

Policy Brief

Harnessing Nature-based Solutions for Economic Recovery

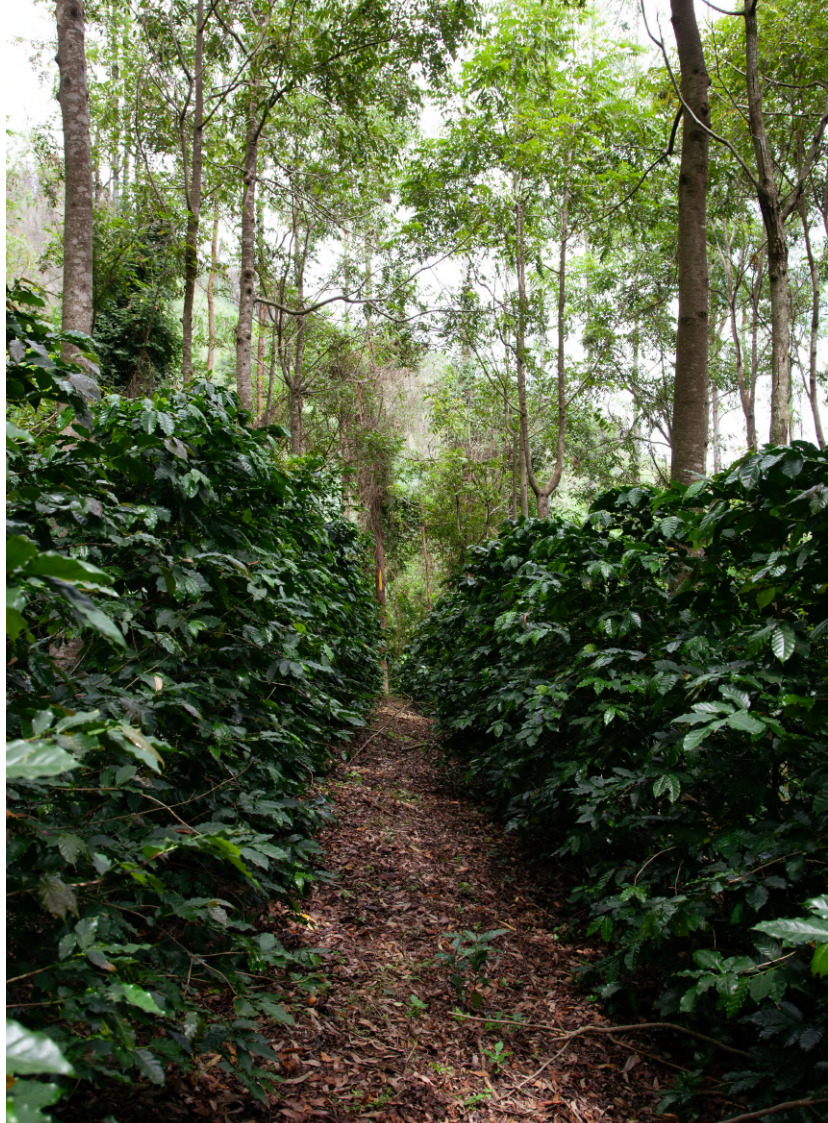


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Executive summary

This policy briefing outlines the key role of nature-based solutions (NbS) in supporting sustainable economic recovery and societal resilience. The analysis is based on a systematic review of 66 studies on the economic impact of NbS across different regions, types, and contexts. Key findings demonstrate the effectiveness of NbS in creating jobs, generating income, and contributing to the sustainable development goals. This briefing proposes policy recommendations to integrate NbS into fiscal strategies, emphasising the need for inclusive design, robust monitoring, empowering Indigenous Peoples and local communities and integrating their knowledge.



Context

Nature-based solutions (NbS) are defined as actions to protect, conserve, restore, and sustainably manage ecosystems, addressing societal challenges while also bringing benefits to people and biodiversity locally. NbS have been recognised for their potential to support economic growth, while simultaneously addressing biodiversity loss and climate change. The COVID-19 pandemic has intensified the need for holistic recovery measures that include nature as a central component of economic stimulus efforts.

