

Rewilding Europe

A new vision for an old continent



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Rewilding Enterprise



Innovative business mechanisms

- Rewilding Europe Capital

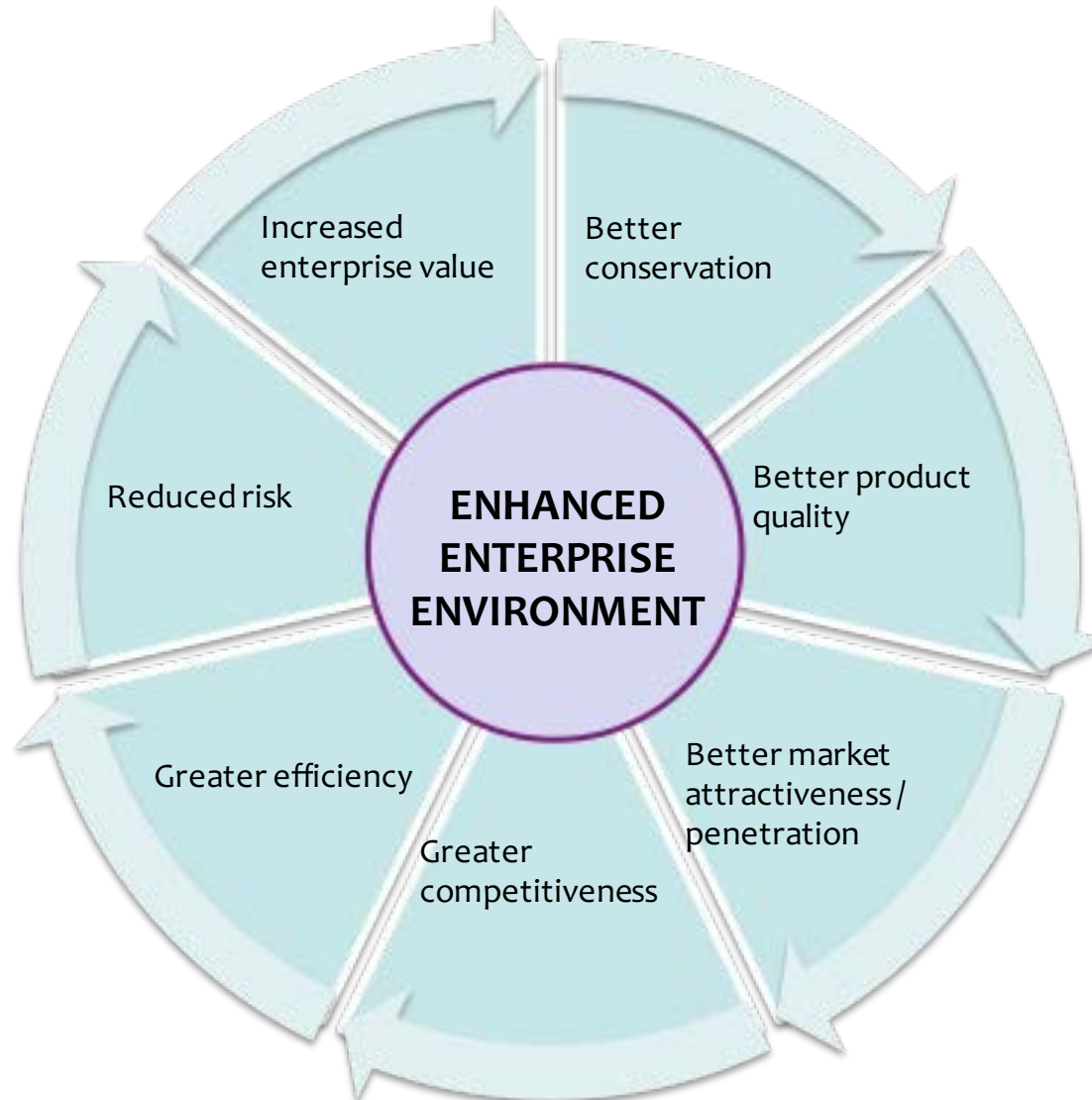
REC was established to positively stimulate and mature enterprise markets connected to natural landscapes in Europe, and directly support businesses that have potential to revitalise rural areas and the communities and consumers of them.

What is it?

