

REWILDING FINANCE

SUMMARY VERSION

Harnessing high-integrity investment to boost rewilding across Britain

**REWILDING
BRITAIN**



CONTRIBUTORS

Rewilding Britain

Rewilding Britain is the only Britain-wide charity dedicated to championing rewilding to tackle the interconnected nature and climate emergencies, while creating a wealth of social and economic benefits for people and communities.

We influence policy, inspire public action and catalyse joined-up practical and financial support to help establish rewilding across Britain’s land and seas. We are inspiring a movement of people who understand that it’s not too late if together we take action now. Through the Rewilding Network, we bring together a community of rewilders – from communities to landowners and farmers to charities and national parks – to help create a wilder, more prosperous Britain.

Find out more: rewildingbritain.org.uk

Terranomics

Terranomics’ mission is to restore and protect nature through scaling up sustainable financing mechanisms and investment. Our team members have advised some of the world’s leading conservation organisations on these topics alongside FTSE100 and Fortune 500 companies, investors and a range of smaller-scale commercial and not-for-profit entities. In the last financial year we estimate our support has played a significant role in mobilising USD 50m in public and private funding for nature positive financial mechanisms globally.

Find out more: terrانomics.org

ACKNOWLEDGEMENTS

We’re particularly grateful to those individuals who provided feedback on the draft of this report and early versions of the financing principles within it. In addition, we appreciate the time taken by the individuals and organisations within the Rewilding Network that responded to the survey.

Scan for the full version of the report



FOREWORD

We believe that nature is worth investing in. Nature. Our life support system. It underpins our economy. It’s the vital, productive resource for biodiversity, climate, food, jobs, health and wellbeing.



REWILDING BRITAIN



TERRANOMICS

At a critical moment – when we are being outpaced by the global nature and climate emergencies – this report offers a blueprint for a game-changing shift in nature recovery funding and investment, and for rewilding in particular.

Rewilding – large-scale nature restoration – not only offers hope for tackling the interlinked nature and climate crises, it has the potential to create a cascade of social and economic benefits for people and communities. That’s why Rewilding Britain has joined forces with experts in nature positive financial mechanisms, Terranomics, to lay out a vision for enhancing Britain’s funding landscape to seize and upscale the opportunities that rewilding offers.

These tangible benefits are already being demonstrated by rewilding practitioners who are creating new, diverse nature-based employment and enterprise opportunities the length and breadth of Britain. What’s key now is sustained funding for rewilding interventions that will, in the long term, allow nature to once more look after itself. Funding for practical action, like rewetting peatlands, expanding native woodlands, setting up nature-based businesses, managing grazing and delivering citizen science programmes.

This report sets out to demonstrate how in Britain, one of the world’s most nature-depleted countries, we can move beyond the confused, fragmented and non-standardised market for funding and investment in nature restoration. Now is the moment to give rewilders and investors the confidence and ability they need to make long-term investments to benefit people, nature and climate.

A richer, wilder, more prosperous Britain is possible if we choose it.

Rebecca Wrigley, Chief Executive, Rewilding Britain

Chris Knight, Director, Terranomics

EXECUTIVE SUMMARY

Rewilding — the large-scale restoration of nature — is critical if we're to respond effectively to the interconnected nature and climate emergencies. Our land is a vital resource — for biodiversity, climate action, food and timber production, our economy, and our health and wellbeing — but we could be using it much more efficiently and productively. We live in one of the most nature-depleted countries on Earth.¹ Yet a richer, wilder Britain full of the abundance of life — where rewilding goes hand-in-hand with nature-led farming and forestry — is possible if we choose to make it happen.

There have already been significant positive steps in recent years that support nature and rewilding both globally and nationally. The Global Biodiversity Framework (GBF), signed at the United Nations Biodiversity Conference (COP15) in 2022, recognises the incredible urgency of both halting and preventing biodiversity loss, and aims to protect 30% of the planet for nature by 2030. One of its targets is to mobilise at least \$200 billion of biodiversity-related funding from public and private sources annually by 2030. The UK

and devolved governments have made commitments to protect 30% by 2030. But we believe that it is no longer enough to simply halt the decline of nature — we need to act swiftly and decisively to restore and rewild the natural world.

