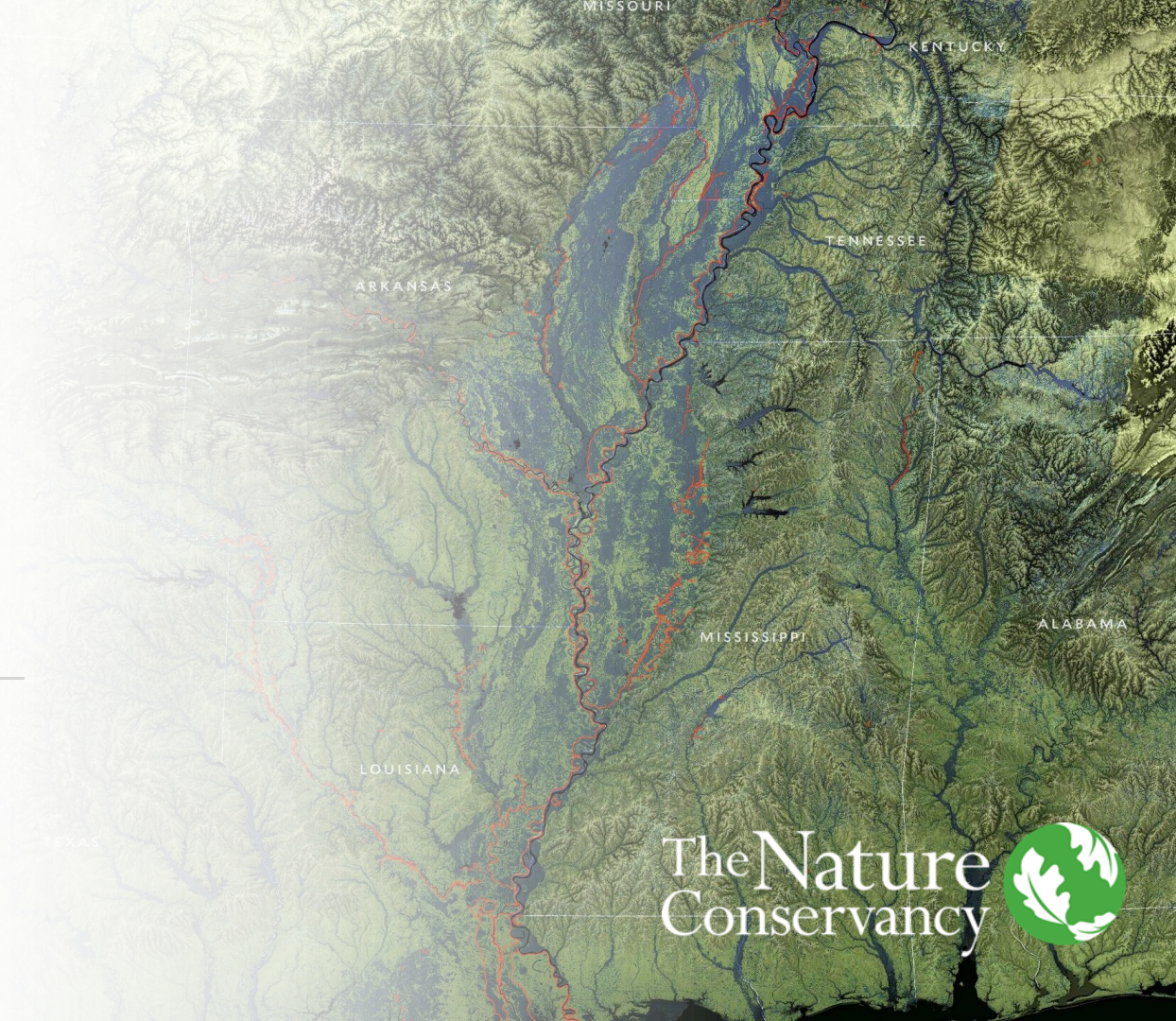




Markets for Floodplain Reforestation





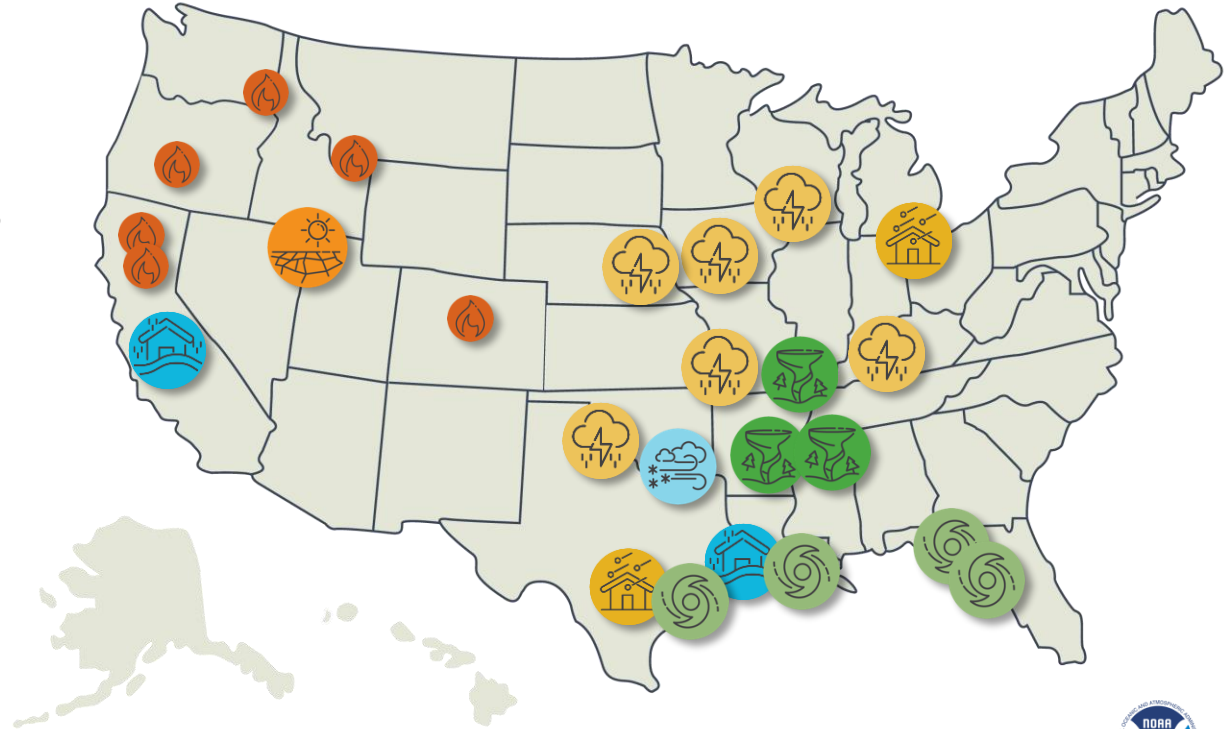
The Goal

The Setting



Why now?

In 2021 there were 20
\$1 Billion Weather and
Climate Related Disasters



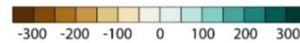
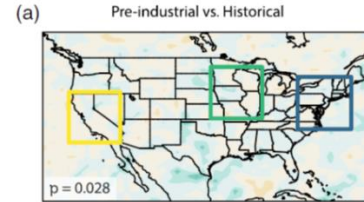
Source: <https://www.ncdc.noaa.gov/billions/>



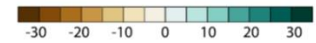
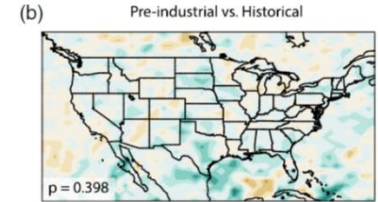
Why now?

Research predicts a 30% to 130% increase in flooding over next decades.

