

Financing and Fundraising for UTNWF Trust

A Public - Private Partnership (PPP) for Watershed Conservation

Anthony Kariuki
**General Manager –
UTNWF Trust,
Kenya**
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UTNWF Project Area

One Million Hectares

- Forests and Farmlands

9 MILLION PEOPLE

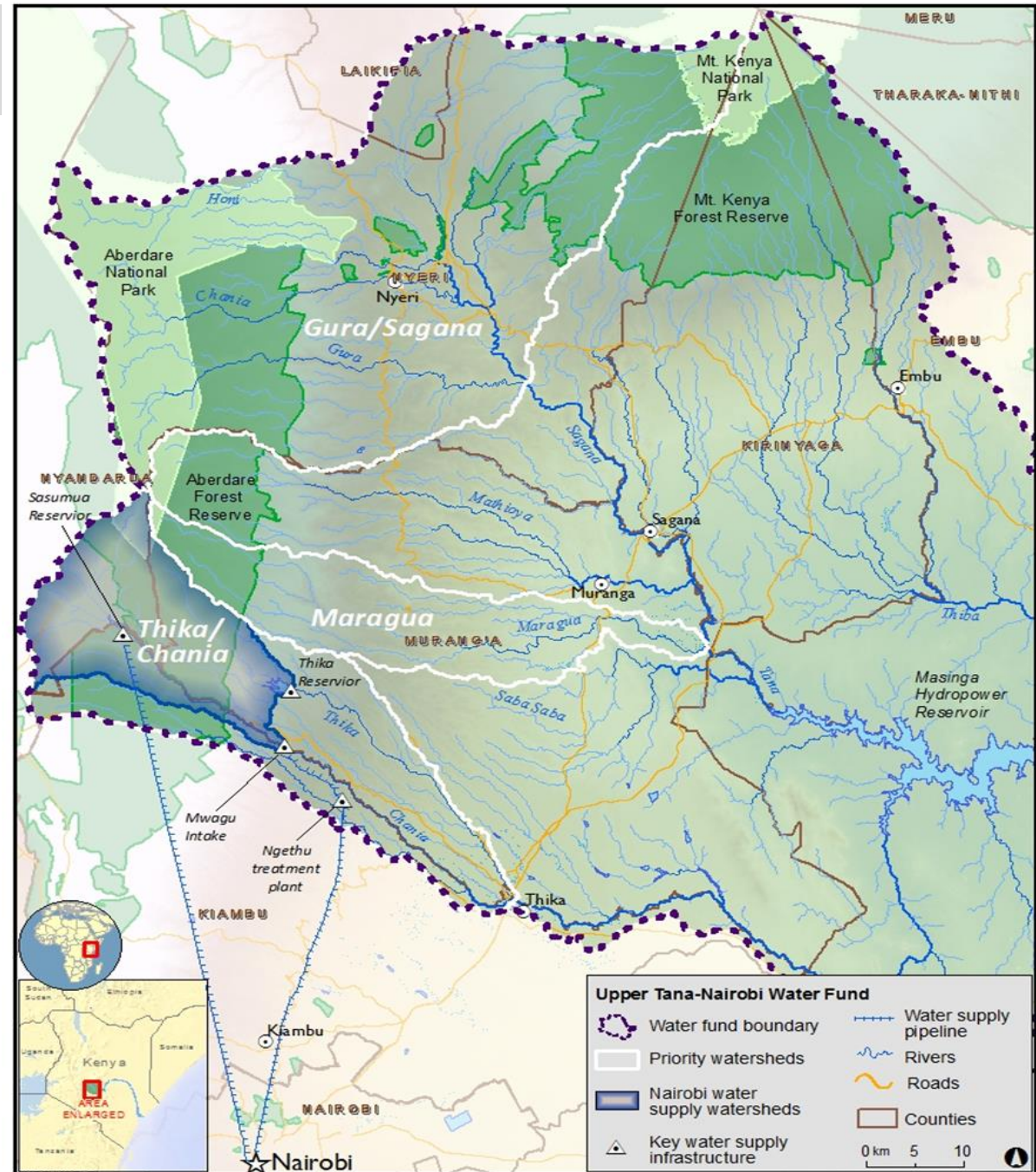
- 4 million in Nairobi
- 5 million in watershed

