Policy Brief

Mainstreaming Nature-based Solutions into Policy

About this brief

This brief presents insights of the Invest4Nature (I4N) **policy framework assessment** for NbS implementation across different policy domains, including the current EU Sustainable policy framework.

It highlights:

- Gaps and barriers in current policies that limit investment flows towards NbS.
- Specific shortcomings in the EU Sustainable Finance policy framework, including the EU Taxonomy, for integrating NbS.
- Recommendations to strengthen NbS' s role in sustainable finance policies and accelerate uptake.

For more details and sources, read Chapter 5 of the Invest4Nature report:

Policy Framework Assessment and Recommendations (Deliverable 5.3)

↗ Read the full report

Context

Despite growing policy recognition of Nature-based Solutions (NbS) potential to address climate change, biodiversity loss and increasing disaster risk at multiple levels, their large-scale implementation is still limited.

A critical challenge is translating strategic ambitions into concrete, bankable projects capable of attracting sufficient public and private investment.

A review of 13 EU NbS-related policies and 5 sustainable finance frameworks was conducted across climate change, disaster risk reduction, and biodiversity protection policy domains .

The review examined to what extent those instruments support the implementation of NbS across different landscapes. Living Labs provided insights into practical experience and context-based evidence.

Digital version: Guidi, C. et al. (2026) https://doi.org/10.5281/zenodo.21994842

Forest Illustrations depicting forests under climate pressure and forest fires (left) and resilient and sustainably managed forests as NbS. By Claudia Schioppa © CMCC.

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Gaps and Barriers

Limited operationalization of policy provisions on NbS

Many instruments still rely on broad recognition, voluntary approaches, or weakly binding provisions rather than clear implementation requirements.

Lack of policy coherence across different sectors and landscapes

NbS governance system is fragmented: decision-making structures are siloed, coordination is limited across different needs of the various sectors, priorities among different governance bodies at multiple levels and objectives across different policies are misaligned.

Inadequate monitoring frameworks, technical guidance, valuation metrics and assessment tools for NbS across landscapes

The lack of monitoring, evaluation and learning mechanisms generates significant uncertainty in both the operationalization of NbS projects and outcome measurement, ultimately impeding scaling efforts.

Insufficient scale of NbS financing

NbS remain curbed by fragmented financing schemes, limited access to long-term horizon capital and poor reliable metrics to track/monitor NbS performance.

Inadequate NbS position in the EU Taxonomy

The current EU Taxonomy coverage of NbS is only partial and fragmented. NbS are not yet treated as a coherent category supporting and enabling adaptation.

Policy	Policy domain	Link to NbS	Link to Finance	Binding force
EU Climate Law	Climate change	★☆☆	★☆☆	★★★
EU Adaptation Strategy	Climate change; Disaster risk reduction	★★☆	★☆☆	★☆☆
EU Water Resilience Strategy	Climate change	★★☆	★☆☆	★☆☆
Common Agricultural Policy	Climate change; Disaster risk reduction; Biodiversity protection	★☆☆	★☆☆	★☆☆
LULUCF Regulation	Climate change; Biodiversity protection	★☆☆	★☆☆	★★★
EU Floods Directive	Disaster risk reduction	★☆☆	★☆☆	★★☆
EU Farm to Fork Strategy	Biodiversity protection	★☆☆	★☆☆	★☆☆
EU Biodiversity Strategy for 2030	Biodiversity protection	★★☆	★☆☆	★☆☆
EU Nature Restoration Regulation	Biodiversity protection	★★☆	★☆☆	★★★
EU Soil Strategy for 2030	Climate change; Disaster risk reduction; Biodiversity protection	★☆☆	★☆☆	★☆☆
Soil Monitoring Law	Climate change; Disaster risk reduction; Biodiversity protection	★☆☆	★☆☆	★★★
EU Marine Strategy Framework Directive	Disaster risk reduction; Biodiversity protection	★☆☆	★☆☆	★★☆
EU Forestry Strategy for 2030	Climate change; Disaster risk reduction; Biodiversity protection	★☆☆	★☆☆	★☆☆

Policy	Policy domain	Link to NbS	Link to Finance	Binding force
EU Taxonomy	Climate change; Disaster risk reduction; Biodiversity protection	★★☆	★★★	★★★
Corporate Sustainability Reporting Directive	Climate Change; Disaster risk reduction; Biodiversity protection	★★★	★★★	★★★
Sustainable Finance Reporting Directive	Climate change; Disaster risk reduction; Biodiversity protection	★☆☆	★★★	★★★
European Green Bond Standard	Climate Change; Disaster risk reduction; Biodiversity protection	★☆☆	★★★	★☆☆
ESG Benchmark regulation	Climate Change	★☆☆	★★★	★★★

Table 1&2. Overview of NbS-related EU policies addressing climate change, disaster risk reduction, biodiversity protection and sustainable finance and rating based on explicit links to NbS, finance and binding force (D5.3).

