

A sustainable future for wildlife and people

Wiltshire Wildlife Trust

INVESTIBLE LANDSCAPES: FINANCING NATURE RECOVERY IN WILTSHIRE & SWINDON

Lucy Bates

Nature Recovery Champion



A sustainable future for wildlife and people

Wiltshire Wildlife Trust

We have collectively failed to engage with Nature sustainably, to the extent that our demands far exceed its capacity to supply us with the goods and services we all rely on.

The Economics of Biodiversity: The Dasgupta Review

Wiltshire Wildlife Trust

- **Urgent action is needed to reverse biodiversity decline, restore the abundance of wildlife, tackle climate change and rebuild ecological systems.**
- In the UK 15% of species are facing extinction, and the abundance of UK priority species has declined by 60 per cent since 1970.
- Inextricable link between climate change & biodiversity loss- COP 26

A sustainable future for wildlife and people

Wiltshire Wildlife Trust

**There is increasing
pressure on organisations
to act on nature ...**

Regulatory and planning requirements

Consumer and employee expectations

Ecosystem service resilience requirements



Wiltshire Wildlife Trust

Biodiversity

- Nature-related financial disclosures
- Biodiversity Net Gain requirements on new developments
- Post 2020 Biodiversity Framework

Carbon

- UK net zero strategy
- Mandatory climate disclosures for large businesses

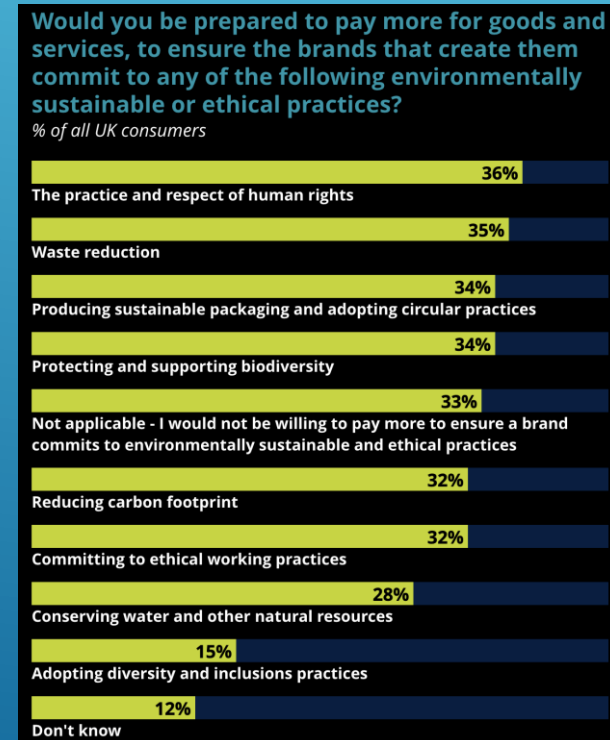
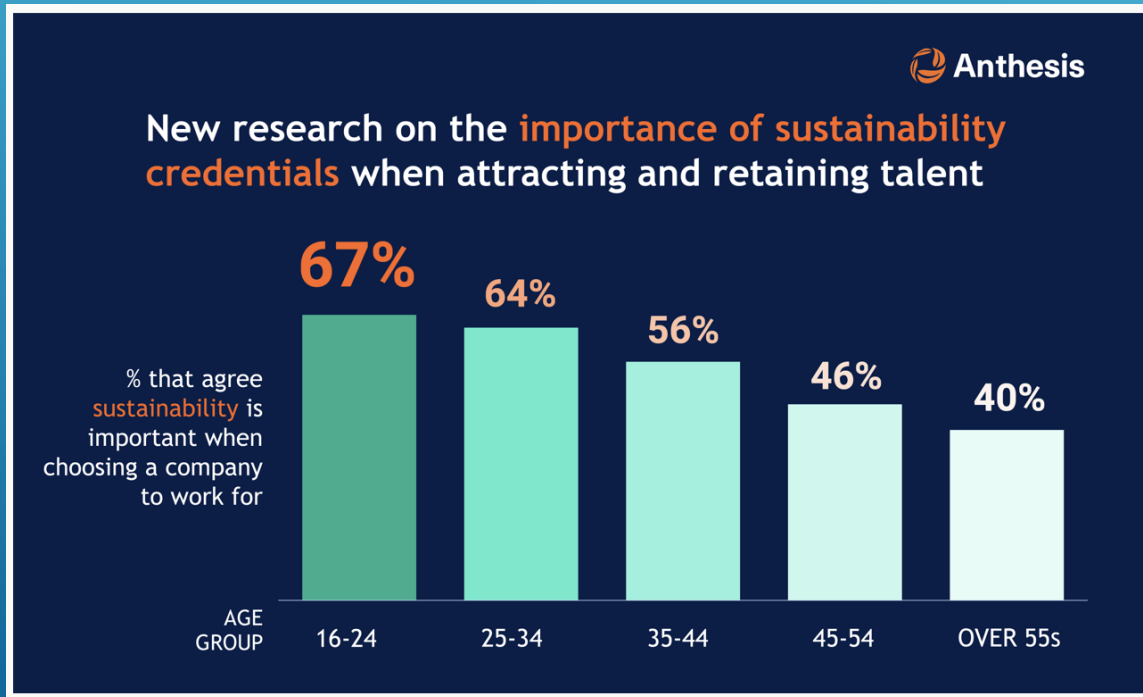
Nutrients

