



Llywodraeth Cymru
Welsh Government

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Consultation on the draft Nature Finance Strategy Wales

Consultation Document

Date of issue: 26 October 2026

Action required: Responses by 29 January 2027

Mae'r ddogfen hon ar gael yn Gymraeg hefyd / This document is also available in Welsh
Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg / We welcome correspondence and telephone calls in Welsh

Overview

The Welsh Government is publishing a draft Nature Finance Strategy Wales for public consultation. This draft strategy sets out the Welsh Government's approach to scaling investment into natural resources to create a prosperous, resilient and healthier Wales. It reflects extensive engagement with key stakeholders carried out during 2026.

How to respond

Please respond by completing the online form or completing this questionnaire and sending it to:

Email: Nature.Finance@gov.wales

If you intend to respond in writing, please send completed forms to:

Marine & Biodiversity Division

Welsh Government

Cathays Park

Cardiff

CF10 3NQ

Further information and related documents

This document is [also available in Welsh](#).

Large print, Braille and alternative language versions of this document are available on request.

Contact details

For further information:

Email: Nature.Finance@gov.wales

UK General Data Protection Regulation (UK GDPR)

The Welsh Government will be data controller for Welsh Government consultations and for any personal data you provide as part of your response to the consultation.

Welsh Ministers have statutory powers they will rely on to process this personal data which will enable them to make informed decisions about how they exercise their public functions. The lawful basis for processing information in this data collection exercise is our public task; that is, exercising our official authority to undertake the core role and functions of the Welsh Government (Art 6(1)(e)).

Any response you send us will be seen in full by Welsh Government staff dealing with the issues which this consultation is about or planning future consultations. In the case of joint consultations this may also include other public authorities. Where the Welsh Government undertakes further analysis of consultation responses then this work may be commissioned to be carried out by an accredited third party (e.g. a research organisation or a consultancy company). Any such work will only be undertaken under contract. Welsh Government's standard terms and conditions for such contracts set out strict requirements for the processing and safekeeping of personal data.

In order to show that the consultation was carried out properly, the Welsh Government intends to publish a summary of the responses to this document. We may also publish responses in full. We publish responses anonymously and your name and contact details will not be included. If you would like your name or other details published alongside your response, please let us know when you submit your response, and we will include them.

You should also be aware of our responsibilities under Freedom of Information legislation and that the Welsh Government may be under a legal obligation to disclose some information.

If your details are published as part of the consultation response, then these published reports will be retained indefinitely. Any of your data held otherwise by Welsh Government will be kept for no more than three years.

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Under the data protection legislation, you have the right:

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- to require us to rectify inaccuracies in that data
- to (in certain circumstances) object to or restrict processing
- for (in certain circumstances) your data to be 'erased'
- to (in certain circumstances) data portability
- to lodge a complaint with the Information Commissioner's Office (ICO) who is our independent regulator for data protection

For further details about the information the Welsh Government holds and its use, or if you want to exercise your rights under the UK GDPR, please see contact details below:

Data Protection Officer:
Welsh Government
Cathays Park
CARDIFF
CF10 3NQ
e-mail: dataprotectionofficer@gov.wales

Information Commissioner's Office:
Wycliffe House
Water Lane
Wilmslow
Cheshire SK9 5AF
Tel: 0303 123 1113
Website: <https://ico.org.uk/>

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Introduction

Background

Natural resources underpin our Welsh economy, communities, health and resilience. Yet, our natural resources are in poor condition and the investment currently available to halt and reverse this degradation is insufficient. While public funding will remain essential, additional private investment is needed to deliver the nature recovery and sustainable management of natural resources at the scale required.

The draft Nature Finance Strategy Wales ('draft strategy') sets out our approach for coordinating action to mobilise and align investment towards positive environmental outcomes. Nature finance refers to public, private and blended finance directed towards activities that restore, protect or sustainably manage natural resources to deliver environmental outcomes. It focuses on creating the conditions needed for finance to flow effectively into restoring our natural resources while maintaining environmental integrity, transparency and public value.

The draft strategy was developed through a series of stakeholder workshops held during summer 2026. We are very grateful to all those professionals who met with us and provided information. The organisations they represent are listed in Annex 1.

Responding to the consultation

The questions below relate to the draft strategy, available separately ([link](#)). Questions are divided into five parts:

1. Conditions
2. Roles and Responsibilities
3. Governance
4. Delivery Plan
5. Final Questions

Please note, **you are not required to answer all the questions.**

Where possible, **please explain your answers and provide examples, evidence or case studies to support your views.**

Personal information

Confidentiality

Responses to consultations may be made public on the internet or in a report.

