



State of Private Investment in Conservation 2016

A Landscape Assessment of an Emerging Market

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About Forest Trends' Ecosystem Marketplace

Ecosystem Marketplace, an initiative of the non-profit organization Forest Trends, is the leading global source of information on environmental finance, markets, and payments for ecosystem services.



WHAT DOES THIS REPORT TRACK?

“Investments intended to return principal or generate profit while also resulting in a positive impact on natural resources and ecosystems.”

Types of conservation categories:



Sustainable food and
fiber production



Habitat conservation



Water quality and
quantity

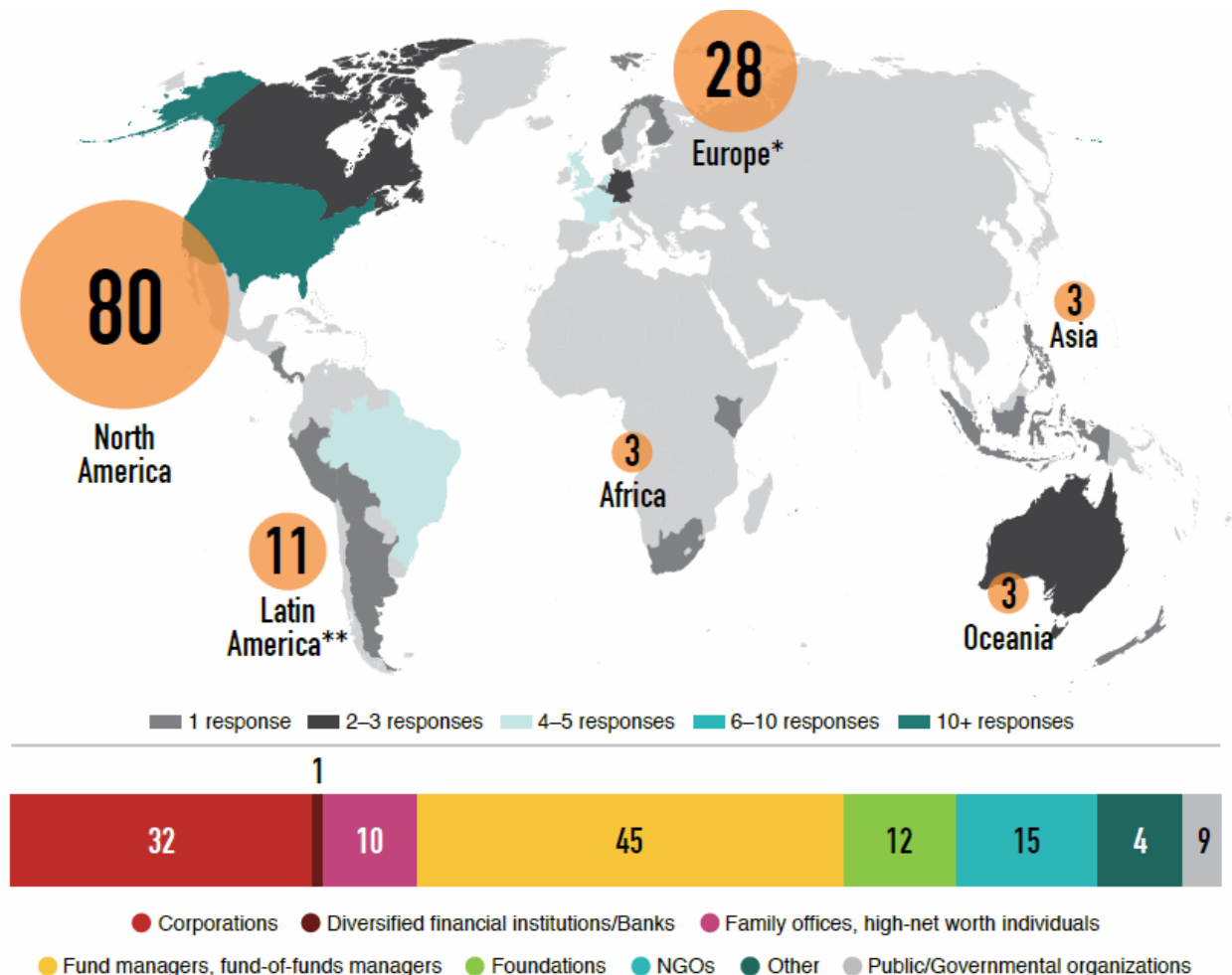
Source: Forest Trends' Ecosystem Marketplace. State of Private Investment in Conservation.



