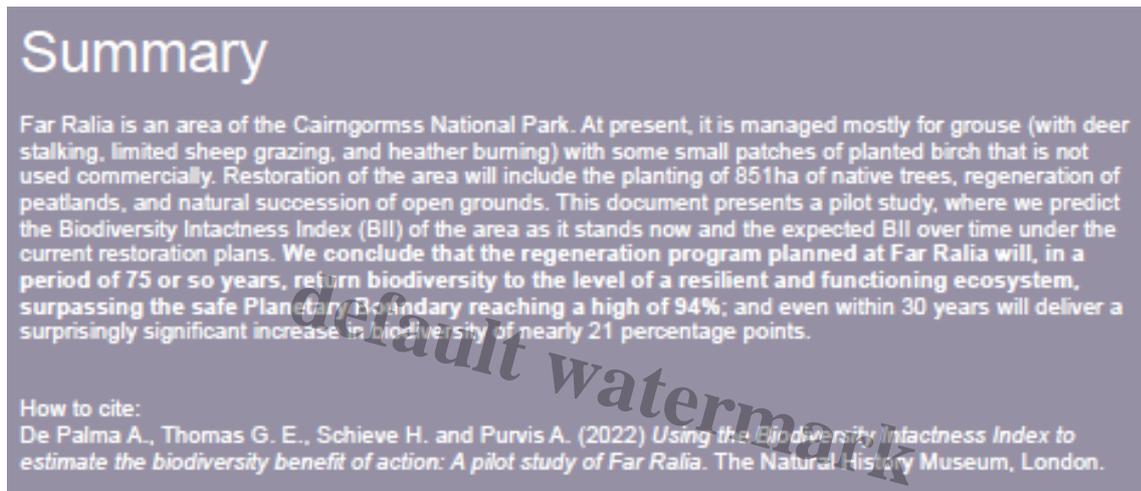

Greenwashing at Far Ralia in the Cairngorms (2) – the roles of the Natural History Museum and the Green Finance Institute

Description



Note the incorrect claim that Far Ralia “is” “at present” [i.e 2022] managed mostly for grouse, deer stalking, sheep grazing and heather burning

- which follows the typo, “Cairngorms”.

It is now five months since my post questioning how abrdn, Akre and the Natural History Museum (NHM) had applied the Biodiversity Intactness Index to the land at Far Ralia in an attempt to demonstrate that the careless and destructive tree planting there would result in an almost miraculous improvement in nature ([see here](#) and screenshot above). While I have written several posts since on Far Ralia, including on the Natural capital financial bubble ([see here](#)), I have not followed up my promise to explain how global finance is linked with the NHM’s development of the BII and how the state, in both England and Scotland, has been supporting this. The purpose of this post is to do that.

Recap

Results: Average BII over time for Far Ralia

Far Ralia's BII is currently just below 52%. When land is restored – either using active planting schemes or passive abandonment – biodiversity is allowed the time and space to recover. Full recovery can take decades. To our knowledge, we have predicted BII at Far Ralia for the first time over three coarse time steps - short term (<30 years after restoration), medium term (30-75 years after restoration), and long term (>75 years after restoration). Based on the planned planting and regeneration scheme and the subsequent improvements in local biodiversity over time, BII will recover to a mark of 94% in the long term. This increase in BII over time is demonstrated in the figure and table below.

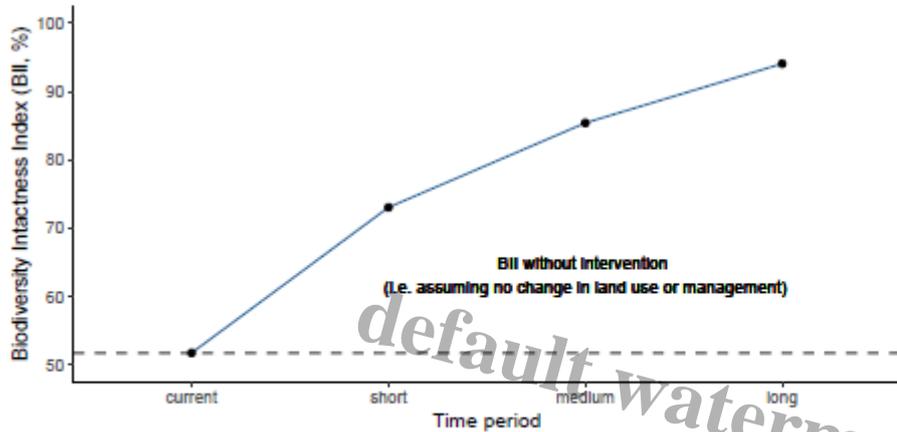


Figure 1: Change in Biodiversity Intactness Index (%) over time after planting scheme compared to no intervention (dashed line)