- Nutrient Neutrality requirements for new developments

Wiltshire Wildlife Trust

Over half of the UK's workforce say sustainability is an important factor in choosing a company to work for.

Over a third of UK consumers would pay more to ensure companies protect and support biodiversity.



A sustainable future for wildlife and people

Wiltshire Wildlife Trust

- Public funding alone will not halt nature's decline
- Funding gap c.£44bn over 10 years
- Markets are needed to attract private investment and drive nature's recovery



Broadway
INITIATIVE

Green Finance
Institute

finance **earth**
Formerly
Environmental Finance

financingnaturerecovery.uk

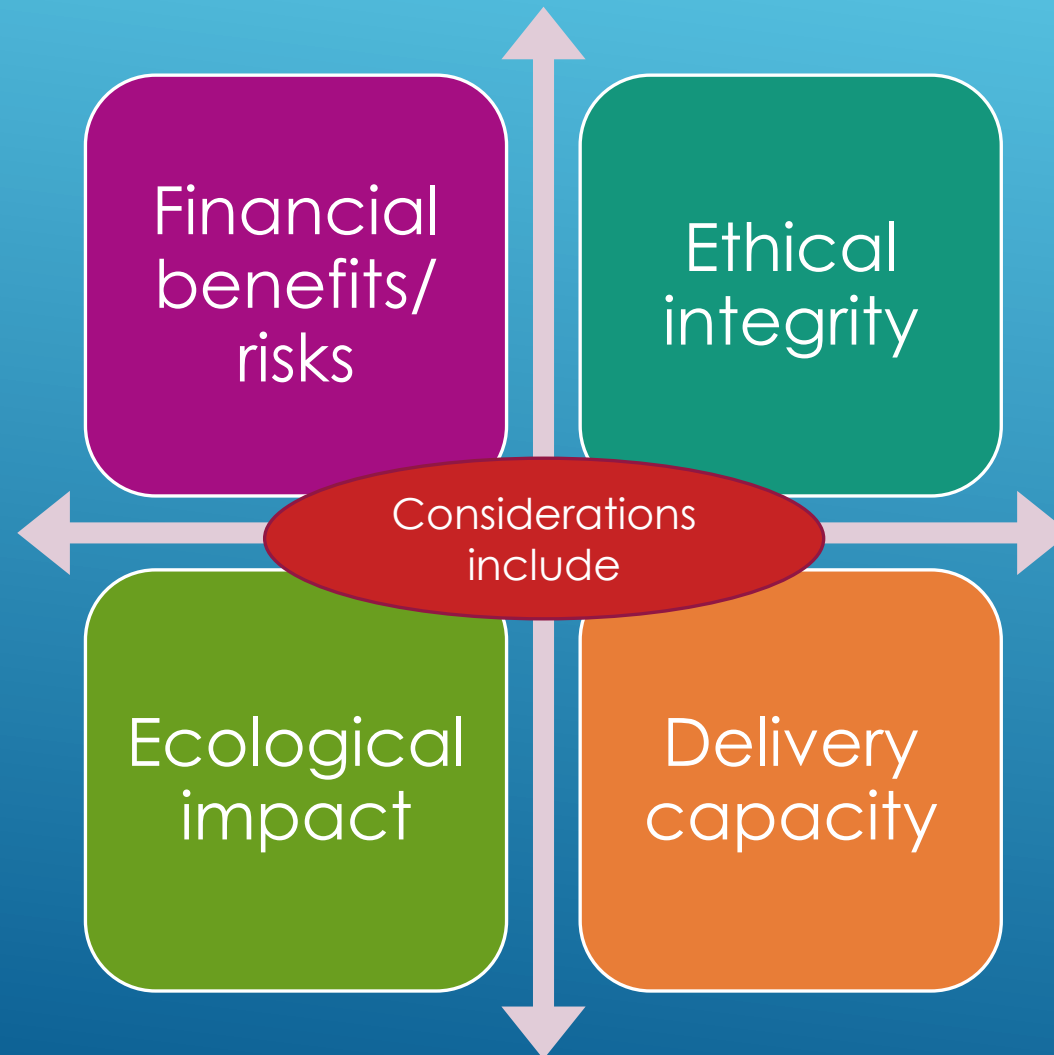


How does an organisation such as WWT engage with this emerging market?

- Existing sites already managed to high nature & community value