REC is Europe's first financing facility focused purely on providing development loans to businesses that can:

1. Positively address negative socio-economic impacts caused by rural land abandonment
2. Directly and indirectly support rewilding processes and activities in Europe
3. Deliver economic returns from nature and wildlife related sectors that also work to conserve natural landscapes and rural cultures and heritage connected to them

Why rewilding is good for enterprise and the other way around

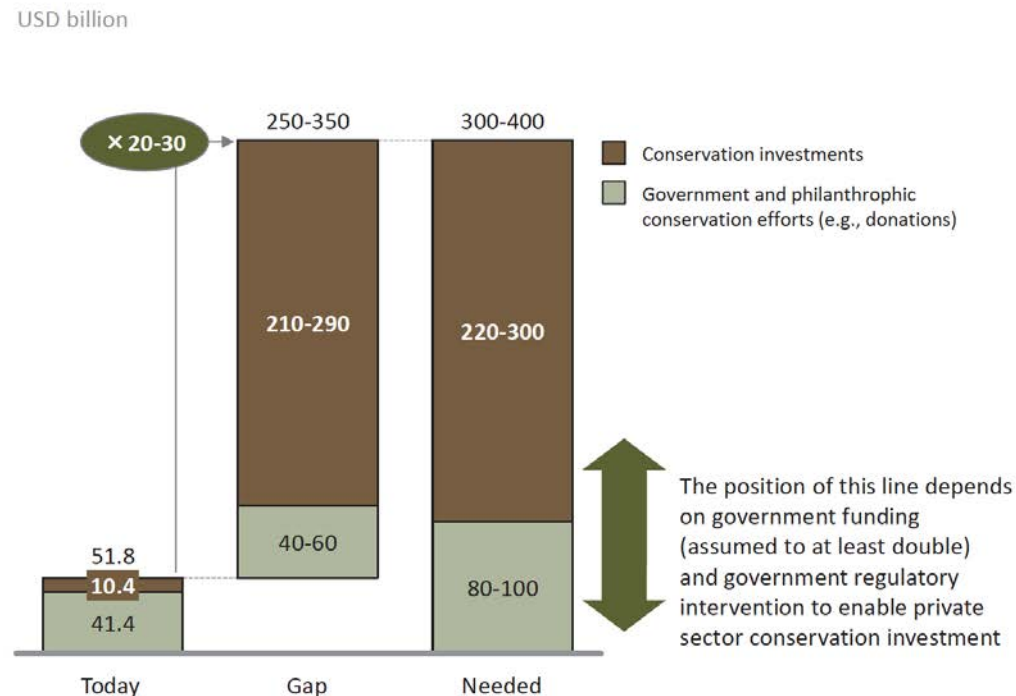


Conservation organisations are recognising this but not in Europe

- **Africa:** African Wildlife Capital: US\$ 7,000,000 invested to date
- **South America:** Eco-Enterprises Fund: US\$ 18,000,000 invested to date
- **South America:** Verde Ventures US\$ 24,000,000 invested to date

But there is an increasing need to find sustainable forms of conservation finance

Demand for conservation finance



Why focus on investments rather than grants?

- Provides powerful levers for influencing their business strategy and incentivising positive performance - both financially and in rewilding impact terms
- Works to re-orientate funding towards a demand-lead rather than supply-lead dynamic – i.e. investees apply for funds based on their needs and not the mandate of those funds
- Allows the lender to work with established businesses (reducing risk) as well as greenfield projects
- Creates longer term financial relationships with the ability to generate and leverage conditionality around conservation performance
- Capture and apply the positive power of risk – both for the financier and entrepreneur
- **Multiplier effect – enables the borrower to recycle funds into multiple projects with multiple impacts over time**

Opportunity: On a continental level Europe is an enabling environment for rural enterprise

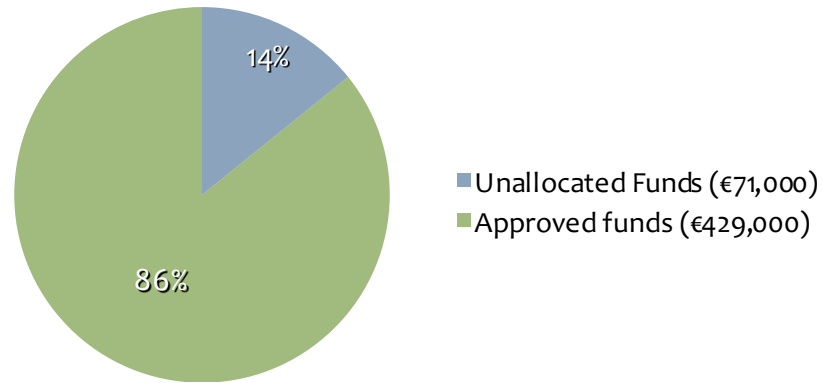


Europe on the whole is highly accessible with a significant consumer market with strong spending power to experience natural areas. The openness of Europe is supported by:

