

FINANCING NATURE AS A SOLUTION TO CLIMATE PROBLEMS

Climate change is threatening vulnerable ecosystems and local communities worldwide, in particular in developing countries. IUCN NL supports those communities in tackling the causes of climate change and in dealing with its impact. We make use of natural solutions and mobilise financing to extend the scale of those solutions. In this way, landscapes can be buffered against extreme weather events and long-term effects of climate change.

CREATING OPPORTUNITIES FOR LOCAL BUSINESSES

Local communities in developing countries are better able to protect their natural surroundings if the solutions also contribute to inclusive socioeconomic development. For that reason, IUCN NL supports local communities in Africa, Asia and Latin America in developing solutions together with local businesses and entrepreneurs. We subsequently help them find suitable investments for their climate and nature projects and enterprises.

Climate financing is deployed with the aim of helping local communities tackle the causes of climate change by deploying nature and ecosystems and to protect them against the most serious negative impacts of climate change. It is also useful for businesses and investors because these solutions can help them reduce the risks of climate change to which they are exposed.

RESPONSIBLE SCALING

Our local partners work by creating opportunities: they help start-ups get off the ground and promote the marketing of sustainable products from existing producers. Public funding from governments and investment banks offers new businesses start-up capital to finance their pilots, to create an organisation structure or establish a production line. These entrepreneurs start on a small scale, but to generate real impact, early investments can help them eventually scale-up their solutions responsibly.

“By contributing to a start-up in the early stages, we make it attractive for private financiers to provide follow-up investment. Growing numbers of funds are investing in nature conservation projects that generate a return on investment in the form of sustainable products, CO₂ certificates or products that are more resilient to the effects of climate change.”

Jan Willem den Besten, expert climate financing at IUCN NL

COOPERATION WITH LANDSCAPE PARTNERS

IUCN NL is experienced in bringing together a variety of actors in a landscape to work together with local landscape partners in setting up projects that can attract climate finance. Our local partner NGOs build relationships with other NGOs, local businesses, and government agencies to promote solutions that can attract public and private investors. We offer them training, for example in business engagement, so they can work more effectively alongside those businesses, and in business case development, to help them work with, or set up business ventures that can generate a return on investments in green solutions.

More examples of our work

More climate financing

- In Uganda, our local partner EcoTrust and a sugarcane farmer were searching for sustainable solutions. They came up with the idea of replanting trees. With support from IUCN NL, a collaborative venture is being established between EcoTrust and a local business that is helping biodiversity to recover.
- Our partner A Rocha in Ghana developed an initiative that encourages local businesses to establish tree nurseries to return natural trees to the ecosystem. Recommendations from IUCN NL gave rise to a new programme for large-scale reforestation that led to further cooperation with other businesses, and is now capable of attracting private and public investors.

Example of our work

Cocoa plantations help finance reforestation

Over the past few decades, large areas of forest and woodland have been felled in the Philippines, to make space for plantations and arable land. Deforestation meant the destruction of natural protection against flooding and mudslides. Following typhoon Washi in 2011, the country decided to tackle the problems of erosion caused by deforestation.

Since 2012, with the support of IUCN NL, local nature conservation organisations have been working alongside universities, local government, businesses and communities to restore natural climate buffers. The bare hillsides have been replanted with indigenous tree species and cocoa trees. The cocoa produced in this way helps earn back the initial investment. Local populations are now better protected against the risk of flooding caused by climate change, new space has been created for nature and the sale of cocoa beans and other forest products generates valuable revenue. The investment model has proved attractive: a local bank is planning to invest in the combination of cocoa plantations and woodland.

COLLABORATING WITH IUCN NL

Worldwide, there are numerous large funds available for climate mitigation and adaptation. The challenge lies in ensuring that these investments are actually deployed for nature-based solutions. Moreover, in many cases, local communities do not benefit directly from the investments. IUCN NL aims to bridge the gap between local organisations that are keen to tackle a problem and their potential financiers.

Do you want to help IUCN NL enable climate financing? Visit our **website** for detailed information and more example projects, or contact our expert **Jan Willem den Besten**.