If petroleum is black gold and refined sugar is white gold, could crystal-clear fresh water be gold's newest look?







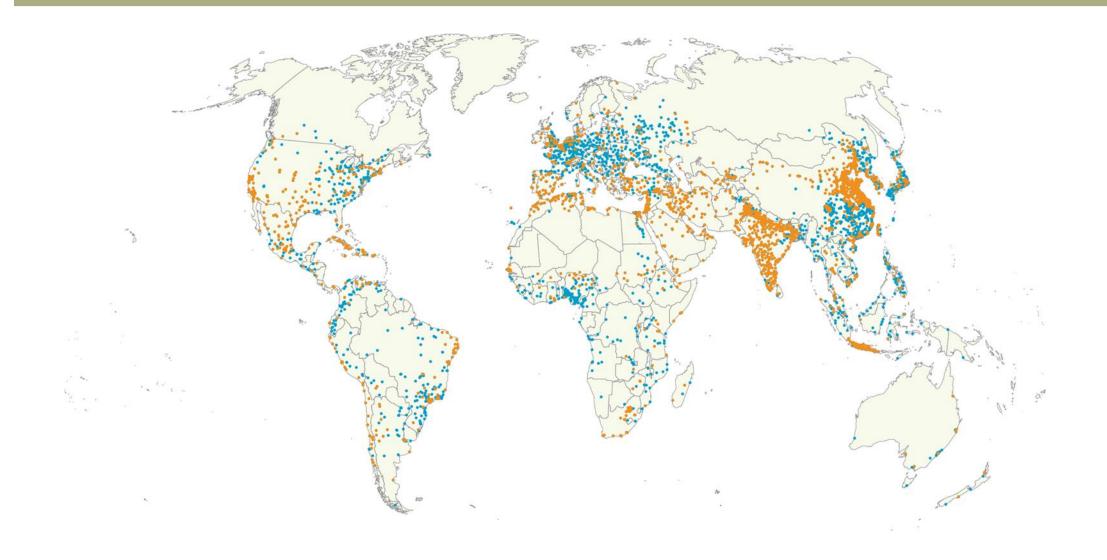
## WATER FUNDS: INVESTING IN A WATER SECURE FUTURE

Louise Stafford, Director Water Funds, TNC, South Africa DEDAT Green Economy Reference Group, 5 March 2020

https://pixabay.com

## Source Water – Scale of the Challenge





## Ecological Restoration - More important than ever The Nature W



2030

South Africa's water demand predicted to exceed supply

Global demand for freshwater has grown fourfold in 60 years

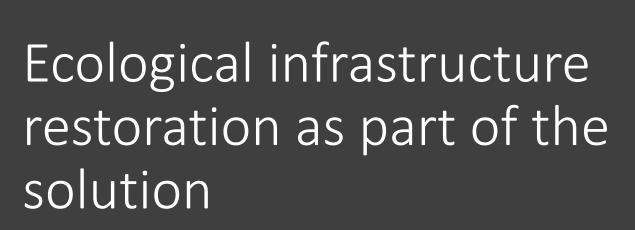
## When faced with water security challenges.... What are our options?

