

Galvanising Change via Natural Capital

Newsletter

March 2025

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Welcome

This is the sixth newsletter for the Galvanising Change via Natural Capital project. We are now finishing our third year. In this newsletter we focus on two aspects of work we have carried out over the last six months. The first, a workshop we held with academics, statisticians and policy-makers around the world who have been pioneering different ways of working with Natural Capital and secondly some insights around integrating natural capital in Scotland’s Agricultural policy.

Every newsletter introduces someone on the team, and this time we introduce you to Imogen Cadwaladr-Rimmer, a research assistant working at SRUC. We also have a commentary on an interesting report that discusses the role of the private sector in Nature management.

In case you are not already familiar with our project, you can download a [1-page summary](#), visit our [webpage](#), or contact Kerry Waylen: Kerry.Waylen@hutton.ac.uk

Our project runs for 5 years and this newsletter comes out every 6 months: do forward to any colleagues or contacts that may be interested. They can subscribe via [this link](#).

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Meet a team member

Imogen Cadwaladr-Rimmer

Imogen is a research assistant working at SRUC. Her research sits within the interdisciplinary social sciences, and she has a background in arts and humanities. She is currently working on multiple projects; including work on this project 'Galvanising Change via Natural Capital' project, and an EU Horizon funded project which focuses on international policies to protect peatlands, and a project examining peat extraction practices in the Scottish whisky industry.

Imogen is originally from Ireland and moved to Scotland after completing her Masters in Uppsala, Sweden. She holds two master's degrees: one in Sustainable Development from Uppsala University and the other in Environmental Science from SLU (Swedish University of Agricultural Sciences). Her first Master's thesis examined the tensions present between cultural traditions of peat extraction in Ireland with environmental policies which seek to protect peatlands and end extraction. Central to this work was an exploration of heritage - both cultural and natural - and how it emerges in complex ways between people and landscapes. Imogen's research is strongly underpinned by a commitment to remaining aware of these tensions and the politics inherently embedded in environmental decision-making.

Her second Master's thesis specifically examined how policies and guidelines for voluntary carbon credit schemes in Scotland aligned (or misaligned) with the Scottish Land Rights and Responsibilities Act. The analysis was done in the form of a discourse policy analysis, where she examined how capitalist and neoliberal discourses influence approaches to community engagement and benefit, and the potential impacts of such framings.

Her current work sees her researching different pathways for incorporating community benefits into natural capital projects through the Peatland Code and Woodland Carbon Code, and asking how such benefits may be monitored throughout the lifetime of a project. She also researches both national and international policies which seek to protect and restore peatlands. She has always had a passion for looking at the ways in which environmental policies and solutions interact with social and cultural systems; in particular the ways in which these interactions can be messy and non-linear.



What do international experts say about getting NC used in policy-making?

Kerry Waylen

Working with “Natural Capital” – representing nature in terms of the valued services it provides to society – should help improve decision-making. This includes decisions by policy-makers, who have to decide how to best allocate scarce public resources. However, it isn’t always clear how best to embed natural capital into decision-making in policy development.

Across the world, academics, statisticians and policy-makers in different countries have been pioneering different ways of working with Natural Capital. To capture some of their wisdom, we invited a few of them to share their experience and expertise, in an online workshop in December 2024. Below are the key take home messages: you can also [click here for 7-page report](#) for more detail.



- Firstly, improving datasets on costs and benefits of nature is a useful goal, but there will never be perfect data so we must also get better at working with uncertainties. Care over communication is also important – thinking about narratives not just the format of error bars on graphs. Highlighting the risks of inaction of nature’s degradation may help to counter the common tendency to delay action due to uncertainties.
- Secondly, although natural capital data should help to inform and justify changes to decisions, these data alone are unlikely to spontaneously achieve change. Leadership and capacity-building will be required.

- Thirdly, whilst individual champions are helpful, ultimately this is not a job for solo heroes, but something entailing cross-sectoral collaboration. Therefore, support to cross-department networking are really helpful.

Of course, all of these recommendations can seem difficult or even unworldly in times of public sector austerity, or in countries where political rhetoric seems entirely focused on economic growth without nature. However, this must reiterate the value of communicating the long-term benefits for society and economic sectors that arise from supporting and working with nature; and, the risks and costs that arise from not doing so. When nature is shown as relevant to society's pre-existing concerns and interests, it becomes harder to dismiss it just as something for 'tree-huggers'.

Experiences of working with NC are quite diverse, ranging from spatial planning to national level accounting: so none of us can yet offer good insights about how to precisely how choose and mix different approaches. Although there is never likely to be a 'one size fits all' prescription for working with NC, more systematic appraisals of experiences would help us to better navigate these choices in future.

