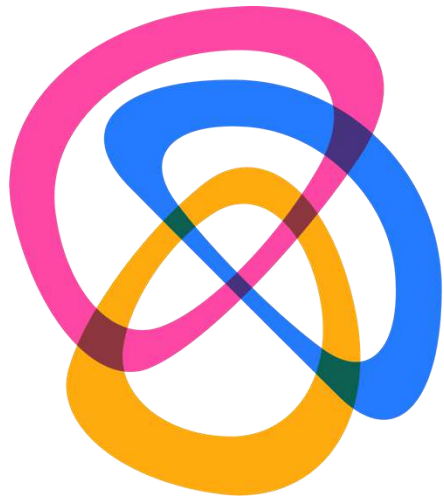




# BioValue



Funded by the European Union

# UNLOCKING BIODIVERSITY VALUE IN SPATIAL PLANNING

## A WEBINAR REFLECTION JOURNEY TO ENHANCE TRANSFORMATION

WEBINAR #3

### Exploring Economic Instruments in Spatial Planning for Enhancing Biodiversity Value

September 5<sup>th</sup> 2024

Held by Helmholtz Centre for Environmental Research– UFZ

*Speakers: Maria Partidario, Heidi Wittmer, Yuanzao Zhu, Karla E. Locher-Krause*



**BioValue**



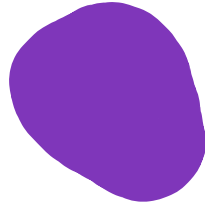
This project has received funding from the European Union's Horizon Europe Research and Innovation Programme under Grant Agreement No 101060790