- Existing commitments & funding conditions
- Reputational risk in enabling development
- Opportunity to fund land acquisition and address strategic priorities
- National network of Wildlife Trusts for mutual support and shared experience

A sustainable future for wildlife and people

Wiltshire Wildlife Trust



A sustainable future for wildlife and people

Wiltshire Wildlife Trust

Existing Models:

- Direct engagement with developers
- One-off credit sales
- Long term engagement agreements
- Project funding
- Aggregation platform brokerage

Case by case on our own land: Optimum strategic management for wildlife and nature recovery outcomes vary according to site and agreement requirements

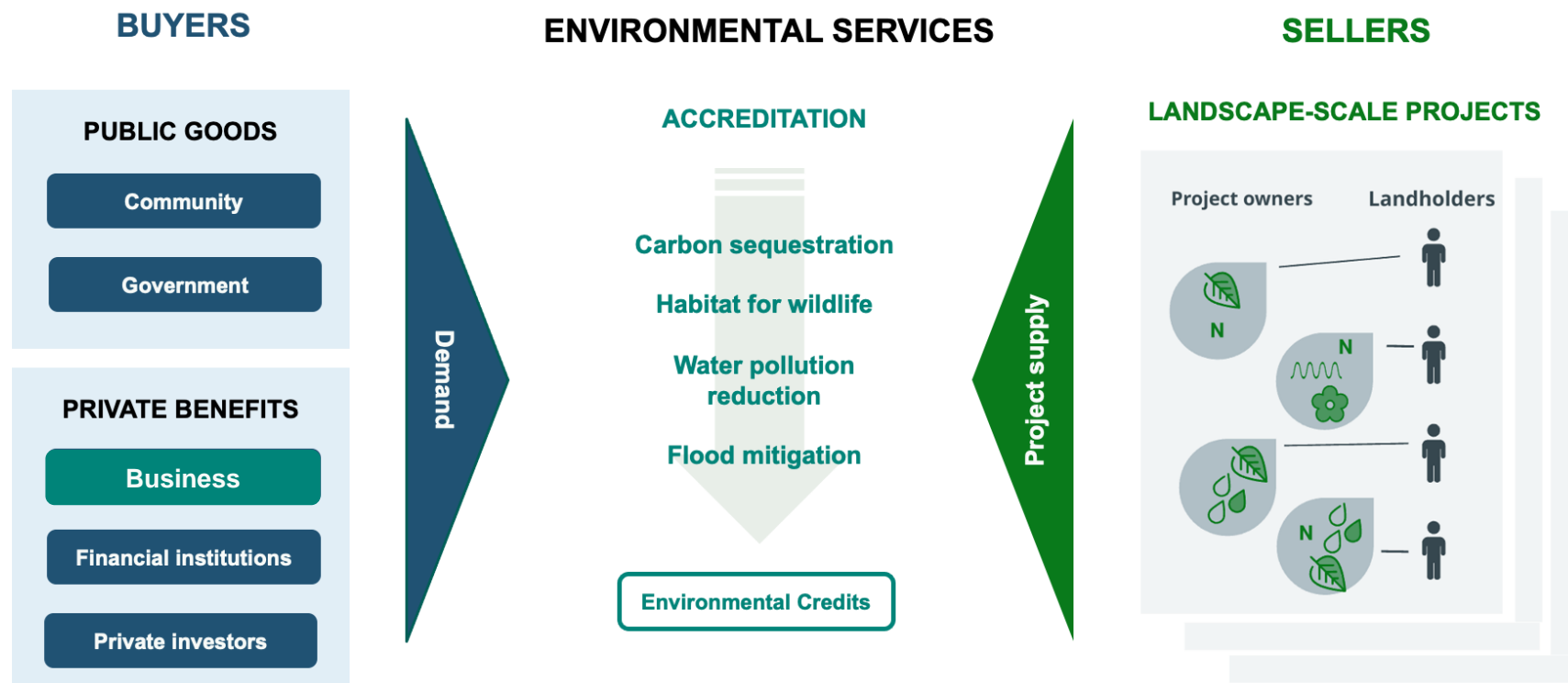
Opportunity for impact at scale amplified through partnership delivery: **Bristol Avon Catchment Market pilot project**