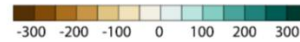
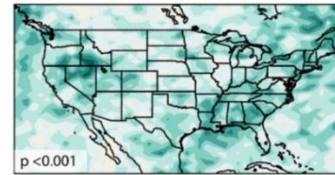
Change in Frequency (%)



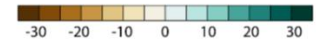
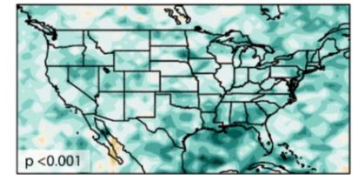
Change in Magnitude (%)



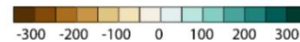
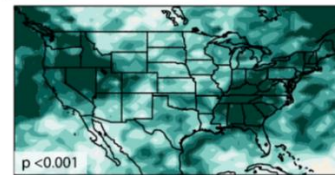
(c) "Medium warming" (2020-2049) vs. Historical



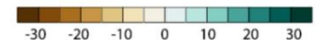
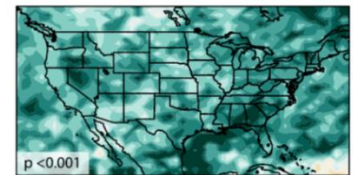
(d) "Medium warming" (2020-2049) vs. Historical



