

Water Funder Initiative: Overview

Rebalancing Water in the 21st Century

October 8, 2015

Summary

How will we thrive in a new era of water scarcity and severe weather? How can philanthropy make a difference and help advance sustainable water management?

The Water Funder Initiative (WFI) is a collaborative effort to identify—and attract philanthropic funding for—the most promising solutions to U.S. water problems, starting in the American West, where the scarcity and reliability of clean water are today’s urgent issues.

Wells, streams, and farms in California are going dry during one of the worst droughts of the past millennium. On the Colorado River, Lake Mead is at its lowest level since 1937, when it was first filling. Last year, Texas was mired in a deep drought; this spring, Texans watched homes and lives disappear into roiling floodwaters. Extremes are becoming the norm as climate change manifests through a hyperactive hydrological cycle, posing new threats to water systems that were already outdated in the 20th century.

The public and policymakers are seeking new ways to balance the water needs of cities, farms, and wildlife. Philanthropy, NGOs, and other stakeholders must act or else broken institutions will apply Band-Aids to chronic problems, ecosystems will continue to unravel, and the most powerful constituencies will benefit from the status quo.

Recent crises have generated unprecedented public and media attention on water issues, in the West and beyond. This political momentum has opened the door for major advances in water management. In response to this historic opportunity, a group of foundations has stepped up to identify and implement compelling solutions to our water problems, focusing first on the American West. Working through WFI, funders are developing approaches for philanthropy that can collectively shift the trajectory of water systems so they support healthier communities, improved wildlife habitat, and more resilient economies.

WFI is not an institution or regranteeing organization—it is a time-limited project of the funders scheduled to complete its work in early 2016.

Priority strategies

WFI’s expanding network of experts and advisors has identified key areas where targeted and strategic philanthropic investment can advance sustainability. WFI is developing a set of priority strategies in which funders can support immediate actions at a watershed moment. Six strategies have emerged as especially promising, based on their urgency, potential impact, and suitability for philanthropic influence (see the table on next page for brief summaries of the priority strategies).

WFI is helping funders test these opportunities and will continue to refine them in the months ahead. Some strategies provide the tools and infrastructure needed to implement sustainable management, such as shaping healthy markets, reforming governance, and developing funding sources. Other strategies focus on supplying essential information and capacities, such as improving data access, establishing environmental needs, and strengthening communications to build political will.

Priority Strategy	Objective
1) Shape healthy markets	Foster equitable and transparent markets to meet changing needs, reduce risks, and provide environmental benefits.
2) Develop new funding sources	Expand sources and types of funding for sustainable water management, focusing on investments that integrate human and environmental uses.
3) Advance integrated governance	Shape new and improved forms of governance to promote sustainable water management and better integrate human and environmental uses.
4) Drive decisions with data	Accelerate the development of data and information systems to support sustainable management.
5) Strengthen communications to build political will	Build the political will and constituencies needed to support sustainable water management reforms by improving the field's communications capacity.
6) Foster innovation	Accelerate the development and deployment of innovative technologies and best practices to advance agricultural, urban, and environmental water goals.

Window of opportunity

The strategies seek to capitalize on current or impending crises to inform and encourage important policy changes. California's drought, for example, served as the backdrop to the Sustainable Groundwater Management Act of 2014, but the state wouldn't have adopted this monumental legislation without advocates laying the groundwork and pursuing an effective campaign with the help of philanthropy.

To seize on the current opportunity, a group of foundations initiated WFI to develop a "blueprint" and funding for a coordinated set of activities that advance water sustainability. Many funders, NGOs, and agencies have been doing great work on Western water issues, so the goal is to build on progress while supporting further investments that can transform the field. Philanthropy is particularly well positioned to catalyze positive changes in how we use water by taking aim at root causes of poor water management.

Organization and approach

WFI is sponsored by the S. D. Bechtel, Jr. Foundation, Walton Family Foundation, William and Flora Hewlett Foundation, and Rockefeller Foundation, working in partnership with the California Water Foundation, Energy Foundation, Cynthia and George Mitchell Foundation, David and Lucile Packard Foundation, and Pisces Foundation. WFI is led by Susan Bell, Principal of Susan Bell & Associates and former Vice President of The William and Flora Hewlett Foundation. A small team with diverse expertise is executing the project, working in partnership with Steering Committee of foundation representatives. WFI is a project of the funders and the focus of this 15-month effort has been to:

1. **Identify priority strategies for water-related philanthropy**
2. **Engage funders and support coordinated action on priority strategies**
3. **Increase support for priority strategies over time**

WFI is helping coordinate collaborative funding opportunities as we develop funding action plans around a few of the priority strategies and continue to refine the roadmap for philanthropy. Looking ahead, WFI hopes to increase the magnitude and impact of philanthropic investments in U.S. water issues and help the funding community effectively address one of the defining issues of the 21st century.