

Biodiversity and CO₂ offsetting

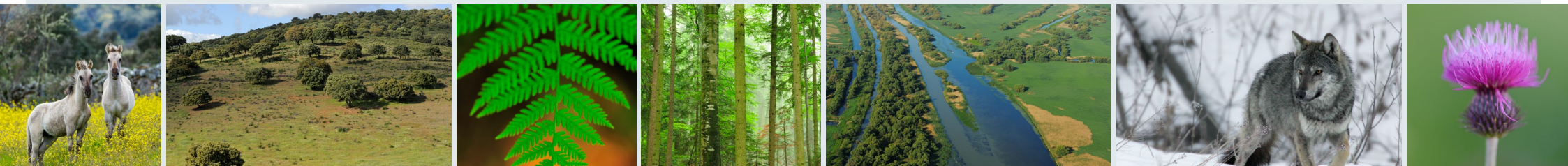
Rewilding
Europe
Capital



Rewilding Europe aims to create more space for wild nature in Europe, by allowing natural processes to shape our landscapes, promoting wildlife comeback and developing nature-based local economies. The organisation takes an entrepreneurial approach to conservation by helping to develop biodiversity offset models that support, reinvigorate and conserve wild nature as ‘natural capital’ and contribute positively to the socio-economic environment of rural areas.

Rewilding Europe Capital provides business loans to biodiversity and CO₂ offsetting projects in Europe that generate positive rewilding and environmental impact.

Rewilding Europe Capital – Biodiversity and CO₂ offsetting



Interest in nature and wildlife tourism

Biodiversity offsets are defined as “*measurable conservation outcomes of actions designed to compensate for significant residual adverse biodiversity impacts arising from project development after appropriate prevention and mitigation measures have been taken. The goal of biodiversity offsets is to achieve no net loss and preferably a net gain of biodiversity on the ground with respect to species composition, habitat structure, ecosystem function and people’s use and cultural values associated with biodiversity*”.

Lying at the heart of the biodiversity offset theory and design is the mitigation hierarchy. Providing a clear sequential framework, the mitigation hierarchy enables infrastructure project developers to consider and incorporate biodiversity (and specifically a “no net loss” target) into their project design.

The mitigation hierarchy places biodiversity offsets as a last resort consideration to be implemented only once all biodiversity losses within an infrastructure project have been avoided, minimised, or indeed restored or rehabilitated. The hierarchy is fundamental for ensuring that biodiversity offsets are not misused as a “licence to trash”. Only after these three activities have been planned for and exhausted should offsets be considered as a means for achieving a no net loss or net gain.

A biodiversity offset therefore **enables an infrastructure project to deliver a no net loss or a net gain of biodiversity** by compensating for their environmental impact.

Qualifying activities

REC is looking to finance biodiversity offsets capable of generating a commercial return that may include but not be limited to:

- **Natural forests:** Increase protected status of natural forests (old growth forests, spontaneous native forests, forests with natural tree regeneration, % dead wood, natural wildlife densities and natural impact if beetles, storm and fire);
- **Wildlife corridors:** Provide habitats or infrastructure acting as protective corridors for the free movement of wildlife, with a priority placed on corridors linking protected areas;
- **Mosaics:** Projects that generate open mosaic ecosystems transitioning between forests and grasslands, maintained by natural grazers which are controlled by healthy predator populations.
- **Wetlands:** increase wetland protection and restoration, e.g. removing of fish barriers, reflooding of river valleys and polders, rewetting of areas.

Finance conditions

REC issues finance loans on the following terms to businesses meeting the required investment and impact requirements:

Principal loan capital:	€25,000 to €600,000
Geographic focus:	EU-28 countries
Investment structure:	Debt only
Currency restrictions:	Euro (€) loans and repayments only
Loan terms:	6–8 years
Interest rate:	2.5%–6%

Biodiversity offsets impact indicators

- Extension of the area with spontaneous native forests and natural tree regeneration (forest project);
- Extension of the area without hunting (no-take or breeding zones for wildlife);
- Extension of the area within the original floodplain with a natural flooding system (wetland project);
- Extension of river length without dams (river project);
- Extension of areas interconnected by removing/bridging barriers in between;
- Extension of natural marshlands;
- Extension of natural estuaries;
- Area under new formal protection.

Making Europe a Wilder Place