Biodiversity Crediting for Woodlands, Peatlands, and Other Ecosystems

End of Project Report for the Facility for Investment Ready Nature in Scotland (FIRNS) Programme

March 2025

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Purpose statement

This document aims to summarise the process, outcomes, challenges, and next steps related to the FIRNS Project "502460 - Biodiversity Crediting for Woodlands, Peatlands, and Other Ecosystems". Relevant supporting documents will be referenced in this document and submitted alongside the report.

Project Introduction

This project was established to explore and develop a framework for biodiversity credits aligned with the existing carbon standards within the Woodland Carbon Code (WCC) and Peatland Code (PC). As the biodiversity crediting market in the UK is in its nascent stages, this initiative sought to provide much-needed structure, methodology, and robustness to support the development of a voluntary biodiversity crediting market that aligns with the principles of the codes that underpin its high-integrity reputation. The project engaged with a broad set of stakeholders, including project developers, academia, the Scottish Government, and regulatory bodies, to develop crediting standards and pilot key methodologies.

The project was designed to address critical knowledge gaps, propose market frameworks to integrate biodiversity into the standards, and provide practical insights that would guide future investment and policy decisions. By aligning biodiversity credits with existing carbon crediting structures, the project aimed to create additional pathways for nature restoration funding in the broader nature finance landscape. A significant focus of the project was the selection of biodiversity metrics, ensuring they were scientifically robust, repeatable, and applicable to UK woodlands and peatlands.

The project also investigated the challenges of stacking and bundling in nature restoration funding and worked with the UK Land Carbon Registry to pave a path for appropriate accreditation mechanisms to quantify and commodify the biodiversity uplift from PC and WCC projects. Finally, the project piloted a theoretical framework for biodiversity baselining across several sites, to better understand the logistics of biodiversity monitoring for this application.

The project was led by the PC and WCC, with a specific Project Manager role created through FIRNS funding. Project partners included Soil Association Certification and SRUC. The project ran from 12 October 2023 to 31 March 2025.

Project Delivery Overview

The project successfully delivered a suite of outputs designed to advance the conversation around biodiversity credits. Key achievements included the development of a suite of proposed documents for a biodiversity quantification mechanism that works in parallel to the carbon standards within the WCC and PC, the execution of a public consultation process, and the piloting of methodologies under real-world conditions. These efforts were supported by targeted stakeholder engagement in the form of two rounds of feedback on the biodiversity metrics from SRUC staff and a broader community of ecologists. The creation of an onboarding learning package developed in collaboration with SRUC will support new entrants into the biodiversity crediting space by providing guidance on the process of creating decision-grade biodiversity data that can be independently validated. Despite facing budgetary and logistical constraints, the project team was able to meet the majority of the core objectives and lay the groundwork for further development of a voluntary biodiversity credits (VBC) approach.

The formal adoption of a biodiversity quantification standard was always dependent on the approval of the WCC and PC executive boards. Therefore, this aspect of the grant deliverables was not within the control of the project team. As of March 2025, both executive boards agreed that the formal inclusion of biodiversity in the standards is important; however, they determined that further funding should be pursued to continue developing the standard before it can be formally adopted. This decision underscores the need for sustained investment and regulatory engagement to bring biodiversity crediting into full implementation within the current natural capital landscape of the UK.

Project Narrative

Phase 1

The journey of this project unfolded across several key phases, each presenting unique challenges and opportunities. In the first phase, the team focused on research and foundational work, collaborating with the SRUC ecology and nature finance experts to research the range of existing methodologies for biodiversity crediting. This required a comprehensive review of existing biodiversity markets, international best practices, and the burgeoning regulatory landscape of biodiversity credits in the UK and internationally.

There was one major outcome of this research that forced the team to shift the approach to the entire project. At the project inception, it was assumed that the VBC market was sufficiently mature that we could find an existing, compatible VBC standard and partner with them. However, upon a systemic review of the VBC market, it was determined that all options had one of the following three obstacles:

1) The method had a lower requirement for robust data collection and reporting than the market average, which represented a long-term reputational risk to the WCC and PC standards.

2) The standard was trying to do something that deviated strongly from the existing best practices in the carbon market. Given that the WCC and PC have their foundations in high-integrity carbon credits, an approach that fundamentally differs from the existing market scaffolding would not integrate well with the codes as they stand.

