

BOOK OF ABSTRACTS

This Book of Abstracts provides a comprehensive overview of the session content and is structured into three main sections:

- I. **Session Description** – an introduction to each session, including its objectives and expected outputs
- II. **Session Program** – a detailed schedule for each session, including speakers and timing
- III. **List of Abstracts** – a complete compilation of all accepted abstracts

I. SESSION DESCRIPTION

ID: T16

Financing Nature-Positive Actions: towards Credible Markets for Nature Credits

Hosts:

	Name	Organisation	E-mail
Host (s):	Ioanna Grammatikopoulou	European Commission - Joint Research Centre	ioanna.grammatikopoulou@ec.europa.eu
Co-host(s):	Irene Sanchez Arjona	European Commission - Joint Research Centre	Irene.SANCHEZ-ARJONA@ec.europa.eu

Abstract:

The European Commission has recently launched the Roadmap towards Nature Credits to mobilize private financing for nature-positive actions. Previous market-based mechanisms—such as carbon credits, biodiversity offsets, and payments for ecosystem services—already offer valuable lessons. However, nature credits, while related to these approaches, will require distinct structures, as they function as non-compliance instruments aimed at restoration and protection actions that enhance biodiversity.

This session seeks to contribute both empirical evidence and theoretical perspectives to advance our understanding of how nature credits can be operationalized, moving beyond the lessons of carbon and offsetting schemes.

The discussion will focus on:

(a) Definitions and metrics to ensure conceptual clarity, robust credit design, and reliable performance indicators.

This thematic area focuses on definitions and metrics crucial for fostering a clear comprehension of terms and concepts related to nature credits, and to support robust design. It encompasses indicators for effective performance evaluation.


(b) Baselines and measurement standards for effective monitoring of crediting.

This thematic area focuses on benchmarks essential for effective tracking of environmental interventions, highlighting the need for reliable and comparable data across projects. The scope encompasses protocols and systems required for ongoing and accurate environmental monitoring.

(c) Data and methodological needs for valuing credits and safeguarding the integrity of impacts.

This area focuses on the economic valuation of environmental benefits linked to credits and the methodologies required for accurate assessment. It covers the attributes necessary to ensure the value reflects true ecological and economic impacts. The focus also includes the integrity of claimed impacts, in particular the methods required to uphold ethical standards while preventing overstatement in claims.

(d) Credit pricing strategies that attract private investment while accounting for both private and public co-benefits.



This area examines pricing strategies for nature credits seeking a balance between competitive pricing to incentivize investment and capturing the full range of benefits from crediting projects. This includes understanding market dynamics and alignment of private investor interests with public environmental objectives to maximize impact through sustainable and effective investment approaches.

Goals and objectives of the session:

The objective of this session is to explore how nature credits can be designed, valued, and implemented as effective market-based instruments for restoration and protection, with a focus on ensuring credibility, attracting private investment, and safeguarding biodiversity and societal co-benefits.

This session specifically seeks to gather insights that can help address crucial questions, such as:

- Can nature credits play a meaningful role in closing the financing gap for restoration and protection while also delivering societal co-benefits?
- What strategies can effectively channel and attract private sector capital into nature credit schemes?
- How can markets be designed to mobilize resources efficiently while avoiding risks such as over-crediting or negative spillover effects that could undermine biodiversity gains?"

Planned output / Deliverables:

Collection of papers/synthesis paper/ JRC technical report/JRC working paper

Session format:

Open Session, primarily based on call for papers with the possibility of using a blended approach that combines chosen speaker profiles with selected papers.

The session will follow a structured format designed to facilitate a high-level discussion over 1.5 hours, incorporating up to four to five papers.

It will commence with a framing keynote of five minutes.

This will be followed by a moderated panel discussion featuring four to five speakers who will delve into high-level topics, possibly structured by subject (such as policy, finance, business, or innovation), with each speaker having approximately eight to ten minutes to share their insights.

The session will conclude with a five-minute summary, encapsulating the critical points of the discussion.

