

FONAG — Quito Water Protection Fund (Ecuador)

PES & Nature-Based Solutions · Good practice · Ecuador

Quality score: 60/100

Evidence strength: Observational / pre–post

Summary

FONAG, the world's first water fund, was established in 2000 with a 1% surcharge on Quito's water bills, later expanded to include private companies. Its US\$30M trust fund generates US\$2.5M/year to protect 55,000 ha of páramo for 2.7M residents, with a documented US\$2.15 return p

Key dimensions

Dimension	Score
Carbon — sequestration / storage, evidenced	1/3
Biodiversity — conservation / improvement, evidenced	2/3
Water & soil — retention, infiltration, erosion control	3/3
Fire resilience — risk reduction, evidenced	0/3
Governance, certification & transferability	3/3

Evaluated by C-NAPSE

Data sources

[C-NAPSE web research](#) — accessed 2026-06-22

[FONAG \(Fondo de Protección del Agua\) / EPMAPS](#) — accessed 2026-06-22

[Resilient Watersheds Toolbox — FONAG](#) — accessed 2026-06-22

[Green Finance Institute case study](#) — accessed 2026-06-22

[Water Action Hub — FONAG](#) — accessed 2026-06-22

[TNC Ecuador — water fund](#) — accessed 2026-06-22

[CBD PES case study Ecuador](#) — accessed 2026-06-22

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