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WHO RESPONDED? WHO DID NOT RESPOND?

Response Rate by Region and Organization Type



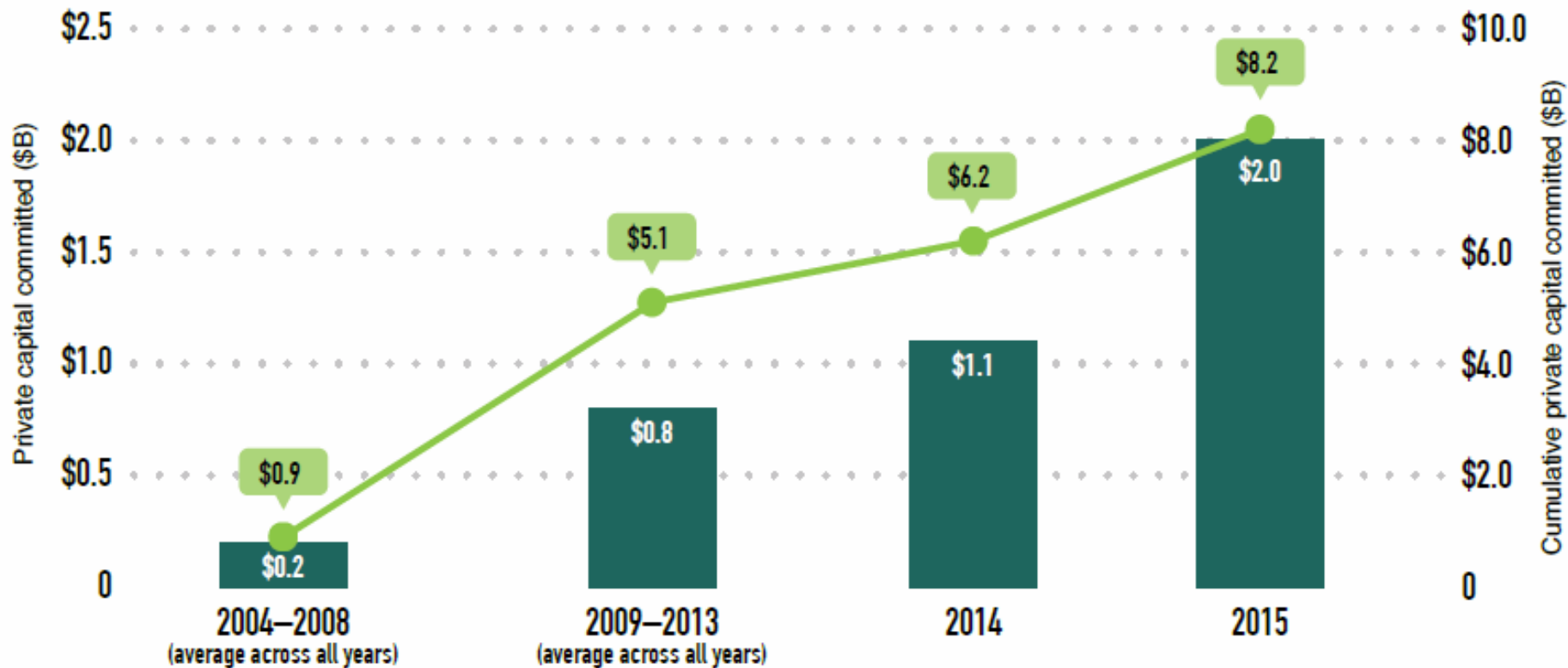
Source: Forest Trends' Ecosystem Marketplace. State of Private Investment in Conservation.



