

£1 THE BILLION CHALLENGE

*Route Map from the
Scottish Conservation
Finance Project*

HOW TO FINANCE
BIODIVERSITY AND
HELP ACHIEVE
THE SUSTAINABLE
DEVELOPMENT
GOALS



INTRODUCTION

As the world gets to grips with the impacts of a global pandemic, attention is rightly turning to how we can build back better. Now, more than ever, it is understood that to address the interconnected issues of health, economic resilience, climate change and biodiversity loss, we need new approaches.

This document sets out a route towards new green jobs, a healthier environment for all of us, and greater resilience for our businesses and communities. At the same time, it shows how we can bridge the dramatic gap between the need for funding to protect and restore the world's vulnerable ecosystems, and the level of funding available. Much of this money, to date, has come from public or philanthropic sources, despite the growing interest

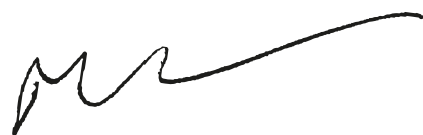
from investors in financing the 2030 Sustainable Development Goals (SDGs).

The £1 Billion Challenge was launched by the Scottish Environment Protection Agency (SEPA) and the Scottish Wildlife Trust as an ambitious initiative to pioneer, develop and showcase cutting-edge investment and funding models to help close this gap.

To a large extent, we were setting out on an expedition to an unknown destination. At the beginning of the journey there was a chasm of incomprehension and scale: Where will the cash flows come from? What's the relationship between biodiversity and climate change? What's the difference between a green loan and a green bond? And what are the services provided by Scotland's ecosystems?

By bringing together environmentalists and financial experts, along with other interested stakeholders, we answered these questions and more, and collaboratively designed a potential route towards the first £1 billion.

Ultimately, we hope to turn conservation finance from something that can seem baffling, complex and opaque into something transparent, simple and transformative. Something which seems so obvious we don't know why we haven't been doing it all along.



Terry A'Hearn
Chief Executive,
SEPA



Jo Pike
Chief Executive,
Scottish Wildlife Trust

KEY

Each stage of the journey shows:

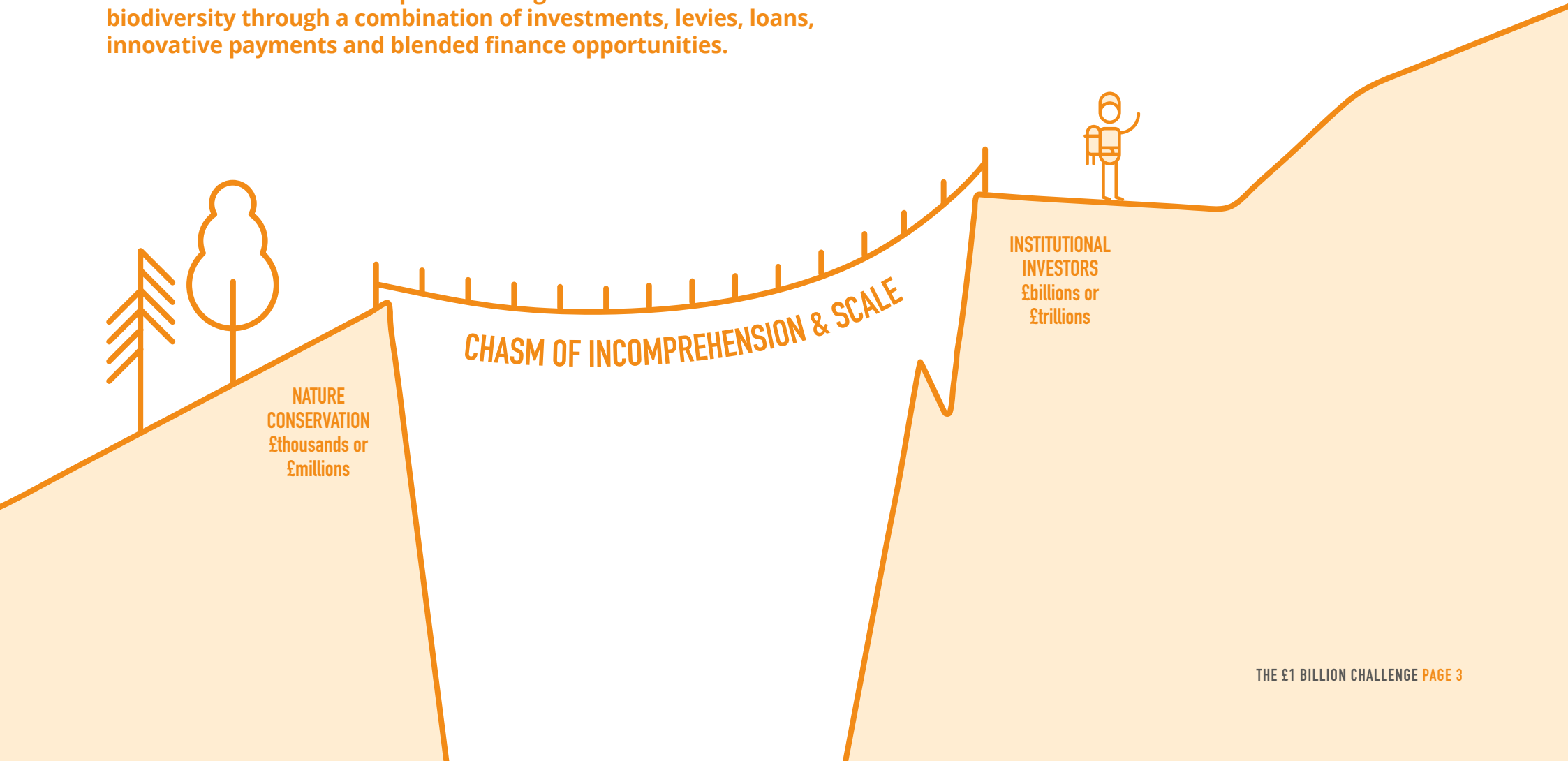
Sustainable Development Goals delivered:



