Nature finance instruments

Application in land stewardship processes

November 2025

ENVIRONMENTAL GOVERNANCE:
an innovative mission to enhance biodiversity conservation through land stewardship, based on innovation and collaboration

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LIFE STEWARDSHIP (LIFE23-GIE-ES-LIFE Stewardship)

The LIFE STEWARDSHIP project promotes land stewardship as a social tool for the conservation and restoration of nature, through innovation and collaboration among public administrations, landowners or rights holders, companies, NGOs and other entities.

Fundación Biodiversidad (Ministerio para la Transición Ecológica y el Reto Demográfico, MITECO) coordinates this project, with the participation of Eurosite, Foro de Redes y Entidades de Custodia del Territorio (FRECT), Fundación Global Nature (FGN), Fundación Fernando González Bernáldez/Europarc-España, SEO/BirdLife and Xarxa per a la Conservació de la Natura (XCN). It is co-funded by the European Union's LIFE Programme.

November 2025

D2.1 Financing Instruments for Nature

Executive summary

This document brings together a structured analysis of a wide range of financial instruments applicable to nature conservation and restoration, with particular attention to their potential use within land stewardship processes. It references the current European policy framework, emerging financing trends, and conceptual approaches that explain the transition from traditional nature finance models towards hybrid, traceable, and results-oriented mechanisms.

Its purpose is to provide an overarching perspective that enables readers to interpret the current landscape of nature financing. The analysis supports the identification of patterns, opportunities, and constraints, yet it does not establish definitive conclusions nor determine the absolute suitability of each instrument. The assessments included may help inform decision-making processes, but they do not replace the need for a case-specific evaluation, as the practical applicability of each instrument depends on territorial characteristics, existing governance structures, and the capacity to measure outcomes in a verifiable manner.

The document presents the key factors influencing the suitability of each instrument for application in land stewardship processes and develops concise descriptive profiles outlining their basic functioning, requirements, potential uses, and constraints. Based on this framework, a suitability assessment is provided, grounded in criteria such as innovation, operational feasibility, replicability, coherence with land stewardship principles, and potential integration within broader financing strategies. This approach allows financial instruments to be understood as complementary mechanisms that may be combined within diversified funding models. The document analyses a total of 25 financial instruments, of which 15 have been identified as having high suitability for land stewardship initiatives, together with 3 complementary structural financial approaches.

The results chapter synthesises this assessment and offers a clear reading of the instruments' potential application in conservation or restoration processes. The comparative analysis facilitates an accessible understanding of the most promising options and the key factors that may influence their implementation.

In this way, the document fulfils its intended role within the project: to provide a preliminary diagnosis and a foundation for the development of an operational manual offering practical guidance for the selection and application of those financial instruments identified as most suitable for land stewardship processes.

Nature finance instruments

Application in land stewardship processes

Document of the LIFE STEWARDSHIP project (LIFE23-GIE-ES-LIFE Stewardship) analysing financial instruments applicable to nature conservation and restoration, their integration into European policies, and their potential to strengthen governance and the sustainability of land stewardship processes.

Índice

1. Introduction

1.1. Context and purpose of the document

This document is part of **Work Package 2 (WP2)** of the **LIFE Stewardship** project. It aims to strengthening governance, financing, and support tools for land stewardship. It corresponds to **deliverable D2.1, "Brief technical document on different financial measures and tools (2.1.1)"**, whose purpose is to provide an up-to-date overview of financial mechanisms applicable to nature conservation and restoration, with particular attention to their use in land stewardship processes. It is structured into three main sections:

Context and strategic framework, which summarises the most relevant European and national policies that frame financing for nature.

Analysis and classification of financial instruments, presenting the mechanisms currently available, with particular attention to innovative and complementary instruments and their applicability in land stewardship processes.

Practical application and reference cases, including previous experiences and recommendations for land stewardship organisations, public administrations, and financiers.

The aim of this analysis is to provide a comparative basis on the diversity of existing financial instruments and their degree of alignment with the objectives of LIFE Stewardship.

1.2. Land stewardship and financing needs

Land stewardship is an operational governance tool that enables the organisation of nature conservation and restoration through voluntary agreements between landowners, land stewardship organisations, public administrations, and other stakeholders. This approach has demonstrated its capacity to integrate environmental objectives into the day-to-day management of the territory, while respecting local specificities and promoting shared responsibility among the different actors.

The experience accumulated at the national level illustrates the relevance of this model. The **7th Inventory of Land Stewardship in Spain**, prepared by Fundación Biodiversidad, identifies **268 active land stewardship organisations and 4,632 agreements in place**, covering more than 708,000 hectares. Of these agreements, 51% are implemented within Natura 2000 sites, and only 6.2% show high levels of stability and effectiveness in biodiversity management. These data highlight both the potential of land stewardship and the need to **consolidate financial mechanisms that ensure the continuity and long-term impact of agreements.**

The viability of land stewardship processes largely depends on the existence of financial schemes capable of sustaining the commitments undertaken. Financing acts not only as economic support, but also as a structuring element that determines the duration of agreements, the scale of actions, and the level of ambition of environmental objectives. In the absence of

adapted mechanisms, agreements tend to rely on discontinuous resources, which limits their ability to generate lasting and replicable impacts.

1.3. Diversification and financial innovation

Traditionally, financing for nature conservation has relied predominantly on public funds, channelled through sectoral programmes, direct grants, or instruments linked to specific policies. These mechanisms have been, and continue to be, essential for promoting conservation and restoration, but they show clear limitations when it comes to supporting voluntary, decentralised, and long-term processes such as those associated with land stewardship.

In recent years, this situation has driven the exploration of complementary financial instruments, as well as the adaptation of existing mechanisms to new realities. Attention has progressively shifted towards **approaches capable of mobilising private and philanthropic resources, linking financial flows to verifiable environmental outcomes, or combining different sources of financing under hybrid schemes**. This process has resulted in a diverse set of instruments, with varying degrees of innovation, maturity, and complexity, whose applicability depends on very specific contextual and operational factors.

Not all of these instruments are equally suitable for land stewardship processes. Their suitability is conditioned by aspects such as the regulatory framework, the technical capacity of the actors involved, the scale of intervention, monitoring and verification requirements, and the level of risk assumed by the parties. Understanding these differences is essential to effectively guide financing decisions and avoid the application of solutions that are not well aligned with the realities of land stewardship processes.

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2. The value of nature

Nature conservation and restoration have traditionally been approached from a sectorial perspective, linked to specific environmental policies and largely dependent on public action. Within this framework, nature has primarily been regarded as an asset to be protected, whose management is justified on regulatory, ethical, or public interest grounds, but with limited integration into mainstream economic and territorial decision-making processes.

In recent years, this approach has begun to evolve. Increasing pressure on ecosystems, together with the scale of challenges associated with climate change, biodiversity loss, and land degradation, has highlighted the need to explicitly **incorporate nature into decision-making frameworks, both public and private**. This shift does not imply reducing conservation to an economic rationale but rather recognising that decisions affecting land generate costs and benefits that must be understood and managed in an integrated manner.

From this perspective, nature finance is no longer interpreted solely as a budgetary effort, it is, instead, placed at the centre of broader debates on public priorities, resource allocation, shared responsibility, and efficiency in the use of available funds.

2.1. Natural capital and ecosystem services

One of the key elements of this conceptual evolution is the progressive incorporation of **natural capital and ecosystem services** as reference frameworks for understanding the value of nature. These concepts make possible to describe ecosystems not only in terms of biodiversity or conservation status, but also in relation to the benefits they provide to society, such as water regulation, protection against natural hazards, carbon storage, soil fertility, and support for productive activities.

The identification of these benefits has facilitated the development of methodologies that link conservation and restoration actions to concrete and observable outcomes. Without aiming for a full monetisation of nature, this approach has helped to **make visible values that were traditionally excluded from decision-making processes**, thereby strengthening the justification for investments aimed at their maintenance and recovery.

At the European and international levels, these approaches have been progressively incorporated into strategic documents, technical reports, and recommendations from specialised organisations, setting the basis for a more integrated approach between conservation, spatial planning, and economic policies.

2.2. From necessary expenditure to investment

Considering nature from the perspective of natural capital has been accompanied by a significant conceptual shift, from a logic centred on expenditure to one oriented towards investment. Within this approach, conservation and restoration actions are assessed based on their contribution to medium- and long-term objectives, rather than solely on the immediate costs associated with their implementation.

This shift does not necessarily imply the pursuit of direct financial returns, but rather a greater focus on the **effectiveness, efficiency, and impact** of funded actions. Ecosystem restoration, improvements in conservation status, and sustainable land management are thus understood as investments that generate cumulative environmental, social, and economic benefits, contributing to territorial resilience and to the reduction of future risks.

In this context, nature finance is conceived as a **structural component of sustainable development strategies, rather than as a residual or ancillary element**. This perspective is particularly relevant for processes that require continuity over time and stability in commitments, such as those associated with land stewardship.

2.3. Shared responsibility and diversification of actors

The broadening of the perspective on the value of nature has been accompanied by greater involvement of actors beyond public administrations. Companies, financial institutions, civil society organisations, and private landowners are increasingly participating in conservation and restoration initiatives, whether through financial contributions, voluntary initiatives or collaborative schemes.

This diversification partly reflects the recognition that conservation challenges exceed the capacity of any single actor and require shared responsibility models, in which the benefits generated by nature are more equitably recognised and distributed. Land stewardship fully aligns with this approach, as it structures **voluntary and collaborative commitments that connect different interests around common objectives**.

The involvement of new actors also highlights the need for clear conceptual frameworks to understand how conservation financing is structured, what types of contributions are possible, and which conditions support their continuity over time. These conceptual elements are essential for interpreting, in the following chapters, the different approaches to nature finance.

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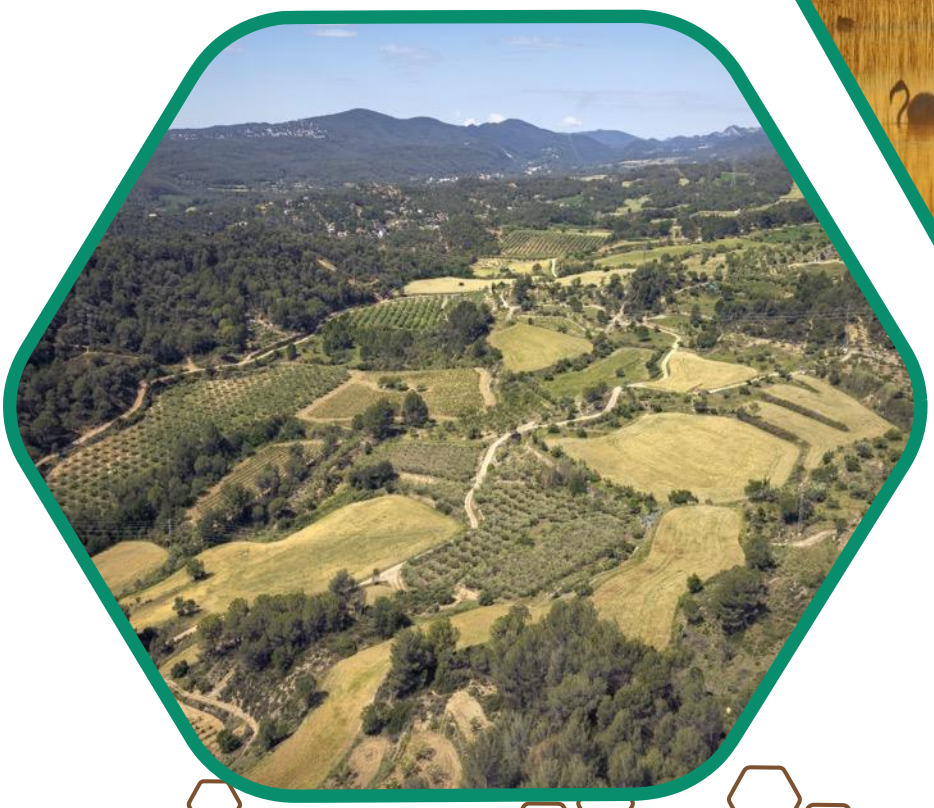
2.4. Conditions for nature finance

The recognition of the value of nature, the transition towards an investment-oriented logic, and the diversification of actors create a context in which conservation financing becomes increasingly complex. Financial decisions are no longer based solely on budgetary criteria, but are also linked to expectations of impact, frameworks of shared responsibility, and the need for coherence with broader environmental objectives.

This context explains the emergence and evolution of different financial approaches applied to conservation and restoration, as well as the need to assess their suitability for specific contexts such as land stewardship. Before examining these approaches and the specific instruments through which they are implemented, it is essential to understand this conceptual framework, which shapes both the opportunities and the limitations of nature finance in the current European context.



3. Policies and institutional framework

Financing for nature conservation and restoration takes place within a defined policy and institutional framework, which directly shapes objectives, timelines, monitoring requirements, and coherence conditions for actions. In the European context, this framework has been significantly strengthened in recent years, integrating biodiversity and ecological restoration into broader strategies for sustainability, climate transition, and economic transformation.

Policies and regulations adopted at the European level not only establish environmental priorities, but also influence how financial resources must be mobilised, the types of actions that are eligible, and the conditions under which public and private funds can be canalized. This environment is particularly relevant for processes such as land stewardship, which operate in decentralised contexts, often on privately owned land and through voluntary tools, and which must adapt to increasingly precise regulatory requirements.

3.1. European Green Deal and strategic investment orientation

The European Green Deal constitutes the central reference framework for the European Union's environmental and economic policy. Its approach integrates **biodiversity, climate, and sustainability objectives into a common transformation agenda**, positioning nature conservation and restoration as structural elements of the European development model.

From a financial perspective, the Green Deal introduces a clear orientation towards the mobilisation of investments aligned with these objectives, reinforcing the need to canalize resources towards actions with verifiable environmental impact and coherence with long-term strategies. This approach shapes the characteristics that financial solutions for conservation must meet, by prioritising stability, traceability, and contribution to defined environmental objectives.

3.2. EU Biodiversity Strategy for 2030

The EU Biodiversity Strategy for 2030 strengthens active conservation and ecosystem restoration as priorities of European public action. Its main pillars include the expansion and improvement of the Natura 2000 network, the restoration of degraded ecosystems, and the integration of biodiversity into sectoral policies.

In regard to financing, the Strategy explicitly **recognises the insufficiency of available public resources and the need to mobilise additional funding** from diverse sources. It also highlights the importance of linking mobilised resources to measurable environmental outcomes, introducing requirements for monitoring, evaluation, and accountability that directly affect financial schemes applicable to conservation and restoration.

This framework supports approaches capable of operating in decentralised contexts and structuring investment around predefined conservation objectives, making it particularly relevant for land stewardship processes.

3.3. Nature Restoration Regulation

The Nature Restoration Regulation -Law (NRL) introduces a qualitative shift in the European regulatory framework by establishing legally binding targets for the restoration of terrestrial and marine ecosystems. This instrument sets **quantified targets, timelines, and monitoring obligations** that directly influence the planning of actions and the associated financing needs.

The implementation of the Regulation requires the development of sustained actions over time, many of which will need to be carried out on privately owned land or in contexts where management is organised through voluntary iniciativas. This reinforces the need for stable **financial solutions adapted to local contexts**, as well as for mechanisms that allow for consistent verification of the results achieved.

The binding nature of the Regulation also provides a greater degree of regulatory predictability, which can positively influence financial planning by reducing uncertainty and clarifying medium- and long-term obligations.

3.4. European sustainable finance frameworks

The development of the European sustainable finance framework, including the **environmental taxonomy** and related reporting obligations, establishes **criteria for classifying economic activities according to their contribution to environmental objectives**. Although these instruments are not specifically designed for financing conservation and restoration, they indirectly influence the availability, design, and conditions of application of financial schemes.

The transparency, traceability, and alignment requirements introduced by these frameworks pose particular challenges for small- and medium-scale conservation and restoration projects, such as those that characterise many land stewardship processes. The adequacy of scale, the compatibility of timelines, and the capacity to demonstrate verifiable environmental impacts are key factors that shape the applicability of certain financial approaches in this context.

At the same time, these frameworks encourage the development of financial solutions that explicitly integrate environmental criteria and include robust monitoring and verification systems, thereby strengthening the confidence of financiers.

3.5. Institutional conditions for land stewardship

The set of European policies, strategies, and regulations creates an institutional environment that directly influences the financing of land stewardship. The combination of binding objectives, monitoring requirements, and an orientation towards investment mobilisation establishes a reference framework that shapes both the opportunities and the limitations of financial approaches applicable to these processes.