65% OF KENYA'S HYDROPOWER

- Cheapest source of power
- Lowest carbon emission

TWO WATER TOWERS

- Iconic Kenyan wildlife
- Endangered species like mountain bongo antelopes





CAPACITY BUILDING



GOOD AGRICULTURAL
PRACTICES



RESTORATION &
REFORESTATION



WATER PANS

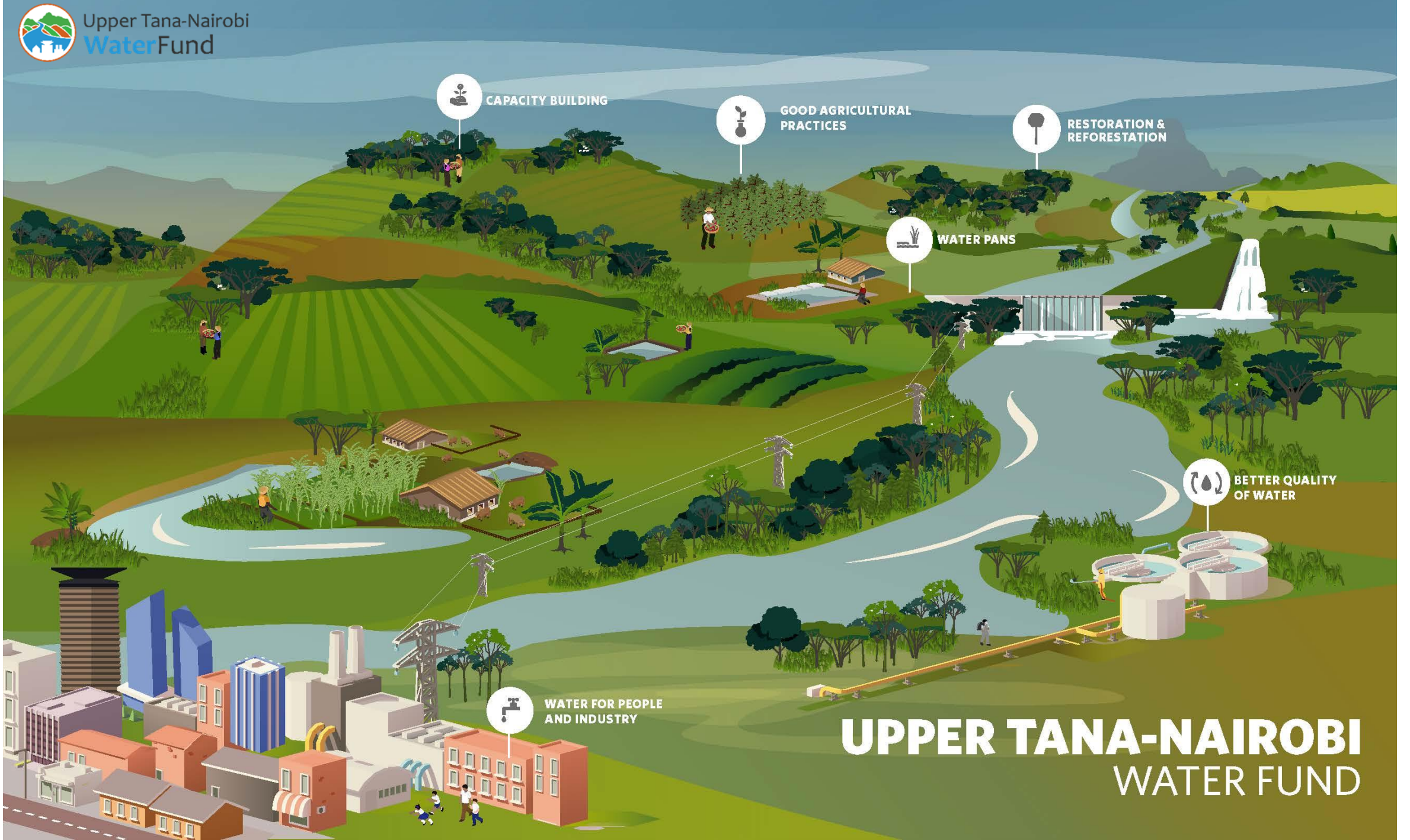


BETTER QUALITY
OF WATER



WATER FOR PEOPLE
AND INDUSTRY