Status of the initiative:



We believe that, collectively, the nine stages of the journey outlined in this document offer the potential to generate £1 billion for biodiversity through a combination of investments, levies, loans, innovative payments and blended finance opportunities.



CONTENTS

- 2 Introduction
- 5 A guide to planning the route
- 7 Essential support for the journey
- THE JOURNEY**
- 8 **NATURAL CAPITAL PIONEER FUND**
- 9 **NATURE-CLIMATE BOND**
- 10 **INVASIVE NON-NATIVE SPECIES LOANS**
- 11 **MARINE FUND**
- 12 **VACANT AND DERELICT LAND FUND**
- 13 **LANDSCAPE ENTERPRISE NETWORKS (LENs)**
- 14 **NATURE-BASED CARBON PAYMENTS: 'CARBON PLUS'**
- 15 **NET POSITIVE FOR NATURE**
- 16 **BLENDED FINANCE: RIVERWOODS**
- 18 Next steps
- 19 Acknowledgements



A GUIDE TO PLANNING THE ROUTE

For others developing similar initiatives

Establish a core team

Ensure a partnership agreement is in place, appoint a Project Manager, establish a Steering Group and set up a core team between the partners.

Set high-level goals

Agree the overarching aims of the project and how these link with existing government priorities and international agreements such as the Sustainable Development Goals. Focus on demonstrating impact.

Begin research

Draw on existing contacts, undertake desktop research and learn from the latest developments in conservation finance internationally, looking at the full range of environmental, social, economic and financial value created.

Build networks

Build strong networks of environmental practitioners, finance experts and others who will provide insights, advice and support. Partner with other initiatives where appropriate.

Identify roles for stakeholders

Create a stakeholder map setting out how organisations and individuals can play a role, as experts, influencers, connectors, enablers, investors, delivery partners and purchasers.

Establish a Leadership Group

Identify senior representatives from public, private and third sector organisations to bring collective leadership in an advisory capacity. Focus on expertise, passion and an interest in seeing the project succeed.

Go public

Choose a theme and name which captures a need. Invite organisations to join a network of pioneers, emphasising the need for multi-disciplinary collaboration across sectors, in order to unlock the full range of benefits.

Engage with stakeholders and experts

Hold meetings, workshops and conversations with a wide variety of stakeholders and experts who will help shape an emerging set of opportunities and priorities. Partner with others to increase the project's reach.

Navigate obstacles

Focus on the clarity and simplicity of the overall goal when encountering inevitable obstacles and be prepared to look for different routes around these.

Identify potential early adopters

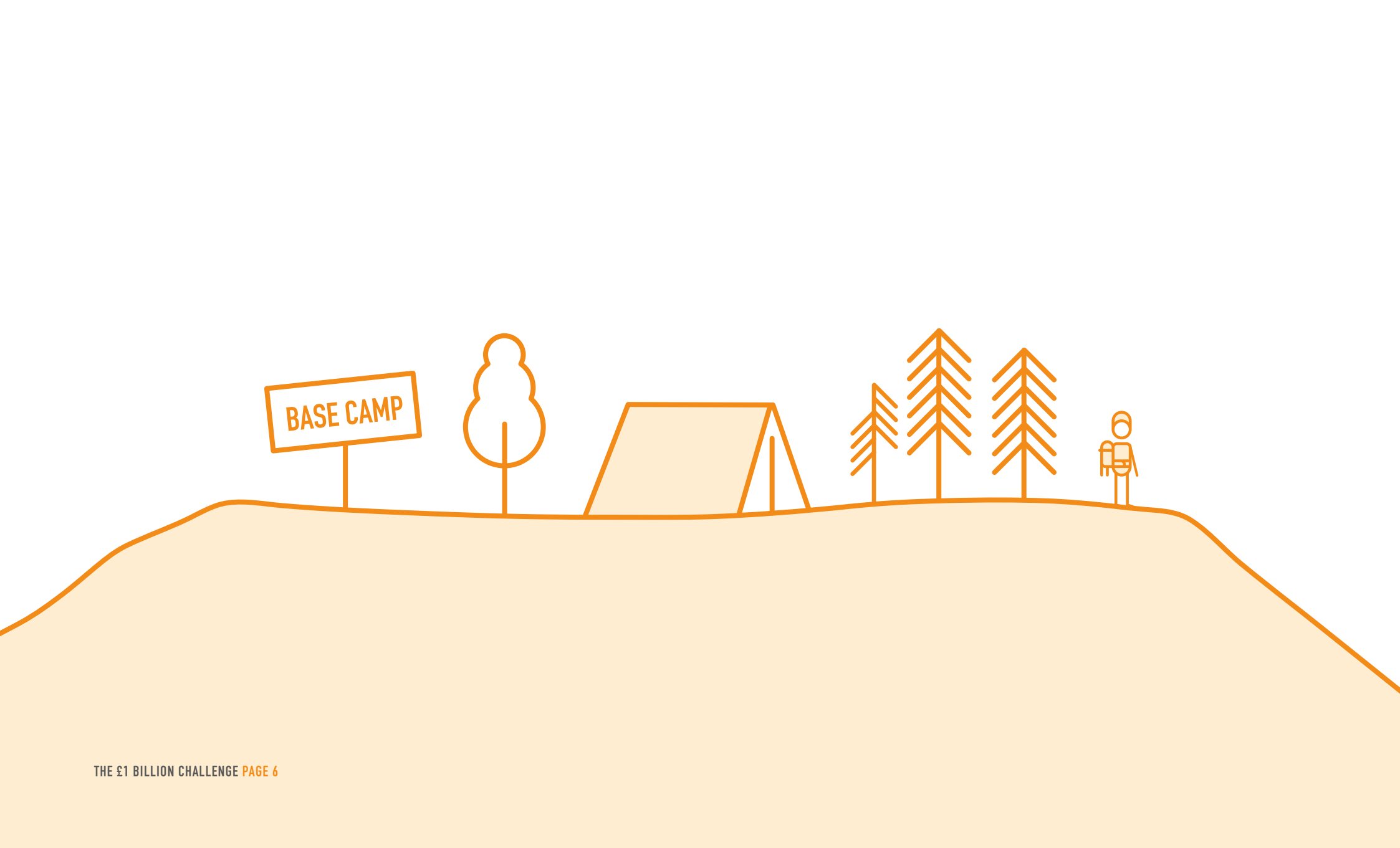
Identify players who have an interest in breaking new ground and hold in-depth conversations to explore the opportunities and benefits more fully.