Catchment Market Overview

What is a catchment market?

A Catchment Market is an on-line marketplace where landholders can sell Nature-based Projects and business can buy the Environmental Services from these Projects.



Value Proposition



Delivering real change

- The Bristol Avon Catchment Market will only support projects that:
 - deliver strategic environmental benefits to the Bristol Avon catchment
 - meet government endorsed accreditation standards.

Paying a fair price

- The Bristol Avon Catchment Market has been designed in collaboration with experts from Exeter University to ensure a fair price for both landholders and businesses buying environmental credits.

Locking in long-term benefits

- The Bristol Avon Catchment Market puts in place watertight contracts with project suppliers to ensure that the projects will be maintained throughout the lifetime of the project.

A market for ethical businesses

- Businesses must meet the required ethical standards in order to participate in the market. This includes a commitment to use credits purchased through the Bristol Avon Catchment Market to drive genuine environmental improvements.

Landholders



 Diversify farm revenue

 Benefit from the growing market for environmental services

 Contribute to nature's recovery

Eligible project types



Coombe Bissett Down

GRASSLAND

- 30+ years
- Revert whole or part fields from arable use (including maize growing) to species-rich or 'low input' grassland.



Morningside Farm- Stephen Davis

GRASSLAND ENHANCEMENT

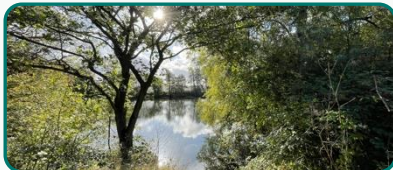
- 30+ years
- Enhance whole or parts of permanent 'improved' grassland fields to species-rich or 'low input' grassland.



Conigre Mead

SCRUB MOSAIC

- 30+ years
- Revert whole or part fields from arable (including maize growing) or intensive grassland to create new scrub mosaic habitat
- Scrub includes all growth stages of native shrubs, from scattered bushes to closed canopy vegetation.



Penn Wood Ellie Dodson

WETLANDS

- 80+ years
- Construct a Farm Wetland to deliver the water treatment properties of natural wetlands.



High Penn 25 tree plant view Owain Shaw

WOODLANDS

- 80+ years
- Revert whole or part fields from arable (including maize growing) or intensive grassland to create new woodland.
- The three main types of woodland eligible for participating in the market include: wider catchment woodland; riparian woodland or cross-slope woodland.

