What is the biggest thing I have got wrong?

The world of water through the eyes of GWI publisher Christopher Gasson.

Ultimately our job at GWI is to tell the future. We talk about the emerging trends that will shape your strategy, and we report on the projects and policies that will provide your revenue for next year. We are expected to be right if a subscription is worth the money. But sometimes we get it wrong.

Until now, my biggest forecasting mistake was the amount of time I thought it would take for the desal market to recover after the bubble popped in 2010. I thought two years. It took eight. I still worry about the membrane plant investments and corporate acquisitions that took place because we got the numbers wrong. Naturally we have spent a lot of time reviewing our forecasting methodology in the intervening period (Desal Data subscribers should tune into the latest forecast webinar on Tuesday, 29 November).

What is haunting me now is not a financial forecast. It is more of a misread trend. Back in August 2021 in this column, I predicted that by the end of this year, 70% of water utilities in high-income countries which serve populations of more than 300,000 would have set target dates for achieving net zero carbon emissions. We are currently going through the numbers, but it looks unlikely that the figure will be more than 22% by the end of this year (including utilities in cities with net zero commitments). Obviously, no one is buying companies or building new facilities based on this information, but it is more important in other ways.

The water industry should be leading in the battle to reduce greenhouse gas emissions. 70% of the impact of climate change will be felt through the water cycle, and it will devastate our industry if global warming is allowed to continue unabated. We may only account for 2% of emissions, but one way or another our product reaches 100% of the world's 8 billion-strong population. Net zero commitments by utilities are a great way of communicating the urgency of the situation to customers. They soften people up to the reality that water services are going to cost a lot more if we don't all step up our actions to reduce emissions.

My mistake was to expect that the momentum towards net zero would continue to build after the COP26 event in Glasgow last year. What actually happened was that interest in net zero commitments fell away dramatically. This reflects the fact that the UK government put money into supporting the Race to Zero before the Glasgow meeting, but the Egyptian government preferred to move the focus to climate change adaptation. Most of the talk at COP27 while I was there last week was about "loss and damage", i.e., the idea that the developed world should pay compensation towards developing countries which have been adversely affected by climate change. I can see why the Egyptians did it, nevertheless it is a

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dismal development. The loss and damage discussion is worthy, but it is absolutely not a substitute for the overall climate imperative, which is to reduce greenhouse gas emissions. My hope is that COP28 in Dubai will see the global focus return to climate change mitigation rather than adaptation. In the meantime, we are ramping up our efforts to promote the Net Zero cause within the sector – watch out for developments in the New Year. I don't want to be six years wrong on this as I was with the desal forecast. If I am that badly out on the timing, it will cost our readers a lot more than a few oversized production facilities and overpriced acquisitions.

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