Time period	BII (%)
current	51.78
short	73.05
medium	85.39
long	94.06

The Biodiversity Intactness Index (BII) was used by Ayr to claim that its ‘restoration project’ at Far Ralia -actually a tree-planting carbon offsetting project financed by public money – would achieve a BII of 94 out of 100 ‘in the long term’ because of a report published by the NHM.

My first post used responses to FOI requests to show NHM staff had never visited Far Ralia but instead undertook a desktop exercise in which they applied something called the PREDICTS database. They then applied this theoretical framework to the proposed tree planting at Far Ralia without considering alternative ways of managing the land for nature, most notably reducing deer numbers and enabling it to regenerate naturally. When the NHM were asked to provide all the specific figures, statistics, formulae used in their calculations for Far Ralia, it refused to provide this information. That means their figures cannot be peer reviewed and have NO scientific validity – a telling indictment of the state of science at a once venerable institution.

Who paid for the NHM’s report on the BII at Far Ralia?

In response to an FOI request asking if they had won the work as a result of a tender the NHM initially claimed they had done the work as a free of charge case study:

This was a free of charge case study that was developed as part of relationship building working with partners.

EY convened an ecosystem collaboration brought together ABRDN and NHM. The purpose was to explore if the NHM's Biodiversity Intactness Index (BII) tool could be used to measure the potential biodiversity gain for ABRDN's real assets, using one of ABRDN's large-scale landscape restoration projects as a pilot.

This lineage is from here:

<https://www.abrdn.com/en-sg/investor/insights-thinking-aloud/article-page/measuring-biodiversity-and-alignment-to-tbfd-a-real-asset-perspective>

EY = Ernst and Young one of the big four management consultants/accountants (for more in their involvement in "green finance" see below).

This did not sound either convincing, given the pressure public institutions are under in both the UK and Scotland to raise income for their work, or in the public interest so the NHM were asked to review their response. This elicited the following:

After reviewing the correspondence, no evidence was found to suggest NHM agreed to undertake the work for free. Extensive inquiries indicated that it was a commercial barter arrangement, where all parties provide data or services, instead of a financial transaction.

Just why "extensive enquiries" were required to establish that the report which the NHM had claimed had been done "free of charge" was actually carried out as part of "a commercial barter arrangement" is unclear. The response begs two further questions:

- How did NHM's commercial barter arrangement with ABRDN fit with this further information response which showed they had produced another report on the BII for Federated Hermes and for which they had received a "nominal fee"?

Response

As well as the report on the Cairngorms there is one other that the team have worked on and produced a report on since the start of 2020.

We have completed a report for Federated Hermes for a nominal fee to cover scientific costs as another pilot case study in October 2022

- And what did NHM get in return from ABRDN? Could they, for example, have been promised a share of the profit should ABRDN sell Far Ralia on the basis that its biodiversity intactness has supposedly increased?

“These planned changes should really increase the area’s Biodiversity Intactness Index, meaning Far Ralia can expect strengthened resilience and ecosystem-service security...certainly a successful outcome for the regeneration plan!”

Biodiversity expert, Prof. Andy Purvis.

Chasing the money – the TFND and the Green Finance Institute

The NHM also provided some redacted email correspondence with EY and Abrdn. It appears from these emails that the NHM agreed that the Far Ralia report could be included as a pilot case study for the Task Force on Nature-related Financial Disclosures (TNFD):

Hi [REDACTED],

Good to hear from you – I hope all is well.

From the NHM side I can say we’d be happy for it to be included in the TNFD framework. Will keep out for any documentation requiring our review and sign-off.

Many thanks,
[REDACTED]

The TFND ([see here](#)) is entirely funded by government and private foundations but run by private business: *“The Taskforce consists of 40 senior executives from financial institutions, corporates and market service providers across the globe.”* All the big four management consultancies, Deloitte, KPMG, Deloitte and PWC are represented. While its mission is ostensibly about concern for nature that concern appears entirely driven by a wish to protect and promote financial interests:

“Mission

Society, business and finance depend on nature’s assets and the services they provide. The acceleration of nature loss globally is eroding the ability of nature to provide these vital services. Taking action to conserve and restore nature is now a critical global priority. Doing so will reduce risks to business and finance. Mobilising business innovation and private finance to halt and reverse nature loss and contribute to nature-positive outcomes will be a major source of new commercial opportunity and competitive advantage.”

