



Solent Nutrient Market Pilot Update

Solent Forum Members Meeting, 23 March 2022

Introduction

- Background
- Delivery of project
- Consortium
- Market process

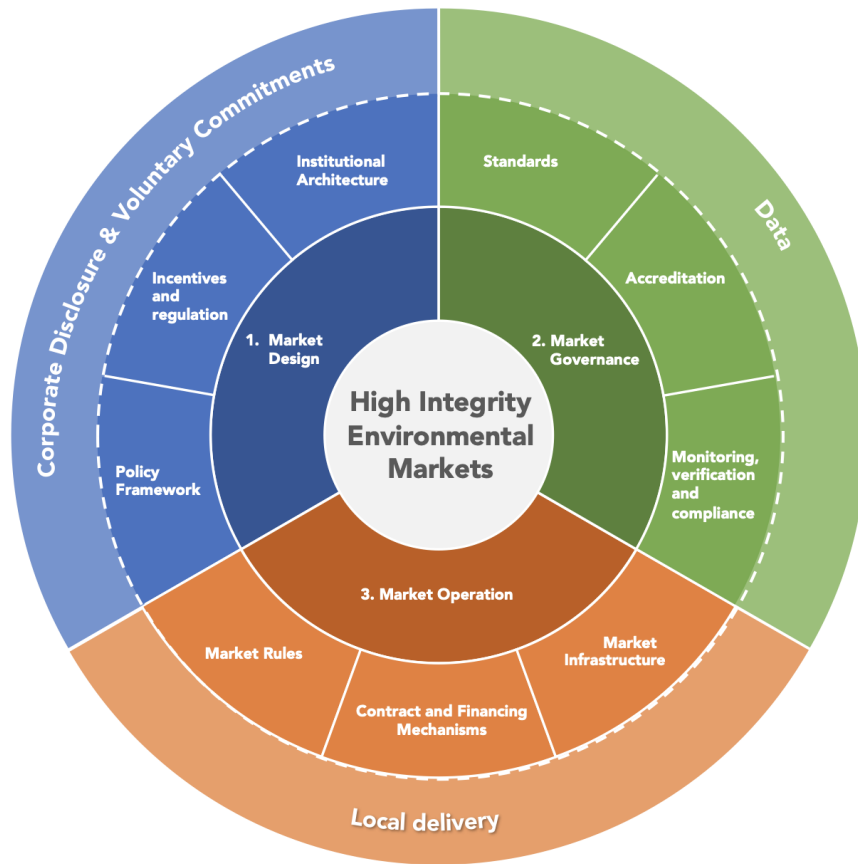
The Solent area

Excessive nutrient
pollution in the Solent
ecosystem



Nutrient Neutrality
requirements for new
housing development

Financing UK Nature Recovery



- Public funding alone will not halt nature's decline
- Markets are needed to attract private investment and drive nature's recovery
- financingnaturerecovery.uk

Government



Department
for Environment
Food & Rural Affairs

Defra is sponsoring the development of the Solent Nutrient Market Pilot, and is working closely with Natural England as well as the local planning authorities (LPAs) that make up the Partnership for South Hampshire (PfSH), the Department for Levelling Up, Housing and Communities, the Environment Agency and the Forestry Commission.



Department for Levelling Up,
Housing & Communities



Environment
Agency



Forestry Commission

Consortium



EnTrade

Leading the work of the Consortium



Leading market design and engagement strategy.