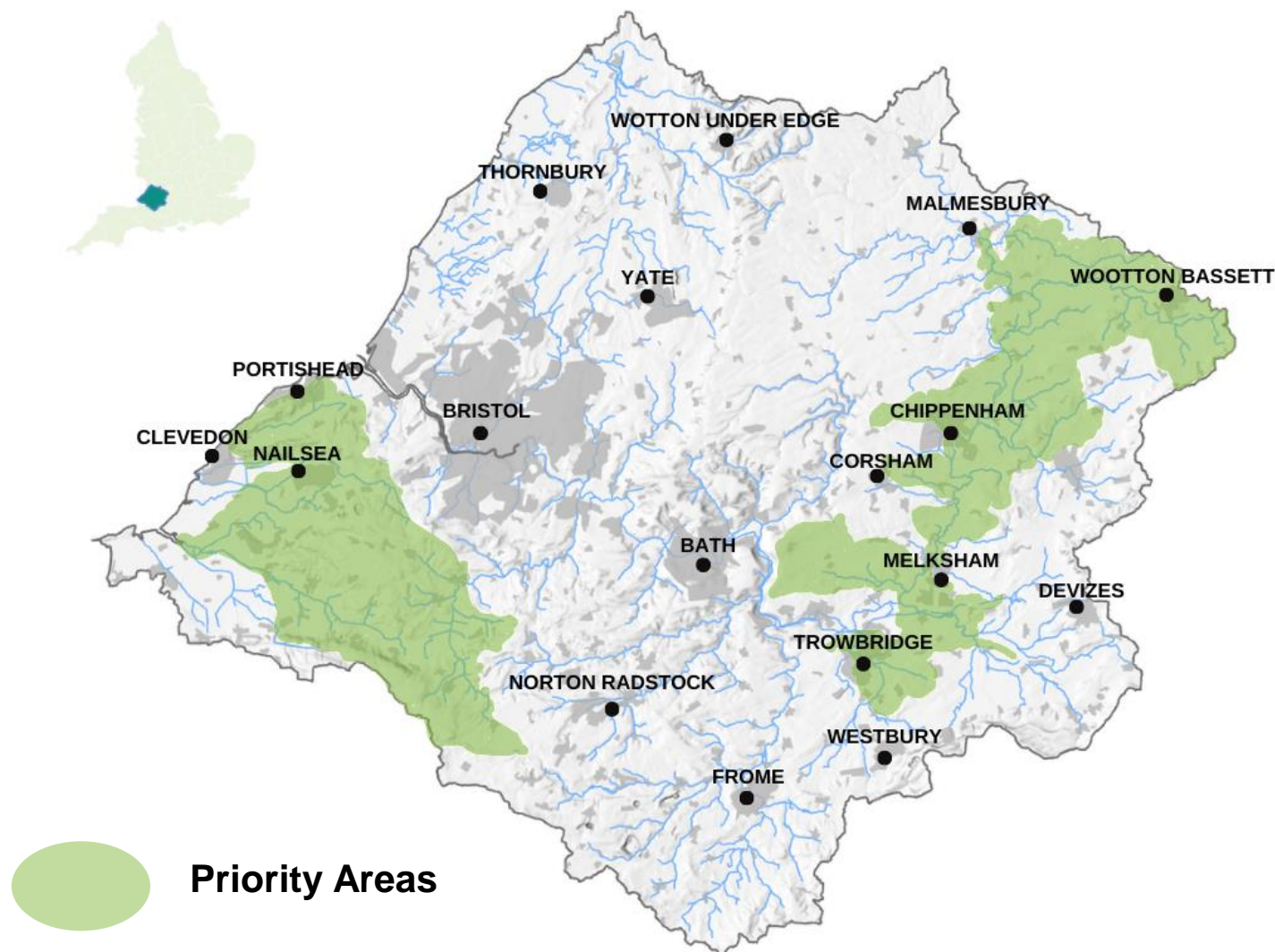
Priority Areas

The market aims to deliver:


- 58 hectares of grassland
- 85 hectares of new woodland
- 5 hectares of wetland

Projects will be prioritised from green areas.

EOIs will be considered from catchment wide.



The Bristol Avon Catchment Market is being delivered by:

		
<p>CATCHMENT MARKET DESIGN AND OPERATION</p>	<p>PROJECT DEVELOPMENT SUPPORT AND LOCAL NATURE RECOVERY EXPERTISE</p>	
<p>EnTrade is a Wessex Water business that creates and operates on-line markets for nature-based solutions. The organisation has already established over 30 marketplaces for a range of environmental services such as nutrient mitigation, habitat creation and carbon mitigation.</p>	<p>Avon Wildlife Trust (AWT) is the largest local charity working to protect wildlife and inspire people in the West of England. AWT cares for 30 nature reserves - from ancient bluebell woods to Iron Age forts, nationally important wetlands which are a haven for rare, wading birds, and wildflower meadows.</p>	<p>Wiltshire Wildlife Trust (WWT) was founded in 1962, driven by a concern to protect local wildlife and natural habitats. Today, WWT manages over 40 nature reserves across the county, including wetland, woodland, meadow and chalk downland habitats.</p>

