

Risk, crisis, and urgency: is the private financing of rewilding a threat to community empowerment?

As urgency to address the climate and biodiversity crisis grows, there has been increasing interest in private financing mechanisms for nature recovery projects like rewilding and Nature-based Solutions (NbS). While private investment plays an important role in implementing and upscaling nature recovery in Scotland and across the UK, there are concerns about how an over-emphasis on financial incentives can undermine alternative ways of financing nature and sideline broader socio-economic goals, such as community empowerment and democratic participation. This article explores the potential conflicts between private financing and community empowerment.

Unlocking private finance for nature's recovery: the policy context

The Scottish Government recognises that a resilient economy depends on a flourishing natural environment. This is reflected in the [2021 Dasgupta Review](#), the [Scottish Government's Environment Strategy](#) and National Strategy for Economic Transition, which include nature as central to broader visions for building a wellbeing economy. The UK is also broadly committed to an Environmental Improvement Plan (EIP), building on the 25-Year Improvement Plan (25YEP), which sets out targets for net zero and nature recovery.

A key challenge to achieving this is the “[nature-finance gap](#)”, estimated at [£20.4 billion in Scotland](#), £44-98 billion across the UK, and US\$700 billion globally over the next decade. The Scottish Government has identified that closing this gap requires unlocking private investment, including through voluntary carbon and biodiversity markets. To support this, the government is seeking to provide guidance for enhancing Scotland's natural capital through private investment through its [Natural Capital Markets Framework](#). These strategies aim to consider the need and expectation of private business for a financial return on this investment, and also aim to be ‘high integrity’ to ensure that investments deliver genuine environmental benefits, avoid greenwashing, engage with local actors and deliver community benefits.

However, this reliance on private capital introduces several tensions. Investors typically seek stable and predictable returns, which can influence the design and management of nature recovery projects. These pressures can lead to projects being framed around measurable and verifiable outcomes, such as carbon sequestration and biodiversity increase, but risk sidelining broader socio-economic and community objectives.

Community empowerment and nature recovery

Nature recovery, including rewilding, is fundamentally about [repairing human relationships with the natural world](#). By definition, community benefits and empowerment should be a core part of nature recovery efforts that aim to benefit both nature and people. There has been a [significant amount of work](#) on what community benefits are and why they are important in land ownership and management decisions, and how genuine community empowerment and real agency should be central to this.

However, research shows that private financing can end up marginalising these community-focused efforts. In some cases, community empowerment becomes a secondary concern, overshadowed by the need to demonstrate a return on investment to private funders. For example, projects might focus on quantifiable metrics like carbon sequestration, while overlooking more complex, intangible benefits like cultural heritage and well-being. By taking the need for private investment in nature recovery for granted, it also limits the space for asking serious questions about alternative ways of funding nature recovery projects, for example, through community ownership and grassroots circular economy models.

Framing pathways to sustainability and well-being

The way that nature recovery projects are framed has significant implications for how multiple objectives are considered within a wellbeing economy, and within broader transitions towards sustainable development goals. Framings impact how problems are defined and the solutions that are needed to address them. This has significant implications for who decides, whose interests are served, whose livelihoods are impacted, who benefits and who loses out. This will inherently have knock-on impacts on the agency of communities of place in shaping land management and ownership decisions.

Broadly, four distinct framings influence approaches to sustainability, including nature recovery efforts:

- 1. Technocentric:** Emphasises scientific and technological innovation to solve environmental challenges
- 2. Market-oriented:** Focuses on the role of the markets through pricing mechanisms and creating markets for carbon and biodiversity, such as “natural capital” and “green finance” approaches.
- 3. State-led:** Prioritises government-led guidance, regulations, and policies to steer markets through stronger frameworks of social control.
- 4. Citizen-led:** Advocates for grassroots, community-driven approaches, such as community land ownership, community-based economies and self-governance models.

Each framing has an important role in shaping the direction and sustainability of nature recovery efforts. They also do not operate in siloes and inherently interact to create meaningful change. For example, the [Tayvallich model](#) in Argyll has been widely acclaimed for creating the space for community agency in negotiating community benefits agreements with a private landowner, pioneering different ways of thinking about and doing land ownership and management for nature’s recovery.