# WEBINAR #3 AGENDA



**INTRODUCTION TO BIOVALUE & WEBINAR SERIES**



**PART I  
RELEVANCE AND IMPLICATIONS OF ECONOMIC AND  
FINANCIAL INSTRUMENTS**



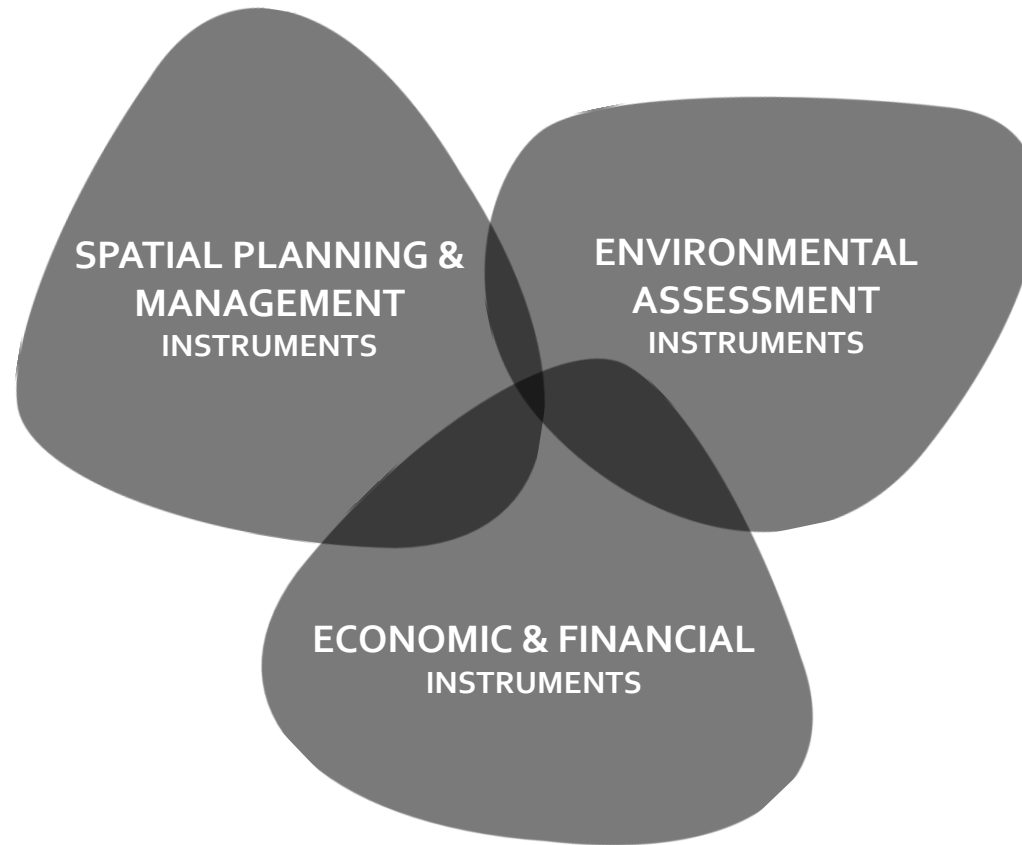
**PART II  
WORKING GROUP DISCUSSION**



**PART III  
WRAP-UP SESSION & CONCLUSIONS**