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HOW MUCH PRIVATE CAPITAL COMMITTED?

Private Capital Committed across All Tracked Years, 2004–2015



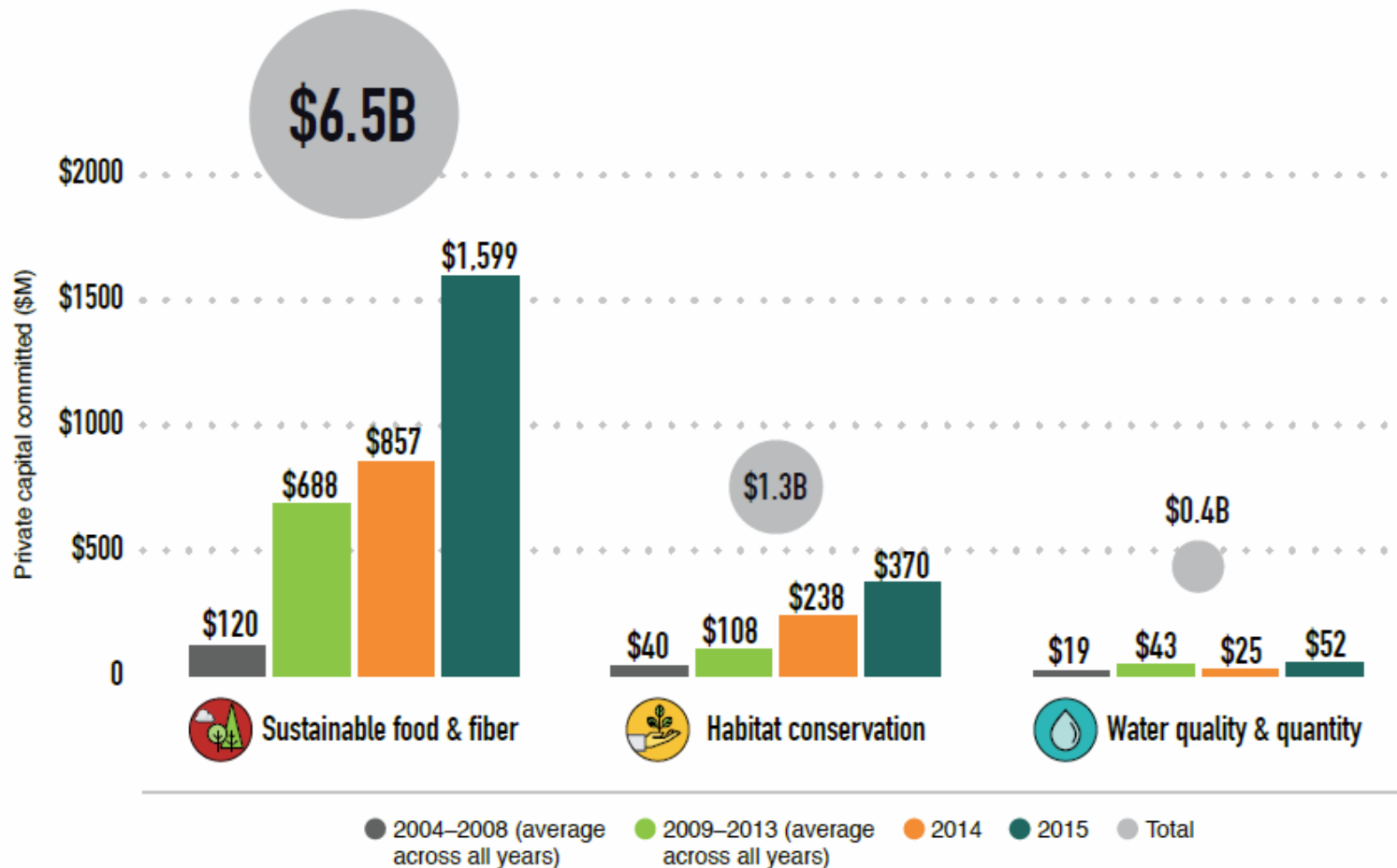
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To Which Conservation Categories?