By working with nature rather than against it, rewilding 30% can help us transition to a nature rich, low carbon future while delivering real, locally generated benefits today.² These benefits include carbon storage, climate resilience, biodiversity, vibrant green economies, local livelihoods, flood mitigation, healthier air, water and soils, and improved health and wellbeing. Conversely, if we do nothing we know that the further deterioration of nature will have significant negative impacts including on the UK economy, potentially resulting in GDP being at least 6% lower than it would have been otherwise by the 2030s.³

Making the transition to 30% rewilding a reality requires political will and sustained funding, within a financial system that values and invests in nature. We believe that the scale of this ambition provides exciting and

WHAT IS REWILDING?

Rewilding is about hope for tackling the nature and climate emergencies, whilst delivering a wide range of benefits for people and local communities. It is the large-scale restoration of nature until it can take care of itself — and us — again. In a world wrecked by biodiversity loss, habitat destruction and climate breakdown, rewilding can replenish nature's remarkable web of life — restoring habitats, natural processes, and the diversity and abundance of native species.

Rewilding has at its heart a focus on reinstating natural processes (such as free-flowing rivers) and, where appropriate, missing species — allowing them to create dynamic, constantly changing habitat mosaics. Rewilding brings people and communities together to find ways to work, live and prosper within healthy, flourishing ecosystems. In doing so it provides opportunities for communities to diversify and create nature-based economies; for living systems to provide the ecological functions

on which we all depend; and for people to reconnect with wild nature.

Rewilding can happen across a gradation of approaches. These depend on the extent to which nature takes the lead, and are guided by local community, context and culture. They can include a mosaic of:

- **Core rewilding areas** where nature drives changes as much as possible, forming mosaics of native woodlands, peatlands, heaths, species-rich grasslands, wetlands and saltmarshes.
- **Semi-wild areas** which support a diverse range of nature-based land uses and enterprises — generating benefits for local economies, while allowing nature to flourish (for example, continuous cover forestry, ecotourism and nature-led/wild meat production).



Nature-based tourism — as shown here at Knepp Wildland, where visitors can take guided safaris — is just one of the private revenue streams available to rewilding projects

compelling opportunities and that, with long-term, diversified financing, many more landowners, land managers and communities will have the confidence to invest in rewilding as part of a just land use transition.

In Britain, in addition to a reorientation of public payment schemes, there has been a rapid development of investment funds, frameworks and mechanisms by the UK and devolved governments to help scale up private nature financing. These include Defra's Nature Markets Framework,⁴ the Scottish Government's Interim Principles for Responsible Investment in Natural Capital,⁵ and the Welsh Government's pledge to develop a policy on private investment in nature recovery in its Biodiversity Deep Dive.⁶ What's more, the UK Government intends to bring £1 billion of private investment annually into natural capital in England by 2030.⁷ It has also reaffirmed its commitment to provide £3 billion of finance for climate change solutions that protect and restore nature.

New private mechanisms for financing rewilding are also emerging rapidly, including Payments for Ecosystem Services, equity investments, bond financings, direct corporate acquisitions, crowdfunding and other revenue streams such as ecotourism. Nature-Based Solutions, of which rewilding is one, are quickly gaining traction as an investable asset class. What we need to ensure now is that these mechanisms achieve quantifiable and equitable benefits for people and nature, rather than simply privatising the rewards.

The case studies in the full report illustrate the wide variety of investment opportunities available to rewilding projects. Yet when we surveyed members of the Britain-wide Rewilding Network for this report — including landowners, land managers, farmers, tenants, estate owners, NGOs and community groups — we found that many are struggling to navigate a confusing funding landscape and access the investment and revenue streams they need. Although respondents have a favourable view of private funding compared to government payment schemes, they're still primarily dependent on this government funding, which is insufficient and lacks the stability needed to achieve meaningful change.