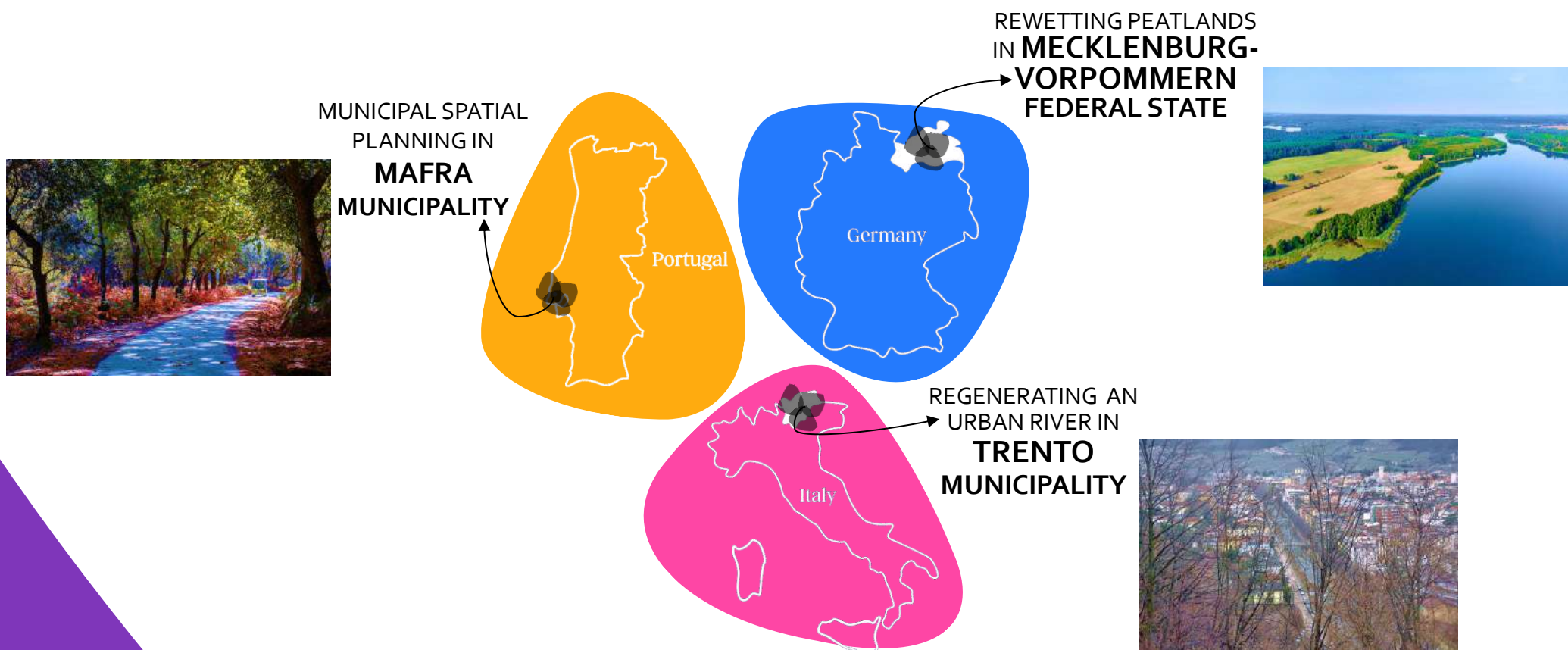
# Objective of BioValue

**BioValue** aims to **safeguard and increase biodiversity** by better articulating **3 instrumental perspectives** individually and in **combined action** for **transformative change**