Our question now is to think what these high-level recommendations could mean for Scotland. Are there any priorities to adjust or add to what the Scottish Government is already doing to embed and work with Natural Capital? Whether or not you think significant institutional change is needed to embed nature in policy-development, we need to get started by identifying specific tasks and priorities. Using the leverage points framing might help us with that - watch this space.

Barriers and opportunities for working with Natural capital within Agricultural policy

Rebecca Gray and Diana Valero

Agricultural policy in Scotland is undergoing a period of significant change via the Agricultural Reform Programme (ARP). This change represents a potential opportunity to introduce and work with Natural Capital in policy development. Within this project we have been developing research to explore how individuals connected with the ARP perceive the concept of natural capital and the role of evidence in policy processes. To achieve this, we carried out interviews with civil servants and other public sector staff closely involved in the development of the ARP. Here we want to outline some of the barriers and opportunities for working with Natural Capital in the ARP that we have identified.

- *Language and communication:* There is a perception that Natural capital terminology is not well understood. Individuals across policy teams are using NC terminology to mean different things, with terms like 'Ecosystem services', 'Nature markets' and 'Nature finance' seemingly used interchangeably and potentially leading to confusion. Some see this as a challenge: to upskill staff and increase understanding; whilst others felt avoiding NC terminology altogether would be simpler and avoid alienating anybody. Beyond policy teams it's also crucial that information is communicated to farmers using familiar concepts and terminology to ensure a smooth transition, ideally helping to support a shared understanding between policy makers and farmers.
- *Work dynamics in the Agriculture and Rural Economy Directorate:* Introducing change into any complex policy is always challenging, but perhaps especially so for agriculture, where there is unusual stability in staffing teams and many staff have personal connectors with farming or crofting. Many staff working on agricultural policy development have personal connections to the sector that provide very helpful expertise but can also reinforce the status quo. Finally, the vast portfolio of work being tackled by the Agri policy department, as well as the constraints of the existing datasets and systems pose additional challenges to overcome. In our analysis we identify different 'profiles' of staff which might help to target any further engagement to further embed NC in policy development.

- *Market forces:* If new farming practices are needed to better protect natural capital, these may incur costs to farmers. Such costs may create a significant barrier to the uptake of tools and practices related to NC, especially for those farmers or crofters with less capital or those less reliant on subsidies. However, there is an interaction with markets that farmers sell to. If these markets push for high-nature-value farming produce, for example if supermarkets strengthen sustainability requirements for their suppliers, then farmers would see further reward and requirement to reflect sustainability concerns, potentially receiving premium prices for products. However future market forces are uncertain. The topic of Nature finance – managing land for new nature markets such as carbon credits – was especially associated with much uncertainty about its implications.
- *NC evidence requirements:* Data sharing is complex and expensive and the lack of consistent shared understanding about the information available and how it is used has the potential be a major issue. There are limited resources; financial, technological, and availability of data. Interviewees noted that it is not currently possible to take in new data that is being captured by external systems. This risks a path dependency in only representing aspects of NC that have been considered feasible and relevant to monitor in the past. However, in future there may an opportunity for the ARP to capitalise on data platforms being developed by other organisations like the Soil Association or NatureScot.
- *Farmers' culture, expectations and practices:* The new agricultural policy will ask farmers and crofters to appraise aspects of their land- holding, as part of Whole Farm Plans. These data may affect how farmers view their own natural capital, though some may struggle more than others to fulfil these data-generating requirements. Many interviewees expected that farmers' pride in their land will underpin motivations to care about and protect NC on their farms. Others, though, felt money is the primary motivation for farmers adapting NC practices, via grants and subsidies or productivity. Of course, both are true, and farmers are a diverse group with a range of views, and with different capacities to adapt. Social dynamics in rural communities and among farmers are also perceived as shaping (and hindering) behavioural change in farming.

If you would like to read the full report, you can find it on our project website [here](#).

Natural Capital – something for the public or private sectors?

Kerry Waylen

Just before Christmas I came across a new report commissioned by the Woodland Trust from academics from Oxford, UCL and Kent: "[Leading from the front. The Role of the Public Sector in Delivering Nature Recovery](#)".

I found this a really interesting read. First up, it's important to acknowledge this report has been commissioned by an environmental charity seeking to influence the UK government to protect and provide resources that align with its interests. But the points it makes are well-reasoned, and relevant to the public sector in other settings, especially those working on nature market governance.

