

BIODIVERSITY IS THE NEXT BIG ISSUE

- FIRST SCHEME ANNOUNCED TO ENCOURAGE DEVELOPERS TO FUND CONSERVATION

27 May 2010: Government and local authority funds will now be so stretched that the gap between the money we need for biodiversity and landscape conservation and that which is available to spend on it, will increase dramatically, just at a time when we should be recognising the importance of the natural environment to our survival. To bring in private sector funding an original scheme is being launched today, revolutionizing the way we use land. This pilot scheme, announced by The Environment Bank Ltd (www.environmentbank.com), will facilitate and broker large scale funding into the natural environment to improve the quality of natural landscapes and redress the biodiversity lost from development and intensification of agriculture. It will be paid for entirely by developers, not the tax payer.

The scheme works by incentivising developers to buy Conservation Credits (or Ecocredits) to compensate for the ecosystem services lost by new development and aims to restore extensive areas of land to create new wildlife habitats, provide flood mitigation and store carbon.

The first pilot scheme and the UK's largest conservation initiative is the Thames Headwaters Conservation Credits Project, run in partnership with the Wildfowl & Wetlands Trust and three wildlife trusts – Wiltshire, Gloucestershire, and Berks Bucks and Oxon. Conservation Credits will be used to fund conservation and other ecosystem services over 1,000 square miles of land to reconnect fragmented habitats. The ecosystem approach to land use will involve the creation of wildlife corridors, wetlands, woodlands and diverse grasslands across Gloucestershire, Wiltshire and Oxfordshire. It will repopulate the landscape with native species of flora and fauna lost to 60 years of intensive land use, filter fresh water, enable climate change adaptation as well as providing attractive places to visit.

This huge project will involve a partnership between The Environment Bank, Wildfowl & Wetlands Trust, Wiltshire, Gloucestershire and Berks Bucks and Oxon Wildlife Trusts, and co-operation with seven Local Authorities, Natural England, DEFRA, the Cotswold Water Park and other conservation organisations. This first pilot will show how all these groups might work together on a grand scale to attract over £100 million of contributions, yielding a gross lifetime benefit in the region of £25 billion.

Said Professor David Hill, an Environment Bank founder and its Chairman: "Many countries have already realised that environmental markets have a major role to play in protecting natural resources; in 2008 in the United States, a similar scheme raised over \$3 billion for wetland conservation - the

same amount UK farmers receive annually from the Single Farm Payment. Our approach is based on investing in natural capital, increasing the amount of it and in so doing, improving the ecosystem services asset value of an area for future generations, rather than accepting continued degradation.”

Rob Gillespie, Managing Director of The Environment Bank added: “We believe this pilot should work because it’s the first time we’re applying a market-based mechanism for enormous long-term benefits. Developers can see the benefits of greater clarity in the planning process, more predictable outcomes in terms of the net developable area and faster planning applications, as well as avoidance of costly delay. Land owners gain from a potential additional income stream from implementing and managing ecosystem services, including wildlife conservation, on their land.”

Dr Gary Mantle MBE, Director of Wiltshire Wildlife Trust said: “This is a wonderfully exciting new approach that offers the potential to address the huge ecological deficit we have built up in this country. This is the scale of funding that is needed if we are to restore, protect and enhance the ecological goods and services that each one of us depends upon for our survival. For too long we have eaten away at the natural capital of this country, not only putting our wildlife at risk but people too. We have reached a critical point where urgent action is not only desirable but essential.”

Martin Spray, Chief Executive of the Wildfowl & Wetlands Trust said: “The Trust is excited to be involved in trialling an important concept in this critical wetland landscape. The pilot has the potential for the first time, to account for the impacts of development on the environment, making up for environmental damage in a far more strategic way. It will herald a new dawn for getting more people involved with, investing in, and benefitting from wetland conservation, and has the potential to deliver something on a truly large-scale. This could have untold benefits for wetland wildlife and provide sustainable solutions to many problems facing the area.”

The Environment Bank scheme has a number of supporters including Dr Stewart Thompson, Reader in Ecology at Oxford Brookes University who said: “Employing appropriate site selection techniques for habitat bank locations, in combination with adequately resourced (financially and technically) management such as that provided by The Environment Bank, will go a long way to help reverse the decline in UK biodiversity.”

Environment Agency pilot experience has shown that ecosystem services projects of the type that the Thames Headwaters Conservation Credits Project will support can deliver benefit-to-cost ratios of up to 325:1. This means that for every £10,000 of developer contributions brought into the scheme through habitat banking, there will be a benefit to wildlife and the community that can be measured to be worth up to £3,250,000 over the lifetime of the project.

The Environment Bank

The Environment Bank aims to assist planning authorities in developing habitat banking policy and identify and assess potential landscape scale sites such as ancient woodlands, former quarries or gravel pits with interesting ecology and farmland, all of which could receive funds for enhancement. It will also help land owners put suitable land forward to The Environment Bank's register for identification as conservation sites where environmental enhancement plans would be implemented for those that are chosen to receive funding.