

SESSION DESCRIPTION

ID: T16

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

Hosts:

	Name	Organisation	E-mail
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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 reflect 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.

Voluntary contributions accepted:

Yes, I allow any abstract to be submitted to my session for review

Related to ESP Working Group:

TWG 16 – ES Financing mechanisms (incl. PES)