At the same time, the specific characteristics of land stewardship, such as the diversity of territorial contexts, the local scale of many actions, and the plurality of stakeholders involved, require a careful adaptation of financial solutions promoted at the European level. This context highlights that the consolidation of land stewardship, as well as the application of innovative instruments for its financing, are conditional upon the development of a stable institutional framework.

4. Key aspects of financial instruments

Financing for nature conservation and restoration relies on a wide range of instruments whose understanding requires going beyond their designation or apparent level of innovation. Financial instruments differ substantially in their underlying logic, the financial flows they mobilise, and the conditions they impose for their application. These differences explain why instruments with similar objectives may perform very differently in practice, and why some are viable in certain contexts while others face significant limitations.

In order to analyse the potential of the instruments examined later, it is necessary to first establish a **common framework that clarifies what characterises a financial instrument**, how it differs from other concepts commonly used in discussions on nature finance, and which dimensions shape its design and functioning. This chapter develops these analytical keys, without presenting specific instruments or anticipating their application in particular contexts, with the aim of providing a solid basis for the subsequent analytical section.

4.1. What is meant by a financial instrument

In the field of nature conservation, a financial instrument is understood as any structured system that canalizes economic resources towards specific actions, explicitly defining the conditions for the provision, management, and use of funds and, where applicable, the type of return expected. The existence of this structure is what distinguishes a financial instrument from other elements relevant to environmental financing.

A financial instrument always incorporates an architecture that regulates financial flows. This architecture establishes who provides the resources, under what criteria they are allocated, what commitments are undertaken, and what mechanisms are in place to oversee their use. In some cases, it also defines the conditions for repayment or return, even when this does not necessarily take a direct financial form.

Excluded from this definition are those elements which, while essential for nature finance, do not mobilise resources by themselves. These include public policies, regulatory frameworks, sectoral strategies, action plans, and technical methodologies. These components create the environment in which instruments operate and shape their viability, but they are not financial instruments in the strict sense.

4.2. Key factors for analysis

Financial instruments for nature can be analysed through a set of dimensions that make it possible to understand their internal logic and anticipate their practical implications. These dimensions do not constitute closed categories or formal classifications, but rather analytical criteria that help interpret the diversity of existing instruments and explain their operational differences.

Source of funding. The origin of funds decisively shapes the nature of the instrument and the requirements associated with its application. Instruments based on public funding are typically linked to policy priorities, specific regulatory frameworks, and control systems defined by public authorities. By contrast, when resources come from private or philanthropic sources, additional considerations arise, such as risk, reputation, alignment with corporate values, or expectations of impact. In many cases, instruments combine different funding sources, increasing their capacity to mobilise resources but also adding complexity to their management and to coordination requirements among actors.

Type of expected return. In conservation financing, return does not necessarily take the form of direct financial recovery. Many instruments are structured around environmental or social returns that justify the provision of funds without an explicit financial counterpart. In other cases, the return may be mixed, combining financial benefits with verifiable environmental outcomes. The way in which this return is defined and recognised influences the profile of potential financiers, the sustainability of the instrument, and the monitoring mechanisms required to demonstrate its effectiveness.

Time horizon and duration of commitments. Financial instruments differ significantly in the period over which they operate. Some are designed for one-off interventions or relatively short funding cycles, while others require medium- or long-term commitments for funded actions to generate meaningful results. This time horizon shapes technical planning, the stability of financial flows, and the capacity to monitor outcomes, and it is a key factor in assessing the real viability of the instrument.

Scale of application. The scale at which an instrument operates influences both its design and its potential impact. Some instruments are intended to operate at large scale, adding multiple actions or territories, while others are oriented towards more localised interventions. Ensuring consistency between the scale of the instrument and that of the funded actions is essential to avoid mismatches that may limit effectiveness or generate disproportionate administrative burdens.

Risk profile and allocation mechanisms. Every financial instrument involves a certain risk profile, which may be related to uncertainty regarding environmental outcomes, the stability of financial flows, or regulatory and market factors. The way in which this risk is distributed among the actors engaged influences their willingness to participate and the cost of financing. Some instruments place the risk primarily on financiers, while others mitigate it through guarantees, public support, or results-based payment schemes.

Monitoring and verification requirements. Most nature finance instruments include monitoring requirements that aim to ensure that resources are used in accordance with established objectives. These requirements may range from basic control systems to complex methodologies for measuring and verifying environmental outcomes. The level of requirement directly affects the credibility of the instrument, but also its operational complexity and implementation costs.

Transaction costs and operational complexity. Beyond the volume of resources mobilised, financial instruments generate costs associated with their design, management, monitoring, and verification. When these costs are high in relation to expected benefits, they can significantly limit the applicability of the instrument, particularly in contexts where technical or administrative capacities are limited. Analysing this dimension is essential to understand why some instruments, despite their conceptual appeal, face difficulties in being scaled up.

4.3. Financial innovation

Financial innovation in the field of conservation is not limited to the emergence of entirely new instruments, but also includes the adaptation of existing mechanisms, the combination of different funding sources, and the introduction of results-based criteria in the allocation of resources. A recurring feature of approaches considered innovative is their capacity to link financing to verifiable environmental impacts and to mobilise additional resources beyond traditional grants.

However, the degree of innovation of an instrument does not always correspond to its level of maturity. **Many approaches still face significant limitations**, such as incomplete regulatory frameworks, a lack of agreed methodologies for application and verification, high transaction costs, or difficulties in operating at scale. These limitations explain why some instruments, despite their conceptual interest and potential, still require significant adjustments before they can be widely applied.

4.4. Enabling conditions, monitoring and verification

The effectiveness of nature finance instruments largely depends on the existence of enabling conditions that allow their credible and sustained application. Technical planning, monitoring systems, and verification mechanisms play a central role in this regard.

Management plans, territorial planning frameworks, and monitoring methodologies provide clarity on the objectives pursued and the indicators required to assess results. Independent **verification and certification systems enhance transparency and build trust among financiers**, particularly in instruments that rely on measurable outcomes.

These elements do not constitute financial instruments themselves, but their absence significantly limits the viability of many financing mechanisms. Their proper integration strengthens the capacity of instruments to mobilise resources and to sustain conservation and restoration actions effectively.

5. Key aspects for financing land stewardship initiatives

The application of different financial instruments in stewardship processes requires analysing the degree of coherence between the economic structure of the initiative and the specific characteristics of each instrument. In many cases, it may be more appropriate to understand stewardship not as an isolated project of limited duration, but as an ongoing process based on voluntary commitments that evolve over time. From this perspective, financing directly influences the stability of the initiative, the distribution of responsibilities, and the capacity to maintain cumulative environmental results.

In this context, the selection of financial instruments could be approached not only from the perspective of resource availability or conceptual affinity with conservation, but also by considering the coherence between the structure of the proposal, the stakeholders involved, and the technical, legal, and temporal requirements associated with each instrument.

5.1. Economic structure of stewardship processes

To promote the viability and continuity of a stewardship process, the proposal should incorporate an economic structure that is not limited to the initial investment, but also includes cost forecasting and financing in the short, medium, and long term:

Activation costs, which could include the environmental assessment, the development of management plans, the legal formalization of the agreement, and, in many cases, the initial restoration or adaptation interventions. These costs are usually concentrated in the initial phase and require the availability of resources within a relatively short period.

Recurring costs associated with direct on-site management, which would include the maintenance of restoration activities, the ecological monitoring of habitats or species, the adaptation of measures to environmental changes, and the conservation of infrastructure linked to the project. These would be costs linked to the material implementation of the agreement and the environmental effectiveness of the actions. Without stable financial coverage, the results obtained in the initial phase may deteriorate or lose continuity.

Costs linked to governance, which are not associated with physical interventions but rather with the operation of the collaborative framework itself, include items such as coordination between landowners and the custodian, administrative management of the agreement, preparation of monitoring reports, and communication with funders or public administrations. Although they do not directly impact the land, these costs support the organizational structure and allow technical actions to be sustained over time.

Loss of profits: In some processes, the application of conservation measures may imply limitations on certain land uses, potentially modifying income-generating productive practices.

This can lead to reduced profitability or the foregoing of certain economic opportunities. When the initiative affects existing productive activities, financial viability will depend not only on covering direct management costs but also on assessing how this potential loss of income is compensated or balanced. The landowner's willingness to maintain the commitment could be affected if the economic impact is not adequately considered in the financial structure of the agreement.

The combination and timing of these costs determine which types of instruments can be integrated coherently. An instrument designed exclusively to finance initial investments may prove insufficient if there is no coverage for subsequent phases.

5.2. Ecological and Financial Timescales

The ecological processes associated with stewardship evolve at their own pace. Habitat recovery, soil quality improvement, and biodiversity increase require continuity and the accumulation of effects. In many cases, consolidated results only become evident after several monitoring cycles.

Financial instruments operate within defined timeframes. These include grants with fixed implementation deadlines, contracts with a set duration, financing schemes linked to measurable results in specific periods, and investment structures with established return horizons. This difference introduces a structural tension between the duration of the environmental commitment and the temporality of the instrument.

When financing is limited to short periods without any provision for continuity, the ecological process can become fragmented. Financial interruptions affect the stability of the agreement and the trust between the parties. Conversely, instruments with a long-term horizon require organizational structures capable of sustaining commitments over time and managing recurring obligations.

The application of financial instruments in land stewardship processes requires analysing the fit between the economic structure of the initiative and the specific characteristics of each financing mechanism. Land stewardship is not structured as a standalone project with a fixed duration, but as an **ongoing process based on voluntary commitments that evolve over time**. In this context, financing directly influences the stability of the initiative distribution of responsibilities, and the capacity to sustain cumulative environmental outcomes.

The selection of financial instruments cannot be based solely on the availability of resources or on conceptual alignment with conservation. It must respond to the coherence between the structure of the agreement, the actors involved, and the technical, legal, and temporal requirements of the instrument.

The alignment between ecological and financial timeframes is a central variable in the selection of instruments. In some cases, it will be necessary to establish successive mechanisms that cover different phases of the process; in others, to combine instruments of different natures that function in a complementary way.

5.3. Coordination between territorial and financial actors

Custody involves the interaction of multiple actors such as owners, custodian entities, public administrations, and local agents. The incorporation of financial instruments introduces a second sphere of actors with their own criteria and terminology.

Funders, whether public, philanthropic, or market-based, can operate under frameworks of risk management, compliance monitoring, and the requirement of verifiable results. **Their decisions are based on financial and regulatory parameters that do not always align with territorial logic or the trust-building timelines inherent in custodianship**.

The custodian typically assumes an intermediary role between these two spheres. It must translate environmental objectives into metrics understandable to funders and, at the same time, adapt financial requirements to the operational realities of the agreement.

Coordination implies the need to align expectations, manage information asymmetries, and define clear responsibilities. When these tasks are not explicitly addressed, mismatches can arise that compromise the implementation of the financial instrument or generate tensions between the parties.

The organizational capacity to undertake this coordination could limit access to more complex mechanisms. Instruments with elaborate contractual structures or high reporting requirements demand entities with strong technical and administrative capabilities.

5.4. Fit between territorial and financial legal structures

Custodianship processes are formalized through contracts and legal instruments that establish the duration, obligations, and rights of the parties. These legal frameworks interact with the legal structures of the financial instruments themselves. Public subsidies are subject to specific administrative regulations and justification procedures. Payment-for-performance contracts may require formalized multi-year commitments. Environmental credit schemes require clarity regarding the ownership of the benefits generated and the allocation of associated rights. Investment funds or instruments based on guarantees may incorporate additional legal liability requirements.

The compatibility between the legal framework of the agreement and the legal structure of the instrument is not automatic. On publicly owned land, there may be regulatory limitations on applying certain mechanisms with economic returns. In processes involving private property, the duration and legal soundness of the commitment influence the possibility of integrating instruments that require formal guarantees.

Clarity in the **allocation of responsibilities** for breaches or unforeseen events is another relevant element. Some instruments transfer part of the risk to the promoter or require specific corporate structures that are not always compatible with the agents involved in the stewardship process in question. Therefore, the evaluation of financial instruments in each initiative must consider this legal fit as an integral part of its feasibility analysis.

5.5. Monitoring, Reporting, and Verification (MRV) Systems

Environmental finance is increasingly incorporating mechanisms linked to results and impact. In this context, **the capacity for monitoring, reporting, and verification is becoming a prerequisite for accessing certain funding sources**.

The monitoring system allows for the documentation of the implementation of actions and the evolution of environmental indicators. The reporting system translates this information into formats understandable to funders and government agencies. Verification, when required, incorporates external validation or methodological auditing.

In traditional instruments, the level of requirement may be limited to the justification of expenses and compliance with activities. In results-based schemes or environmental markets, the requirement may include standardized methodologies, independent audits, and specific technical protocols.

The implementation of **MRV systems requires technical capacity, continuity in data collection, and consistency.** The absence of these conditions could limit access to innovative instruments that link financing to verifiable environmental impact.

The level of MRV intensity required by each instrument is a determining factor in its selection, especially when the organizational structure of the agreement is limited.

5.6. Key considerations in instrument selection:

The choice of financial instruments in stewardship processes can hardly be based solely on the availability of funds or their thematic affinity with conservation. In many cases, real viability also seems to depend on the degree of coherence between the structure of the agreement and the characteristics of the financial mechanism.

An instrument may be technically suitable from an environmental perspective and yet still present limitations or generate certain tensions if it does not fit with the duration of the commitment, the economic structure of the agreement, its legal framework, or the organizational capacity of the actors involved.

From this perspective, stewardship financing could be understood as an exercise in aligning multiple interrelated variables. Rather than identifying the most innovative instrument or the one with the largest economic volume, we should assess which ones are best suited to the specific configuration of each process. This logic of structural coherence allows us to interpret different levels of alignment between custody instruments and processes, which form the basis of the comparative analysis that follows.

6. Suitability analysis of financial instruments for land stewardship

To analyse the suitability of 25 instruments and three financial approaches for their application in land stewardship initiatives, the content is organised into concise profiles that allow for a structured and comparable reading of the most relevant influencing factors.

Each profile follows a homogeneous structure that makes it possible to describe how the instrument operates, identify its advantages and limitations, and analyse its fit within the specific context of land stewardship. This structure does not constitute a closed methodological procedure, but rather a common analytical framework that ensures coherence and transparency in the analysis:

Recognisable name of the instrument

Concise description of its operating logic, including the source of funding, the canalizing mechanism and, where applicable, the type of associated return.

Type	Indicative functional category of the different instruments analysed. It helps identify their main operating logic in relation to the origin of resources, the allocation mechanism and, where applicable, the type of return.
Suitability	Qualitative assessment of its adequacy for land stewardship processes, based on the structural features and variables described in the previous chapter.
Strengths	Main advantages of the instrument in relation to financial stability, coherence with voluntary agreements and its potential for practical application.
Weaknesses	Technical, regulatory, operational or contextual limitations that may hinder its use in land stewardship processes.

For comparative purposes, each instrument is also analysed according to the following factors:

Actors	Alignment with the typical actors involved in land stewardship, including landowners, land stewardship organisations, public administrations and the private sector, as well as real possibilities for shared responsibility.
Innovation	Level of novelty or transformation introduced in the specific context of land stewardship, particularly when it enables new financial flows or relationships with financiers.
Complexity	Degree of administrative, technical and verification requirements, as well as the need for specialised intermediation.
Scale	Potential for territorial application, possibilities for aggregation and suitability for projects of different sizes.
Timeframe	Temporal compatibility with the formalisation and implementation of land stewardship agreements, including processing and consolidation periods.
Continuity	Capacity to sustain commitments beyond one-off funding, in line with the medium- and long-term orientation of land stewardship.

Replicability	Possibility of reproducing the instrument in other contexts and/or with other actors, without depending on exceptional conditions.
Complementarity	Ease of integration with other instruments in hybrid schemes combining different funding sources and mechanisms.
References	Established sources supporting the description and assessment of the instrument.

The comparative analysis, based on the structural characteristics of land stewardship, the contextual variables identified, and the most relevant assessment factors, allows for a cross-cutting interpretation of the behaviour of the instruments evaluated. The systematic combination of these elements not only provides an individual assessment, but also identifies consistent patterns of suitability, maturity, and practical applicability.