3) The VBC approach was owned by an existing carbon standard (e.g. Verra, Plan Vivo). Though these standards were designed to coexist with the carbon market, these standards would not allow a project to use one carbon standard and another biodiversity standard. As such, there would be no incentive for projects to use the PC or WCC standard if we promoted a competing biodiversity crediting framework.

Due to this challenge, phase two had to be altered. Instead of piloting an existing biodiversity methodology framework, the team had to adjust phase two to create a compatible framework that could be piloted in summer of 2024.

Phase 2

Once the initial groundwork was established, the team moved into the development phase, which focused on generating a framework that could be tested in the field.

The Operation Wallacea Methodology was selected as the foundation for this project due to its comprehensive and adaptable framework for quantifying biodiversity uplift. This methodology utilizes a "basket of metrics" approach, inspired by the Consumer Price Index, to assess biodiversity changes across various taxa and structural aspects of ecosystems. By incorporating at least five site-specific, peer-reviewed biodiversity metrics—typically including one structural metric (e.g., habitat condition) and four taxonomic metrics (e.g., species richness of birds, functional invertebrate groups)—the method provides a nuanced and accurate reflection of ecological health. A biodiversity credit is defined as a 1% increase in the median value of these combined metrics per hectare, offering a standardized yet flexible

unit for biodiversity assessment. This approach aligns with the project's goals of scientific rigor, repeatability, and cost-effectiveness, making it accessible for landowners and project developers. Additionally, the Operation Wallacea methodology is specifically designed to be contextualised to unique environments. It is freely available and open source, and has been used in VBC projects both domestically and internationally. Given these benefits, the methodology worked well as a skeleton from which the PC and WCC could create their approach. The framework of the PC and WCC would be similar enough to existing market frameworks, but the specific metrics for biodiversity uplift quantification could be contextualized to UK woodlands and peatlands and reviewed by teams of experts. By having a quantification framework that is shared broadly in international VBC markets, but having the data uniquely contextualised to the WCC and PC habitats, the team could align with larger market frameworks without compromising on rigour or ownership of the framework by the PC and WCC.

Selecting the metrics to trial in the pilot was a complex process that required balancing ecological accuracy with practical implementation considerations. The metric selection approach is outlined in the Biodiversity Metric White Paper included in the supplementary documentation. However, ecologists associated with SRUC, the WCC, and PC were invited to provide feedback in February and March of 2024 on the metrics that would be trialled in the summer piloting phase.

The initial stakeholder consultation survey was sent to 200 buyers and approximately 400 sellers in the UK Land Carbon Registry in March/April 2024 to collect information on the needs and interests of potential early engagers within the industry. The survey received 11 responses from buyers and 127 from sellers.

Phase 3

Following the framework and metric selection, the team turned its attention to piloting methodologies in real-world settings. The pilot sites included Fordie, Ericstane, Ridge Rottal and Loch Katrine; however, due to staff turnover and poor weather conditions, full piloting only took place on the first three sites. Furthermore, due to financial constraints, the scope of these pilots had to be adjusted. While the original vision included a broad comparative analysis of multiple approaches, the final budget for piloting allowed only for a streamlined pilot focused on the most viable methods. This was due to the original budget for piloting being greater than what was ultimately included in the final grant application, which scaled down the piloting process. Fortunately, of the four pilot sites selected prior to the official start of this project, one of the pilot sites already had collected all the data the team was going to include in the piloting process. This unexpected outcome meant that the piloting could be affordable across the other three sites. As part of the piloting process, Soil Association Certification (SAC) ran the process of biodiversity data independent validation.

Given the limited budget for biodiversity monitoring, only one company could feasibly support the delivery of standardised biodiversity monitoring across all pilot sites in alignment with the Operation Wallacea framework. RePlanet was selected to support the on-site staff at each pilot site with a streamlined framework for biodiversity data collection. The outline of their biodiversity monitoring approach, and the outcomes of the biodiversity monitoring are all included as supplementary documentation to this report.

Following the data collection, SAC performed site visits to identify what aspects of independent validation could be directly transferred over from the carbon market, and what

features of independent validation would need to be redefined in this novel market. The report from SAC summarising their results is included in the supplementary documentation to this report.

In tandem with the piloting, conversations with the UK Land Carbon Registry began, to understand the scope, impact, and costs associated with updating the registry to be able to handle biodiversity data. From these conversations, several key insights were gained about the challenges of stacking and bundling in the VBC context. The outcomes of the stacking and bundling conversations are included in the Biodiversity Metric White Paper.

