State of Private Investment in Conservation 2016
A Landscape Assessment of an Emerging Market
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.
“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**

WHO RESPONDED? WHO DID NOT RESPOND?

Response Rate by Region and Organization Type

HOW MUCH PRIVATE CAPITAL COMMITTED?

Private Capital Committed across All Tracked Years, 2004–2015

To Which Conservation Categories?

Private Capital Committed by Conservation Category, 2004–2015

$6.5B

Private capital committed ($M)

$1500

$1000

$500

$2000

$0

Sustainable food & fiber

Habitat conservation

Water quality & quantity

WHERE IS THIS CAPITAL GOING?
Private Capital Committed to Sustainable Food and Fiber Production by Geography

WHO IS COMMITTING THE MAJORITY OF CAPITAL?

Profile of Respondents by Capital Committed, 2009–2015

Total committed (2009–2015) $5.0B
Top 10 $7.3B
Other $2.3B

Value of total commitments by organization 2009–2015

How is this capital expected to perform?

Projected Internal Rate of Return by Organization

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<tr>
<th>Below 0% IRR</th>
<th>0–4.9% IRR</th>
<th>5–9.9% IRR</th>
<th>10–14.9% IRR</th>
<th>15–25% IRR</th>
<th>Above 25% IRR</th>
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<td>3%</td>
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Not for-profit respondents

For-profit respondents

DO INVESTORS MEASURE CONSERVATION IMPACT?

Organizations that Monitor or Report on Conservation Impacts by Time Periods

How Much Private Capital Undeployed?

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

- $0.5B
- $1.1B
- $1.4B

$3.1B

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
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