Types

For indicative purposes, and without constituting a formal or taxonomic classification, the instruments analysed have been categorised according to their main operating logic:

- **Environmental markets and compensation.** Instruments based on the generation, exchange or offsetting of impacts through verifiable units associated with ecosystem services.
- **Investment with financial return.** Instruments that mobilise capital with an expectation of recovery and economic return.
- **Financing linked to results in the territory.** Structured around results generated in the territory, whether environmental, social, cultural or economic, with the valorisation of the territory as the basis for resource mobilisation.
- **Contributions and donations.** Voluntary contributions without direct financial return.

Groups

Based on this aggregated perspective, the instruments have been organised into six distinct groups. Each group is developed in a specific chapter, allowing for a deeper analysis of their characteristics, operating logic, and degree of suitability for land stewardship processes:

- **Consolidated innovative instruments with high suitability**
- **Emerging instruments with high potential**
- **Adapted traditional instruments with high suitability**
- **Conditioned instruments**
- **Instruments with significant limitations for their use in land stewardship processes**
- **Structural approaches to financial structuring**

7. Consolidated innovative instruments with high suitability

This section brings together instruments that show a particularly strong alignment with the structural logic of land stewardship and have demonstrated an effective capacity to sustain environmental commitments over time. Their innovative nature lies in the incorporation of explicit mechanisms linking financing to environmental outcomes, the introduction of measurement, verification or conditionality systems, and their ability to structure more complex and shared relationships between public and private actors.

These are tools that combine applied innovation, coherence with voluntary agreements and integration across different contexts. In many cases, their novelty does not lie in the instrument itself, but in its evolution towards results-oriented models, its traceability capacity or its integration into hybrid financing schemes.

These instruments make it possible to explicitly and verifiably link financing and environmental impact, promote shared responsibility among actors and adapt effectively to the shared governance inherent to land stewardship. Although some require rigorous monitoring and control systems, their level of maturity and accumulated experience make them reference tools for structuring stable financial strategies.

1. Payments for ecosystem services.
2. Restoration results-based payments.
3. Digitised membership programmes linked to results.
4. Environmental compensation schemes.
5. Environmental assurance processes.

1. Payments for ecosystem services

A financing instrument in which the beneficiaries of specific ecosystem services contribute financially to their conservation and management through voluntary agreements or regulated programmes. Resources originate from public or private users and are canalized through direct contracts between service providers and beneficiaries, with explicit definition of the service, management commitments and, where applicable, verifiable indicators.

Unlike standardised systems based on specific environmental credit markets, PES are structured through flexible agreements adapted to each territorial context, without necessarily relying on formal markets or international platforms.

Type

Environmental markets and compensation

High suitability

High compatibility with land stewardship processes, as it establishes a clear contractual relationship between ecosystem service providers and beneficiaries. Its flexibility allows adaptation to different territories and services, linking economic incentives to active conservation and shared responsibility among actors.

Strengths

- Based on contractual agreements and, where applicable, verifiable results.
- Strengthens shared responsibility between users and land managers.
- Highly replicable across multiple services and territorial contexts.
- Compatible with public programmes, private schemes or hybrid models.

Weaknesses

- Requires robust metrics and verification systems when linked to results.
- Potentially complex negotiation processes engaging multiple actors.
- Dependence on stable institutional frameworks to ensure continuity.
- Higher management and monitoring costs compared to more direct instruments.

Essential factors influencing land stewardship processes

Actors

Fully aligned with landowners, land stewardship organisations and direct beneficiaries of the service. The stewardship organisation can act as a technical intermediary and contract manager, strengthening shared governance.

Innovation

Although it has international precedents, its application in land stewardship introduces an innovative approach by linking direct payments to specific ecosystem services and verifiable management commitments.

Complexity

Requires monitoring and measurement systems, as well as capacity for negotiation and coordination among actors. Complexity is manageable, with technical support.

Scale

Applicable in river basins, forests, wetlands, agricultural systems or peri-urban landscapes. It can be scaled through territorial aggregation or integration into broader programmes.

Timeframe

Initial design and negotiation may require several months. Once the contractual agreement is formalised, payments can be maintained on a regular basis.

Continuity

High, provided there is sustained interest from beneficiaries and stable governance frameworks.

Replicability

Can be reproduced in other territories where a clearly identifiable service exists and beneficiaries are willing to finance it.

Complementarity

Can be integrated with public funds, environmental credits, European programmes or blended finance schemes, enabling hybrid strategies.

References

- Fundación Biodiversidad, Compendio internacional de mecanismos innovadores de financiación (2024).
- LIFE BIORGEST, Guide to innovative financing tools and incentives (2023).
- PONDERFUL, Sustainable finance inventory (2023).
- WRI, Financing Holistic Landscape Restoration in Europe (2023).

2. Restoration results-based payments

A financing instrument in which funds are disbursed only when verifiable environmental results are achieved, such as a restored area, improvement of ecological indicators or recovery of species.

Funds may come from public administrations, companies or private financiers and are canalized through contracts that define indicators, measurement systems and independent verification mechanisms.

The return is financial and conditional on the effective achievement of agreed results, directly linking financing and environmental impact within the framework of the land stewardship agreement.

Type

Financing linked to results in the territory

High suitability

High compatibility with land stewardship processes due to its capacity to align financial incentives with verifiable environmental results. It strengthens the professionalisation of management and transparency, although it requires technical capacity to design, measure and audit indicators.

Strengths

- Encourages measurable and verifiable restoration actions.
- Builds trust among public, private and philanthropic financiers.
- Replicable across different ecosystems and project types.
- Can be integrated with other instruments within hybrid financing schemes.

Weaknesses

- Requires technically robust monitoring and verification systems.
- Defining clear indicators may be complex in certain ecological contexts.
- Initial design and negotiation phases may be longer than in non-results-based instruments.

Essential factors influencing land stewardship processes

Actors

Land stewardship organisations can act as promoters and managers of projects, coordinating landowners, financiers and verifiers around contractually defined indicators.

Innovation

Introduces a significant shift compared to grants or conventional payments by conditioning financing on measured and verified results, strengthening traceability and accountability.

Complexity

Requires technical capacity to design methodologies, establish indicators and coordinate external verification processes. Complexity is manageable, in projects with specialised support.

Scale

Applicable in forest, agricultural, water-related and other ecosystems. It can be scaled through the standardisation of metrics and aggregation of projects.

Timeframe

Methodological and contractual preparation may require several months. Payments are triggered after verification of agreed results.

Continuity

Can be sustained over time if stable verification frameworks and trust between financiers and managers are established.

Replicability

Can be reproduced in other territories provided that clear and comparable indicators are defined.

Complementarity

Compatible with payments for ecosystem services, environmental credits and European programmes, facilitating mixed financing schemes.

References

- Fundación Biodiversidad, Compendio internacional de mecanismos innovadores de financiación (2024).
- LIFE BIORGEST, Guide to innovative financing tools and incentives (2023).
- CONAMA 2024, Emerging financing mechanisms.
- LIFE Networking Meeting – Innovative Funding Instruments for Nature (2025).

3. Digitised membership programmes linked to results

An instrument based on periodic contributions, monthly or annual, made by individuals or entities that join as members of a land stewardship organisation. Revenues come directly from the membership base and are canalized through digital systems for management, payment and communication, facilitating traceability and monitoring.

The modernisation of the model incorporates an explicit link to measurable environmental results, so that the contribution is no longer a generic donation but is associated with specific conservation and restoration indicators in defined territories. The return is financial and recurrent, providing budgetary stability to sustain organisational structure, management and actions linked to land stewardship agreements.

Type

Contributions and donations

High suitability

High compatibility with land stewardship processes due to its financial stability, direct control by the organisation and high replicability. Although it originates from a traditional mechanism, its digitalisation and linkage to verifiable results give it an innovative profile aligned with current requirements for transparency and measurable impact.

Strengths

- Generates predictable income that supports organisational structure and basic conservation actions.
- Strengthens social legitimacy and community building around land stewardship.
- Allows direct and agile management by the organisation, with relatively low operational costs.
- Easily integrates with other instruments as a structural funding base.

Weaknesses

- Average contribution per member is usually moderate, requiring a broad membership base to reach significant volumes.
- Requires continuous investment in communication, engagement and accountability.
- There is a risk of membership drop-out if tangible results or a sense of belonging are not perceived.
- Limited capacity to finance large-scale projects without complementary co-financing.

Essential factors influencing land stewardship processes

Actors

Land stewardship organisations design and manage the programme directly, maintaining control over revenue collection and allocation. Citizens and, where applicable, participating companies act as recurrent financiers, reinforcing shared social responsibility.

Innovation

It is a traditional instrument in origin, but becomes innovative when it is digitalised, territorially focused and explicitly linked to verifiable and communicable environmental results.

Complexity

Administrative requirements are simple, focused on registration, cancellation, payments and periodic communication of results. It does not depend on complex regulatory frameworks or specialised intermediation.

Scale

Highly replicable in any territory with a minimum social base. It can be scaled at regional or national level through digital platforms and coordinated campaigns.

Timeframe

Activation is rapid through recruitment campaigns or online forms. Revenues start to be generated from the first memberships.

Continuity

Provides a moderate but stable source over time, capable of offering budget predictability when the membership base is consolidated and retained.

Replicability

Can be reproduced in different organisational contexts provided there is capacity for communication, transparency and digital management.

Complementarity

Functions as a structural base that complements European projects, philanthropy, public funding or larger-scale hybrid schemes.

References

- XCT, European Land Stewardship Manual (2013).
- Fundación Global Nature, community-based experiences in conservation projects.
- ENPLC, Private land conservation manual (2024).

4. Environmental compensation

A financial and regulatory mechanism through which negative environmental impacts derived from projects, infrastructure or economic activities must be offset through equivalent actions of conservation, restoration or ecosystem improvement. Resources originate from project developers required by regulation or administrative conditions and are canalized through specific projects, funds, habitat banks or agreements with managing entities. Within the framework of land stewardship, they allow private or mandatory investments to be directed towards land and areas managed through formal procedures, provided that there is a clear legal framework and effective verification systems. They are typically linked to medium- or long-term commitments.

Type

Environmental markets and compensation

High suitability

High applicability in contexts with defined regulatory frameworks and established verification systems, particularly where land stewardship provides traceability, governance and ecological quality to compensation measures. Its integration with standardised schemes and its increasing linkage to verifiable metrics strengthen its potential in structured processes.

Strengths

- Constitutes a mandatory instrument in many regulatory contexts, which can generate stable and predictable financial flows.
- Facilitates the integration of land stewardship within regulatory and administrative frameworks.
- Compatible with other market mechanisms and certification schemes or environmental credits.
- Can secure financing linked to management commitments, verifiable results and temporal continuity.

Weaknesses

- Depends on regulatory frameworks and the existence of projects subject to compensation, which conditions its territorial availability.
- Involves complex processes that require specialised legal and technical capacity.
- There is a risk of low ecological quality if rigorous supervision and strong additionality criteria are not ensured.

Essential factors influencing land stewardship processes

Actors

Land stewardship organisations can act as recipients and managers of compensation measures, coordinating landowners, project developers and public administrations. However, their activation depends on regulatory decisions and the applicable administrative framework.

Innovation

Its evolution towards standardised models, habitat banks, integration with environmental metrics and digital traceability reinforces its innovative character within nature finance.

Complexity

Requires legal knowledge, capacity to negotiate with public administrations and project developers, as well as long-term monitoring and control systems.

Scale

Highly replicable where legislation establishes compensation obligations. It can be scaled at regional or national level through habitat banks or aggregated projects.

Timeframe

Depends on administrative timelines linked to projects that generate compensation obligations, ranging from several months to years.

Continuity

Compensation obligations, being linked to legal or contractual requirements, can ensure resources over the period established in the authorisation or contract.

Replicability

Can be reproduced in different territories, provided that there is a regulatory framework establishing clear obligations and control mechanisms.

Complementarity

Can be combined with environmental credits, public funds or European programmes, facilitating mixed financing schemes.

References

- Fundación Biodiversidad, Compendio internacional de mecanismos innovadores de financiación (2024).
- WWF, Bankable Nature Solutions (2020–2022).
- CONAMA 2024, Emerging financing mechanisms.
- WRI, Financing Holistic Landscape Restoration in Europe (2023).

5. Environmental assurance processes

An instrument based on the adaptation of traditional insurance schemes to cover environmental or climate risks associated with conservation, restoration or sustainable management projects. Resources originate from the payment of periodic premiums by landowners, managing entities or project developers, and are canalized through policies that define coverage conditions, activation thresholds and compensation mechanisms. Although their primary function is to transfer risks derived from fires, floods, droughts or other events, some products incorporate incentives for preventive conservation practices as a condition for accessing coverage or reducing premiums. The return does not constitute direct financing for conservation, it rather provides financial stability and predictability in the face of contingencies that may compromise land stewardship initiatives.

Type

Investment with financial return

High suitability

A complementary instrument that provides confidence, risk coverage and stability in land stewardship projects. It strengthens the financial resilience of restoration and sustainable management initiatives, although its application depends on the availability of adapted insurance products.

Strengths

- Provides coverage against environmental and climate risks that may affect land or projects under stewardship.
- Helps build confidence among financiers, investors and public administrations.
- It may incentivise preventive conservation practices when these are integrated into insurance conditions.
- Replicable across different contexts where a developed insurance market exists.

Weaknesses

- Access may be limited for small entities or those with limited financial capacity.
- Premiums may be high in territories with elevated environmental risk.
- It Depends on the willingness and technical capacity of insurance providers.
- In practice, it remains focused on compensating losses rather than financing active conservation.

Essential factors influencing land stewardship processes

Actors

Land stewardship organisations can act as promoters of insured projects or facilitate access to coverage for landowners and managers. The main relationship is established with insurance companies and, where applicable, with financiers requiring risk coverage.

Innovation

It is a traditional instrument that becomes innovative when it integrates environmental metrics, preventive incentives or is linked to restoration and climate adaptation projects.

Complexity

Requires negotiation with insurance providers, definition of specific coverage conditions and compliance with technical criteria. Complexity is moderate, although it may be significant for entities with limited financial experience.

Scale

Highly replicable in countries with established insurance markets and growing interest in climate and environmental coverage.

Timeframe

Contracting can be completed within short timeframes once the product is defined, with coverage active from the formalisation of the policy.

Continuity

As long as premium payments are maintained, coverage can be sustained over time, providing recurring stability.

Replicability

Can be reproduced in different territories provided that suitable insurance products exist and there is sufficient demand.

Complementarity

Compatible with green loans, investment funds, environmental credits and hybrid financing schemes, acting as a risk reduction mechanism.

References

- Fundación Biodiversidad, Compendio internacional de mecanismos innovadores de financiación (2024).
- WWF, Bankable Nature Solutions (2020–2022).
- WRI, Financing Holistic Landscape Restoration in Europe (2023).
- Climate Investment Strategy, Spain (2025).

8. Emerging instruments with high potential

This section brings together instruments that stand out for their capacity to mobilise significant financial resources and for their transformative potential in the relationship between financing and environmental impact. However, their operational development depends to a greater extent on the consolidation of technical standards, structured markets, stable regulatory frameworks or specialised intermediation.

They are characterised by their orientation towards results measurement, their potential for territorial scalability and their attractiveness to private and institutional investors. Their application in land stewardship processes requires robust governance structures, verifiable metrics and specialised technical management, positioning them as strategic tools with strong future projection.

6. Biodiversity credits.
7. Carbon market credits.
8. Water positive credits.
9. Environmental investment funds.
10. Impact funds.

6. Biodiversity credits

A financial instrument that enables the generation and trading of units linked to verifiable improvements in biodiversity, such as habitat restoration, species recovery or active management under conservation criteria. Each credit represents an environmental outcome measured and validated according to a defined methodology. Resources originate from companies, investors or entities interested in offsetting impacts or improving their environmental performance and are canalized through contracts, technical standards and independent verification systems. The inclusion of digital platforms and traceability systems strengthens transparency and prevents double counting, facilitating integration into emerging voluntary markets.

Type

Environmental markets and compensation

High suitability

An instrument with high applicability in land stewardship projects capable of generating verifiable environmental improvement metrics. Its potential is reinforced by the progress of European methodologies, the development of pilot initiatives and improvements in traceability systems. Its consolidation will depend on the standardisation of common metrics and market confidence.

Strengths

- It monetises direct conservation and restoration outcomes in terms of biodiversity.
- It aligns with international trends in impact-based financing with verifiable results.
- It can be integrated into land stewardship agreements, providing traceability and economic value linked to ecological improvement.
- Digitalisation increases transparency, trust and scalability potential.