If you would like only your **organisation** to be published alongside your response, please cross here: ☐

If you would like your **name and organisation** to be published alongside your response, please cross here: ☐

If you would prefer your response to **remain anonymous**, please cross here: ☐

Your name:

Your organisation (if applicable):

Contact details and email address:

Please indicate your interest in the draft strategy:

- ☐ Member of the public
- ☐ Professional responding as an individual
- ☐ Organisational response
- ☐ Prefer not to say

Part 1: Conditions

The draft strategy identifies five conditions essential for scaling nature finance in Wales:

- **Effective policy and regulatory frameworks:** to create certainty, demand and incentives for investment.
- **Clear baselines and target outcomes:** to identify priorities and guide investment towards the greatest environmental and social benefits.
- **Predictable and sufficient revenue flows:** to create investable propositions and attract finance.
- **Financing mechanisms and supporting infrastructure:** to connect demand for environmental outcomes with those able to deliver them.
- **Robust standards, assurance and safeguards:** to maintain trust, transparency and environmental integrity.

Please see the draft strategy for a description of these conditions and tables depicting how mature these conditions are in Wales.

Consultation questions

Question 1a: Do you think that the five conditions identified in the draft strategy are the right foundations for scaling nature finance in Wales?

- ☐ Yes
- ☐ No
- ☐ Don't know/unsure

Please explain your answer:

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Question 1b: What, if anything, should be strengthened, amended or clarified within the conditions identified in the draft strategy?

Condition	Comments/feedback
Effective policy and regulatory frameworks	
Clear baselines and target outcomes	

Predictable and sufficient revenue flows	
Financing mechanisms and supporting infrastructure	
Robust standards, assurance and safeguards	

Question 1c: Do you think the features used to assess Wales's readiness for scaling nature finance are appropriate?

- ☐ Yes
- ☐ No
- ☐ Don't know/unsure

Please explain your answer:

Question 1d: Do you think that the maturity ratings of the features correctly reflect the state of play in Wales?

Condition	Yes	Somewhat	No
Effective policy and regulatory frameworks	☐	☐	☐
Clear baselines and target outcomes	☐	☐	☐
Predictable and sufficient revenue flows	☐	☐	☐
Financing mechanisms and supporting infrastructure	☐	☐	☐
Robust standards, assurance and safeguards	☐	☐	☐

If you answered 'Somewhat' or 'No', please identify which feature(s) you disagree with and explain what rating you think would be more appropriate:

Condition	Feature(s)	Comments/feedback (including evidence)
Effective policy and regulatory frameworks		
Clear baselines and target outcomes		
Predictable and sufficient revenue flows		
Financing mechanisms and supporting infrastructure		
Robust standards, assurance and safeguards		

Part 2: Roles and responsibilities

A well-functioning nature finance system is likely to rely on specialist organisations performing distinct functions rather than individual organisations attempting to deliver the entire process end-to-end. Nature finance is a shared responsibility requiring coordinate action across the public, private and third sectors. The draft strategy identifies the core functions that different organisations can perform, which are required for an efficient nature finance system:

- **Welsh Government:** Set strategic direction; align policy, targets and enabling conditions; approve standards, methodologies; support development of governance and supporting infrastructure.
- **Funders and investors:** Provide finance for projects and activities that deliver desired benefits, creating demand for investment in natural resources.
- **Insurers and risk managers:** Manage, transfer and share risks associated with nature finance activities and investments.
- **Intermediaries and mechanisms operators:** Connect supply and demand; support project development and aggregation; facilitate transactions and information sharing; help financing mechanisms operate efficiently.
- **Project developers:** Design, structure and prepare projects for attracting investment and delivering environmental and social outcomes.
- **Monitors and verifiers:** Measure, report and verify baseline conditions and outcomes, providing independent assurance that environmental results and credits have been delivered.
- **Professional advisors:** Provide specialist ecological, legal, financial and land management expertise to support the development, delivery and assurance of nature finance activities.
- **Regulators and oversight bodies:** Ensure compliance with standards, rules and regulatory requirements, and oversee implementation and delivery.
- **Researchers and evidence providers:** Generate evidence and support the ongoing refinement of standards, metrics, mechanisms and delivery approaches.
- **Suppliers and delivery partners:** Manage environmental assets (across land and sea) and deliver ecosystem services and environmental outcomes in exchange for payments or investment.
- **Communities and stakeholders:** Help shape, co-design, deliver and oversee nature finance activity, ensuring local knowledge, priorities, and benefits are reflected in decision-making through meaningful involvement.

