

# Food & Footprint

Case Study

Uncovering opportunities for private investment in natural capital projects

© North Devon UNESCO Biosphere Reserve

## Project Summary

North Devon Biosphere (NDB) a UNESCO designated reserve in the heart of southwest England, is funded to deliver actions to protect and enhance habitats in their area which have been identified as being significant for global natural heritage.



[northdevonbiosphere.org.uk/land-pioneer](http://northdevonbiosphere.org.uk/land-pioneer)

The North Devon Biosphere Foundation, dedicated to furthering the aims of the NDB, initially reached out to Professor Mark Reed, Director of the SRUC Thriving Natural Capital Challenge Centre, having worked with him on a previous project related to natural capital. After initial discussions about the scope of the project, he engaged the Food & Footprint team at SAC Consulting to lead on delivering the work.

## The customer challenge

North Devon Biosphere works across large geographical areas which often require multiple landowners to work together to guide tangible change on the ground and in the landscapes which surround them. In 2020, there was a Phase 1 project for DEFRA – North Devon Pioneer (hosted by Natural England), which looked at environmental land management schemes and the use

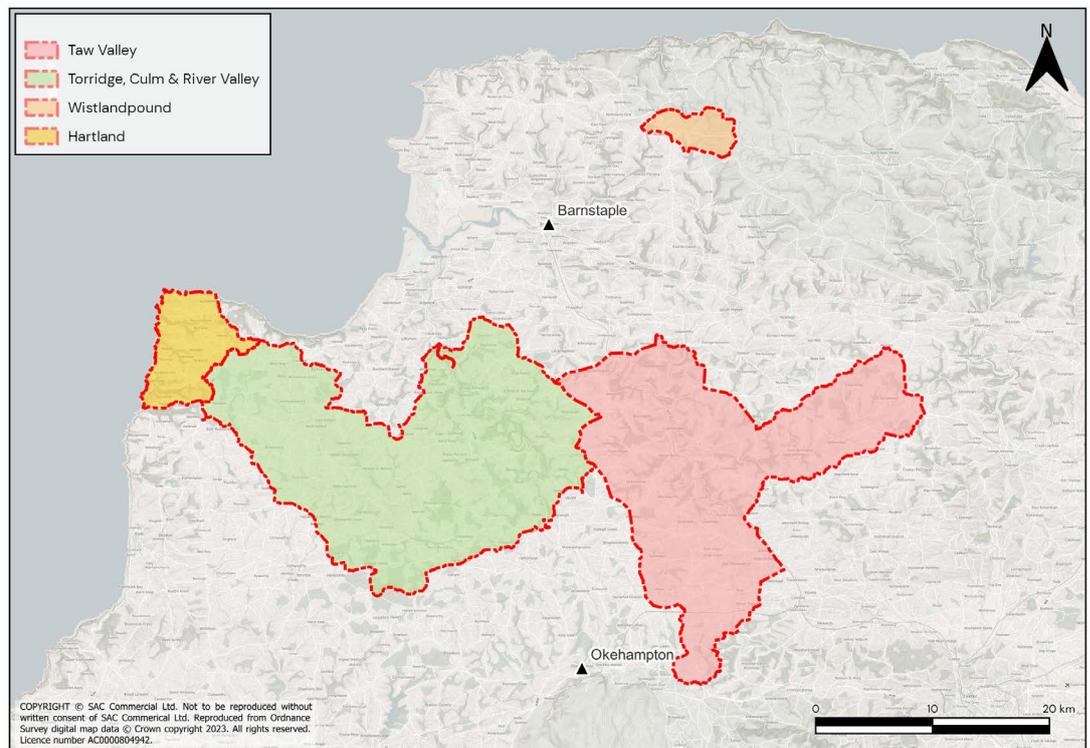


Figure 1: Map of the four landscapes being considered for an ELM scheme and included in this work.

of landscape plans to filter down to land management plans on the ground. It trialled a variety of innovative techniques to take account of what nature provides to communities and improve these benefits for both people and wildlife.

In 2023, Phase 2 of this project has included participation in a DEFRA (Department for Environment Food and Rural Affairs in the UK Government) pilot for the Environmental Land Management scheme. The new scheme will be England's replacement for European Union (EU) CAP (Common Agricultural Policy) – a policy for all European countries which offers agricultural support but is ending in the UK due to no longer being part of the EU.

Part of the pilot and trials for Phase 2 involved an investigation of where there may be opportunities to enable additional nature-based solutions via access to private and blended (public sector + private sector) finance.

With the outputs generated by the SAC Consulting team, NDB needed to be equipped to prioritise between natural capital projects in their landscapes, whilst screening potential investors for those interests, needs, and values are aligned with their strategy and vision.

## Our solutions

SAC Consulting delivered three related work packages for NDB.

First, a **'Blended Finance Opportunities'** report investigated the current state of natural capital markets via a literature and policy review, detailing the rules around additionality and blending public and private finance.

Experts from the SRUC Thriving Natural Capital Challenge Centre drew together up-to-date information about available and mature natural capital schemes, as well as those that are newer or still in development.

This review was shared with our Environment Team colleagues, utilising their GIS expertise to analyse datasets provided by NDB to identify and quantify the areas of land suitable for the different project types identified in the literature review (see Fig. 2, below).