Related to ESP Working Group:

[TWG 16 – ES Financing mechanisms \(incl. PES\)](#)

II. SESSION PROGRAM

Room: Lounge

Date of session: Friday 22, May 2026

Time of session: 14:00 – 15:30

Timetable speakers:

Time	First name	Surname	Organization	Title of presentation
14:00 – 14:15	Ioanna Irene	Grammatikopoulou Arjona Sanchez	Joint Research Centre (EC)	Introduction
14:15 -14:30	Marianna Lourdes	Dänner	Heidelberg University	Advancing Nature Credit Markets for People & the Planet
14:30-14: 45	Nils	Droste	Copenhagen University	The role of the state for making biodiversity payments work

14:45 – 15:00	Cheng	Chen	Leibniz Centre for Agricultural Landscape Research (ZALF)	Bundling, Metrics and Risk-Sharing: Evidence for Credible Nature Credit Markets
15:00 – 15:15	Luis	Garrido Mateos	Universidad de Salamanca	Biodiversity metrics for the financial sector: are we there yet?
15:15 – 15:30	Ioanna Irene	Grammatikopoulou Arjona Sanchez	Joint Research Centre (EC)	Wrap-up

III. ABSTRACTS

The first author is the presenting author unless indicated otherwise

1. Advancing Nature Credit Markets for People & the Planet

First author: Marianna Dänner

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With Nature Credit (NC) markets, societies are now at a crossroad: if designed adequately, they can transform economies and unlock crucial cash flows for nature conservation and restoration. Otherwise, we risk selling out nature and deepening social inequalities. The appropriateness of NC markets thus depends decisively on their legal design. This contribution will examine the theory of legal designs for effective markets that serve both nature and people. It will elaborate how best practice principles can be implemented in practice and will draw from observations of existing NC markets, such as in New Zealand, Australia and France.

When pursuing a voluntary approach, as does the EU Roadmap towards NC, there is a need for incentives for private actors to participate in the market. This has emerged as a major challenge in voluntary markets so far (e.g. in the Australian „Reef Credits Scheme“). The contribution will shed light on potential incentives. It will also discuss the learnings from Carbon Credits and potential improvements in NC markets. Compared to Carbon Credits, a special difficulty is in what metrics NC can be measured. Drawing from an interdisciplinary exchange with the natural sciences, I will examine possible metrics as to their legal implementability. The findings will be advanced through innovative legal approaches, such as Rights of Nature. The latter could be a facilitator in establishing independent organizations that can issue credible credits, as called for in the EU Roadmap.

Next to chances, this contribution discusses critical issues like tradability. The recent decision to include international carbon credits in the EU’s emission reduction targets implies political interest in (internationally) tradable credits. I will explore opportunities of tradable credits and ways of adequate design that serve ecological, political and economic interests as well as social justice concerns, including cooperation schemes with indigenous peoples.

Keywords: Nature Credits, market-based mechanisms, green finance, Rights of Nature

2. The role of the state for making biodiversity payments work


First author: Jesper Svensson

Other author(s): Thomas Lundhede

Presenting author: Nils Droste

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Halting biodiversity loss requires substantial additional financing, yet debate continues over the role of public and private sources, and innovative instruments. Here, we focus on the supply side of biodiversity conservation. Specifically, we analyze private forest owners' willingness to provide land for conservation and whether it matters who pays them. Using a transdisciplinarily co-created discrete choice experiment with 1,674 Swedish forest owners, we tested preferences for contract design, conservation measures, and financing sources. Owners prefer higher compensation, shorter contract durations, and action-based measures such as buffer strips. Some result-based approaches – generally seen as ecologically more effective – are also acceptable, including increasing tree species diversity and age variation. A key finding is a strong preference for public funding by the Swedish state or the EU. We show that public financing is not only more acceptable but also more cost-efficient for promoting uptake of higher-impact conservation practices, such as re-wetting wetlands and enhancing bird diversity. On average, private schemes would need to offer an additional \$62.8 [\$28.9, \$96.6] per hectare and year to reach parity in acceptability with public finance. Less funding is thus required to close the biodiversity financing gap if it is paid from public sources. Using public finance for higher-impact forest conservation practices provides greatest savings. However, given limited public budgets, blended finance solutions are still required. For private financing, clear regulatory frameworks that increase trust among owners are needed. More broadly, our results indicate that institutional solutions that combine blended finance and active owner participation can align effectiveness with legitimacy in biodiversity finance.