Backed by Government



Green Recovery Challenge Fund



Department
for Environment
Food & Rural Affairs

The
National Lottery
Heritage Fund



Environment
Agency

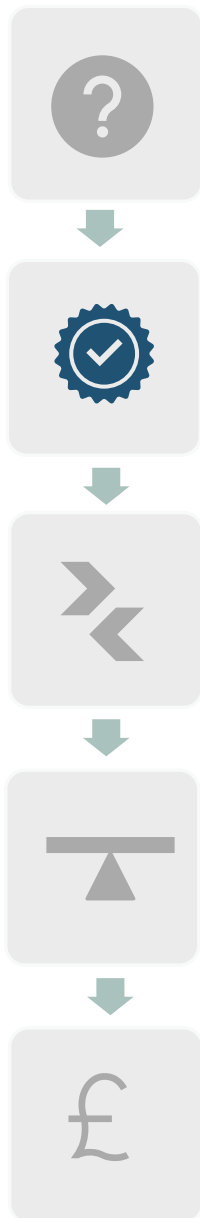


This project is funded by the Government's Green Recovery Challenge Fund. The fund was developed by Defra and its Arm's-Length Bodies.

It is being delivered by The National Lottery Heritage Fund in partnership with Natural England, the Environment Agency and Forestry Commission.

It is a pilot to trial a model of environmental credit generation and sale.

Ethical buyer test



- Businesses must meet the required ethical standards in order to participate in the market.
- Buyers will be asked to complete an Ethical Buyer Statement that includes:
 - A commitment to use credits purchased through the Bristol Avon Catchment Market to drive genuine environmental improvements
 - Confirmation that the organisation does not participate in excluded activities, such as:
 - Fossil fuel extraction or global deforestation
 - Manufacturing pesticides, insecticides, genetically modified crops
 - Manufacturing cluster bombs and landmines
 - Forced labour
 - Child labour
 - Bribery and corruption
 - Support for oppressive regimes
 - Support for terrorism, extremism, or extreme political parties

Market round

- Buyers enter bids for the environmental credits they need.
- The bids state the maximum payment they are willing to make to secure the credits they need to meet their voluntary or regulatory obligations.

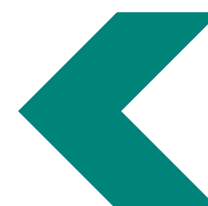


Credit buyers submit their bids

How much am I willing to pay for environmental credits?



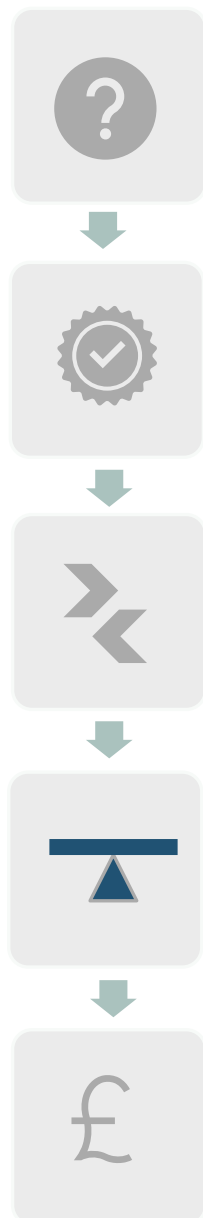
Catchment Market Operator



Project suppliers submit their offers

What do I need to be paid to build and maintain a nature-based project on my land?

