



UNIVERSITY OF  
CAMBRIDGE

Institute for  
Sustainability  
Leadership



**NATURANCE**  
Project Outcomes

# The NATURANCE project

## Introduction

NATURANCE is a Horizon Europe project to explore the technical, financial, and operational feasibility and performance of solutions combining disaster risk financing with Nature-based Solutions (NbS).



Nature-based Solutions are cost-effective and deliver multiple benefits, yet their true social value is rarely accounted for, leading to market distortions and under-protection. Nature-based insurance can fill this gap by recognizing the financial value of natural assets and incentivising their conservation. Read more in CISL's [Primer on the financial materiality of Nature-based Solutions](#).

## About this document

This document summarises the key outputs of the NATURANCE project and the contribution led by CISL and ClimateWise and is intended as a high-level overview. The document brings together:

- Key project insights and outputs
- Practitioner-focused tools and resources
- A five-phase roadmap developed through NATURANCE by CISL and ClimateWise to support implementation of nature-based solutions

Readers are encouraged to follow the links throughout to access more detailed briefs, training modules and technical materials.

# The NATURANCE project

## Innovation Labs

Between April 2023 and January 2026, NATURANCE conducted nine Innovation Labs to bring together experts from different sectors to co-create climate adaptation financing pathways involving NbS.

The innovation labs provided collaborative spaces designed to boost nature-based insurance solutions by bringing together a diverse range of stakeholders – including NbS networks, local governments, insurers, and researchers. By fostering experimentation, dialogue and cross-industry sharing, the format allows participants to challenge dominant and business-as-usual models and trigger societal transformation:



The specific topics for the innovation labs were decided collaboratively by interested participants from the project’s knowledge networks. Members of the NATURANCE consortium were then selected to lead each innovation lab.

## CISL and ClimateWise

Developed in collaboration with [ClimateWise](#), the innovation lab led by CISL convened senior practitioners across finance, policy and nature to translate research into practical, decision-relevant outputs. It considered how the insurance sector could catalyse investment in NbS. The resulting roadmap helps practitioners understand what actions are needed, when they matter most, and where insurance can play a meaningful role, while other insights gained through the project are helpful in ensuring NbS have suitable outcomes.



# NATURANCE in numbers

## Dissemination, stakeholder engagement and outreach were central to the project

**15** research publications

**30** publications targeting practitioners

**50** conference presentations

**2** in-person Festivals (**300** attendees in total)

**2** online Webfestivals (**600** attendees in total)

### Audiences



#### Environmental Experts

Including ecologists, modellers and the research community more broadly



#### Insurance Professionals

Including risk managers, regulators and financial institutions more broadly, such as banks and investors



#### Nature-based Solutions promoters and developers

Businesses, landowners and property developers, non-governmental/not-for-profit organisations



#### Authorities

Local, regional, national; including water boards, forest agencies and policymakers

**60** knowledge partners engaged

**60,000** NATURANCE website visitors

Outcomes presented at **40** events

**35** webinars organised

**40** stakeholders interviewed

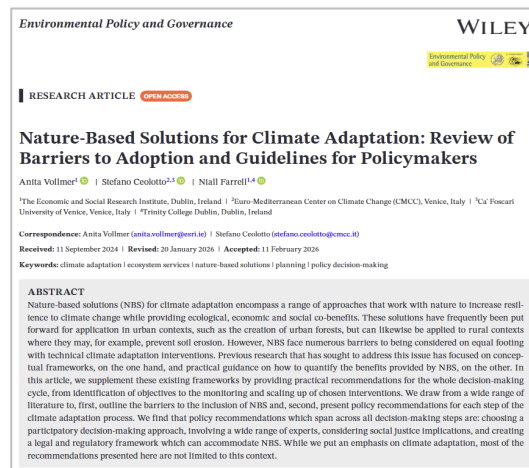
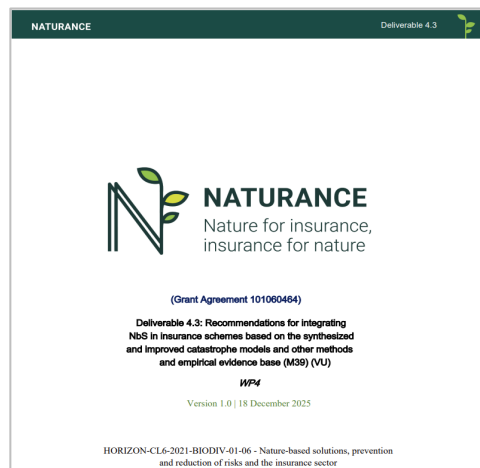
# The NATURANCE project

