The Story of Water
Links Between an International Company and a Local NGO

- Case Study Report on CSR cooperation between YEDI and Diageo China -
Winrock International is a non-profit organization that conducts development projects in 65 countries focused on helping vulnerable demographic groups, promoting sustainable and profitable economies, and conserving natural resources. Working together with individuals and local communities, Winrock advocates on the world stage for fair development and equitable distribution of resources essential to the health of both people and the planet. Winrock’s SEN (Supporting Environmental NGOs) program focuses on providing small grant support to environmentally conscious and socially focused organizations in Yunnan, Guizhou and Sichuan Provinces in order to increase their regional commonwealth-building capacity and sustain their efforts into the future.

Supporting partners:

Diageo Shanghai Company

College of Economics and Management of Yunnan Agriculture University

SynTao-Sustainability Solutions
About the Report

● Background

In November 2010, YEDI participated in the “Strengthening Environmental NGOs in Sichuan, Yunnan and Guizhou Provinces” (SEN) program hosted by Winrock International. The following year, November 2011, YEDI’s project, “Case Study on CSR Financing in a Clean Drinking Water Program in Yunnan,” was shortlisted (after several selection sessions, concept note changes, and a full proposal) as a prime example of private sector-NGO cooperation in Yunnan. One of the key outputs of this project was a case study examining said cooperation.

Yunnan Environment Development Institute began cooperating with a major private company, Diageo’s Shanghai branch, in 2009. Together we completed three “Water of Life” projects in Yunnan. Though our cooperation began with a cold visit, it ultimately extended to years of close work on several projects, thus making the arc of our relationship a prime example of the full cooperation process between any NGO and private enterprise. Hence we selected this particular case to focus our study.

● Objective

Our objective is to summarize and review our experiences, including lessons learned, during our cooperation with Diageo so that we may serve as an example for others NGOs in their cooperation with the private sector, hopefully ultimately facilitating smooth cooperation between both parties.

● Methodology

To complete this research, we used email correspondence, phone and face-to-face interviews as well as materials analysis methodologies. We interviewed Diageo’s head of CSR and Public Relations Company. In addition other individuals important to Diageo’s cooperation with YEDI were also interviewed. Finally, during the report preparation, we received additional
advice and support from various external experts on how to best complete our case study.
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I. Preamble

Many observers aptly describe cooperation between a private enterprise and an NGO as a marriage. As in marriage, the differences between the two organizations complement one another, and, as in marriage, without cooperation, neither has any genuine reproductive capacity. Thus, though private enterprises and NGOs may have different visions and social roles, mutual cooperation ultimately helps them both to materialize their mission statement and social values.

Secondly, and perhaps most obviously to an outside observer, private enterprises and NGOs are functionally (some might even say anatomically) different. They come with a different business culture background and problem-solving methodologies; even their internal structure does not follow the same blue-print pattern. To engage in the most rewarding cooperation, they have to slowly learn the other party's characters and strengths. As in any marriage, this takes time – and, as in any marriage, success is not always guaranteed.

In this case study of the relationship between Diageo and YEDI, a classic love-affair between a large international company and a local NGO, we want to review our “marriage” with private enterprise and the difficulties and strengths inherent in such an experience. We hope that our example may help other NGOs and companies push for more dialogue and cooperation between their organizations, and lead to further NGO-private enterprise interaction in the future.

II Story of water

Since 2009, Yunnan Province suffered from a severe drought. Continuous media reporting vividly showed the crippling thirst of rural people, and public attention was drawn to the embarrassing lack of both drinking water facilities and precautions for extreme weather in the rural villages. Further, experts have indicated that Yunnan will experience serious droughts for the next 10 years,
partly due to global climate change. Thus drinking water, or the absence of, will present a serious problem for both rural villagers, particularly in the most mountainous areas of the province, and society as a whole. The villagers especially the poor, and with no hydraulic facility to cope with climate change and extreme weather are on the brink of facing the further decline of their basic living needs.