# Arenas for Transformation

**BioValue explores** transformative change in **3 Arenas for Transformation**, representing **distinct** spatial planning **systems, cultures, scales** and **biodiversity-related** situations.



# Partnership

JULY  
2022

JULY  
2025  
month 27

ACADEMIC  
PARTNERS

COORDINATOR



UNIVERSITÀ  
DI TRENTO



HELMHOLTZ  
Zentrum für Umweltforschung



AALBORG  
UNIVERSITY

ICONS

CASE-STUDY  
PARTNERS



COMUNE  
DI TRENTO

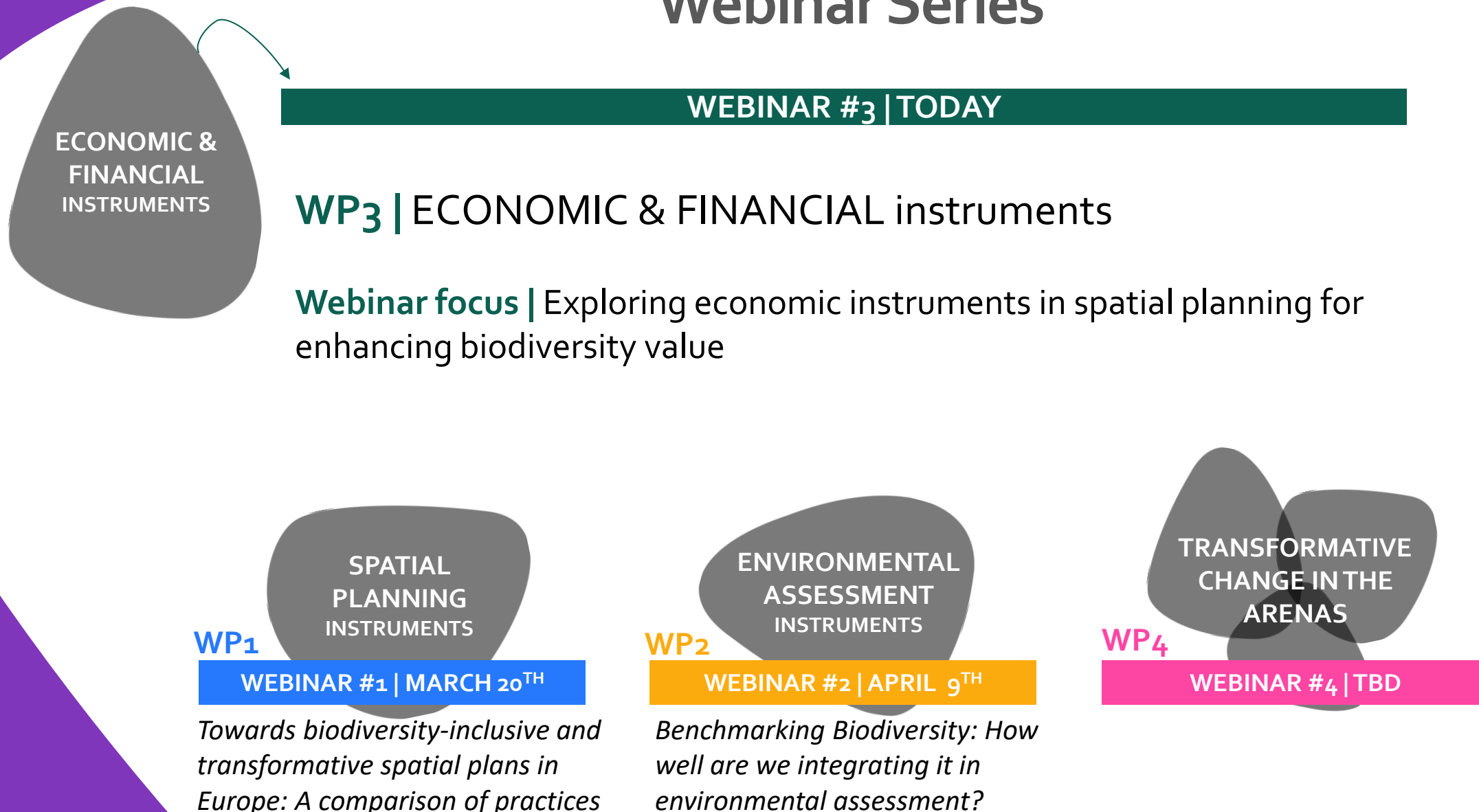


CoKnow  
Consulting

COPRODUCING KNOWLEDGE  
FOR SUSTAINABILITY

DISSEMINATION &  
COMMUNICATION PARTNER

# Webinar Series



ECONOMIC &  
FINANCIAL  
INSTRUMENTS

WEBINAR #3 | TODAY

## WP3 | ECONOMIC & FINANCIAL instruments

**Webinar focus** | Exploring economic instruments in spatial planning for enhancing biodiversity value

SPATIAL  
PLANNING  
INSTRUMENTS

WP1

WEBINAR #1 | MARCH 20<sup>TH</sup>

*Towards biodiversity-inclusive and transformative spatial plans in Europe: A comparison of practices*

ENVIRONMENTAL  
ASSESSMENT  
INSTRUMENTS

WP2

WEBINAR #2 | APRIL 9<sup>TH</sup>

*Benchmarking Biodiversity: How well are we integrating it in environmental assessment?*

TRANSFORMATIVE  
CHANGE IN THE  
ARENAS

WP4

WEBINAR #4 | TBD