**Final outputs provide practical guidance summarising the project’s findings of how NbS can be better integrated into risk transfer, investment, and advisory frameworks:**

**Four briefs** – tailored to key stakeholders – highlight key insights gained from the NATURANCE project. Access them here: <https://www.naturanceproject.eu/briefings/>

**Training modules** – available as webpages – review the outcomes of each of the project’s nine Innovation Labs in a summarised, accessible format. Access them here: <https://www.naturanceproject.eu/innovation-labs/>

**Longer and more detailed materials** - such as full reports of each innovation lab, related insight pieces, presentations, and research publications - are linked within the briefs and webpages for those who wish to engage more deeply.



# Briefs for policy makers, finance professionals and other stakeholders

## Four briefs summarise NATURANCE's work across three main themes:

**BRIEF**  
Risk transfer and reduction through nature-based solutions

About | Context

This is part of a series of briefs presenting insights from the NATURANCE project for use by policymakers and finance professionals.

The project explored opportunities and barriers to the use of nature-based solutions (NBS) in insurance and investment, and was conducted in collaboration with insurance industry experts, knowledge partners, and other relevant stakeholders through Innovation Labs.

This brief highlights key insights from four of these Innovation Labs that were focused on risk management and summarises NATURANCE's work to:

- Review how risk transfer can enable NBS and vice versa.

NBS are interventions supported by nature that aim to help address climate- and nature-related risks, for example those linked to flood, wildfire or urban heat.

They also provide environmental, social, and economic co-benefits such as enhanced biodiversity, carbon sequestration, cultural and recreational services, and contribute to sustainable economic growth.

To facilitate wider use of NBS, risk transfer mechanisms can increase financial viability for investors. NBS can also make these mechanisms more sustainable through risk reduction.

**BRIEF**  
Scaling investment in nature-based solutions

About | Context

This is part of a series of briefs presenting insights from the NATURANCE project for use by policymakers and finance professionals.

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This brief summarises NATURANCE's work through four of these Innovation Labs to:

- Review in general how the insurance industry can catalyse

NBS are interventions supported by nature that aim to help address climate- and nature-related risks, for example those linked to flood, wildfire or urban heat.

They also provide environmental, social, and economic co-benefits such as enhanced biodiversity, carbon sequestration, cultural and recreational services, and contribute to sustainable economic growth.

Nature and humans face increasing pressures from extreme weather, climate change, water scarcity, pandemics and other shocks. Yet there is a large

**BRIEF**  
Assessing the co-benefits of nature-based solutions

About | Context

This is part of a series of briefs presenting insights from the NATURANCE project for use by policymakers and finance professionals.

The project explored opportunities and barriers to the use of nature-based solutions (NBS) in insurance and investment, and was conducted in collaboration with insurance industry experts, knowledge partners, and other relevant stakeholders through Innovation Labs.

This brief summarises NATURANCE's work to:

- Develop an improved evidence-based approach for quantifying and monetising the co-benefits of NBS.

Nature-based Solutions (NbS) are interventions supported by nature that aim to help address climate- and nature-related risks, for example those linked to flood, wildfire or urban heat.

They also provide environmental, social, and economic co-benefits such as enhanced biodiversity, carbon sequestration, cultural and recreational services, and contribute to sustainable economic growth.

The total value generated by NBS is often underestimated due to limited understanding of their potential to both

**BRIEF**  
Assessing flood risk in the context of nature-based solutions

About | Context

This is part of a series of briefs presenting insights from the NATURANCE project for use by policymakers and finance professionals.

The project explored opportunities and barriers to the use of nature-based solutions (NBS) in insurance and investment, and was conducted in collaboration with insurance industry experts, knowledge partners, and other relevant stakeholders through Innovation Labs.