Leading the design and development of the market settlement process



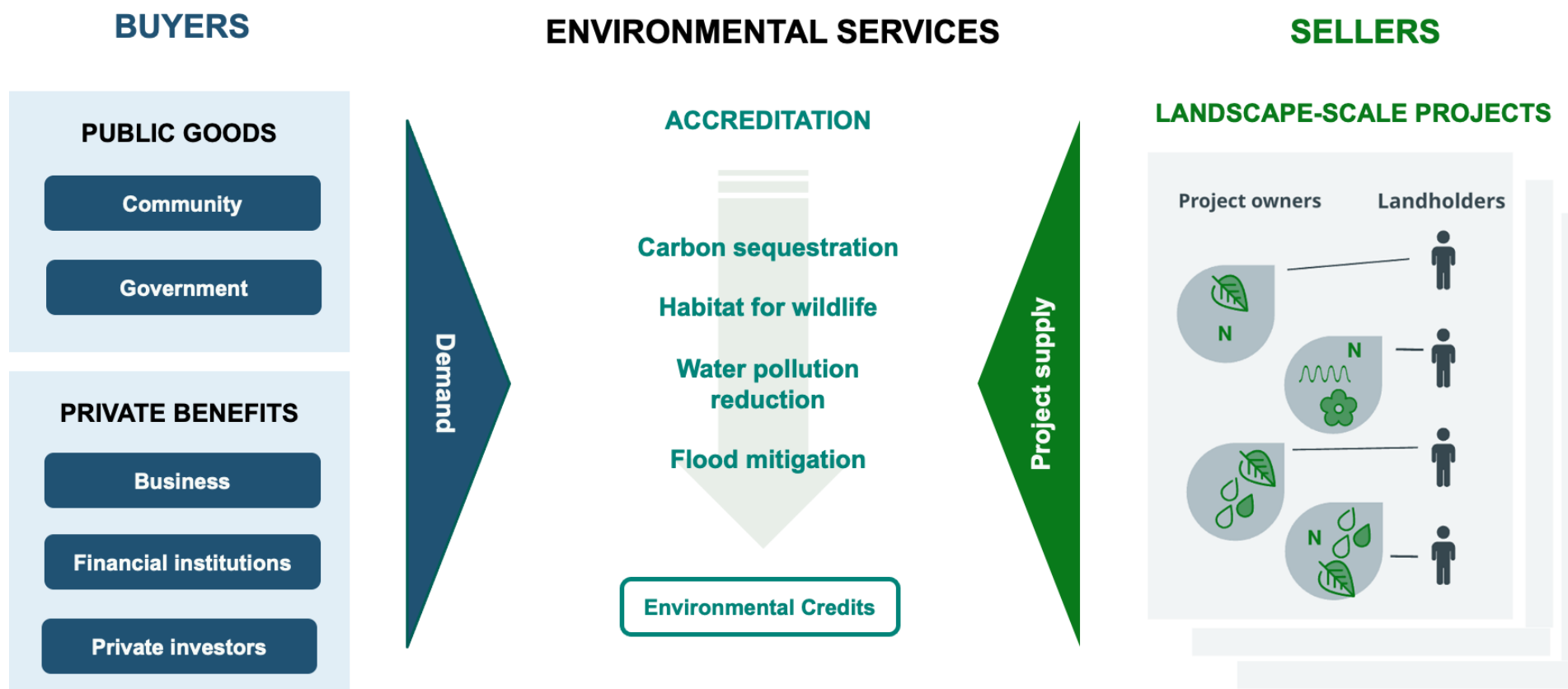
Leading the engagement with landholders, including facilitating access to expertise to support Project Development.

ARUP

Leading the establishment of the Platform Management System the User Testing of the Platform.

What is a catchment market?

A Catchment Market is an on-line marketplace where Nature-based Projects can be sold and the Environmental Services from these Projects can be bought.



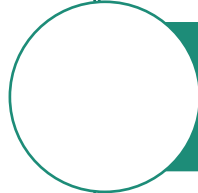
Benefits for landholders



Opportunity to be paid fairly for putting environmental nature-based projects on their land.



Diversify farm revenue



Benefit from the growing market for environmental services



Contribute to nature's recovery

Benefits for businesses



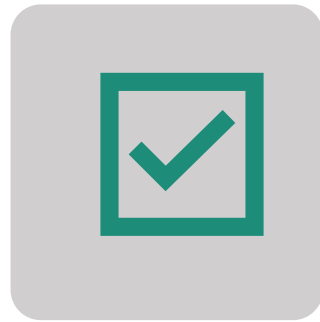
An easy way to purchase trustworthy and value-for-money environmental credits

-  **Demonstrate leadership**
-  **Comply with regulatory and planning requirements**
-  **Meet consumer and employee expectations**
-  **Build resilience in a changing policy environment**