Develop priorities collaboratively

Shortlist opportunities with the greatest potential and workshop these with stakeholders and experts in order to identify where there are gaps and which activities might be combined for greatest impact.

Settle on a route that best suits the needs of the group and the nature of the terrain

Recognise that there will be more than one route and choose the path that best meets the needs of those who plan to travel along it.



ESSENTIAL SUPPORT FOR THE JOURNEY

In the process of mapping out a possible route to the first £1 billion of new investment in nature conservation in Scotland, it became clear that some essential support for the journey will be required in the medium term – in effect, an ‘enabling framework’ – to allow collective efforts to succeed.

Policy coherence

As industry participants in this project pointed out early on, there would be little sense in aiming to bring new investment into nature conservation if government policy were pulling in a different direction. The Scottish Government has already demonstrated leadership in recognising that a healthy natural environment is fundamental to a healthy and resilient economy. There are now opportunities to achieve alignment across key policy areas including land management subsidies, Regional Land Use Partnerships, the National Infrastructure Plan, National Planning Framework 4, the Climate Change Plan, Scotland’s Green Investment Portfolio and the new Scottish National Investment Bank.

Advice and support

A range of support will need to be in place if Scotland is to reap the full economic, social and environmental benefits that can be delivered through conservation finance. These include mentoring, skills building, knowledge exchange, brokerage and incubator services, as well as seed funding. Some of these could be delivered through existing programmes and organisations, while others are likely to require a more bespoke approach.

Co-ordination of activities

It will be important to co-ordinate action across sectors if we are to see conservation finance grow rapidly and achieve positive outcomes. An essential part of this will include the development of common metrics to measure success, both from an ecological perspective and to meet the needs of investors and other stakeholders.

The following pages contain the nine stages of the journey. In reality, these will not necessarily happen in this order and many will progress simultaneously. See page 18 for next steps.



NATURAL CAPITAL PIONEER FUND



What's the opportunity?

The Natural Capital Pioneer Fund would use a tried and tested model to target enterprises looking to grow or change their business activities in order to help biodiversity. The fund would offer unsecured loans, delivering both seed and accelerator funding, to businesses not yet able to access traditional lending due to the size of their asset base.

Where would the money come from?

Impact investors would provide capital, supplemented by grant funding in the early stages, to businesses meeting an agreed set of criteria. Profits from these businesses would then enable investors to be repaid with interest. The Pioneer Fund would be an 'Evergreen Fund', meaning that investors can come and go and that the fund lasts indefinitely.

How will this help biodiversity?

The fund would boost innovation and investment into businesses that are reducing, and ultimately helping to reverse, biodiversity loss. For example, they might be developing innovative nature tourism models, restoring oyster reefs, building sustainable fisheries models to complement Marine Protected Areas, promoting food products based on conservation-friendly agriculture or developing peat-free composts to reduce impacts on peatlands. The fund would be managed by conservation finance specialists and overseen by an investment committee that ensures all investments follow criteria set up to deliver positive benefits to biodiversity.

What are the other benefits?

By catalysing growth and attracting impact investors, the fund would help build and strengthen the pipeline of environmental enterprises in Scotland. This is a key opportunity to implement Scotland's existing commitment to delivering the Sustainable Development Goals and, by extension, the National Performance Framework.

Who are some of the key players?

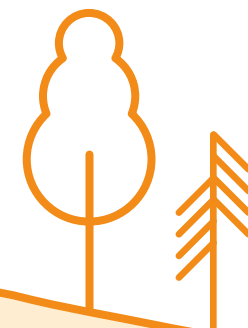
This initiative is being led by Conservation Capital, which has mobilised and structured more than US\$250 million of finance into enterprise-driven conservation projects across 27 countries in Africa and Europe.