# Overall Objective of WP3

To understand the transformative potential of economic and financial instruments (E&FIs) impacting biodiversity

Across different levels of implementation

Economic and Financial  
Instruments

Individually

In articulation

Other Instruments:  
Spatial planning & management  
instruments  
Environmental assessment  
instruments

Along the mitigation hierarchy

*As biodiversity is affected by most investments, it is important to ensure negative impacts are avoided as early as possible.*

# Economic and Financial Instruments

- Economic and financial instruments (E&FIs) are **public or private** mechanisms, e.g., **incentives and disincentives**, to motivate behavioral changes of various stakeholders towards desired policy objectives (IPBES, 2018).
- E&FIs can take many forms, such as **taxes, subsidies, tradable permits, green loans**, etc., e.g.:
  - MoorFutures in Mecklenburg Vorpommern- **CO<sub>2</sub> certificates** for rewetting wetlands: certificates sold to *companies, organizations and individuals* as compensation for unavoidable emissions; proceeds used to finance rewetting measures.

# Main actors involved in E&FIs

## Undercompensated

### Steward

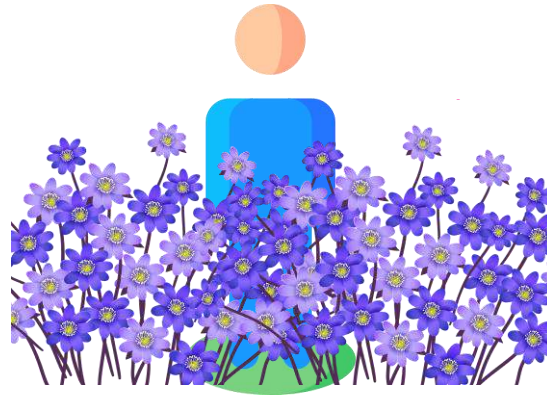
*who conserves biodiversity, manages ecosystems, or otherwise contributes to Ecosystem Service (ES) provision*



