

# **Mainstreaming Nature-based Solutions**

To deliver greater value for society and the environment

**Programme Briefing** 

**MNbS** 



# An Ofwat Innovation funded programme of 22 multi-disciplinary partners

















































# The water environment is facing ever-growing stress from:



- Climate change
- Population growth
- Biodiversity crisis
- Societal pressures e.g. affordability
- Ageing infrastructure
- Biodiversity and nature loss

Unlike traditional engineered approaches, nature-based solutions are multi-functional and can help resolve multiple pressures whilst delivering social and environmental benefits however barriers prevent their large-scale adoption.





Why nature-based solutions?

- They deliver a multi-functional purpose: one NBS can deliver multiple improvements at the same time for e.g., water quality, flood reduction, biodiversity and therefore provide a multitude of social, environmental and economic benefits
- **Integrated with engineered solutions**: synergies and trade-offs are optimised with traditional infrastructure, to reduce impact on carbon-intensive measures, and provide hybrid or integrated solutions that can be not only cost-effective, but also more resilient
- **Driven through collaboration** in planning and delivery and much better coordination at landscape scale
- Incentivised through multiple investment and joined-up funding: by aggregating their diverse benefits and functions, NBS can become an attractive proposition to a number of investors and funding mechanisms (for every \$1 invested in NBS, up to \$30 dollars is created in economic benefits) and unlocking investment

Nature-based Solutions (NbS)

Hybrid
Combination of ecosystem elements and hard engineering

Natural
Creation, protection or restoration of only ecosystem

interventions

Resilience to Climate

Change

NbS

**Food System** 

Resilience

Flood

Water

Quality

Drought

**Biodiversity** 

**Economic** 

Security

Net

Zero

Health &

Wellbeing

**Benefits** 

Greater

Value From

Investment



# MNbS is working to deliver greater value for society, economy, and the environment by enabling implementation of nature-based solutions at scale

# **Nature-based solutions definition**

"Nature-based solutions are actions to protect, sustainably manage, and restore natural and modified ecosystems that address societal challenges effectively and adaptively, simultaneously benefiting people and nature."

**Source: IUCN** 

Multi – sectoral expertise



Overcoming the barriers to NbS delivery



Real-life implementation through regional tests



# **Programme outcomes**

- Greater adoption and transition of NbS into business as usual
- Maximising multiple benefits
- ✓ Driving multi-£m investment pipeline
- ✓ Creating a common value framework
- Changes enabled and accelerated through policy and regulation
- Standardised tools and processes
- ✓ Wide dissemination and engagement





# **Key barriers to nature-based solutions**



Uncertainty around implementation, maintenance, effectiveness and valuation of NBS



Siloed ways of working, complexities around risk and ownership, competing pressures