In addition to pandemics and economic downturns, NbS can aid recovery from shocks (including those caused by conflicts and natural disasters) by restoring degraded landscapes, supporting displaced communities, and strengthening infrastructure. By regenerating ecosystems, providing sustainable livelihoods, and fostering resilience, NbS can help war-torn regions move toward long-term stability and sustainability.

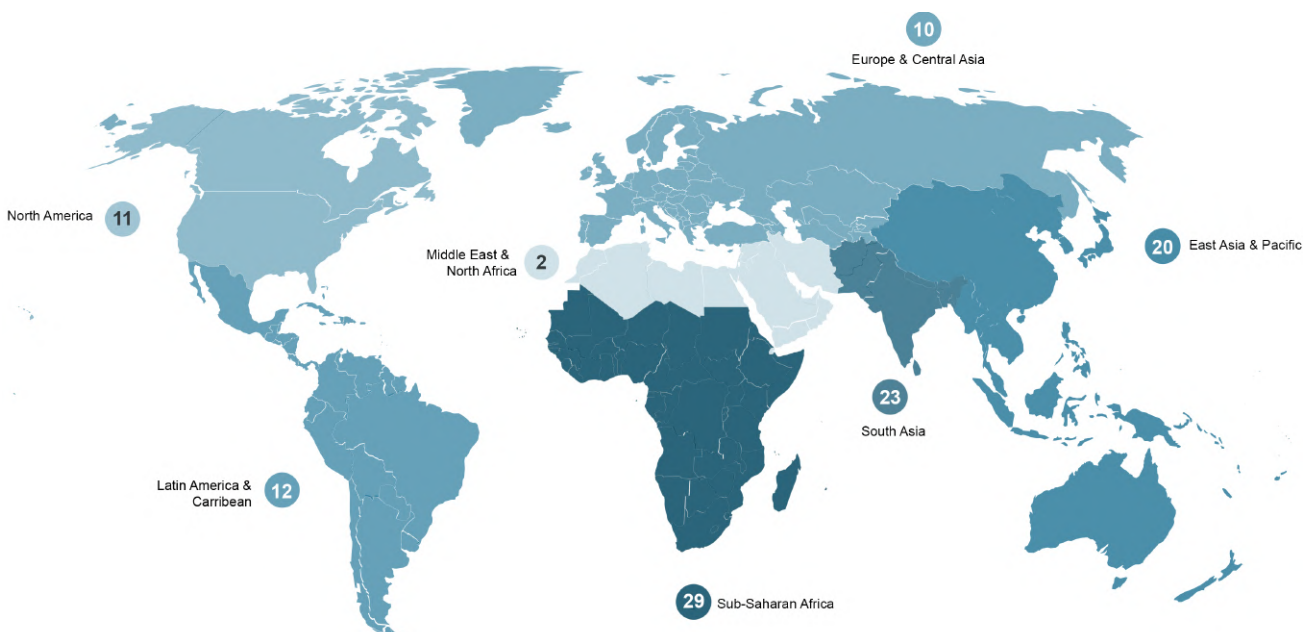
Despite these benefits, NbS have not been widely integrated into economic recovery plans, partly due to gaps in evidence, misconceptions about their economic viability, and limited consideration of long-term outcomes in fiscal policy.

To address this knowledge gap, we conducted a systematic review of 66 reviews on the economic impact of nature-based interventions.

Key findings

- ❖ **Positive economic impacts:** The review found that NbS can drive positive outcomes for income generation, employment, and economic growth. Specifically, 65% of the reported economic outcomes were positive, with benefits observed across various intervention types, especially nature-based food production and ecosystem management. The few reviews comparing NbS with alternatives found that NbS delivered equal or better economic outcomes.
- ❖ **Broader societal benefits:** NbS contribute to multiple social and environmental benefits, including enhanced food security, climate resilience, and community empowerment. These wider benefits are crucial to support economic stability and long-term prosperity.
- ❖ **Mixed and context-dependent outcomes:** While the majority of the outcomes were positive, mixed results were noted due to factors like reliance on subsidies, short-term versus long-term gains, market conditions, and regional differences. Reviews that included critical appraisals found a higher proportion of mixed outcomes, underscoring the importance of tailored design, effective implementation and adherence to best practice standards.
- ❖ **Trade-offs and win-wins:** The studies reported both trade-offs and win-wins between economic impacts, biodiversity, and social equity. For example, trade-offs included conflicts between biodiversity protection and short-term income from resource use, while win-wins were observed in agroecological practices that simultaneously enhance soil health, crop yield, and income. Community involvement is critical for equitable outcomes.
- ❖ **Knowledge gaps and biases:** The current evidence base is skewed towards nature-based food production and regions like sub-Saharan Africa and South Asia, with limited coverage in Europe, North America, and the Middle East. Additionally, there is limited research on broader economic growth and job security outcomes.