Market operation



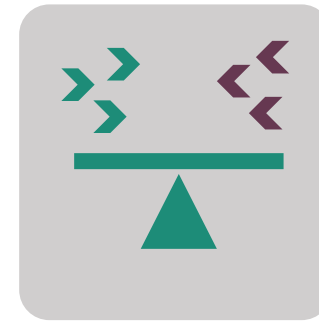
Project development



Project registration & accreditation



Market round



Settlement

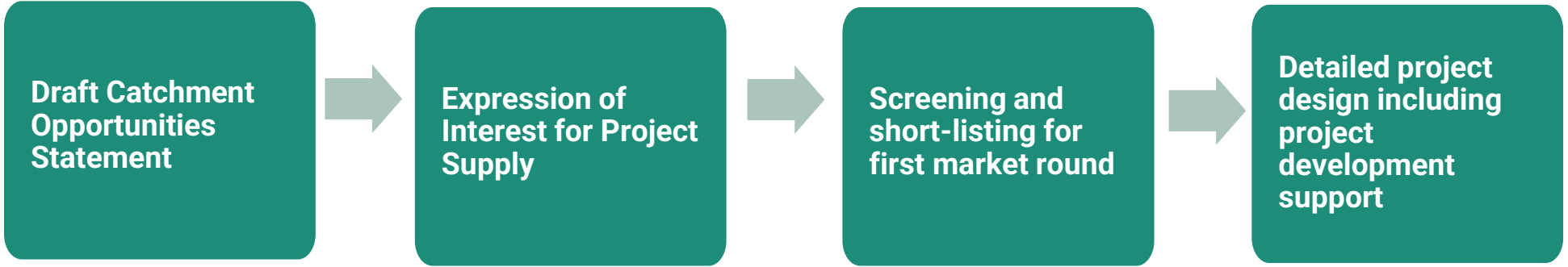


Contracting & delivery

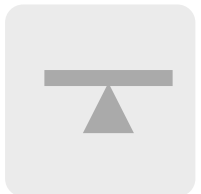


Buyer Credit requirements

Project development



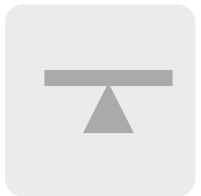
Project registration & accreditation



By registering a project, the Project Supplier is making an exclusive and binding offer to sell the nature-based project through the market

- Projects can be registered by a landholder (Project Supplier) or their Registered Agent
- Following registration the Catchment Market Operator accredits the Project for the environmental services that it generates

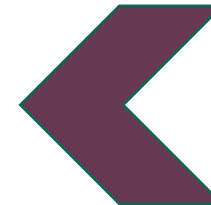
Market round



Project suppliers submit their offers

What do I need to be paid to develop, build and maintain a nature-based project on my land?

Catchment Market Operator



Credit buyers submit their bids

How much am I willing to pay for environmental credits?

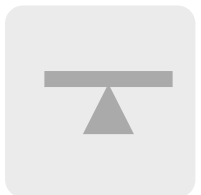
Settlement



The Solent Catchment Market Pilot has been designed in collaboration with specialists from Exeter University to ensure a fair price for both environmental credit buyers and landholders.