The TNFD secretariat is administratively supported by the Green Finance Institute (GFI) and operates as GFI PMO Ltd:



The TNFD Secretariat is administratively supported by the Green Finance Institute (GFI) and GFI PMO Ltd. with company registration number 13559729, and has its registered address at 24 Holborn Viaduct, London, United Kingdom, EC1A 2BN.

The co-chair of the TNFD taskforce and one of the Directors of the GFI PMO Ltd is David William Ian Craig ([see here](#)) who also happens to be a trustee of the NHM:

× **David Craig**

David is co-chair of the Taskforce for Nature-related Financial Disclosures (TNFD) and former founder and CEO of Refinitiv, one of the largest data and technology providers to financial markets with revenues of over \$6.4B. David is a Board Advisor to Triple Private Equity, director of the Green Finance PMO in London and has recently been advising the Bank of England on Data and Nature Risks.

With 30 years of experience in financial markets data and technology, David Craig is seen as a world expert in the data, technology and market infrastructure required to drive sustainable markets.

Last updated January 2024

Another redacted FOI response shows that Doug Gurr, the director of the NHM, was very keen to use the Far Ralia study as a commercial opportunity stating “key success factors for NHM would be capturing a compelling use case for TNFD and to make this a usual service for organisations such as Arbrdnâ (sic):

From: Doug Gurr [REDACTED]

Sent: Friday, July 22, 2022 17:43

To: [REDACTED] >

Cc: [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Subject: Re: abrdn + Natural History Museum + EY | Proof Case linked into the TNFD Beta Framework
Thanks [REDACTED],

1. Agree with [REDACTED] we should capture both use cases (even if we sequence).

2. For NHM key success factors would be (feel free to wordsmith):

- Capturing a compelling use case for TNFD
- Supporting Arbdn with a plan (a) to quantify expected impact on biodiversity of planned land restoration activities (b) to propose any recommended changes to the current plans which could further improve the impact on biodiversity (c) to deliver this to a level that Arbdn would feel confident in communicating externally to their stakeholders and EY would feel confident in certifying
- Gaining practical feedback for the NHM team on any improvements needed to make this a usual service for an organisation such as Arbdn

Regards
Doug

Dr Douglas Gurr
Director
Natural History Museum
<https://www.nhm.ac.uk/>

Fa

Having claimed that Abdrdn's tree planting would increase Far Ralia's Biodiversity Intactness to 94% there was little room for the real scientists at the NHM to recommend changes to their plans. But the way Abdrdn has quoted the NHM's BII report all over the sales brochure for Far Ralia shows they were confident they could use this work to justify trying to sell land for Â£12m which three years previously they had bought for Â£7.5m.

Unfortunately, prior to leaping into this "commercial barter arrangement" it appears the NHM had neglected to establish HOW Abdrdn would be paying for the tree planting and how green finance would be involved. In response to a question as to whether they were aware that the tree planting would be funded by the taxpayer to the tune of Â£2.5m the NHM responded as follows:

Response

No, this information is not held by the NHM. This information did not form part of the project the NHM was involved in.

This also suggests that neither Ayr nor AKRE told the Natural History Museum that Ayr would be eligible for millions of pounds of public funds from the Scottish Government when the woodland creation plan was approved.

The GFI is also known for its close relationship with NatureScot and the Scottish and UK Governments. It is the organisation that made the highly questionable claim of a '£20bn finance gap' for nature restoration quoted by the Green MSP Lorna Slater when she was the responsible Minister ([see here](#)). The £20bn figure was later completely taken apart in an excellent blog post by Laurie MacFarlane on Future Economy Scotland article ([see here](#)).

Chasing the money 'Federated Hermes'

The NHM's provision of another case study to the global investment firm Federated Hermes for a nominal fee appears linked to the Biodiversity Equity Fund which they set up in 2022:

'We are delighted to see the launch of this fund encouraging investment in companies that are helping to preserve and restore biodiversity, and thrilled to see Federated Hermes adopting the Museum's Biodiversity Trends Explorer. Together we can bend the curve of biodiversity loss and create a world in which both people and planet can thrive.'