At the same time, large-scale investors are finding it hard to identify sufficient validated 'investable' projects at the scale they need, even though they're increasingly willing to pay a premium for quality investments that achieve Environmental, Social and Governance (ESG) benefits. In short, there's a wide array of funders willing to invest in nature's recovery and a huge range of rewilding practitioners who are passionate about their projects and seeking more funds, but they are not finding each other.

Ultimately, in its current form, the finance market in rewilding is depriving communities and investors alike of huge social, economic and environmental opportunities, and undermining Britain's ability to play a much more effective role in addressing the nature and climate emergencies.

What's critical for us to move forward is a scalable market system – or 'ecosystem' – of funding and financing that drives high-integrity investment into large-scale restoration and rewilding. The main groups of actors involved in this market 'ecosystem' are:

- **Rewilding practitioners:** Establish and deliver rewilding initiatives and provide marketable ecosystem services.
- **Project partnerships:** Bring together and aggregate smaller-scale rewilding initiatives to achieve longer-term, locally-led environmental, economic and social benefits over larger landscapes. In doing so they create projects at a scale big enough to attract larger investors.

- **Market builders and brokers:** Help connect and regulate buyers and sellers as well as providing support services such as knowledge platforms to help markets function more effectively.
- **Funders/investors:** Provide funding, make impact/for-profit investments into rewilding projects and/or purchase ecosystem services produced.

In Figure 1 we visualise the range of actors and connections needed within an effective and resilient market 'ecosystem' that – when aligned with the financing rewilding principles we propose in Figure 2 on page 11 – can upscale outcomes in relation to a 30% rewilding vision. In Table 1 we provide examples of each of these actors.

REWILDING PRACTITIONERS	FUNDERS & INVESTORS
<p>Public landowners: Public Forest Estate, Defra, Ministry of Defence, local authorities</p> <p>Community-owners/managers: Langholm Initiative, Mull and Iona Community Trust</p> <p>Conservation NGO landowners: Trees for Life, The Wildlife Trusts, National Trust, RSPB, Woodland Trust</p> <p>Private landowners: Knepp Estate, Wild Ken Hill, Coombeshead, Nattergal</p> <p>Crofters, tenants and commoners</p> <p>Corporate landowners: Water companies, insurance companies</p>	<p>Public funders/schemes: England's Environmental Land Management (ELM) schemes, Scotland's Agri-Environment Climate Scheme (AECS), Wales's Sustainable Farming Scheme (SFS), Natural Environment Investment Readiness Fund (NEIRF), Facility for Investment Ready Nature in Scotland (FIRNS)</p> <p>Investors: Triodos Bank, UK Nature Impact Fund</p> <p>Philanthropy: Endangered Landscapes and Seascapes Programme</p> <p>Corporates: Utility companies</p> <p>Individuals: Crowdfunders, buyers of rewilding products and services</p>
PROJECT PARTNERSHIPS	MARKET BUILDERS & BROKERS
<p>Multi-stakeholder partnerships: Cairngorms Connect, Affric Highlands, Wild Purbeck Partnership, Weald to Waves</p> <p>National Park Authorities</p> <p>Local authorities</p> <p>Nature Recovery Partnerships/Networks</p> <p>Landowner clusters: Dayshul Brake</p> <p>Environmental Cooperatives: Environmental Farmers Group</p>	<p>Knowledge platforms and networks: GFI Hive, Financing Nature Recovery UK, Scottish Forum on Natural Capital, Farming and Wildlife Advisory Group, Ecosystem Knowledge Network, Conservation Finance Alliance</p> <p>Brokers and accelerators: Revere, UK Nature Accelerator, EnTrade</p> <p>Standards and regulatory frameworks: TNFD and TCFD, Woodland Carbon and Peatland Codes, Nature Markets Framework, Nature Investment Standards Programme</p> <p>Other market infrastructure: Academic research, registries, professional services, rating agencies, data and metric providers</p>