This brief summarises NATURANCE's work through the Netherlands Flood Lab to:

- Improve flood risk modeling to account for NBS and

Data availability often limits accurate assessment of risks when insuring natural catastrophes, meaning backward-looking approaches may not be suitable. Catastrophe modeling is therefore frequently favoured by insurers for assessing flood risk. However, a wide range of models is available and they often don't capture the effects of NBS.

NBS are interventions supported by nature that aim to help address climate and nature-related risks, for example those linked to flood, wildfire or urban heat. They also provide environmental, social, and economic co-benefits such as enhanced biodiversity, carbon sequestration,

### Key insights include:

- There is significant potential for greater use of NbS in response to environmental risks, though it is important to understand potential trade-offs;
- The use of NbS as risk transfer and reduction mechanisms is at an early stage but slowly gaining momentum;
- There are important lessons to be learned to ensure the effectiveness and equitability of NbS;
- Enhanced technical methodology can help to better quantify and monetise co-benefits derived from NbS as well as understand their risks. In particular, briefs 3 and 4 summarise new methodologies developed in the project which provide more accurate risk modelling and co-benefit calculations when NbS are used. The full technical details are available in separate reports.

Access the full briefs here: <https://www.naturanceproject.eu/briefings/>

# NATURANCE Innovation Labs: Training modules

Five labs related to the underwriting pillar of insurance, i.e the assessment, pricing and management of risk:

Underwriting pillar of insurance

Investing in natural flood management in urban areas in the UK

READ MORE

Underwriting pillar of insurance

Methods to quantify flood risk reduction and co-benefits of nature-based solutions in the Netherlands

READ MORE

Underwriting pillar of insurance

Harnessing insurance to promote nature-based solutions for wildfire risk management

READ MORE

Underwriting pillar of insurance

Financing for heat action plans at city-level in Europe

READ MORE

Underwriting pillar of insurance

Boosting flood resilience in Italy through controlled flooding, community insurance and nature-based solutions

READ MORE

Three labs related to the investment pillar, i.e. the management and allocation of assets to meet future liabilities:

Investment pillar of insurance

Advancing nature-based solutions through innovative resilience finance

READ MORE

Investment pillar of insurance

Wetland restoration as nature-based solutions: management and financing needs

READ MORE

Investment pillar of insurance

Promoting a network of protected areas to support biodiversity and ecosystem functioning - an opportunity for nature conservation investment?

READ MORE

Developed in collaboration with *ClimateWise*, the lab led by CISL considered the sector as a whole:

Insurance sector as a whole

How can insurance be an enabler to catalyse investment into nature-based projects?