Consultation questions

Question 2a: Do you think that the functions identified in the draft strategy are sufficient to support the delivery of nature finance in Wales?

☐ Yes

☐ No

☐ Don't know/unsure

Please explain your answer:

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Question 2b: Is there anything specific you would like to share about any of the core functions? You can comment on as many or as few as you wish.

Function	Comments/feedback
Welsh Government	
Funders and Investors	
Insurers and Risk Managers	
Intermediaries and Mechanism Operators	
Project Developers	
Monitors and verifiers	
Professional advisors	
Regulators and Oversight Bodies	
Researcher and Evidence Providers	
Suppliers and Delivery Partners	
Communities and stakeholders	

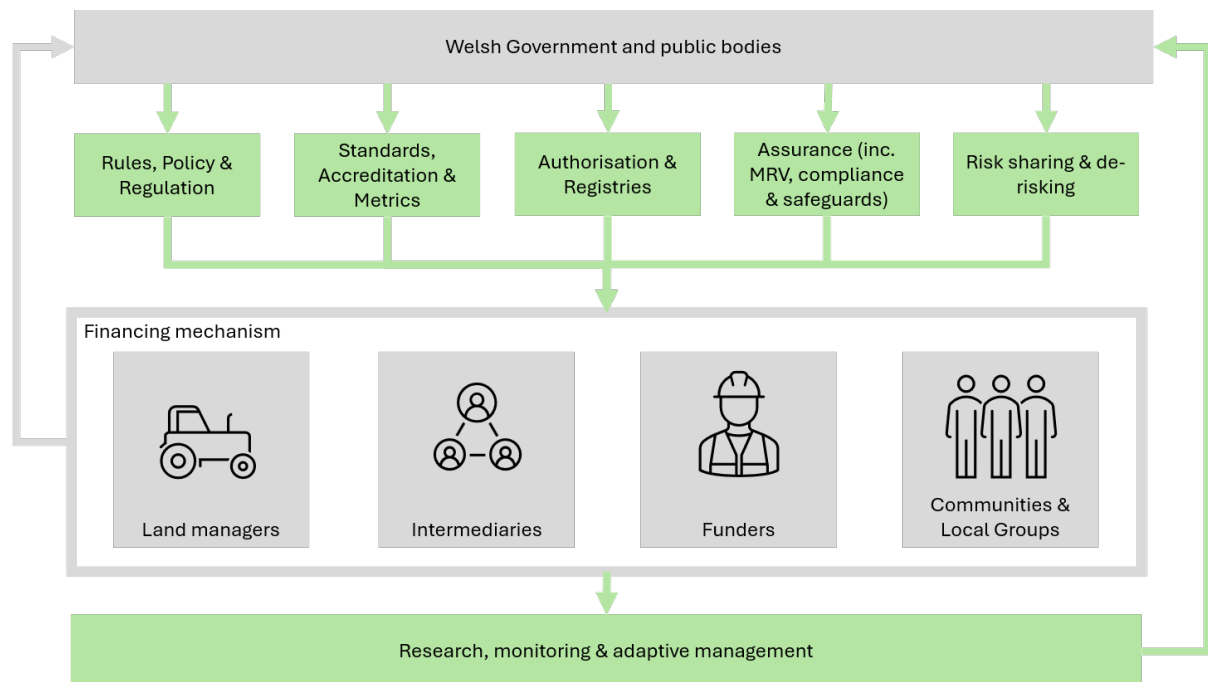
Question 2c: What role, if any, could you or your organisation play within the nature finance system in Wales?

Please briefly describe your role:

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Part 3: Governance

The draft strategy proposes an indicative governance model and set of governance principles to help coordinate action, build trust and ensure investment delivers genuine environmental and social outcomes. The model recognises the roles of government, public bodies, businesses, investors, land managers, communities and intermediaries, and highlights the importance of oversight, transparency, accountability and adaptive management. It also recognises the value of aligning with wider UK and international frameworks where appropriate, while reflecting Welsh priorities and circumstances. This model is illustrated below:



Please see the draft strategy document for a more detailed description of this governance model and principles.

Consultation questions

Question 3a: Do you think that the indicative governance model and principles provide the right balance between enabling investment and maintaining environmental integrity, transparency and public value?

☐ Yes

☐ No

☐ Don't know/unsure

Please explain your answer:

Question 3b: Is there anything else you would like to share about the indicative governance model and principles?

