resolve through the National Certification Plan.

### 3. GEOPOLITICAL ASPECTS

The Republic of Panama, with an area of 75,517km<sup>2</sup>, is the smallest country in Central America. It has a coastline of 1,700km on the Pacific Ocean and 1,288km on the Atlantic Ocean. Panama is bounded on the north by the Caribbean Sea, south by the Pacific Ocean, east by Colombia and west by Costa Rica.

Panama only shares basins with Costa Rica in the Teribe and Sixaola rivers. There is an agreement for the regulation and use of the Sixaola, as part of La Amistad International Park, considered a binational protected area and biosphere reserve. The border with Colombia is constituted mostly by dividing the basins of the rivers Tuira and Balsas and there are no significant water transfers.

### 4. SOURCES

FAO. 2000. Aquastat Available at: <http://www.fao.org/nr/water/aquastat/main/index.stm>