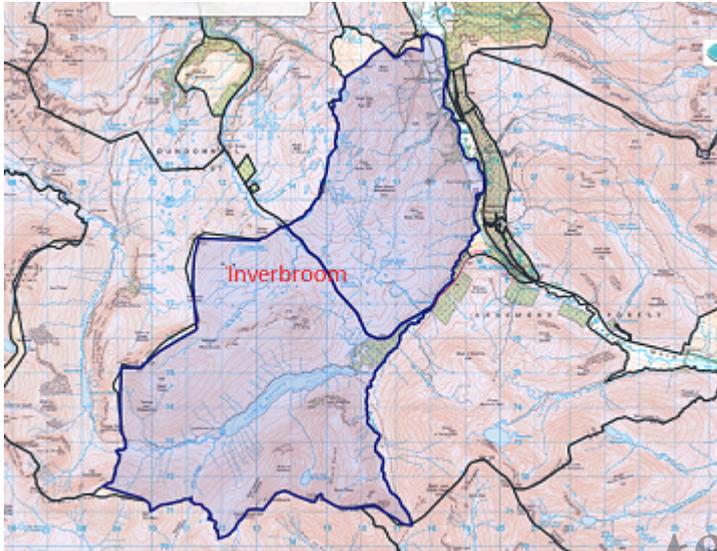


## The Scottish Wildlife Trust's purchase of Inverbroom and natural capital

### Description



Map Credit Andy Wightman Who Owns Scotland

The Scottish Wildlife Trust (SWT)'s announcement earlier this week that they had purchased the Inverbroom Estate ([see here](#)) should be another nail in the coffin for so-called green finance. Tucked away in their news release is a very significant statement:

*“Following the purchase, the Trust has announced several ambitions for the site, from the regeneration of river woodland and temperate rainforest habitat to restoring peatlands and removing invasive species. It has made a commitment to the donor that none of the work at Inverbroom will be funded through the sale of carbon credits.”*

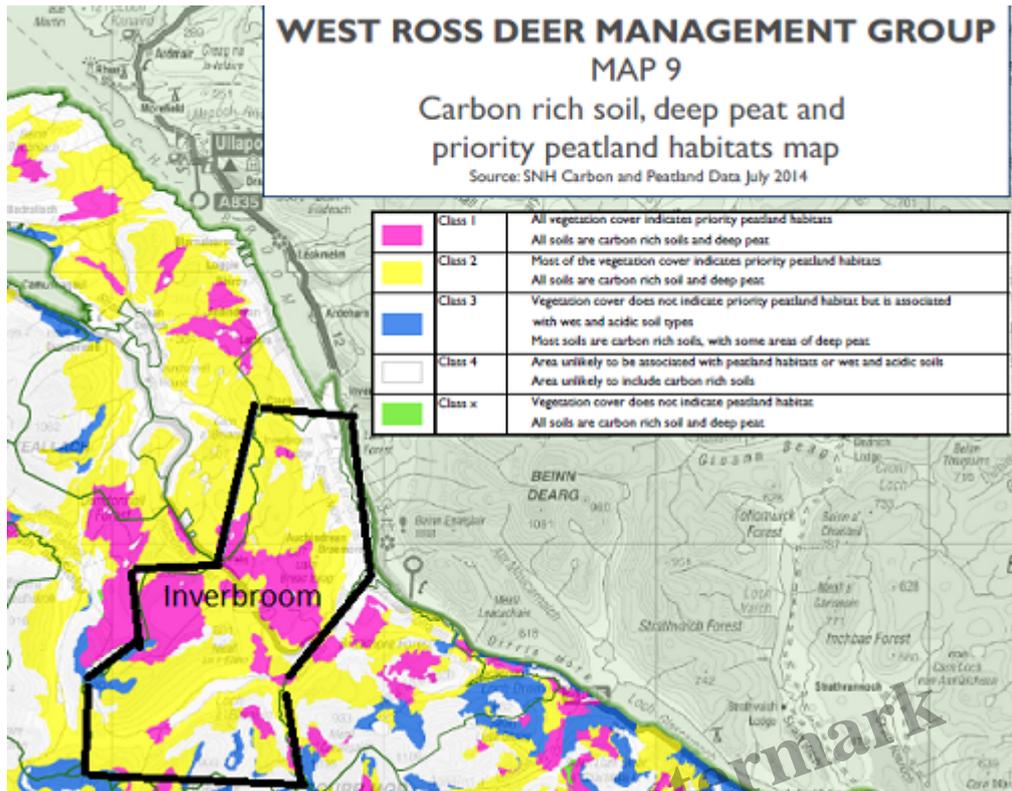
Whoever donated up to £17.5m to enable SWT to purchase Inverbroom is to be congratulated. Perhaps they were aware that the Seventh Carbon Budget report published on the 26th February by the UK Climate Change Committee (CCC) ([see here](#)) has serious implications for the Scottish Forestry grants system and the sale of carbon credits under the Woodland Carbon Code? While the CCC report includes woodland expansion as an important means of reducing emissions that is ONLY if new planting is restricted to MINERAL soils :

