

INSIGHTS

For the Mainstream Investor

WEEK ENDING MARCH 24, 2017 EDITION 186



THE VALUE OF WATER

March 22nd was World Water Day

On the heels of [World Water Day](#), the chief executive of French utility Suez said [water scarcity](#) is "one of the biggest challenges" facing several industries and agriculture, and suggested that it may become more valuable than oil. He predicted that "companies will have to rely on waste water recycling or desalination plants to meet their needs." Today, industries account for a fifth of global water use compared with 5 per cent for humans. The remainder is used by agriculture. For more on water scarcity risk, read [HERE](#).

DID YOU SEE...?

The recent G20 joint statement [dropped any reference](#) to the financing of climate change following pressure from the U.S. and Saudi Arabia. See the G20 Communique [HERE](#).

ASSET MANAGERS AND ANTIBIOTICS

Growing coalition to limit antibiotics

A USD 2tn coalition of 71 investors is [campaigning](#) to limit antibiotics in food supply chains over concerns about human health and financial returns. Scientists warn that the [routine use of antibiotics](#) to promote growth and prevent illness in healthy farm animals contributes to the rise of dangerous infections from antibiotic-resistant bacteria known as superbugs, which kill at least 23,000 Americans each year and pose a major threat to global health.

The coalition, which includes €332bn Aegon Asset Management and €100bn Candriam, is putting pressure on some of the world's largest food companies, such as McDonald's and Domino's Pizza. [READ MORE](#)

THIS WEEK IN NUMBERS

2021

is the date by which exporters to the EU will have to undertake due diligence on certain minerals to ensure no financial support to violators on human rights

79

percent of US rooftops are suitable for solar power says Google

70

percent reduction in energy related CO2 is possible by 2050, according to [IRENA](#)

70

percent of global freshwater is used for agriculture (see infographic below)

30

percent of land rights globally are documented

19

percent reduction in beef per capita was recorded by Americans between 2005 and 2014 says the NRDC

12

percent of S&P 500 companies report how much they spend on lobbying

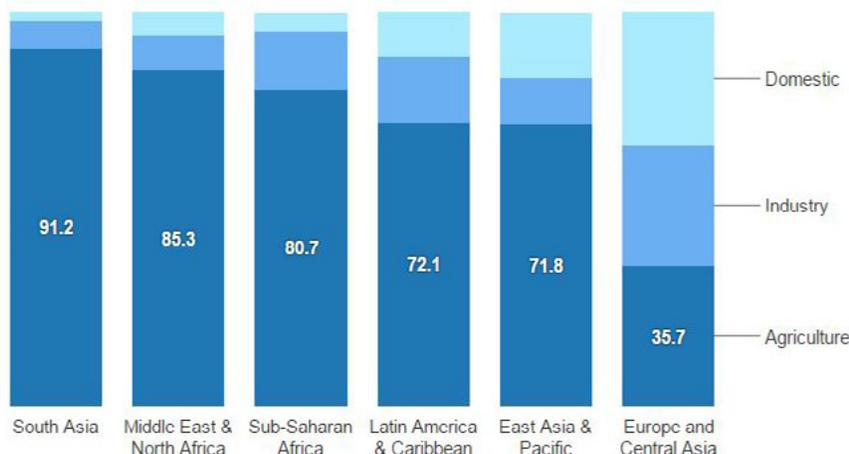
2.7

billion people find water scarce for one month of the year

INFOGRAPHIC OF THE WEEK

Globally 70% of freshwater is used by agriculture

Share of freshwater withdrawals by sector (%) in 2014



Source: [World Development Indicators](#)

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Sustainable Insight
CAPITAL MANAGEMENT

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WORLD TOBACCO TREATY RESULTS

Slow improvement evident

The World Health Organization (WHO) Framework Convention on Tobacco Control (FCTC), a global tobacco treaty, which has been in effect for 12 years, has helped reduce smoking rates by 2.5 percent. A recent study by Canada's University of Waterloo and the WHO found that while progress against what they called the "global tobacco epidemic" has been substantial, it has still fallen short of the pace called for by the treaty.

Countries that fully implemented more FCTC measures saw significantly greater reductions in smoking rates, the study found.

[READ MORE](#)

US ON CLIMATE WATCH

Is policy reversal imminent?

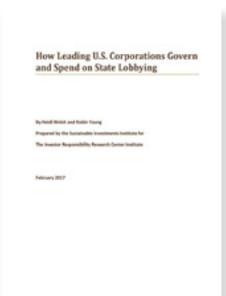
President Trump has taken steps to "dismantle the centerpiece of President Obama's climate legacy" in recent weeks. President Trump's proposed budget would eliminate climate change research and prevention programs across the federal government and slash the Environmental Protection Agency's budget by 31 percent, more than any other agency.

Mr. Trump also said that he ordered Scott Pruitt, the E.P.A. administrator, to revise the agency's stringent standards on planet-warming tailpipe pollution from vehicles. Experts say Trump may face a steep legal challenge in coming years that may end up before the Supreme Court.

WHAT WE'RE READING



FAIRR
The Restaurant Sector and Antibiotic Risk



Investor Responsibility Research Center Institute
How Leading U.S. Corporations Govern and Spend on State Lobbying

WE'RE WATCHING

In a March 15 letter to the White House's National Economic Council Director Gary Cohn, several large investors pushed back against a request by major business trade groups that the White House "use its influence on the U.S. securities regulator to make it harder to get governance, political or environmental issues onto corporate ballots." [READ MORE](#)

IN CASE YOU MISSED IT

A new study from the Campaign to Protect Rural England (CPRE) found that building new roads causes more traffic and congestion without boosting local economies. [READ MORE](#)

TERM OF THE WEEK

CHEVRON DOCTRINE

Chevron U.S.A., Inc. v. Natural Resources Defense Council, Inc., 467 U.S. 837 (1984).

In this supreme court case, the Supreme Court decided that courts should defer to the federal agency applying the law (in this case the EPA was applying a clean air rule). The Court reasoned that experts at agencies had been trusted by Congress to make informed decisions. This is referred to as the the **Chevron Doctrine**. And it came up in the hearing of U.S. Supreme Court nominee Neil Gorsuch this week. [READ MORE](#)

BELIEVE IT OR NOT

If you have arachnophobia, this may come as surprising news: Spider venom is healing! Scientists now say it could ward off stroke brain damage. Editor's note: If you really have arachnophobia, you may want to avoid clicking on this link (we warned you).

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