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Recommendations

1. **Design policy frameworks which reinforce country commitments to mainstream and implement NbS across landscapes**

   Policy frameworks need stronger operationalization: moving from broad recognition of NbS towards binding, targeted, and landscape-sensitive implementation mechanisms, supported by clearer obligations, measurable targets, and stronger links to planning and funding instruments.

2. **Strengthen technical guidance, metrics and tools for NbS across landscapes**

   The uptake and scaling of NbS require improved technical guidance, standardized metrics, monitoring frameworks, and practical assessment tools to support implementation, demonstrate performance, and strengthen comparability across projects and landscapes.

3. **EU Taxonomy as a flagship sustainable finance instrument with the potential to move NbS from policy ambition to investable action**

   Stronger positioning of NbS in the Taxonomy would not require a completely new architecture. Instead, it could be achieved by introducing a broad NbS activity under the adaptation objective, relying on the generic adaptation substantial contribution criteria, and strengthen the "Do No Significant Harm" where it is needed.

4. **Promote an integrated governance system for NbS across landscapes**

   More effective and coordinated governance systems are needed to overcome fragmented responsibilities, strengthen cross-sectoral and multi-level cooperation, and embed NbS more systematically into sectoral strategies and territorial planning.

5. **Stimulate economic incentives for NbS financing across landscapes**

   Stronger financing and incentive schemes are needed to make NbS more investable, including clearer valuation approaches, better integration into existing financial and reporting frameworks, and the development of blended and long-term funding models that support project development, scaling, and maintenance.

Conclusion

The current EU policy landscape provides an increasingly supportive framework for NbS which is often not matched by sufficiently operational, binding, or financially enabling mechanisms.

This brief highlights that the successful uptake of NbS requires creating binding and coherent policy frameworks, improving governance coordination, developing clear technical tools and metrics, and mobilising long-term financing.

Unlocking their full potential, NbS can become a mainstream solution for climate resilience, biodiversity restoration, sustainable land management, and green economic development across different European landscapes.

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The economics of Nature-based Solutions

Invest4Nature

Invest4Nature aims to attract investments in one of the key measures of climate change adaptation and risk reduction: Nature-based Solutions.

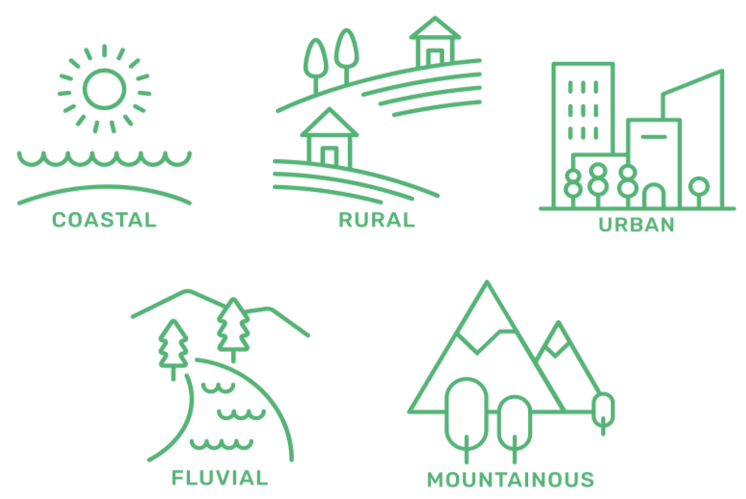
In Invest4Nature's vision to create flourishing markets for nature-based solutions (NBS), it **aims** to:

- Create thorough understanding **of the economic costs and benefits** of NBS to enable the creation of business models and suitable market conditions for NBS
- Develop a **decision support** tool to enable private & public stakeholders make **informed decisions** on NBS investments
- Create a multi-stakeholder **online marketplace**
- Establish a European NBS **investment community**

5 Living Labs

Austria, Denmark, Norway, Poland and Portugal

with **NBS cases** covering a variety of **landscapes**:



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