Working with private sector groups can and should be something we do more of – we definitely need to 'mainstream' nature-based solution as a mission for all of society, not just a concern for environmental interest groups or designated agencies. However, although there is currently a lot of attention given to the role of the private sector in natural resource management, the report makes clear that the state can and should always have a role to play in governing nature. I'd summarise two main reasons. Firstly, nature management is often about providing public goods that don't directly align with corporate interests. Secondly, there is a need for someone to coordinate different actors to provide the multiple services and goods that we seek from nature.

Because we've spent so long regarding nature conservation mostly as a job for the public sector, understanding the roles of the private sector is still in its infancy. However, there are some really interesting practices being trialled in Scotland at the moment, that we can learn from. For example, 'Landscape Enterprise Networks' ([LENS](#)) involve matching suppliers and users of ecosystem services in landscapes. Personally, I am quite interested in potential in these and others that emphasise business' current and potential dependencies on natural systems, rather expecting nature to sustain lots of new for-profit markets. In the [MERLIN project](#), (which some Hutton staff on this project are also involved in), we have worked on techniques such as [Value Chain Analysis](#) to help to identify these dependencies and spot opportunities to do things differently.

So, although some conversations about Natural capital quickly leap to focusing on the private sector, in truth we work with both the public *and* private sectors. What does this mean for what we do as researchers and those we work with? First, we need to balance our attention across different sectors, both in terms of research and practical efforts for nature management. This is reflected in the work of this project, where we try to balance attention to how we make Natural Capital tractable in policy development as well as how we can encourage and govern the involvement of private sector actors. For example, the previous issue of this [newsletter](#) showed how Esther Carmen is exploring what encourages Whisky companies to get involved.

Related to this, we also need to temper our expectations – for example, it is important to constructively critique and improve the design of nature markets, but refining their design will never offer a complete solution to our sustainability challenges. Looking forward, we need to learn fast how to foster coordination and collaboration within and between sectors ([Barnaud & Muradian, 2024](#)).

The choice of public or private is a false one: it is *both* that we need – and the rest of society to be involved as well.

Events and resources

Here are a few outputs and events that we find interesting and might also interest you!

- **Upcoming debate** "[Nature Finance-Public or Private?](#)" We've spotted an interesting-sounding online panel debate, organised by The Scottish Ecological land design association (SEDA) on 28th April. It will explore where the money to finance nature recovery should come from, and how rural communities can thrive as Scotland's natural environment is improved. The panel will discuss ways of addressing climate change and improving the environment – carbon sequestration, reversing biodiversity loss, flood management – and the benefits this can bring in terms of employment, strengthened communities, recreation, education, and health & wellbeing.
- **Upcoming Webinar** On 23rd April, the Soil Association, in partnership with Woodland Trust, Finance Earth and Soil Association Certification will present the findings of a recent Facility for Investment Ready Nature in Scotland (FIRNS) funded [project on natural capital development for small and medium farms in Scotland taking a 'whole farms approach'](#) with the aim of helping to make natural capital opportunities more accessible to farmers managing Scotland's farmed landscapes. Register for this webinar [here](#).
- **New reading material** in this interesting [paper](#) Vatn et al (2024) reflect on the role nature has in decision making and produce a framework that supports analysis of how decision-making influences nature as well as whose values get prioritised. The framework can also be used to analyse key areas of environmental policy.
- **Upcoming Conference** "From global to local ecosystem services: pathways to Nature-based Solutions inspired from Down Under": [The 11th ESP World Conference](#) will be held on the 23-27th June 2025 in Darwin, Australia. This conference explores pathways to nature-based Solutions (NbS) to address interconnected crises with a special focus on the insights that local and Indigenous peoples and their value systems can offer. Its important that we as researchers recognise the importance of including lesser heard voices, this conference may help us consider how we can do that within our own work. Researchers in this project will save our carbon and listen in from afar, but we hope to connect with the ESP Europe conference in 2026.
- **New reading material** This [paper](#) sets out different strategies that business can deploy for engaging with sustainability transitions. It may be useful to think about this in relation to strategies used by businesses within a sector to work with nature. Could thinking about the different mixes of strategies used by businesses that relate to working with nature help us better understand how businesses engage with nature whilst maintaining a unique position in the market? This differentiation is a theme emerging from our conversations with whisky companies.



For more information contact Kerry.waylen@hutton.ac.uk or visit the project website <https://www.hutton.ac.uk/research/projects/galvanising-change-natural-capital>.

This project is funded by the Scottish Government RESAS Strategic Research Programme (SRP) 2022-27. It is project 'JHI-D5-3' within the Natural resources Theme. It is jointly delivered by the James Hutton Institute and SRUC. This work reflects the authors' view only, not the funder.



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