

## SUSTAINABLE FINANCE INVENTORY

Find the complete Ponderful Sustainable Finance Inventory at the <u>Ecologic Institute website</u>

## **INSTRUMENT NAME: 3.2 VOLUNTARY BENEFICIARY CONTRIBUTIONS**

**Pondscape-specific definition:** Negotiated, voluntary payments from beneficiaries (i.e. private companies or individuals who would receive a benefit from the development of the pond) to help cover NBS costs. Generally, these are for benefits that are localised and non-market, or for those that accrue indirectly through e.g. property value increases. Payments are donations and can be one-off or ongoing.

CATEGORY	Voluntary contributions						
ALSO-KNOWN-AS							
RELATED INSTRUMENTS	Crowdfunding; philanthropic contributions; betterment levies; business improvement districts						
APPROPRIATE FOR: Who can use this type of financing instrument?	Pondscape developer	NGO: profit	s and non- ss	Local/city/ regional gov agencies	t. and	National govt. and public agencies	
<b>SOURCE OF FINANCE</b> : Who provides the finance?	Private companies (local), private individuals (local)						
<b>PAYMENT FORM:</b> What form is the payment?	Cash (donation)						
IN RETURN FOR WHAT? What is the NBS project obliged to deliver in return?	Non-market outputs (e.g. private benefits generated by the pond)						
RECIPIENT REQUIREMENTS: What requirements must recipients meet to receive finance?	No requirements						
PROJECT REQUIREMENTS: What requirements must the pondscape project meet?	Must generate benefits for the beneficiaries (which motivate them to voluntarily contribute)						
OTHER REQUIREMENTS: What additional requirements are attached to the financing?	May be more effective if donors receive additional benefits relative to others (e.g. involved in an association, better access, etc.), as this will reduce the risk of "free-riding" on others' contributions.						
SPEED: How quickly do recipients receive money?	Fast (<4months) – Medium(5-12months) – Slow (12months+)						
<b>FUNDING TIMELINE:</b> When does the recipient receive the funding?	One-off or ongoing.						
NBS TYPE: What types of NBS is the financing for?	Pondscape <u>creation</u> Pondsc		Pondscape	e <u>restoration</u> Pond		scape <u>management</u>	
SCALES: What scale of financing?	Small (<€10k)		ım (€10k- 99k)	Large (€100 €999k)	k-	Very large (€1million+)	
COMPLEXITY: How complex is applying for the finance	Simple		Medium			Complex	
EXIST NOW IN EU?	Yes					No	
REFERENCES:	EY (2016) Value capture: options, challenges and opportunities for Victoria Technical Appendix Advice to Infrastructure Victoria October 2016. Infrastructure Victoria. Available here: https://www.infrastructurevictoria.com.au/wp-content/uploads/2019/05/EY-Technical-Appendix-for-Value-Capture.pdf						





### SUSTAINABLE FINANCE INVENTORY

Find the complete Ponderful Sustainable Finance Inventory at the <u>Ecologic Institute website</u>

## **Instrument: 3.2 Voluntary beneficiary contributions example**

# **Example name: 3.2.1 Wild Haweswater – United Utilities voluntary beneficiary**

### contribution

**Example description:** Haweswater is a diverse watershed landscape, which provides a large share of the regional drinking water. In partnership with a conservation NGO, United Utilities (a privately owned water utility company) voluntarily invests into the restoration, conservation, and management of the landscape and its ecosystems to improve the flow, the availability, and the quality of raw drinking water.

NBS DESCRIPTION							
LOCATION	North West England, UK						
NBS TYPE	Creation	Restoration	Management				
ECOSYSTEM TYPE	Watershed landscape						
NBS BENEFITS	Conservation value; Greenhouse gas sequestration; Water quality improvement; Recreation and well-being, Flood management; Water source for irrigation and livestock.						
NBS DESCRIPTION	The restoration of the watercourse of the Swindale Beck river slows water flow, reduces flooding, improves irrigation, and provides wildlife habitats. The blocking of artificial drains and restoring of peat bogs increased carbon stocks, recovered habitats, raised water storage, and improves water quality. The planting of >100.000 trees reduced soil erosion, improves water quality, and creates new habitats.						
SCALE (SIZE)	3.000 ha						
NBS PERFORMANCE CRITERIA	Not reported						
NBS PERFORMANCE	The partnership is considered very successful and was awarded the CIEEM High Commended in the Large Scale Conservation category.						
FINANCING DESCRIPTION							
SOURCE OF FINANCING	United Utilities (private enterprise)						
RECIPIENT	NGOs and non-profits.  The Royal Society for the Protection of Birds (RSPB) is a UK based conservation charity, co-managing the Haweswater Reservoir landscape.						
SCALE (FINANCING)	Large (€100k-€999k) - Very large (€1million+)						
TIMELINE	Ongoing. The collaboration between UU and RSPB is a long-term partnership. Various projects receive single contributions, e.g. £150,000 for a native tree and wildflower nursery.						
FINANCING REQUIREMENTS	Not reported						
FINANCING PERFORMANCE	Not reported						
TRANSACTION COSTS	The partnership between UU and RSPB is facilitated through the joint initiative Wild Haweswater, which employs a staff of ten people.						
REFERENCE	IUCN (2021) Haweswater - Demonstrating how upland farming, biodiversity recovery and water services work together to provide benefits for people, nature and the economy. Available here: https://www.iucn.org/news/ecosystem-management/202111/haweswater-demonstrating-how-upland-farming-biodiversity-recovery-and-water-services-work-together-provide-benefits-people-nature-and-economy						