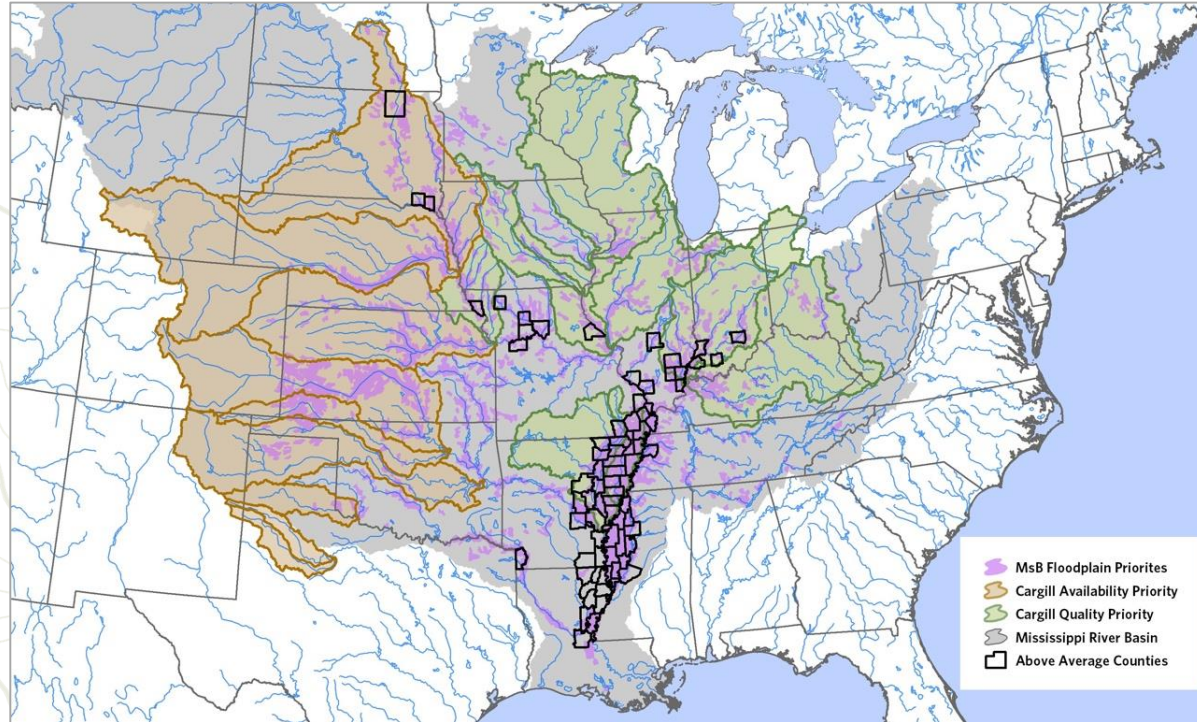
(e) "High warming" (2050-2079) vs. Historical



(f) "High warming" (2050-2079) vs. Historical



Mississippi River Floodplains



A photograph of a large flock of birds, likely waterfowl, flying over a body of water. The background consists of a dense forest of bare trees, suggesting a late autumn or winter setting. The text is centered over the image, with a thin orange horizontal line above it.

The Delta's floodplains offer
an opportunity to address
major climate impacts



**The same counties
and farmers are
impacted every year**

The Need is Great

Only 1 out of 9 applications
for reforestation of flooded
lands are funded by NRCS