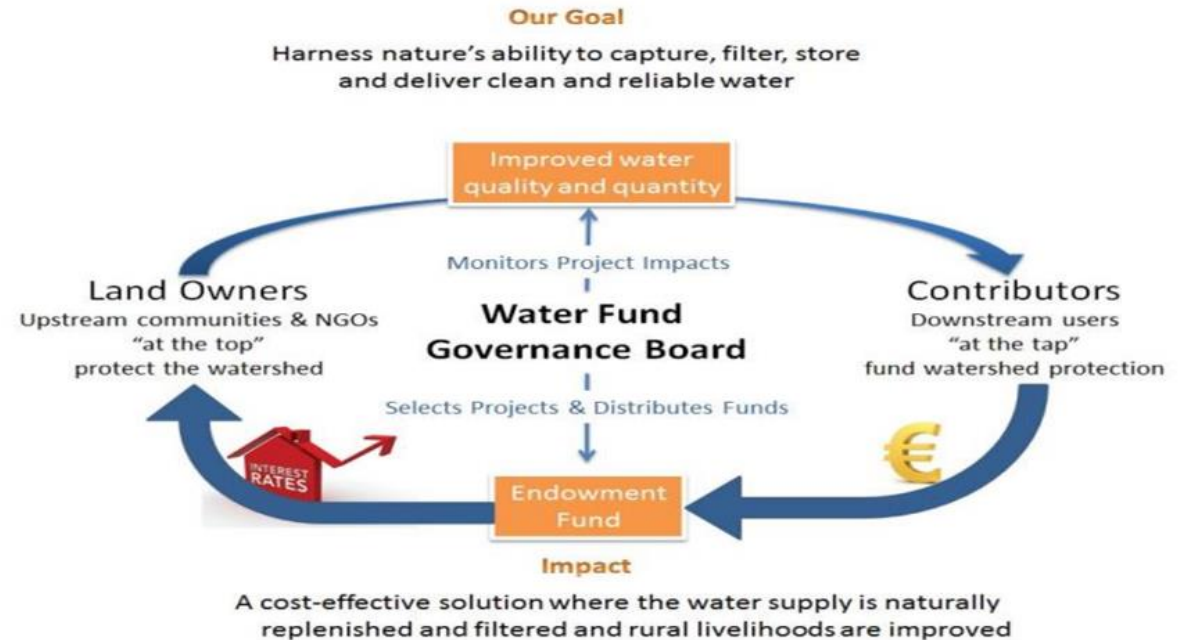
UPPER TANA-NAIROBI WATER FUND



Institutionalization and Financing Mechanism

Identify current situation and opportunities

- private sector contributions
- Subsidies & grants (governmental, regional, local levels)
- grants (from Foundations)
- Services and partner fees
- endowment donations
- and other sources (lotteries, crowdfunding)