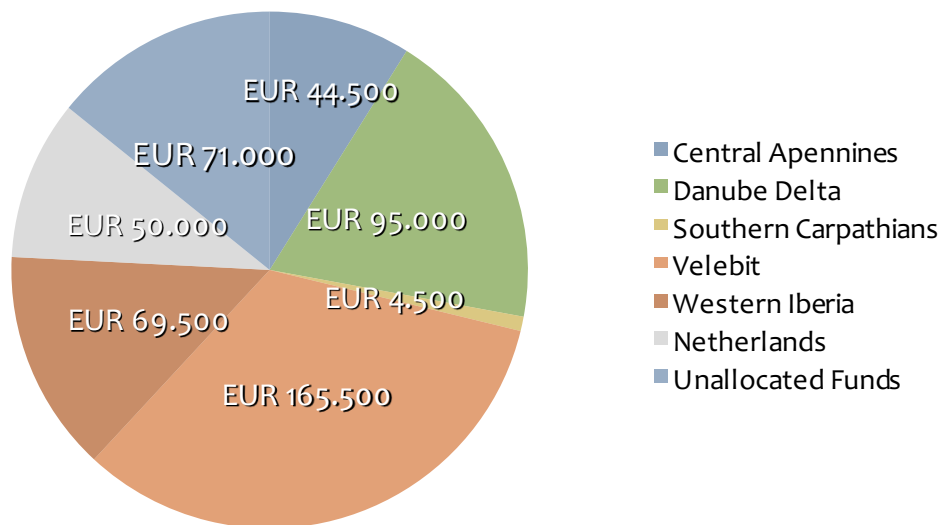
- **Communication infrastructure:** Europe's strong road, rail, and air infrastructure makes it more accessible than any other continent
- **Travel service providers:** Low cost airlines, car rental agencies and train / bus operators service even remote parts of Europe
- **Freedom of movement:** There is good freedom of movement between countries with low visa restrictions
- **Currency:** Comparatively stable currency rates against the EUR (€) reduce volatility for both producers and consumers of conservation enterprises