Keywords: Payments for biodiversity, blended finance, trust, participation, monitoring

3. Bundling, Metrics and Risk-Sharing: Evidence for Credible Nature Credit Markets

First author: Cheng Chen

Other author(s): Paul Petrat, Bettina Matzdorf


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The European Commission's Roadmap towards Nature Credits highlights voluntary, non-compliance markets as a key instrument for mobilising private finance for nature-positive actions. Achieving this objective requires nature credits that are attractive to private buyers, feasible for land managers, and credible in terms of how nature-positive outcomes are defined, monitored and valued. This paper synthesises recent evidence on buyer and supplier behaviour and on biodiversity indicators to identify key design challenges for emerging nature credit markets, with a focus on land use and agricultural systems. On the demand side, our evidence shows substantial but uneven interest in financing nature-positive outcomes in agriculture. Private individuals display a clear willingness to support certificates funding soil health and biodiversity improvements on agricultural land, particularly when multiple ecosystem services are bundled within a single credit and when public funding complements private contributions. Business engagement remains more limited, but firms that do participate prefer clearly defined, small bundles of ecosystem services, low-threshold and flexible payments, and transparent information on expected environmental outcomes.

On the supply side, land managers are willing to provide nature credits when remuneration reaches acceptable levels and when financial risks linked to upfront design and certification costs are reduced. Public seed funding and risk-sharing arrangements therefore play a critical role in enabling participation. Openness to new monitoring approaches is tempered by concerns over data use and governance, underlining the importance of trust in credit systems.

Overall, the synthesis points to four interlinked priorities for credible nature credit markets in land-use contexts. First, metrics should be compatible and easily communicable to support the bundling of ecosystem services valued by buyers. Second, credible baselines and monitoring standards are needed to reduce uncertainty for both investors and suppliers. Third, valuation approaches must protect impact integrity through transparent and conservative claims. Finally, pricing structures should combine bundling with blended finance and risk-sharing mechanisms to mobilise private investment while enabling land-manager participation in nature-positive action. Beyond technical design, the analysis highlights that



nature credits function primarily as a governance project, requiring claims discipline, public standard-setting, and state-enabled market architectures to build trust and avoid offset-style credibility risks.

Keywords: Nature credits, Biodiversity, Private finance, Bundling, Blended finance

4. Biodiversity metrics for the financial sector: are we there yet?

First author: Luis Garrido Mateos

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The integration of biodiversity into financial decision-making is currently hindered by a fragmented proliferation of metrics that lack the interoperability required for asset pricing and informed capital allocation, hampering the closing of the current biodiversity funding gap. This paper addresses the critical disconnect between ecological complexity and financial usability, directly responding to the urgent need for robust biodiversity measurement assessments compatible with existing ecosystem accounting frameworks and the scaling of credible nature credit markets.

To do so, we identify a collection of guiding principles mandatory for the financial sector and use them to assess a curated business-oriented set of biodiversity metrics that are categorized based on their functional and ecological dimension. Our analysis reveals that while current tools suffice for first-order risk screening, they fail to provide the "decision-useful" data necessary for institutional investors, corporate finance, and policymakers.

Based on these results, we propose a transition to a standardized multi-metric framework, integrating significance-based, condition-based, and footprint-based metrics. We show that strengthening the nexus between scientifically grounded metrics and financial reporting standards is the only viable path to reduce model risk for businesses, ensure the auditability of nature-positive actions, and unlock the private capital needed for nature restoration.

Biodiversity finance, biodiversity measurement, funding gap, market-based instruments.