The
Vision

Conservation Finance Plan



Investors

Invest in the reforestation finance effort



Landowners

Receive payments for the use of frequently flooded land



Partners

Conserve and reforest the frequently flooded land, sell carbon credits



Carbon Buyers

Purchase carbon credits from the reforested land

Value Proposition



Investors

Invest in the reforestation finance effort



Contribute to environment; earn investment return



Landowners

Receive payments for the use of frequently flooded land



Earn return from marginal farmland; diversify their revenue



Partners

Conserve and reforest the frequently flooded land, sell carbon credits



Contribute to key US reforestation project



Carbon Buyers

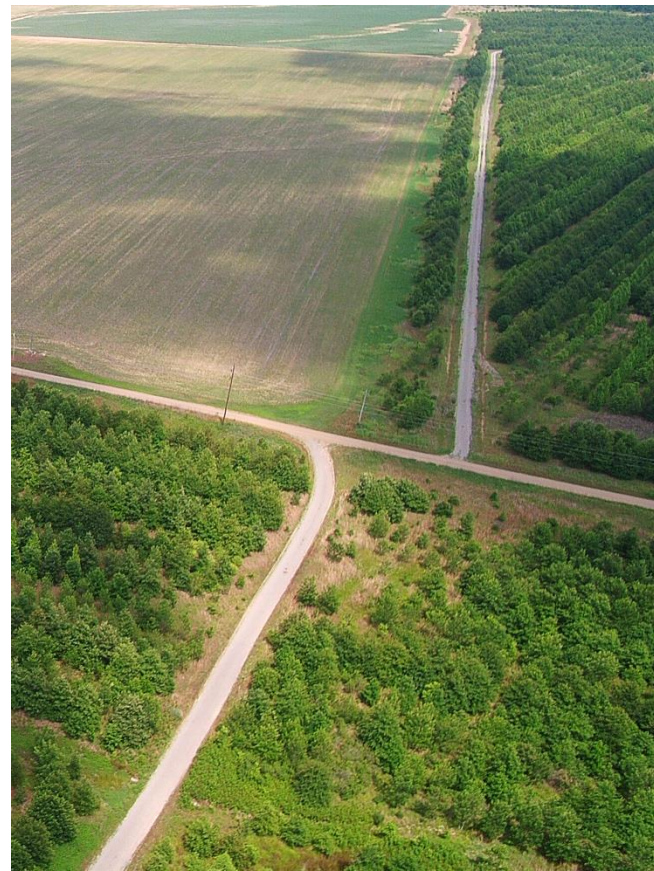
Purchase carbon credits from the reforested land



Carbon offsets; local Delta ESG benefits

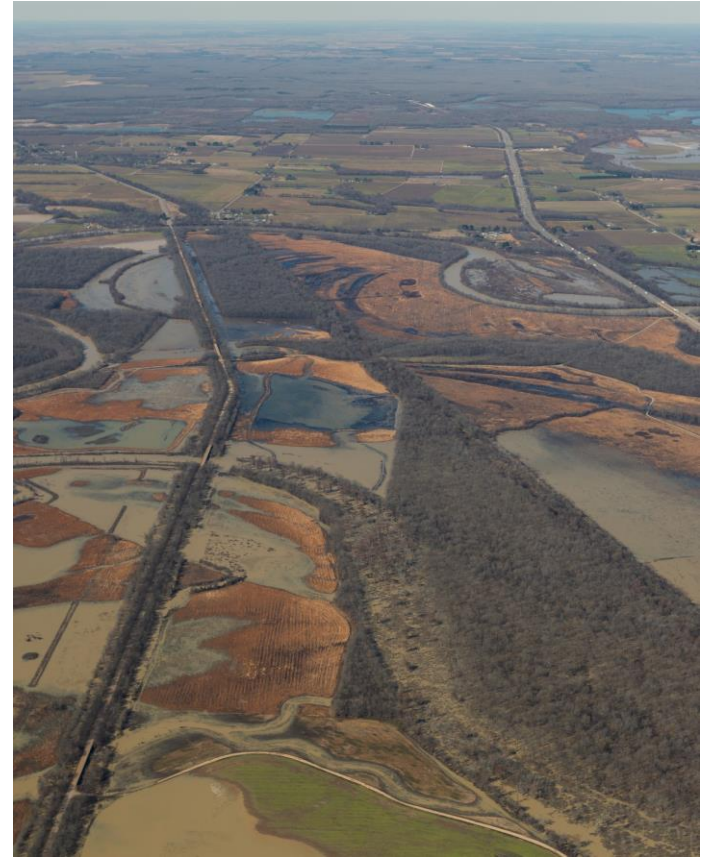
Project Development

- Gathered baseline research and developed financial model with assistance from Bain & Company.
- Harvard Business School's pro-bono project developed investor profiles & revised financial model
- Conducted survey of 6000 Delta (MS, LA, AR) landowners about floodplain conservation incentives
- Garnered Divisional and North American Regional support with assistance from Principal Gifts, Communications, Government Relations, and Science
- Developed specific opportunity for Goldman Sachs Asset Management with NatureVest.