— SUSTAINABLE DEVELOPMENT GOALS —



“Enterprises in which we've been involved to date now generate more than US\$50 million in commercial revenues per annum and over US\$15 million in direct cash flow support to conservation. In time, a nature-based economy in Scotland could generate even greater impact.”

Neil Birnie
Chief Executive,
Conservation Capital



NATURE-CLIMATE BOND



What's the opportunity?

A Nature-Climate Bond would be the first of its kind, offering a holistic approach to funding action on climate change and biodiversity loss with engagement from local residents. The model allows cross-subsidy of 'hard-to-value' interventions by more mainstream green initiatives.

Where does the money come from?

Local Authorities would issue the bonds direct to the public via a crowdfunding platform. The initial capital investment would come from a broad range of interested investors who could invest from as little as £5. The return to investors would come from a combination of long-term savings made by some of the interventions and income generated by others. Due to the low-cost nature of crowdfunding, this type of bond can be issued via a low-risk, easy-to-use online process with attractive borrowing rates and terms.

How will this help biodiversity?

The bonds could fund nature-based solutions, such as the creation and enhancement of biodiverse green spaces and sustainable urban drainage systems. This would provide vital habitat and connectivity benefits for species, as well as mitigation, adaptation and resilience to climate change. Further indirect benefits to biodiversity would also be delivered through wider climate action, including green energy generation and local food growing opportunities.

What are the other benefits?

With resources already stretched and many 'easy wins' in a climate context already delivered, the challenge to reach Net Zero is one of the biggest facing Local Authorities. This model provides a cost-effective opportunity to tackle the climate emergency hand in hand with the biodiversity crisis, creating lasting benefits for local communities.

Who are some of the key players?

Abundance Investment, a crowdfunding investment platform that has been at the forefront of financial innovation since 2012, is working with City of Edinburgh Council to develop this model.

“By bringing together the traditional green bond model with a chance for citizens and residents to invest in their future, we can help achieve transformative change. The Nature-Climate Bond would be a first of its kind, tackling climate change and biodiversity loss together.”

Louise Wilson
Joint Managing Director,
Abundance Investment

SUSTAINABLE DEVELOPMENT GOALS



INVASIVE NON-NATIVE SPECIES LOANS



What's the opportunity?

Invasive non-native species (INNS) are estimated to cost the Scottish economy in excess of £200 million each year, as well as being a major contributor to biodiversity loss. There is an urgent need to move from constant management towards prevention, which makes sense both economically and ecologically. To date, it has been hard to finance the necessary interventions at scale, but we have identified a potential opportunity for mainstream commercial bank loans to enable this transformative shift. This would be a new, innovative loan that has not, to our knowledge, been launched anywhere else.

Where does the money come from?

Loans would be made available to organisations looking to put in place biosecurity measures to prevent the arrival or spread of INNS, and to help eradicate INNS in Scotland. These could potentially be paid back from future savings on the costs of management.

How will this help biodiversity?

As a problem, INNS are recognised as one of the five principal drivers of biodiversity loss globally. Removing the problem at source would therefore relieve one of the main pressures on biodiversity in both terrestrial and aquatic environments. As the benefits of prevention become fully recognised, biosecurity approaches are likely to become increasingly important.

What are the other benefits?

Avoiding the impacts of INNS on water supply and power regeneration would increase the resilience of our infrastructure. Strategic control of invasive plants would protect communities from the cost of managing Japanese knotweed and the human health impacts of giant hogweed. Improving biosecurity measures would also prevent new introductions of pests and diseases that could cause substantial losses to our natural environments, crops, forests and horticultural trade.

Who are some of the key players?

Scottish Natural Heritage, SEPA, Scottish Wildlife Trust, RSPB, British Ecological Society and British Marine have all helped scope out this potential opportunity, in discussion with Lloyds Bank and with input from our Expert Finance Group.

“*Invasive non-native species have a huge impact on our nature and its health. It would be fantastic if, by investing in preventative measures, businesses could help to guard Scotland's nature from this growing threat as well as protecting their own property.*”

Francesca Osowska
Chief Executive,
Scottish Natural Heritage

SUSTAINABLE DEVELOPMENT GOALS



MARINE FUND

CONCEPT
STAGEACTIVE
DEVELOP-
MENTREADY
TO GO

What's the opportunity?

A Marine Fund, financed by contributions from industries that rely on the marine environment, would provide much-needed support for projects focused on improving marine health.

Where does the money come from?

Revenue could come from a number of industry sources and could be in the form of contributions or voluntary levies.

How will this help biodiversity?

A Marine Fund would support conservation and restoration activities, which could include restoration of habitats such as seagrass meadows, work to help the recovery of species such as puffins, development of innovative management approaches and applied research, as well as blue carbon habitat management and enhancement.

What are the other benefits?

In addition to helping Scotland meet its commitment to reaching Net Zero by 2045 and realising a healthy and resilient natural marine environment, a Marine Fund could provide important economic opportunities for coastal communities through procurement of services and direct employment. Increasing the resilience of the marine environment would also bring important benefits for the industries which rely on it for their future success, for example by improving habitats for seabirds, commercial fish and shellfish populations. The establishment of a Marine Fund would be a commitment to improving the health of this vital natural asset and a signal that this is a shared responsibility of all marine industries and users.

Who are some of the key players?