Things can become problematic, however, when there is an over-emphasis on one approach at the expense of another. There is a growing body of evidence that suggests that an over-reliance on market-oriented and technocentric approaches can diminish the role of communities in decision-making.



Different technocentric, market-oriented, state-led, and community-focused framings can impact who decides, who benefits, and what beneficial outcomes are prioritised through nature recovery, Nature-based Solutions and rewilding projects (source: <https://iucn.org/resources/issues-brief/ensuring-effective-nature-based-solutions>).

The risks of over-emphasising private finance

The growing focus on private financing mechanisms for nature recovery risk undermining community-focused goals in several key ways, which are discussed in turn below. These issues ultimately highlight tensions between investors' demands for certainty, and the often-complex nature of participatory and community-led forms of governance.

1. Narrowing the focus of nature recovery

Private financing often pushes projects to prioritise measurable outcomes that can have a price attached to it, such as carbon sequestration or biodiversity increase. While these goals remain essential to delivering nature's recovery, their dominance in projects can limit the space for socio-economic and community-focused objectives. For example, commodifiable natural capital resources can take precedence over more complex socio-cultural and heritage values that are deeply embedded in landscapes and ecosystems through long histories of co-existence between people and nature. While the deprioritisation of social and community values deserves questioning, it is important to recognise that nature recovery organisations often do not have the capacity – including available time, money, and expertise – to meaningfully understand and deliver on these goals.

Despite good intentions, community benefits are often incorporated within overarching models that prioritise scientific knowledge and/or market incentives, which means that they are often framed in terms of metrics that align with these objectives. For instance, it is not uncommon to see 'community benefits' viewed simplistically in terms of number of jobs provided, or number of

attendees to open days or ‘community engagement’ events. This can be seen in community benefits standards like the NCFA Community Benefits Plug-In (<https://www.natcert.earth/community-benefits-standard/>), which aims to develop and test the market feasibility of a certification product that provides ecosystem service credit buyers with confidence in the approach taken to generating localised, place-based benefits to communities. Although these community benefits standards are important for protecting social safeguards and ensuring local people benefit from nature markets investments, it is also important to question what other types of benefits might get left out of this dominant framing.

One key concern is that these approaches often treat community benefits as inherent, pre-given characteristics relevant to landscapes and “flow” inevitably as by-products of ecosystem services, rather than deeply enmeshed in complex landscape histories. This can also encourage ways of viewing community benefits as static, instead of continuously in flux. There is a danger that strategies to deliver community benefits become unplanned “spin off” activities from natural capital projects that are “added on” or “plugged in” to pre-determined approaches that ultimately prioritise science-driven and market-focused incentives.

2. Demands for certainty can be at odds with decentralised, community-led models

Private investors often require a high degree of certainty and predictability, which can conflict with more democratic and decentralised approaches to tackling the climate and biodiversity crisis. This can encourage more streamlined, scientifically-driven nature recovery projects that minimise risk and maximise viable financial return. This can end up sidelining participatory and community-led ways of governing land and natural resources, which inherently involve diverse and often competing interests, trade-offs and other complexities. These complexities introduce new levels of complexity and unpredictability, particularly for investors who can already be quite risk-averse. This can also end up marginalising the experiences, interests and lived realities of diverse communities of place, silencing those who are not considered to be relevant “experts” in natural capital projects.

With increasing urgency to “save the planet”, and to unlock private finance to scale-up nature-based solutions to achieve this, there is a danger that participation and democracy are viewed as obstacles that need to be “put on hold” in times of crisis. For example, while some projects support governance arrangements for community empowerment (e.g., collective or community-led management), community-led initiatives are still frequently seen as too small-scale and low-resourced to tackle the challenge at the pace and scale needed. There is also a tendency to view scepticism and critique as a hindrance to swift action, and disagreements and trade-offs as undesirable issues that need to be mitigated against. Framing genuine community agency and empowerment as secondary to urgent climate and biodiversity challenges is problematic when, in reality, the root cause of these issues is power imbalances and extractive economies. Essentially, as [Rebecca Willis argues](#), the root of the climate crisis is *too little* not *too much* democracy.

