

A lush green forest with a waterfall cascading over mossy rocks. The water is white and frothy as it falls, surrounded by dense foliage and moss-covered stones.

Public-Private Funding Mechanisms for Watershed Protection in Mexico

5th GEF Assembly: CSO Forum
Partnerships for the Future, Session B:
Innovate and achieve global
environmental benefits at scale

Colin Herron, The Nature Conservancy
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What are Water Funds? A brief introduction

- Autonomous, sustainable and **self-sufficient multi-stakeholder institutions** that are inclusive and transparent
- Promote the protection of “**green infrastructure**” as a cost-effective complement to “grey infrastructure”
- Their conservation actions are based on **scientific prioritization** so as to maximize the return on investment
- They coordinate **public, private, academic and civil society** efforts with a broad vision of the watershed
- **Monitoring and measurement** of progress are fundamental to evaluating their success
- They make **business sense**



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Latin American Water Funds Partnership (LAWFP)

- A **management mechanism** to support Water Funds created by The Nature Conservancy (TNC), FEMSA Foundation, Inter-American Development Bank (IDB) and the Global Environment Facility (GEF)
- It **leverages resources** for Water Funds, provides **technical support** and assistance and offers a **communication platform**
- Aims to generate a direct investment of 27 million dollars, leveraging a further 143 million, creating 32 Water Funds, protecting 3 million hectares, benefitting 50 million people
- TNC acts as the Secretariat for the LAWFP



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Actions undertaken

- Of the 17 current sites, 9 are **directly supported** by GEF funds, and 8 of them are **operational**
- **Support provided** includes hydrological modelling, stakeholder engagement, conservation and business plan preparation
- More than **750,000 hectares** have been prioritized to carry out conservation activities



#	Pais	Fondo de Agua
1	Brasil	PSA Espírito Santo
2		Camboriu
3		Fondo de Agua Palma
4	Colombia	Agua Somos - Bogotá
5		Cuenca Verde - Medellin
6	México	Fondo de Agua Metropolitano de Monterrey - FAMM
7	Perú	Aquafondo - Lima
8	República Dominicana	Yaque del Norte
9		Santo Domingo



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Outstanding achievements: the case of Monterrey

- 60 partners from **different sectors** have contributing to shaping the Water Fund's four objectives and are contributing to them in kind and/or in cash
- Currently around **6.8 million USD** has been raised from the private sector, which will harness public sector funding
- An outstanding **database** has been put together, facilitating the identification of key areas for intervention
- TNC will be carrying out two **“replenishment” projects** in the watershed, to compensate for the water footprint of Heineken and ARCA Continental-Coca Cola through conservation actions



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Outstanding achievements: the case of Monterrey



Expected mid- and long-term impacts

	Objectives 2011-2016	Progress as of 2014
Investments in seed capital	\$143 million USD	\$73 million USD
Creation of Water Funds	32	17 (15 more under evaluation)
Population benefitted	50 million	33.7 million
Hectares conserved	3 million	1.4 million



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Lessons learnt / Conclusions and recommendations

- Treating environmental protection not as a question of “philanthropy” but as a **sound business investment**
- Water-related risks affect the whole of society, so fully **involving all sectors** in contributing to reducing these risks
- Importance of involving these sectors in projects of mutual benefit with a **shared vision**, on a neutral platform
- A science-based approach to **maximize return on investment** builds confidence with the business community
- Preserving natural resources is a **pre-competition challenge**



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Thanks / Muchas gracias / Muito obrigado

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