Having closely followed the progress of hydraulic infrastructure construction in Yunnan, YEDI realized that providing clean drinking water in rural areas was an important issue that we as a local NGO would have to quickly take action to address. When we jumped in to help relieve these drought-stricken areas, however, we first had to think about sustainable solutions, ensuring our help stretched to the long-term.

YEDI was not alone in recognizing the problem. Yunnan's drought attracted the attention and relief efforts of people, organizations, and companies throughout China, including Diageo, despite it being far from Yunnan. Providing for clean community drinking water supplies is one of their main CSR focuses, and “Water of Life” is their famous CSR brand. It was around this time that a fellow NGO gave YEDI the contact information for Diageo's Head of CSR. The spark of an idea – namely potential regional cooperation – would soon flame into a valuable partnership.

III From strangers to partners

YEDI has had several cooperative experiences with international companies before, such as the Swiss Reinsurance Company and the Ford Motor Company. However, we only became acquainted with these companies through winning their corporate-sponsored awards at annual competitions. Prior to Diageo, we did not have any experience with “cold visits” to a major international company's CSR department. In order to prepare for the visit, we researched Diageo's background and CSR interests to understand the
character of their previous projects and potential requirements. We also completed a summary of our past projects, including a thorough project-by-project evaluation report. On February 25th, 2010, we sent our first cold e-mail to Diageo's head of CSR. After only three hours, we received a positive reply. The head of CSR agreed to a telephone meeting to learn more about YEDI and our Yunnanese clean drinking water project.

Our phone meeting occurred one week after our dialogue via email. At that point, our cooperation with Diageo's “Water of Life” program was
Table 1: ‘Gestation Period for the Common Offspring’

It took only 60 days from our first e-mail to Diageo for our proposal to be approved. This was one of the most prompt and successful fund-raising experiences in our history as an NGO. Diageo had a similarly pleasant experience interacting with us:

**Direct dialogue:**

**Q** YEDI: What was the most important factor in your decision to cooperate with YEDI for the first time?

**A** Diageo: YEDI quickly provided background documents which gave a clear and comprehensive picture of the organization and its past projects. From these assessments, we felt that it was a professional organization with a history of strong service work in rural areas. Further, their previously implemented projects were similar to those found in our “Water of Life” program. This made them an ideal match for both our company and our environmental strategy, so we selected them as a partner.

**Q2** YEDI: When you begin working with a new partner, what are you most concerned about?

**A** Diageo: We pay attention to both their specialties – what they’ve focused on in the past – and executive ability. If they are not fully professional, both in management and history, then they will not be able to implement projects well.
Q1: Diageo: What kind of enterprises do you prefer to cooperate with?

Ayedi: Firstly, we attach a lot of importance to the public reputation of the enterprise, especially their behavior regarding environmental protection. Secondly, we focus our attention on companies and organizations whose CSR strategies have points in common with ours. We are looking for partners with the same concerns.

Key Words: Specialties; executive ability; same concerns

IV A good proposal

Getting off to a good start with any enterprise is half the battle, especially when attempting to successfully implement a major project. In our first proposal to Diageo, however, we negated the majority of their concerns and covered all associated requirements, greatly increasing our chance to get their support. Therefore, unsurprisingly, assessment of the client's demands is an essential step in most business plans. As an NGO, however, we had less experience in this area, and based on certain shared characteristics in organizational structures between NGOs and companies, we learned from our experience with Diageo to pay attention to the following points when we prepare a company proposal.

1. Added value

When investing in a company, each shareholder enters the enterprise wanting to get the biggest return. Similarly, when investing in a commonwealth project, each partner wants its contribution to create the biggest social impact, boosting both its sustainability and business. If a commonwealth project can efficiently integrate social resources, increase money-allocation efficiency, expand social impact and benefit more people, it has the best opportunity of generating the largest return on the partner's original investment. Thus if your organization has a good media contact or source, you should highlight your promotion plan and the strengths it has (in light of the desired qualities above)
in order to garner more attention for your organization. Expanding a project's influence through media and various other platforms is a win-win model for both companies and NGOs, adding value to the enterprise and thus making for a more fulfilling relationship between an NGO and its partner company.

