# Funding & Finance Pathways for Nature-based Solutions

Otago Regional Council is exploring how Nature-based Solutions may be used more frequently to help address natural hazards, protect infrastructure, and improve biodiversity across Otago. The Nature-based Solutions Funding and Finance Pathways study explores how funding and finance options available today can support Nature-based Solutions projects in the Otago region. This study, was commissioned by Otago Regional Council, and funded by the Ministry for the Environment's Essential Freshwater Fund.

# Funding & finance options for Nature-based Solutions

Nature-based Solutions can help address environmental challenges, like natural hazards, by restoring, protecting, and sustainably using natural ecosystem features.

For Nature-based Solutions to be used more frequently, they need to be planned for and financed like any other infrastructure project. Funding and finance options can now be accessed from governments, banks, businesses, and individuals through a range of investment approaches. Options include:



### **Government Investment**

Funding Nature-based Solutions using government budgets, government administered grants, and nature-positive subsidies.



### **Nature-based Giving**

Working with not-for-profit organisations, high net-worth individuals, and businesses to fund Nature-based Solutions through grants, donations, and local partnerships.



### Nature-based Debt Finance

Working with banks, businesses, and non-governmental organisations to finance Nature-based Solutions by providing sustainable lending facilities, like green bonds.



### Natural Assets & Infrastructure

Working with government agencies and private infrastructure providers to build Nature-based Solutions alongside infrastructure to address environmental challenges.

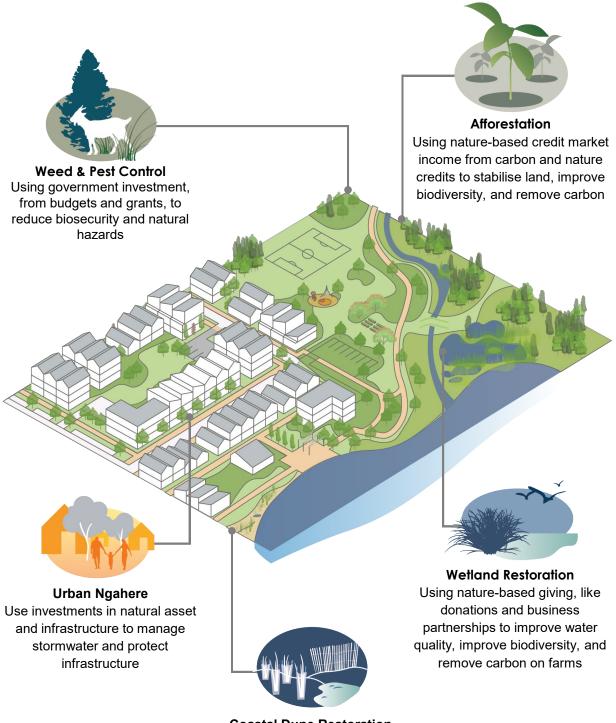


### Nature-based Credit Markets

Funding Nature-based Solutions by participating in nature-based credit markets and receiving revenue from removing carbon and improving biodiversity.

# How can Nature-based Solutions be funded?

A variety of funding and finance options can be used together across our communities to support Nature-based Solutions projects. Examples include:



### **Coastal Dune Restoration**

Using nature-based debt finance, like green bonds to stabilise shorelines, reduce erosion, and protect infrastructure

# Key actions

Four key actions are identified in the Nature-based Solutions Funding and Finance Pathways study. These are:

# 1

### **Understand the opportunities for Nature-based Solutions**

Understand what the opportunities are to use Nature-based Solutions to address natural hazards, protect infrastructure, and improve biodiversity across all council assets and services.

2

### Engage early & frequently

Engage early and frequently with iwi, community groups, and technical partners to create solutions that align with the local priorities.

3

### Use the full range of funding & finance tools available

Identify the suitable investment options for Nature-based Solutions projects planned for in the Otago region, using the diversity of funding and finance sources available.



### **Grow our knowledge for Nature-based Solutions**

Continue to build our knowledge and capacity for planning, designing, and investing in Nature-based Solutions projects.

## Conclusion

More options for funding and financing Nature-based Solutions projects are becoming available as governments, banks, and businesses recognise the important role of nature in our society. By adopting a strategic, evidence-based, and partnership-driven approach, Otago Regional Council can unlock new funding sources and grow the use of Nature-based Solutions. The greater use of Nature-based Solutions will support long-term environmental, social, and economic benefits for the Otago region.

Project funders, partners, & collaborators