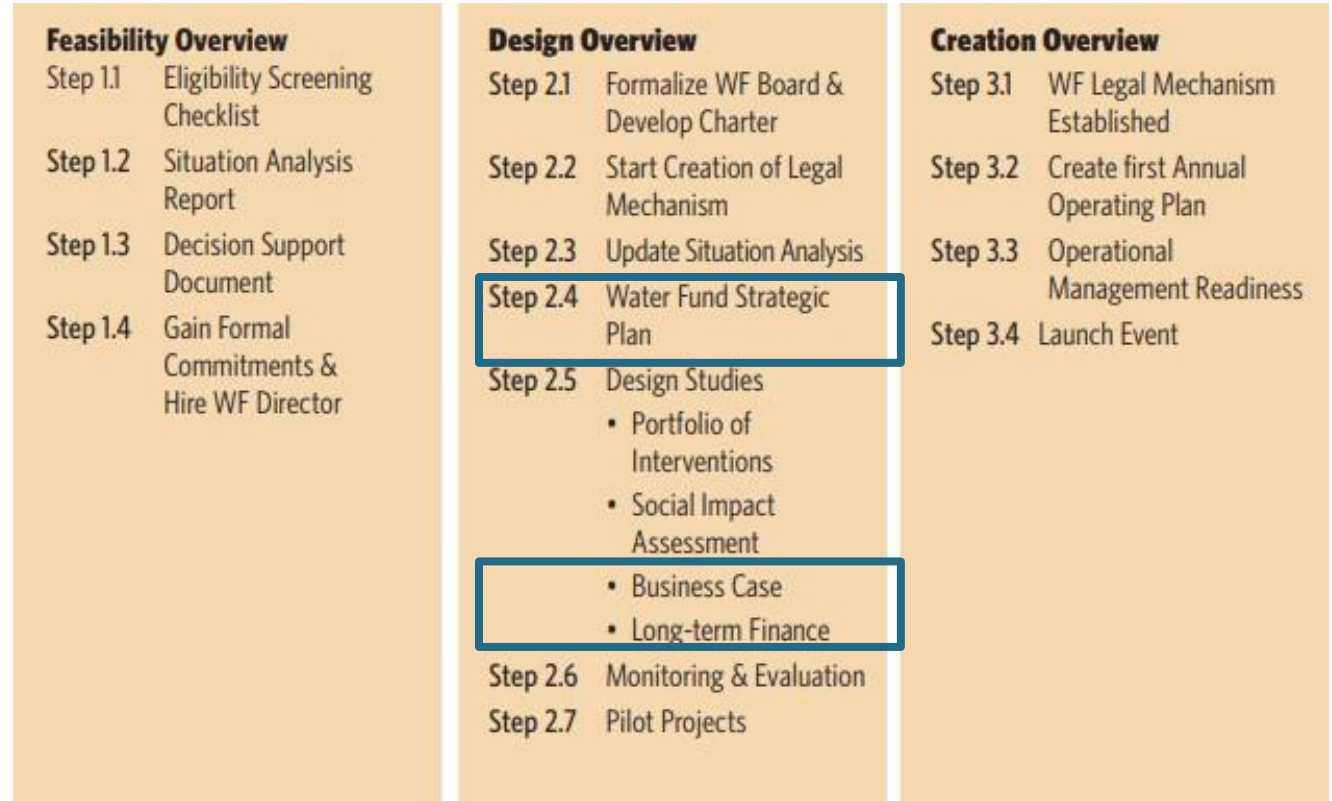
Building a Sustainable Funding Strategy

Goal

To define a funding strategy and related governance / implementation arrangement that maximizes the likelihood of meeting the identified water security outcome.