## Not paying the full cost

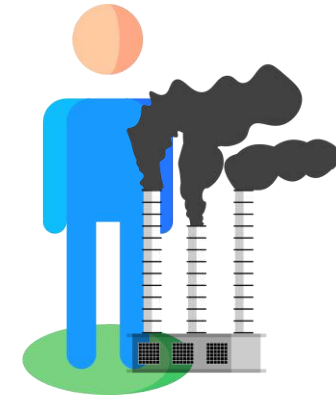
### Beneficiary

*who uses or depends on ES, and has a direct or indirect interest in the ES provision*



### Polluter

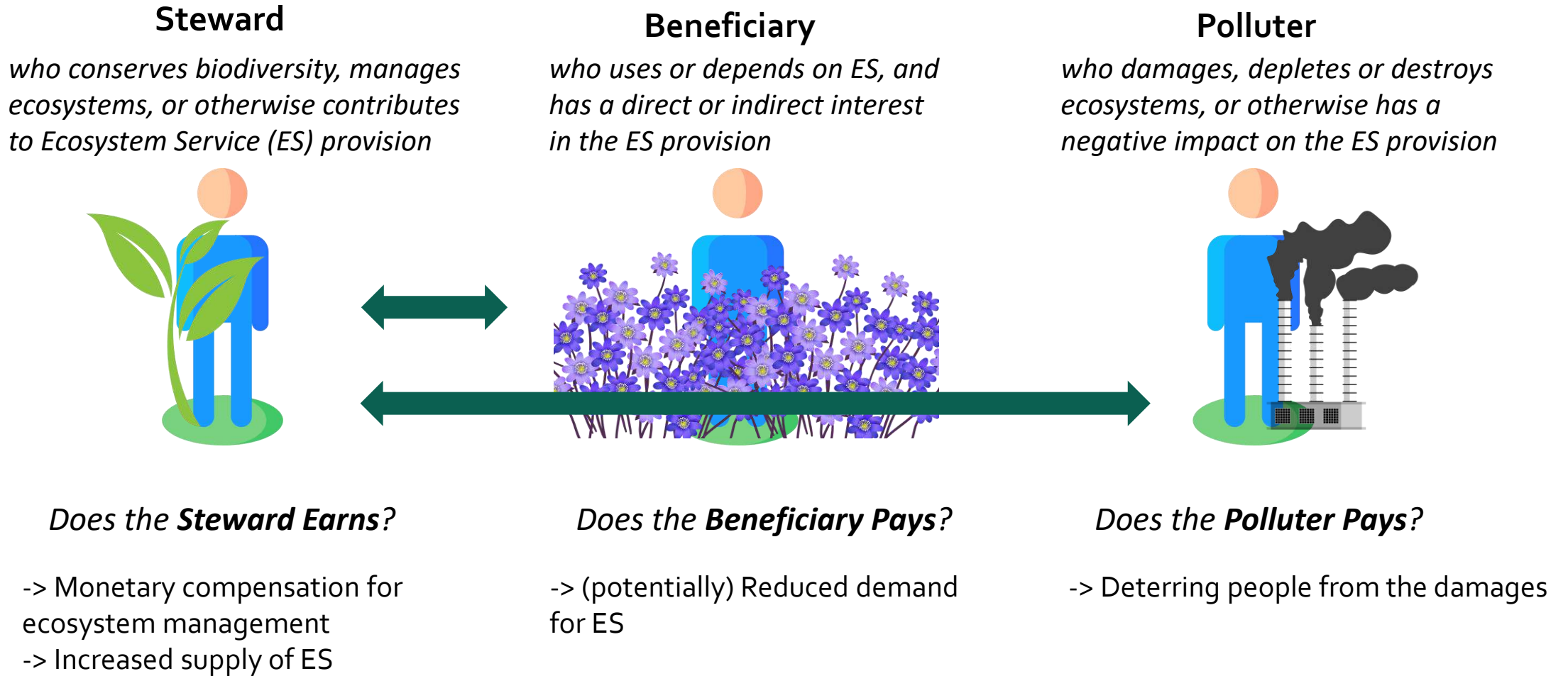
*who damages, depletes or destroys ecosystems, or otherwise has a negative impact on the ES provision*