Private Capital Committed by Conservation Category, 2004–2015



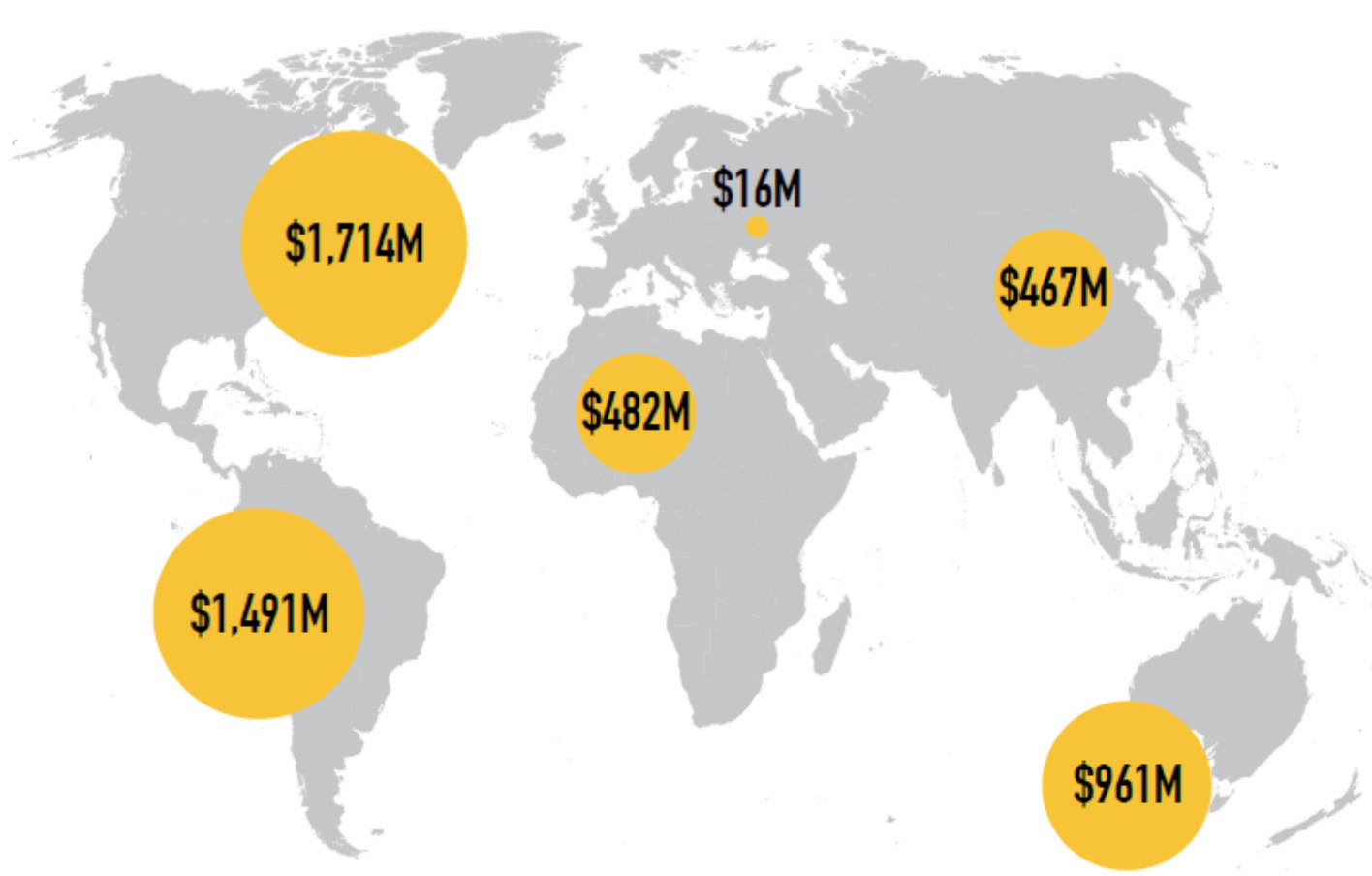
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WHERE IS THIS CAPITAL GOING?