Figure 1: Global distribution of studies



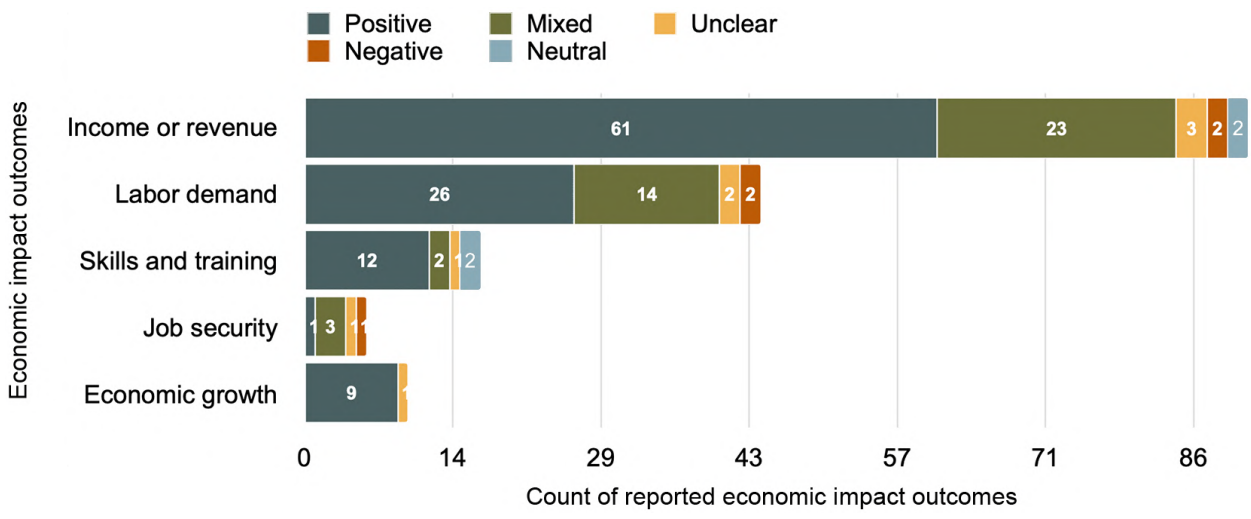


Figure 2: Number of reported outcomes, per economic impact category and effect direction

