



**SWISS WATER  
PARTNERSHIP**

# **„Addressing challenges to unlock financing for nature based solutions for water“**

**Monday, 27th August 2018 16:00-17:30**

**Room: FH Little Theatre**



# Setting the Scene

Nature-based Solutions (NbS) are inspired and supported by nature and use, or mimic, natural processes to contribute to the improved management of water

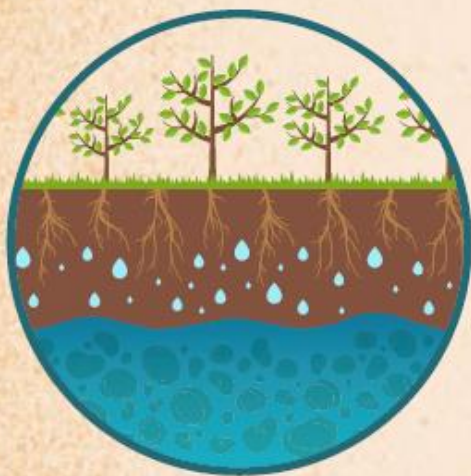


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# What are Nature-based Solutions for Water?



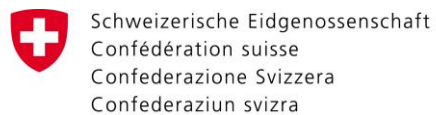
SOIL MOISTURE RETENTION,  
GROUNDWATER RECHARGE



NATURAL AND  
CONSTRUCTED WETLANDS



REFORESTATION



Swiss Agency for Development and Cooperation SDC



# What are Nature-based Solutions for Water?



RIPARIAN BUFFER STRIPS



URBAN GREEN SPACES AND GREEN BUILDINGS



DRY TOILET



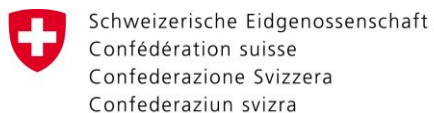
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# Upscaling NbS will be central to achieving the 2030 Agenda