3. The risk of “democracy washing”

It is not uncommon for rewilding and other nature recovery projects to incorporate community engagement as a way to ‘bring people on board’ with project goals. For example, community engagement is included as the very final step of Rewilding Britain’s “[12 steps to rewilding](#)” with the purpose to ‘steadily win people over’ to the overarching rewilding mission. Encouraging people to support rewilding, of course, isn’t an issue in itself. However, it becomes problematic when this reinforces pre-determined views of who decides, whose priorities are incorporated, and who is

considered to be a valid “expert” in setting the scope of the rewilding mission, and how land use governance and ownership changes happen to achieve this.

Community engagement is often viewed narrowly in terms of one-off events and activities like communication strategies (“*how can we get the message out there? How can we win people over?*”), open days, and educational events. Engagement is also frequently assumed to lead to tangible benefits like increased support for a project, increased understanding of nature-related issues, and pro-environmental behaviour change. Despite many [examples of genuine community empowerment](#), these can become superficial when the ultimate goals prioritise, or are contingent on, financial imperatives. This can end up perpetuating a model of “invited engagement”, or “**democracy washing**” (others have referred to “[community washing](#)”), that involves bringing communities into pre-determined decision-making spaces where the authoritative actors and expertise have already been set.

These issues can undermine the very reason why participation is intended to be conducted in the first place. They can also sideline other ways of knowing and taking action for nature, that might operate outside of traditional scientific and environmental management spaces. Ultimately, they limit the space for serious discussion about more diverse forms of community engagement and empowerment, especially those that focus on the agency of communities of place to decide their own future, maintaining their right to give or withhold consent, and supporting the collective and community-led ownership and management of land and natural resources.

Striking a balance

Private financing mechanisms will continue to have an important role to play in addressing the urgent crises of climate change, biodiversity loss, and societal well-being. However, it is crucial to ensure that these mechanisms do not come at the expense of community empowerment and democratic forms of land-use governance. Prioritising techno-scientific and market-oriented approaches to nature recovery risks limiting the space for serious conversations about, and progress towards community empowerment, especially those that focus on the agency of communities of place to decide their own future, maintaining their right to give or withhold consent, and supporting the collective and community-led ownership and management of land and natural resources. This ultimately undermines progress towards addressing the multiple social, climate, and nature dimensions of sustainability goals. This is not about negating the need for good science of private markets, but about opening up the debate around the issues that arise when one approach is over-emphasised at the expense of another.

To promote truly integrated and plural frameworks for nature recovery projects, it is vital that the domination of technology and science-driven, market-oriented approaches is recognised, and more collaborative governance arrangements are sought after. This includes supporting and experimenting with innovative governance arrangements for nature recovery must include a diversity of actors - including companies, research institutions, non-profits and communities – that work in partnerships to foster the collective ownership and management of natural resources. This also requires explicitly addressing power imbalances, fostering a shift away from dominant market framings that privilege certainty towards more open-ended approaches that embrace conflict, uncertainty, and democratic struggle. Avoiding “democracy washing” means ensuring that community engagement and empowerment is not merely a tool for legitimising financial objectives, but opens up the space for genuine opportunities for community agency to shape sustainable and equitable futures.

In a practical sense, potential solutions could include:

- Prioritising genuine community agency and empowerment, including strong mechanisms for community-led decision-making and collective governance. In particular, collaborative governance arrangements that bring together multiple partners including community groups, private business, government bodies, non-governmental organisations, charities, etc. (e.g., [co-designing project proposals and developing a local stakeholder group](#), or following the ‘[Silver Standard of land tenure](#)’ which could include community management boards, community right to buy, and actively [selling land to the community](#)).
- Building on existing standards for community benefits, while recognising that these should go beyond simple metrics to include community agency in co-producing place-based standards (e.g., see [these resources](#) on a community inclusion standard in natural capital projects, and [this report](#) on community benefits from natural capital projects).
- Embrace uncertainty and complexity as an opportunity for innovation, rather than as obstacles that need to be mitigated against. Disagreement, trade-offs, and complexities are not problems to be feared and mitigated against, but are vital for crafting resilient, creative, and inclusive approaches to nature recovery (e.g., see [this report](#) on mapping diverse types of public engagement in biodiversity and climate projects, and this [flexible, place-based guidance for Nature-based Solutions governance](#)).

Additional comments: This article is based on a pre-print paper which is currently under review. The unreviewed version of the paper can be accessed for free here:

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4912761