REC to date

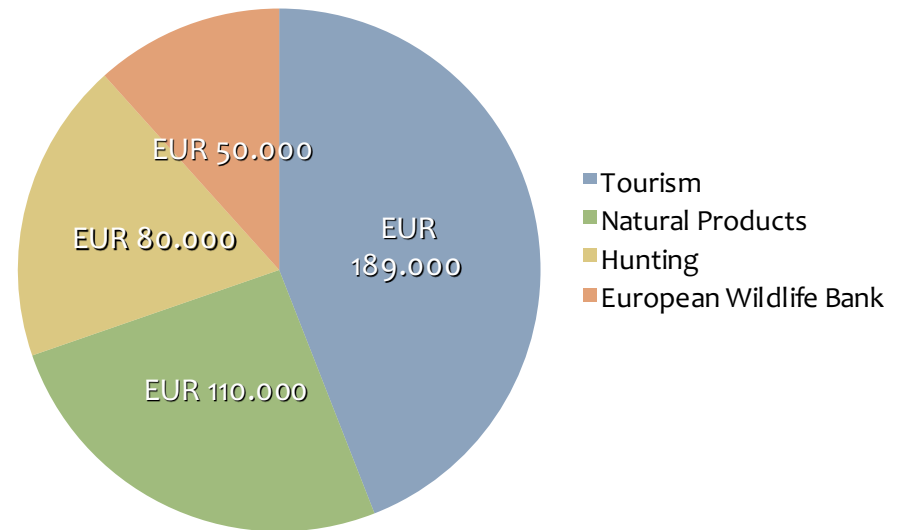
REC Pilot Round Funds Allocated to Date



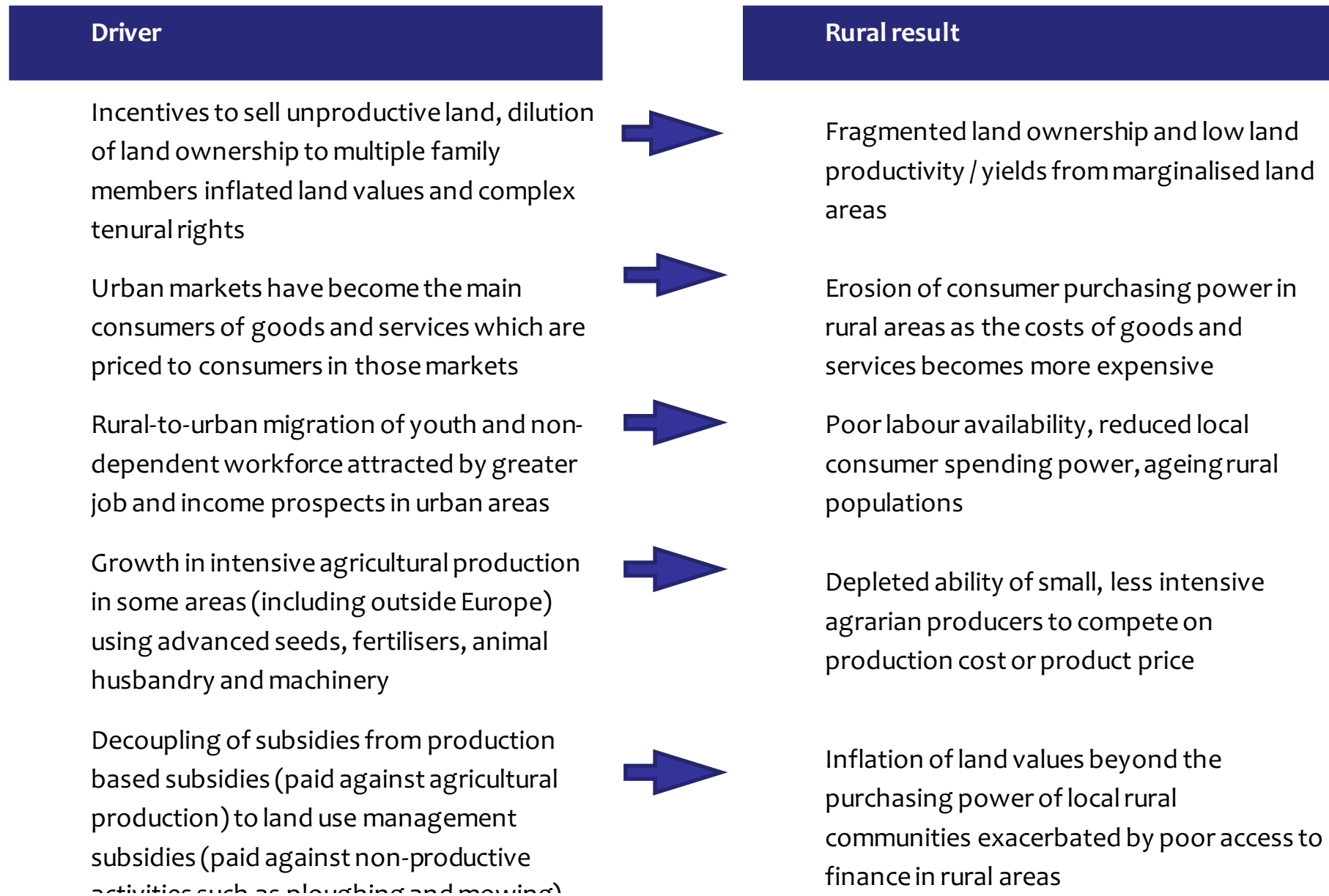
REC Allocated Funds by Rewilding Area



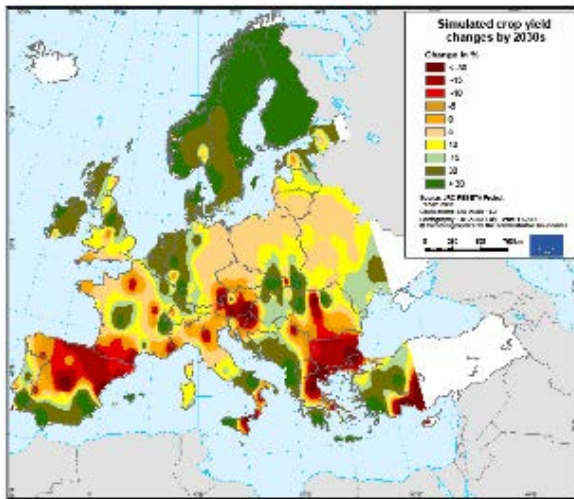
REC Allocated Funds by Sector



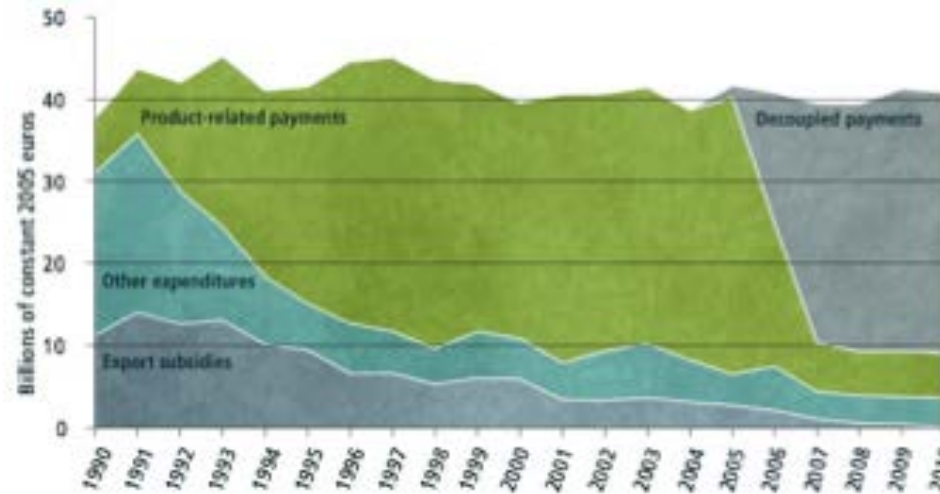
Context: Drivers of rural land abandonment in Europe