Table 1: Examples of actors within the market 'ecosystem'

THE FINANCING REWILDING 'ECOSYSTEM'

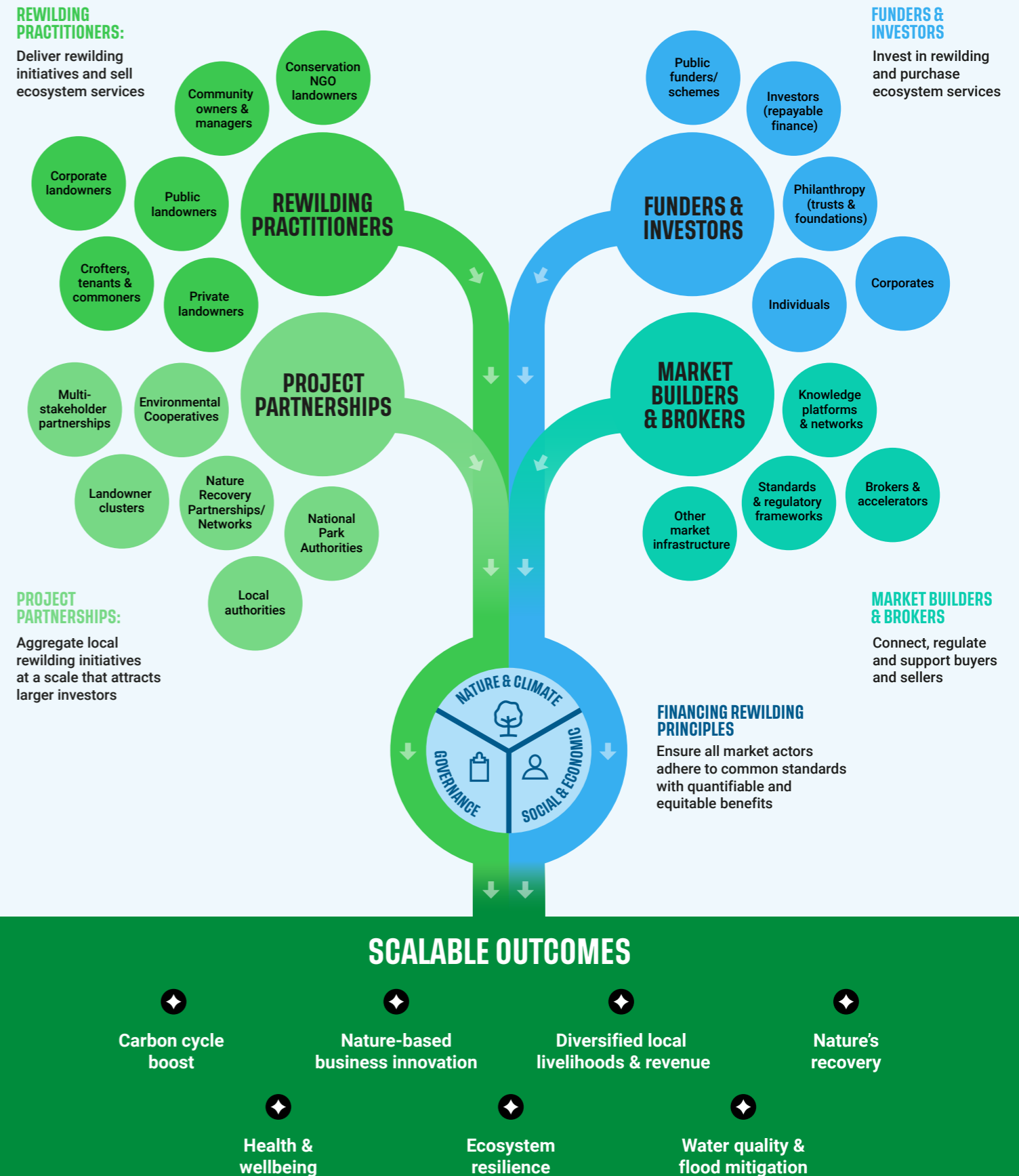


Figure 1: Creating a scalable market 'ecosystem' of funding and financing for rewilding