Will strike

© Goosebump Productions www.goosebump.co.za

#### LET'S BEAT DA. WITH 50 OR LESS PEN







SALT/MINERALS

## Healthy catchments: Improve resilience

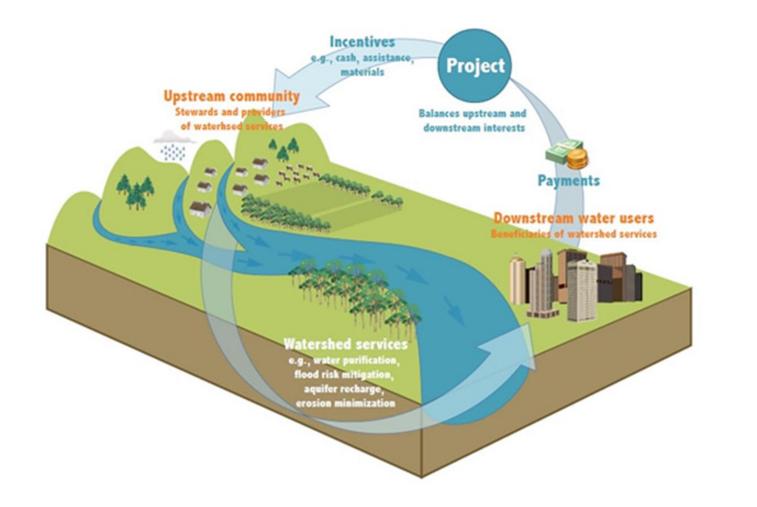






@ Kristen Blann, TNC