Context: Land Abandonment: Subsidy Dilemma



Projected crop yield changes between the 2030s and the reference period 1961-1990



Composition of the EU agricultural budget, annual expenditures, 1990–2010

Context

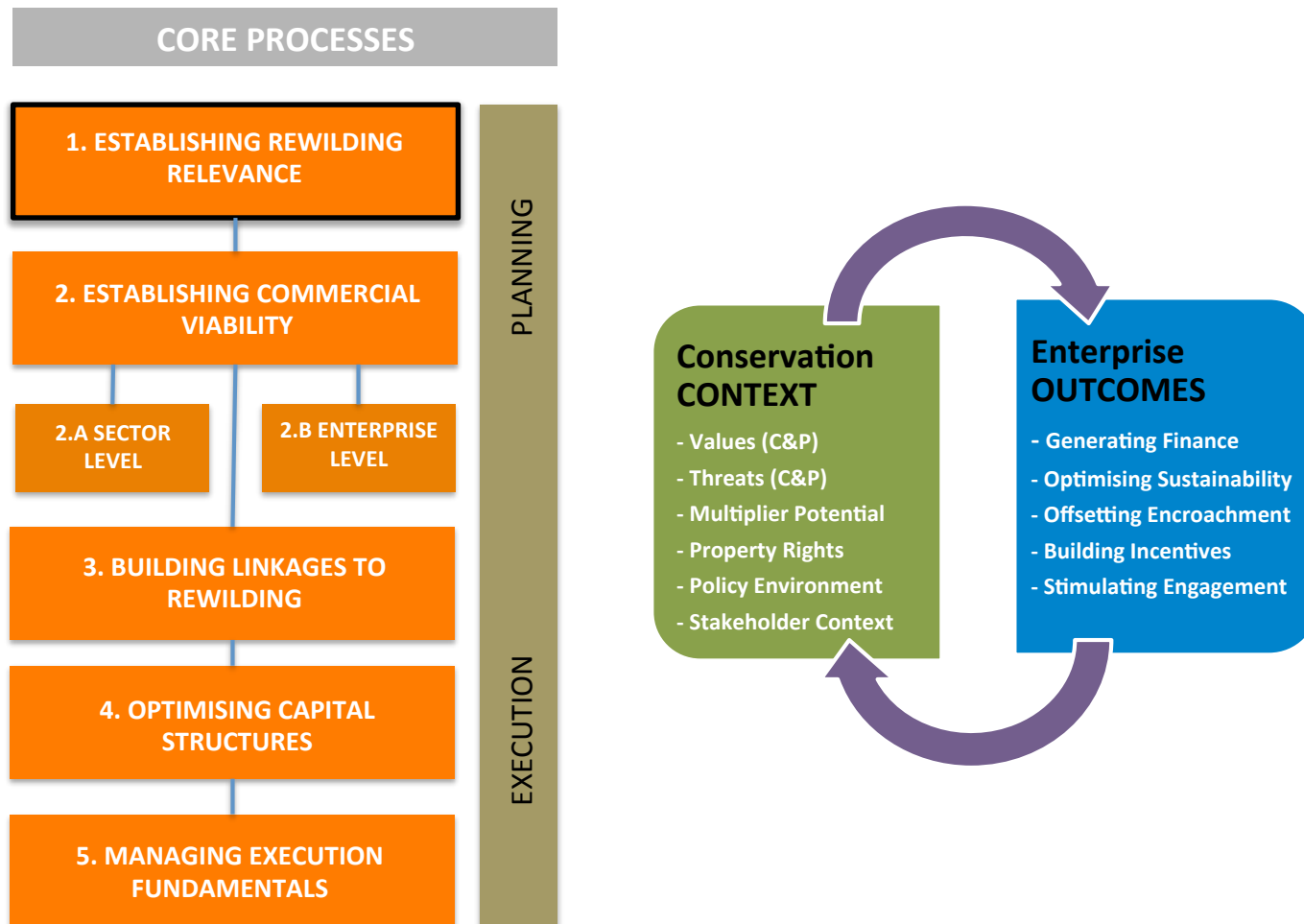
- The overall proportion of the EU agriculture budget related to product production has decreased from $\pm 80\%$ in 2005 to $\pm 15\%$ in 2010 whilst during the same period the decoupled payments budget (consisting of government services, food security programs, and income support that is decoupled from production) has increased from $\pm 3\%$ to $\pm 80\%$