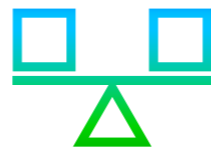
OUR FIVE RECOMMENDATIONS IN SHORT

We need increased, diversified and stable financing streams to give both rewilding practitioners and investors the confidence to make long-term investment decisions and achieve a 30% rewilding vision. Rewilding Britain's five recommendations provide a blueprint for how this can be done.

We call on all stakeholders – the UK and devolved governments, private and philanthropic sectors, rewilding practitioners and partnerships – to champion these recommendations. Working together, we can make this happen. The environmental, economic and social opportunity is immense and the time to make this opportunity a reality is now.

RECOMMENDATION 1

UK AND DEVOLVED GOVERNMENTS SHOULD BUILD LONG-TERM CONFIDENCE AND STABILITY THROUGH SECURE PUBLIC FUNDING AND POLICY THAT UNDERPINS INVESTMENT IN NATURE AND REWILDING



Recent developments in public payment for public goods schemes, nature market frameworks and funding mechanisms by the UK and devolved governments have been positive. But they have yet to provide the long-term certainty and stability that landowners, land managers, communities and investors need in order to commit to rewilding as part of a just land use transition.

UK and devolved governments need to make a bolder political commitment to high-integrity and scalable models for financing nature's restoration. And these must be embedded within integrated national and local land use frameworks which recognise that prioritising nature and rewilding across 30% of Britain is a productive use of the land. Clear and coordinated incentives are needed over at least 15–20 years, within well-enforced regulatory frameworks that support and safeguard investments and ensure that they bring shared value for nature, the economy and local communities.

RECOMMENDATION 2

PRIVATE AND PHILANTHROPIC SECTORS SHOULD ACCELERATE HIGH-INTEGRITY INVESTMENT INTO LARGE-SCALE REWILDING INITIATIVES



There's increasing investor demand for Payments for Ecosystem Services, and Nature-Based Solutions as an investable asset class are quickly gaining traction. New mechanisms for financing rewilding are emerging at pace, including equity investments, bond financings, direct corporate investments, crowdfunding and other revenue streams such as ecotourism.

There's also growing interest from investors in carbon and nature markets. However, these markets are still in their infancy, operate ineffectively and, as yet, lack common standards. Blended finance models that combine public, philanthropic and private funding can help de-risk investments, but must share benefits fairly between public, private and community interests. We therefore need to pilot and fast-track a portfolio of high-quality, large-scale, investable rewilding projects that build confidence and demonstrate the holistic benefits that a rewilding approach can achieve for people, nature and local communities.

RECOMMENDATION 3

DIVERSE LOCALLY AND COMMUNITY-LED PARTNERSHIPS SHOULD BE ENABLED TO UPSCALE REWILDING AND CO-DESIGN INVESTABLE PROPOSITIONS



Rewilding practitioners are a diverse group, including community, private, public, and charity owners and managers, whose funding and financing needs vary significantly in scale and type. Many work collaboratively at a landscape scale as part of multi-stakeholder and community-led partnerships. Achieving equitable and sustainable financial benefit sharing across these stakeholders can be challenging and their governance structures represent complex and unfamiliar ground for investors. High transaction costs often limit access to financing, as does the lack of clarity on benefit sharing models between landlords and groups such as tenants and commoners.

Building the capacity of trusted locally- and community-led partnerships or 'anchor institutions' to co-design large-scale investable rewilding initiatives will help to attract and coordinate significant inward investment. These should ensure that environmental, economic and social benefits are shared equitably and integrated within a wider green economic transition.

