

Water and Cities

November 15th – Saturday, 10:30-12:00

Stream 4 – Water and Cities, Hub 2 Room

Session organized by The Nature Conservancy, focused on the role of protected areas in delivering safe and sustainable supplies of water to urban populations and the opportunities this provides to develop innovative funding initiatives such as the Water Funds, a financial and governance mechanism which connect the water users to water services providers. Presentations focus particularly on experience in Latin America, where much pioneering work has been undertaken.

Organizer: Fernando Veiga

Session moderator: Christopher Briggs – RAMSAR Convention

Session structure:

- Introduction – Setting the stage – 10'
- Presentations – 15' each

Presentation 1: "Water Funds"

Protected areas delivering safe and sustainable supplies of water to major urban populations through an innovative funding mechanism.

Alejandro Calvache (The Nature Conservancy)

A portfolio of several water funds which have Protected Areas as their main ecosystem services contributors, highlighting their various contributions (flood control, sediments reduction, flow regulation, etc), the return on investment for their protection, and the benefits that they are generating upstream and downstream, especially for those located in some of the most important metropolitan areas in Latin America. The cases of Monterrey, Quito, Bogotá and Rio de Janeiro will be highlighted.

Presentation 2: "The increased engagement of the corporate sector into watershed conservation (their water supplies) based on risk evaluation and water sustainable corporate strategy".

Fernando Veiga (The Nature Conservancy)

This recent trend has been increasingly important and leading to concrete investments in watershed protection through projects of water footprint compensation and/or replenishment. It will be presented several current cases where these initiatives are occurring in Latin America, financially contributing to Protected Areas and their buffer zones' conservation and/or restoration as well generating benefits for the local communities;

Presentation 3: "Water tariffs incorporating watershed conservation costs: the recognition of the ecosystem services benefits".

Lila Gil (The Nature Conservancy)

The advance of the implementation of the watershed conservation costs into the water tariffs, recognizing the watershed conservation and the protection of the water sources as part of the cost of water that should be reflected in the tariff. This process can be a tangible way to generate sustainable funding streams to conserve protected areas which provide drinking water supply and this discussion is well advanced in Peru, Costa Rica and Brazil.

- Open discussion – 25'
- Summary, conclusions – 10'

November 17th – Monday, 18:00-22:00

Stream 4 – Water and Cities, Hall 3B2

Water Funds - workshop

A Water Fund is an innovative model to improve water management through long-term conservation of the watersheds that provides water to urban areas. A fund generally has three components: (1) A financial mechanism to attract funds from water users, private entities and authorities; (2) an science-based investment plan with long term goals which targets priority areas in the watershed for conservation and enhancement that will render the highest returns on investment to improve the quality of water, to maximize water infiltration and to regulate flows; and (3) an operational structure that will carry out the conservation plan, fundraise and interact with stakeholders and general public. In the long term, water funds may become governance mechanisms for collective watershed planning and decision-making that will expand the portfolio of solutions and improve water management.

The first water fund was established in Quito, Ecuador, in 2000, aiming to protect the protected areas which provide water to its metropolitan region. Since then other similar initiatives have been established in Latin America, following its successful implementation. More recently, the creation of the Latin America Water Funds Partnership among The Nature Conservancy, the FEMSA Foundation, the Inter-American Development Bank and the Global Environment Facility became an important driver to the establishment of water funds across the region. So far, there are 17 water funds operating in the watersheds that supply water for approximately 60 million people living in some of the most important Latin America cities.

The workshop will go through the various phases of the water funds establishment: evaluation, design, negotiation, operation and maturity. Along this session, the major topics of each one of the phases will be presented and discussed, lessons learned shared, challenges and opportunities discussed, and water funds in operation will be used as examples to illustrate the discussion.

Fernando Veiga & Alejandro Calvache - Latin America Region, The Nature Conservancy



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