# Water

Water infrastructure and management

- Water Treatment & Efficiency
- Flood Resilience & Coastal Protection
- Water Supply & Sanitation

# Water Treatment & Efficiency

## Source Metadata

| Field | Value |
|---|---|
| source | cbi |
| source_version | CBI Taxonomy (current) |
| source_id | CBI-WAT-001 |
| cbi_sector | Water |
| bond_eligible | Y |
| mitigation | Y |
| adaptation | Y |
| last_checked | 2026-05-26 |

## CBI Sector Criteria

CBI Water Infrastructure Criteria define eligibility for water treatment and efficiency projects that contribute to both climate mitigation and adaptation. Water treatment facilities must demonstrate energy efficiency improvements or reduced GHG emissions compared to conventional systems. Water efficiency projects qualify when they reduce water demand or losses, contributing to climate resilience in water-stressed regions.

## Eligible Activities & Assets

Eligible assets include: wastewater treatment plants with energy recovery (biogas capture); water reuse and recycling systems; desalination plants powered by renewable energy; network loss reduction and smart metering systems; industrial water efficiency technologies; constructed wetlands and nature-based treatment solutions; and advanced treatment technologies removing emerging contaminants while reducing energy consumption.

## Certification Process

Verifiers assess water system energy intensity, treatment quality, and climate resilience contributions. Pre-issuance review includes engineering designs, energy balance projections, and water quality targets. Post-issuance monitoring requires actual energy consumption data, treated water volumes, and water loss reduction metrics. Nature-based solutions require biodiversity impact assessments.

# LATAM Market Context

Water infrastructure represents a growing green bond category in LATAM, driven by urbanization and climate stress on water resources. Brazil's SABESP (São Paulo state water utility) has issued CBI-certified green bonds for water treatment and loss reduction. Mexico's water utilities and Colombia's Empresas Públicas de Medellín (EPM) have explored green financing for water infrastructure modernization.

# Colombia Green Finance Taxonomy Alignment

The TVC includes water treatment, efficiency, and reuse as eligible activities under both mitigation and adaptation objectives. Colombia's Plan Nacional de Manejo de Aguas Residuales and the national water efficiency program align with CBI criteria. The TVC has developed specific implementation proxies for water sector verification, facilitating compliance for Colombian water utilities seeking green bond certification.

# Cleantech Taxonomy Crosswalk

Maps to Cleantech Taxonomy sector WW (Water) — specifically WW-TR (Water Treatment) and WW-EF (Water Efficiency). Cross-references to ES (Energy) for energy recovery from wastewater and to AF (AFOLU) for nature-based water treatment solutions.

# Flood Resilience & Coastal Protection

## Source Metadata

| Field | Value |
|---|---|
| source | cbi |
| source_version | CBI Taxonomy (current) |
| source_id | CBI-WAT-002 |
| cbi_sector | Water |
| bond_eligible | Y |
| mitigation | N |
| adaptation | Y |
| last_checked | 2026-05-26 |

## CBI Sector Criteria

CBI's Resilience Criteria (launched August 2025 alongside Standard V4.3) establish a formal framework for certifying adaptation and resilience investments. Flood resilience and coastal protection projects are eligible when they demonstrate a substantial contribution to resilience against climate-related physical risks. The criteria require a climate risk assessment and evidence that the investment materially reduces vulnerability.

## Eligible Activities & Assets

Eligible assets include: flood defense infrastructure (levees, barriers, retention basins); coastal erosion protection (seawalls, groynes, beach nourishment); nature-based flood solutions (mangrove restoration, wetland creation, urban green infrastructure); stormwater management systems (sustainable urban drainage, permeable surfaces); flood early warning systems; river basin management and reforestation for upstream flood control; and climate-resilient urban drainage retrofits.

## Certification Process

Under the new Resilience Certification pathway, verifiers assess whether projects meet the Resilience Criteria's substantial contribution test. This requires a documented climate risk assessment, evidence that the investment addresses identified physical climate risks, and demonstration that the project does not undermine mitigation objectives. Post-issuance reporting includes resilience performance indicators.

# LATAM Market Context

LATAM faces severe flood and coastal risks from climate change, with Caribbean and Pacific coastlines highly exposed. Colombia, Brazil, and Central American nations experience recurring flooding events. Green bonds for flood resilience are emerging, with multilateral development banks (IDB, CAF) structuring resilience-focused instruments for the region. The CBI Resilience Criteria create a new certification pathway for these investments.

# Colombia Green Finance Taxonomy Alignment

The TVC includes flood management and coastal protection as eligible adaptation activities. Colombia's exposure to La Niña flooding events, coastal erosion in the Caribbean region, and riverine flooding in the Magdalena basin create substantial investment needs. CBI's new resilience certification aligns with TVC's adaptation criteria, enabling Colombian resilience bonds.

# Cleantech Taxonomy Crosswalk

Maps to Cleantech Taxonomy sector WW (Water) — specifically WW-FL (Flood Resilience) and WW-CP (Coastal Protection). Cross-references to AF-MC (AFOLU: Marine Conservation) for mangrove and coastal ecosystem restoration and to XS (Cross-Sectoral) for urban resilience planning.

# Water Supply & Sanitation

## Source Metadata

| Field | Value |
|---|---|
| source | cbi |
| source_version | CBI Taxonomy (current) |
| source_id | CBI-WAT-003 |
| cbi_sector | Water |
| bond_eligible | Y |
| mitigation | Y |
| adaptation | Y |
| last_checked | 2026-05-26 |

## CBI Sector Criteria

CBI Water Infrastructure Criteria encompass water supply and sanitation systems that improve climate resilience and reduce emissions from the water cycle. Water supply projects must demonstrate either adaptation benefits (securing water supply under climate change scenarios) or mitigation benefits (reducing energy intensity of water supply). Sanitation improvements qualify when they capture methane from wastewater or reduce pollution impacts on climate-sensitive ecosystems.

## Eligible Activities & Assets

Eligible assets include: water supply system construction and rehabilitation; reservoirs and dams for climate-resilient water storage; water distribution network modernization (reducing non-revenue water); rural water supply systems; sanitation infrastructure including sewerage networks; wastewater collection and conveyance systems; septage management facilities; and integrated water resource management infrastructure.

## Certification Process

Verifiers evaluate water supply projects against both mitigation and adaptation criteria. Pre-issuance assessment includes climate vulnerability analyses of water sources, system energy intensity benchmarking, and service coverage expansion plans. Post-issuance monitoring requires reporting on water supply reliability, system energy

consumption, non-revenue water levels, and sanitation service coverage.

# LATAM Market Context

Water and sanitation infrastructure gaps across LATAM drive significant green bond demand. Brazil's new sanitation regulatory framework (Marco Legal do Saneamento) is attracting private investment and green financing. Colombia, Peru, and Central American nations need substantial water supply investment to meet SDG 6 targets. Multilateral green bonds from CAF and IDB have funded water and sanitation across the region.

# Colombia Green Finance Taxonomy Alignment

The TVC classifies water supply and sanitation as eligible under both adaptation and mitigation objectives. Colombia's Planes Departamentales de Agua address water infrastructure gaps, particularly in rural and post-conflict regions. The Superintendencia de Servicios Públicos oversees compliance, and TVC-aligned green bonds can finance the estimated COP 50 trillion investment gap in water and sanitation.

# Cleantech Taxonomy Crosswalk

Maps to Cleantech Taxonomy sector WW (Water) — specifically WW-SU (Water Supply) and WW-SN (Sanitation). Cross-references to BU (Buildings) for building-level water systems and to AF (AFOLU) for watershed management components.