Weaknesses

- Biodiversity metrics are not yet fully standardised at the European level.
- It depends on the existence of stable demand and trust in voluntary markets.
- It requires independent technical validation and long-term monitoring.
- There is a risk of loss of credibility if clear and robust regulatory frameworks are not established.

Essential factors influencing land stewardship processes

Actors

Land stewardship organisations can participate as generators and managers of credits, in collaboration with landowners, certifiers and buyers. Technical intermediation and access to specialised platforms are key factors.

Innovation

It is one of the most novel mechanisms in the European context, transforming biodiversity improvements into tradable assets with verifiable metrics and digital traceability.

Complexity

It requires robust methodologies, independent validation and continuous monitoring systems. Complexity is high, although lower than that of some regulated carbon markets.

Scale

It presents high potential for replicability across different territories as standards and interoperable platforms are consolidated.

Timeframe

Initial definition of metrics and validation may require several months. Once the scheme is established, credit issuance can be accelerated.

Continuity

It can generate recurring income as long as the management and conservation associated with the credit are maintained, with the possibility of multi-year contracts.

Replicability

It can be reproduced in other territories provided that recognised methodologies exist and access to markets or interested buyers is available.

Complementarity

Compatible with environmental compensation schemes, impact funds and blended finance mechanisms.

References

- Fundación Biodiversidad, Compendio internacional de mecanismos innovadores de financiación (2024).
- LIFE Networking Meeting, Innovative Funding Instruments for Nature (2025).
- WWF, Bankable Nature Solutions (2020–2022).
- CONAMA 2024, Emerging financing mechanisms.

7. Carbon market credits

A financial instrument based on the certification and trading of verified greenhouse gas emission reductions or removals generated by conservation, restoration or sustainable management projects. Each credit represents one tonne of CO_2 equivalent and can be traded in voluntary or regulated markets. Resources originate from companies, investors or entities that purchase credits to offset emissions or improve their climate performance, and are canalized through recognised standards, independent validation and official registries. They enable the monetisation of the carbon sequestration capacity of forest, agricultural or aquatic ecosystems managed under formal agreements.

Type

Environmental markets and compensation

Suitability

An instrument with high income potential and international recognition, particularly in territories with significant absorption capacity. Its applicability in land stewardship is high, although conditioned by technical complexity, certification costs and long timeframes until the first issuance of credits.

Strengths

- It enables the monetisation of the carbon sequestration function of managed ecosystems.
- Supported by internationally recognised certification standards and traceability systems.
- It can generate multi-year revenues once the project is certified.
- Compatible with land stewardship contracts and hybrid financing schemes.

Weaknesses

- High technical complexity and significant validation and verification costs.
- Long timeframes from project design to first credit sale.
- Limited to ecosystems with significant absorption or emission reduction capacity.
- Dependent on the evolution and volatility of carbon markets.

Essential factors influencing land stewardship processes

Actors

Land stewardship organisations can act as promoters or managers of projects, in collaboration with landowners, certifiers and credit buyers. Specialised technical intermediation is essential.

Innovation

It is a well-established instrument in the international climate field but it becomes innovative when explicitly integrated into territorial land stewardship agreements and linked to corporate ESG standards.

Complexity

It requires rigorous methodologies, independent validation and robust governance structures. The technical burden may be high for small entities without specialised support.

Scale

Replicable in forest, agricultural and marine ecosystems with significant absorption capacity. It can be scaled through project aggregation or coordinated land management.

Timeframe

From project design to certification and first sale, one or several years may elapse, depending on the standard and verification cycle.

Continuity

Once certified, projects can generate recurring income over several years, subject to periodic verification cycles.

Replicability

It can be reproduced in different territories provided that suitable ecological conditions exist and access to recognised standards is available.

Complementarity

Compatible with public funds, corporate donations, corporate social responsibility schemes and other hybrid instruments, facilitating combined financing strategies.

References

- Fundación Biodiversidad, Compendio internacional de mecanismos innovadores de financiación (2024).
- LIFE BIORGEST, Guide to innovative financing tools and incentives (2023).
- PROMACC, Forest climate markets programme in Catalonia (2024).
- WWF, Bankable Nature Solutions (2020–2022).

8. Water positive credits

An emerging instrument that enables the generation and trading of credits linked to improvements in water availability, quality or sustainable management. Each credit represents a verifiable unit of hydrological benefit, such as volume of water restored, retained or improved in quality. Resources originate from companies or entities interested in offsetting or reducing their water footprint and are canalized through technical methodologies, independent validation and traceability systems. Within the framework of land stewardship, it enables the monetisation of projects such as wetland restoration, aquifer improvement, efficient irrigation management or the recovery of hydrological functionality on land under agreement.

Type

Environmental markets and compensation

High suitability

An instrument with high applicability in land stewardship projects focused on hydrological restoration and resilience to water scarcity. Its integration is viable in territories with significant water-related challenges, although its consolidation depends on the European standardisation of metrics and widely accepted verification systems.

Strengths

- It links conservation and sustainable water management with strategic economic sectors.
- It monetises wetland restoration actions and watershed improvement.
- It aligns with increasing regulatory and corporate pressure on water footprint.
- It can be integrated with other environmental markets and hybrid schemes.

Weaknesses

- It still shows limited standardisation and few pilot experiences in Europe.
- It requires specialised hydrological monitoring and independent validation.
- Lower applicability in territories without significant water-related challenges.
- It depends on corporate willingness to offset water-related impacts.

Essential factors influencing land stewardship processes

Actors

Land stewardship organisations can generate credits through hydrological restoration projects, in coordination with landowners, certifiers and water-consuming companies interested in voluntary offsetting.

Innovation

A clearly emerging instrument with a strong innovative component, based on the standardisation of hydrological metrics and the traceability of results.

Complexity

It requires specific methodologies for quantification and hydrological monitoring, as well as independent technical validation. Its complexity is significant, although somewhat lower than in consolidated carbon markets.

Scale

Applicable in river basins, wetlands and territories under pressure on water resources. It can be scaled through project aggregation or territorial restoration programmes.

Timeframe

Initial definition of metrics and validation may delay activation. Once the scheme is structured, credit issuance can take place on a periodic basis.

Continuity

It can generate recurring income in multi-year projects linked to watershed management or sustained restoration over time.

Replicability

It can be reproduced in territories with an adequate technical basis and corporate demand interested in offsetting water footprint.

Complementarity

Compatible with payments for ecosystem services, carbon credits and corporate social responsibility programmes in water-intensive sectors.

References

- Fundación Biodiversidad, Compendio internacional de mecanismos innovadores de financiación (2024).
- Coalition Finance Solution Incubators (2021).
- Sustainable Landscape Finance Coalition (2021).
- CONAMA 2024, Emerging financing mechanisms.

9. Environmental investment funds

A financial instrument that pools capital from multiple investors to canalize it towards projects with positive environmental impact. They operate as traditional investment funds, but incorporate environmental, social and governance criteria and, in some cases, specific biodiversity or climate metrics. They can be structured as equity, debt or private capital funds and enable the mobilisation of large volumes of resources towards landscape restoration, green infrastructure, sustainable agriculture or nature-based solutions. Within the framework of land stewardship, access is usually indirect, through structured projects that meet profitability and impact measurement requirements.

Type

Investment with financial return

High suitability

An instrument with high capacity to mobilise resources and strong strategic potential to integrate private capital into conservation. Its applicability in land stewardship is high when projects reach sufficient technical and financial maturity, and direct access for small entities is limited without intermediation or partnerships.

Strengths

- It mobilises private capital at large scale towards environmental projects.
- It provides medium- and long-term financial stability through defined investment horizons.
- Recognised in international markets under environmental and impact criteria.
- It can be integrated into hybrid territorial financing schemes.

Weaknesses

- Direct access is restricted for small-scale land stewardship entities.
- It requires rigorous financial structuring and verifiable environmental metrics.
- It involve lengthy and technically demanding approval processes.
- It tends to prioritise larger-scale or aggregated projects.

Essential factors influencing land stewardship processes

Actors

Land stewardship organisations can participate as promoters of projects integrated into investment portfolios, typically through consortia, intermediary vehicles or public-private co-investment schemes.

Innovation

They are well-established financial vehicles, but their adaptation to biodiversity, climate and territorial impact metrics represents a significant evolution in nature finance.

Complexity

It requires projects to be structured as investment opportunities with solid financial analysis, impact indicators and clear governance, implying high technical demands.

Scale

Applicable at regional, national or international scale. Their logic favours aggregated projects or landscape-level programmes beyond isolated local scale.

Timeframe

Structuring and approval processes may be lengthy. Once formalised, funds typically operate with multi-year investment horizons.

Continuity

It provides financial predictability during the investment period, typically between seven and fifteen years depending on the vehicle.

Replicability

It can be reproduced in different territories provided that financially viable projects with robust environmental metrics exist.

Complementarity

Compatible with blended finance, environmental credits and European public funds, facilitating combined financing schemes.

References

- Fundación Biodiversidad, Compendio internacional de mecanismos innovadores de financiación (2024).
- WWF, Bankable Nature Solutions (2020–2022).
- Sustainable Landscape Finance Coalition (2021).
- Climate Investment Strategy (Spain, 2025).

10. Impact funds

Investment instruments that mobilise private capital towards projects that simultaneously generate financial returns and verifiable environmental and social benefits. Unlike conventional environmental funds, their core logic is not limited to incorporating ESG criteria, but explicitly measures the impact generated through standardised indicators such as restored hectares, carbon captured or biodiversity improvement, alongside with financial performance. Capital comes from investors who accept a dual expectation of return, financial and environmental, and is canalized through professionally structured investment vehicles. Within the context of land stewardship, they can finance restoration or sustainable management projects provided these are designed as investments with clear performance and return metrics.

Type

Investment with financial return

High Suitability

An instrument with high strategic potential to integrate private investment into conservation, aligned with international trends in responsible investment. Its applicability in land stewardship is high when projects reach sufficient technical and financial maturity, although direct access requires advanced structuring capacity.

Strengths

- It mobilises private capital towards projects with measurable environmental impact.
- It integrates verifiable performance metrics alongside financial return.
- It operates with long investment horizons and temporal predictability.
- Aligned with international frameworks on responsible investment and sustainable finance.

Weaknesses

- Direct access is limited for land stewardship entities without specialised financial structures.
- It requires robust economic models and impact reporting capacity.
- Negotiation and approval processes may be lengthy and demanding.
- It depends on the stability and confidence of financial markets.

Essential factors influencing land stewardship processes

Actors

Land stewardship organisations can participate as promoters or technical partners in projects structured as investments, typically in partnership with financial managers, companies or intermediary vehicles.

Innovation

It represents a clearly innovative approach by structurally integrating environmental impact measurement into private investment logic.

Complexity

It requires advanced financial structuring, verifiable metrics and periodic reporting capacity, implying a high level of technical demand.

Scale

Applicable at regional or international scale and particularly suited to aggregated or landscape-level projects beyond isolated local initiatives.

Timeframe

Preparation and structuring may be prolonged. Once the investment is formalised, resources are deployed according to the agreed plan.

Continuity

It typically operates with medium- and long-term investment horizons, providing stability over the committed period.

Replicability

It can be reproduced in different territories provided that economically viable projects with measurable impact exist.

Complementarity

Compatible with blended finance, environmental credits and public funds, facilitating hybrid financing schemes in land stewardship processes.

References

- Fundación Biodiversidad, Compendio internacional de mecanismos innovadores de financiación (2024).
- WWF, Bankable Nature Solutions (2020–2022).
- Sustainable Landscape Finance Coalition (2021).
- Coalition Finance Solution Incubators (2021).

9. Adapted traditional instruments with high suitability

This group brings together instruments whose economic logic does not originate specifically from environmental financial innovation, but from traditional market dynamics, philanthropy or asset management practices. Their relevance in the context of land stewardship lies in their capacity to be effectively adapted to voluntary agreements and active conservation processes.

These are mechanisms that can be activated relatively easily, that rely on already established economic practices and that contribute to strengthening the financial stability of projects without introducing excessive structural complexity. Their value lies in their direct applicability and in their ability to generate lasting economic links between conservation, territory and the social or productive fabric.

11. Sale of certified products linked to land stewardship agreements.
12. Voluntary contributions from beneficiaries.
13. Transfer of community assets with financial value.
14. Payments for recreational, cultural and health services.
15. Environmental philanthropy and collective financing.

11. Sale of certified products linked to land stewardship agreements

Commercialisation of primary or processed products that incorporate recognised sustainability certifications or labels (for example, sustainable forest management or organic production), or territorial brands associated with formal environmental commitments.

Revenues originate from the market, through the sale of products with added environmental value. The canalizing mechanism is structured through certification, traceability and land stewardship agreements that link sustainable management to the marketed product.

The return is financial, through price premiums, improved market access or greater commercial stability, and may be allocated in full or in part to financing management, restoration or monitoring of the land stewardship agreement.

Type

Financing linked to results in the territory

High suitability

High compatibility with land stewardship processes where productive activity exists. It enables the generation of recurring income aligned with agreed sustainable management. It requires overcoming initial certification barriers and defining clear mechanisms for reinvestment in conservation.

Strengths

- It generates a revenue stream directly linked to sustainable land management.
- It strengthens traceability, transparency and governance of land stewardship agreements.
- Replicable across different productive sectors through certifications or territorial brands.
- It provides a clear narrative for consumers and impact-oriented financiers.

Weaknesses

- Certification, auditing and technical adaptation costs are high for small-scale operations.
- Dependent on demand and market price evolution.
- It may create a significant administrative burden without technical support.
- It requires clear definition of how revenues are reinvested in conservation actions.

Essential factors influencing land stewardship processes

Actors

Aligned with productive landowners, land stewardship organisations and, where applicable, cooperatives or producer groups. It enables shared responsibility through agreements linking certification, sustainable management and the allocation of part of the margin to conservation. Public administrations may support through incentives or institutional recognition.

Innovation

Certification itself is not new, but its explicit use as a financing mechanism for land stewardship agreements, linking commercial margins and conservation, introduces an innovative approach in this context.

Complexity

It requires compliance with technical standards, periodic audits and stable commercial agreements. Complexity is manageable in medium-term projects but may be significant for small-scale operations without support.

Scale

Applicable in forest, agricultural and livestock contexts. Scalable through producer aggregation, collective certification or territorial brands linked to stewardship.

Timeframe

Initial certification processes may require between six and twelve months, depending on the standard. It is compatible with medium- and long-term land stewardship agreements.

Continuity

Once commercial positioning is consolidated, it generates recurring income per production cycle, supporting the economic sustainability of the agreement.

Replicability

It can be reproduced in other territories provided that a productive base and market access exist.

Complementarity

It easily integrates with payments for ecosystem services, stewardship agreements with financial commitments, micro-financing for initial costs or public instruments supporting certification.

References

- LIFE BIORGEST, Guide to innovative financing tools and incentives (2023).
- Fundación Biodiversidad, Compendio internacional de mecanismos de financiación innovadora (2024).
- WWF, Bankable Nature Solutions (2020).
- PONDERFUL, Sustainable finance inventory (2023).

12. Voluntary contributions from beneficiaries

Voluntary payments made by individuals, communities or entities that benefit directly or indirectly from ecosystem services or the environmental values of a territory. Unlike fees or legal obligations, these contributions arise from social agreements, shared responsibility commitments or initiatives promoted by land stewardship organisations. Resources may be canalized through earmarked donations, one-off contributions or arrangements agreed with user groups of the territory, and are allocated to the management, restoration or monitoring of specific actions.

Type

Contributions and donations

High suitability

An instrument particularly suited to land stewardship processes due to its accessibility, flexibility and capacity to strengthen social co-responsibility in conservation. It enables direct and rapid mobilisation of resources, although its stability depends on the continued engagement of beneficiaries.

Strengths

- It can be managed directly by land stewardship organisations without complex financial structures.
- It strengthens the social link between beneficiaries and the territory.
- It allows rapid activation of fundraising campaigns at low cost.
- It functions as a flexible complement to other instruments.

Weaknesses

- Revenues are usually modest and variable over time.
- Dependent on the social context and the communication capacity of the organisation.
- Limited capacity to finance large-scale projects.
- It requires continuous transparency and accountability to maintain trust.

Essential factors influencing land stewardship processes

Actors

Land stewardship organisations can promote, manage and directly receive these contributions, in coordination with local communities, recreational users or companies linked to the territory.

Innovation

It is not a new mechanism in financial terms, but its structured application in land stewardship processes introduces an organised approach to territorial co-responsibility.