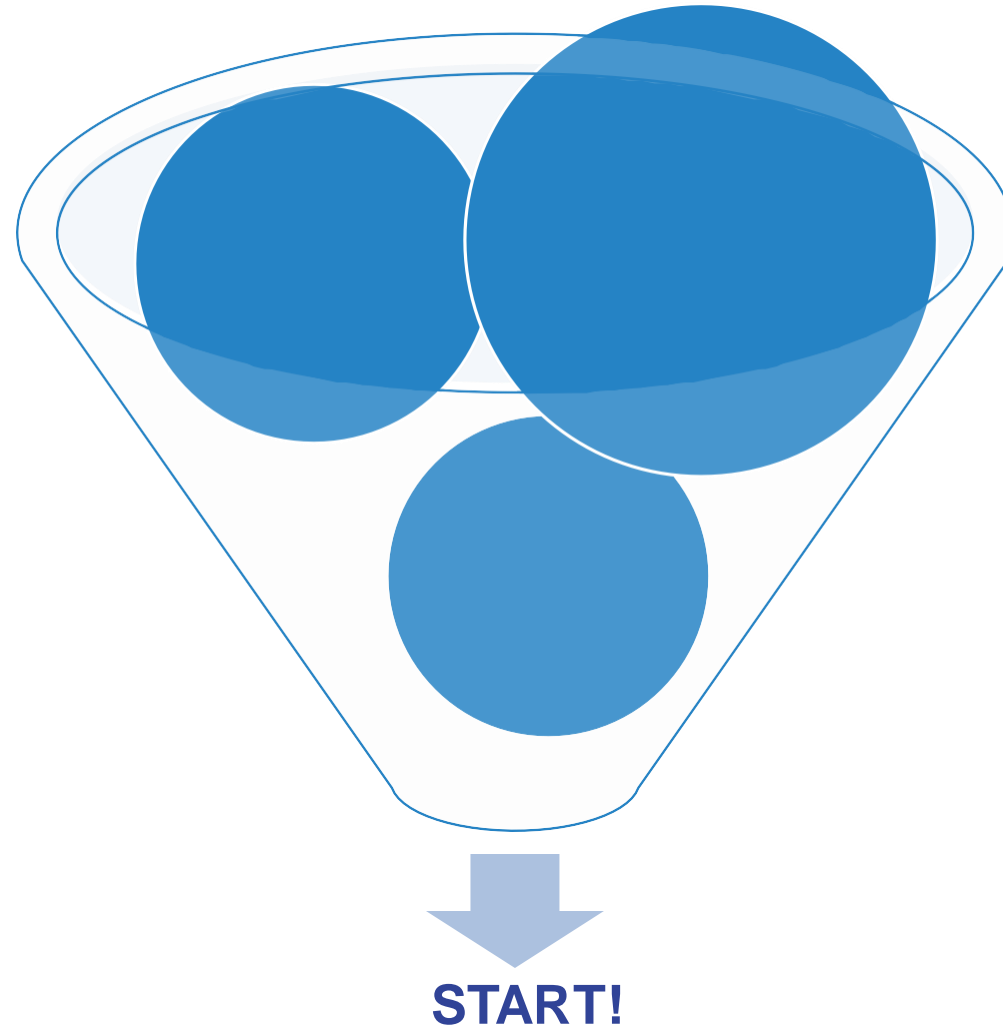
Outcome

Defined financing strategy document, that is endorsed by WF Board / Steering Committee, that subsequently motivates written funding agreements necessary to attain the defined water security objective.



Resourcing Agreement(s) with funding providers committing resources to finance the Water Fund's creation and medium to long-term water security outcomes.

Key Elements for Financing and Fundraising Strategy



Example: Upper Tana Nairobi Water Fund Trust

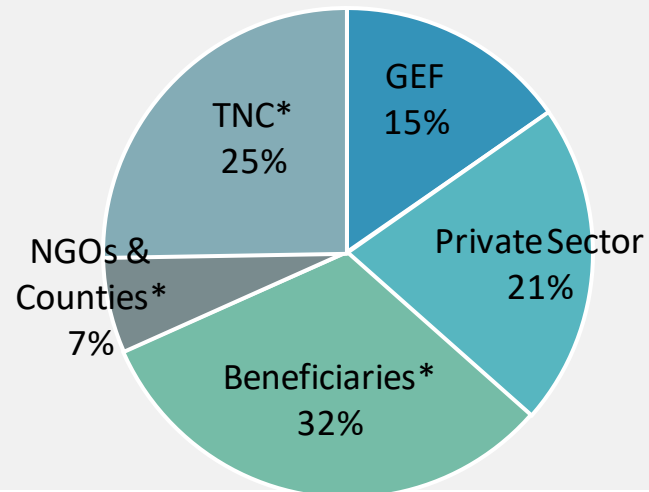
Legal arrangement

- Indpt Kenyan registered charitable trust
- Goal: Increasing investments flows for S&W conservation activities in the Tana