Phases 4 and 5

In the original grant application for this project, phase 4 was aimed at creating documents required for a VBC framework and presenting them to the WCC and PC Executive Boards, and phase 5 was focused on public engagement and outreach and education. However, this needed to be changed. Between the submission of the grant application and phase 3, there were changes made to the decision-making processes for both the WCC and PC. Any proposed changes to the standards within the codes needed to be presented to the Executive Boards first. They would then approve if the documents could go out for public consultation for a minimum of 30 days. Then, at the next Executive Board meeting (which only occur roughly every three months), the Executive Boards would review the results of the public consultation and make a decision about the proposed changes to the standard. As a result, what was originally outlined in phase four would take 3 months longer than anticipated in the original project timeline, and require a period of public consultation. In response, the two phases were combined and appropriate changes to the project workflow were provided to FIRNS and NHLF. The proposed changes can be found in the end of project progress and claims form and in the documents provided to the funding bodies. These are included in the supplemental documentation.

To meet the new timeline outlined in the documentation provided to FIRNS and NHLF, the team had to accelerate the process of creating the standards documentations. A second review of the metrics by a wider community of ecologists was completed in October 2024 following the piloting phase, resulting in the biodiversity metrics white paper. The Standards, Guidance Documents, and Project Design Documents for both codes were completed by November 2024 and shown to the Executive Boards in December 2024. The Public consultation period was in January and February of 2025, with the results of the public consultation and the updated documents re-presented to the Executive Boards at the end of February 2025. All the above documents, as well as the summary of the public consultation can be found in the supplemental documentation.

The Executive Boards will always have the final say on whether any changes or new additions to the standards will be accepted. In the March 2025 Executive Board meetings, the boards showed enthusiasm for continuing efforts to integrate biodiversity crediting into the standards. However, their decision was to pursue additional funding to address data gaps, complete more public consultation, and continue developing the framework prior to formal adoption. In response, conversations with the UK Land Carbon Registry were updated. The aim was to reduce the scope of their work to better reflect the current status of biodiversity crediting within the standards. In spring 2025, a new functionality will be built into the new registry platform, which will allow users to register that their project also measures biodiversity; users will also be able to upload biodiversity monitoring documents.

As the project neared completion, efforts shifted toward producing knowledge-sharing resources and finalizing the project deliverables. The collaboration with SRUC resulted in an

onboarding package that will help future projects understand the process of creating decision-grade biodiversity data. This will help project developers better navigate the process of biodiversity monitoring, within or outside the context of VBC accreditation in the WCC and PC. SAC also created a formal report that highlights the current state of independent validation of biodiversity data for the credit market. Their insights are invaluable for anyone looking to develop standards for biodiversity quantification that would require independent validation or auditing, which are critical in the development of robust standards. A public presentation combining all of the project learning outcomes occurred in March 2025. Additionally, the WCC and PC will both host web pages to share all the deliverables from this project, as well as a project summary and a recording of the presentation of the learning outcomes. This will ensure that all the information gleaned from this project can be used to support the wider development of natural capital markets in the UK. The webpages can be found here:

Biodiversity Crediting for Woodlands, Peatlands, and Other Ecosystems | IUCN UK Peatland Programme

Biodiversity crediting - UK Woodland Carbon Code

Throughout the whole process, the progress of the project was presented to the wider public for promotion and feedback over a dozen times. In each of these presentations, the funders were acknowledged. Recordings exist of three of these presentations, including the final project presentation, which can be found on the IUCN UK PP website and youtube channel.

The following outputs are available through the WCC and PC websites, with funder acknowledgment included in each output:

- Learning Toolkit to Understand Biodiversity Metrics
- Draft biodiversity Methodology Guidance Document
- Draft biodiversity Quantification Approach (WCC Methodology Document)
- Draft biodiversity Quantification Approach (PC Methodology Document)
- Biodiversity Metrics White Paper
- Independent Validation Report
- Public Consultation Summary & Feedback Report

Outcomes and Milestones Assessment

The project set out to establish a framework for biodiversity credits within the Woodland Carbon Code (WCC) and Peatland Code (PC), with a broader objective of developing a replicable, scientifically rigorous system for biodiversity quantification. This assessment examines the extent to which those aims were met. Further summaries of how different project outcomes were met can be found in the End of Project Progress and Claims Form, included in the supplemental documentation.