READ MORE

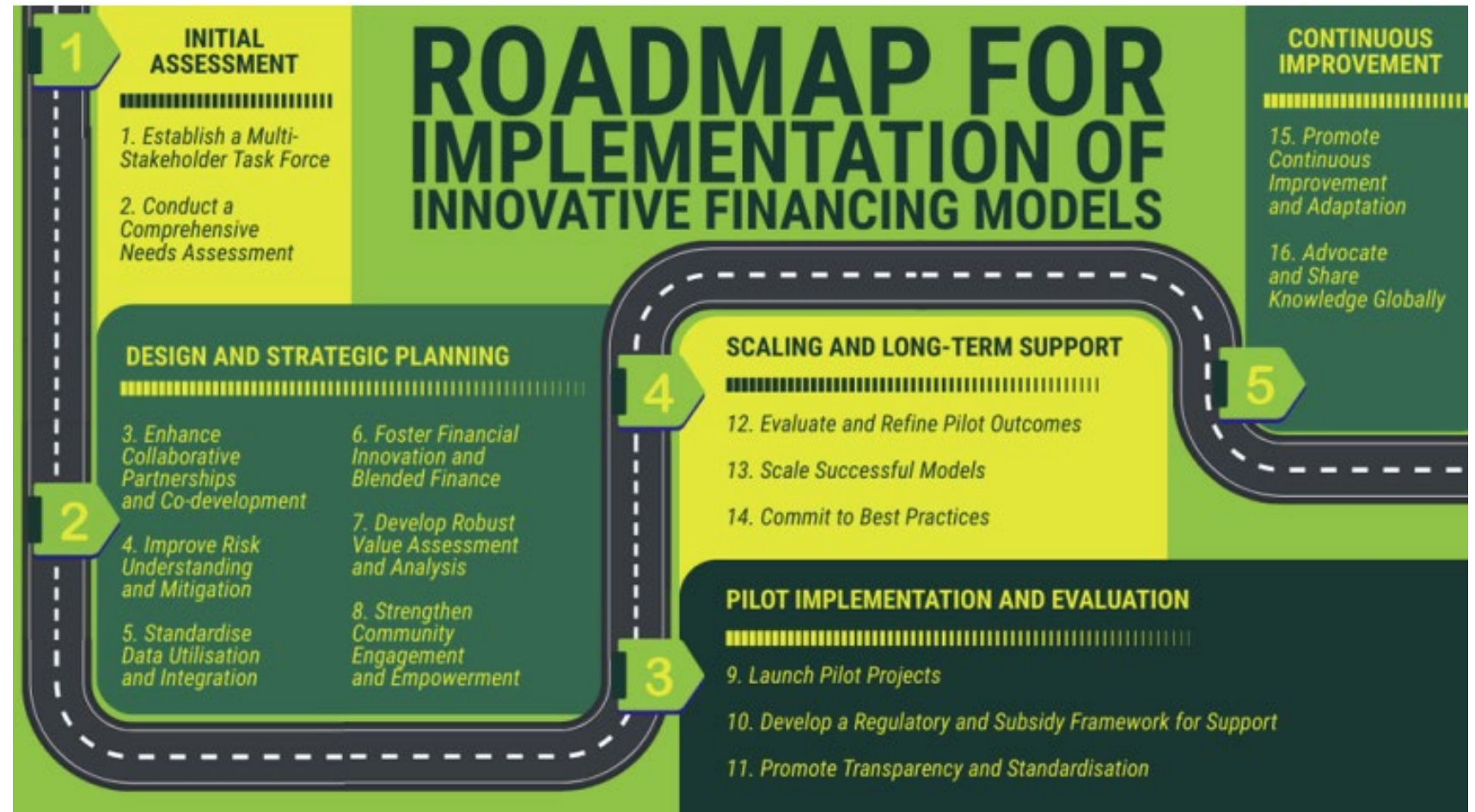


Access the training modules here: <https://www.naturanceproject.eu/innovation-labs/>

# NATURANCE Innovation Labs: CISL and ClimateWise

The CISL and ClimateWise Innovation Lab focused on scaling finance for nature-based solutions. Its main output was a five-phase roadmap:

This roadmap is designed to be used by practitioners as a prompt for what activities need doing and when in the lifecycle of nature-based projects.



# NATURANCE Innovation Labs: CISL and ClimateWise

Participants proposed six main areas of focus to ensure NbS have suitable outcomes. They shared their knowledge and experience on what currently works well, what does not, and what they would change:

		Description	What works well?	What doesn't work well?	What would you change?
	<b>Collaborative Partnerships and Co-development</b>	Insurance needs to work with banks and investors to co-develop and structure insurance products. Leverage alliances to share development costs	Diverse expertise and resources	Transparency, scatter information and scalability	Standardisation and common objectives
	<b>Risk Understanding and Mitigation</b>	Need to enhance risk assessment capabilities to better understand the specific risks associated with NbS projects	Tailoring products and wider engagement	Quantifying nature and lack of examples	More landscape pilots and case studies
	<b>Data Utilisation and Integration</b>	Data are key to improving maps and geospatial risk models. Need to develop and/or use standards as part of NbS projects	Standards and open-source data	Lack of coherent and structured data	Standardisation and engage with locals
	<b>Financial Innovation and Blended Finance</b>	Innovations include de-risked bonds, insurance-linked securities, biodiversity credits. Blended finance can help mobilise public and private capital	Biodiversity initiatives and stacked benefits	Lack of measurable and clear financial returns	Enhance transparency and credibility of emerging markets
	<b>Value Assessment and Analysis</b>	Need for cost-benefit analyses to quantify economic and environmental value generated by NbS projects, thereby incentivising investments	Upfront investment by aggregating projects	Diverse views and lack of clear methodologies	Integrate nature's value into financial returns
	<b>Community Engagement and Empowerment</b>	Need to understand local decision-making processes and financial motivations, to ensure project sustainability and success. Empower Indigenous Peoples and Local Communities (wealth of expertise)	Involve local communities	Lack of understanding of insurance's value	Collaborate at all levels and stages of projects

Read more here: <https://www.naturanceproject.eu/innovation-lab-9/>

# NATURANCE Innovation Labs: CISL and ClimateWise

## Examples of NbS and the role of insurance

To bring the roadmap to life and inspire action, we maintain a list of nature-based projects in which insurance is playing a role.