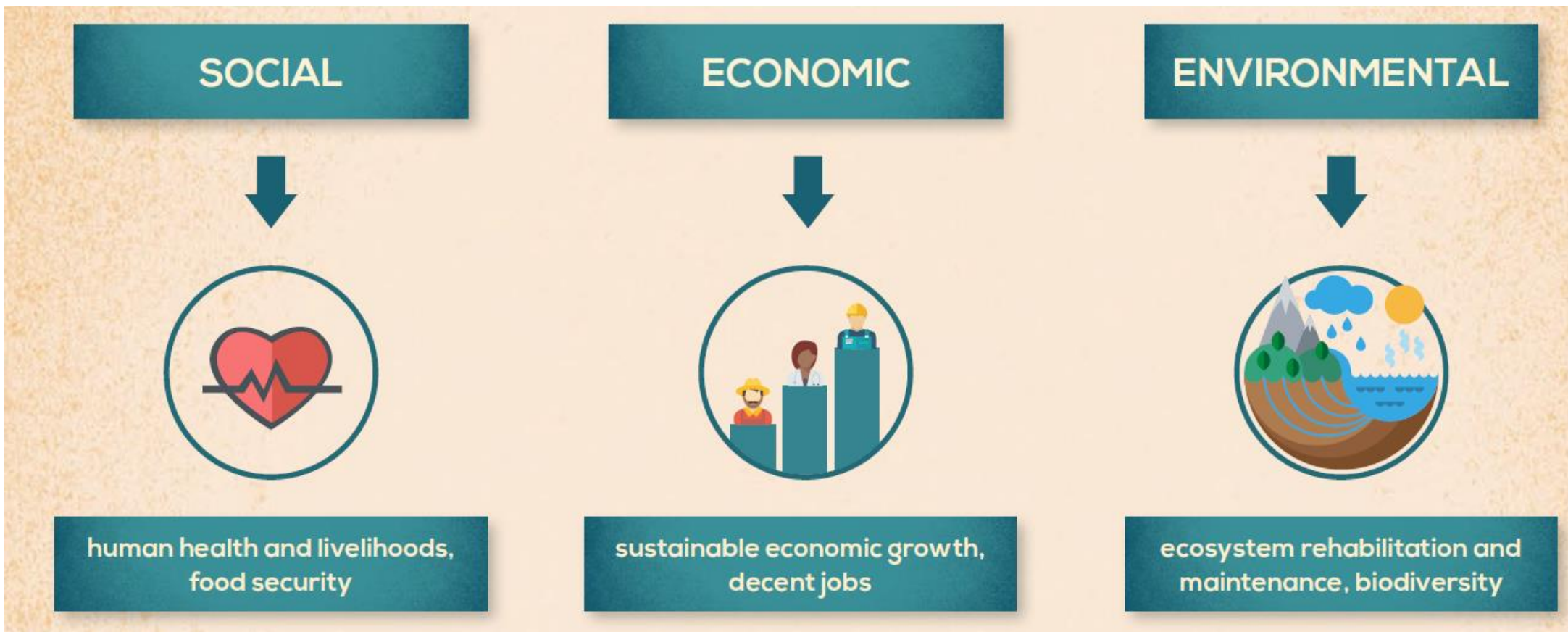




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# Application of NbS for water also generates co-benefits



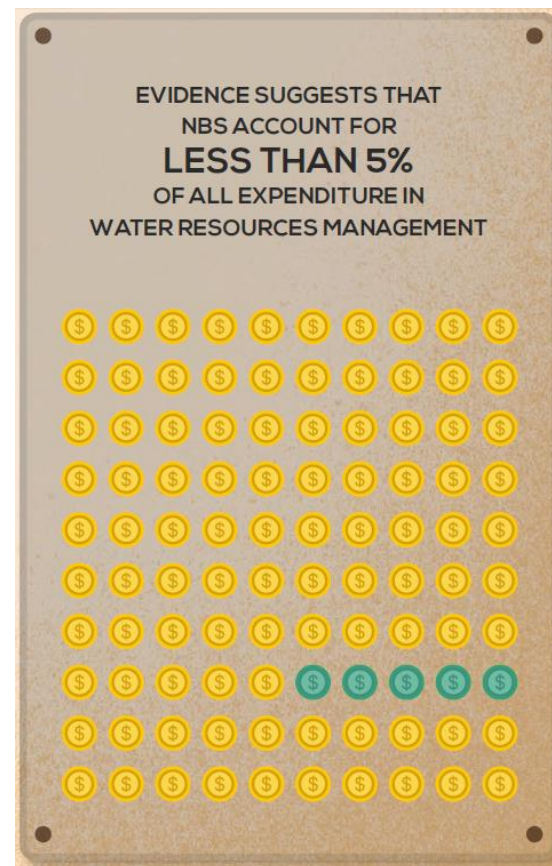


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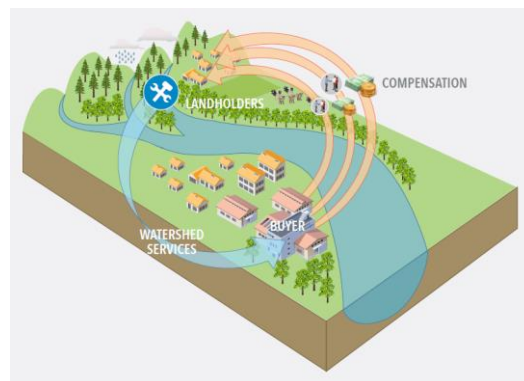
# How much are we using NbS?



