At the Walton Family Foundation, we believe that conservation solutions that make economic sense are the ones that stand the test of time. We work to achieve lasting change by creating new and unexpected partnerships among conservation, business and community interests to build durable solutions to important problems.
Sam and Helen Walton instilled in their children and grandchildren a love of the outdoors. The family spent many memorable days canoeing the Buffalo National River, hunting quail and taking summer road trips to Yellowstone and the Grand Canyon.

From these and many other experiences comes a belief that our well-being, as individuals and communities, depends on a healthy environment.

Our mission is to improve lives and secure healthy ocean and river ecosystems by aligning environmental, social and economic interests.

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With its 2020 Environment Strategic Plan, the Walton Family Foundation is investing in two of the most important conservation issues of our time: (1) restoring the health of the oceans through sustainable fisheries and (2) preserving functioning rivers and the quality and availability of fresh water they provide.

This work currently spans four initiatives:

**Ocean:** We invest in Indonesia and the Americas — the U.S., Mexico, Peru and Chile — to end overfishing, improve ocean health and preserve coastal livelihoods.

**Mississippi River:** We align policy and market incentives to encourage farmers to adopt practices that improve water quality, build soil health and reduce pollution across the basin, while continuing to meet the growing demand for food.

**Colorado River:** We work to develop a flexible water management system by increasing market incentives for agricultural and urban water efficiency in the Upper Basin; shaping binational and multistate water agreements in the Lower Basin; and restoring riparian habitat and water flows.

**Coastal Gulf of Mexico:** We work to ensure that the restoration dollars from the 2010 oil spill settlement flow to priority restoration projects, with an emphasis on the Mississippi River Delta.
What We Do and How We Do It

Since 2007, the Walton Family Foundation has focused on conserving oceans, coasts and rivers, while promoting healthy economies and communities. Our Environment Strategic Plan is an investment in the idea that people thrive when the environment is healthy.

We bring conservation, business and community interests together to find long-term solutions that protect natural resources, while building local economies and improving lives. We align economic incentives with restoring and protecting ocean and river ecosystems because they sustain human life and — if managed well — will continue to do so for future generations. This vision reflects our belief that lasting change requires new and unexpected partnerships to build durable solutions to important problems.

Walton Family Foundation’s Distinct Role

Our investments in the ocean and freshwater sectors have led to significant results, strong relationships and the institutional knowledge needed to drive change at an even larger scale.

Specifically, our distinct approach includes:

• working at a scale relevant to the challenges we’re tackling;
• bridging the divide between economic and conservation interests;
• focusing clearly on communities, the economy and the environment;
• emphasizing the cultivation of partnerships with other funders, businesses and governments; and
• investing in promising ideas and capitalizing on models that accelerate change.

We focus on aligning economic incentives with conservation outcomes to address problems that fall at the intersection of policy failure and market failure.

We focus on some of the largest, yet most solvable, environmental issues, particularly those where livelihoods are impacted in a significant way.

We take the long view and work at a sufficient scale to make a meaningful difference.

We seek to address situations that will benefit from foundation intervention and produce durable and measurable results.

Guiding Principles of Environment Program Investments

We strive to use our role as a strategic philanthropist to achieve measurable outcomes that stand the test of time.

We are open to new opportunities, but committed to our current focus on oceans and rivers.

We leverage the lessons learned from past efforts to drive future impact.

We use resources wisely in areas where we are best positioned for impact.
**OCEAN**

We support work in Indonesia and the Americas — the U.S., Mexico, Peru and Chile — to significantly reduce overfishing and improve ocean health over the next 10 to 20 years.

To secure healthy, sustainable fisheries, we will focus on policy changes, innovations in fisheries management and market pressure. We empower and incentivize fishermen and communities to fish smarter, not harder. We connect healthy fisheries with financial benefits for sustainable fishing, and in turn create incentives for good management of fishery resources.

Over the next five years, we will strategically:

1. develop the scientific information and tools to enable better fisheries management;
2. support the implementation of rights-based fisheries management to provide secure tenure rights to fishermen;
3. safeguard critical fish habitats with marine-protected areas and other spatial management tools;
4. strengthen the capacity of fishermen, governments and civil society to rebuild fisheries;
5. promote fisheries policies and programs that create positive incentives to encourage responsible fishing; and
6. engage the supply chain to build support for healthy fisheries practices.