**Our action:** In all projects with Diageo to most efficiently allocate resources and ensure the sustainability of the enterprise, we ensured that local labor input from the beneficiary community was fully integrated into each step of the process. Villagers would best know how to handle on-site implementation and maintenance, and by being included in the process acquired more responsibility for the outcome of the project and thus its efficiency, longevity, and ultimate success. We further mobilized local community and government funding as well as certain volunteer group inputs, and this combined with Diageo's investment gave the entire project a deeper impact for a larger beneficiary group. Diageo as an efficiency-minded international company got more bang for their buck; we as an NGO built a stronger and more symbiotic working relationship to benefit the people of Yunnan.

2. Clear budget

A central tenet of company management is that budget control is very important: it should especially be strictly adhered to when in a partnership where both partners' investments are at stake. If possible, the participating NGO should know the funding range and budget requirements before designing the proposal so that it can be tailored to fit the partner company's budget. However, if your project cost is more than the total enterprise's budget, you can split your big project into several small ones, alternatively co-funded through other donors, or keep the same large donor and spread your larger project out through many years. We ourselves have had to use these approaches in the past.

Company CSR representatives further understand that when cooperating with an NGO, some personnel and running costs provided to the abetting NGO
are a necessary part of the total expenditures. Hence, when making the project budget, you should clearly list all reasonable costs without fear of underfunding: be straightforward about the direct project costs, personnel costs, and specific management fees. Pay attention to a possible invoice cost, as well, in case the company wants a standard invoice from a tax bureau and you are not a tax-free organization. You should list the cost on the budget even if not originally requested in order to avoid making any changes and corrections after notarization: the procedure to add this cost if it becomes necessary will be very complicated and take a long time.

**Our action**: Our budget was made by carefully listing activities followed by a clear statement of their funding source (company contribution, local government funding or local community contribution). We listed personnel cost and travel cost, as well, and didn't hesitate to indicate YEDI's organizational needs and personnel costs.

3. **Measurable indicators of output**

   Most companies have sophisticated management structures that measure success and output through company-regulated measurable indicators. These indicators are often company-wide standards used in every department, including CSR. Thus when designing a project for a company's consideration, you should understand how they typically evaluate projects and in turn consider the quantifiable indicators of your project's outcome and success: for example, the size of the beneficiary group, the increase in income, the level of local skill improvement, etc. For all indicators, it is best to have verification documents and a means to show them with clearly articulated data interpretations available. This way, the project design will have a clear and measurable output in helping the people at the intended site, easily linking the project to a company's internal CSR project evaluation index, and thus becoming more attractive to CSR representatives.
Further, if your partner issues an annual CSR report, your project design should take into full consideration the measurable indicators and indexes shown in their report. This careful attention to detail and clear appreciation of your partner company's perspective will strengthen the link between your project and the private enterprise's CSR master plan.

**Our action:** Before we wrote our project closing report, we visited Diageo's website and downloaded their annual CSR report. After studying this report, we added certain indexes to our report to show our project's impact with concrete figures that were more directly linked to our partner company. For our clean water project report, we used the following quantifiable indicators: number and description of facilities supported, number of beneficiaries, daily water supply volume, minimum guaranteed water volume, time saved from increased proximity of clean water, etc. This way, Diageo was able to clearly see our project's impact in relation to how they traditionally evaluated projects, making it much easier for them to envision themselves working with us both on this project and in the future.