Private Capital Committed to Sustainable Food and Fiber Production by Geography



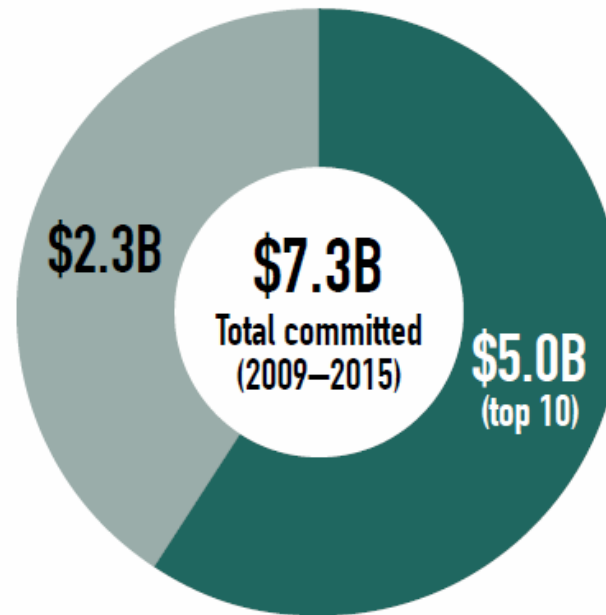
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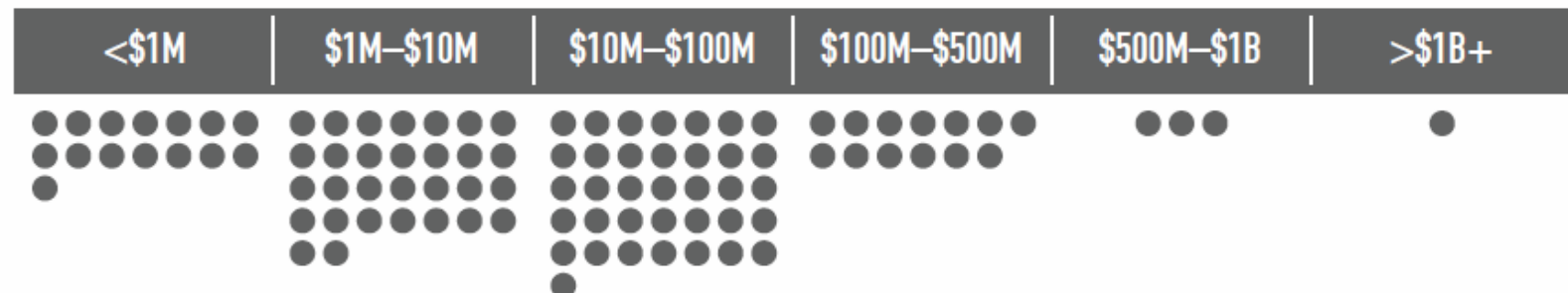
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Who Is COMMITTING THE MAJORITY OF CAPITAL?

