

# Boost to drive investment in Essex, Norfolk and Lincolnshire environment

A range of pioneering nature projects are to benefit from a new fund driving private investment in the environment and tackling climate change.

Announced by Defra, the Environment Agency and Natural England, these include restoring kelp forests and creating new woodland to improve water quality. These plans are among 27 schemes chosen across England.

Organisations have been awarded upto £100,000 each, as part of the ground-breaking £10 million Natural Environment Investment Readiness Fund.

The funding will be used to develop the projects to the point they can provide a return on investment. They will do this by capturing the value of carbon, water quality, biodiversity and other benefits provided by natural assets. These include woodlands, peatlands, catchments and landscapes.

Funding has been awarded to environmental groups, businesses and local authorities to develop projects that protect and enhance nature. The projects must also demonstrate innovative approaches to generating revenues from the wide range of benefits that nature provides. The 4 local projects that will benefit from the investment readiness fund are:

- UK Centre for Ecology & Hydrology (Essex) will receive £99,931 to develop a saltmarsh code to support habitat restoration activities in 4 sites in England. This will include the RSPB's Old Hall Marshes at Maldon. The project seeks to develop a rigorous and scientifically based voluntary certification standard for those that want to market the climate benefits of saltmarsh restoration.
- Norfolk Rivers Trust will receive £70,000 to finance wetlands using environmental impact bonds. It aims to reduce phosphates and other pollutants entering the River Stiffkey, reducing the harm to biodiversity.
- Norfolk Wildlife Trust will receive £99,718 for the Wendling Beck Exemplar Project that will transform farmland through river restoration, grassland and wetland creation.
- Lincolnshire Wildlife Trust will receive £100,000 for the Green Investment in Greater Lincolnshire project. This will establish market procedures to trade biodiversity, carbon and water credits. These will be generated through improvements to agricultural land at a landscape scale, by working with landowners to identify nature-based solutions.

Revenues will be generated through the sale of carbon and biodiversity units, natural flood management benefits and through reduced water treatment costs. In developing these revenue streams, the fund will help create a pipeline of projects for the private sector to invest in. It will also develop new funding models that can be scaled and replicated elsewhere.

Projects receiving funding focus on tackling climate change and restoring nature through schemes such as woodland and habitat creation, peatland restoration, sustainable drainage and river catchment management.

Examples include developing a carbon credit model for saltmarshes across England and kelp forest restoration off the Sussex coast. Other projects include woodland creation in North Yorkshire and peatland restoration in Greater Manchester.

Environment Minister Rebecca Pow said:

To tackle the environmental challenges we face from climate change and biodiversity loss, it is crucial that domestic natural environment projects are able to attract private investment alongside support from the public sector.

Unleashing innovation and growing new sources of finance, such as through the Natural Environment Investment Readiness Fund, are fundamental for delivering nature recovery. Also developing nature-based solutions to achieve net zero carbon emissions by 2050.

Chair of the Environment Agency Emma Howard Boyd said:

With the right structure, nature-based projects can be scaled up by private finance, helping to reduce emissions, prepare for climate shocks and create jobs.

From a new business model for multi-functional forestry in Yorkshire, to an investment fund to transform farmland in Norfolk. These projects will provide evidence of funding models to make industries fit for the future, reach net zero by 2050, and create a nature positive future.

With COP26 coming to the UK this year, this demonstrates how to create investable propositions for nature based solutions to the climate emergency.

Tony Juniper, Chair of Natural England, said:

Restoring Nature is essential for tackling climate change and supporting a strong, sustainable economy. Mobilising private finance can make a huge contribution to this and NEIRF is among the

steps needed right now to help unlock that investment.

I am very pleased that Natural England is providing technical input into the fund. We are helping to identify projects that will enable the public, private and charitable sectors to collaborate in genuine partnership to deliver nature recovery and action on climate change.

Working on behalf of Defra and the Treasury, the Environment Agency, Natural England and the Access Foundation for Social Investment will support the projects. The knowledge generated will be available to the public to encourage similar approaches to access private sector finance for nature projects in the future.

The Green Finance Institute (GFI) has supported DEFRA and the Environment Agency throughout the Fund's launch. This has included leading a series of educational workshops for interested applicants, and acting as third party assessor and advisor over the application and awards process.

Chief Executive of the GFI Dr Rhian-Mari Thomas said:

The recent Dasgupta Review made clear the value of nature to our economy and society and the need for investment in nature-positive projects. The Fund will accelerate private investment in nature, as will the learnings derived from the successful applicants and their projects. We look forward to continuing our support for this transformative initiative.

Subject to confirmation, the Environment Agency and Defra are planning to launch a further application round later this year.

Since the Prime Minister's 10 Point Plan publication we have enshrined the UK's sixth carbon budget in law. Proposing a target which would reduce greenhouse gas emissions by 78% by 2035 compared to 1990 levels.

We are also encouraging countries to join the UK's call to protect at least 30% of the global ocean within Marine Protected Areas (MPAs) by 2030, as announced by the UK at the UN General Assembly in September 2018. We were also the first major economy to set a legally binding net zero greenhouse gas emissions target by 2050.