



INSTRUMENT NAME: 1.5 SALE OF MARKET GOODS

Pondscape-specific definition: Sale of commodities produced in the pond or surrounding pondscape, such as wood or fish. Care must be taken to ensure that the production and extraction of market goods does not negatively impact the NbS, e.g., due to planting of non-native species or over-extraction.

CATEGORY	Income instruments			
ALSO-KNOWN-AS				
RELATED INSTRUMENTS	User fees; development rights and leases			
APPROPRIATE FOR: 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
SOURCE OF FINANCE: Who provides the finance?	Private or public buyers of goods			
PAYMENT FORM: What form is the payment?	Cash			
IN RETURN FOR WHAT? What is the NBS project obliged to deliver in return?	Goods produce on site (e.g., timber, fish)			
RECIPIENT REQUIREMENTS: What requirements must recipients meet to receive finance?	Any private buyer of produced goods			
PROJECT REQUIREMENTS: What requirements must the pondscape project meet?	The NbS project must produce commercially attractive goods.			
OTHER REQUIREMENTS: What additional requirements are attached to the financing?	To guarantee that proceeds from sale of goods are used for NbS, they should be earmarked.			
SPEED: How quickly do recipients receive money?	Fast (<4months) – Medium(5-12months) – Slow (12months+)			
FUNDING TIMELINE: When does the recipient receive the funding?	One-off payment (if market goods can only be sold once) or ongoing (if market goods are produced on ongoing basis)			
NBS TYPE: What types of NBS is the financing for?	Pondscape <u>creation</u>	Pondscape <u>restoration</u>	Pondscape <u>management</u>	
SCALES: What scale of financing?	Small (<€10k)	Medium (€10k-€99k)	Large (€100k-€999k)	Very large (€1million+)
COMPLEXITY: How complex is applying for the finance	Simple	Medium		Complex
EXIST NOW IN EU?	Yes		No	
REFERENCES:	Finance Earth and Green Purposes Company (2021) A Market Review of Nature-Based Solutions: An Emerging Institutional Asset Class. https://finance.earth/wp-content/uploads/2021/05/Finance-Earth-GPC-Market-Review-of-NbS-Report-May-2021.pdf			





Instrument: 1.5 Sale of market goods

Example name: 1.5.1 Carp Ponds in Bavaria, Germany

Example description: Small-scale carp farming is a traditional livelihood means in Bavaria, used to diversify the income of farmers. Carp are sold as food to buyers. Under the right management practices, carp ponds can provide habitats for biodiversity.

NBS DESCRIPTION	
LOCATION	Bavaria, Germany
NBS TYPE	Creation Restoration Management
ECOSYSTEM TYPE	Fishponds
NBS BENEFITS	Biodiversity; Fish production; Cultural heritage
NBS DESCRIPTION	Carp ponds provide a tradition income source for Bavarian farmers. Ponds under traditional management practices can be rich in biodiversity as they provide rare and diverse habitats for flora and fauna. Since carps are not fed, their yield depends on a functioning ecosystem with sufficient food sources.
SCALE (SIZE)	Bavaria has 5,500 ponds with an average size of 3.5ha cover a total area of 20,000ha.
NBS PERFORMANCE CRITERIA	There are no formal criteria, but several suggestions have been made by experts to ensure and improve biodiversity in traditional Bavarian fish pond, including that 1/3 of the banks should receive direct sunlight throughout the day; the pond should have a diverse range of different depths including 10% shallow water at shores; ponds should contain dead biomass such as trees or shrubs; vegetation in the pond should not be removed.
NBS PERFORMANCE	Not commonly assessed.
FINANCING DESCRIPTION	
SOURCE OF FINANCING	Private consumers
RECIPIENT	Pond owners/managers
SCALE (FINANCING)	Average yearly yields are estimated at 344 – 588kg/ha; sold at local market prices (roughly 10-15€/kg).
TIMELINE	Ongoing: pond owners/managers receive payment every time they sell fish.
FINANCING REQUIREMENTS	Extensive knowledge about traditional fish farming; Market access (60 – 70% of produce is directly sold to the consumer).
FINANCING PERFORMANCE	Carp farming in Bavaria is done on a small scale and predominantly to diversify the incomes of farmers who keep other livestock or cultivate crops.
TRANSACTION COSTS	Low transaction costs, though some may arise from complying with legislation, e.g. laws concerning animal welfare, hygiene, or conservation goals.
REFERENCE	Wedekind, H., Hilge, V., Steffens, W. (2008) Present status, and social and economic significance of inland fisheries in Germany. <i>Fisheries Management and Ecology</i> 8(4-5): 405 – 414. Vökel, W. (2007) Artenvielfalt in Fischteichen – Erhalt durch Nutzung. Bezirk Oberfranken – Fachberatung für Fischerei. Accessed 08.08.2022. https://docplayer.org/37720910-Artenvielfalt-in-fischteichen.html