4. **Visible effect**

Unlike international funds that are keen to support research and / or capacity building projects, many companies favor supporting community development projects with visible effects and relatively quick local impacts. Thus, keeping in mind this requirement for both tangibility and a shorter time span, your project design should make it clear what will be changed and how. It is ideal to have data on the visible effects of the project and comparison statistics from before and after the project's implementation, so that your project design matches your partner company's general direction of business development.

**Our action:** When we cooperated with Diageo, all of our proposed projects were closely linked to the overall Diageo “Water of Life” theme. Our project was further designed to be based on the real demands of the target community.
and their needs in maintaining the project in addition to providing a sustainable solution to their water quality problems. We included capacity-building activities which were combined on-site with hardware construction, so all knowledge or skills from training were able to be used in practice by local participants directly after for a more stable and sustainable local effect. This efficiency and concrete impact made Diageo much more amenable to our proposal, as it cohered well with their traditional corporate thinking of measurable, concrete results as a tested performance indicator.

5. Staff involvement

Some companies are small and do not have enough money in their CSR budget to make major donations to commonwealth projects. However, provisions have usually been made in CSR budgets to provide for staff welfare and happiness. A good way to deal with these smaller, but no less important, companies is to seek their help through staff volunteers. This eases the burden of providing money while still encouraging this company's social participation and active engagement in your project.

Therefore, if you as an NGO can redesign your project with innovative ideas about company staff involvement, your plan will be more attractive to companies. And as each staff member has a different background and expertise in their company, they are all valuable personnel resources and potential volunteers for the participating NGO – though, of course, only if there exists a good system to integrate their services into the overall project.

Our action: When we designed our water program, the company asked us to provide the staff volunteer plan at the same time, so we have to consider the feasibility and related arrangements when thinking about project activities and project site selection. In the first year, the staff volunteer plan changed several time because we are not familiar with the staff background and capacity. In the second year, we designed two optional plans for their choice and did great preparation work before they came. So satisfaction of staff increased, and
some of them even expressed their will for individual donations to the local community.

**Direct Dialogue**

**Q3** YEDI: When company representatives design or review a CSR project, they closely examine the project’s social impact. This includes real change in the community, social influence, the reputation of the overall project, etc. What is the social impact Diageo most highly anticipates achieving when entering into a new project?

**A** Diageo: We want to bring real change to local communities, with a real, visible effect. If we wanted to focus more on fame and publicity, we would have selected a powerful international NGO as a partner. But as a matter of fact, we cooperated with YEDI longer than other international organizations; we believed they could make a genuine difference.

**Q4** YEDI: From your point of view, what was the most important aspect of YEDI’s project proposal?

**A** Diageo: YEDI’s design was comprehensive: it covered different aspects of the individual community’s development demands.

**Q2** Diageo: Do you want to share some experiences from having cooperated with Diageo?

**A** YEDI: We felt that Diageo was a low-profile and modest company, despite their size and influence. Their highest priority was always having a reasonable design and high-quality execution. They never came to us with extraneous, unrealistic requests, such as media communication or project promotion, which allowed us to concentrate on what we were good at. They fully appreciated our abilities.

Often when we deal with companies as opposed to NGOs, we feel they emphasize final results and achievement over attention to and intervention in the project’s progress. They have strict control over the total budget, but are more flexible for reasonable budget adjustments. They especially appreciate efficiency and completing service work on time.
V Implementation and communication

The CSR aspect of a company is but one window into their internal dialogue when conducting a commonwealth project. In reality, CSR representatives have to report their work to different management levels and other departmental colleagues. So when we deal with CSR representatives, we should understand the pressure and requirements of their work. In order to have the most fulfilling partnership possible, we must do our best to complete on time and in budget what we committed to support: remember, they are reporting the project's success and concrete impact back to their bosses. In light of this facet of company and NGO integration, the following are key words, which should be taken into consideration during project implementation.

Procedure  Compared to an NGO’s flexibility and compressed organizational structure, a company, especially a large international company, has a much more complicated management structure and fixed project procedure. And cooperation related agreement signature and payment will go through all internal procedure, so partnering NGOs should realize this and take into full consideration the company-dependent time buffer necessary to include when making the project design.