RECOMMENDATION 4

A NETWORK OF BROKERS AND MARKET BUILDERS SHOULD BE FURTHER DEVELOPED TO PROVIDE AN EFFECTIVE CONNECTION BETWEEN REWILDING INITIATIVES AND INVESTORS/FUNDERS



Despite a plethora of networks, knowledge platforms, funding brokers, project accelerators, directories, registries and trading platforms the market infrastructure for nature restoration and rewilding funding remains fragmented. It lacks the standardisation and commonly recognised definitions and frameworks that investors typically need when assessing new opportunities, and doesn't yet adequately support the specific characteristics of successful rewilding.

Enabling entrepreneurial networks of brokers and market builders could support the development of a market infrastructure that would more effectively facilitate multi-outcome rewilding projects. These should bring actors in the market together to discuss and produce knowledge, as well as help projects, buyers and investors to connect more effectively to achieve long-term meaningful change. Ensuring adherence to common standards by accrediting these roles could accelerate confidence across all stakeholders.

RECOMMENDATION 5

HIGH-LEVEL PRINCIPLES FOR INVESTING IN REWILDING SHOULD BE AGREED AND ADHERED TO ACROSS STAKEHOLDER GROUPS



The current lack of agreed high-level principles and standardisation across rewilding investments risks low-quality, poor practice emerging. This damages the integrity and credibility of these investments and the effectiveness of nature markets.

We need to see rewilding practitioners, investors, governments, brokers and other stakeholders coalesce around common goals and navigate financing opportunities effectively. That's why we've developed a set of principles for financing rewilding, which we believe will help ensure quantifiable and equitable environmental, economic and social benefits for – and with – local communities and wider society.