Alignment with Intended Outcomes

One of the primary goals of the project was to integrate biodiversity considerations into the existing carbon crediting mechanisms, providing a scientifically defensible means of tracking biodiversity uplift. This objective was largely met through the systemic review of existing biodiversity crediting methodologies, followed by two rounds of consultation with ecologists and piloting of the process of baselining these metrics in real-world situations.

Another critical measure of success was the engagement and support of key stakeholders, particularly the WCC and PC executive boards. Two separate round-table discussions from specialist ecologists associated with the WCC, PC and SRUC were performed, the second of which resulted in the updated Biodiversity Metrics White Paper and associated table of feedback (included in supplemental documentation). The public consultation performed in January 2025 was also highly successful and saw good engagement from project developers and landowners, government organisations, researchers and individuals. The majority of the respondents found the proposed metrics suitable for baselining a biodiversity project, and said they would pilot the methodology and/or likely register for a biodiversity crediting project when possible. The report summarising the results of the public consultation is included in supplemental documentation.

The project was also presented to the WCC and PC executive boards on 3 occasions (March 2024, November 2024, February 2025).

Another central aim was to create the scaffolding for a biodiversity crediting framework within the WCC and PC. To Date, there are proposed standards for biodiversity quantification and project design documents for both the WCC and PC, as well as a guidance document that breaks down the more technical or involved aspects of the other two documents. Although the WCC and PC Executive Boards have requested that the project pursues additional funding to refine the framework, these documents serve as a critical piece of infrastructure to the future development of the programme.

Progress on Milestones

The project was structured around FIRNS investment readiness outcomes, which emphasize the development of tools and methodologies that can attract private investment in nature restoration. Several key milestones were achieved:

Development of Biodiversity Crediting Standards: A draft biodiversity crediting methodology was created, incorporating best practices from international biodiversity finance mechanisms while ensuring compatibility with the WCC and PC frameworks.

Knowledge-Sharing and Capacity Building: The project collaborated with SRUC and SAC to create a learning package designed to onboard new entrants into biodiversity crediting.

This will serve as an essential resource for future implementation efforts. The web pages summarising the projects will also contain all documentation generated by this project. This will be an invaluable trove of information for others working on the UK VBC market across a variety of sectors.

Stakeholder Consultation and Policy Engagement: A 30-day public consultation process was conducted, gathering input from 25 respondents representing landowners, project developers, policymakers, and conservation organizations. The consultation identified areas for refinement, which inform the future steps for the programme. The Collaboration achieved across the multiple rounds of interviews with ecology experts provided valuable information for understanding how to standardise biodiversity monitoring in UK woodlands and peatlands.

Preliminary Testing of Credit Methodologies: Despite financial constraints, the project successfully conducted a scaled-down pilot to test the biodiversity crediting approach, yielding important insights into its feasibility and challenges.

Although the project did not achieve full adoption of biodiversity credits within the WCC and PC, it made major contributions to the field of biodiversity finance. The methodologies developed provide a scientific foundation for future biodiversity crediting initiatives, and the stakeholder engagement process has built momentum for continued development.

The project successfully advanced the discussion of biodiversity crediting in the UK, making significant progress in developing methodologies, engaging stakeholders, and piloting biodiversity quantification approaches. While these achievements represent significant progress, some key FIRNS milestones remain only partially met. The challenges and lessons from those obstacles are summarised in the following section.

Project outcomes and milestones table

	Outcomes	Milestones	Progress
1	Support the restoration of nature and growth of natural capital backed by robust science-based methodologies.	Evidence of methodologies used by projects to measure or define success.	Ten crediting methodologies were reviewed prior to selecting one to trial. Methodology and protocols for independent validation have been tested in the field, and written standards were presented to the TAB and EB. The indicator white paper document had a 3-week consultation period with academics and market players, and the feedback was collated and presented to woodland and peatland biodiversity advisory groups.
2	Enable or generate revenue and /or cost savings from ecosystem services in order to attract and repay private sector investment.	Number of buyers or investors engaged with. Estimated revenue or cost savings generated from new ecosystem services (£).	Survey received feedback from 11 buyers in March 2024, with feedback integrated. Many more potential buyers were reached at the Lincoln NbS conference. The price of explicit bundles of carbon+ credits will be estimated by the projects during project registration after the next