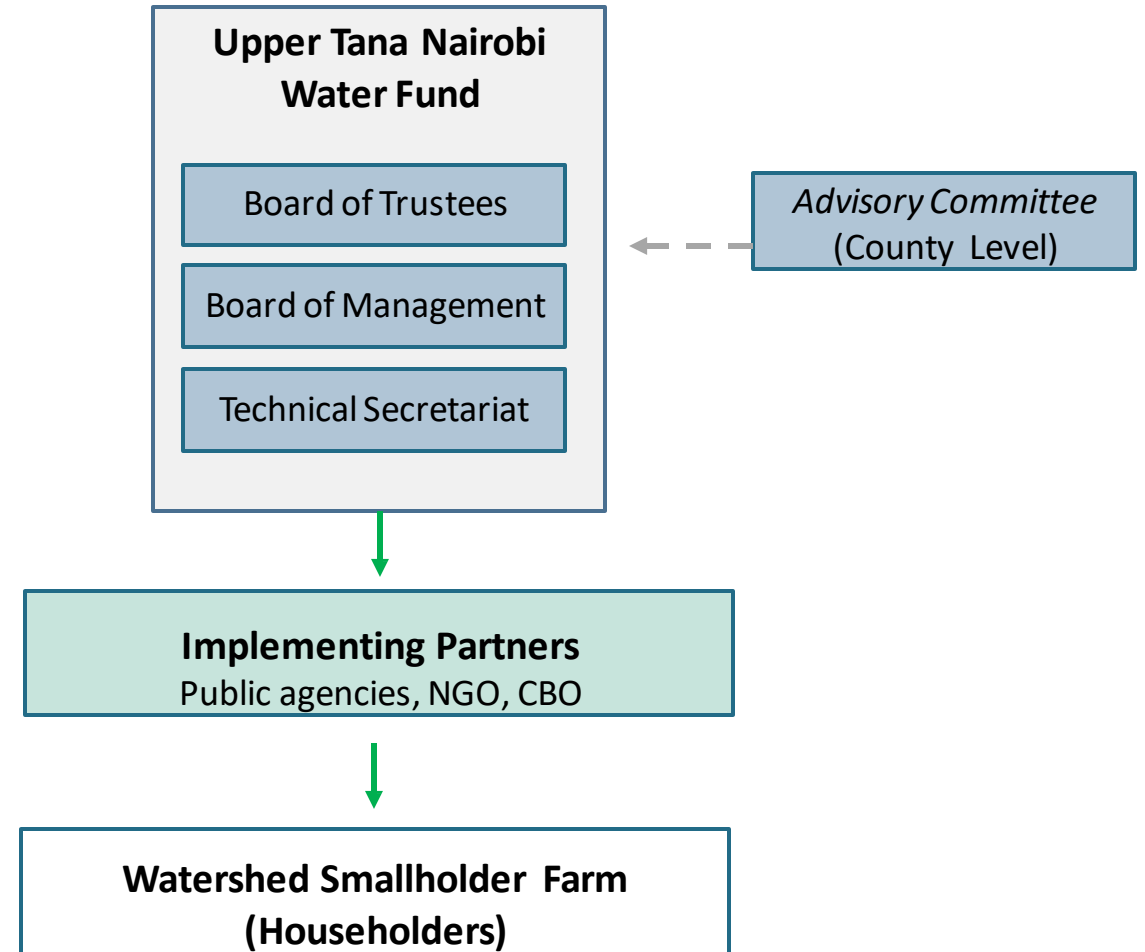
Key activities

- Outcome: Water quality & quantity to downstream smallholder farmers, hydro, and city water supply
- Measures: Buffer strips, reforestation, & agroforestry

Budget breakdown (endowment)



* Denotes primarily in-kind contribution



Financing streams and fundraising strategy

Accelerated CREATION and OPERATION phases

- Donor/public funds (GEF & GoK)
- Philanthropy – Corporates and Individuals
- Leverage/In-kind – County governments, beneficiaries, partners
- Endowment – Interest earned on principal/capital invested
- Tariffs – political process, involves regulators and WSPs

