

£97 billion of additional investment needed over next decade to meet UK's nature-related targets

As the Convention on Biological Diversity (COP15) continues, new report reveals that a minimum of £44 - £97 billion of investment is needed to deliver the UK's nature-related ambitions over the next 10 years.

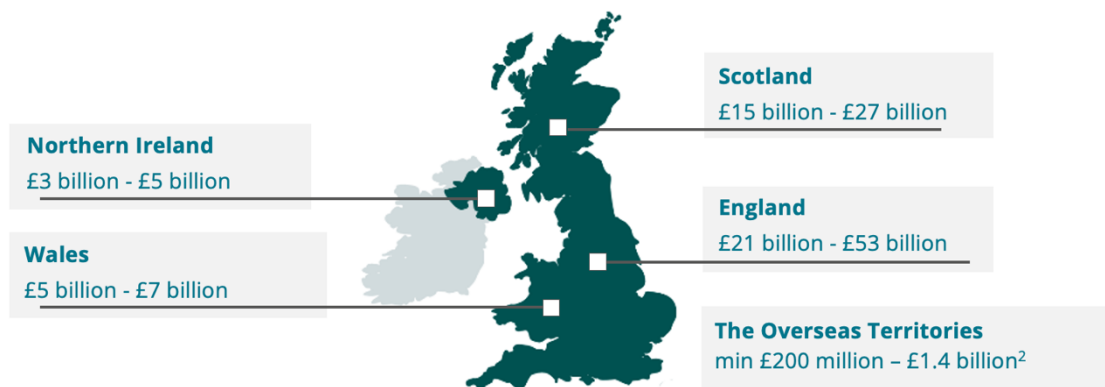
London, October 12, 2021 – Published today, a new report reveals the investment gap to secure key nature-related outcomes in the UK - such as biodiversity protection and restoration - to be between £44 billion and £97 billion over the next 10 years. Commissioned by the Green Finance Institute, the analysis highlights the need for private investment in addition to public sector funding, for the UK to meet its net zero and nature-positive ambitions.

The Finance Gap for UK Nature report outlines the gap between required spending and committed spending associated with the delivery of nature-related outcomes across England, Wales, Scotland, Northern Ireland and the UK's Overseas Territories over the next 10, 20 and 30 years. The largest gap regionally lies within England (£21 - £53 billion over 10 years).

The largest gaps specific to outcomes lie within climate mitigation through biocarbon (£20 billion over 10 years) and the protection and restoration of biodiversity (£19 billion over 10 years) - the latter of which accounts for investment in coverage of protected areas, managing pressures on habitats, increasing species' abundance and reversing losses covering both terrestrial and marine biodiversity.

The Green Finance Institute commissioned environmental economics consultancy, eftec, to identify the extent to which private investment is required to meet the UK's net zero and nature-positive ambitions by investing in nature-enhancing projects. The report now provides the information to understand the scale of investment needed and where investors need to focus.

Where is the Finance Gap? (2022 to 2032)



1. The sum of the gaps for each country does not add up to the total for the UK as spending data on some outcomes are only available for the UK or Great Britain.
2. Only includes spending to increase the proportion of protected and well-managed seas. The ranges of estimates refer to best and worst case scenarios based on available evidence.

Dr. Rhian-Mari Thomas OBE, CEO, Green Finance Institute, said: “The data is conclusive that public investment - even if funding commitments increase - will not be enough to fund the UK’s nature recovery ambitions. Private investment is therefore urgently required in addition to public sector funding if we hope to transition to a net zero and nature-positive economy.”

“Having identified the scale of investment needed, and where it is needed, we must now focus on unlocking barriers to the mobilisation of private finance into nature-positive projects and businesses right across the UK. Harnessing the momentum of the Convention on Biological Diversity COP15 and COP26, there is an opportunity to create high integrity environmental markets and investment opportunities that work for nature, society and the economy to help close this UK finance gap.”

Helen Avery, Head of Nature Programmes, Green Finance Institute, said: “Armed with this data and drawing on the recommendations of the upcoming Financing UK Nature Recovery Coalition report, the Green Finance Institute will be looking to work with the UK finance sector in addition to other key stakeholders to identify the barriers to private capital for priority nature-positive outcomes, and to develop practical solutions to support the growth of investment in nature in the UK.”

Key findings









Seven nature-related outcomes were identified within the scope of the project, and, where data allowed, outcome-specific funding gaps have been identified for the UK and the devolved administrations.