	Outcomes	Milestones	Progress
			please of work, thereby ensuring that the biodiversity uplift increases the overall investments in habitat uplift. The sale price of the explicit bundle should therefore be guaranteed to give the financial outputs expected in project costing. With regards to standalone biodiversity credits, these credits still have a somewhat variable price range. But the OPIS Biodiversity market report is the most commonly referenced guide to the current sales prices of biodiversity credits. The public consultation performed in January 2025 was also highly successful and saw good engagement from a total of 25 project developers and landowners, government organisations, researchers and individuals. The majority of the respondents found the proposed metrics suitable for baselining a biodiversity project, and said they would pilot the methodology and/or likely register for a biodiversity crediting project when possible. Please see the public consultation feedback report for more detail.
3	Explore and demonstrate engagement with community interests in project design, and activities, supporting a just transition.	Number of businesses engaged with. Number of community organisations engaged with. Types of mechanisms used to engage with local communities. Number of communities engaged in project design and implementation.	During Stakeholder Engagement Process, we met with 11 community organizations, 8 relevant businesses, and 6 research/gov groups to discuss our project, potential collaboration, and feedback. Buyer survey reached 127 project developers. 3 businesses were actively used in biodiversity monitoring, and 3 more were interviewed to better understand how the market can integrate more businesses in the future. The public consultation in January 2025 had 25 responses. We ran an online webinar on 20th March 2025 that summarised the project, with over 100 people in attendance.
4	Develop effective mechanisms to share benefits with	Number of promotion or	The project and methods have been presented 10 different times in both

	Outcomes	Milestones	Progress
	communities, supporting a just transition.	demonstration events organised.	private government meetings, public conferences with 200-300 guests, and NGO planning meetings. It was also presented to over 100 people in a webinar that summarised the project in March 2025. SRUC has created a learning toolkit to help project developers onboard. This, and all other outputs from the project will be shared with wider public on the IUCN UK PP and WCC websites.
5	Develop a project/business and investment model which can be scaled and replicated.	New funding model(s) developed. Financial modelling undertaken.	The proposed project and relevant documentation has been presented to TAB and EB of WCC and PC in November and December 2024, and again in February 2025. Both EBs require another round of piloting instead of a soft launch. The PC/WCC surveyed project proponents on whether a stacked or bundled credit would be preferable. As the project wanted to ensure the right metrics were selected, the financial modelling was not felt as critical. However, this is now being explored in the proposed next stage of the project, and we have already explored a sub-contractor who we could work with to deliver this.
6	Create a transparent and inclusive governance structure.	Evidence that a governance structure for the project has been developed.	Proposed project documents have been presented to TAB and EB of WCC and PC.
7	Capture and disseminate lessons learned and best practices.	Best practice disseminated. Best practice captured in a sharable format.	SRUC has produced a learning toolkit that is freely available through the IUCN UK PP and WCC websites, along with a recording of a webinar that summarises the project.
8	Increase confidence and capability to create market-ready/ investable projects and/or improve market development.	Marketing and sales promotion strategy developed.	The biodiversity crediting project officer was able to complete the IUCN's Certificate in Nature Finance. The cost of the class was covered by the IUCN.

	Outcomes	Milestones	Progress
		Number of staff trained in natural capital markets and investor needs.	The project was summarised in a webinar session on 20th March and will be shared with wider public through the IUCN UK PP and WCC websites.
9	Create long term opportunities for development of local delivery capacity and reinforcement of supply chains.	Number of supply chains/contracts created.	This project has created a scaffolding for the continued development of biodiversity crediting standards within the WCC and PC. S&P have agreed to build a functionality into the new registry platform which allows users to register that their project also measures biodiversity; they will also be able to upload biodiversity monitoring documents.
10	Enable the aggregation of projects at a scale generating synergies in terms of financing and/or environmental/social outcomes.	Aggregation and/or stacking capability.	IUCN team worked with the UK Land Carbon Registry to deliver on this and create a registration option.

Challenges and Lessons Learned

The project encountered several challenges, many of which were beyond the control of the project team but had significant impacts on delivery. The challenges can be broken down into 3 sections: challenges in terms of the specific language of the grant, challenges with piloting, and project continuity.

Challenges with Language in the Grant Application

One of the challenges arose from the specific language used in the grant application, particularly regarding the decision-making authority of the Executive Boards of the WCC and PC. This meant that the formal approval of the biodiversity crediting programme was always contingent upon these boards' decisions, making it a key deliverable for project activity E. However, since this decision was external to the project team, it created a degree of uncertainty that could not be mitigated through internal planning. This is the primary deliverable that was only partially met. Although the documentation was generated, it was not approved by the boards.