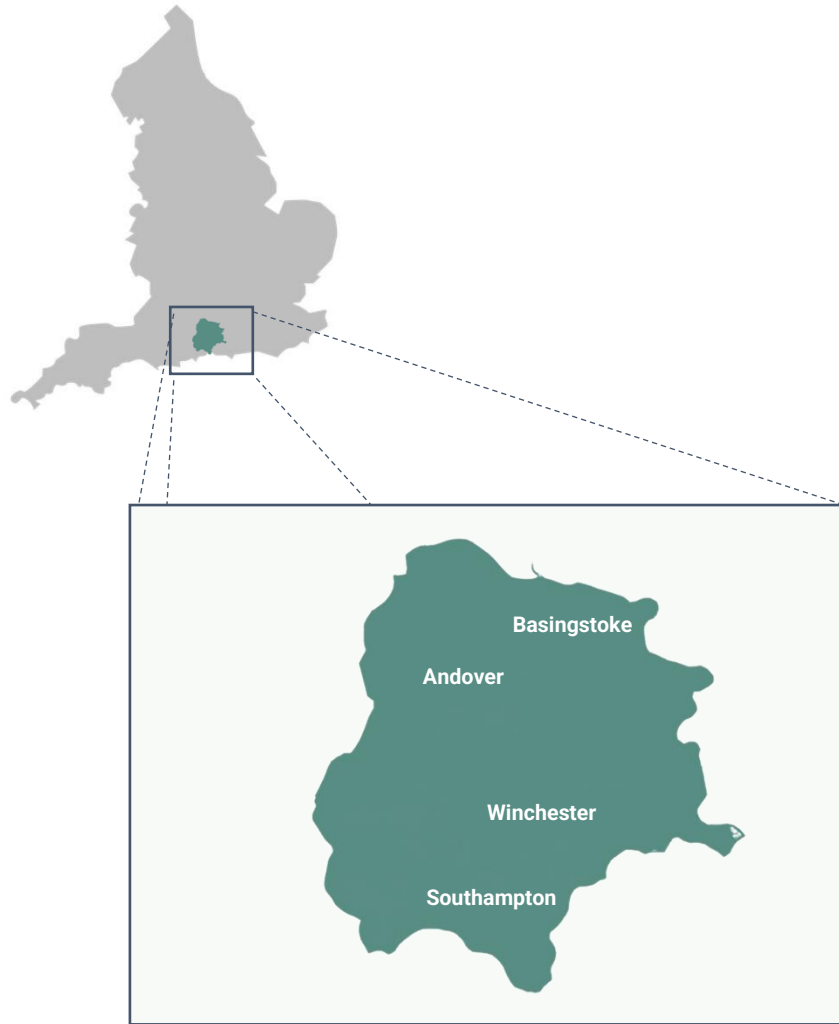


Contracting & Delivery



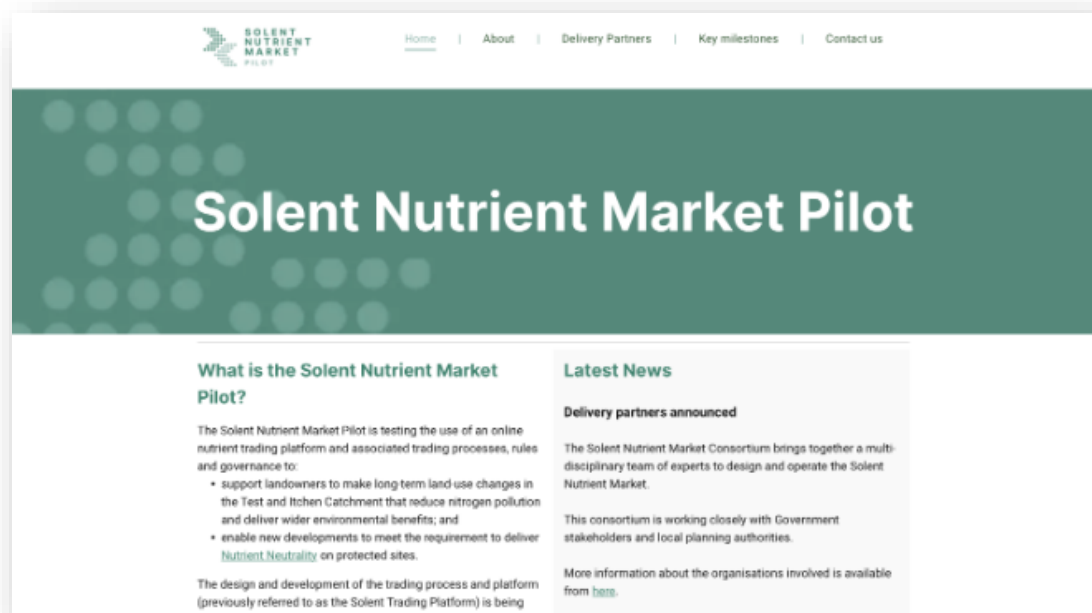
- Template Nature-based Project Agreements will be published on the website before Project Registration opens
- Agreements will cover:
 - Project delivery
 - Ongoing project management
 - Verification and monitoring requirements
 - Payment schedule

Next steps



- Expression of Interest for Projects expected April 2022
- First Market Round later this year

More information



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