Finance gap by location and outcome for next decade (Central estimates)

	UK ¹	England	Wales	Scotland	Northern Ireland
Clean water	£8 billion	£3 billion	£1 billion	£3 billion	£710 million
Protect and/or restore biodiversity	£19 billion	£9 billion	£1 billion	£8 billion	£1 billion
Reduce flood risk through natural flood management ²	£354 million	£347 million	£7 million	-	-
Improve bio-resource efficiency	£4 billion	£3 billion	£35 million	£476 million	£437 million
Climate mitigation through bio-carbon	£20 billion	£8 billion	£2 billion	£9 billion	£669 million
Enhance biosecurity	£109 million	-	-	-	-
Improve access and engagement with natural environment	£7 billion	£4 billion	£1 billion	£1 billion	£1 billion
Overlap	£4 billion	£1 billion	£220 million	£2 billion	£272 million
Total	£56 billion	£27 billion	£5 billion	£20 billion	£4 billion

1. The sum of the gaps for each location does not add up to the total for the UK as spending data for some outcomes only available for the UK / Great Britain or includes spending in Overseas Territories.
2. UK finance gap for this outcome measured as sum of gaps across DAs.
NB: Central estimates given within larger range of estimates. Central estimates take an optimistic spending assumption that the current committed spending continues beyond the committed period. If figure less than 1 million rounded to nearest million. The sum of the gaps for each location does not add up to the total per location due to rounding.

What are the outcomes?

 <p>Clean water</p> <p>Maintain and enhance quality of water in the environment</p>	 <p>Protect and/or restore biodiversity</p> <p>Enhance protected areas, manage pressures on habitats and species, and reverse losses in terrestrial and marine biodiversity</p>	 <p>Reduce flood risk through natural flood management</p> <p>Reduce the risk of flooding through NFM measures</p>	 <p>Improve bio-resource efficiency</p> <p>Reduce pressures on terrestrial and marine environments through sustainable fishing and soil health</p>
 <p>Climate mitigation through bio-carbon</p> <p>Invest in land use to reduce emissions of greenhouse gases and increase carbon sequestration</p>	 <p>Enhance biosecurity</p> <p>Protect native animals and plants by preventing and eradicating the spread of invasive species, and animal and plant diseases</p>	 <p>Improve access and engagement with natural environment</p> <p>Improve access to and the condition of green spaces, blue spaces and areas with specific landscape features</p>	 <p>Spending with multiple outcomes (overlaps)</p> <p>Account for spending that could deliver multiple benefits as far as data allow</p>

Within these outcomes the following gaps were among those identified for specific outputs UK-wide:

	<p>Woodland creation and management</p>	<p>£1.8 billion</p>
	<p>Peatland restoration</p>	<p>£560 million</p>
	<p>Sustainable soil management</p>	<p>£3.75 billion</p>
	<p>Ensuring seafloor habitats are healthy and sustainable</p>	<p>£6 billion</p>
	<p>Increase sustainability of fish stocks</p>	<p>£455 million</p>
	<p>Provision of accessible green and blue spaces</p>	<p>£976 million</p>

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Notes to editors

An interactive summary of the report can be found on the [Green Finance Institute website](#) including the full report from Tuesday 12th October, definitions of outcomes and outputs identified, and methodology. A database and tool of results is available upon request by emailing helen.avery@gfi.green.

For more information or to request an interview, please contact:

For reference

- The finance gap is the difference between required spending and committed/planned spending associated with the delivery of a set of nature-related outcomes (accounting for overlaps).
- Required and committed/planned spending is estimated using available evidence, **not a full-scale modelling of the need and actual spending**.
- Required spending could be paid by public, private, third sector and/or investors. Committed & planned spending is by the public sector (in particular) and evidence is often about budgets to meet legal requirements and/or public commitments.
- Spending data covers actions such as (i) nature-based solutions and (ii) where the spending primarily results in one of the nature-related outcomes. It does not cover emerging issues that are not in the list of outcomes or fully address deteriorating baseline conditions.
- **Nature-related outcomes** are based on public policies like the 25 Year Environment Plan for England and equivalent for the rest of the UK.
- Overlaps account for spending that could deliver multiple benefits as far as data allow.
- While we are confident that the data is correct, **all results are likely to be underestimates** given the gaps in the data and assumptions that had to be made to extrapolate and apportion available evidence.

Further details including the full methodology and scope can be found in the report.

About GFI

The Green Finance Institute is the UK's principal forum for public and private sector collaboration in green finance. It is uniquely placed to mobilise capital to accelerate the domestic and international transition to a sustainable, net-zero carbon and naturepositive economy.

The Green Finance Institute convenes and leads mission-led coalitions to identify and unlock barriers to deploy capital at pace and scale towards impactful, real-economy outcomes.