



The 2020 Biodiversity Strategy

How can private entrepreneurship support innovation?

Habitat banking

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Overview of presentation



1. What is the problem?
2. Innovative market-based solutions
3. Offsetting and habitat banking
4. What relevance to Europe 2020?
5. Who would benefit and how?
6. What steps have already been taken?
7. What next?

1. What is the problem?



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- Europe's ecosystem services have suffered greater loss than any other region (MA)
- EU – only 17% of Europe's priority habitats, & 17% of priority species, are in 'favourable conservation status' (2009 report)
- England - in last 100 years, most of the top 180 sites for nature have suffered >50% loss

1. What is the problem?













- **Why this loss matters**
 - \$50 bn/yr loss worldwide
 - If business-as-usual, loss of 7% GDP by 2050
- **The costs of halting and reversing this loss and damage**
 - Natura 2000 – €6 billion/yr
 - England biodiversity recovery – £1.1 billion/yr
 - But – dwindling public purse!

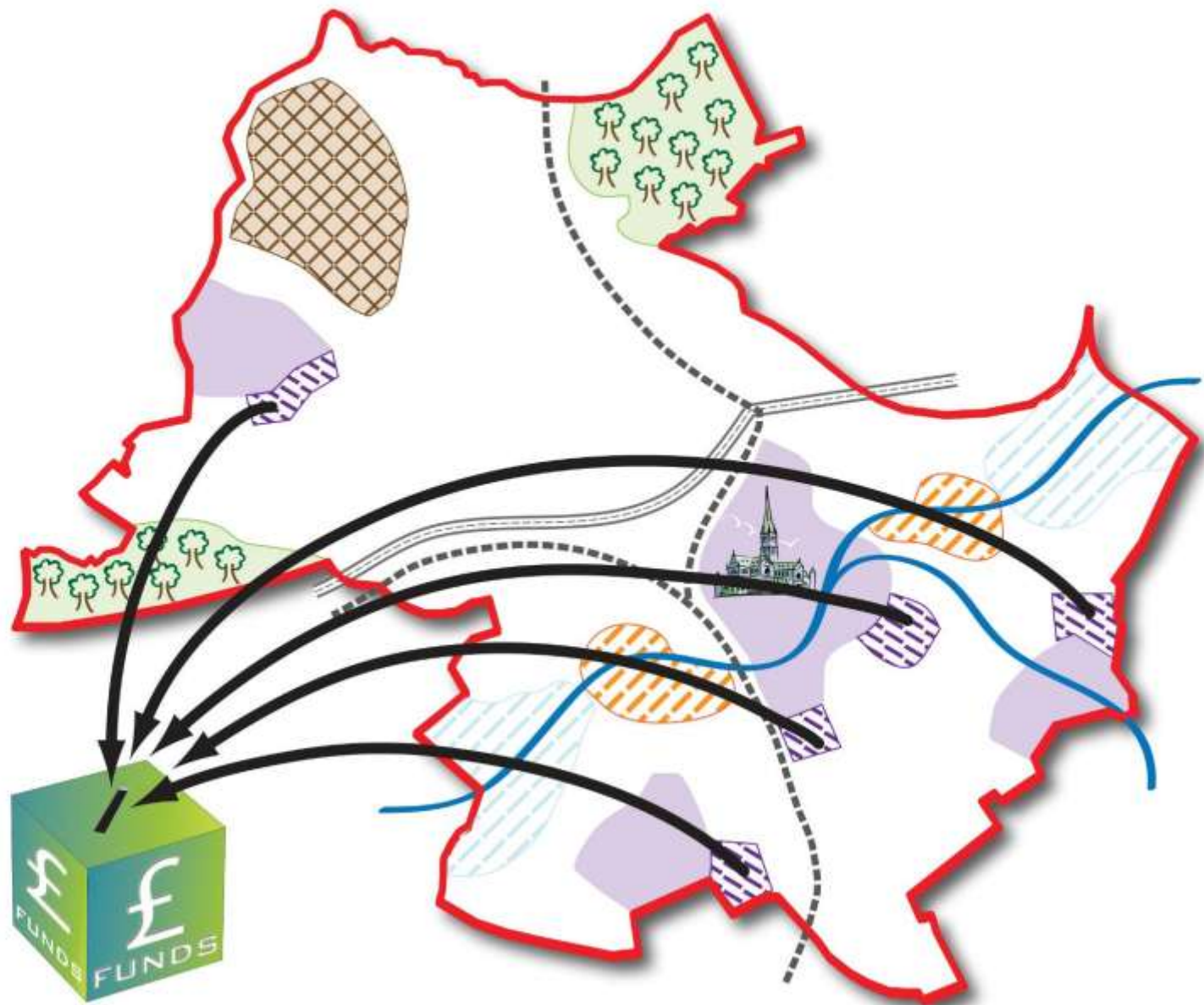
2. Is there a market solution?













- Ecosystems markets – what are they?
- Available market-based instruments (MBIs)
- Offsetting and habitat banking

