£44 to £97 billion over the decade ahead for the UK

Where is the Finance Gap? (2022 to 2032)

Scotland
£15 billion - £27 billion

England
£21 billion - £53 billion

Northern Ireland
£3 billion - £5 billion

Wales
£5 billion - £7 billion

The Overseas Territories
min £200 million – £1.4 billion

1. The sum of the gaps for each country does not add up to the total for the UK as spending data on some outcomes are only available for the UK or Great Britain.
2. Only includes spending to increase the proportion of protected and well-managed seas. The ranges of estimates refer to best and worst case scenarios based on available evidence.
## Where are the Biggest Gaps?

<table>
<thead>
<tr>
<th>Category</th>
<th>UK(^1)</th>
<th>England</th>
<th>Wales</th>
<th>Scotland</th>
<th>Northern Ireland</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clean water</td>
<td>£8 billion</td>
<td>£3 billion</td>
<td>£1 billion</td>
<td>£3 billion</td>
<td>£710 million</td>
</tr>
<tr>
<td>Protect and/or restore biodiversity</td>
<td>£19 billion</td>
<td>£9 billion</td>
<td>£1 billion</td>
<td>£8 billion</td>
<td>£1 billion</td>
</tr>
<tr>
<td>Reduce flood risk through natural flood management(^2)</td>
<td>£354 million</td>
<td>£347 million</td>
<td>£7 million</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Improve bio-resource efficiency</td>
<td>£4 billion</td>
<td>£3 billion</td>
<td>£35 million</td>
<td>£476 million</td>
<td>£437 million</td>
</tr>
<tr>
<td>Climate mitigation through bio-carbon</td>
<td>£20 billion</td>
<td>£8 billion</td>
<td>£2 billion</td>
<td>£9 billion</td>
<td>£669 million</td>
</tr>
<tr>
<td>Enhance biosecurity</td>
<td>£109 million</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Improve access and engagement with natural environment</td>
<td>£7 billion</td>
<td>£4 billion</td>
<td>£1 billion</td>
<td>£1 billion</td>
<td>£1 billion</td>
</tr>
<tr>
<td>Overlap</td>
<td>£4 billion</td>
<td>£1 billion</td>
<td>£220 million</td>
<td>£2 billion</td>
<td>£272 million</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>£56 billion</td>
<td>£27 billion</td>
<td>£5 billion</td>
<td>£20 billion</td>
<td>£4 billion</td>
</tr>
</tbody>
</table>
Critical Factors for Mobilising Finance for Nature

**HMT Ambition**
To raise at least £500 million in private finance to support nature’s recovery every year by 2027 in England, rising to more than £1 billion by 2030.”

**This requires**

1. **Defining nature-positive activity (including restoration) - Data, Standards, Taxonomy**
2. **Supply**: Development and supply of projects and solutions that create nature-positive outcomes
3. **Demand**: Financial sector/buyer interest in these projects and solutions (demonstrating risk and opportunity)
4. **Supporting infrastructure to enable growth and confidence in private investment in nature/markets (regulation, policy)**
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Critical Factors for Mobilising Finance for Nature
Investment Readiness Journey

1. Identify and Baseline Ecosystem Service
2. Identify and Work with Sellers
3. Develop Business Model and Governance
4. Establish Legal Entities and Legal Contracts
5. Develop Investment Model
6. Identify and Approach Investors

Supply: Development and supply of projects and solutions that create nature-positive outcomes
• Evidencing nature-related dependencies and risk of inaction

• The role of concessionary or catalytic capital

• Shared Learning
Case Study

- £1.5 million cost of project across 10 land holdings
- Mix of grant and private loan from nine investors put together by Triodos Bank
- Model: Beneficiaries buying reduced flood management risk
Case Study

- £2 million retail bond via Triodos (6% returns, sold out in 48 hrs)
- Significant grant funding
- Model: Revenues from visitor centre, donations and carbon sales

<table>
<thead>
<tr>
<th>Size</th>
<th>£2 million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue Model</td>
<td>Ecotourism to a rewilding centre, sale of carbon credits, donations</td>
</tr>
<tr>
<td>Private</td>
<td>Retail bond via Triodos crowdfunding platform</td>
</tr>
<tr>
<td>Investment/Finance Structure</td>
<td>Donations, Funding support from NatureScot, European Development Fund, National Lottery Heritage Fund, Bòrd na Gàidhlig, the Audemars Piguet Foundation, SSE Sustainable Development Fund, FERN Community Funds and the Garfield Weston Foundation.</td>
</tr>
<tr>
<td>Public/Philanthropic Investment</td>
<td>Rewilding and reforestation of Scottish Highlands, shared profits to support community based nature projects, education and upskilling on rewilding and reforestation.</td>
</tr>
</tbody>
</table>
New Forests' Tropical Asia Forest Fund 2 (TAFF2)

International Case Study

- £120 million first close ($300 million goal)
- Two tranche deal: One lower-return for impact investors (4% to 8%), one higher return (12% to 16%)
- Model: Sustainable Forest Plantations in SE Asia