Key grantees include:
- Environmental Defense Fund
- World Wildlife Fund
- Ocean Conservancy
- Conservation International
- Niparaja
- FishWise

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**COLORADO RIVER**

We support local and national efforts to ensure healthy rivers throughout the Colorado River Basin by addressing the region’s overuse of water, creating a flexible market-based water management system, rewarding efficiency and restoring targeted flows and riparian habitat in both the Upper and Lower Colorado River Basins. We focus our work in the:

- Upper Colorado River Basin (Colorado, Utah, Wyoming and New Mexico)
- Lower Colorado River Basin (Nevada, California, Arizona and Mexico)

Over the next five years, we will employ the following strategies throughout the entire Colorado River Basin — upper river, lower river and delta:

1. test whether water markets work for agriculture, cities and rivers;
2. expand financing for agricultural and urban water efficiency;
3. directly improve river flows and riparian habitat in targeted geographies; and
4. support development of priority Lower Basin water agreements.

Key grantees include:
- Western Conservation Foundation
- National Young Farmers Coalition
- Tamarisk Coalition
- The Nature Conservancy
- Pronatura Noroeste
- Friends of Verde River Greenway
MISSISSIPPI RIVER

We work with grantees to improve water quality and restore habitat that benefits people and nature in the Mississippi River Basin by reforming the incentives that drive water quality degradation and promoting on-the-ground habitat restoration in the:

- Upper Mississippi River (Minnesota, Wisconsin, Iowa, Illinois, Indiana and Missouri)
- Lower Mississippi River (Alluvial Valley, Arkansas, Louisiana and Mississippi)

Over the next five years, we will rely on the following strategies to help improve water quality while maintaining or enhancing agricultural productivity in the Mississippi River Basin:

1. advocate for Farm Bill priorities;
2. advance supply chain programs;
3. advocate for stronger state and local water quality programs; and
4. directly improve water quality and habitat in targeted geographies.

Key grantees include:
- Meridian Institute
- Field to Market
- Practical Farmers of Iowa
- National Wildlife Federation
- National Sustainable Agriculture Coalition

COASTAL GULF OF MEXICO

We work to ensure that the funds resulting from the settlement of the 2010 oil spill litigation are used to support the best projects for restoring productive and resilient wetlands, barrier islands, oyster reefs and other natural systems within the Gulf of Mexico.

The promise of meaningful environmental restoration — both in the short term by creating jobs and in the long term by protecting the region’s economy — creates an opportunity to unite business and environmental interests.

Over the next three to five years, we will support this work through the following strategies:

1. build the case for restoration;
2. build and mobilize coalitions;
3. ensure funds for restoration science are useful and used; and
4. reduce red tape so projects move.

Key grantees include:
- Greater New Orleans, Inc.
- Coalition to Restore Coastal Louisiana
- Lake Pontchartrain Basin Foundation
- National Audubon Society
- Environmental Defense Fund
- National Wildlife Federation
The Goal
To create healthy, sustainable fisheries that provide greater social and economic security to coastal communities and industries and contribute to healthy ocean ecosystems. Our focus is on a select set of priorities geographies in Indonesia and the Americas — the U.S., Mexico, Peru and Chile.

The Importance
Overfishing is one of the greatest, yet most tractable threats to marine ecosystems. It has a direct impact on the health of fish populations, marine biodiversity and ecosystem structure and function. Nearly two-thirds of fish populations for which good data exist need some level of recovery, and best estimates indicate that less well-studied fish populations, accounting for more than half of all fish landed, are in even worse shape. If properly managed, fisheries could provide increased income and stability for coastal communities and industry, as well as the improved ocean health that results from resilient fish populations. Despite a clear economic and environmental rationale to fish responsibly, perverse political and financial incentives lead fishermen to value a fish in the net today over two in the ocean tomorrow.

Our Theory of Change
The elements needed for sustainable fishing are well-understood and have already proven effective in select places around the globe. In addition to our understanding of this suite of well-proven tools, we have a deep knowledge of, and history in, fisheries reform. It is our niche.

To secure healthy, sustainable fisheries, we focus on policy changes, innovations in fisheries management and market pressure. We empower and incentivize fishermen and communities to fish smarter, not harder. We connect healthy fisheries with financial benefits for sustainable fishing and in turn create incentives for good management of fishery resources.

Over the next five years we will engage in the following six strategies:
1. develop the scientific information and tools to enable better fisheries management;
2. support the implementation of rights-based fisheries management to provide secure tenure rights to fishermen;
3. safeguard critical fish habitats with marine-protected areas and other spatial management tools;
4. strengthen the capacity of fishermen, governments and civil society to rebuild fisheries;
5. promote fisheries policies and programs that create positive incentives to encourage responsible fishing; and
6. engage the supply chain to build support for healthy fisheries practices.

Implementing these six strategies concurrently will result in a legal and economic framework that creates strong incentives to develop and maintain healthy fisheries. The end result will be resilient ecosystems to support healthy fish populations, making fishing communities and industry more economically and socially secure.
Geographic Focus
Our ocean initiative portfolio focuses on two distinct regions: the Americas and Indonesia. By doing so, we build on the foundation’s work in some of the world’s most important ocean systems, and in regions with some of the highest numbers of small-scale, artisanal fishers with the most to gain from fisheries reform.