## Water Funds: Investing in Ecological Infrastructure



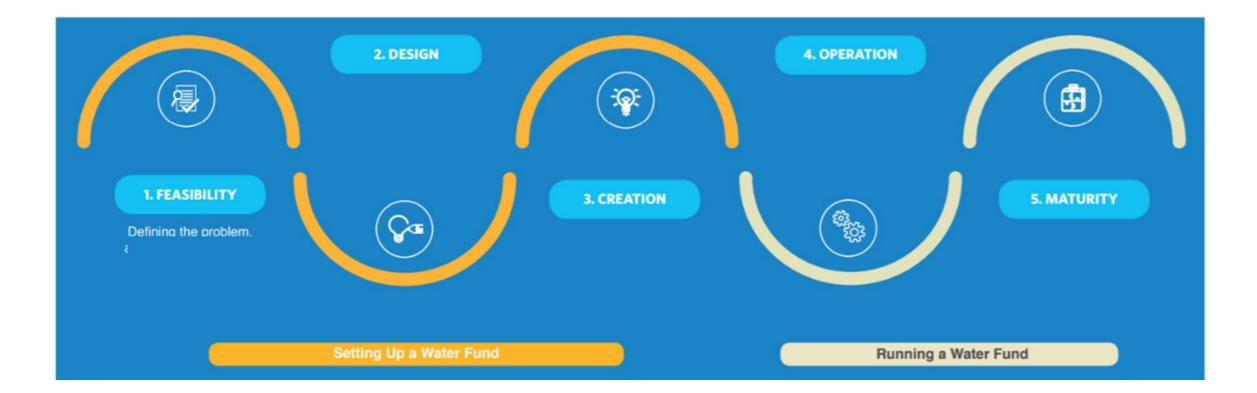
#### Water Funds do not...

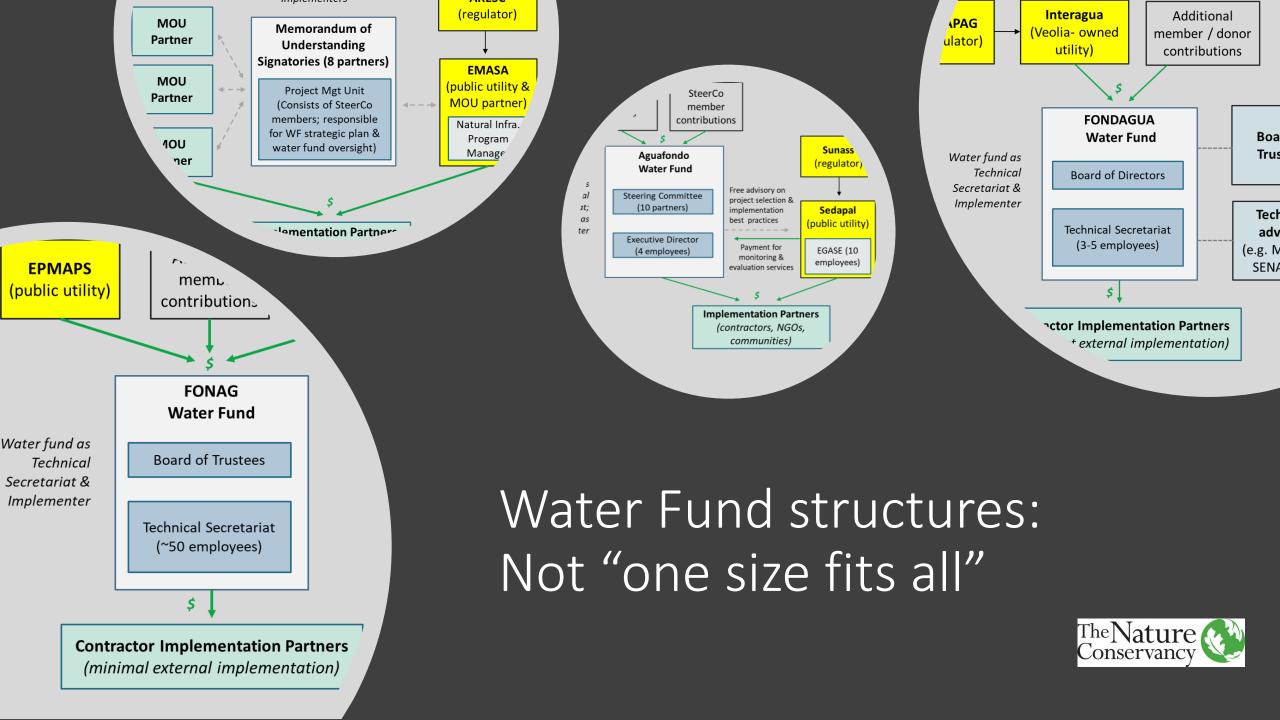
- Replace government's mandate
- Compete
- Duplicate