Part 4: Delivery plan

The draft strategy includes a three-phase delivery plan setting out the priority actions needed to establish the conditions for scaling nature finance.

Phase 1 (2026-2027): Create the enabling conditions

1. Publish Nature Finance Strategy Wales and establish a cross-government nature finance programme
2. Review policy, regulation and public expenditure to identify opportunities for increasing investment in environmental outcomes
3. Establish evidence, baselines and funding needs to identify place-based investment priorities and develop a pipeline of opportunities across rural, coastal and urban environments
4. Improve understanding of nature-related disclosures and private sector demand drivers and emerging UK reporting frameworks
5. Publish guidance on combining public and private finance, including blending, stacking and additionality
6. Build capability, collaboration and communities of practice
7. Pilot priority financing mechanisms and build investment-ready project pipelines

Phase 2 (2028-2030): Build the systems

8. Scale and refine priority financing mechanisms based on learning from pilots
9. Align public expenditure and funding programmes with environmental outcomes for natural resources
10. Develop the infrastructure needed to support nature finance: registries, legal agreements, data systems, platforms
11. Develop framework for agreeing and endorsing standards, metrics, MRV and safeguards
12. Develop blended-finance, long-term contracting and risk-sharing approaches
13. Develop policy and market demand drivers: procurement, disclosures, incentives, fiscal measures
14. Strengthen governance, transparency and oversight arrangements to maintain confidence and public value

Phase 3 (2030 onwards): Scale and embed

15. Scale multi-benefit financing approaches across rural, coastal and urban environments
16. Scale successful financing mechanisms and private sector participation models
17. Embed environmental investment within mainstream decision-making across government, financial institutions and businesses
18. Maintain clear and stable policy and market signals to support long-term investment
19. Establish Wales as a leading destination for high-integrity investment in natural resources
20. Monitor, evaluate and continuously improve the nature finance system

Please see the draft strategy for a description of the delivery plan and information on the outcomes the actions support.

Consultation questions

Question 4a: Do you think that the actions identified in the delivery plan are the right priorities for progressing nature finance in Wales?

- ☐ Yes
- ☐ Partly
- ☐ No

Please explain your answer, identifying any actions you would amend, remove or add, and why:

Question 4b: Do you agree with the proposed sequencing and prioritisation of actions across the three phases?

- ☐ Yes
- ☐ Partly
- ☐ No

Please explain your answer:

Question 4c: Which actions in the delivery plan are you or your organisation already contributing to?

- | | | | | |
|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| ☐ 1 | ☐ 2 | ☐ 3 | ☐ 4 | ☐ 5 |
| ☐ 6 | ☐ 7 | ☐ 8 | ☐ 9 | ☐ 10 |
| ☐ 11 | ☐ 12 | ☐ 13 | ☐ 14 | ☐ 15 |
| ☐ 16 | ☐ 17 | ☐ 18 | ☐ 19 | ☐ 20 |

Please provide any additional information you wish to share:

Question 4d: Which actions in the delivery plan could you or your organisation support in the future?

- | | | | | |
|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| ☐ 1 | ☐ 2 | ☐ 3 | ☐ 4 | ☐ 5 |
| ☐ 6 | ☐ 7 | ☐ 8 | ☐ 9 | ☐ 10 |
| ☐ 11 | ☐ 12 | ☐ 13 | ☐ 14 | ☐ 15 |
| ☐ 16 | ☐ 17 | ☐ 18 | ☐ 19 | ☐ 20 |

Please provide any additional information you wish to share:

Question 4e: What support would you or your organisation need to contribute to delivery of the strategy? Tick all that apply.

- ☐ None
- ☐ Data-sharing arrangements
- ☐ Funding
- ☐ Capacity or staff resource
- ☐ Partnerships and collaboration
- ☐ Legal or contractual support
- ☐ Standards
- ☐ Technical expertise and skills
- ☐ Other, please specify: _____

Please explain your answer:

Question 4f: Do you have any suggestions for nature finance models, schemes or approaches that could be tested in Wales?

Please provide details and any examples, pilot projects or practical approaches:

Part 5: Final questions

Question 5a: How important do you consider nature finance to be in achieving the following ambitions for Wales?