Result

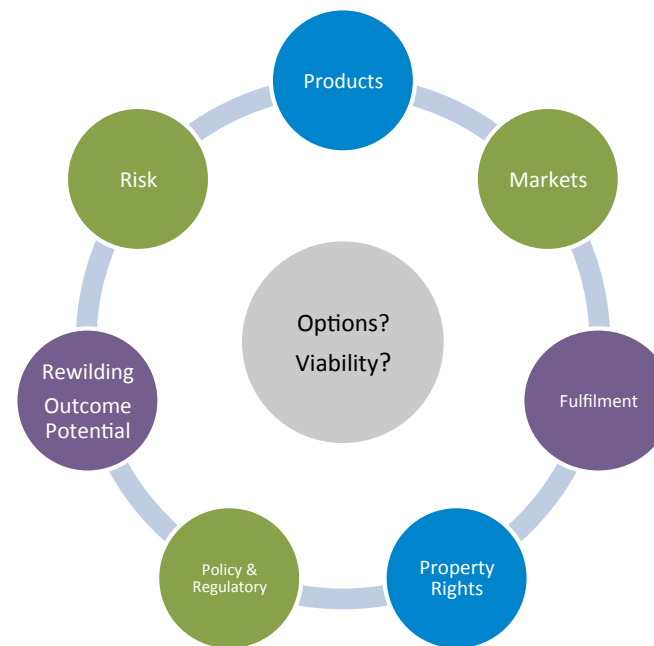
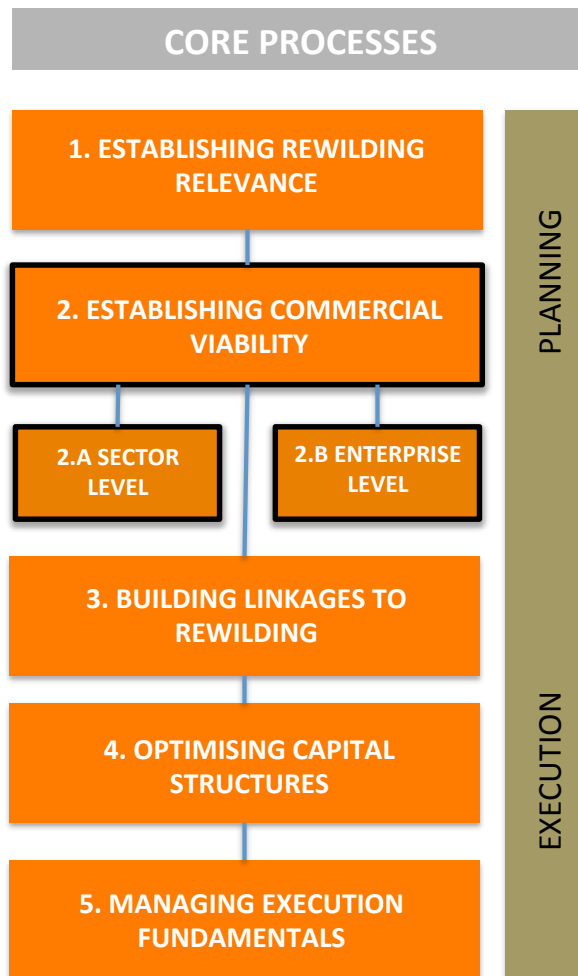
- Yields from productive sectors in rural areas are expected to fall resulting in
 - Increases to decoupled payments in less productive rural areas reducing motivation to produce goods in those areas which have a higher cost of production (poor soils, land marginalisation, goods transport costs)