## Water Funds project cycle





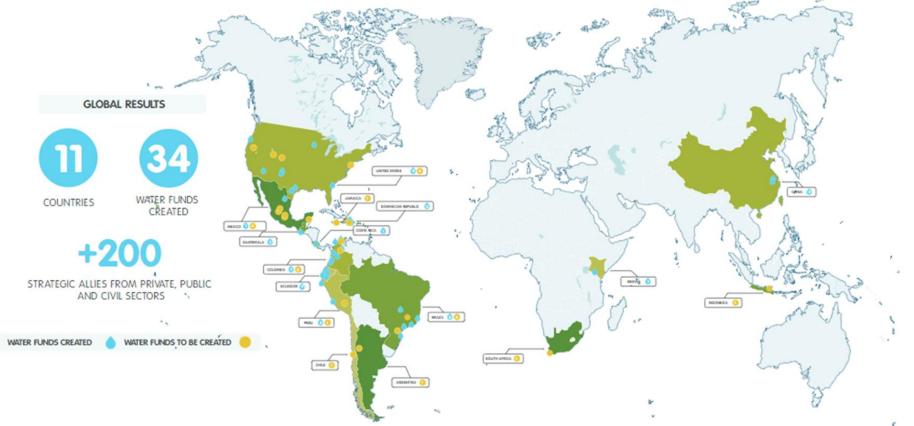


# Financial sustainability = Key

https://esg.theasset.com/

## More than 34 Water Funds operational





## First Water Fund - Quito : 20 years later





## Africa: Enabling conditions





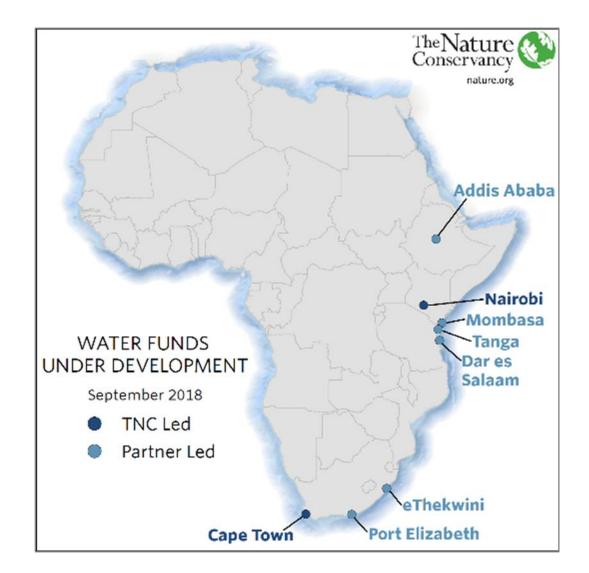
#### **PROTECT SOURCE WATERS** AFRICA BUSINESS PLAN: 2019–2025

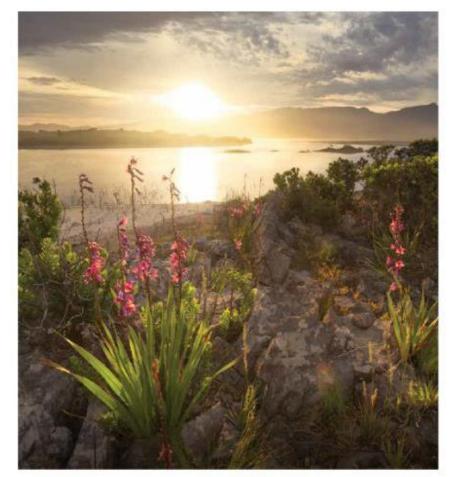




## Water Funds in South Africa

- Cape Town
- Palmiet-Bot
- Overberg
- Garden Route
- Port Elizabeth
- Durban
- Lesotho Highlands



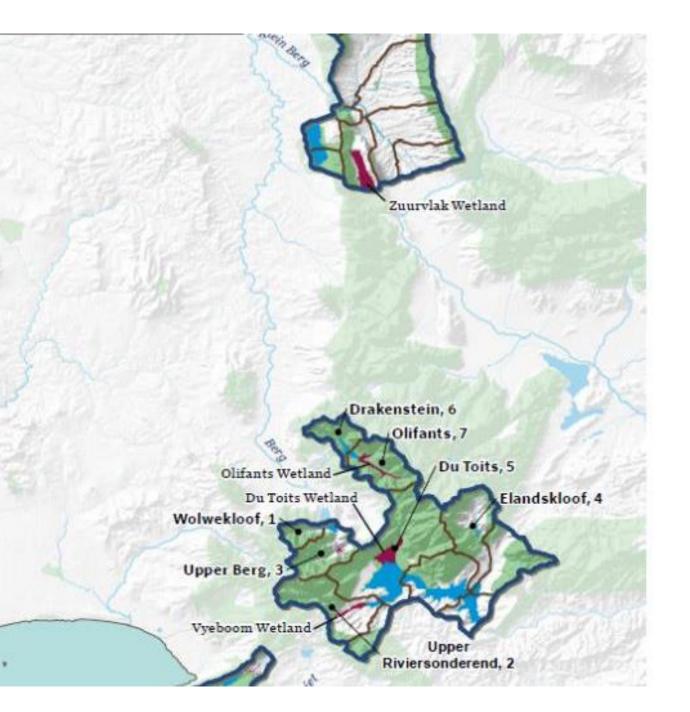


### **GREATER CAPE TOWN WATER FUND**

BUSINESS CASE | ASSESSING THE RETURN ON INVESTMENT For ecological infrastructure restoration | April 2019