RSPB Scotland and the Scottish Wildlife Trust are calling for the creation of a Marine Fund, which also has strong endorsement from Scottish Environment LINK. Marine Scotland, Scottish Natural Heritage and Crown Estate Scotland are supportive of the concept and have begun discussions with representatives in some industries over how such a fund could function.

“ *Creating a Marine Fund offers the opportunity to enable direct investment in improving environmental resilience and promoting recovery, working together with those commercial sectors who use, rely upon and benefit from our natural marine environment.”*

Anne McCall
Director, RSPB Scotland

SUSTAINABLE DEVELOPMENT GOALS



VACANT AND DERELICT LAND FUND



What's the opportunity?

Scotland's Vacant and Derelict Land Taskforce is working to bring vacant and derelict land back into productive use. Contributing to the work of the Taskforce through a 'Spotlight Project' within *The £1 Billion Challenge*, we have identified 168 publicly owned sites that have been vacant and derelict for at least 20 years and which, as a proof of concept, could be transformed to deliver environmental and financial benefits.

Where does the money come from?

Investors would put money into the restoration of degraded sites in order to transform them into profitable business opportunities that deliver biodiversity benefits. Suitable sites could potentially be sold directly to investors for pre-approved green businesses. Alternatively, a commercial Vacant and Derelict Land Fund could be created, which would allow site owners to attract investment in the remediation of identified sites. The financial return would come from the sale or leasing

of restored sites for pre-approved biodiversity-related business purposes. Vertical farming is one such innovative opportunity and involves growing food and other produce indoors with a greatly reduced environmental footprint.

How will this help biodiversity?

Restored sites could accommodate environmental enterprises designed to help biodiversity, for example by reducing pressures associated with intensive agriculture. In some locations, restored sites could also improve connectivity for biodiversity by filling key gaps in habitat networks.

What are the other benefits?

Most of the identified sites are close to communities which are experiencing significant levels of social, economic and environmental disadvantage. Restoration of these sites will provide access to green space (with its attendant wellbeing benefits), employment opportunities and improved quality of place. Low carbon uses will contribute to Scottish

Government climate commitments. Natural infrastructure within sites will reduce local climate change impacts.

Who are some of the key players?

The Scottish Land Commission, Central Scotland Green Network Trust, James Hutton Institute and SEPA have collaborated to identify this opportunity with input from *The £1 Billion Challenge* Expert Finance Group.

SUSTAINABLE DEVELOPMENT GOALS



“ Attracting investment in derelict sites in some of Scotland's most disadvantaged communities will unlock opportunities to strengthen a fair and green economy, delivering for nature and people in places where it can have big impacts.”

Hamish Trench
Chief Executive,
Scottish Land Commission



LANDSCAPE ENTERPRISE NETWORKS

CONCEPT
STAGEACTIVE
DEVELOP-
MENTREADY
TO GO

What's the opportunity?

To help achieve the pace and scale of action needed to address climate change and biodiversity loss, the LENS initiative draws different organisations and sectors together to deliver effective investment in our landscapes and the benefits they can bring. It's a model based on collaboration and collective action, which enables a range of organisations to 'own' the process in their own region.

Where does the money come from?

By helping businesses understand their dependencies on nature and the risk that, without investment, natural assets will be unable to support their businesses in the future, LENS provides a compelling business case for investing in the landscape. LENS provides a platform to aggregate 'payments for ecosystem services', and can also blend these investments with public funding to enable delivery of further 'public goods'. It is designed to be an efficient model for enabling investment and action, and provides a platform for financial institutions to invest in the future.

How will this help biodiversity?

LENS helps businesses re-invest in the natural assets on which they depend. Biodiversity benefits directly, though increased investment in natural habitats, and improved connectivity across landscapes.

What are the other benefits?

LENS focuses on developing multifunctional landscapes matched to the needs of the regional economy and society. This delivers benefits ranging from climate change mitigation and flood risk reduction, to water quality improvements, health benefits and placemaking. By creating a resilient and healthy environment in which businesses can thrive, investment in nature becomes an investment in prosperity and jobs.

Who are some of the key players?

LENS was founded by Nestlé and 3Keel. Partners come from a range of sectors including water utilities, linear infrastructure, housing, insurance, retail and farming, as well as national

and international conservation NGOs. In Scotland, SEPA, Scottish Natural Heritage and the Scottish Wildlife Trust are working with LENS to optimise impact for businesses, communities and the environment.

“ *Businesses, communities and individuals are critically reliant on healthy, multi-functional landscapes. LENS helps organisations understand their specific dependencies and enable shared interest investment back into these landscapes, to deliver efficient impact, at scale* ”

Andy Griffiths

Head of Value Chain Sustainability,
Nestlé UK Ltd

SUSTAINABLE DEVELOPMENT GOALS



NATURE-BASED CARBON PAYMENTS: 'CARBON PLUS'



What's the opportunity?

To achieve Net Zero by 2045 we need a dramatic reduction in fossil fuel emissions plus investment in natural systems. Scotland is well positioned to champion nature-based solutions within carbon markets, tackling the twin emergencies of climate change and biodiversity loss simultaneously. As a nation we could provide a framework that offers clarity, confidence and certainty of outcomes to businesses and others looking to contribute financially towards climate mitigation.

Where does the money come from?

Organisations and individuals committed to reducing their emissions overall and wanting to go further by offsetting any *unavoidable* emissions would be able to purchase nature-based carbon credits and other bundled benefits, using recognised carbon market standards such as the Peatland Code and Woodland Carbon Code.

