



### INSTRUMENT NAME: 3.3 CROWDFUNDING DONATIONS

**Pondscape-specific definition:** Raising funds for a pond or small-scale pondscape of local public interest through one-off or repeated donations of small amounts from a large number of individuals. Crowdfunding is generally facilitated through online platforms (e.g. Kickstarter). In addition to donation-based crowdfunding, crowdfunding can be based on equity models or loans; here we focus on donations. Crowdfunding is often based on an all-or-nothing model: if the funding target is reached, the NBS developer gets the money, if not, then it goes back to the donors.

|  |   |                       |  |                                    |
|--|---|-----------------------|--|------------------------------------|
| <b>CATEGORY</b>  | Voluntary contributions   |                       |  |                                    |
| <b>ALSO-KNOWN-AS</b>   |   |                       |  |                                    |
| <b>RELATED INSTRUMENTS</b>   | Philanthropic contributions; voluntary beneficiary contributions  |                       |  |                                    |
| <b>APPROPRIATE FOR:</b><br>Who can use this type of financing instrument?                    | Pondscape developer   | NGOs and non-profits  | Local/city/regional govt. and agencies | National govt. and public agencies |
| <b>SOURCE OF FINANCE:</b><br>Who provides the finance?                                       | Multiple private individuals, private companies   |                       |  |                                    |
| <b>PAYMENT FORM:</b><br>What form is the payment?  | Donation  |                       |  |                                    |
| <b>IN RETURN FOR WHAT?</b><br>What is the NBS project obliged to deliver in return?          | No obligation. Experience of participation and shared ownership.<br>Note: crowdfunding can also be equity or debt-based, which has different obligations.   |                       |  |                                    |
| <b>RECIPIENT REQUIREMENTS:</b><br>What requirements must recipients meet to receive finance? | The recipient must be trusted by donors, making it well-suited to NGOs and non-profits or to well-known (often local) pondscape developers.   |                       |  |                                    |
| <b>PROJECT REQUIREMENTS:</b><br>What requirements must the pondscape project meet?           | - The project goal should be relatable to a broad audience, and the project processes need to be transparent.   |                       |  |                                    |
| <b>OTHER REQUIREMENTS:</b><br>What additional requirements are attached to the financing?    | - Effective communication strategy to attract initial donations<br>- Active, ongoing outreach to establish and sustain connection with the donor base to facilitate a personal identification with the project, its goals, and its benefits (and ensure ongoing donations). |                       |  |                                    |
| <b>SPEED:</b><br>How quickly do recipients receive money?                                    | <b>Fast (&lt;4months)</b> – Medium(5-12months) – Slow (12months+)   |                       |  |                                    |
| <b>FUNDING TIMELINE:</b><br>When does the recipient receive the funding?                     | Mostly one-off, but possible as repeated (for consecutive project phases) or regular ongoing (e.g. monthly).  |                       |  |                                    |
| <b>NBS TYPE:</b><br>What types of NBS is the financing for?                                  | Pondscape creation  | Pondscape restoration | Pondscape management                   |                                    |
| <b>SCALES:</b><br>What scale of financing?   | Small (<€10k)   | Medium (€10k-€99k)    | Large (€100k-€999k)                    | Very large (€1million+)            |
| <b>COMPLEXITY:</b><br>How complex is applying for the finance                                | Simple  | Medium                |  | Complex                            |
| <b>EXIST NOW IN EU?</b>  | Yes   |                       | No                                     |                                    |
| <b>REFERENCES:</b>   | Baroni et al. (2019) Grow Green – Approaches to financing nature-based solutions in cities.   |                       |  |                                    |