Complexity

Low operational complexity, mainly requiring clear management and transparency systems.

Scale

Applicable in territories with an active social base or identifiable user groups. Its scope depends on the size and cohesion of the involved community.

Timeframe

It can be activated immediately through campaigns or specific social agreements.

Continuity

Stability depends on maintaining the interest and engagement of beneficiaries and may fluctuate depending on economic or social conditions.

Replicability

It can be reproduced in other territories provided that there is a clear link between beneficiaries and conserved environmental values.

Complementarity

Compatible with patronage programmes, crowdfunding, membership schemes or land stewardship agreements with associated financial commitments.

References

- Fundación Biodiversidad, Compendio internacional de mecanismos innovadores de financiación (2024).
- LIFE BIORGEST, Guide to innovative financing tools and incentives (2023).
- PONDERFUL Project, Sustainable finance inventory (2023).

13. Transfer of community assets with financial value

A mechanism through which a public administration or other asset-owning entity transfers ownership, usage rights or management of an asset, such as land, buildings or facilities, to a community organisation or land stewardship entity for conservation and sustainable management. The transfer may be formalised free of charge or conditioned on environmental commitments, reducing access costs to the territory and ensuring long-term availability. Its financial value does not necessarily lie in the direct generation of income, but in stable access to assets that enable conservation projects to be developed without acquisition costs.

Type

Financing linked to results in the territory

High suitability

An instrument particularly suited to land stewardship processes where assets are available and there is institutional willingness. It provides territorial stability and legal certainty for medium- and long-term conservation actions, although it depends on clear administrative frameworks and the organisational capacity of the receiving entity.

Strengths

- It facilitates direct and long-term access to strategic land or infrastructure.
- It reduces structural costs associated with land acquisition or leasing.
- It strengthens community co-responsibility in asset management.
- It enables the structuring of conservation projects with a stable horizon.

Weaknesses

- It involves administrative and legal procedures that may be complex.
- It depends on the availability of assets suitable for transfer.
- It requires technical and organisational capacity to manage the asset effectively.
- It may create uncertainty if agreements are not properly formalised.

Essential factors influencing land stewardship processes

Actors

Land stewardship organisations can become direct recipients of assets transferred by public administrations or other owning entities, assuming management responsibilities under agreed conditions.

Innovation

It is not a new mechanism in legal terms, but its systematic use for conservation and land stewardship purposes represents a still limited approach in European contexts.

Complexity

It requires formal administrative processes, clear contracts and legal guarantees to ensure long-term stability.

Scale

Applicable both to small local properties and larger assets, depending on availability and management capacity.

Timeframe

Transfer procedures may be lengthy. Once formalised, they provide medium- and long-term stability.

Continuity

The legal robustness of the agreement determines continuity. Well-structured transfers can ensure decades of stable management.

Replicability

It can be reproduced in territories where public or community assets exist and there is political or institutional willingness to transfer them.

Complementarity

It can be combined with grants, payments for ecosystem services or European funds to finance the management and restoration of the transferred asset.

References

- Fundación Biodiversidad, Compendio internacional de mecanismos innovadores de financiación (2024).
- PONDERFUL Project, Sustainable finance inventory (2023).
- Experiences of transferring the use of municipal properties to conservation organisations in Spain and the United Kingdom.

14. Payments for recreational, cultural and health services

Mechanisms that generate income through payments for recreational, educational, cultural or wellbeing and health-related experiences in natural areas managed under land stewardship agreements. These include guided visits, environmental education programmes, ecotourism activities, nature-based therapies, cultural events or organised use of the territory for educational and responsible leisure purposes. The resources obtained are allocated to financing the management, restoration and maintenance of these areas, linking social use of the territory with its active conservation.

Type

Financing linked to results in the territory

High suitability

High compatibility in land stewardship processes, especially in rural and peri-urban contexts. It allows direct access to income for managing entities and strengthens the relationship between conservation and society. Its stability depends on demand and organisational capacity.

Strengths

- It generates direct income manageable by the land stewardship organisation.
- It strengthens social visibility and legitimacy of the project.
- It diversifies funding sources by integrating leisure, culture and health.
- Adaptable to different territories and types of environments.

Weaknesses

- It depends on tourism or social demand and may be affected by external crises.
- It requires logistical organisation, trained staff and regulatory compliance.
- It may generate pressure on the territory if visitor flows are not properly managed.
- It provides less stable income than contractual or regulatory mechanisms.

Essential factors influencing land stewardship processes

Actors

Land stewardship organisations can directly organise activities or establish agreements with specialised companies, maintaining control over the allocation of revenues.

Innovation

Although nature-based tourism is well established, its formal integration into land stewardship agreements and its linkage to health and wellbeing programmes represent a recent evolution in territorial financing.

Complexity

It requires planning, insurance, compliance with public use regulations and coordination of activities, with a moderate level of complexity.

Scale

Applicable in wetlands, forests, agricultural land and peri-urban environments. It can be scaled through territorial networks or partnerships with responsible tourism operators.

Timeframe

It can be activated in short timeframes where basic infrastructure and prior planning exist.

Continuity

Income can be recurrent but is subject to seasonality and variations in social demand.

Replicability

It can be reproduced in other territories with landscape, cultural or natural values suitable for public use compatible with conservation.

Complementarity

Compatible with product certification schemes, membership programmes and public funds supporting sustainable tourism.

References

- Fundación Biodiversidad, Compendio internacional de mecanismos innovadores de financiación (2024).
- LIFE BIORGEST, Guide to innovative financing tools and incentives (2023).
- PONDERFUL Project, Sustainable finance inventory (2023).
- WWF, Bankable Nature Solutions (2020).

15. Environmental philanthropy and collective financing

A set of mechanisms based on voluntary contributions from individuals, companies or foundations directed towards conservation, restoration or land stewardship projects, without direct financial return. It includes private donations, corporate philanthropy, collective financing campaigns and digital models that enable canalizing individual or corporate contributions through specialised platforms. These mechanisms are driven by ethical, social or reputational motivations and may be structured through multiannual agreements, one-off campaigns or digital systems that facilitate traceability, transparency and access to donors at national and international levels.

Type

Contributions and donations

High suitability

High applicability in land stewardship processes due to its flexibility, rapid activation and capacity to mobilise social capital. It enables the financing of actions that do not fit within strictly contractual schemes and can act as catalytic capital for more complex hybrid structures.

Strengths

- It offers high flexibility in use and adaptation to specific project needs.
- It strengthens social legitimacy and visibility of land stewardship.
- It can be activated quickly through digital campaigns or corporate agreements.
- It allows the combination of citizen, corporate and institutional contributions within a single financial ecosystem with environmental objectives.

Weaknesses

- Subject to volatility and dependent on economic and reputational context.
- Funding volumes may be limited without major donors or a broad social base.
- It requires continuous effort in communication, transparency and accountability.
- Continuity depends on stable relationships with donors and partners.

Essential factors influencing land stewardship processes

Actors

Land stewardship organisations can directly raise and manage funds, establish sponsorship agreements or present projects on digital platforms to connect donors and companies.

Innovation

Although philanthropy is a traditional mechanism, the use of digital platforms integrating donations, micro-contributions and corporate funding introduces an innovative dimension in terms of reach, traceability and scalability.

Complexity

Operationally simple from a legal perspective, although it requires strong communication capacity and transparent fund management.

Scale

Applicable at local, regional or international levels, especially when supported by digital platforms that broaden access to external donors.

Timeframe

It allows rapid activation through campaigns or agreements. Multiannual commitments provide greater stability.

Continuity

Stability depends on donor retention and the maintenance of strategic relationships with companies or foundations.

Replicability

It can be reproduced in different territories where communication capacity and an interested social or corporate base exist.

Complementarity

It functions as a structural base to be combined with European projects, results-based payments, environmental compensation schemes or blended finance structures.

References

- Fundación Biodiversidad, Compendio internacional de mecanismos innovadores de financiación (2024).
- LIFE BIORGEST, Guide to innovative financing tools and incentives (2023).
- WWF, Bankable Nature Solutions (2020–2022).
- Sustainable Landscape Finance Coalition (2021).
- Coalition Finance Solution Incubators (2021).

10. Conditional instruments

This group brings together instruments whose applicability in land stewardship processes depends on the presence of specific enabling conditions, such as a certain project scale, advanced technical capacities, institutional support, a favourable regulatory environment or complementary financial structures.

Although they can play a relevant role in specific contexts, their integration as structural instruments within a land stewardship strategy requires more detailed prior analysis and, in many cases, their combination with more stable or consolidated mechanisms.

16. Voluntary eco-levies in economic sectors.
17. Climate resilience credits.
18. Ecological guarantee mechanisms.
19. Green loans.
20. Equity participation for conservation.
21. Innovative fiscal mechanisms with direct returns to conservation.

16. Voluntary eco-levies in economic sectors

Application of small voluntary surcharges added to the price of goods or services in sectors such as tourism, hospitality, retail or energy, fully allocated to financing conservation, restoration or land stewardship projects. They differ from public levies in that their implementation depends on voluntary agreements between companies, sectoral associations and environmental organisations. The financial flow originates from the end consumer, is canalized through the participating company and transferred to the entity managing the project, which assumes implementation and traceability of the funds.

Type

Contributions and donations

Partial suitability

Conditioned, as it can generate rapidly activated income and strengthen the social legitimacy of land stewardship projects by directly involving the economic fabric and citizens, but its financial stability and predictability depend on the continuity of business commitment and consumer behaviour under variable economic conditions.

Strengths

- It directly links consumption with conservation, fostering co-responsibility.
- It can be activated quickly through sectoral agreements without requiring regulatory changes.
- It enhances the reputation and environmental positioning of participating companies.
- Easily combined with other instruments within a mixed financial scheme.

Weaknesses

- Dependent on continued business commitment and customer acceptance.
- Revenues are variable and sensitive to seasonality and economic cycles.
- Limited applicability in territories with low economic activity or weak culture of responsible consumption.
- It requires clear transparency and accountability mechanisms to avoid distrust or perceptions of greenwashing.

Essential factors influencing land stewardship processes

Actors

Local or regional businesses, end consumers, land stewardship organisations as beneficiaries and technical managers of projects, and potentially sectoral associations or public administrations as facilitators.

Innovation

High in terms of financial governance, as it introduces a voluntary mechanism that internalises environmental value into market prices without requiring mandatory public regulation. It strengthens the link between the real economy and conservation through participatory approaches.

Complexity

Medium. Legal structuring is relatively simple, based on private agreements, but requires transparent systems for fund management, reporting and communication of results to maintain trust.

Scale

Well suited to tourist destinations, peri-urban areas or territories with an active business fabric and environmental awareness. Lower potential in rural areas with low economic intensity.

Timeframe

Rapid activation where prior agreement with the relevant sector exists. It can be implemented through specific campaigns or seasonal initiatives.

Continuity

Dependent on the persistence of business agreements and on perceived impact by consumers and companies. It requires visibility of results to consolidate over time.

Replicability

Easily replicable across different territories and sectors where sufficient economic activity and a clear environmental impact narrative exist.

Complementarity

Highly compatible with public funds, European projects, corporate social responsibility programmes or market-based instruments. Particularly effective as a short-term complementary instrument within a broader financial mix.

References

- Fundación Biodiversidad, Compendio internacional de mecanismos innovadores de financiación (2024).
- LIFE BIORGEST, Guide to financing and incentives for forest biodiversity (2023).
- Coalition Finance Solution Incubators, examples in sustainable trade and tourism (2021).

17. Climate resilience credits

An emerging instrument that converts climate adaptation and resilience-building actions into verifiable credits, certifying benefits such as flood risk reduction, erosion control, improved water infiltration or enhanced agricultural and territorial resilience. Each credit represents a quantified unit of ecosystem service associated with reducing climate vulnerabilities. The financial flow originates from economic actors or public administrations that benefit from reduced risk or increased climate security, which provide financial compensation to projects generating these benefits.

Type

Environmental markets and compensation

Conditional suitability

Conditioned, as despite having high strategic potential and being fully aligned with the international and European climate agenda, its current applicability still depends on methodologies that are not yet fully consolidated and on the existence of structured demand for this type of asset..

Strengths

- Highly innovative and aligned with climate adaptation policies.
- It enables monetisation of direct benefits linked to risk reduction and territorial security.
- Applicable to ecosystems under land stewardship, particularly wetlands, river systems and agricultural landscapes.
- Compatible with climate insurance, carbon credits and blended finance structures.

Weaknesses

- Measurement and verification methodologies are still incipient and not fully standardised.
- Dependent on risk perception and willingness to pay from potential financiers.
- Limited consolidated experience in Europe.
- Requires specialised technical validation and a multidisciplinary approach.

Essential factors influencing land stewardship processes

Actors

Land stewardship organisations as technical promoters of adaptation projects, independent certifiers or verifiers, companies exposed to climate risks, insurance companies, public administrations and potential credit buyers.

Innovation

Very high. It transforms climate adaptation measures into transferable financial assets, extending the logic of environmental markets beyond carbon and incorporating territorial resilience.

Complexity

Requires definition of metrics, establishment of baselines, monitoring systems and technical validation, increasing methodological demands compared to more established instruments.

Scale

Replicable in territories with high exposure to climate risks, such as flood-prone basins, drought-affected agricultural areas or vulnerable coastal zones. Lower potential in areas with low perceived vulnerability.

Timeframe

Slower initial activation due to the need to define metrics and validate benefits, although with potential acceleration as standards are consolidated.

Continuity

Potentially recurrent as long as risk conditions persist and resilience benefits remain verifiable and demanded by buyers.

Replicability

Scalable across different territorial contexts if recognised methodologies and certification frameworks are developed.

Complementarity

Highly complementary with carbon credits, parametric insurance and blended finance mechanisms, enabling integrated climate finance models within land stewardship projects.

References

- Fundación Biodiversidad, Compendio internacional de mecanismos innovadores de financiación (2024).
- Coalition Finance Solution Incubators, climate resilience mechanisms linked to rural landscapes (2021).
- Sustainable Landscape Finance Coalition, pilot projects on watershed management and coastal protection (2021).
- CONAMA 2024 Project, analysis of innovative climate credit mechanisms in Europe.

18. Ecological guarantee mechanisms

Financial instruments that operate as guarantees or risk-sharing schemes specifically applied to projects with positive environmental impact. A public entity, foundation or financial institution partially assumes the risk of default or non-compliance, enabling banks or other financiers to provide loans or investments under more favourable conditions. They transfer a conventional financial product into the conservation domain, building confidence and mobilising capital towards initiatives that would otherwise face difficulties accessing finance due to a lack of traditional guarantees.

Type

Investment with financial return

Partial suitability

They are useful for unlocking financing in land stewardship projects with limited capacity to provide their own guarantees, but their activation depends on complex external financial structures and the existence of operational guarantee schemes.

Strengths

- It facilitates access to credit and investment that would otherwise be unviable.
- It increases financier confidence by sharing risks.
- It contributes to mobilising private capital towards environmental projects.
- Highly complementary with green loans, investment funds and blended finance structures.

Weaknesses

- Direct access is limited for small-scale land stewardship organisations.
- Institutional design and negotiation processes are complex and often lengthy.
- Dependence on external actors such as banks, public administrations or multilateral institutions.
- Require significant initial financial endowment to sustain the guarantee mechanism.

Essential factors influencing land stewardship processes

Actors

Public entities, development banks, financial institutions, specialised funds or foundations providing the guarantee. Private financiers granting credit. Land stewardship organisations as indirect beneficiaries through improved access to financing.

Innovation

Moderate. Based on a traditional financial instrument, but its specific application to conservation and restoration projects introduces an innovative approach to canalizing capital towards nature.

Complexity

Medium to high. It requires a solid financial and institutional architecture, formal agreements among multiple actors and systems for assessing both environmental and financial risks.

Scale

Scalable at regional, national or international levels where sufficient institutional backing exists. Particularly useful for land stewardship projects with a certain economic scale.

Timeframe

Initial structuring is typically slow due to negotiation of guarantee agreements. Once operational, it can accelerate subsequent financing operations.

Continuity

It can support multiple operations over time as long as the guarantee fund or mechanism remains capitalised.

Replicability

Replicable in contexts where financial institutions are willing to share risks and where regulatory frameworks support green financing.

Complementarity

Acts as a catalyst within mixed financing schemes, strengthening green loans, environmental investment funds and blended finance structures.