# Market-mechanisms for NbS for Water



**Public subsidies for watershed protection**



**User-driven watershed investments**



**Water quality trading and offsets**



**Environmental water markets**





# Challenges refraining investments

- Regulatory environment and incentives for public and private investments
- Capacity gap for finance design and overall implementation
- Making the business case from a corporate perspective
- Value and measure of social and environmental co-benefits



## Event objectives

**Deliver NbS for Water at scale**

**Unlock the financing potential for NbS**



Explore challenges (enabling environment, incentives, capacity gap, the business case, valuing co-benefits) and share good practices and innovations



# Event structure

- Setting the Scene
- Introduction to Slido
- Presentations of Case Studies (Kenya, Spain, Peru)
- Panel Discussion
- Wrap-Up and take home messages



# Using Slido

- Go to: **Slido.com**
- Enter event code: **#nbsfinancing**
- Answer the **poll**
- During the session: type in your **questions** you wish to ask the panelists and/or
- **Like** the questions that appear

# Case Studies



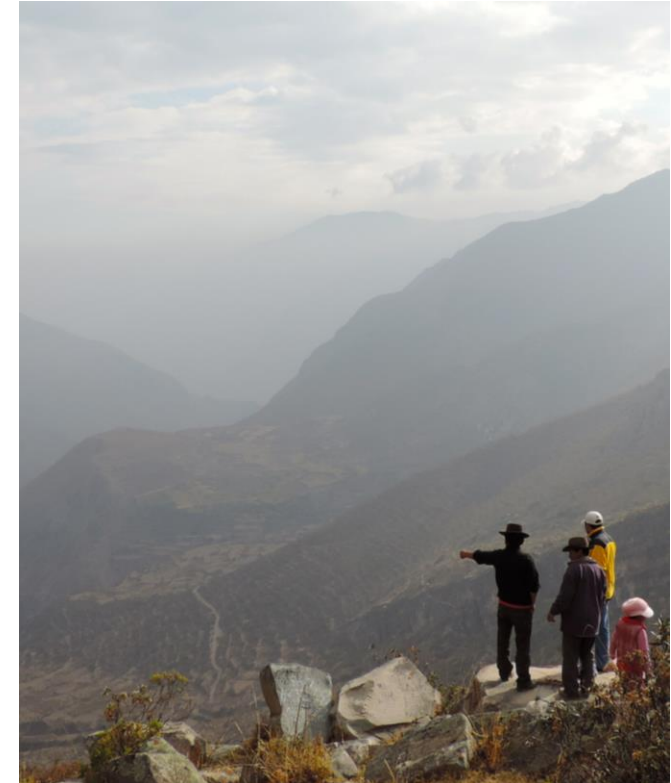
## Naomi Rosenthal

South Pole. Deputy Director  
Sustainable Supply Chains  
Innovative financing through  
insetting (Kenya)



## Monika Tobler

WWF Switzerland. Senior  
Manager International Unit  
Large scale implementation  
of a low-cost solution (Spain)



## Kenneth Peralta

SDC Peru. National Program  
Officer  
Enabling conditions for  
NbSW (Peru)



# Panel Discussion

- **Dr. James Dalton**, IUCN, Director – Global Water Programme: Policy Perspective on Financing and NbS for Water
- **Sandra Brühlmann**, SDC, Water Policy Advisor: Enabling conditions to unlock Financing for NbS for Water on global level
- **Monika Tobler**, WWF Switzerland, Senior Manager International Unit: Large scale implementation of low-cost solutions
- **Naomi Rosenthal**, South Pole, Deputy Director Sustainable Supply Chains. Using innovative finance along supply chains