Building rewilding enterprises

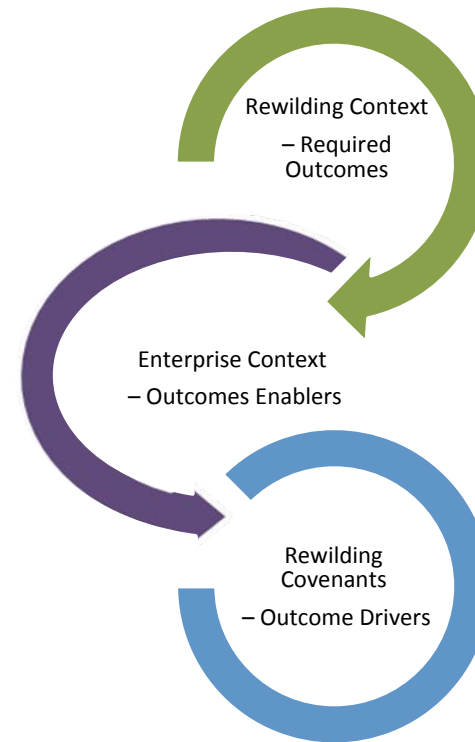
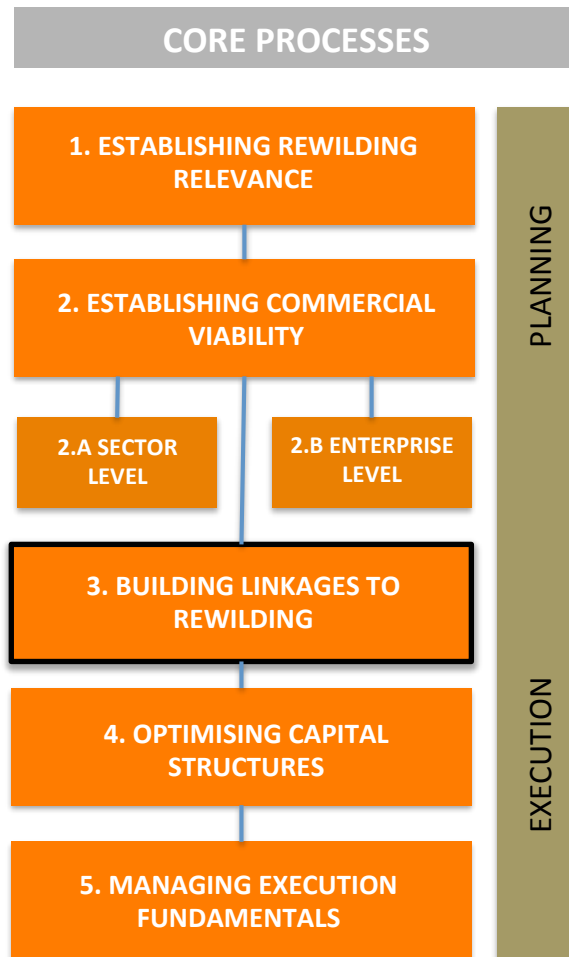
REWILDING ENTERPRISE: REWILDING RELEVANCE



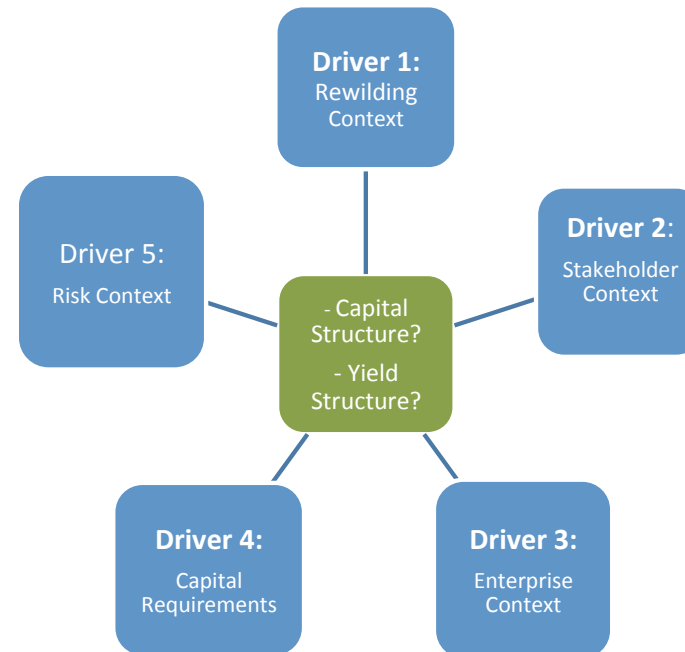
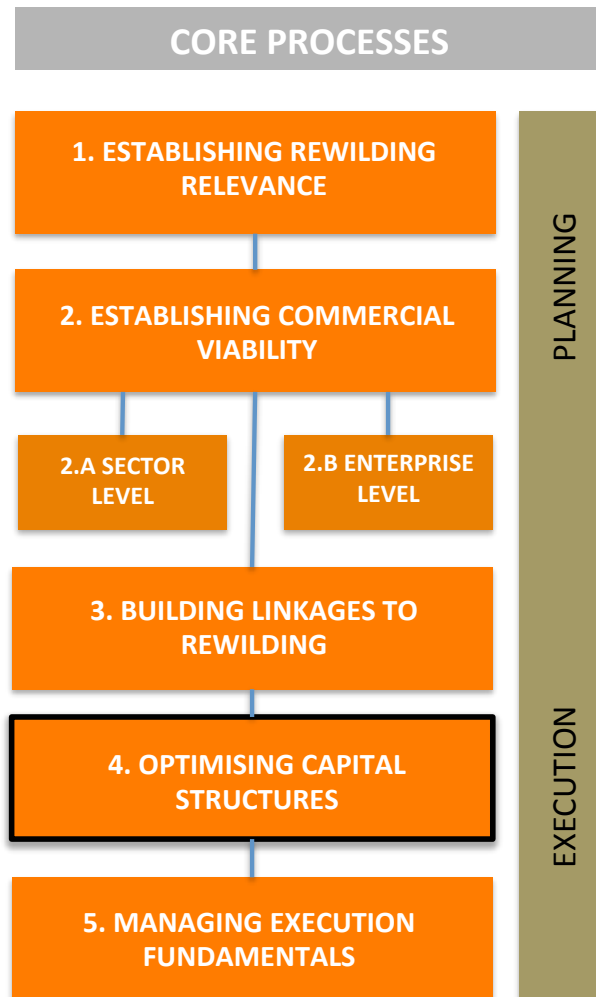
REWILDING ENTERPRISE: COMMERCIAL VIABILITY