References

- Fundación Biodiversidad, Compendio internacional de mecanismos innovadores de financiación (2024).
- Sustainable Landscape Finance Coalition, analysis of guarantee instruments as co-investment catalysts in landscapes (2021).
- WWF, Bankable Nature Solutions (2020–2022).
- Coalition Finance Solution Incubators, guarantee schemes applied to environmental projects (2021).

19. Green loans

A financial instrument based on the provision of credit by banking institutions exclusively for projects with positive environmental impact. The capital must be allocated to actions such as habitat restoration, sustainable water management, energy efficiency or climate change adaptation, incorporating environmental monitoring and reporting clauses. It represents the adaptation of a traditional financial product to sustainability criteria, aligned with the EU taxonomy and climate strategies.

Type

Investment with financial return

Partial suitability

They have a strong capacity to mobilise resources at scale and are highly replicable, but direct access is limited for small land stewardship organisations and requires projects with financial viability and clear sustainability metrics.

Strengths

- A well-established and recognised instrument within the financial sector.
- It enables mobilisation of private capital towards environmental projects of a certain scale.
- Highly replicable across different territories and sectors.
- Compatible with other financial and hybrid mechanisms.

Weaknesses

- Direct access is difficult for land stewardship organisations with limited financial capacity.
- It requires solvency, repayment capacity and compliance with strict conditions.
- Bank evaluation and approval processes can be lengthy and technically demanding.
- Dependent on financial sector frameworks and the sustainability strategies of banking institutions.

Essential factors influencing land stewardship processes

Actors

Financial institutions, public or private borrowers, land stewardship organisations as technical partners in joint projects, local administrations or companies acting as loan applicants.

Innovation

Based on a conventional financing instrument, but it incorporates binding environmental criteria and reporting systems that align it with sustainable finance frameworks.

Complexity

It requires financial management capacity, development of bankable projects and compliance with environmental and financial reporting obligations.

Scale

Particularly suitable for projects of a certain economic scale or those integrated into broader municipal, corporate or territorial strategies.

Timeframe

Approval processes may be prolonged due to banking assessment, although once granted the loan provides immediate liquidity for project implementation.

Continuity

Can be renewed or expanded, provided that solvency conditions and environmental performance requirements are maintained.

Replicability

Highly replicable in countries with developed financial systems and regulatory frameworks aligned with green finance.

Complementarity

Compatible with European funds, public grants, guarantee mechanisms and blended finance schemes, functioning as a structural component within a broader financial mix.

References

- Fundación Biodiversidad, Compendio internacional de mecanismos innovadores de financiación (2024).
- Climate Investment Strategy, Spain (2025).
- WWF, Bankable Nature Solutions (2020–2022).
- Sustainable Landscape Finance Coalition, private finance in sustainable landscapes (2021).

20. Equity participation for conservation

An investment instrument in which financiers acquire equity stakes or ownership rights in projects, companies or entities linked to nature conservation. The financial contribution grants decision-making rights and participation in profits, making the investor a co-owner. It transfers a traditional private capital mechanism into the environmental domain, applied to restoration projects, sustainable management or the generation of environmental assets. In land stewardship, it may be relevant in initiatives that generate revenue streams, such as ecotourism, certified production or environmental credits, and that require initial capital in exchange for participation in governance and economic returns.

Type

Investment with financial return

Limited suitability

It presents potential in land stewardship projects with viable business models and revenue generation, but involves complex legal and governance requirements, as well as possible partial transfer of control.

Strengths

- Provides significant capital in early stages of environmental projects.
- It strengthens financial co-responsibility between promoters and investors.
- Compatible with environmental credits, sustainable tourism and hybrid models.
- It can ensure stability while the project remains economically viable.

Weaknesses

- Direct access is limited for small-scale land stewardship organisations.
- High legal, corporate and contractual complexity.
- Risk of reduced autonomy in decision-making.
- Applicable only to projects with a viable business model and financial returns.

Essential factors influencing land stewardship processes

Actors

Private or institutional investors, land stewardship organisations or management entities, project promoters, and legal and financial advisors.

Innovation

High within the environmental field. Applies a traditional private investment mechanism to conservation, integrating financial return with ecological objectives.

Complexity

It requires appropriate corporate structures, clear governance agreements and well-defined benefit-sharing mechanisms.

Scale

Suitable for medium to large-scale projects with the capacity to generate recurring income. Less applicable to purely conservation-driven initiatives without financial return.

Timeframe

Structuring and negotiation may be prolonged, although once formalised it enables immediate access to capital.

Continuity

Stable as long as the project remains economically viable and attractive to investors.

Replicability

Replicable in projects with clear business models and marketable environmental assets, less viable in purely restorative interventions without return.

Complementarity

Can be integrated with impact funds, blended finance or environmental credit markets, expanding financing sources.

References

- Fundación Biodiversidad, Compendio internacional de mecanismos innovadores de financiación (2024).
- WWF, Bankable Nature Solutions (2020–2022).
- Sustainable Landscape Finance Coalition, equity participation in landscape projects (2021).
- Coalition Finance Solution Incubators, environmental equity models in agroforestry and carbon sectors (2021).

21. Innovative fiscal mechanisms with direct return to conservation

An instrument based on taxes, fees, levies or fiscal incentives designed to allocate revenue directly to specific nature conservation and restoration projects. Unlike general environmental taxation, these mechanisms ensure earmarking of funds to dedicated environmental actions or funds, enhancing traceability and social legitimacy. Their innovation lies in adapting existing fiscal structures, such as tourism taxes, water levies or tax incentives for green investment, to ensure that financial returns are directly reinvested in nature and can be linked to land stewardship processes.

Type

Financing linked to results in the territory

Conditioned suitability

Their potential to generate stable and predictable funding over the medium and long term is high, as they rely on recurring fiscal instruments. However, their implementation depends on political decisions, regulatory development and robust administrative frameworks, placing their activation outside the control of land stewardship organisations and limiting their direct applicability in most contexts.

Strengths

- It generate stable revenues structurally linked to conservation.
- It reinforces social legitimacy through the principle of fiscal co-responsibility.
- It allows clear traceability of the origin and allocation of funds.
- It can reach regional or national scale when formally established.

Weaknesses

- It depends on political will and complex legislative processes.
- It requires strong administrative frameworks to ensure earmarked allocation.
- It offers limited flexibility once legally defined.
- Access to funds is typically canalized through public calls or programmes.

Essential factors influencing land stewardship processes

Actors

The usual stakeholders involved in land stewardship are not sufficient to activate this instrument. Direct involvement from public administrations with regulatory and budgetary capacity is required. Land stewardship organisations may promote and encourage the involvement of the remaining stakeholders in order to facilitate its activation.

Innovation

Moderate from a financial perspective, but relevant in environmental application by ensuring direct and verifiable allocation of fiscal revenues to nature projects.

Complexity

High in the design and approval phase, requiring legislative processes, specific regulation,public management and control systems.

Scale

High when implemented at regional or national level, enabling the financing of large-scale restoration or stewardship programmes.

Timeframe

Activation may require long legislative processes, although once established the instrument generates recurring flows during its validity.

Continuity

High as long as the fiscal mechanism and its earmarking remain in force, providing long-term budgetary stability.

Replicability

Replicable in different territories where there is political will and institutional capacity to approve and manage the fiscal mechanism.

Complementarity

Can be combined with European funds, restoration programmes or blended finance schemes, providing a stable base to structure other instruments.

References

- Fundación Biodiversidad, Compendio internacional de mecanismos innovadores de financiación (2024).
- LIFE BIORGEST, Guide to financing tools and incentives for forest biodiversity (2023).
- CONAMA 2024, analysis of innovative fiscal mechanisms with environmental return.
- WRI, Financing Holistic Landscape Restoration in Europe (2023).

11. Instruments with significant limitations for their use in land stewardship processes

This group includes instruments whose general application in land stewardship processes presents significant frictions with voluntariness, shared governance, ecological timeframes or the typical scale of territorial conservation projects.

The identified limitations may be linked to strong regulatory dependence, a predominantly urban orientation, excessive administrative complexity or low replicability in rural or community-based management contexts.

22. Green, social and sustainability bonds.
23. User fees.
24. Contributions from land value capture.
25. Business improvement districts.

22. Green, social and sustainability bonds

A financial instrument based on the issuance of debt securities by public administrations, development banks or large corporations to raise capital for projects with environmental, social or sustainability impact. Green bonds finance actions related to climate mitigation and adaptation, social bonds prioritise cohesion and inclusion, and sustainability bonds combine both dimensions. They apply a traditional financial vehicle under ESG criteria verified through international standards and external audits. In the context of land stewardship, they are only accessible when projects are integrated into large-scale programmes promoted by issuers with sufficient financial and technical capacity.

Type	**Investment with financial return**
Limited suitability	Although they mobilise capital at scale and provide financial stability, direct access for land stewardship organisations is very limited and typically depends on partnerships with public administrations or large issuers capable of structuring and certifying the issuance.
Strengths	• It enables mobilisation of large volumes of financing over the medium and long term. • Internationally recognised under established ESG standards. • It provides financial stability throughout the life of the bond. • It fFacilitates integration of environmental projects into institutional portfolios.
Weaknesses	• Direct access is virtually non-existent for land stewardship organisations. • High technical, legal and financial complexity in structuring. • Dependence on capital markets and external certification. • Primarily oriented towards large-scale projects and highly solvent issuers.

Essential factors influencing land stewardship processes

Actors	It require issuers capable of accessing financial markets, such as public administrations, development banks or large corporations. Land stewardship organisations are typically not issuers or structurers and can only participate as implementers of projects included in bond-financed portfolios.
Innovation	Moderate in the global financial context, but significant in sustainability applications by integrating environmental and social criteria into traditional debt instruments.
Complexity	It requires specialised financial structuring, eligibility frameworks, independent verification and continuous reporting and auditing systems.
Scale	Highly scalable, suitable for regional or national environmental investment programmes. Poorly adapted to individual land stewardship projects unless part of broader programmes.
Timeframe	Design and issuance processes are lengthy and technically demanding, although once issued the bond provides stable financing over several years.
Continuity	Ensured during the lifetime of the financial instrument, typically over the medium or long-term depending on the debt structure.
Replicability	Highly replicable in countries with developed financial markets, but with indirect access for smaller entities.
Complementarity	It can be integrated with European funds, blended finance or public restoration programmes, provided that land stewardship projects fit within larger programmatic frameworks.
References	• Fundación Biodiversidad, Compendio internacional de mecanismos innovadores de financiación (2024). • Sustainable Landscape Finance Coalition, use of green bonds in landscape restoration (2021). • WWF, Bankable Nature Solutions (2020–2022). • Climate Investment Strategy, Spain (2025).

23. User fees

Instruments that generate revenue through charges, fees or surcharges linked to the use of land or specific ecosystem services. These include public fees established by administrations, such as entrance fees to natural areas or charges for resource use, as well as local revenue mechanisms managed by municipalities or community entities. This group also includes local conservation funds that pool these revenues and allocate them directly to restoration, conservation or stewardship actions within the territory where they are generated. They do not function as long-term financial investment vehicles, but as instruments for the direct redistribution of revenue towards land management.

Type

Financing linked to results in the territory

Limited suitability

They can provide financial stability and reinforce social legitimacy by linking land use to conservation. However, their activation depends on regulatory frameworks, political will and the existence of a sufficient user base or pressure from economic sectors linked to the territory, which limits their applicability in many stewardship contexts and makes it difficult for non-administrative actors to promote them.

Strengths

- It generates recurring revenue streams where a sufficient revenue base exists.
- It reinforces the principle of co-responsibility between use and conservation.
- It enhances territorial visibility when revenues are reinvested locally.
- It enables the creation of local funds directly linked to nature projects.

Weaknesses

- It requires regulatory approval and political support.
- Its viability depends on territories with significant use pressure or tourism appeal.
- It may generate social resistance if tangible returns are not perceived.
- It can create inequalities between territories with different revenue capacities.

Essential factors influencing land stewardship processes

Actors

The usual land stewardship actors are not sufficient to activate this instrument. The creation and management of fees fall under public administrations or local authorities with regulatory and fiscal capacity. Land stewardship organisations may participate as beneficiaries or implementers of projects funded through these revenues, but they do not lead the design or implementation of the mechanism.

Innovation

Limited from a financial perspective, although relevant when revenues are earmarked transparently for conservation, introducing a governance dimension more directly linked to nature.

Complexity

It can be complex in the approval phase, as it requires ordinances or specific legal frameworks, as well as public financial management and control systems.

Scale

Suitable in territories with high visitor numbers or intensive resource use. Difficult to replicate in rural areas with low population density or limited economic activity linked to land use.

Timeframe

Implementation usually requires long timeframes due to the administrative and political processes needed for approval.

Continuity

Once established, they can generate recurring and relatively stable revenues as long as the regulatory framework and usage base remain in place.

Replicability

Replicable in contexts with sufficient institutional capacity and revenue base, although not universally applicable to all territories.

Complementarity

It can be combined with public subsidies or European funds where co-financing is permitted, although legal earmarking of revenues may limit flexibility.

References

- Fundación Biodiversidad, Compendium of innovative financing mechanisms (2024).
- LIFE BIORGEST, Guide to financing tools and incentives (2023).
- Coalition Finance Solution Incubators, Municipal Property Rates as fiscal benefit (2021).
- WRI, Financing Holistic Landscape Restoration in Europe (2023).

24. Land value capture contributions

A mechanism through which part of the added value generated by urban development, land reclassification or infrastructure improvement processes is allocated to financing environmental conservation and restoration actions. It may take the form of development charges, mandatory transfers, agreements or compensation mechanisms linked to spatial planning. Its logic is based on the principle that those who benefit economically from increases in land value contribute to mitigating impacts and sustaining the environmental quality of the territory.

Type

Financing linked to results in the territory

Limited suitability

Its applicability in land stewardship processes is very limited, as it depends on urban or peri-urban contexts with active land transformation dynamics. Activation requires specific planning frameworks, political will and administrative capacity, conditions that are not common in rural or natural areas where most stewardship agreements take place.

Strengths

- Links urban development and sustainability under a principle of territorial equity.
- It can generate significant revenues in expanding metropolitan areas.
- rReinforces the connection between spatial planning and environmental restoration.

Weaknesses

- Fully dependent on legal frameworks and urban planning processes.
- Very limited applicability in rural areas without development pressure.
- It generates one-off revenues linked to specific operations rather than recurring flows.
- High legal and administrative complexity.

Essential factors influencing land stewardship processes

Actors

Land stewardship organisations may act as beneficiaries of actions financed through this instrument, although generally in an indirect manner and subject to complex urban planning and administrative frameworks. They may also help promote its implementation and normalisation as a supporting tool for conservation, although this requires a strong capacity for stakeholder engagement and territorial influence.

Innovation

Limited from a financial perspective, although relevant when urban value capture is structurally redirected towards restoration and conservation, introducing an environmental dimension into traditional land management instruments.

Complexity

Requires urban planning regulatory frameworks, institutional negotiation and long administrative procedures linked to spatial planning.

Scale

Applicable only in urban or peri-urban areas with significant development activity. Not transferable to most rural territories under stewardship.

Timeframe

Activation depends on urban planning processes that usually extend over several years, reducing its usefulness for immediate financing needs.

Continuity

Revenues are linked to specific development operations and do not generate stable flows unless in cities with sustained growth.

Replicability

Replicable in metropolitan contexts with appropriate regulatory frameworks, but difficult to generalise to other territories.

Complementarity

Can be integrated into urban restoration plans or metropolitan green infrastructure strategies, although always conditioned by the planning framework.

References

- Fundación Biodiversidad, Compendium of innovative financing mechanisms (2024).
- WRI, Financing Holistic Landscape Restoration in Europe (2023).
- Coalition Finance Solution Incubators, land value capture instruments (2021).

25. Business improvement districts

A collective financing mechanism through which businesses within a defined geographic area agree to make mandatory or voluntary contributions to fund shared improvements. Although originally urban in nature, these districts may allocate part of their resources to environmental actions, green space restoration, water management or green infrastructure projects in urban or peri-urban contexts. They operate as a contribution managed by business associations in coordination with local authorities, linking economic activity with territorial improvement.

Type	**Financing linked to results in the territory**
Limited suitability	Their applicability in land stewardship processes is low, as the instrument is designed for urban business contexts and depends on a critical mass of concentrated economic activity. It may only be viable in metropolitan or peri-urban environments where stewardship projects are linked to green infrastructure or urban restoration, and always within established business governance frameworks.
Strengths	• Generate relatively stable collective revenues in consolidated business districts. • Encourage involvement of the urban private sector in environmental objectives. • Can finance green infrastructure and environmental improvement actions in cities.
Weaknesses	• Very limited applicability in rural or natural contexts. • Dependence on sufficient business density and consensus among stakeholders. • Complex establishment processes subject to administrative approval. • Time horizon limited to the duration of the business agreement.