Profile of Respondents by Capital Committed, 2009–2015



Value of total commitments by organization 2009–2015



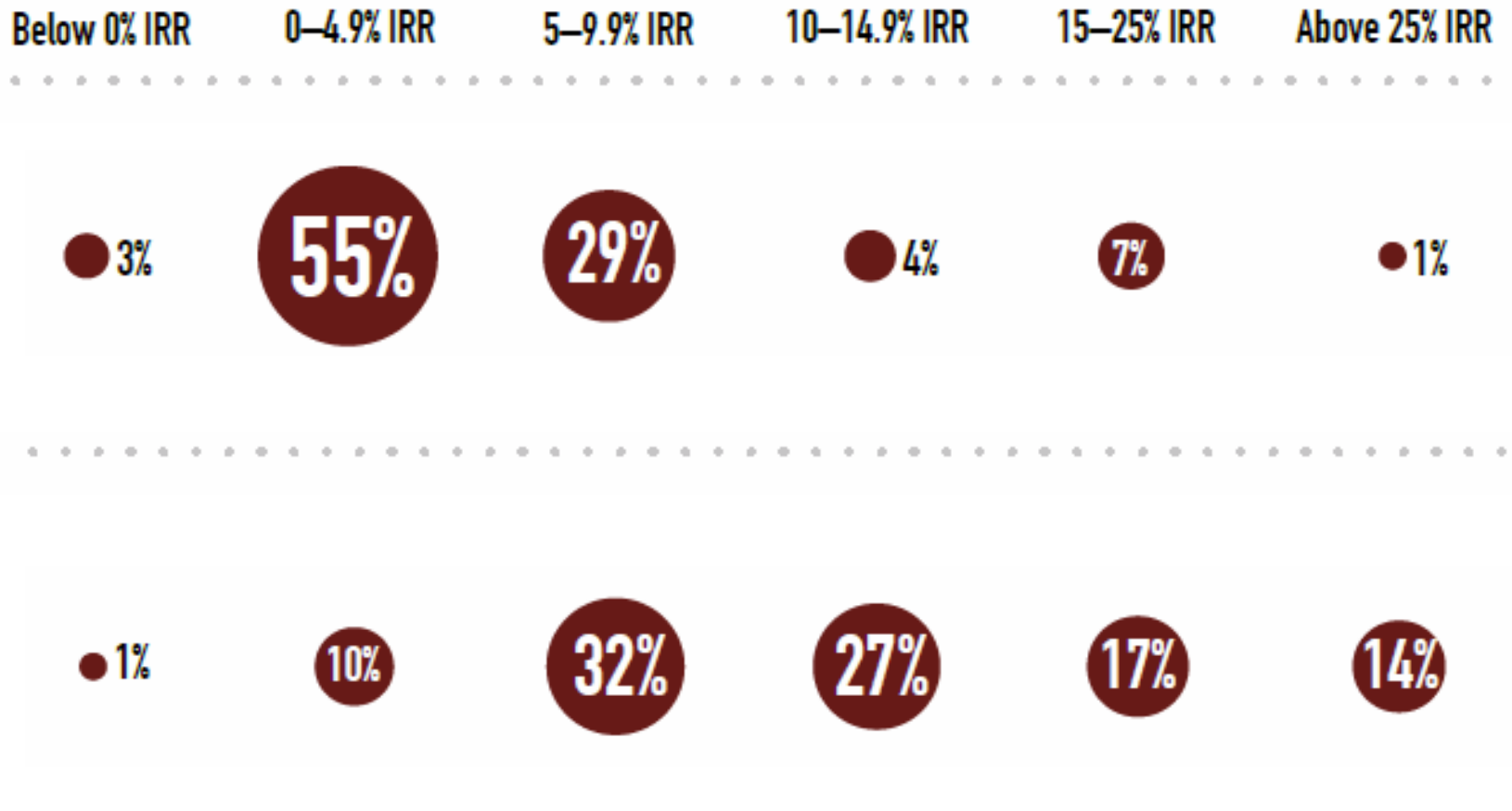
Source: Forest Trends' Ecosystem Marketplace. State of Private Investment in Conservation.