How will this help biodiversity?

By restoring peatlands, expanding native woodland, improving the marine environment and greening our cities, we can lock up enormous quantities of carbon whilst also providing vital habitat for biodiversity. Nature-based carbon payments will need to sit alongside a strong commitment to reducing fossil fuel emissions and to achieving Net Zero, along with an adherence to a strict set of principles, including best ecosystem management, transparency, additionality, clear metrics, permanence, proper monitoring and no double-counting.

What are the other benefits?

This approach could reduce costs to business and society, and boost tourism. Investing in our natural environment also brings health and wellbeing benefits, and targeted intervention can help tackle inequality by improving access to quality green spaces in urban communities.

Who are some of the key players?

This is an area being explored by a number of players within the public sector, environmental organisations and the business community in Scotland. This is an opportunity to set the bar high and provide a premium product delivering multiple benefits.

— SUSTAINABLE DEVELOPMENT GOALS —



“ Our climate change and biodiversity emergency demands an urgent response. Repairing the UK's damaged peatlands offers a nature-based solution but needs joint investment from the public and private sectors to meet the scale of the challenge.”

Clifton Bain
 Director,
 IUCN UK Peatland Programme



NET POSITIVE FOR NATURE

CONCEPT
STAGEACTIVE
DEVELOP-
MENTREADY
TO GO

What's the opportunity?

Pressure on Scotland's environment from development is increasing, but if we are to achieve climate and biodiversity objectives, this cannot be at the expense of nature. A well designed Net Positive for Nature framework could offer the potential to benefit nature through compensatory investment from developers, whilst only enabling appropriate developments to go ahead.

Where does the money come from?

The money would come directly from developers (or indirectly from landowners selling land for development), but to ensure success for both biodiversity and local communities, a strategic framework needs to be created with input from relevant stakeholders.

How will this help biodiversity?

Net Positive for Nature is an approach that requires developers to invest back into nature (according to a strict mitigation hierarchy) so that any damage to biodiversity is outweighed by even greater benefits to biodiversity, as assessed by appropriate experts. Compensatory measures can be used to create habitat in the most 'useful' places for nature, improving connectivity and overall ecosystem health. There are areas where development is not appropriate at all, but where developments are suitably sited, Net Positive can be a win-win which prevents the erosion of our natural assets.

What are the other benefits?

Current environmental compensatory schemes are ad hoc; innovation in this area could be transformative. As part of a strategic approach to planning natural infrastructure within our communities, nature-based solutions relating to health and wellbeing, carbon storage, water management and flood prevention can be delivered. Creating more desirable places to live and work also brings economic benefits for leisure and tourism.

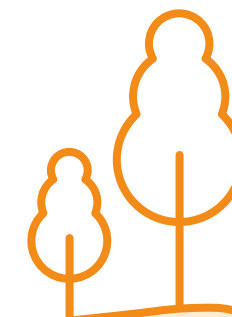
Who are some of the key players?

Individual companies have been looking at this, but it could be taken up at a Scotland-wide scale through the Scottish National Planning Framework. Input from across the public, private and third sectors will be essential to its success.

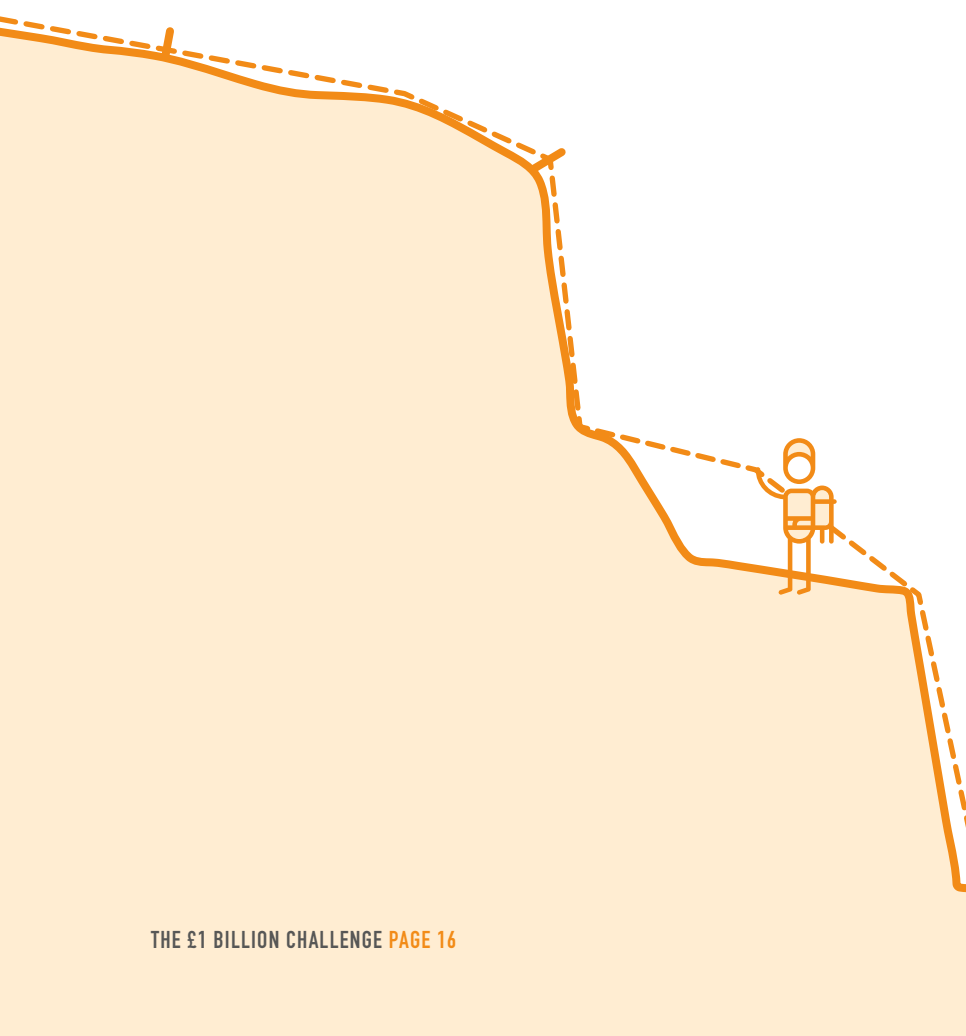
“The planning system is a powerful tool and developing more ways to ensure it works as hard as possible to support biodiversity and conservation outcomes is hugely important.”