Settlement



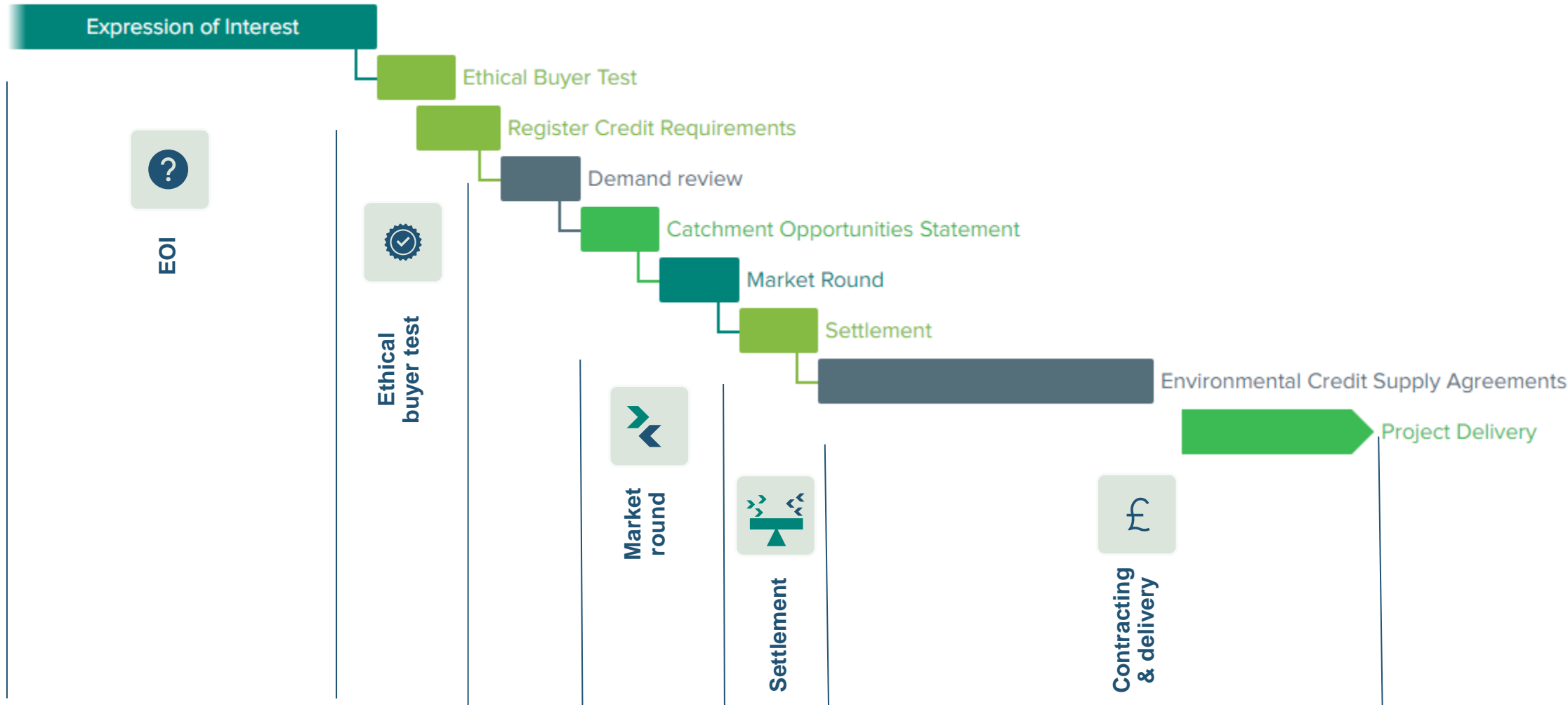
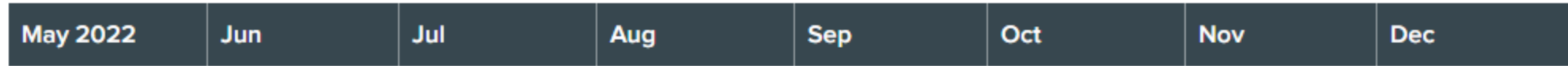
The settlement mechanism (the Lindsay Mechanism) has been designed in collaboration with independent experts from the Land, Environment, Economics and Policy Institute at Exeter University to ensure fair prices for both environmental credit buyers and landholders.

- The settlement process will:
 - determine the combination of offers and bids that most efficiently matches project supply with the demand for each credit type
 - allocate the surplus from trades fairly
 - determine buyer and seller payments.
- Successful buyers will pay no more than the amount they bid for.

The first step

- Ethical businesses are now invited to Express their Interest in participating in the market to meet their environmental goals.
- The EOI process is quick and straightforward. By submitting an EOI, you can then work with the Bristol Avon Catchment Market team to help quantify your environmental goals, and translate this into the amount and type of environmental credits you might want to bid for in the market.
- The EOI is non-binding.
- The EOI closes later in July.
- <https://bristolavoncatchmentmarket.uk/>
- contact@bristolavoncatchmentmarket.uk

Indicative timeline



A sustainable future for wildlife and people

Wiltshire Wildlife Trust

QUESTIONS?