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HOW IS THIS CAPITAL EXPECTED TO PERFORM?

Projected Internal Rate of Return by Organization



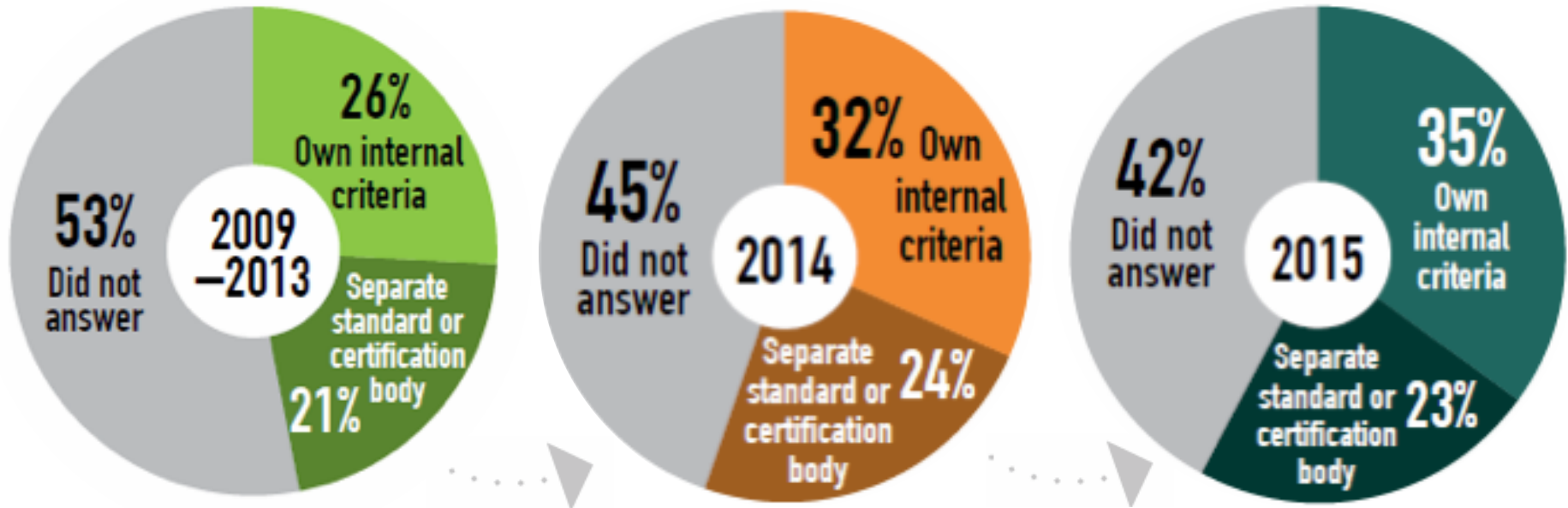
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Do INVESTORS MEASURE CONSERVATION IMPACT?

