



Testing the first habitat banking project in Europe



The business case

New market mechanisms targeting biodiversity conservation are emerging worldwide, and among others, the biodiversity offset market size is expected to increase in the coming years. The French company CDC Biodiversité has seized this opportunity and is testing the first habitat banking project in Europe.

The project's aim is to convert 367 ha of a former arboriculture domain into sustainable grazing areas for ewe herds, as well as suitable habitats for critically endangered avian species found in the area. It is carried out in liaison with national and local environmental agencies, and provides an experimental framework to explore the relevance and modalities of the habitat banking system in the context of French and European regulations.

The results

New services to answer increasing biodiversity conservation needs

Biodiversity offset banks are a new way for companies to act towards biodiversity conservation, through compensation of their residual impact on biodiversity. These projects tend to be more cost-effective than ad-hoc offsets, due to economies of scale: banking projects are of higher ecological efficiency as they typically target large areas; therefore they are more appropriate for the conservation of habitats and species (as they will be used to compensate the impacts of several projects and not just one). The biodiversity impact is thus further emphasized.

From a business perspective, biodiversity offsetting represents a new market opportunity for consultancy agencies such as CDC Biodiversité – as companies that lack the internal knowledge will be able to outsource compensatory actions.



The issue

Biodiversity offsetting, a new activity in Europe

CDC Biodiversité, a French company subsidiary of the financial institution *Caisse des Dépôts*, operates in the field of biodiversity consultancy. Biodiversity offsets are an emerging market in France, where CDC Biodiversité is positioned as an actor piloting all steps of developers' compensatory actions: finding and securing lands, developing management plans, realizing development works (restoration, enhancement,...) and ensuring long term management.

So what is the objective of biodiversity offsets? Offsets allow developers to build infrastructures or industrial projects with "no net loss" in biodiversity, as they compensate for residual impacts through an ecological project, generating biodiversity gain equivalent to the residual loss.

The response

The first European habitat banking project

CDC Biodiversité is currently testing the first habitat banking project in Europe, near Marseille. It began in September 2008 and will last 30 years, i.e. until 2038. During this time, CDC Biodiversité will act as the manager of the project, reporting on its status to local environment agencies.

FURTHER INFORMATION

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