PRINCIPLES FOR FINANCING REWILDING

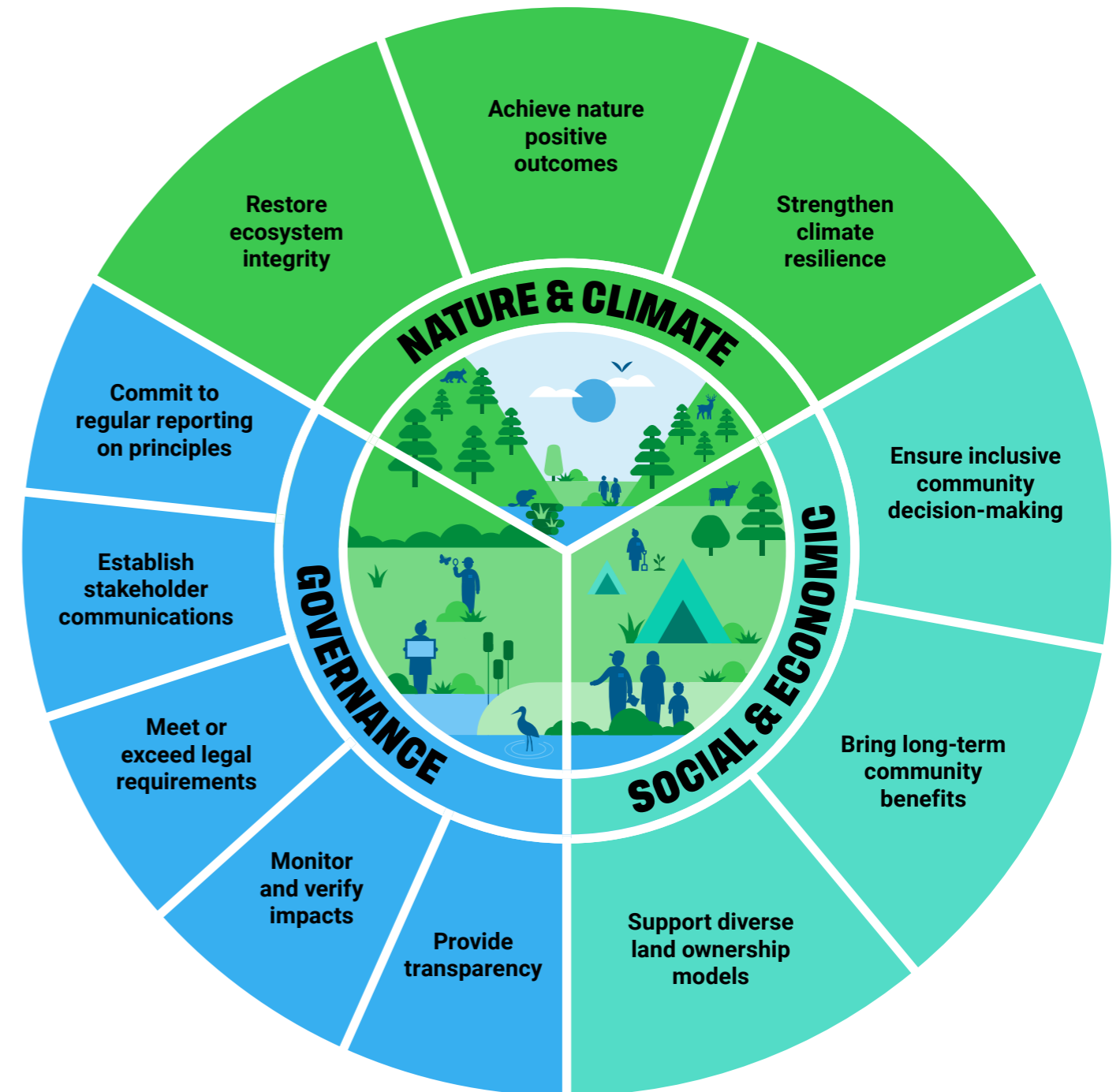


Figure 2: Our principles for financing rewilding. Responsible investment supports projects which adhere to these principles.

OUR PRINCIPLES HELP ENSURE ENVIRONMENTAL, ECONOMIC & SOCIAL BENEFITS ARE DELIVERED

IMAGE CREDITS

Cover	Glen Affric: James Shooter/scotlandbigpicture.com
Page 3	Moose: Pierre Leclerc/Shutterstock
Page 5	Safari trip: Knepp Wildland
Page 12	Wood pasture and scrub: Knepp Wildland

ENDNOTES

- 1 State of Nature Report 2016 ranked UK 189th out of 218 countries in terms of biodiversity intactness. <https://community.rspb.org.uk/ourwork/b/science/posts/state-of-nature-2016-summary-of-the-report>
- 2 Described in more detail in our Rewilding and the Rural Economy report (2021). <https://s3.eu-west-2.amazonaws.com/assets.rewildingbritain.org.uk/documents/nature-based-economies-rewilding-britain.pdf>
- 3 Green Finance Institute (2024). Assessing the Materiality of Nature-Related Financial Risks for the UK. <https://www.greenfinanceinstitute.com/news-and-insights/assessing-the-materiality-of-nature-related-financial-risks-for-the-uk/>
- 4 UK Government (2023). Nature markets: A framework for scaling up private investment in nature recovery and sustainable farming. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1147397/nature-markets.pdf
- 5 Scottish Government (2023). Interim Principles for Responsible Investment in Natural Capital. <https://www.gov.scot/publications/interim-principles-for-responsible-investment-in-natural-capital/>
- 6 Welsh Government (2022). Written Statement: Biodiversity Deep Dive. <https://www.gov.wales/written-statement-biodiversity-deep-dive>
- 7 UK Government (2023). Green Finance Boost for Nature in the UK. <https://www.gov.uk/government/news/green-finance-boost-for-nature-in-uk#:~:text=The%20government%20has%20set%20a,to%20achieving%20our%20Environment%20Targets>

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rewildingbritain.org.uk/rewilding-finance

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