For some companies, NGOs in some way are more like service providers, to provide commonweal service. As there is no separated management system for NGO, most private enterprises have the same management and interaction system for both business partners and NGOs. To be a new partner of a company, you must submit a series of licences and certificates for their internal review and registration. Any NGO wishing to partner with a company should prepare both their overall organization and any pertinent individual
documents for that express purpose. For example, one such relevant document would include a uniform organizational introduction with a clear statement of NGO vision and mission, a summary of past project experiences, as well as an updated scan of the NGO's main license, code certificate, tax certificate etc, so that the interview procedure can pass smoothly and without any unnecessary time lags.

**Communication**

As a company has a different vision and background than an NGO; it is not surprising that it approaches the same issue as an NGO with a very different perspective. Therefore it is essential to communicate well during project implementation. Any question on the part of either party should be clarified in time to avoid unnecessary delays or misunderstandings that could potentially result in poor project implementation. CSR representatives in large companies normally have several projects and tasks that they are dealing with, so they may be too busy to always fully engage in clear and thorough communication with their partner NGO. As an NGO, it is important not to sit and wait, but to be active and upfront: leading the communication where the company cannot in order to preserve the integrity of the project is an important part of the process.

Further, during communication, manners, and above all the way in which issues are addressed, are very important. In the beginning of the relationship, communications via e-mail and telephone are sufficient. However, when both parties have made clear that they intend to further cooperate, visiting each other face-to-face will generate better understanding. In order to be thoroughly mindful of your partner organization, however, be sure to make the appointments before you go.

**Details**

When you work with any company's CSR branch for a public event or the organization of a staff activity, you should pay great attention to details management. These events are often an important part of CSR work: since
such activities are so visible to clients and staff, good organization gives credit to the branch's work, while bad organization does just the opposite. Thus it is important to have a clear and reasonable agenda and to confirm that all necessary parts of the excursion or activity are ready in advance. Making alternative plans in case of unexpected issues such as traffic jams and inclement weather to ensure the event goes smoothly is a key aspect. Paying close attention to these details shows both outside observers and more importantly your partner company the depth of your devotion to your work.

**Direct Dialogue:**

**Q5** YEDI: Have you experienced any difficulties in communicating during your work with NGOs, either due to different ways of thinking or irreconcilable perspectives?

**A Diageo:** Yes, we have. Because of our inherently different cultures and roles in society, we have different understandings of the same issue. However, this is not an unsolvable problem, and with YEDI did not cause any real difficulties in implementing the project.

**VI. For wider cooperation**

YEDI and Diageo engaged in three cooperative projects from 2010 to 2012. The projects covered seven villages in Lufeng County, Yunnan Province, and ultimately provided clean drinking water, energy-efficient biogas tanks and solar shower rooms to 736 villagers. This successful teamwork was encouraging, and promised further valuable and sustainable cooperation in the future.

However, shortly after YEDI began designing a new program for just such cooperation; Diageo shifted their central project locations to another province because of adjustments in their business strategy. To us, this came as a shock. Yet on second thought, we understood that these kinds of changes in plan happen everywhere. In any kind of cooperating enterprise, there are always
certain factors out of your control: NGOs face unexpected changes in a company's larger strategy, whether through budget reduction, staffing changes, or other unforeseen developments; similarly, companies have to worry about changes in an NGO's plan, staffing changes, weaknesses in overall ability, etc.. Thus before and during cooperation, each party should explore other potential partners for the express purpose of such risk management. This kind of forward thinking will reduce the potential impact of the loss of a valuable partner should unforeseen circumstances arise, and is especially important as a safety net for small NGOs.