Doug Gurr
Director, Natural History Museum

Source <https://www.nhm.ac.uk/support-us/our-supporters/federated-hermes.html>

The NHM also claimed ([see here](#)) that the Biodiversity Equity Fund would use the BII, which it described as a 'scientifically rigorous metric', while reporting it would receive a 'donation' of 5% of the 'net management fee revenue from this fund':

~~Together with Federated Hermes, the Museum will continue to explore how the its biodiversity experts and data scientists can help to positively inform the products and services that investment companies enable. Federated Hermes will donate 5% of the net management fee revenue from this fund to the Museum.~~

The Ferret recently

revealed ([see here](#)) that a company called Finance Earth was created in 2020 but dormant till this year had partnered with Federated Hermes to set up an investment vehicle called the UK Nature Impact Fund. The article explained that Finance Earth, a company with no record and no activity until this year, had been contracted by the Scottish Government to write two reports for NatureScot on how to attract private investment.

Conclusion

It says something about the state of the UK that a world famous museum and charity should be providing reports based on questionable predictions of future biodiversity gains to companies such as Abdn. But then the NHM's director Doug Gurr was previously the head of Amazon UK; its trustee David Craig is heavily involved in finance; while its chair is Sir Patrick Vallance, the Chief Scientific Advisor for the climate conference COP26 held in Glasgow in 2021 which was taken over by corporate interests.

According to Doug Gurr, so-called green finance funds are helping to preserve and restore biodiversity but in case of Far Ralia and many other native tree planting schemes in Scotland this is clearly untrue. Neither private funds (carbon credits) nor £2.5 million of public funds were needed to help restore nature at Far Falia as natural regeneration would have done the job if deer numbers had been reduced and without all the damage. The £2.5 million could have been far better used elsewhere but instead was effectively used to subsidise an investment fund held in a tax haven.

Far from financial interests restoring nature, it would be much closer to the truth to say that once venerable bodies concerned with conservation are now being taken over by financial interests. The NHM's deal with Federated Hermes, in which they are supposed to receive 5% of the management fee from its Biodiversity Equity Fund while also potentially calculating changes in biodiversity using the BII, appears a clear conflict of interest. This undermines their scientific credibility. Rather than science influencing finance, finance now appears to be driving the science and in the case of the NHM it appears in real danger of becoming a proxy for the Green Finance Institute.

The NHM has a code of ethics ([see here](#)) which should have prevented it ever getting into the position it has:

Ethical principles

Responsibility and integrity

- We run all our operations fairly and responsibly, acting in the public interest.
- We seek efficiency, economy, and prudence in the administration of public resources.
- We conduct all our activities in accordance with appropriate professional standards and practices.
- We maintain the highest standards of integrity in the conduct of research and analysis.

Accountability and transparency

- We are consistent, fair, honest and transparent in our decision making.
- We apply the highest standards of accountability and transparency to our operations.

Intellectual freedom

- We maintain control of the content and integrity of our programmes, exhibitions, and activities, without influence or interference.

This Code raises multiple questions. How was the NHM's work at Far Ralia in the public interest? How does doing work for Federated Hermes for a nominal fee and the commercial barter arrangement at Far Ralia demonstrate prudence in the administration of public resources? How does refusing to release the methodology behind the BII work at Far Ralia demonstrate appropriate professional standards and practices? How does failing to visit a site or checking how the tree planting was being funded demonstrate research integrity? As for transparency and acting without influence or interference?

“Green finance” interests often claim that private finance provides an additional source of funding which can reduce the need or the amount of public funds used for nature “restoration” projects. The truth, as I have shown for Far Ralia, Muckrach and the Lost Forest is that the companies which have been buying up land claiming they wish to invest in nature have been hoovering up public funds. If the NHM wants to restore its reputation it needs to disown these speculative green finance schemes and return to what it was once good at.

In that respect it is worth mentioning a wonderful book by Richard Fortey, the famous palaeontologist who used to work for the NHM: *The Wood for the Trees* – the Long View of Nature from a Small Wood. It would be hard to find a better description of what Biodiversity Intactness is all about although I don’t recall Mr Fortey using that term once and the woodland he bought was very different to that in the Cairngorms. Doug Gurr and the other Trustees of the NHM, however, could do no better than read that book and then take a visit to look at Far Ralia to understand where they have gone wrong.

Category

1. Cairngorms

Tags

1. CNPA
2. conservation
3. landed estates
4. NatureScot
5. restoration
6. Scottish Government

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