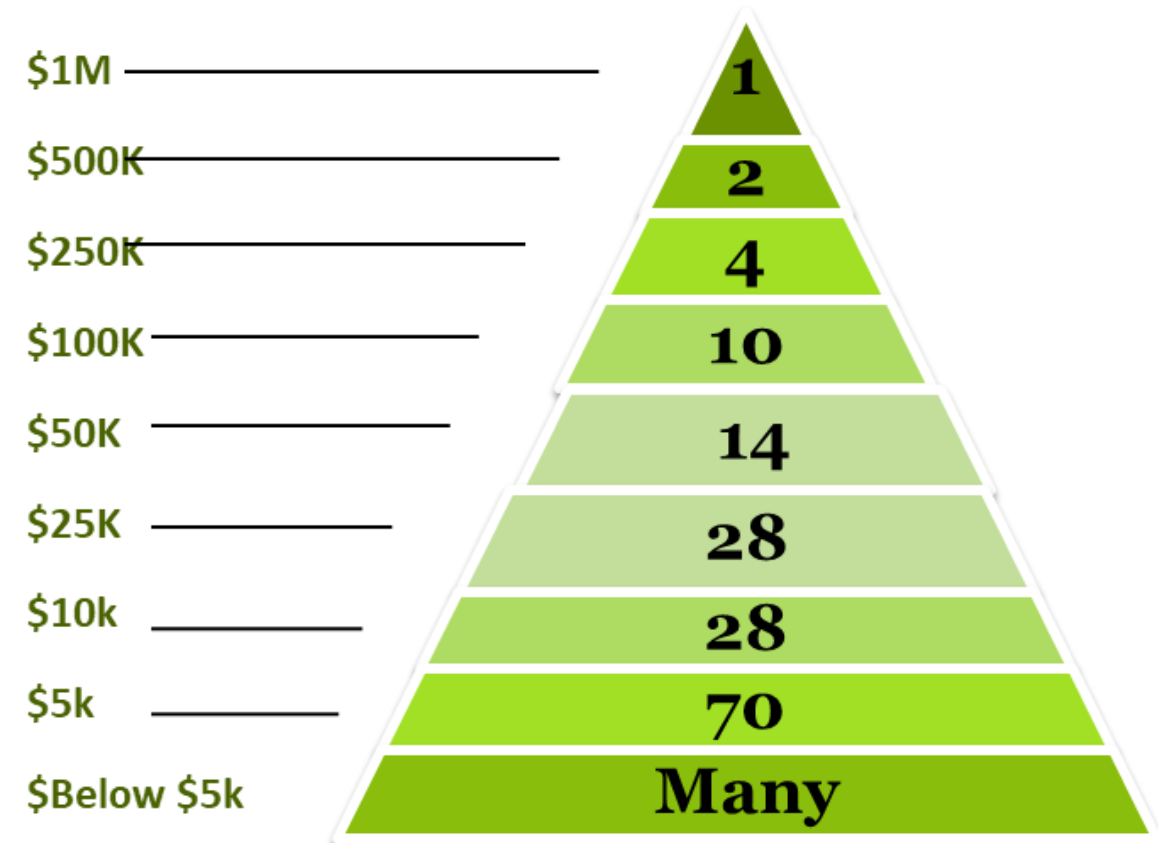


Fundraising through Campaigns – Trust Fund target \$7

Focus on the top of the pyramid

Lead gifts should be secured before moving down the pyramid

It takes three prospects identified for every gift secured



Endowment account- cash flow

Funding source	Amount Raised/ banked USD	Amount anticipated by June 2021 USD	Amount anticipated in FY 22 USD
The GEF IFAD Project	990,000		
The Coca Cola Foundation	500,000	50,000	
Frigoken (K) Limited (AKDN)	100,000	100,000	120,000
Kenyan small-holder farmers	152,012	200,000	50,000
US Donor- Ms Barbara Tobias	50,000		
Interest income from COOP Bank (net of withholding tax)- 2018	108,000		
Interest income from COOP Bank (net of withholding tax)- 2019 +	138,878	195,000	300,000
Anonymous- BAT		50,000	
Nairobi City Water & Sewerage Co		200,000	200,000
Athi Water Works Agency- GOK		100,000	100,000
GEF IFAD Project Savings Transfer		500,000	
COOP Bank donation			100,000
Others (tbc)		100,000	600,000
Total	2,038,890	1,495,000	1,470,000

Some Lessons Learnt ...

- Clear case for support – Compelling!
- Stories of change – why does our work matter?
- Leadership – champions/ Board are the engine of any fund Raising
- Skills and tools for FR - equipping leaders/champions is key





Asante sana!

... On course to a fully capitalized endowment fund