Essential factors influencing land stewardship processes

Actors	The usual land stewardship actors are not sufficient to activate this instrument. The initiative is led by business associations and local authorities that structure and manage the district. Land stewardship organisations may participate as technical partners or implementers of environmental projects funded by the BID, but do not lead its governance or design.
Innovation	Limited in financial terms, although more novel when integrating conservation or green infrastructure objectives into traditional urban business improvement schemes.
Complexity	Requires business organisation, consultation and voting processes, institutional approval and dedicated financial management systems.
Scale	Applicable only in urban or industrial environments with a concentration of businesses. Not transferable to rural territories without a dense economic base.
Timeframe	Implementation may be prolonged due to consultation, approval and formalisation processes.
Continuity	Revenues are maintained during the mandate of the district, typically multi-year, but depend on periodic renewal.
Replicability	Replicable in cities with enabling regulatory frameworks and active business sectors, but difficult to extrapolate to natural areas under stewardship.
Complementarity	Can be integrated into urban sustainability strategies, metropolitan plans or corporate social responsibility programmes, always within urban or peri-urban contexts.
References	• Fundación Biodiversidad, Compendium of innovative financing mechanisms (2024). • WRI, Financing Holistic Landscape Restoration in Europe (2023). • PONDERFUL project, Sustainable finance inventory (2023).

12. Structural approaches to financial articulation

This final section does not include standalone financial instruments, but rather strategic frameworks that enable the combination, structuring or scaling of different mechanisms within an integrated financial architecture.

These approaches do not generate funding by themselves, but they condition and guide how resources are mobilised, combined and canalized towards conservation projects.

- Landscape finance.
- Blended finance.
- Corporate social responsibility oriented towards conservation.

Landscape finance

A landscape-scale financing model that integrates different financial flows, public, private, philanthropic and community-based, within a single territory structured around a shared strategy for conservation, restoration and sustainable development. It is not a standalone financial product, but a governance framework that coordinates diverse instruments under a common territorial planning approach and shared impact metrics. Its logic is to avoid sectorial fragmentation and ensure spatial and temporal coherence in investments. In land stewardship processes, it allows agreements to be positioned as strategic nodes within an integrated territorial financial system.

Type

Structural financial articulation approaches

High structural suitability.

It offers a strong capacity to structure financing in an integrated way at territorial scale, reinforcing coherence between conservation, production and local development. Its value does not lie in a specific financial flow, but in the architecture that enables the combination of instruments and provides them with strategic direction, positioning land stewardship as a key element within the landscape model.

Strengths

- Integrates multiple funding sources under a common planning framework.
- Strengthens territorial governance and cooperation between public, private and community actors.
- Allows alignment of environmental, social and economic objectives within the same space.
- Acts as a methodological umbrella for other financial instruments.

Weaknesses

- Requires long processes of stakeholder alignment and territorial planning.
- High coordination complexity among actors with diverse interests.
- Dependence on strong institutional frameworks and clear territorial leadership.
- Need for shared metrics and robust monitoring and reporting systems.

Essential factors influencing land stewardship processes

Actors

The usual land stewardship actors can play a central role as local coordinators and guarantors of environmental coherence, provided that a broader territorial governance structure exists, including public administrations, investors and productive actors. It is not an approach that can be activated by a single stewardship entity, but it can occupy a strategic position within it.

Innovation

High in methodological and governance terms, as it goes beyond individual instruments and proposes a structural integration of financial flows and territorial objectives.

Complexity

High, due to the need for cross-sector coordination, institutional design and impact monitoring at landscape scale.

Scale

Inherently territorial and scalable, adaptable to different geographies where coordination structures and a shared strategic vision exist.

Timeframe

Requires extended periods for design and stakeholder alignment, although once established it enables the structuring of multi-year financial commitments.

Continuity

Strengthens stability by diversifying funding sources and generating medium and long-term commitments among landscape actors.

Replicability

Replicable in territories with governance structures and willingness for cross-sector coordination.

Complementarity

Can integrate instruments such as payments for ecosystem services, environmental credits, blended finance, public funds or impact investment, acting as a shared strategic framework.

References

- Fundación Biodiversidad, Compendium of innovative financing mechanisms (2024).
- WRI, Financing Holistic Landscape Restoration in Europe (2023).
- Sustainable Landscape Finance Coalition (2021).
- Coalition Finance Solution Incubators (2021)

Blended finance

A financial design approach that combines public, philanthropic and private resources within a common architecture to reduce risks, improve viability and attract capital towards conservation and restoration projects. It does not constitute a standalone instrument, but a structuring framework that organises how different financing mechanisms are aggregated and coordinated, each with distinct risk and return profiles.

In land stewardship processes, blended finance enables the construction of more stable and scalable schemes by integrating instruments such as voluntary contributions and philanthropy, sponsorship, compensation mechanisms, environmental credits, investment or impact funds and public financing. Its value does not lie in a single revenue stream, but in the capacity to articulate them coherently, assigning differentiated roles to each source, for example catalytic capital for early stages, guarantees or risk coverage, and private capital for scaling.

Type

Structural financial articulation approaches

High structural suitability.

It is highly useful as a structural framework for designing land stewardship financing strategies when the objective is to combine diverse instruments and sources, distribute risks and sustain commitments over the medium and long term. Its practical applicability depends on the technical and governance capacity to structure the scheme and on the actual availability of instruments that can be integrated.

Strengths

- Facilitates mobilisation of private capital towards conservation by reducing risk.
- Allows structuring of territorial portfolios with diversified and stable financing.
- Enhances strategic coherence between different financial instruments.
- Increases scalability of medium and long-term land stewardship projects.

Weaknesses

- Requires high technical, financial and institutional coordination capacity.
- Depends on the prior existence of concrete instruments that can be combined.
- Requires clear regulatory frameworks and verifiable impact metrics.
- Its design may involve prolonged structuring and multi-stakeholder negotiation processes.

Essential factors influencing land stewardship processes

Actors

Requires a combination of public administration, philanthropic capital and private financing, together with land stewardship organisations and landowners. The stewardship entity typically acts as promoter and implementer, usually in partnership with more specialised financial structures.

Innovation

Innovation lies in the design, integrating sources with different risk and return profiles within a single financial architecture oriented towards environmental results.

Complexity

High. Involves legal and financial structuring, clear governance design and robust monitoring and reporting mechanisms.

Scale

More suitable for projects of a certain scale or territorial portfolios where combining sources allows risk distribution and increased investment volume.

Timeframe

Initial design requires extended timeframes. Once structured, it enables phased financing aligned with ecological implementation.

Continuity

Enhances medium and long-term stability by diversifying funding sources and reducing dependence on a single financial flow.

Replicability

Replicable where enabling frameworks exist and there is sufficient technical capacity to structure comparable schemes in other territories.

Complementarity

Acts as an integrative framework for the previous instruments, allowing them to be combined in a coherent and strategic manner.

References

- Fundación Biodiversidad, Compendium of innovative financing mechanisms (2024).
- Sustainable Landscape Finance Coalition (2021).
- WWF, Bankable Nature Solutions (2020–2022).
- LIFE Networking Meeting, Innovative Funding Instruments for Nature (2025).

Corporate social responsibility (CSR) oriented towards conservation

An approach based on the integration of environmental objectives within corporate sustainability strategies. Companies allocate financial resources, in-kind contributions or corporate volunteering to support conservation, restoration and land stewardship projects. It is not a structured financial product, but a collaboration framework that canalizes private resources towards environmental purposes. Its value increases when contributions are formalised through stewardship agreements, results-based contracts or hybrid schemes incorporating traceability, verifiable metrics and alignment with ESG standards.

Type

Structural financial articulation approaches

High structural suitability.

It offers strong potential in land stewardship processes when clarity in objectives, impact metrics and monitoring mechanisms is ensured. It enables the development of stable territorial partnerships between companies and stewardship organisations, although its stability depends on corporate strategy and the broader economic context.

Strengths

- Integrates conservation within corporate strategy rather than as isolated actions.
- Provides visibility and legitimacy for both the company and the stewardship organisation.
- Scalable across different economic sectors with public exposure or ESG commitments.
- Compatible with other financial instruments and hybrid models.

Weaknesses

- Dependence on corporate priorities and strategic decisions.
- Potential discontinuity due to economic or reputational changes.
- Risk of greenwashing if clear metrics and verifiable traceability are not ensured.
- Requires negotiation and alignment of indicators between company and stewardship entity.

Essential factors influencing land stewardship processes

Actors

The usual land stewardship actors are sufficient to activate this approach, provided there is direct engagement with the company. The stewardship organisation can lead technical design and implementation, while the company acts as funder and strategic partner. It requires structures capable of management, reporting and communication aligned with corporate standards.

Innovation

Moderate in concept, but high when formalised through results-based agreements, ESG indicators and co-investment or co-financing schemes.

Complexity

Does not involve complex regulatory procedures, but requires negotiation, contractual formalisation and capacity for technical monitoring and communication.

Scale

Flexible, applicable from local projects to national or international initiatives depending on the corporate profile.

Timeframe

Can be activated relatively quickly when companies have defined sustainability programmes and there is clear strategic alignment.

Continuity

Can be consolidated in multi-year plans when integrated into corporate strategy, although its stability depends on sustained corporate commitment.

Replicability

Replicable in sectors with public environmental commitments or established ESG strategies.

Complementarity

Can be integrated with voluntary eco-levies, corporate volunteering, environmental credits or blended finance schemes, expanding both the financial and social scope of the project.

References

- Fundación Biodiversidad, Compendium of innovative financing mechanisms (2024).
- LIFE BIORGEST, Guide to financing tools and incentives (2023).
- WWF, Bankable Nature Solutions (2020–2022).
- LIFE Networking Meeting, Innovative Funding Instruments for Nature (2025).

13. Conclusions

13.1. Timeframes and duration of commitments

Land stewardship is based on voluntary medium- and long-term commitments which aim is active conservation and the sustainable use of land. The ecological objectives associated with these agreements, habitat restoration, improvement of ecosystem functions, species recovery or climate change adaptation, respond to temporal dynamics that exceed typical budget cycles.

The analysis highlights a **structural tension between ecological timescales and financial timescales**. Instruments based on annual calls or one-off funding allow the activation of specific actions, but do not ensure continuity of management or the stability of the agreement. In contrast, mechanisms that incorporate recurring payments, multi-year results-based contracts or hybrid structures with a long-term orientation show greater coherence with the extended nature of land stewardship.

Financial predictability also directly influences planning capacity and trust between stakeholders. Income instability constrains technical decision-making and may weaken long-term commitment.

Financial suitability in land stewardship is directly linked to the alignment between the timeframe of the instrument and the ecological timescales of the agreement.

13.2. Legal framework and legal certainty

Land stewardship is articulated through formalised agreements that define rights, obligations and management commitments. The legal robustness of these instruments is a central element for activating structured financing, especially when private investors or market-based mechanisms are involved.

Comparative analysis shows that the existence of clear regulatory frameworks, institutional recognition of land stewardship and certainty regarding the duration and stability of agreements significantly reduce perceived risk for financiers. In contexts **where the legal framework is unclear or lacks consistency, uncertainty increases and the potential to mobilise innovative instruments is limited.**

Certain instruments, such as environmental credits or results-based payment schemes, require guarantees regarding the permanence of actions and the capacity to fulfil commitments.

Innovative finance requires a stable legal environment and agreements with sufficient robustness to sustain verifiable commitments over time.

13.3. MRV, traceability and additionality

The evolution of nature finance towards results-based models has placed measurement, reporting and verification at the core of innovative mechanisms. The capacity to establish baselines, demonstrate environmental additionality and report measurable impacts constitutes a determining factor for access to financing.

The analysis confirms that the instruments with the highest potential in land stewardship share a common requirement: **linking financial flows to verifiable environmental results**. Without structured monitoring systems, land stewardship remains limited to traditional financing schemes and struggles to translate into the decision-making frameworks used by financiers.

Traceability does not only respond to external requirements for transparency or regulatory compliance. It strengthens the credibility of the agreement, facilitates engagement with financiers and enables the integration of land stewardship into broader corporate or institutional environmental reporting frameworks.

The capacity to measure and verify environmental outcomes is a structural factor that expands access to innovative instruments and reinforces the strategic position of land stewardship.

13.4. Stakeholders and governance structure

Land stewardship is based on cooperative relationships between landowners, stewardship organisations, public administrations and, in some cases, companies or financiers. This multi-actor governance introduces a relational dimension that directly conditions financial design.

The analysis shows that **instruments enabling co-responsibility, transparency and a clear distribution of roles are more compatible with land stewardship**. In contrast, mechanisms that require corporate structures disconnected from the territory or concentrate financial control in a single actor may disrupt the balance of the agreement.

Furthermore, the entry of new financiers modifies governance dynamics and requires clarity in decision-making, conflict management and benefit-sharing.

Appropriate financing must be integrated into existing governance structures and reinforce co-responsibility, avoiding structural imbalances between stakeholders.

13.5. Complementarity and financial architecture

The analysis shows that the economic sustainability of a land **stewardship initiative does not depend on a single instrument, but on the strategic combination of several**, adapted to different phases and needs.

Initial activation is typically supported by public or philanthropic funding. Consolidation may incorporate payments for ecosystem services or results-based mechanisms. Scalability, when the project reaches sufficient dimension, may rely on hybrid structures or impact investment.

This diversified architecture reduces exposure to financial risks, improves stability and allows the model to adapt to regulatory or market changes. The logic of the financial mix is not a theoretical approach, but a practical response to the complexity of the process.

The financial resilience of land stewardship is built through instrumental complementarity and strategic design, avoiding dependence on a single dominant instrument, either public or private.

13.6. Territorial scale and aggregation

Many innovative instruments operate under assumptions of minimum scale, standardisation and volume that do not always match the dimension of individual land stewardship agreements. This asymmetry limits access to certain market-based mechanisms.

The analysis confirms that, whether through stewardship networks, cooperation platforms or intermediary structures, **territorial aggregation increases the viability** of instruments such as environmental credits or blended finance. The ability to generate critical mass reduces transaction costs and improves efficiency.

Scale is not only a quantitative issue. It affects cost structures, negotiation capacity and attractiveness for investors or buyers of results.

Territorial aggregation is a key enabling factor to expand access to more complex financial instruments in land stewardship.

13.7. Transaction costs and technical capacity

The activation of innovative instruments involves costs associated with design, legal structuring, measurement, certification and reporting. In contexts with limited technical capacity, these costs may exceed expected benefits, conditioning their viability.

The analysis shows that the professionalisation of stewardship entities, specialised training and the availability of technical support reduce entry barriers and increase the likelihood of success. At the same time, administrative simplification and standardisation of procedures have a direct impact on operational efficiency.

The incorporation of technological solutions for monitoring, measurement and data management reinforces this trend by enabling more efficient, traceable and scalable processes, and facilitating access to instruments with higher technical requirements. Innovative finance does not replace operational capacity, it depends on it.

Technical capacity and the efficient management of transaction costs are determining conditions for the effective application of innovative instruments in land stewardship.

13.8. Alignment between supply and demand for financing

The analysis shows that the viability of financial instruments does not depend solely on their design, but on the ability to align territorial needs with the expectations of financiers. This alignment requires translating land stewardship processes into frameworks that are understandable for financial actors, particularly in terms of risk, return and verifiable impact.

Land stewardship operates in an intermediate space between ecological logic and financial logic, which requires a process of mutual interpretation. The ability to clearly communicate the value generated, structure robust proposals and adapt to the decision-making criteria of financiers becomes a strategic factor.

Financing for land stewardship is not only a matter of available instruments, but of the capacity to activate processes of dialogue, shared understanding and joint design of solutions.

The analysis confirms that financing for land stewardship does not depend solely on the availability of instruments, but on their proper alignment with the structural characteristics of each process. The alignment between ecological and financial timescales, the legal robustness of agreements, the capacity to measure and verify outcomes, and clear and co-responsible governance emerge as determining conditions.

The strategic combination of instruments, territorial aggregation and the strengthening of technical capacity also consolidate as key factors to improve the viability and scalability of stewardship models. In this context, financing ceases to be an external element and becomes an integrated component of the overall process design.