# CASE STUDY: KENYA



**Naomi Rosenthal**

South Pole. Deputy Director Sustainable  
Supply Chains

**Using innovative finance along supply  
chains to improve shared water  
challenges**

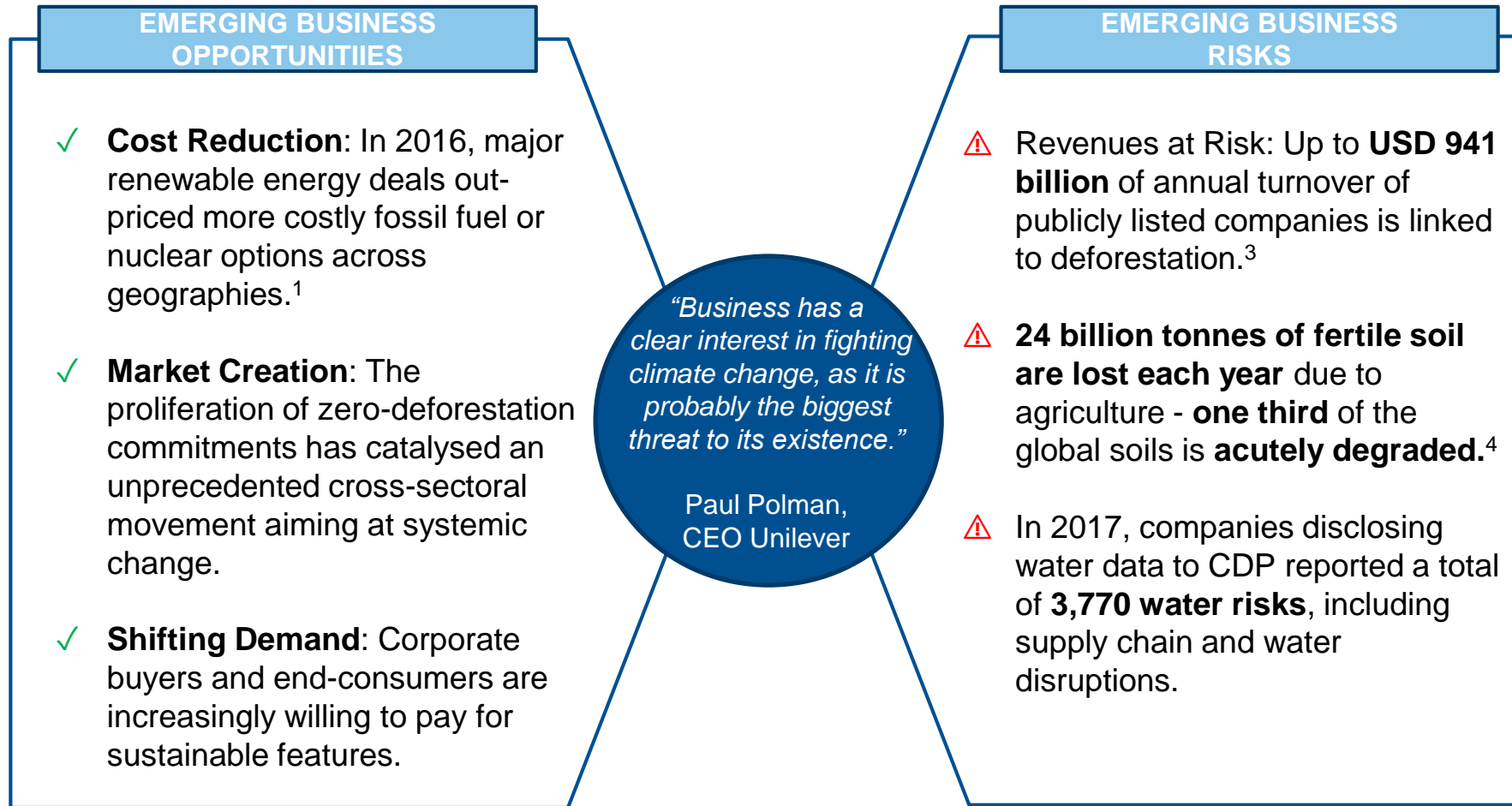
# Nature Based Solutions for Water

## Innovative financing through insetting





# The business case for sustainable supply chains has never been clearer



<sup>1</sup> REN21 (2017), Renewables 2017 Global Status Report

<sup>2</sup> Generation Investment Management (2017). Sustainability Trends Report

<sup>3</sup> CDP (2017), From Risk to Revenue: The investment Opportunity in Addressing Corporate Deforestation

<sup>4</sup> UNCCD (2017), Global Land Outlook 2017

<sup>5</sup> CDP (2017), A Turning Tide: Tracking Corporate Action on Water Security