### Instrument: 3.3 Crowdfunding example

#### Example name: 3.3.1 Wetland construction in Treflach, UK – crowdfunding donations

**Example description:** The aim of the project is to construct a wetland on private land at the organic Treflach farm, starting in 2020. It consists of five new swales and a shallow pond, as well as the incorporation of an existing pond. There are multiple benefits, such as to reduce the speed of water flow, reduce flooding, reduce nutrient leakage, create ponds for biodiversity, support soil water filtering, facilitate learning for school education but also for replication by other regional landowners, provide local jobs, and offer opportunities for recreation. The benefits extend beyond the farm, as the proposed wetland will slowly release clean water, with low nutrient levels, to feed the adjacent Sweeney Fen Nature Reserve. In return, rare plants from the Fen are likely to colonise the proposed wetland. The proposed wetland constructions follows already undertaken efforts to regenerate an existing wetland (including a pond) through preventing animal access, making drainage alterations to farm buildings, addressing silting, and laying a reed way. The proposed wetland construction is financed through a crowdfunding campaign conducted over 31 days in February - March 2020, during which 288 private individuals donated £12,703 to the owner of Treflach farm, Ian Steele. Treflach Farm will provide the land and the labour to build the site; the money will be for the hire of a digger, bentonite clay and geo-membranes, trees, plants, reeds and woodchip.

| NBS DESCRIPTION          |   |             |            |
|--------------------------|---|-------------|------------|
| LOCATION                 | The organic Treflach farm in England, United Kingdom  |             |            |
| NBS TYPE                 | Creation  | Restoration | Management |
| ECOSYSTEM TYPE           | Wetland (five swales and two ponds)   |             |            |
| NBS BENEFITS             | reduce flooding, reduce speed of water flow, biodiversity, reduce nutrient leakage, support soil water filtering, facilitate learning for schools and landowners, provide local jobs, recreation                    |             |            |
| NBS DESCRIPTION          | Construction of five swales - clay lined ditches dug along the contour of the hill – and a shallow ponds, as well as the restoration and incorporation of an existing pond into the wetland                         |             |            |
| SCALE (SIZE)             | 140 metres (swales), ca. 0.6 ha (new and existing pond)   |             |            |
| NBS PERFORMANCE CRITERIA | No assessment of this project found.  |             |            |
| NBS PERFORMANCE          | The performance of the NbS is not reported. However, the restoration efforts undertaken before 2020 already led to increased sightings of protected species (as evidenced in photos used in crowdfunding campaign). |             |            |
| FINANCING DESCRIPTION    |   |             |            |
| SOURCE OF FINANCING      | Donors to crowdfunding campaign (288 supporters)  |             |            |
| RECIPIENT                | Pondscape developer (private organic farm)  |             |            |
| SCALE (FINANCING)        | Medium (£12,703) – spend on material costs and education/ outreach (labour and land are provided by Treflach farm)  |             |            |
| TIMELINE                 | One-off payment:<br>1. Preparation of crowdfunding<br>2. Crowdfunding (31 days, completed on 22.03.2020)  |             |            |





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|-------------------------------|--|
| <b>FINANCING REQUIREMENTS</b> | <p>No specific conditions on the finance, needed to convince individual private donors that the project was worth supporting. In this case, this required:</p> <ul style="list-style-type: none"><li>- A clear, non-technical, project proposal and description including a video, maps, photos, project history</li><li>- Clear communication on the underlying values and principles, as well as the anticipated benefits for the landowner and the surrounding environment/community</li><li>- Outreach on social media and crowdfunding platform</li></ul> |
| <b>FINANCING PERFORMANCE</b>  | <p>Return on investment not reported.</p>  |
| <b>TRANSACTION COSTS</b>      | <ul style="list-style-type: none"><li>- Cost of communication not reported but probably low.</li><li>- Donors received rewards (gift packages of various extent and value, depending on the amount donated).</li><li>- Platform costs for standard projects is: 3%+VAT; platform costs for charities, personal causes, community projects, not-for-profit campaigns and not-for-profit businesses: 1.9%+VAT (not reported which category applied)</li></ul>  |
| <b>REFERENCE</b>              | <p>Steele, I. (2020). <i>Wetland Construction &amp; Regeneration</i>. Crowdfunder UK. <a href="https://www.crowdfunder.co.uk/wetland-construction-regeneration">https://www.crowdfunder.co.uk/wetland-construction-regeneration</a>. (Last accessed 15-12-2021)</p>  |