James Stuart
Convener,
Loch Lomond & The Trossachs National Park

SUSTAINABLE DEVELOPMENT GOALS



BLENDED FINANCE: RIVERWOODS



What's the opportunity?

Within a government regulatory environment that seeks to avoid damage to natural systems, blended finance can be used to fund landscape-scale initiatives that deliver positive outcomes for biodiversity alongside other benefits with a financial or economic return. Riverwoods is a 'Spotlight Project' within *The £1 Billion Challenge* that is being used to help develop this model in Scotland.

Where does the money come from?

Blended finance projects traditionally combine private investment with support from government, grantmakers or philanthropists. The main opportunities in development for Riverwoods include voluntary payments for nature-based carbon credits, a Riverwoods Land Fund using Conservation Covenants, and the development of a Riverwoods Bond. The latter would allow investors to provide upfront capital that is paid

back over time using a combination of contractual payments and levies from beneficiaries, blended with government and/or philanthropic support.

How will this help biodiversity?

Ecological restoration is needed at scale in order to reverse the serious declines in biodiversity that have been seen in Scotland and elsewhere. To date, it has been difficult to identify sources of funding that go beyond traditional government spending and philanthropic support. This has limited the speed and scale at which ecological restoration can take place, despite the urgency of the problem.

Riverwoods is an ambitious initiative, launched in early 2019, to create a network of riverbank woodlands supporting healthy and resilient river systems across the whole of Scotland. The project brings together a wide range of partners to identify where riparian

woodland can be better managed and lost woodland corridors recreated.

Riparian woodland is particularly important to biodiversity because of the complex interactions between species where land meets water. Trees help stabilise river banks and prevent erosion, which in turn helps improve water quality. Trees also provide shade, which helps regulate water temperature, while falling leaves and insects provide an important food source for fish and other aquatic animals. Healthier fish populations in turn support other wildlife such as goosander ducks and ospreys. In addition, greater connectivity enlarges habitat, allowing species to move more freely through the landscape to find food or shelter, and increasing resilience to external pressures.

What are the other benefits?

As well as providing benefits for biodiversity, riparian woodland provides a host of benefits to people.

In the fight against climate change, riparian woodland not only helps lock up carbon in trees and soil but also provides improved flood resilience for local communities, reductions in water treatment costs and water cooling effects that help salmon fisheries and the whisky industry.

Who are some of the key players?

Riverwoods is a partnership project led by the Scottish Wildlife Trust, whose Steering Group includes Scottish Natural Heritage, SEPA, Tweed Forum, Confor, James Hutton Institute, University of Edinburgh's Centre for Sustainable Forests and Landscapes, Woodland Trust Scotland, Scottish Forestry and Scottish Water. Other stakeholder organisations involved in helping to shape the project and the associated blended finance opportunities include National Farmers' Union Scotland, Forest Carbon and Abundance Investment.

“*Scotch Whisky's heritage, production and global popularity are rooted in the natural landscape of Scotland. The Scottish Wildlife Trust's action to kick-start nature-based initiatives that will improve biodiversity is an excellent example of what is possible when stakeholders collaborate.*”

Morag Garden
Head of Sustainability and Innovation,
Scotch Whisky Association



SUSTAINABLE DEVELOPMENT GOALS



NEXT STEPS

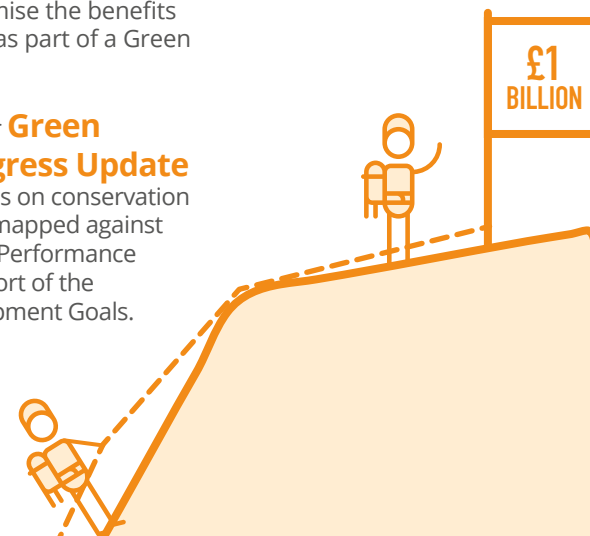
Our Route Map has been created collaboratively and is more important than ever as the world looks to deliver a Green Recovery.