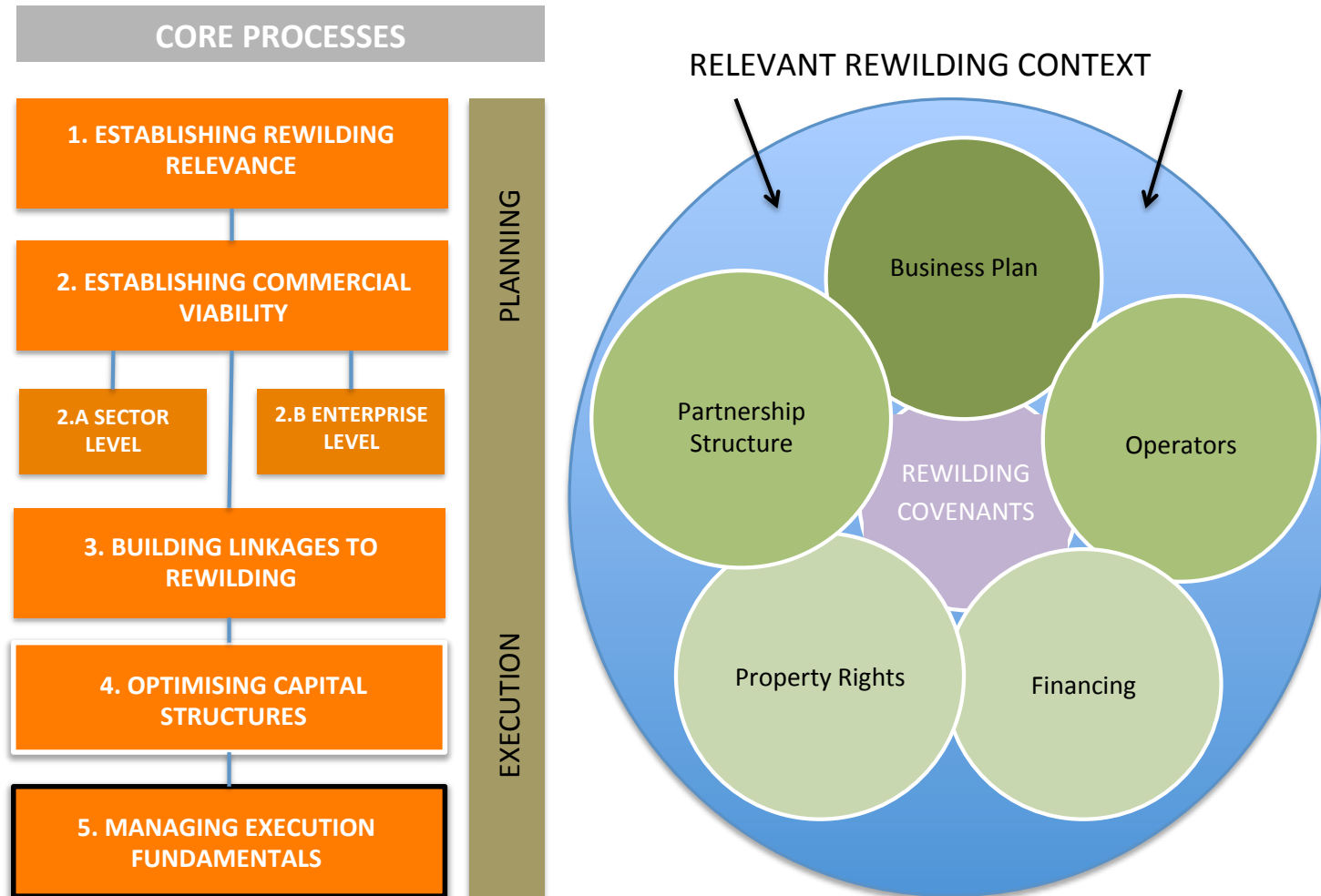
REWILDING ENTERPRISE: REWILDING LINKAGES



REWILDING ENTERPRISE: CAPITAL STRUCTURING



REWILDING ENTERPRISE: EXECUTION MANAGEMENT



And now to work: business models!

1. Hunting



And now to work: business models!

2. Breeding wildlife



And now to work: business models!

3. Forestry



And now to work: business models!

4. Fishery



Rewilding Europe[®]



Making Europe a wilder place