The takeaway from this challenge is to be cautious around specific language when describing deliverables in future grant applications to avoid situations where the success of the outcome is dependent on external forces. It is also key to have an open dialogue with the funders and discuss potential changes to project direction when circumstances change.

Challenges with Piloting

Budget constraints also played a considerable role in shaping project execution. The original budget for piloting biodiversity credit methodologies was initially proposed to be greater than what was ultimately included in the final grant application, which scaled down the piloting process to the minimum necessary to test viability. This limited opportunities for comparative analyses across different methodologies. In some cases, certain methods that were initially considered for evaluation were out of budget, restricting the scope of insights gained from this phase. The challenge here also relates to the costing of phased projects where the detail and/or cost of later phases is dependent on work undertaken in earlier phases and can therefore be uncertain at the time of a funding application.

Additionally, the pilot sites were selected prior to the start of the project. The aim of this was to streamline the pilot process during the limited time window of the project. However, this led to two challenges. One was staffing. For one of the preselected pilot sites, the project manager went on maternity leave the same month monitoring was meant to begin. This led to a period of constantly shifting contacts with the pilot site, and ultimately no accountability for who would ensure that rePlanet's monitoring package could be delivered. We ended up with only a partial dataset from this site, which was quite unfortunate and led to wasted resources.

The other issue with preselected pilot sites was that the aims of piloting couldn't be adjusted after the research from phase 1 was complete. All the original pilot sites had not yet completed any work on site, they were pre-restoration baselines. After phase 1, it was recognised that there was more potential for meaningful data by doing monitoring at both baselined sites, as well as restored sites. That way, the project would have an understanding of what potential uplift in the metrics was possible, which would be extremely useful for understanding more of the financial impact of this mechanism. However, with data only from the baselined sites, any financial modelling is purely speculative because there is insufficient data to understand the uplift potential and subsequent crediting.

The lessons are twofold form this challenge. Firstly, it is clear that the cost of biodiversity monitoring is higher than expected and should be better understood when developing this market. Secondly, adding some flexibility to allow for the shifting realities of pilot site selection would have been helpful.

Challenges with Project Continuity

Personnel and coordination issues added further complexity. Multi-month hiring delays resulted in gaps in project management continuity, which affected workflow and delayed some key milestones. This meant that the project manager was already over two months behind by the time he started with the project. This rushed onboarding also meant that essential processes such as purchasing protocols, reporting requirements, and explicit project goals

were not clearly communicated. This led to inefficiencies in the early stages of execution.

The project manager also did not stay through the full length of the contract. Although he agreed to support as a contractor in the last 2 months of the project to support with project delivery, the turnover process led to some lost efficiency towards the end of the project.

To mitigate this issue in future FIRNS-funded initiatives, the team has recommended the development of an 'onboarding learning package' to ensure that new project managers receive structured guidance on successfully delivering a project within the FIRNS framework. Additionally, offering finalist projects the capacity to begin hiring prior to the start of the FIRNS projects would enhance efficient use of time at the beginning of the time-bound FIRNS projects.

Additional benefits as a result of the project

Despite some budgetary and logistical constraints, the project laid the groundwork for further development of a voluntary biodiversity credits methodology that aims to be high integrity. Taking the time needed to fully develop the methodology and working with other emerging standards and codes will further ensure synergy between standards.

The project's efforts to advance the conversation around biodiversity credits have raised awareness about the importance of biodiversity quantification. This increased awareness can drive further investment and regulatory engagement in the natural capital landscape of the UK.

Collaboration between rePlanet, Soil Association Certification and SRUC on this project has paved the way for future joint initiatives and shared learning experiences.

Another benefit of having worked with the pilot sites and having Soil Association Certification carry out the validation report is that it highlighted the importance of having clear guidance for data collection, and ensuring this data is standardised as much as possible.

Five Year Project Maintenance Plan

Ensuring the longevity and success of the biodiversity methodology developed through this project requires a structured approach to monitoring, stakeholder engagement, and securing financial sustainability. Over the next five years, several key actions will be undertaken to support ongoing implementation and refinement.

Ongoing Monitoring and Compliance

Maintaining the biodiversity methodologies and other project documents on both the Woodland Carbon Code and Peatland Code websites where stakeholders can access all relevant documents, reports, and outcomes.