Elements of it will be truly groundbreaking if the path set out is taken. In the next phase, multiple players (many of whom are listed in this document) will take the lead and new governance structures are likely to emerge.

In order to implement this Route Map, and enable Scotland to become a leader in this field, we recommend five next steps:

1. Establish a **Scottish Conservation Finance Fund** to help accelerate private investment, facilitate innovation, promote good governance, support the development of common metrics and scale up knowledge exchange.
2. Prioritise **landscape-scale opportunities** that can drive impact and test investment concepts at scale, supporting the rural economy sustainably and for the long term.
3. Launch a world-leading **Skills for a Green Recovery** programme, enabling providers of business support services to assist clients in identifying opportunities to invest in positive action for biodiversity and climate change, while also benefiting the bottom line.
4. Embed a new **Green Coherence Principle** in all future government policies and policy reviews, in order to reduce the hidden costs of damage to biodiversity, improve climate resilience and optimise the benefits of public spending as part of a Green Recovery.
5. Publish a regular **Green Recovery Progress Update** with specific updates on conservation finance outcomes, mapped against Scotland's National Performance Framework in support of the Sustainable Development Goals.

A resilient and healthy natural environment is critical to our future. The opportunities within this Route Map can help deliver new jobs, improve health outcomes and increase the resilience of our economy, all while generating the vital new investment and support that is needed for biodiversity.



WITH THANKS TO...

Many people in Scotland (and beyond) contributed to this project through meetings, workshops, phone calls and correspondence.

Each gave their time for free in order to help advance common goals. Beyond the core project team within SEPA and the Scottish Wildlife Trust, and those quoted elsewhere in this document, we would particularly like to acknowledge the contribution of the organisations and individuals listed here in helping to shape this Route Map.

Leadership Group

- Alisdair Wiseman, Innovation Zone (Facilitator)
- Terry A'Hearn, Chief Executive, SEPA
- Jo Pike, Chief Executive, Scottish Wildlife Trust
- Francesca Osowska, Chief Executive, Scottish Natural Heritage
- Neil Birnie, Chief Executive, Conservation Capital
- Stuart Goodall, Chief Executive, Confor
- James Stuart, Convener, Loch Lomond & The Trossachs National Park
- John Rowan, Group Treasurer, Provident Financial Plc
- Charlotte Wright, Chief Executive, Highlands and Islands Enterprise
- Deryck Irving, Acting Chief Executive, Central Scotland Green Network Trust
- Simon Hodgson, Chief Executive, Forestry and Land Scotland
- Mark Williams, Environmental Regulation and Climate Change Manager, Scottish Water
- Andy Kerr, Director, UK & Ireland, EIT Climate-KIC

Expert Finance Group

(Innovative Finance Sub-Group of the Scottish Forum on Natural Capital)

- Richard Mattison, Chief Executive, Trucost
- Neil Birnie, Chief Executive, Conservation Capital
- David Walker, Senior Advisor, Asper Investment Management
- John Rowan, Group Treasurer, Provident Financial Plc
- Julie Wilson, Scottish Government Chief Economist Directorate
- Nick Lyth, Co-Founder and Chief Executive, Green Angel Syndicate
- David Wood, Senior Policy Director, ICAS
- Alan Hampson, Head of Business Services and Transformation, Scottish Natural Heritage
- Edward Whitten, Impact Analyst – Positive Change Fund, Baillie Gifford

Thanks also to

- Scottish Forum on Natural Capital
- Coalition for Private Investment in Conservation (CPIC)
- Paul Walton, RSPB Scotland
- Maggie Keegan, British Ecological Society
- James Scott-Anderson, British Marine
- Jonny Hughes, IUCN Council, and Scottish Wildlife Trust Ambassador

To find out more about any of the initiatives outlined in this document, please contact Rory McLeod, Project Officer, Scottish Forum on Natural Capital at rmcleod@scottishwildlifetrust.org.uk

The following organisations signed up to the network of Scottish Conservation Finance Pioneers and helped shape the conversation through a series of events and workshops.

Borders Forest Trust

Central Scotland Green Network Trust

Confor

Conservation Capital

City of Edinburgh Council

Ferry Hydro

Forest Carbon Ltd

Forestry and Land Scotland

Highlands and Islands Enterprise

IEMA

Jacobs UK Ltd

John Muir Trust

Loch Lomond & The Trossachs National Park

Marine Conservation Society

National Trust for Scotland

Ridrum Group

Royal Zoological Society of Scotland

RSPB Scotland

Scottish Borders Council

Scottish Natural Heritage

Scottish Water

Scottish Wildlife Trust

SEPA

Shetland Amenity Trust

Southern Uplands Partnership

Sustainable Scotland Network

The Heather Trust

Tweed Forum

Woodland Trust Scotland

Zero Waste Scotland

The Scottish Conservation Finance Project was led by:



The Scottish Environment Protection Agency (SEPA) is Scotland's principal environmental regulator. It is a non-departmental public body of the Scottish Government. The Scottish Wildlife Trust is a Scottish registered charity (SC005792) and a company limited by guarantee, registered in Scotland (SC040247). Its registered office is Harbourside House, 110 Commercial Street, Edinburgh EH6 6NF.