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the umbrella body of the rivers trust movement

where there's water, there's life





Developing Alternative Market Mechanisms for Climate Resilience: Reverse auction online tool

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What can a market-based approach look like?

Buyers/ beneficiaries e.g. Private/public sector orgs



Sellers/ suppliers e.g. farmers/land managers



Benefits of a market-based approach

- Better value for money
- Lower transaction costs
- Attractive for suppliers more uptake
- Greater environmental outcomes?
- Blend private and public sector funding?

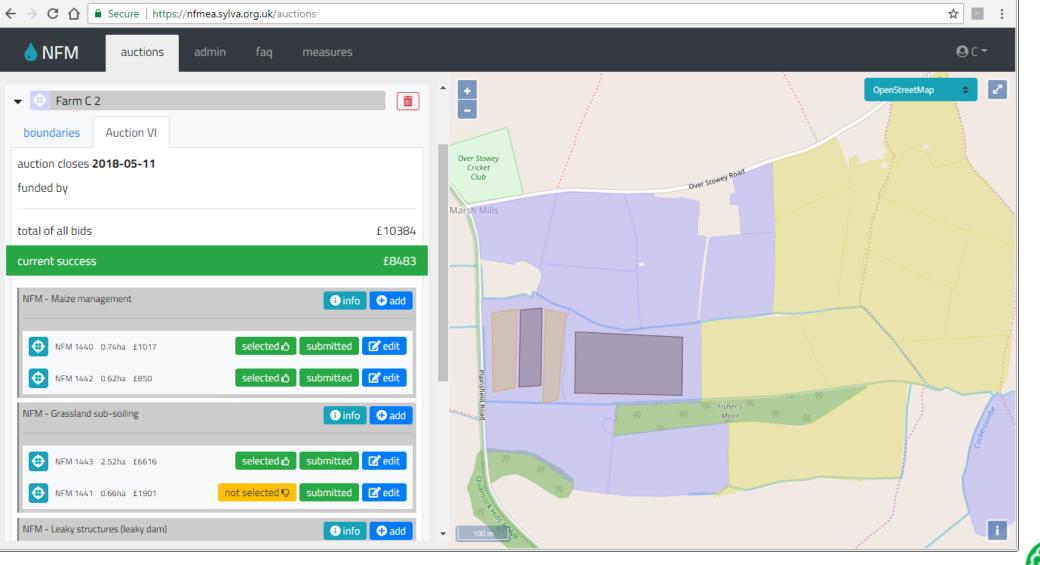


Online reverse auction tool

- Farmers/land managers (sellers) bid for funding to implement climate resilience measures on their land
 - The sellers are competing to obtain funding from the buyer; prices will typically decrease as the sellers underbid each other
- Currently running our second NFM auction trial
- Developing a programme of more diverse trials for the rest of 2019



Using the online auction tool



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Evaluating the tool and its outcomes

- Well-received by users
- Demonstrated value for money
 - The average payment for the most popular measure was 66% of Countryside Stewardship payments
- A market-led approach can work for NFM/land management type interventions
 - We received bids for all six measures trialed.
 - Around **300ha** of NFM interventions were funded in the first auction trial.



Aspects we hope to explore...

- Blending private and public sector funding to achieve outcomes
- Effectiveness over a range of landscapes, with a range of funding sources, delivering various interventions and outcomes.
- The role of the delivery partners