The Americas
The foundation will build on our current work throughout the Americas with a focus on the United States, Mexico, Peru and Chile. These countries have the greatest potential to demonstrate fisheries recovery for both large-scale and small-scale fisheries over the next five to 10 years. Together they account for almost 20 percent of global fisheries landings and represent several biologically significant marine ecosystems. These countries are home to some of the highest numbers of small-scale fishermen, and the economic benefits of fisheries reform are significant. Ultimately, we believe we will be able to create healthy fisheries, supporting healthy communities throughout the Americas.

Indonesia
Indonesia contains the most coral diversity, mangrove cover and fish diversity in the world. The foundation has invested more than $50 million in one of the most biodiverse and productive marine regions, the Bird’s Head Seascape, to ensure that it continues to provide coastal livelihood and conservation benefits well into the future. While foundation investments in sustainable fisheries in the region have been limited, we see an opportunity to build on the political will and cultural knowledge gained by the foundation over the past 10 years in this region. Indonesia represents one of the world’s largest fishing nations, so sustainably managing Indonesia’s fisheries could ensure food and livelihoods for Indonesians and people around the world.

Global Supply Chain
To demonstrate success in any geography, the foundation must invest in select activities that advance our strategies globally and create the enabling conditions for global reform. A critical component of the global work will be to harness the power of the global seafood market and supply chain to incentivize reform. The foundation’s efforts will focus on the U.S., E.U. and Japan, which are responsible for consuming 60 percent of globally traded seafood products. Additionally, all three are highly aligned with the foundation’s priority geographies: The U.S. sources heavily from all of the target countries; Japan is a major destination for Indonesian seafood; and Europe, particularly Spain, imports seafood from countries throughout the Americas. All three major seafood importers have markets ready for strong sustainable sourcing policies. Additionally, all are implementing or developing policies to curb the imports of illegal fish, which will greatly influence management and behavior in seafood-producing countries. The foundation will use the implementation of these national-level policies to drive change in the countries selected for fisheries reform.
The Goal
To ensure healthy rivers throughout the Colorado River Basin by addressing the region's overuse of water, creating a flexible market-based water management system, rewarding efficiency and restoring targeted flows and riparian habitat in both the Upper and Lower Colorado River Basins.

The Opportunity
The seven Colorado River Basin states and Mexico have allocated more water than the river can actually provide, a problem made worse by expanding populations and climate change. Currently, the Colorado River’s two main water storage reservoirs — Lake Mead and Powell — are less than half full. We are overusing our available water supplies.

One might say that the Colorado River is at risk of running out of reliable water for agriculture, cities and nature. But the good news is there is enough water to go around if we use it right — if we are more efficient. If current water supplies are managed well, we know the river can provide for the needs of the basin’s communities while also making our rivers healthier for fish and wildlife.

In the face of growing water availability crises, we see an opportunity to advance solutions that ensure reliable supplies of surface water and groundwater in the Colorado River Basin into the next century. We can help create new, more market-based and flexible water management approaches for surface water and groundwater, resulting in more reliable water supplies for the farmers, businesses, communities, families and wildlife in the Colorado River Basin.

Where We’re Headed
In the next five years, we aim to implement distinct plans for the Upper and Lower Basins, including establishing a regional water market-based system in the Upper Basin and supporting multistate agreements to address the worsening overuse challenges in the Lower Basin.

We will continue our on-the-ground work to achieve the necessary agreements and policies to protect the entire system. This includes both riparian habitat and flow restoration in the Colorado Delta and other priority tributaries.

Strategies
We have organized our Colorado River Initiative around distinct objectives in the Upper Basin and Lower Basin.

In the Upper Basin, we focus on creating effective markets for trading water in the state of Colorado, creating an Upper Basin water bank and increasing the availability of funds to incentivize agricultural and urban water efficiency. In the Lower Basin, we focus on promoting high-profile agreements that address the ongoing water shortages in order to provide water for people and healthy rivers.

Our strategies accomplish the following: show water markets work for agriculture, cities and rivers; expand financing for agricultural and urban water efficiency; directly improve river flows and riparian habitat in targeted geographies; and support development of priority Lower Basin water agreements.
The Goal
To ensure improved water quality and restored habitat that benefits people and nature in the Mississippi River Basin by reforming the incentives that drive water quality degradation and changing practices on 10 million acres of farmland.

The Importance
The Mississippi River watershed is the fourth-largest in the world, extending from the Allegheny Mountains in the east to the Rocky Mountains in the west. The watershed includes all or parts of 31 states and two Canadian provinces and covers about 40 percent of the lower 48 states. The watershed is dominated by agriculture and collectively makes up more than 90 percent of all U.S. agricultural exports. The river also provides drinking water for nearly 20 million people.

