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BLOG, NATURE-BASED SOLUTIONS, URBAN TREES

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CLEARING HOUSE is a Research and Innovation H2020 project which among several objectives, aims to create business and investment cases for Urban Forests as Nature Based Solutions (UF-NBS) on the basis of increased evidence about environmental, social and economic benefits.

To achieve this goal, a study was led in order to understand sustainable funding mechanisms for UF–NBS and their cost-effectiveness, **with a focus on European municipalities**.

One metropolitan area, **Barcelona Metropolitan Area** (a metropolitan local administration that includes 36 municipalities), and five municipalities participated to CLEARING HOUSE studies: Milano, Padova, Paris, Krakow, and Gelsenkirchen. While each city or metropolitan area has a different context, the study looked at **commonalties and differences** with the aim to build further a common business and investment framework.

The part of the municipality budget that is dedicated to UF-NBS projects is divided between implementation of new UF-NBS projects and maintenance of existing ones. Generally, the funding of new UF-NBS project requires a fundraising from the public or private sector and a space available in the city or metropolitan area. It appeared in the study that none of the investors (private or public) are looking for return on investment and only one municipality among the six, Gelsenkirchen, is making (modest) revenue through UF-NBS projects. As an exemple, to create new business model opportunities, Barcelona Metropolitan area is **assessing CO2 absorption service** in the metropolitan park network and did it once in the Collserola Natural Park. They might be interested in this line of work and to potentially generate revenues from UF-NBS. To achieve this objective, the UF-NBS bureau works closely with research institutions to learn how to measure UF-NBS benefits (CO2 absorption mainly).

In the example of the six municipalities studied, the share of municipalities budget dedicated to UF-NBS maintenance is lower than needed. To decrease the operational expenditure (OPEX) part of UF-NBS projects, municipalities should better engage with citizens to attract volunteers and help maintaining trees. Therefore, having a communication office and creating engagement with citizens not only increases the social impact of UF-NBS project, but also decreases maintenance costs. It is worth noting that forests are less costly to manage then parks.

Cost effectiveness was not used as an argument to plant new UF-NBS. Instead, the implementation of UFNBS depends on three major factors: funding amount, funding source and availability of space.

As a conclusion, while making revenues from UF-NBS is not the main purpose of cities or metropolitan areas (since investors are not looking for a return on investment), tying close relationships with research institutions and universities will help them build the necessary skills to quantify and measure the benefits. For new projects, if cost effectiveness is not an argument used to plant new UF-NBS projects, the availability of space is a key negotiation element and pushing for more green city policies can help in this regard. Finally, regarding maintenance costs, one action cities and metropolitan areas can take to decrease those costs is to engage with citizens and create local communities who will voluntarily take care of the trees.