

CHALLENGE: FUNDING FRAGMENTATION

The Conservation Funding System Is Broken

Conservation funding is fragmented across multiple agencies and programs, each with its own priorities, applications, and reporting requirements. Federal and state programs also fund water, climate, agriculture, and habitat projects separately, limiting coordination and slowing implementation.

Without a unified approach, critical opportunities to improve water quality, address water scarcity, and support freshwater ecosystems are often missed. Even projects that deliver benefits across multiple programs frequently struggle to secure full funding.

Funding streams remain siloed and difficult to navigate: transaction costs for farmers and restoration partners are high and investments are rarely aligned with watershed-scale outcomes.

SOLUTION: THE WATERSHED OUTCOMES BANK

Coordinating Conservation Funding for Watershed-Scale Results

[The Freshwater Trust's](#) (TFT) Watershed Outcomes Bank aligns otherwise siloed conservation funding with the highest-priority watershed projects. Designed to preserve and restore freshwater ecosystems at a speed and scale necessary to address today's and tomorrow's freshwater issues, the Watershed Outcomes Bank acts as a central clearinghouse that quickly organizes and distributes available funds to the projects that produce the best conservation outcomes for the least cost. The Watershed Outcomes Bank:

- Aggregates funding from multiple programs
- Directs investment toward projects with the highest environmental return
- Quantifies outcomes in the metrics required by each funder
- Allocates those outcomes back to participating programs



Why TFT?

TFT uses watershed analytics to identify, prioritize, and implement conservation actions at scale to create resilient watersheds. By collaborating with public and private partners, TFT directs funding to the projects that will have the greatest environmental improvement per dollar. Project outcomes are tracked using multiple metrics, such as water saved, carbon sequestered, or nutrients reduced, allowing otherwise siloed public funds to be coordinated efficiently.

THE WATERSHED OUTCOMES BANK IS A MODEL THAT CAN TRANSFORM THE SCALE AND ECONOMICS OF WATER RECOVERY IN THE UNITED STATES AND HELP TFT ACHIEVE ITS GOAL TO ENABLE \$1 BILLION IN VERIFIED, DATA-DRIVEN FRESHWATER CONSERVATION ANNUALLY BY 2030.

Benefits

Instead of fragmented investments, the Watershed Outcomes Bank enables coordinated, watershed-scale solutions that benefit farmers, forests, ecosystems, and communities.

- **FASTER FUNDING:** Resources reach the best projects quickly with fewer administrative barriers.
- **LOWER TRANSACTION COSTS:** Farmers and restoration partners are shielded from complex funding systems.
- **BETTER ENVIRONMENTAL RESULTS:** Analytics ensure investments focus on projects delivering the greatest watershed benefits per dollar.
- **REGIONAL COORDINATION:** Projects align across agencies and jurisdictions to achieve watershed-scale resilience.



[In the Snake River, TFT's Watershed Outcomes Bank advances up to 50% of incentive payments through a dedicated line of credit, backed by a philanthropic guarantee, allowing farmers and landowners to implement irrigation efficiency projects without carrying the full upfront costs.](#)

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