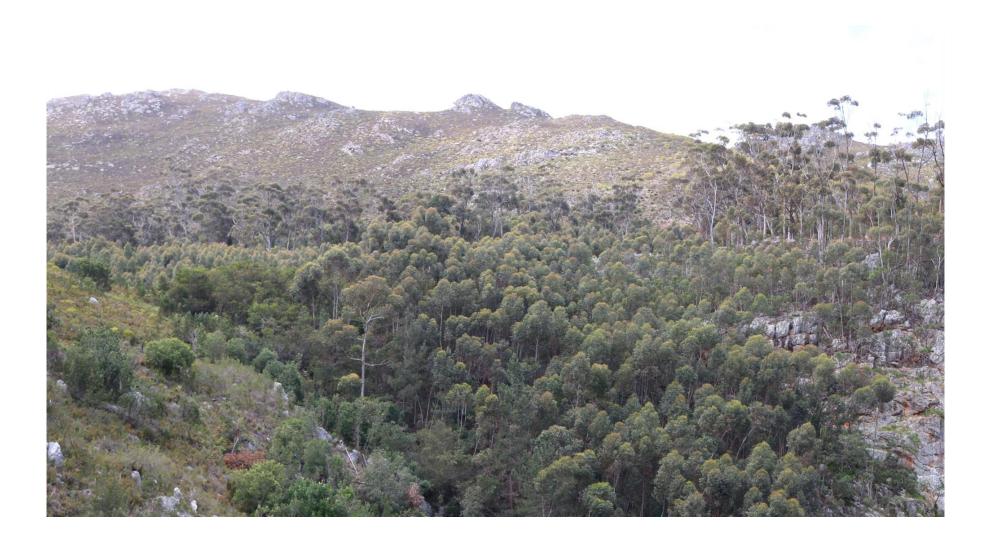


## Predictions demand will outstrip supply by 2021





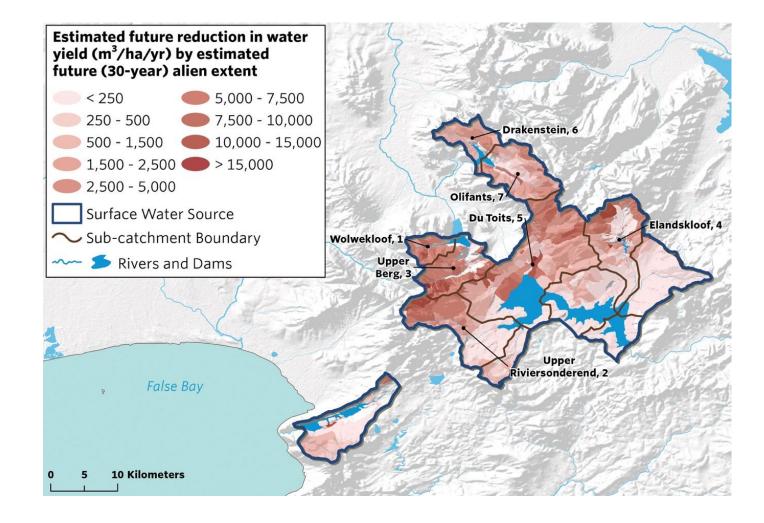
## Two-Thirds of catchments invaded by alien plants Conservancy