These concrete, real-world examples of innovations demonstrate what is already possible, with the aim of inspiring further action.

The submission of additional examples is welcome.

### NATURANCE

#### Examples of Nature-based Solutions (NbS) and the role of insurance in these

(last updated 11 February 2026)

**How to cite:** Martin CS, Middleton J, Small A, Wood, J, Seega N (2026) Examples of Nature-based Solutions (NbS) and the role of insurance in these. NATURANCE project. Cambridge Institute for Sustainability Leadership (CISL). <https://doi.org/10.5281/10.5281/zenodo.18612655>

Name (source)	Short description	Role of insurance (and the financial sector more broadly)
Nature's remedy: Improving flood resilience through community insurance and nature-based mitigation (Munich Re and TNC, 2021)	The report explores the potential benefits of combining nature-based flood mitigation with a community-based flood insurance product (in which the insurance product would be sold to an entire community or subset of a community)	Insurer quantified how widening the path for the Missouri river to flow would reduce flood risk, and how insurance premiums could decrease over time
Innovative post-hurricane protection for endangered Mesoamerican Coral Reef goes live with insurance carrier confirmed (MAR Fund et al., 2021)	Coral reefs bring benefits to local communities and resilience to their economies. This initiative works with local conservation organisations and government agencies to put in place plans for early response and to train and equip specialist "brigades" to execute immediate reef-saving activities	Insurer provides fast-paying parametric hurricane insurance to enable restoration of reefs with protected status. The cover was arranged by a parametric broking specialist firm. Support for the insurance placement was provided by a fund set up through a public-private partnership
Supporting the Prince Hendrik Sand dyke project (Swiss Re, 2019)	Prince Hendrik Sand Dyke on Texel Island, the Netherlands, needed to adapt to rising sea levels, after having experienced heavy wave action that resulted in it no longer meeting safety standards	Insurance supported the 2019 construction-related risks of a nature-based solution to protect the island and the habitat of the adjacent World Heritage site against rising sea levels.
Insurance underwriting with nature: how mangroves can transform the climate strategy of companies, cities and re/insurers (Earth Security, 2022)	Report sets out a simplified quantitative model and approach to illustrate the protection value of mangroves against tropical cyclones in the Philippines	Re/insurers could factor the protection value of mangroves into risk underwriting (itself acting as an incentive for their protection)

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Access the full list of projects here: <https://zenodo.org/records/18612655>



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### **The University of Cambridge Institute for Sustainability Leadership (CISL)**

CISL is an impact-led institute within the University of Cambridge that activates leadership globally to transform economies for people, nature and climate. Through its global network and hubs in Cambridge, Cape Town and Brussels, CISL works with leaders and innovators across business, finance and government to accelerate action for a sustainable future. Trusted since 1988 for its rigour and pioneering commitment to learning and collaboration, the Institute creates safe spaces to challenge and support those with the power to act.

### **ClimateWise**

ClimateWise brings together the insurance industry into a member network convened by The University of Cambridge Centre for Sustainable Leadership, which integrates sustainable leadership with world-leading research capability to address the impacts of climate change and nature loss.

ClimateWise is uniquely placed to bring together business, government and academic expertise; it provides a collective voice for the industry; a forum to interact with other stakeholders, and it enables the transition of the insurance industry through a defined set of Principles aligned to disclosure requirements. ClimateWise is part of CISL's Centre for Sustainable Finance.

### **NATURANCE**

NATURANCE is a Horizon Europe project to explore the technical, financial, and operational feasibility and performance of solutions combining disaster risk financing with Nature-based Solutions (NbS).

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