Most companies' priorities lie in finding and acquainting themselves with the most reliable NGOs; NGOs likewise wish to find the most CSR-committed and cooperative corporate partners. Because the commonwealth industry in China is still in its inception stage, there is not an accepted industry-wide evaluation standard by which to compare individual NGOs' management skills, social reputations and executive abilities, making it difficult for large companies to evaluate potential partners. Similarly, because there are so many thousands of private enterprises in China, NGOs find assessing companies equally difficult, and face the added obstacle of not knowing how to gain access to large companies on their own initiative: often, NGOs do not even know where to begin to fruitfully engage in a cooperative dialogue, even if they have found a potential partner.

Given these difficulties inherent in any NGO's search for a private enterprise, we have found through thorough investigations and interviews that face-to-face personnel introductions are the most successful and efficient way for an NGO to connect with a company's CSR representatives when identifying potential partners. How can an NGO develop such a connection? How can we as smaller non-governmental enterprises make ourselves visible to such large companies? The following examples are three effective solutions.

- **Internet promotion**
The recent rapid shift from traditional media to the development of social networks and microblogs within China has in turn fundamentally changed the way NGOs can self-promote. New media allows us to freely publish information, reducing promotions costs and increasing information coverage. Through the internet, we can also easily engage with many forms of social organizations, including private enterprise. Hence, good management of an NGO’s website and micro-blog opens a door to organization-to-organization exchange and wider dissemination of information.

Further, you can upload your organization’s introduction and project information to open and popular websites to reach wider audiences. For example, while most NGOs are accustomed to using the website platform NGO2.0, most companies are more familiar with professional CSR websites, such as (www.csrchina.net) and (www.chinacsrmap.org), where information can be uploaded and then widely dispersed to the desired target audience of private enterprises. So when we as NGOs make our promotion strategy, we should abandon our traditional way of thinking and instead try to find alternative platforms more suitable to large companies’ tastes and requirements.

So how does an NGO use online resources and tools for efficient self-promotion and dissemination? How do they have a company find them, and then make sure that company is their ideal cooperative partner? This is a challenge we NGOs all have to take up in the internet era! There is no easy answer.

- **Prize competitions**

Following the Ford Motor Environment Grant, more and more competitions hosted by different companies to support commonwealth projects and organizations has sprung onto the NGO scene. For private enterprises, it is a good, quick way to reach the public and create a large social impact while expanding their NGO database for future cooperation. Therefore actively participating in commonwealth prize competitions is a clever way to create
direct links with a company. Actually receiving an award is an even bigger and better platform for promotion and recognition. Moreover, a list of awards received from different sources by your organization is very convincing proof of your organization’s reputation and ability.

- **Public Relations & Consultancy Companies**

Public Relations and Consultancy Companies play a large role in cooperation between NGOs and companies. Many companies assign the handling of their CSR activities to PR companies, and some even outsource all their CSR management work to PR firms. Therefore, reaching out to PR and Consultancy Companies, and ultimately their client database in turn is an important platform for NGO and company cooperation.

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**Direct Dialogue**

**Q6** YEDI: How did you meet your new NGO partners?

**A** Diageo: We met our new NGO partners through the internet, micro-blogs and the British embassy. We also cooperated with certain foundations, which have platforms where users can get to know new partners and NGOs.

**Q3** Diageo: As a goal-oriented and competent organization, it is important to look toward the future for further development. What are YEDI’s future plans?

**A** YEDI: We just finished designing a plan we've had in the works for years, called “Wild Yunnan, Water of Life”. This program aims to provide basic drinking water and sanitation facilities for target communities in order to improve water use, protection, and local sustainable development. We want to engage in strategic cooperation with Diageo and other partners to mobilize the social resources necessary for our program’s success.

**Key Words**: Plan; platform; channel
VII. Epilogue

Taking a deep look at the current situation, it is clear that innovative cooperation between NGOs and the private sector is undergoing vigorous development, and that both parties are work actively in their respective fields. Separately, they play an increasingly important role in China's citizenry and social outreach sector; together, they can work both financially and on-the-ground to shape the future, and must be inseparable allies in this work.