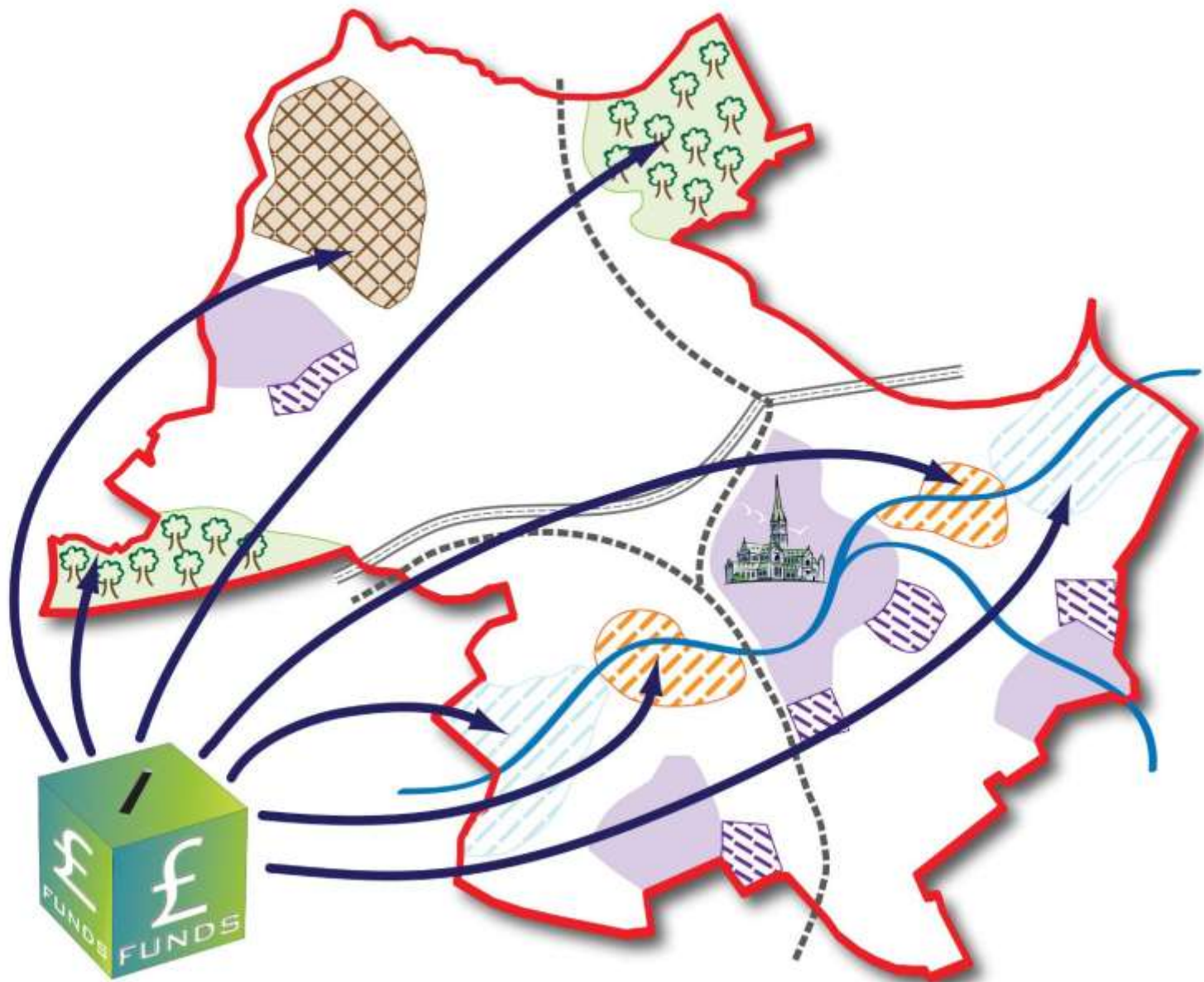
Key

-  Area
-  Cities and Towns
-  Motorway
-  Railway
-  River
-  Flood Plains
-  Quarry/Gravel Pits
-  Brownfield Site
-  SSSI
-  Urban Extensions



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2. Is there a market solution?



- Ecosystem markets around the world
 - e.g. US wetland mitigation market - > \$4 bn in 2010
- Estimates of potential UK market
 - credits related to housing – c. £50-500 m/yr
 - credits related to infrastructure – e.g. new high-speed rail link London-Birmingham – c. £0.5-5 million/mile
- i.e. could be looking at a € multi-billion EU market.

3. What relevance to Europe 2020?



- Delivering sustainable jobs and growth
- Providing a flanking measure for the CAP
- Delivering key elements of the Resource Efficiency flagship initiative
- Complementing the SFs and LIFE+
- Innovation synergies with Horizon 2020

4. Who would benefit and how?



BENEFICIARY	BENEFIT
Landowner selling land for development	Quicker sale; enhanced prospects for permitting & uplift value
Developer	Clarity in planning process; streamlined permitting, reduced long-term liabilities; reduced costs
Landowner/farmer providing receptor site	Viable alternative to food/energy production; up-front investment & long-term management costs; reliable long-term income; enhanced land quality
Financial services broker	Significant new business area (multi-billion transactions/year), exportable services
Rural service provider	New SME businesses in nature management, M&V
National government	Meet international (e.g. EU, CBD) obligations towards nature; reduced pressure on public purse; public health benefits (access to nature)
Local government	Reduced planning/development bureaucracy; accelerated local development; enhanced local environment, amenity; reduced pressure on public purse; local jobs
Environmentalist	Greatly increased funding for nature; larger more ecologically viable sites

5. What steps have already been taken at EU level?



- 2006 - Biodiversity Strategy to 2010
- 2007 - MBIs green paper
- 2009/10 - TEEB
- 2010/11 - Biodiversity Strategy to 2020; Resource Efficiency Road Map; debt & equity platforms; recent/ongoing work on offsetting, habitat banking

6. Next steps

Towards EU biodiversity/ecosystems offset markets



- **Commission**
 - bring forward proposals (under No Net Loss initiative) to provide framework for biodiversity/ecosystems offset markets in EU
- **EP**
 - recognise opportunity for biodiversity/ecosystems markets in EU, develop political demand among key constituencies, express political will to accelerate emergence of EU markets
- **Civil society** (developers, landowners, NGOs)
 - embrace opportunity to make private entrepreneurship work for nature by engaging in emerging EU biodiversity/ecosystem offset markets

Talk to us...



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