Inadequate and conflicting policy and regulation



Limited financial incentives to attract investment and revenue streams at scale



# **Enablers of nature-based solutions**



Partnership working and collaboration



Policy and regulatory incentives



Standardisation and capability building

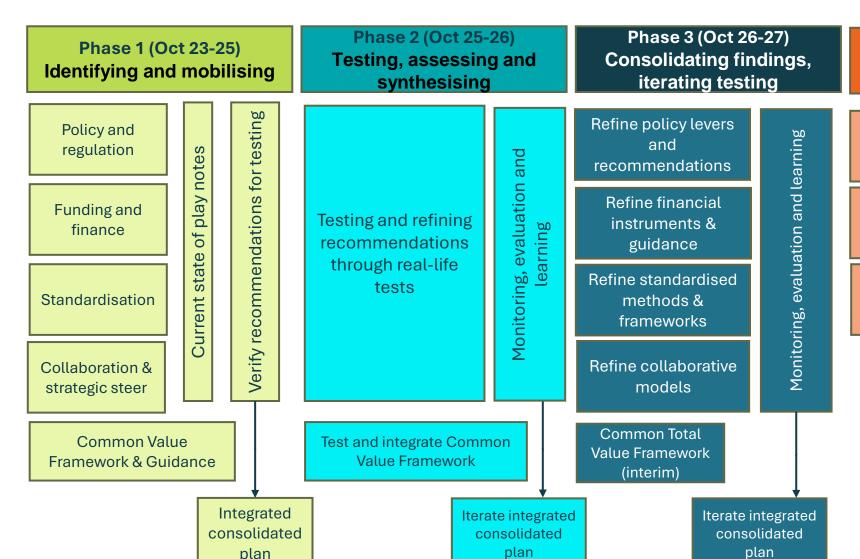




Joined up planning, delivery and resourcing



Systematic knowledge sharing and value tracking



Phase 4 (Oct 27-28)
Evaluation and transition into BAU

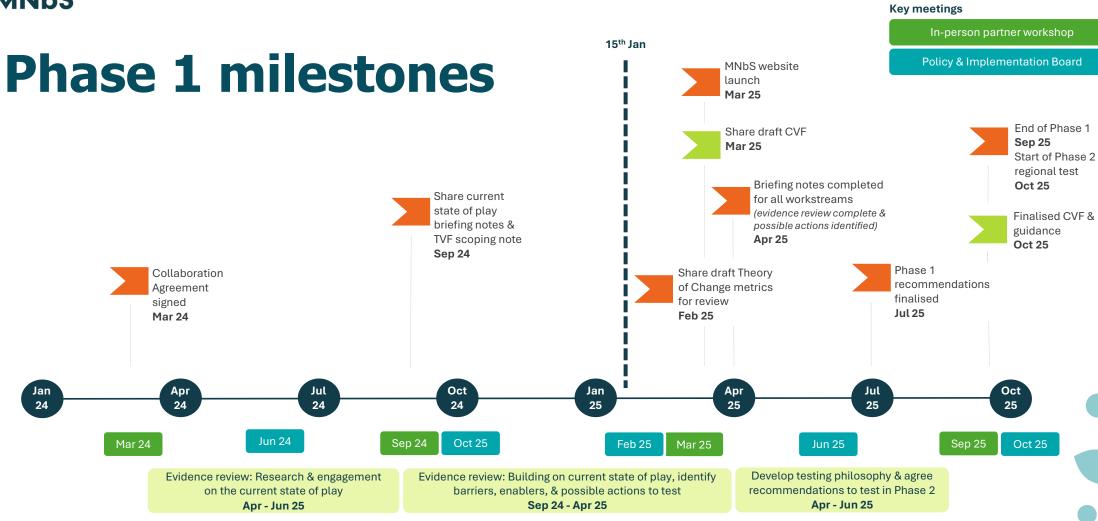
Increased regulatory confidence

Investible pipeline of NbS at scale

Standardised processes

Mainstreaming
NbS to deliver
greater value at
landscape
scale





Key tasks & milestones

Programme milestones

Key workstream milestones

Key tasks



# **Programme workstreams**

Collaborating within six workstreams, creating enablers to overcome barriers



Strategic steer, collaboration and aligned planning and value including a Common Value Framework for NbS



Working with regulators and policymakers including influencing industry reviews and developing regulatory incentives



**Aligned investment and delivery at scale in NbS** including developing an investible pipeline of projects and unlocking institutional finance



**Standardisation of NbS** including taxonomy, risk sharing framework and monitoring and evaluation





# **Workstream insights**

# **Policy & Regulation**

- Enablers survey and initial ideas for enablers, including identification of stakeholders, challenges, programme actions/next steps
- Draft prioritisation of enablers/ recommendations
- Review with T&F group planned for late Jan 2025, followed by deep dives
- Deliverable: concise document summarising each enabler and prioritisation, recommendations/ next steps

### **Standardisation**

- Have developed a set of categorisations of NbS mapped to ecosystem benefits
- Developing Risk framework update for PIR
- Reviewing the evidence baseline and approach to underpin the proposed tracked programme of works

## **Funding & Finance**

- Currently developing review of barriers and recommendations for the Regional Tests in terms of funding and finance
- Review of barriers and recommendations with T&F Group planned for February
- Further development of offering to Connectors through discussion of Regional Test ideas

### Common Value Framework

- Great progress so far, wide-reaching engagement
- Alignment with other ongoing approaches to valuing benefits (eg EA's natural capital projects & NWEBS)
- Currently developing the detail with a practitioner group made up of SMEs across a range of companies & regulators
- First draft by Mar/Apr, then 6 month testing and engagement phase building towards final in Sep/Oct

### Collaboration

### Action area updates:

- Cultural Shift: analyse the end-to-end decision-making processes of organisations to understand where biases against NbS exist
- Tailor ways of working to circumstances: considering a tool / guidance aligned to the risk sharing framework
- Regional governance: development of the regional coordinator concept

## **Regional Tests**

- Calls being scheduled with task leads & each regional connector to discuss possible tests
- Developing testing philosophy