As in any social reform, the pioneer who is brave and bold in making innovations ultimately leads long-term trends and brings genuine, profound impact to his field. Given the increase in our ever-globalizing world of this “pioneer” mentality, we expect that more and more NGOs and enterprises will find new ways of interaction and discover unforeseen fields for cooperation. We hope that they are willing to work through whatever difficulties may arise in their relationships to help bring a brighter future about. Together, their work can create a better world.

VIII. Addendum

1. An International Company: Diageo

Diageo is the world’s leading liquor business with an outstanding collection of internationally-renowned name-brands in spirits, wine and beer. These brands include Johnnie Walker, Crown Royal, J&B, Windsor, Buchanan's and Bushmills whiskeys, Ciroc and Ketel One vodkas, Smirnoff, Baileys,
Captain Morgan, Jose Cuervo, Tanqueray and Guinness. Diageo's greater inter-China business zone (mainland China, Taiwan, Macao and Hong Kong) was established in 2002 and is headquartered in Shanghai. Diageo is currently the leading private enterprise in China's alcoholic beverage market.

Yet Diageo is an accomplished company in more than just the business realm. Recently, the world's leading management indicator agent, British FTSE, published its 2012 FTSE4GOOD CSR-industry ranking indicator listing Diageo as the number one CSR-friendly company in the food and beverage industry. FTSE is recognized the world-over as the most professional share indicator agent, and FTSE4GOOD (together with the Dow-Jones' Sustainable Development Average) is the leading indicator for the objective assessment and evaluation of corporate social responsibility and environmental behavioral regulation. Diageo received a high score of 4.8 for its excellent support of sustainable environmental development, and due to its outstanding promotion of worldwide energy saving and environmentalism was awarded the honor of “British Advanced Enterprise”.

Diageo's successful and over-arching CSR strategy has four main components: alcohol policy in society, the conservation of water, the protection of environment and the promotion of community. In accordance with this core paradigm, Diageo's strategy within its greater China area also has four key points: alcohol in society, “Water of Life”, being a champion for change and community development.

As a beverage producer, water is an importance source for all Diageo products. This fundamental link between their business and the environment is why they initiated their “Water of Life” project ten years ago aimed at improving and protecting drinking water sources all over the world. Since “Water of Life”’s inception, they have provided safe drinking water to more than one million people.
The “Water of Life” program began in China in 2007. The project's main objective was to cooperate with the goals of the WWF for fresh water source protection. The first two and a half years of the program were spent on a project in Dongtaihu Lake in Zhejiang Province. After that, the program's focus shifted to providing communities with stable supplies of clean drinking water. Diageo cooperated with a central Chinese poverty-alleviation fund, Operation Blessing: China, to implement clean drinking water supply projects in Sichuan and Gansu Province. Project activities included providing clean water directly to households through piping infrastructure and water catchment tanks. After the large earthquake in Sichuan in 2008, Diageo further mobilized their staff to secure donations for emergency water supplies in the disaster area, going above and beyond their basic CSR program’s call.

2. A Small NGO: YEDI

YEDI is a non-profit organization registered under Kunming Civil Affairs Bureau since January 2003 and focused on supporting activities aimed at improving the environment in Yunnan Province as part of the overall drive for more sustainable development within the region.

YEDI is a small and professional organization with a lean management. We have never had more than three full-time staff members since our establishment, usually running with only one or two, and for more than ten years have fully and effectively concentrated on water issues within Yunnan Province. From 2003 to 2008, our main focus was on water source protection and watershed management covering Dianchi and Puzhehei Lake; since 2008, we have switched our focus to providing clean drinking water supplies to rural areas, an objective that has become especially relevant in light of Yunnan’s severe drought beginning in 2009. Further, YEDI’s professionalism and efficiency, attributable to our strong advisory team and highly committed and
skilled management staff, have helped YEDI create close links with several international organizations and funds worldwide.