**Woodland creation and management (4% of emissions reduction in 2040, rising to 15% by 2050).** In the Balanced Pathway, planting new diverse woodlands increases UK woodland cover area from the current 13% to 16% by 2040 and 19% by 2050.<sup>†</sup>

- The pathway assumes a mix of broadleaf (65%) and conifer (35%) new woodland to avoid non-resilient monocultures and to deliver wider benefits, with 15% of the total area used as open ground to increase biodiversity in the landscape.<sup>‡</sup> Trees are only planted on mineral soils, with organo-mineral and organic soils excluded to protect biodiverse habitats and minimise soil carbon loss from planting disturbance.
- Sustainable management of existing broadleaf woodland rises from the current 20% to 80% by 2035. We assume that all conifer woodlands are currently managed.

The reason for this is very simple. There is far more carbon locked up in soils than could ever be held in trees/timber while the process of planting trees on organic soils release carbon into the atmosphere. Hence why the various tree planting schemes in the Cairngorms that have been covered on Parkswatch have been so disastrous from a carbon as well as a nature perspective: Calthorpe's Muckrach ([see here](#)), BrewDog's Lost Forest ([see here](#)) and Abrdn's Far Ralia ([see here](#)).

While both Scottish Ministers and Scottish Forestry have still to appreciate this fact and continue to fork out large sums of public money to plant on peatland, fuelling land speculation in the process, it appears that SWT's donor is aware of the dangers and of selling carbon credits to pay for this. Most of the lower ground at Inverbroom is covered by deep peat and carbon rich soils and any extensive tree planting therefore would be disastrous:



Soil map from West Ross Deer Management Group

The agreement between SWT and their donor is highly significant, however, because SWT has been at the forefront of attempts in Scotland to attract private finance to “invest” in nature for over twenty years. It has done this by trying to attribute a financial value to ecosystem “goods” and “services” and with that create an economics founded on the idea of “natural capital”. SWT first published a policy on the subject in 2010. They then organised the inaugural World Forum on Natural Capital, held at the Edinburgh International Conference Centre, in November 2013 and that same year were one of the founding partners of the Scottish Forum on Natural Capital ([see here](#)). A whole section of SWT’s website is devoted to “natural capital” ([see here](#)) which I regard as a contradiction in terms.

## What is natural capital?

The idea of trying to use some of vast sums of money floating around the financial system to invest in restoring nature and call this “green finance” is attractive to public authorities whose budgets have been cut, people with a naive faith in capitalism and to those on the lookout to make a quick buck.

The truth about capitalist markets, however, is that it really doesn't matter what they "invest" in, its the return that counts, and the idea that there is such a thing as "green finance" is simply wrong. Hence why most of the world's oil companies have recently stopped "investing" in renewables and have returned to extracting oil and gas out of the ground. This is not to deny that some companies have positioned themselves at the greener end of the markets or try to attract investors who want to be green, but the way ABRDN decided to walk away from Far Ralia in less than three years ([see here](#)) and BrewDog have withdrawn from the Woodland Carbon Code ([see here](#)) speaks volumes.