The Opportunity
We have an opportunity to address the eroding water quality and disappearing habitats on which so many communities, fish and wildlife depend throughout the Mississippi River Basin.
• The Mississippi River Basin encompasses nearly 1.25 million square miles, and it is home to hundreds of millions of people and a huge diversity of wildlife habitats.
• Farmers responding to policy and market incentives are losing money and polluting rivers by allowing fertilizer to run off their fields.

Our Theory of Change
The current system for regulating clean water in the United States does not address nonpoint source pollution, particularly nutrient pollution from agriculture. To ensure future water quality, WFF works to align policy and market incentives to encourage farmers to adopt practices that will improve water quality while maintaining or enhancing agricultural productivity.

Our theory of change relies on four key strategies:
1. Farm Bill policy must be reformed to eliminate perverse incentives that drive agricultural practices that drive inefficient agricultural practices harmful to water quality.
2. Supply chain incentives must be developed to encourage efficiency at the farm level.
3. States need to step up and develop nutrient reduction plans that provide clear goals for water quality improvement, as well as technical and financial assistance.
4. There is a need to continue to promote on-the-ground innovation and demonstrate improvements to water quality and habitat in order to build a stronger case for the agronomic and water quality benefits of improved agricultural practices.

These strategies will create the conditions for widespread change in agricultural management. First, Farm Bill programs will incentivize farmers to improve environmental outcomes. Second, supply chain programs will reward farmers for improving water quality. Third, state and local programs will provide goals and financial and technical assistance, creating accountability for improved water quality at the state level. Fourth, there will be better data available on the agronomic and environmental benefits of key practices to inform farmer decision-making.

These conditions will lead to three types of agricultural changes with the potential to measurably improve water quality:
1. the adoption of agricultural practices that reduce nutrient loss (cover crops and nutrient optimization);
2. the adoption of practices that trap and treat the runoff that would otherwise come off the field; and
3. the transition of marginal land from row crops to pasture or forest that allows farmers to make money but cause less water quality degradation.
The Goal
To ensure that the funds resulting from the settlement of the 2010 Deepwater Horizon oil spill litigation support the best projects for restoring productive and resilient wetlands, barrier islands, oyster reefs and other natural systems in the Gulf of Mexico, with an emphasis on the Mississippi River Delta.

The Importance
The Gulf of Mexico is vital to the nation's economy. The five Gulf states are home to:
• more than a third of the nation's domestic oil production;
• 10 of the nation's 15 largest shipping ports;
• a $34 billion tourism industry; and
• 40 percent of all seafood harvested in the lower 48 states.

This economic activity, and the cultural and community benefits associated with it, are at risk. Climate change is contributing to more severe weather and rising seas. These stresses are occurring even as the wetlands and oyster reefs that are essential to buffer the coasts are eroding and disappearing. Moreover, the region is still recovering from the effects of the 2010 Deepwater Horizon oil spill.

Our Theory of Change
Billions of dollars are moving into the Gulf from the Deepwater Horizon oil spill penalties. All told, there will be almost $15 billion over the next five years available for restoration. Our aim is to ensure that these funds are invested wisely, so that restoration activities address the historic loss of wetlands and other coastal systems that the region needs to stay strong and resilient.

Restoration this big requires a big-picture approach. There are four key strategies that underpin our theory of change:
• First, we will use existing demonstration projects to develop the scientific and economic cases for large-scale projects that restore wetlands, barrier islands, oyster reefs and other natural systems.
• Second, we will build strong multisector coalitions of key constituencies, including businesses, to advocate effectively for priority restoration projects. We believe that the solutions that will work will benefit both the ecosystems and the economies of the region.
• Third, we will advance the scientific framework needed to support the selection of large-scale restoration projects and ensure that any lessons learned are incorporated into future restoration opportunities.
• Fourth, in order to fulfill the promise of restoration, we will cut red tape by working to reduce administrative and procedural barriers that slow implementation and increase the cost of restoration. We will also seek out and support out-of-the-box alternatives like pay-for-performance and public-private partnerships.

Short-Term Objectives
These strategies are designed to ensure that restoration funds will flow to priority projects.
• First, the RESTORE Council must have a comprehensive plan that provides the framework for restoration projects. A key component must be a commitment to use the best available science to achieve ecological outcomes at the scale of the Gulf.
• Second, coordination among the RESTORE Council, the National Fish and Wildlife Foundation and the Natural Resource Damage Assessment Trustee Council is essential to ensure that various funding streams work together.
• Third, we need a new master plan for Louisiana to provide a strong scientific basis for restoration in the Mississippi River Delta.