Organizations that Monitor or Report on Conservation Impacts by Time Periods



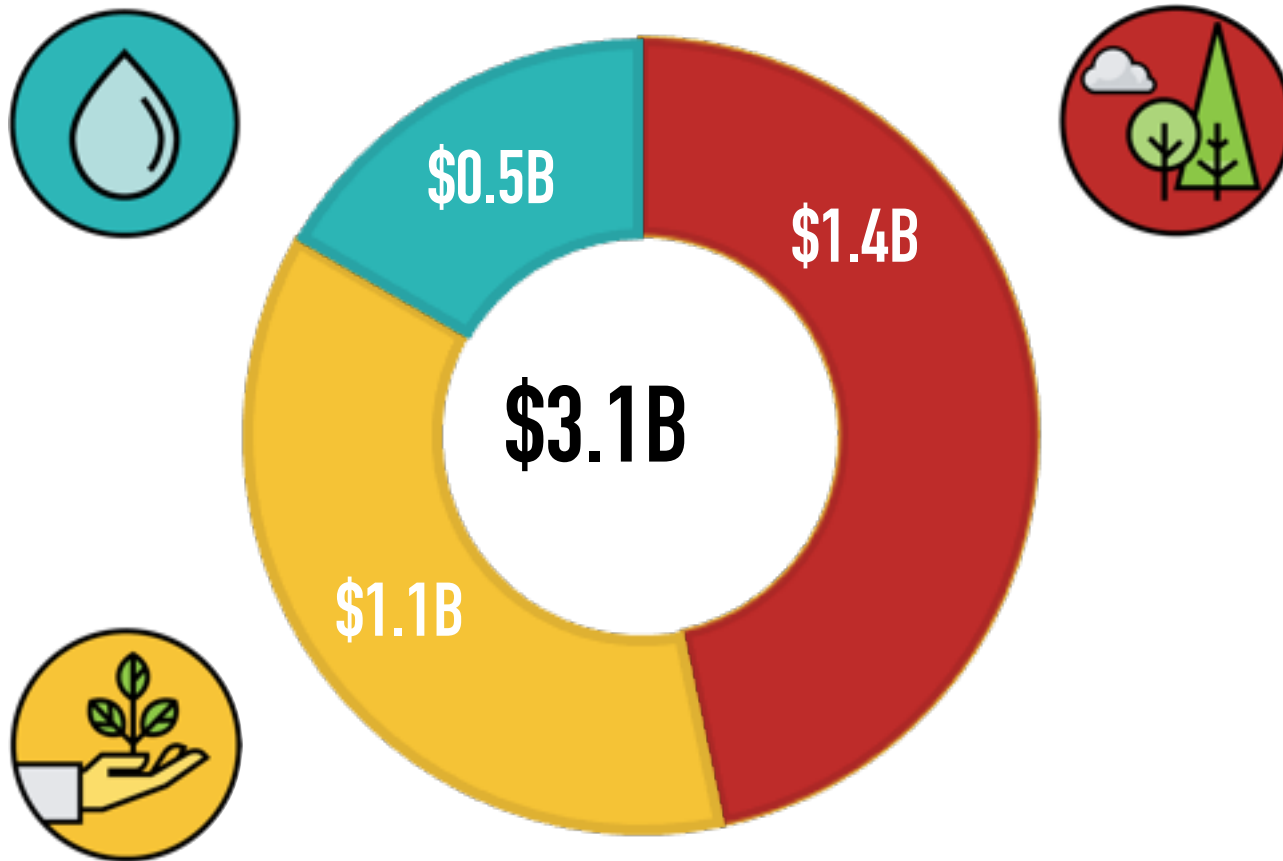
Source: Forest Trends' Ecosystem Marketplace. State of Private Investment in Conservation.



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How Much Private Capital Undeployed?

Already-raised Capital that Respondents Intend to Deploy in 2016-2018, by Conservation Category and Organization Type



Source: Forest Trends' Ecosystem Marketplace. State of Private Investment in Conservation.



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EMERGING TRENDS AND DEVELOPMENTS

Themes for Discussion and Further Research

Scope:

- We probably captured one-third of estimated activity
- Narrow definition of conservation excluded additional investments

Sectors and Models:

- **Sustainable forestry and agriculture investment** growing in emerging economies
- New financial models appearing in **sustainable fisheries and aquaculture**
- Investment in **water** growing, may double from historical amounts

New Actors:

- **Institutional investors** beginning to invest in conservation – in the biggest funds – and to favor longer-term, evergreen approaches
- **Corporate commitments** around carbon or sustainable supply chains beginning to drive internal investing
- **Public institutions** accelerating leverage of private finance by moving beyond risk mitigation to direct investment, market creation, and other roles



Questions? Contact:

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