Ultimately, the transition towards more stable, diversified and results-oriented financing models requires not only appropriate tools, but also the capacity for adaptation, structuring and communication among the actors involved. Land stewardship holds significant potential to integrate into these emerging frameworks, provided it is able to translate its value into terms that are understandable and verifiable for financial stakeholders.

14. References

This chapter compiles the sources underpinning the analysis carried out. It includes land stewardship experiences, European projects, technical and strategic documents, as well as relevant regulatory frameworks for nature finance.

These references make it possible to situate the analysed instruments within real-world application contexts, established methodological frameworks and the institutional environment that conditions their deployment. The chapter is complemented by a glossary of terms to ensure conceptual consistency.

14.1. Notable land stewardship and conservation experiences

PROMACC – Sistema de Crèdits Climàtics Forestals de Catalunya
Generalitat de Catalunya / Centre de la Propietat Forestal, 2024
Manual PROMACC: https://cpf.gencat.cat/es/detalls/Article/Manual-sistema-CC

Fundación Emys (España)
Fundación Emys, 2023
https://www.fundacioemys.org

UK Habitat Bank – Biodiversity Credits
Environment Bank, 2021
https://www.environmentbank.com

Stichting Landschapsbeheer Nederland
Landschapsbeheer Nederland, 2022
https://www.landschappen.nl/

Fundación Global Nature – Restauración en La Mancha Húmeda
Fundación Global Nature, 2023
https://lagunadelhito.es/

Custodia Agraria – Menorca (España)
GOB Menorca, 2022
https://www.gobmenorca.com/custodia-agraria/

Reflorestar Portugal – Biopolis / Universidad de Coimbra
Universidad de Coimbra / WWF Portugal, 2023
https://www.reflorestar.pt

14.2. Relevant European projects

Only the financial and/or contractual mechanisms that the project has applied, tested or developed are referenced (for example, credits, payments for ecosystem services, results-based payments, easements, fiscal incentives, green public procurement, blended finance). LIFE, Interreg or Horizon programmes are only mentioned when they form a structural part of the instrument (for example, Integrated LIFE with multi-source co-financing).

LIFE Biorgest

Instruments	Monetisation of forest ecosystem services (PES/compensation), co-financed by LIFE.
Stakeholders involved	Consorcio Forestal de Cataluña (CTFC), Centro de la Propiedad Forestal (CPF), CREAF, CTFC, XCN y CNPF.
Key results	Methodology for valuation and prioritisation of forest ecosystem services.
Financial volume	2,4 M€ (2018-2023)
Source	https://www.lifebiorgest.eu

LIFE BlueNatura

Instruments	Blue carbon credits in marshes and wetlands within the voluntary market.
Stakeholders involved	Junta de Andalucía, IUCN, Universidad de Cádiz, CSIC
Key results	Estimation and verification of blue carbon in wetlands and marshes, including development of monetisation tools.
Financial volume	2,5 M€ (2015-2019)
Source	https://life-bluenatura.eu/en/home/

LIFE Biodiv-CrEW

Instruments	Biodiversity credits (design and piloting in European wetlands).
Stakeholders involved	Consorcio liderado por entidades de Alemania, con socios europeos
Key results	Piloting of biodiversity credit schemes in aquatic ecosystems.
Financial volume	LIFE preparatory project (2024–2027)
Source	https://webgate.ec.europa.eu/life/publicWebsite/project/LIFE24-PRE-DE-LIFE-Biodiv-CrEW-101213998/testing-biodiversity-credits-in-european-wetlands

LIFE ENPLC – European Networks for Private Land Conservation

Instruments	Financial incentives and capital mobilisation for private conservation, including easements, results-based payments and training in blended finance.
Stakeholders involved	Eurosite, European Land Conservation Network (ELCN) y socios territoriales
Key results	Promotion of private conservation models, easements, blended finance and habitat banks.
Financial volume	2,8 M€ (2020–2024)
Source	https://enplc.eu

ELCN – European Land Conservation Network (Preparatory LIFE)

Instruments	Conservation easements, fiscal incentives and compensation mechanisms tested in pilot actions in private protected areas.
Stakeholders involved	Eurosite, entidades de custodia de 15 países europeos
Key results	Contractual, fiscal and financial models for private land conservation.
Financial volume	1,5 M€ (2017–2020)
Source	https://elcn.eu

LIFE IP INTEMARES

Instruments	Integrated LIFE with multi-source co-financing in marine stewardship agreements.
Stakeholders involved	Fundación Biodiversidad, MITECO, fisheries sector and scientific entities.
Key results	Marine stewardship in Natura 2000 sites, agreements with the fisheries sector and restoration actions with co-financing.
Financial volume	50 M€ (2017–2025)
Source	https://intemares.es

LIFE Food & Biodiversity

Instruments	Market-based incentives in agri-food value chains through standards, labels and corporate incentive programmes for farmers.
Stakeholders involved	Global Nature Fund, Fundación Global Nature, European agri-sector partners.
Key results	Integration of biodiversity criteria into quality labels and co-financing of good practices on private farms.
Financial volume	2,5 M€ (2016–2020)
Source	https://globalnature.org/en/for-companies/biodiversity-and-food/

LIFE Terras do Priolo (Azores, Portugal)

Instruments	Agri-environmental contracts and stewardship agreements in private land management.
Stakeholders involved	SPEA (Sociedade Portuguesa para o Estudo das Aves), private landowners and local authorities.
Key results	Habitat conservation on private land through agri-environmental contracts and shared management agreements.
Financial volume	3,1 M€ (2003–2008)
Source	https://spea.pt/projetos/life-terras-do-priolo/

LIFE Wetlands4Climate

Instruments	Payments for ecosystem services linked to blue carbon in wetlands.
Stakeholders involved	Fundación Global Nature, SEO/BirdLife, Universidad Politécnica de Valencia, Global Nature Fund, municipalities of Valencia, Villafranca de los Caballeros and El Puig
Key results	Quantification of carbon sequestration in Mediterranean wetlands, restoration of pilot areas and development of blue carbon credits in inland wetlands.
Financial volume	2,6 M€ (2020–2025)
Source	https://fundacionglobalnature.org/wetlands4climate/

Interreg Land Is For Ever

Instruments	Incentives for landowners (fiscal/compensation) and use of easements for private conservation.
Stakeholders involved	Eurosite, conservation organisations from Northern Europe.
Key results	Agri-environmental contracts, fiscal incentives and private ownership models.
Financial volume	3,1 M€ (2018–2021)
Source	https://www.landisforever.eu

Interreg Sudoe Fleurs Locales

Instruments	Green public procurement and supply contracts for native seeds for ecological restoration.
Stakeholders involved	CBNMED, Universidad de Castilla-La Mancha, other French and Spanish partners.
Key results	Local production of native wild seeds for ecological restoration and promotion of local nurseries.
Financial volume	1,1 M€ (2019–2022)
Source	https://fleurslocales.eu/en/home-eng/

Horizon 2020 – SUPERB (Systemic Solutions for Upscaling Forest Restoration)

Instruments	1. Practical application of innovative financing mechanisms for forest restoration.
Stakeholders involved	EFI, JRC, Wageningen, national and regional institutions.
Key results	Large-scale forest restoration in 12 pilot regions, including analysis of innovative financing mechanisms.
Financial volume	20 M€ (2021–2025)
Source	https://forest-restoration.eu/

14.3. Technical, strategic documents and other resources

Compendio internacional de mecanismos y experiencias innovadoras de financiación
Fundación Biodiversidad, 2024
https://ieeb.fundacion-biodiversidad.es/sites/default/files/compendio-innovacion-financiera-custodia-territorio.pdf

Guía de financiación e incentivos – LIFE Biorgest
CTFC / CREAF / XCN, 2022
https://lifebiorgest.eu/docs/Guia%20herramientas%20financiacion%20e%20incentivos_LifeBiorgest_cast_HR.pdf

Sustainable Finance Instruments for Nature-based Solutions
Ecologic Institute / PONDERFUL, 2023
https://www.ecologic.eu/19473

WWF Bankable Nature Solutions 2.0
WWF International, 2022
https://wwfint.awsassets.panda.org/downloads/bankable_nature_solutions_2__1.pdf

Sustainable Landscape Finance Coalition Report
UNDP BIOFIN / Conservation Finance Alliance, 2021
https://wildernessfoundation.co.za/wp-content/uploads/2022/07/Sustainable-Landscape-Finance-Coalition_REPORT-2021.pdf

Coalition Finance Solution Incubators – Q3 Report
Wilderness Foundation Africa / WWF South Africa, 2021
https://wwfafrica.awsassets.panda.org/downloads/integrated_annual_report_2021.pdf

Mecanismos emergentes de financiación para la restauración de la naturaleza
Fundación Conama, 2024
https://www.conama.org/2024/actividades/mecanismos-emergentes-de-financiacion-para-la-naturaleza-coordina-ecoacsa/

Financing Holistic Landscape Restoration
Landscape Finance Lab, 2023
https://assets.landscapefinancelab.org/lfl/LFL/financing-holistic-landscape-restoration-1701682441752.pdf

Multiestrategia – Inversiones por el Clima
Fundación Biodiversidad, 2024 y 2025
https://fundacionesporelclima.org/inversiones-por-el-clima/

LIFE Networking Meeting – Innovative Funding Instruments for Nature
European Commission (DG ENV) / CINEA, 2025.
https://assets.swoogo.com/uploads/5180791-67f500d3927af.pdf

Manual del Sistema de Crèdits Climàtics Forestals de Catalunya (SCCFC)
Centre de la Propietat Forestal / Generalitat de Catalunya, 2024.
https://cpf.gencat.cat/es/detalls/Article/Manual-sistema-CC

CT.23 CONAMA "Mecanismos emergentes de financiación"
Resumen 1ª reunión (19/09/2024)
https://www.conama.org/2024/actividades/mecanismos-emergentes-de-financiacion-para-la-naturaleza-coordina-ecoacsa/

Conservation Finance Network – glosario y recursos
Conservation Finance Network, 2023
https://conservationfinancenetwork.org

14.4. Normative and policy frameworks of reference

Estrategia Europea de Biodiversidad 2030
Comisión Europea, 2020
https://ec.europa.eu/environment/strategy/biodiversity-strategy-2030_en

Reglamento de Restauración de la Naturaleza
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https://data.consilium.europa.eu/doc/document/PE-74-2023-REV-1/es/pdf

Ley 42/2007, del Patrimonio Natural y de la Biodiversidad
Gobierno de España, 2007
https://www.boe.es/buscar/act.php?id=BOE-A-2007-21490

Plan Estatal de Patrimonio Natural y Biodiversidad 2030
MITECO (Spain), 2023
https://www.miteco.gob.es/content/dam/miteco/es/biodiversidad/publicaciones/estrategias/peepnb2030-difusion.pdf

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Plataforma de Custodia del Territorio, 2023
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European Commission (CRCF, 2025). Implementation of Regulation (EU) 2024/3012 and development of methodologies for carbon removals certification. Directorate-General for Climate Action. Technical document on monitoring, reporting and verification and EU carbon removals registry.
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Glossary of Statistical Terms. Organisation for Economic Co-operation and Development, París.
https://stats.oecd.org/glossary/

World Bank (2022).
Financial Instruments Toolkit for Green Projects. World Bank Group, Washington, D.C.
https://documents.worldbank.org

14.5. Glossary of terms

Land stewardship agreement or contract (Fundación Biodiversidad). Voluntary agreement between a land stewardship entity and the landowner (public or private) establishing management commitments to conserve or restore natural, cultural and landscape values over the long term. It may be formalised through different legal modalities (e.g. written contract, land use agreement, real rights) and is recognised under Law 42/2007.

Additionality. Impact attributable exclusively to the financing obtained, ensuring that the action would not have occurred without the instrument.

AECM (agri-environmental and climate measures). CAP payments for practices beneficial to climate and biodiversity.

Habitat bank. Mechanism that generates biodiversity "units" through habitat restoration or conservation to be sold to actors required to offset impacts.

Blended finance. Refers to the combination of public, private and philanthropic resources with the aim of reducing risks and mobilising additional capital. Blended finance does not channel funding by itself, but relies on specific instruments for its implementation, influencing their design and the distribution of risks and returns.

Green, social and sustainable bonds. Debt issuances with earmarked use of proceeds for environmental or social objectives, with reporting and verification requirements.

Blue carbon. Carbon captured and stored by coastal and marine ecosystems (salt marshes, seagrasses, mangroves).

Green public procurement. Public procurement that prioritises environmental criteria and stimulates demand for nature-based solutions.

Environmental offset. Measure to balance residual impacts through equivalent restoration or protection actions.

Biodiversity credits (European Commission). Units generated in "habitat banking" agreements that represent measurable biodiversity benefits and can be sold to offset residual impacts on nature in other locations. The Commission frames the development of nature credits based on certification to channel investment towards nature-positive actions.

Carbon credit (UNFCCC – Kyoto Protocol/CDM). Tradable unit, Certified Emission Reduction (CER), equivalent to one tonne of CO_2, issued for certified Clean Development Mechanism projects and registered for use or cancellation.

CRCF (EU Carbon Removal Certification Framework). Voluntary European system to certify carbon removals, carbon farming and storage in products.

CSRD (Corporate Sustainability Reporting Directive). European Union directive establishing mandatory standardised and verifiable reporting on environmental, social and governance aspects, including relationships with nature, climate, human rights and value chains. Its objective is to improve transparency and comparability of sustainability information within the transition to a sustainable economy.

Double counting. Allocation of the same environmental outcome and/or indicator to more than one actor or instrument.

Environmental due diligence. Prior assessment of environmental risks and opportunities of a project or portfolio.

Environmental equity (ownership participation). Acquisition of ownership stakes in conservation projects or entities to align incentives and returns.

ESG (Environmental, Social and Governance) / ASG. Criteria used to assess sustainability and responsible management of companies and projects. ESG represents an evolution of **corporate social responsibility**, incorporating more structured systems of measurement, reporting and evaluation. Contributions linked to ESG or CSR can generate resources, although they require specific financial instruments for management and verification.

Revolving fund. Instrument that lends or invests and reinvests recovered funds to finance new actions.

Leakage. Displacement of impacts to another location as a result of the project.

Guarantees / first-loss. Mechanisms that absorb initial losses to attract private investment.

Green tax incentives. Deductions, exemptions or reduced rates linked to conservation actions or environmental investments.

Landscape finance, Concept referring to integrated financing frameworks at territorial scale, aimed at coordinating multiple sources of funding and interventions within a single landscape or functional territory. It is a strategic approach that seeks coherence and synergies between interventions, but requires specific financial instruments to channel funds.

Baseline. Reference situation against which improvement is measured.

PAF (Prioritised Action Framework). Financial planning of Member States to implement Natura 2000 and mobilise funding.

MRV (measurement, reporting and verification). System to quantify results, report them in a standardised way and verify them through an independent third party..

Natura 2000. European network of protected areas designated under the Birds and Habitats Directives.

No net loss / net gain. Objective whereby, after avoidance, minimisation and restoration, impacts are compensated to achieve no loss or a net gain of biodiversity.

OECM (other effective area-based conservation measures). Areas that achieve sustained biodiversity conservation, even if conservation is not their primary objective.

Results-based payments. Financing conditional on verified environmental outcomes.

Payments for ecosystem services (PES). Economic incentives directed to those who conserve, restore or sustainably manage ecosystems that provide essential benefits to society, such as water regulation, soil protection or landscape conservation.

Permanence. Temporal guarantee that carbon reductions, removals or biodiversity gains are maintained over time.

PPAs (private protected areas). Areas under private governance, recognised and managed through legal or other effective means to achieve long-term nature conservation.

Credit registry. Platform that issues, transfers and cancels environmental units, ensuring traceability.

Environmental return. Added value generated in ecological terms or ecosystem services; it may complement or replace financial return.

Reversal risk. Probability that achieved environmental benefits are lost over time due to factors such as fires, drainage or abandonment of land management.

Ecosystem services. Benefits that nature provides to society and the economy.

Nature-based solutions (NbS). Actions that use natural processes to address societal challenges (climate, health, water, biodiversity).

EU Taxonomy. Classification system that defines which economic activities can be considered environmentally sustainable, with the aim of guiding public and private investment and preventing greenwashing.

Temporary nature / safe harbour. Temporary agreements or safeguards that allow habitat creation without generating additional permanent obligations for the landowner.

Natural capital valuation. Monetary estimation of ecosystem assets and flows of ecosystem services.

Life STEWARDSHIP