While SWT has been right to try and articulate why nature is valuable, where they have gone wrong is trying to turn that into a financial value. The underlying implication is that the only thing that matters in the world is money and until we financialise nature it will be of no account. All that serves to do is to hand victory to the very interests who have been destroying the natural world in the first place. This is fundamentally wrong and contrary to the views of most people who believe that things like nature (or love for that matter) have value in their own right.

Underpinning this fundamental mistake has been the attempt to equate the assets of the natural world with capital by describing them as "natural capital". The two are basically very different. Capital is a product of human labour and is unable to renew itself without more human labour. Whatever the capital product, whether house or machine, it won't last without continued human intervention and, if not destroyed by humans, will decay as a result of natural processes. Nature is different. While now greatly impacted on and influenced by humans, it is still independent of us and both the physical processes associated with what we call the elements (heat, wind, precipitation etc) and the natural processes which make life possible renew and evolve whatever we do.

The application of the term “capital” to “nature” has had the disastrous consequence that many people, including most of the “nature establishment” in Scotland, believe that the only way to restore nature (natural capital) is through human intervention (labour) and this can be done through the creation of a market. A good example is the Loch Lomond and Trossachs National Park Authority who published a guide to green finance last year ([see here](#)). (Their Director of Conservation, Simon Jones, previously worked for SWT). While paying lip service to the dangers of greenwashing, the LLTNPA’s solution is to promote the disastrous Woodland Carbon Code which inflates the financial value of tree carbon by discounting the value of soil carbon which is, objectively, far more valuable:

▼ **The guidance references the use of 'carbon credits', aren't there questions about such credits?**

We acknowledge the concerns about carbon credits and in developing the Guidance we have addressed these concerns by recommending the voluntary use of government-backed schemes such as the Woodland Carbon Code to prevent greenwashing, ensuring long-term sustainability and that all investments maintain genuine environmental integrity and credibility.

This disastrous market has created a multitude of carbon releasing tree planting schemes behind damaging deer fences when all we need to do in the uplands is stop the human activities that damage nature, such as the preservation of artificially high numbers of red deer for private hunting, and nature would restore itself.

I will return to the economics of the attempt to create a market in natural capital in further posts but the good news is that SWT appear to have accepted that there is no need to trade in carbon credits to “restore nature” at Inverbroom. In fact, as long as they employ sufficient local stalking staff to reduce deer density to 2 per square km – following the example of NTS and Wildland Ltd – they wouldn’t need to do much else.

## **Biodiversity markets?**



Riverine woodland between the A832 (Dundonnell to Braemore Junction Rd) and the Abhainn Cuilraig on the Inverbroom Estate. Red deer tend to avoid areas where they might be trapped, like the land between the road and the river, and shows what might happen if numbers were reduced everywhere

What is not clear from their news release is what SWT's "ambitions for the site" for the site entail. The reference to "the regeneration of river woodland and temperate rainforest habitat" suggests they may be content to let nature do this itself by reducing deer numbers. I have walked along the two main rivers on the property and there are plenty of old trees that would regenerate if given the chance.



There are plenty of other seed sources for native trees if deer numbers were reduced

The reference to “restoring peatlands”, however, suggests SWT may have some more active interventions in mind some of which, like “removing invasive species” would be a good thing but others might not.

What is concerning is that just a few days before announcing the purchase of Inverbroom, SWT welcomed [\(see here\)](#) the publication of the Scottish Government’s Biodiversity Investment Plan. This is supposedly intended “to support the creation of a nature finance system that enables funding and

finance to flow into high integrity biodiversity outcomes". SWT clearly still can't see anything wrong in the concept of natural capital in itself and is now backing an "Ecosystem Restoration Code" to sit alongside the disastrous Woodland Carbon and Peatland Carbon Codes it has agreed not to use at Inverbroom.

While I believe ALL these attempts to create markets out of "natural capital" are both misguided – organisations like SWT should be calling for more taxes on the rich and on profits which could then be used to fund things like deer control and the removal of invasive species – and doomed, one thing is certain. If SWT continue to try and ride two horses at once they will eventually fall off! Having been a (silent) member for over 20 years, I hope they will slide over onto the right horse and start valuing nature rather than "green finance".

### **Category**

1. Loch Lomond and Trossachs
2. Other parts Scotland

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