**Externality** -> *indirect costs or benefits arising from economic activities that are not reflected in market prices*

**!!! Conflicts between private and public interests for conservation**

# Main actors involved in E&FIs



# E&FIs in Spatial Planning

- Current status: To manage trade-offs between environmental, economic and social objectives, usually in the form of **land value capture tools**, which have **no direct link to biodiversity enhancement**
- There are opportunities, e.g., using E&FIs for implementing nature-based solutions in cities  
(Trinomics & IUCN, 2019)

# Entry Points for E&FIs in Spatial Planning

- Two entry points for E&FIs:
  - **Additional options** for biodiversity enhancement that extend the current SP tool-kit
    - E.g., additional funding options, binding biodiversity targets
  - **Potential solutions** for addressing conflicts between conservation (public interest) and interests of private landowners/developers
    - E.g., tax-relief, conservation easement
- **!!! E&FIs alone -> limited impacts**
  - **In combination** with other instruments (e.g., regulations) -> **higher transformative potential**
  - **Careful design** -> reducing rather than increasing socio-economic inequalities (e.g., CAP direct payments currently maintain inequalities)

# The EU renewed Sustainable Finance Strategy

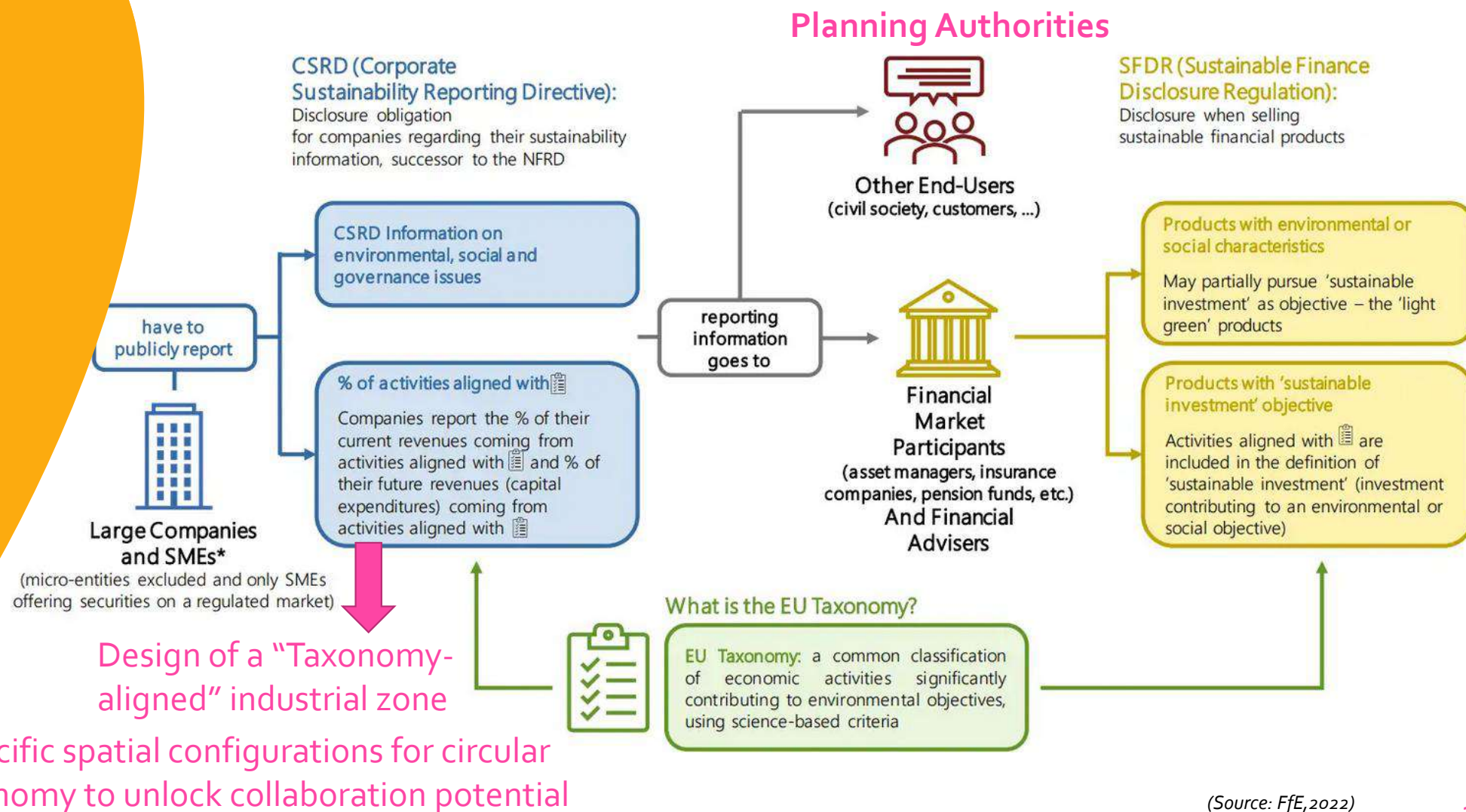
- **The EU renewed Sustainable Finance Strategy** as a context. The Strategy promotes:
  1. a **classification system** of sustainable activities: e.g., *the EU Taxonomy Regulation*;
  2. a **disclosure framework** for non-financial and financial companies: e.g., *the Sustainable Finance Disclosure Regulation (SFDR)*, *the Corporate Sustainability Reporting Directive (CSRD)*, and *the Sustainability Preferences*;
  3. **investment tools**: e.g., *the EU Climate Transition Benchmarks Regulation* and *the European Green Bond Standard*

