Beyond Carbon: Making Markets Work for Water

Panellists
- Melissa Edwards, Freshwater Program Officer, WWF
- Anand Rangarajan, Executive Vice-President, Water World Corporation

Facilitator
- Thomas Streiff, Head Group Sustainability Management, Swiss Re
Beyond Carbon: Water Markets

Thomas Streiff
Swiss Re

Some common characteristics of water, biodiversity and carbon markets

- niche markets with few proven "strong" business cases;
- often emerge in the environment of public private partnerships which are as such learning fields for all parties involved;
- many risks involved of relatively high magnitude: political, regulatory and exchange rate risks;
- require long-term oriented investments and support such as capacity building, monitoring;
- uncorrelated markets = independent of stock markets;
- others?
Questions to the panellists (1)

- What is the potential size of the water market in your area/region/service sector? Is it stagnating or growing?

- Who are the major stakeholders, who are the potential beneficiaries? What are their prevailing perceptions of this market?

- Is there merit in pursuing an integrated view of water, biodiversity and carbon, at a) regional/global political level? b) regional private sector level?
Questions to the panellists (2)

- What are the main drivers of the development of this market?
- What is required to attract institutional and private investors?
- What should be the role of the finance industry to improve water (and carbon and biodiversity) management/service provision aimed at meeting the millennium development goals?
- What are the lessons learnt so far?
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Financial mechanism for sustainable water/ecosystem service provision

Downstream Service Beneficiaries

Integrated Service Payments

Projects

Quality control

Water/Biodiversity Service Fund

Water/Biodiversity Service Mgt. Organisation

Upstream Service Providers

Direct Payments

Grants, seed money institutional investors

Microfinance Scheme (Microcredits, insurance)