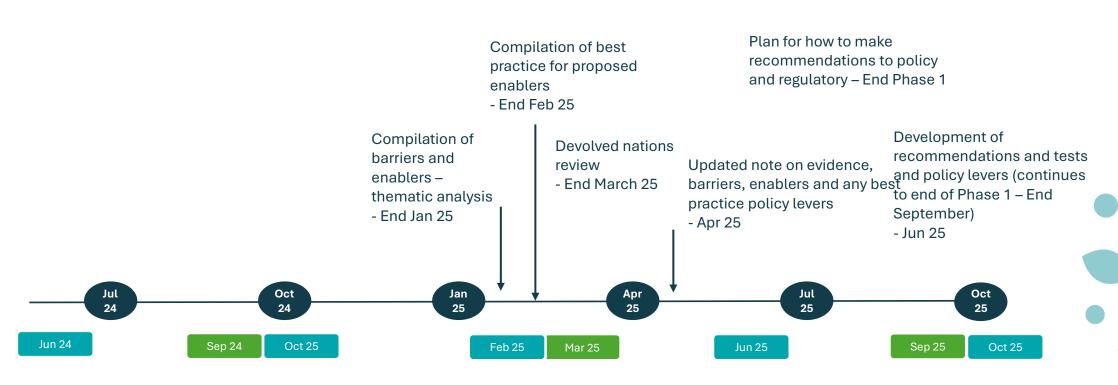
# **Policy and regulation**

Increasing regulatory confidence in nature-based solutions and recommending regulatory enablers and levers



# Including:

• Inputting into industry reviews – draft determination, Defra Water Commission etc





# **Standardisation**

Creating standardised approaches to the planning and management of NbS projects that will facilitate collaboration and reduce project transaction costs.



Jun 24

# Including:

Sep 24

Oct 25

- Standardised frameworks including risk sharing frameworks, schedules of assumptions and categorisation of NbS interventions and ecosystem services
- Mapping the evidence base for NbS and co-designing a programme to increase this through the

  trooked are growned of work.

tracked programme of work Evidence review to form the baseline for tracked programme of work including detailing lack of evidence as a barrier and potential enablers – starting with NFM and catchment measures – end Feb 25 Initial risk-sharing First phase of Tracked programme of work to build up the framework evidence base - Feb 25 - Aug 26 developed – end Feb 25 Schedule of assumptions Categorisation of Evidence gathering and review evidence NbS - end Jan 25 of case studies for risk gathering and framework – to feed into Apr draft note 25 schedule end Mar 25 Oct Oct

Feb 25

Mar 25

**Jun 25** 

Sep 25

Oct 25



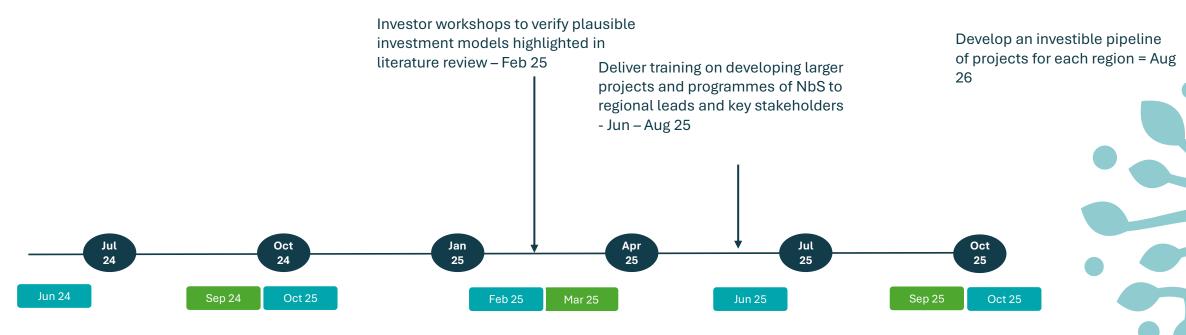
# **Funding and finance**

# Identifying solutions for aligning NbS with mainstream finance



# **Including:**

- Exploring how NBS projects fit within mainstream finance constructs
- Exploring different models to integrate NBS investment opportunities into investible solutions across specific landscapes
- Testing solutions with projects, leading to a pipeline of investible opportunities.