## Implications for Spatial Planning

- *Legislative and Regulatory Perspective:*  
Update the binding regulations on B&ES for spatial planning to **legally link concrete biodiversity targets with specific sectors** (e.g., housing, agriculture, mobility)

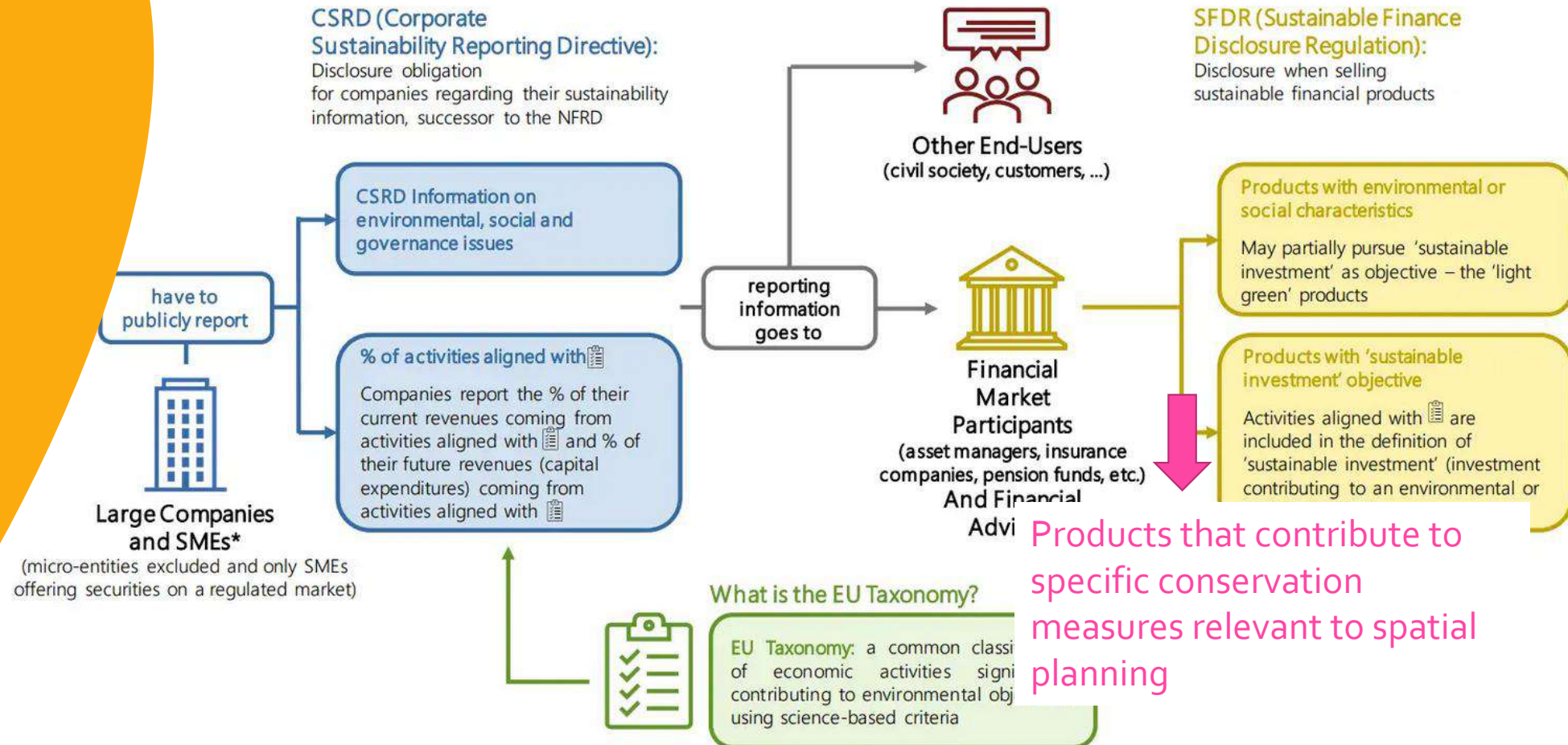
# Implications for Spatial Planning

- **Planning Perspective:** Innovative measures and schemes to support environmentally sustainable activities



# Implications for Spatial Planning

- **Investment Perspective:** *Financial organisations* may be interested to increase their own **targets for sustainable investments**



## Implications for Spatial Planning

- **Corporate Perspective:**
  - Proposal of potential **economic zones for sustainable activities** can be initiated by *private stakeholders*;
  - Sustainability disclosure obligations may motivate companies to identify **business opportunities** in the context of biodiversity and ES, and could be an opportunity to **implement E&Fs in spatial planning context**
- **Perspective from the General Public:** The *general public*, e.g., NGOs and citizen groups, may press for specific lower limits or obligations to **increase contributions** for biodiversity and ecosystems

## Key Messages

- E&FIs can mobilize **additional** biodiversity financing sources
- With careful design, E&FIs **reduce socioeconomic inequalities**: e.g., inclusiveness with “steward earns”
- E&FIs can **promote biodiversity along with** and **in addition to** the mitigation hierarchy
- Upcoming potential with the renewed EU Sustainable Finance Strategy: increased **transparency of sustainable contributions**

# Questions

*Further information:*

- BioValue website: <https://biovalue-horizon.eu/resources/>
- Zenodo community: [BioValue Transformative Change](#)



# BREAKOUT ROOMS

- One for each topic

## Topics for breakout-room discussions

1. What instruments **theoretically** have the **potential** to facilitate biodiversity enhancement in spatial planning and examples in practice (if applicable)?
    - **Breakout Room 1: Heidi + Lia**
    - **Breakout Room 2: Yuanzao**
  2. What are the **factors preventing** the use of economic and financial instruments in spatial development practices?
  3. Which **actors** and what types of **actions** are **needed** for developing and implementing economic and financial instruments to address current challenges in spatial planning?
    - **Breakout Room 3: Karla + Jenny**
- Each breakout room is chaired by a project partner, who will take notes on arguments, reflections, and possible results of discussion, and summarize in the final plenary.

# Thank you for participating and contributing!



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*Most interesting topics/follow-ups you  
would like to receive/be informed  
about?*