# Agriculture supply chains are dependent on ecosystems



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<sup>1</sup> Source: CDP (2017), Missing Link: Harnessing the power of purchasing for a sustainable future. Written on behalf of 89 organizations representing USD 2.7 trillion of procurement spent

# Companies must address their supply chain risks



**In the consumer staples sector, roughly 80% of corporate emissions fall within the supply chain.**

<sup>1</sup> Source: CDP (2017), Missing Link: Harnessing the power of purchasing for a sustainable future. Written on behalf of 89 organizations representing USD 2.7 trillion of procurement spent

# Delivering change at scale remains a major challenge

“

*Companies' supply chain management efforts are viewed by most professionals as being moderately effective in addressing the most critical sustainability issues.*<sup>1</sup>

”

## Key Challenges to Delivering Impact at Scale

- Understanding Sustainability Risks and Opportunities
- Designing Impactful Strategies and Partnerships
- Scaling up pilot projects to larger programs (company-wide, watershed, jurisdictional)

<sup>1</sup> BSR and Globescan (2017). The State of Sustainable Business 2017. Results of the 9<sup>th</sup> Annual Survey of Sustainable Business Leaders. July 2017

## Challenges in Lake Naivasha, Kenya



- Population growth, agriculture putting pressure on land resources
- Pollution, sedimentation and eutrophication in the lake
- Water resources in the lake (fishing) and throughout the watershed under strain

Photo credit: William Garrett

## Opportunity in Lake Naivasha Watershed



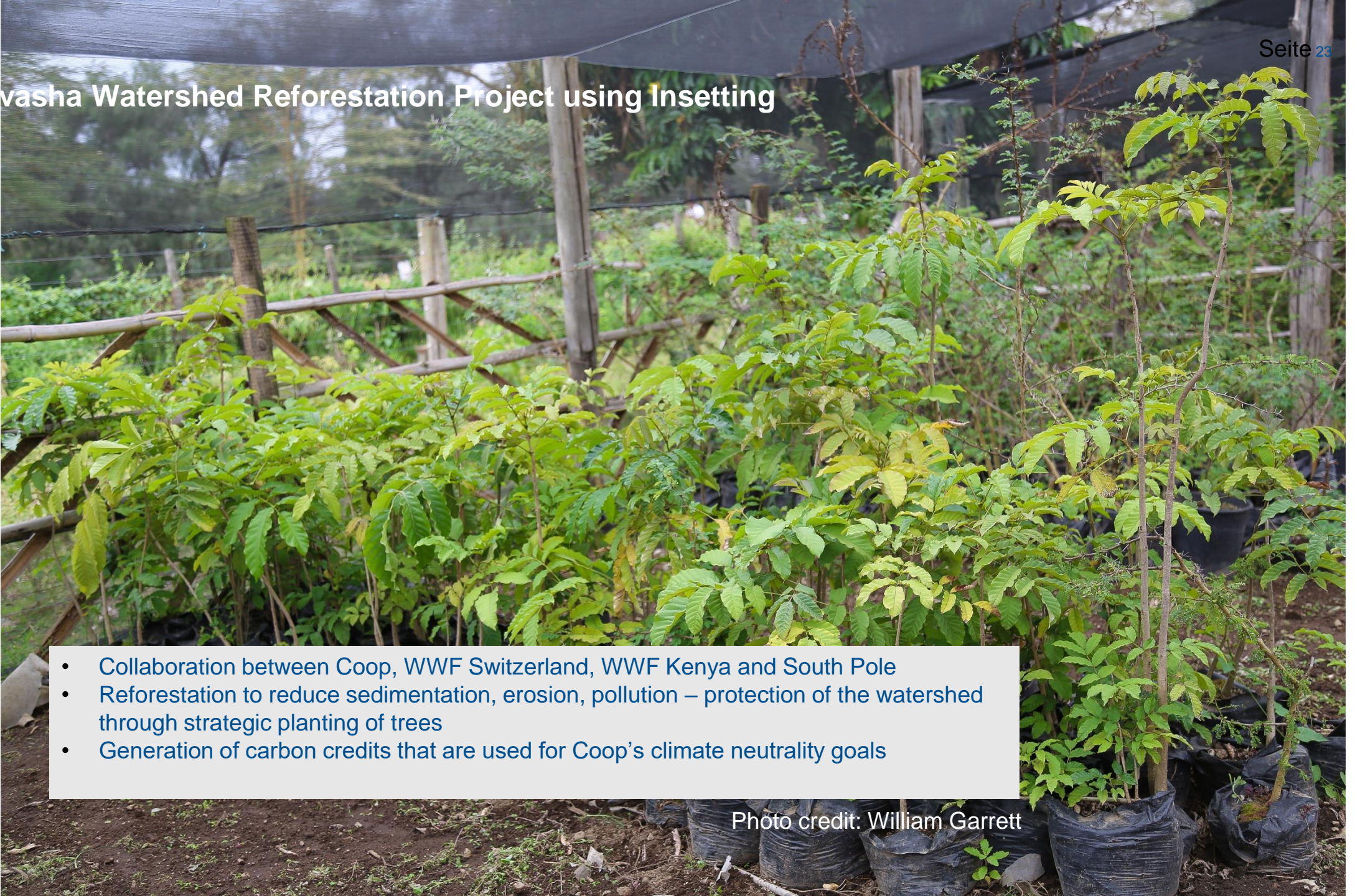
- Recognition of the shared watershed challenges amongst stakeholders
- Established governance systems in place for addressing watershed issues
- Region is an important area for the production of cut flowers, which are exported globally
- Purchasers of roses, including European retailers, want to take action to improve sustainability of the region