Ambition	Very important	Important	Neither important nor unimportant	Unimportant	Don't know
Nature recovery and reversing biodiversity loss	☐	☐	☐	☐	☐
Building resilience to climate change (adaptation)	☐	☐	☐	☐	☐
Reducing greenhouse gas emissions	☐	☐	☐	☐	☐
Sustainable management of natural resources	☐	☐	☐	☐	☐
Improving water quality and restoring rivers, coasts and seas	☐	☐	☐	☐	☐
Supporting resilient rural communities and businesses	☐	☐	☐	☐	☐
Supporting resilient coastal communities and businesses	☐	☐	☐	☐	☐
Delivering sustainable economic growth and green jobs	☐	☐	☐	☐	☐
Delivering the Well-being Goals under the Well-being of Future Generations Act	☐	☐	☐	☐	☐

Question 5b: What, in your opinion, would be the likely effects of the draft strategy on the Welsh language? We are particularly interested in any likely effects on opportunities to use the Welsh language and on not treating the Welsh language less favourably than English.

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Do you think that there are opportunities to promote any positive effects?
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Do you think that there are opportunities to mitigate any adverse effects?
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Question 5c: In your opinion, could the draft strategy be formulated or changed to:

Have positive effects or more positive effects on using the Welsh language and on not treating the Welsh language less favourably than English; or
--

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Mitigate any negative effects on using the Welsh language and on not treating the Welsh language less favourably than English?
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Question 5d: We have asked several specific questions throughout this consultation. If there are any additional comments, evidence, case studies or examples that would help improve the draft strategy, please provide them below:

Annex 1: Stakeholder engagement to date

- Admiral
- Afonydd Cymru
- Arup
- Bannau Brycheiniog National Park Authority
- British Standards Institute
- Broadway Initiative
- Cardiff University
- Carmarthenshire County Council
- Country Land and Business Association Cymru
- Climate Cymru
- Community Inclusion Standard
- CreditNature
- Department for the Environment, Food and Rural Affairs
- Development Bank Wales
- DUAL
- EnTrade
- Environment Bank
- Environment Systems
- Environmental Markets Board
- Eryri National Park Authority
- Farmers' Union Wales
- Finance Earth
- First Milk
- Food, Farming and Countryside Commission Wales
- Future Generations
- Gaia Sicura Ltd.
- Great Yellow
- Green Finance Institute
- Gresham House
- Home Builders Federation
- Howden Group
- Joint Nature Conservation Committee
- Kana
- Landscape Enterprise Networks
- Lloyds Bank
- Marches Forward Partnership
- Marine Fund Cymru
- National Farmers' Union Cymru
- National Landscapes
- Natural England
- Natural Resources Wales
- Nature Markets Dialogue
- Net Zero Industry Wales
- New South Wales
- New South Wales Government
- North Wales Nature Consortium
- North Wales Wildlife Trust
- Nutrient Board Southwest Wales
- Office for National Statistics
- Pembrokeshire Coast National Park Authority
- Pembrokeshire Coastal Forum
- Powys County Council
- Puffin Produce & Pembrokeshire Creamery
- Redpill
- Renew Earth
- Royal Society for the Protection of Birds
- Scottish Government
- Soil Association Certification
- South East Wales Biodiversity Records Centre
- Stabiliti
- The Nature Conservancy
- The Wye & Usk Foundation
- Triodos
- UK Centre for Ecology & Hydrology
- UK Government
- University of Exeter
- Wales Coast and Seas Partnership
- Wales Environment Link
- Welsh Government
- Welsh Local Government Association
- Welsh Water
- Wilder Carbon
- Wildlife Trusts Wales
- Zora

Annex 2: Consultee list

- All those in Annex 1, plus:
- Arcadis
- Climatise UK
- Coast and Seas Partnership
- Crown Estate
- Design Commission for Wales (DTA Wales)
- Dinam Estates
- Eunomia Research & Consulting
- Future Generations Commissioner for Wales
- Hafren Dyfrdwy
- Heather Michell Associates
- Llais y Goedwig
- Local authorities in Wales
- Local Nature Partnerships
- National Grid
- National Trust Cymru
- Network Rail
- Radnorshire Wildlife Trust
- Rewilding Britain
- South East Wales Business Climate Coalition
- The Welsh Scientific Advisory Committee
- Tir Natur
- University of Oxford
- Wales and West Utilities
- Wales Biodiversity Partnership
- Woodland Trust
- Worldwide Fund for Nature

Copy recipients

- Department for Environment, Food & Rural Affairs
- Scottish Government
- Northern Ireland Department of Agriculture, Environment and Rural Affairs
- Office for Environmental Protection
- Environmental Standards Scotland
- Interim Environmental Protection Assessor for Wales