Forest management

**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 forest management 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 loans to forest management businesses in Europe that generate positive rewilding and environmental impact and are capable of transforming intensive production forests into more natural forests.
Interest in forests
Natural forests are among the richest ecosystems of Europe and have the potential to store tremendous amounts of carbon in living trees, dead wood and the humus layer. Natural forests are vital for mitigating climate change and as part of robust ecosystems, allowing flora and fauna to migrate with moving climate zones.

With ‘forests’ we not only mean close-canopy woodlands; they can also include woods, woodlands or groves (where trees predominate but can also include open areas of grassland or scrub), wood pastures (where wild herbivores and/or livestock graze) or other park-like landscapes. These types of ‘forests’ often have high biodiversity values due to their age and structure variations, permanent or temporary open spaces and transitions between them. These ‘forest types’ can be an important target in rewilding forests, next to close-canopy woodlands.

Timber production can be combined with natural ecological functions when harvesting methods, scale and frequency respect the larger forest ecosystem. One example of such a model would be an effectively zoned sustainable production forest, enclosing a core area of old-growth forest free from human intervention; or a mosaic forest landscape with naturally high herbivore densities.

Qualifying forestry activities
REC is looking to finance forestry businesses interested in:

- **Zonation:** Building pilots demonstrating the good zonation of forests, including non-managed core areas, and commercially viable buffer and transition zones;
- **Converting monocultures:** Buying (private) or leasing (communal) production forests and removing exotic species and/or selective felling in monocultures in order to transform them into far more biodiverse and natural woodlands;
- **Less intensive production:** Demonstrating harvest methods which make use of selective felling and long-term logging cycles to improve timber quality, biodiversity and the sustainability of the forest ecosystem. This includes the replacement of clear cutting;
- **Consumptive offsets:** Forest management models that reduce the commercial need to harvest timber by generating income from other activities such as wildlife watching, non-timber forest products and payments for ecosystem services. This includes woodlands, woodland pastures and other park-like woodlands with more open spaces;
- **Formal protection:** Models that result in the formal protection of forests which are commercially viable.

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%

Forestry impact indicators
- Extension of the area with spontaneous native forests and natural tree regeneration;
- Extension of the area in which dead wood is >20% of the timber volume;
- Extension of the area with natural wildlife densities, in particular large herbivores and carnivores;
- Extension of the area without hunting (no-take or breeding zones for wildlife);
- Extension of the area with a natural impact of beetles, storm and fire on the forest;
- Extension of the area in which production forests change into non-managed forests.

Making Europe a Wilder Place
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