Photo credit: William Garrett

## Uvasha Watershed Reforestation Project using Insetting

- Collaboration between Coop, WWF Switzerland, WWF Kenya and South Pole
- Reforestation to reduce sedimentation, erosion, pollution – protection of the watershed through strategic planting of trees
- Generation of carbon credits that are used for Coop's climate neutrality goals

Photo credit: William Garrett



# Contact

[southpole.com](https://southpole.com)

## **Naomi Rosenthal**

Deputy Director Sustainable Supply Chains  
[n.rosenthal@southpole.com](mailto:n.rosenthal@southpole.com)

## **Offices worldwide**

Addis Ababa, Bangkok, Beijing, Berlin, Bogotá, Hanoi, Jakarta, London, Madrid, Medellín, Melbourne, Mexico City, New Delhi, San Francisco, Singapore, Stockholm, Sydney, Valencia, Zurich.





# CASE STUDY: SPAIN



**Monika Tobler**

WWF Switzerland. Senior Manager  
International Unit

**Large scale implementation of a low-  
cost solution (Spain)**



# Solutions for and from nature





# Solutions for and from nature



- ✓ Insects for polination
- ✓ Natural pest control
- ✓ Improved soil structure
- ✓ Improved infiltration of rain water
- ✓ Less herbicides needed
- ✓ Less pesticides needed
- ✓ Protection of aquifer
- ✓ Control of rodents
- ✓ Buffer against infiltration of chemicals into aquifer

# CASE STUDY: PERU



**Kenneth Peralta**

SDC Peru. National Program Officer

**Enabling conditions for financing projects on nature-based solutions from payment for watershed services models and project incubator**