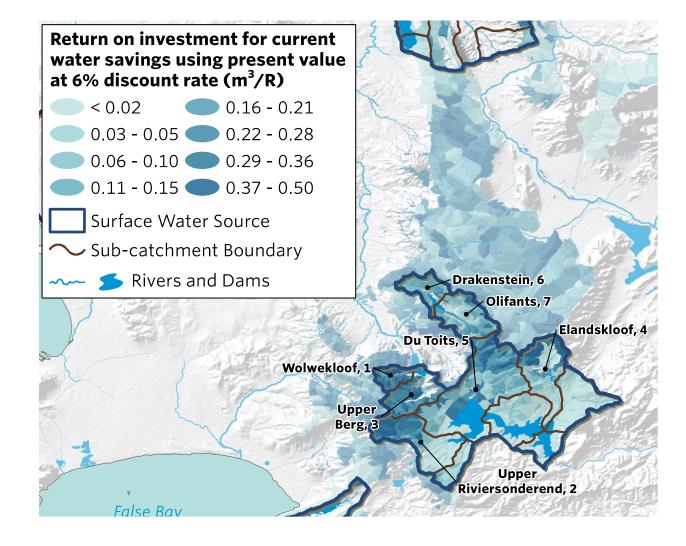
## 55 Billion liters lost every year

If No Action: 100 Billion liters/year by 2045

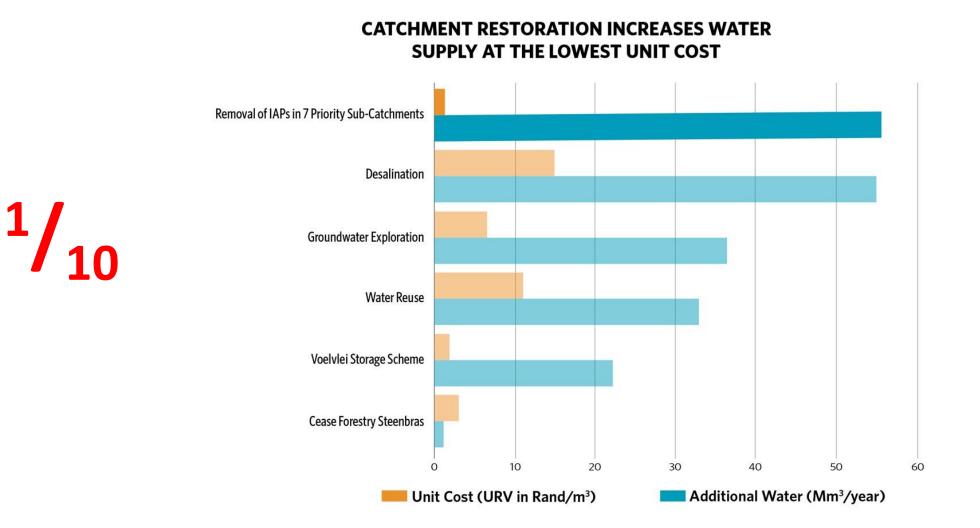


## Seven Priority Sub-Catchments identified Highest R<sup>The</sup>Nature

Average **R2.20/m<sup>3</sup>** water treatment cost included

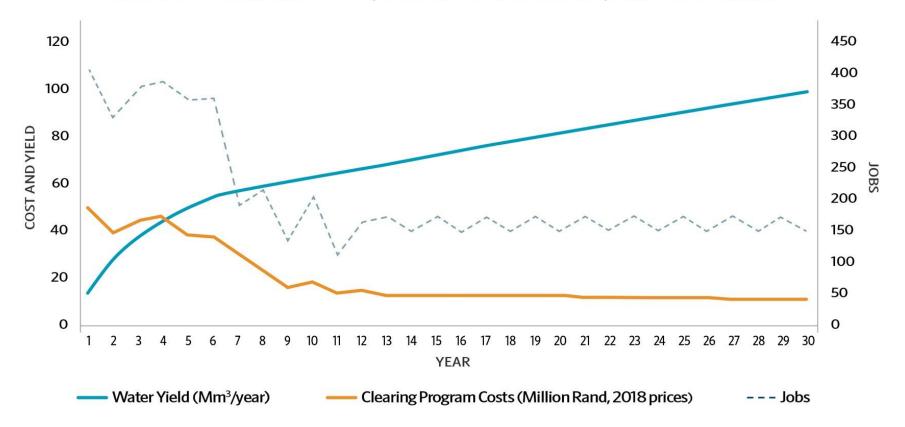


## Catchment restoration most cost effective option The Nature





TIMELINE OF ANNUAL COSTS, WATER YIELD BENEFITS, AND JOBS CREATED

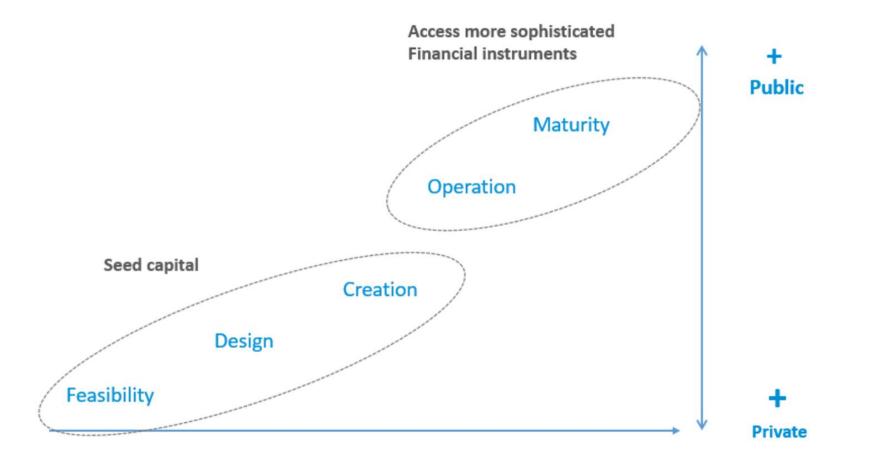


## Collective Action: The only way



## Water Funds: Financial Strategies





## Water Funds: Value Offering



- Mobilize Private-Public Sector Action
- Flexible
- Pool resources
- Focus on priorities for highest impact
- Supported by Science
- Monitor impacts
- Collective action
- 34 Water Funds globally
- Replicable
- Scalable



## Thank You

# Louise.Stafford@TNC.org