The most promising opportunities were supplemented with detail about the costs and revenues associated with those project types and identified synergies and potential co-benefits to explore. The report concluded with a framework for blended finance, which integrated the opportunities with

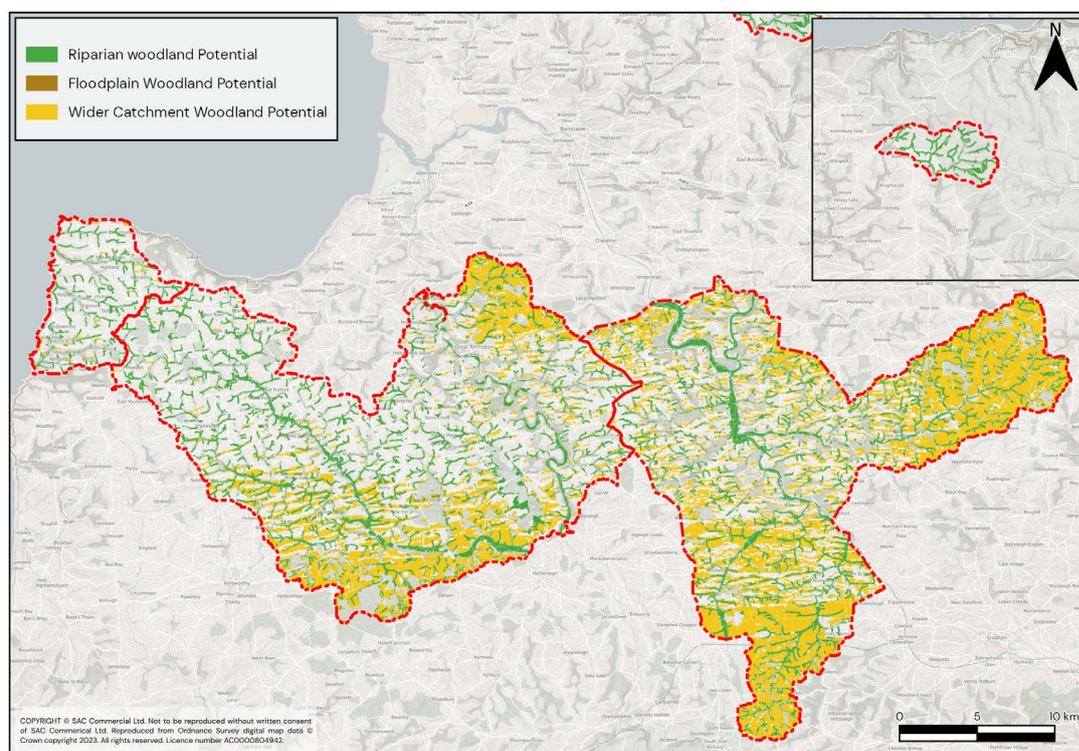


Figure 2: Map of priority opportunity areas for woodland expansion.

a generalised business plan for who, how, and when to bring in investment and how to manage payments with each of those investors.

The opportunities identified were then further informed by our **'Market Research with Investor Market'** report.

Our team contacted and conducted semi-structured interviews with six different organisations who were identified as potential funders of nature-based solutions projects in North Devon. SAC Consulting worked closely with the NDB project team to develop a sampling strategy, contacting a diverse sample with regards to sector, scale of investment required, and reach (from local to UK-based, to global multi-national organisations).

Results from these interviews were collated by theme and discussed in the report, with key takeaways and high-level conclusions feeding back into the framework for blended finance.

Lastly, an **'External Review of Measurement, Reporting, and Verification (MRV) for ecosystem services'** report was created.

This gave an overview of the technologies associated with each type of nature-based solution identified in our opportunities report. This involved a review of the technologies available and in development, as well as guidance on the cost-effectiveness analysis of specific methods and technologies. The report included strength and weakness comparisons in monitoring various aspects of natural capital across a range of geographic scales, from site scale to landscape scale.

Taken together, these three reports equipped NDB to move forward with plans to channel private investment into natural capital projects in their area. With up-to-date information on the available routes to market tailored to the opportunities present in their landscape, and linked to specific investors active locally, these reports provide a vital knowledge base which will enable a thriving pipeline of robust and successful natural capital projects.

## Added value

NDB required several different work packages to be delivered to assemble the information they needed. The uniquely interdisciplinary Food & Footprint team assembled to contribute to this work brought a diverse mix of skills to address these asks. The team combined academic research skills, GIS analysis, social research methods, key industry contacts and a depth of topic-specific knowledge.

In this way, SAC Consulting was able to deliver this wide-ranging project with a small and dynamic team of experts, working with NDB less like outsourced consultants, and more like proactive project partners. Additionally, strong project and client relationship management allowed for agile adaptation of project activities over finite timelines, resulting in outputs which fully addressed our customer needs and pre-empted further questions from their team.

## Our customer says

*"Not only were the final reports exactly what we needed, the team has very clear management processes; always ensuring stringent meeting preparation, asking specifics around research questions and the finer details that were needed. It was really well managed. They delivered on time and gave us opportunity to digest and comment on the information at each stage, with every issue raised always receiving clear responses. When we extended the contract and included broader questions around further issues such as Governance, they were very knowledgeable, flexible and accommodating which ensured we had a really fantastic experience."*

## Louise Reynolds

Facilitator for the DEFRA ELMs Test & Trials Phase 2., North Devon Biosphere