# Enabling conditions for mechanisms for Nature-based Solutions for Water-NbSW: PERU



# Context of Peru

## National information:

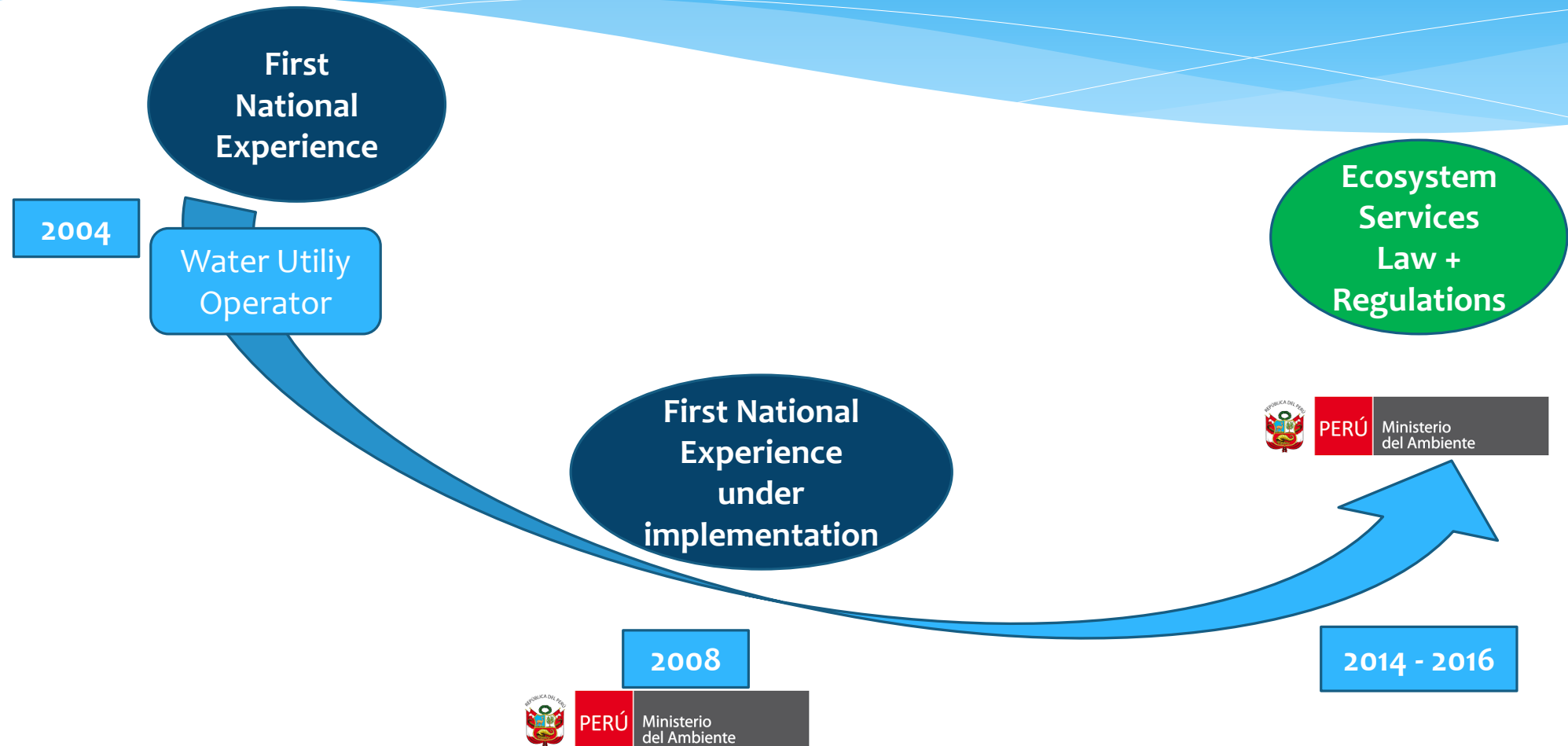
+ 30 million people (population)  
159 watersheds  
+ 60% forest

## Coastal region:

70% of population  
2% of total water resources  
80% of national economy



# The way for a national ecosystem services law



# Advancing national policies cross sectoral collaboration



Sanitation Services  
Modernization  
Law

Water Utility  
Operator



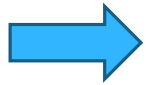
Law 1252 +  
Regulation on  
“nature  
infrastructure”  
for public  
investments