Promoting these documents through our newsletters, LinkedIn and other media.

Tracking downloads and usage of the biodiversity crediting methodologies and other documents from both the Woodland Carbon Code and Peatland Code websites to assess adoption rates.

Periodic updates to methodology and best practices based on user feedback and scientific advancements.

Providing technical support to external collaborators that are interested in further developing biodiversity methodologies for the WCC and PC.

Continue Seeking Funding for Project Expansion

* As per the decision by the Executive Boards, the team will continue to pursue additional funding sources to build on the work developed in this FIRNS project.

By implementing these measures, the project aims to build on its initial success and establish biodiversity methodologies as a viable and scalable mechanism within the UK's environmental finance landscape. The aim is that this project continues to have a lasting impact beyond the initial grant period.

Future Development and Next Steps

Next Steps

The next phase of work will build upon the foundational research, stakeholder engagement, and methodological development conducted during this project. The standards are looking at future funding that will support targeted expansions of biodiversity crediting to ensure its full integration into the UK's environmental finance landscape. The primary objectives of this stage will be to enhance the scientific rigor, comparability, and usability of biodiversity crediting systems while addressing key feedback from stakeholders and validation bodies. The immediate next steps include:

Comprehensive Data Collection and Analysis: Biodiversity data will be aggregated from a range of UK woodlands and peatland habitats, with a particular emphasis on pristine or successfully restored sites. This will provide crucial insights into biodiversity baselines and uplift potential, allowing for more accurate assessments of credit issuance. From this data, community similarity indices can be generated. This will allow for tracking shifts in ecological communities toward desired conservation outcomes. Further work will also explore how these metrics can be standardized for comparability between different sites and converted into creditable biodiversity uplift values. This will also allow sites to compare their results to a theoretical pristine site, which would provide support in predicting potential biodiversity uplift and assuring that the biodiversity trajectory of a site is going the right direction.

Financial Modelling and Investor Guidance: The biodiversity uplift models discussed above will be used to develop financial projections for biodiversity credits. A tool could then be created to communicate potential revenue streams to investors, providing them with greater clarity on how biodiversity quantification translates into economic value.

Alignment with Peatland Action and Public Funding Schedules: Efforts will be made to ensure that biodiversity baselining and credit issuance align with existing public funding mechanisms, particularly those used by Peatland Action. This will facilitate integration with broader conservation finance initiatives.

Enhancing Verification and Validation Systems: Work will be undertaken to expand the set of tools available for independent assessment of biodiversity monitoring plans and baseline data. Additional steps will be identified to strengthen verification and validation processes, ensuring that biodiversity crediting meets the highest standards of scientific integrity and transparency. This will be facilitated by continued collaboration with SAC on future research and development projects.

Ensuring Compliance with Emerging Market Standards: The biodiversity market is young, and as such, the regulations and best practices are constantly changing and evolving. The latest biodiversity credit market frameworks, such as BSI Flex 702 and other relevant guidance will be reviewed to ensure full alignment. This will ensure that the methodologies developed remain relevant and compatible with evolving national and international standards.

Collaboration with UK and Scottish Government Projects: The project team will engage with ongoing Scottish Government initiatives such as Ecosystem Restoration Code focused on the quantification and commodification of nature restoration. This will help integrate biodiversity crediting into broader environmental policy frameworks and financial mechanisms.

Comparison of Survey Methodologies: Where data permits, an analysis will be conducted to determine how comparable biodiversity metrics derived from different survey methodologies are. This will help assess the rigour of different methods and could pave the way for the adoption of future methods as the field of environmental technology evolves.

Identification of Data Gaps and Research Priorities: An assessment of existing UK-wide biodiversity datasets will be conducted to identify gaps that need to be addressed to support biodiversity crediting. Partnerships will be sought with ongoing research projects to generate the necessary data.

Biodiversity Credit Implementation Roadmap: Perhaps the most important next step, the team will work with the WCC and PC Executive Boards to create a structured roadmap for biodiversity credit implementation. This will outline steps for the formal adoption, onboarding, and scaling of biodiversity crediting within UK nature markets. By having this explicit documentation from the Executive Boards, the team can ensure a streamlined approach to formal adoption.

Beyond what is listed above, many other opportunities for further research and development have been defined by the team. A full list of future developments can be found at the end of the PC and WCC Standards Guidance Document which is included in the supplemental documentation.