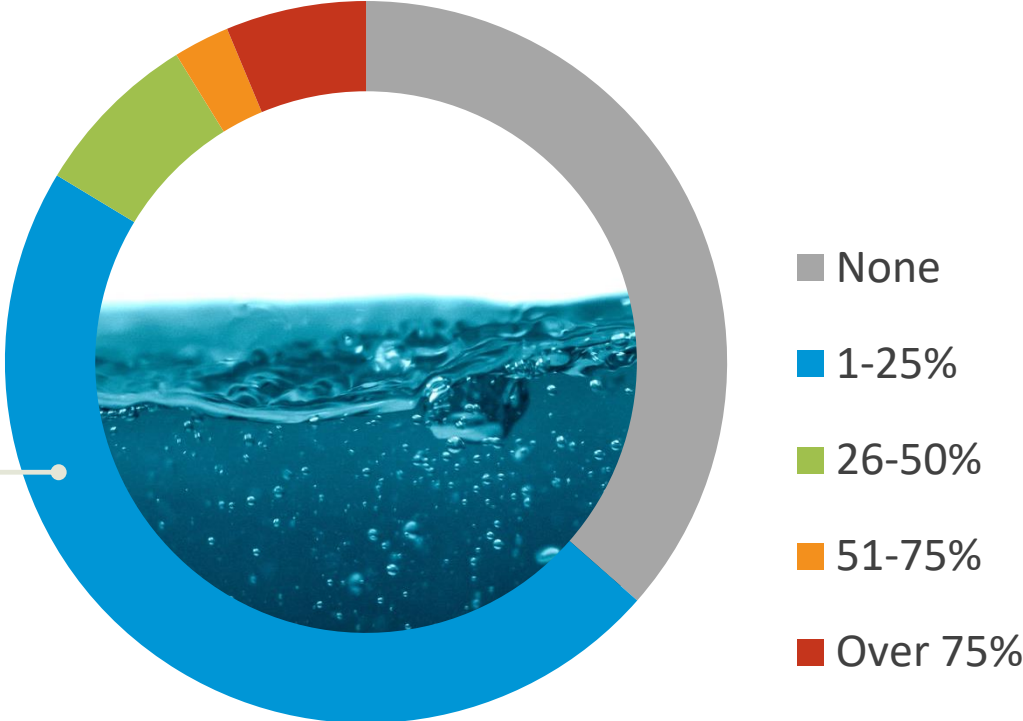
Project Development

- Darrin Williams, CEO - Southern Bancorp.
- Rush Harding, Bank OZK
- Dennis Hunt, EVP – Public Finance, Stephens, Inc.
- Rodney Ferguson, President and CEO WinRock International
- John Gearen, Director of TNC's Market Lab
- Nathan Truitt, VP Strategic Partnerships, American Forest Foundation



Percentage of Flooded land

We asked landowners, “What percentage of your agricultural land is frequently flooded?”



Over 60% of respondents with some flooding (1-25%) operate over 1,000 acres of land.

Landowner Survey Results

We asked, “What would it take for you to opt in? What is your flooded land worth to you?”

Contract Length	Payment per Acre	Total Respondents Given Option	Total Respondents Choosing Option	% Selecting Option
15 years	\$50 per acre each year of contract	216	8	3.7%
15 years	\$75 per acre each year of contract	219	9	4.1%
15 years	\$100 per acre each year of contract	170	11	6.5%
15 years	\$125 per acre each year of contract	129	16	12.4%
15 years	\$150 per acre each year of contract	187	24	12.8%
30 years	\$50 per acre each year of contract	173	5	2.9%
30 years	\$75 per acre each year of contract	154	5	3.2%
30 years	\$100 per acre each year of contract	147	12	8.2%
30 years	\$125 per acre each year of contract	165	13	7.9%
30 years	\$150 per acre each year of contract	171	23	13.5%
Permanent	One-time payment of \$1,000 per acre	166	6	3.6%
Permanent	One-time payment of \$1,500 per acre	129	5	3.9%
Permanent	One-time payment of \$2,000 per acre	159	15	9.4%
Permanent	One-time payment of \$2,500	162	8	4.9%
Permanent	One-time payment of \$3,000 per acre	173	10	5.8%

25.1%

would opt in for a 15 yr. contract for \$125-\$150 per acre, per year

13%

would opt in for a 30 yr. contract at \$150 per acre, per year

Project and Funding Phases



Phase 1

Year 0



Fundraising & Landowner Enrollment

Phase 2

Years 1-10



Reforestation & Carbon Monitoring

Phase 3

Years 11-39



Carbon Offsets Generated

Phase 4

Year 40



Exit and Reinvest Proceeds

Next Steps

Finalize the
Financing
Structure

Secure initial
capital to launch
the project

Secure
Corporate
Carbon Buyers

Identify year 1
& 2 tracts for
restoration

How you can help



Network

Strategic relationships to discover project partners



Review

Provide experience to understand complex roles where everyone wins



Invest

Assist with raising capital or philanthropic investments to launch

For more information contact

Jason Milks

Director of Strategic
Partnerships, Freshwater

jmilks@TNC.org

The Nature
Conservancy