# Benefits on having regulation framework



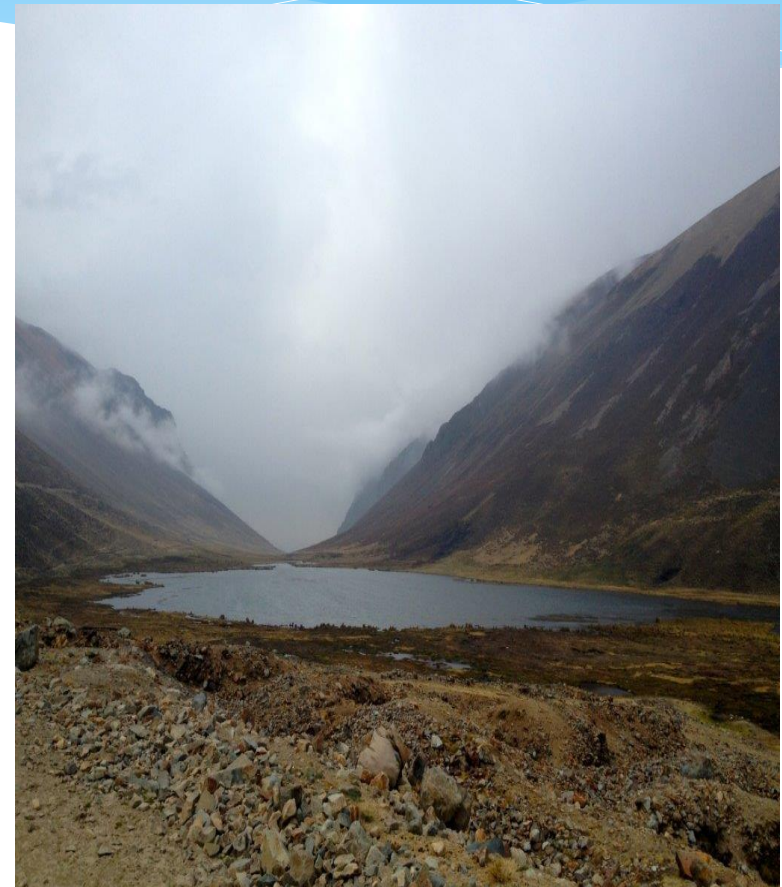
Use public funds for watershed investments



Scaling up of pilot projects



Cross sectoral partnerships for mainstreaming “nature-based solutions for water”



VIDEO

# Lima Water and Sewerage Service Company's - SEDAPAL

“Sembramos agua” programme





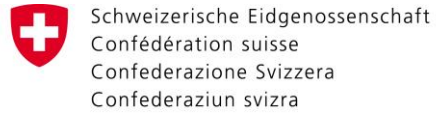
# Panel Discussion

- **Dr. James Dalton, IUCN:** Policy Perspective on Financing and NbS for Water
- **Sandra Brühlmann, SDC:** Challenges and enabling conditions to unlock Financing for NbS for Water on global level (vs. Regional focus from Peru; Kenneth Peralta)
- **Monika Tobler, WWF:** How a low-cost solution can be implemented on large scale (Case Study Spain)
- **Naomi Rosenthal, South Pole Group:** Using innovative finance along supply chains to improve shared water challenges (Case Study Kenya)



# Questions (Panel Discussion)

- **Dr. James Dalton, IUCN:** What do you think are the critical factors for success to mobilize investment for NBS?
- **Naomi Rosenthal, South Pole:** How is it possible to scale up the presented interventions?
- **Sandra Brühlmann, SDC:** From your experiences in nature-based solutions such as payment for watershed services through projects in various regions (including Peru, as presented by Kenneth), what are some of the challenges in unlocking financing for NbSW?
- **Monika Tobler, WWF:** How can we ensure that NbS for Water are applied and how can they be mainstreamed?
- **Kenneth Peralta, SDC:** In the case of Peru, how the pilot projects being on implementation could influence national policies for scaling up NbSW and also mobilize financing”



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# Wrap-Up and Closure

- **Take-Home Messages**



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**Thank You!!!**