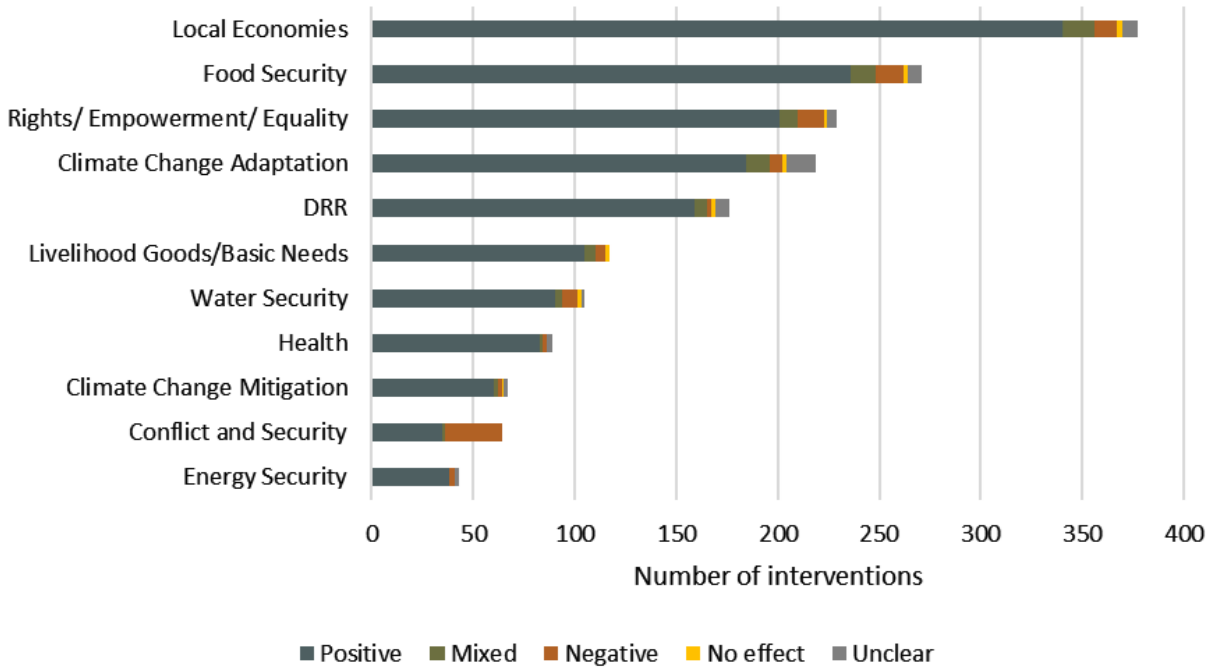


Figure 3: Development outcomes from nature-based interventions for climate change adaptation (based on the dataset created by Roe et al., 2021)

Policy recommendations

1. Integrate NbS into economic recovery programmes

We recommend that Governments prioritise NbS as part of national and regional economic recovery strategies, as they offer an effective response to economic, environmental, and social challenges. Fiscal policies should incorporate NbS to promote sustainable development, with a focus on high-impact interventions tailored to local needs.

2. Focus on high-integrity NbS

Governments and funders must ensure that all NbS adhere to best practice guidelines including the IUCN Global Standard on NbS, especially by ensuring full community involvement and demonstrable benefits for biodiversity, to maximise benefits and avoid undesirable trade-offs.

3. Establish robust monitoring and evaluation systems

We recommend governments develop national frameworks for monitoring the impacts of public investments in NbS. This should include robust metrics for economic outcomes (e.g., jobs created, income generated), as well as ecological and social impacts, to ensure transparent reporting and adaptive management.

4. Expand economic assessments of NbS

Policymakers need to adopt broader economic assessments that consider not only jobs, income, and gross value added but also longer-term gains like ecosystem services, food security, and disaster risk reduction. Comprehensive cost-benefit analyses are needed to compare NbS with alternative interventions.

5. Promote local ownership and inclusive governance

Successful implementation of NbS relies on community engagement, local leadership, and integrating local and Indigenous knowledge. NbS projects should therefore be designed with inclusive processes that empower local stakeholders, ensuring that benefits are distributed equitably.

6. Strengthen capacity building and skills development

Investment in education and training programmes is critical to developing skills for designing, implementing, and maintaining NbS. This can create high-quality jobs, foster eco-innovation, and enhance resilience to economic shocks. Training should be inclusive, targeting marginalised groups to ensure equitable access to opportunities.

7. Enhance research and collaboration

Funding should be directed towards collaborative research initiatives that bring together practitioners, economic experts, and local communities. Research should focus on filling gaps in evidence, particularly around job security, economic growth, ecosystem-specific outcomes, and comparisons with non-NbS approaches.

8. Align NbS with broader sustainable development goals

NbS should be integrated into broader sustainable development policies, emphasising circular economies that support both human well-being and biodiversity. Policy frameworks should address potential trade-offs and win-wins, ensuring that NbS contribute to equitable development and long-term sustainability.

Conclusion

Nature-based solutions represent a transformative opportunity for economic recovery that incorporates sustainable development goals and delivers genuine long-term benefits. Aligning fiscal policies to support high-integrity NbS, in line with the recommendations in this briefing, will help governments transition to a circular economy that sustains rather than undermines the health of the biosphere on which our societies depend.

Healthy ecosystems are the foundation of healthy economies and resilient societies

About

This briefing is based on the findings from Chausson et al., "[*Harnessing nature-based solutions for economic recovery: a systematic review*](#)" published in the peer-reviewed journal, PLOS Climate.

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