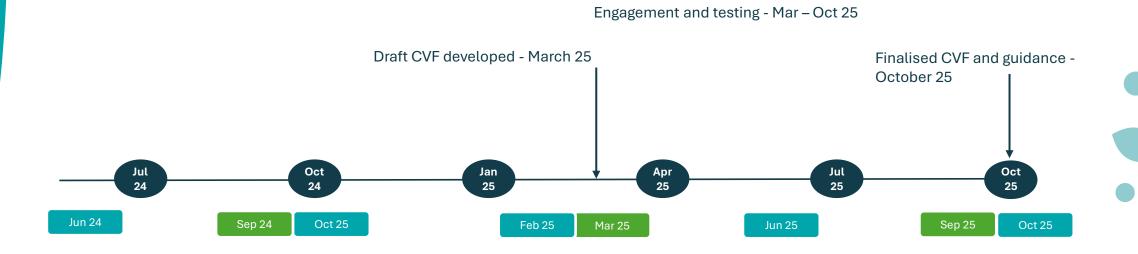
# **Common Value Framework**

Capturing and valuing the benefits of NbS in a robust, consistent and comparable way



The Common Value Framework is a decision-support tool, enabling the assessment of different forms of value to ensure that broader impacts and opportunities are accounted for.

It can help promote nature-based or societally beneficial solutions – enabling more sustainable and better value investments





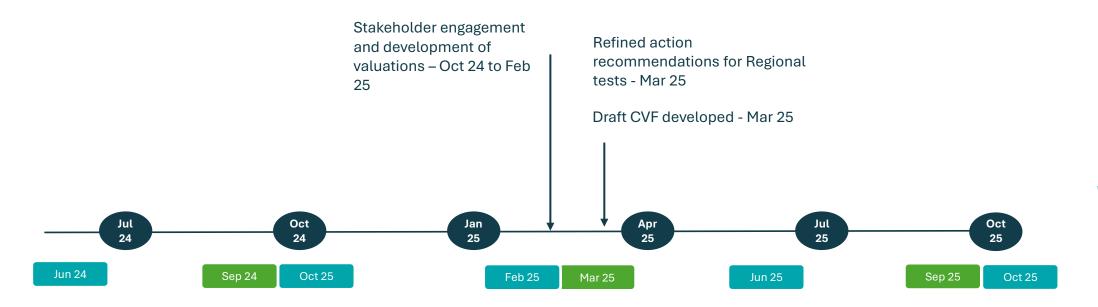
# **Collaboration**

Enabling effective collaboration and engagement to ensure the programme can facilitate the mainstreaming of NbS.



# **Including:**

- Consolidating efforts across all workstreams and identifying additional actions needed to achieve programme outcomes
- Forming and sustaining collaborative partnerships
- Fostering a cultural shift in support of NbS
- Engaging stakeholders through communication and dissemination



# **Programme stream map**

### CONTEXT

Context
The water environment faces
ever-growing stress from
pollution, depletion, climate
change and socio-political
pressures.

Unlike traditional approaches, nature-based solutions can help resolve multiple pressures whilst delivering social and environmental benefits barriers prevent their largescale adoption.



Siloed ways of working and competing pressures around risk and ownership

### SOCIALISE THE CHANGE

- 1. Creating sector-wide and cross-sectoral collaboration
- Industry forums, dissemination of best practice and building trust between water companies, regulators and stakeholders

### MOTIVATE THE CHANGE

- 2. A cultural shift in support of NbS
- Including Government and public engagement

Lack of standardised approaches and uncertainty around effectiveness and benefits of NbS



Limited financial incentives to attract investment / revenue at scale





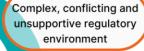
- 4. Greater long-term financial flows from a wider range of sources to fund NbS
- Aggregation of NbS investment opportunities
- · Increasing credibility of NbS with investors

### INFLUENCE THE CHANGE

- 5. Increased confidence and expertise in the planning, implementation, maintenance, monitoring and valuation of NbS
- Increasing confidence in the use and performance of NbS, standardisation of common assumptions and risk sharing

### Context

Mainstreaming nature-based solutions to deliver greater value at a landscape scale





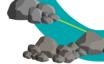
# INFLUENCE THE CHANGE

- 6. Increasing regulatory confidence and recommending policy changes leading to greater regulatory support for NbS
- Identifying and influencing key policy levers and processes which increase regulatory confidence









### INFLUENCE THE CHANGE

- 3. Tools and processes which support greater NbS
- Tried and tested Common Value Framework to fairly assess the value of NbS
- Processes for risk sharing, integrated planning and aggregation of benefits across a landscape



