

# Restoration Explorer

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## Training Programme – Handbook

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WCMC

# Restoration Explorer

*Training Programme – Handbook*

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# Table of contents

<b>Preface</b>	<b>1</b>
<b>I. Workshop</b>	<b>2</b>
<b>II. Overview of Handbook</b>	<b>3</b>
Training Objectives . . . . .	4
Training Schedule . . . . .	4
Training Evaluation . . . . .	5
Handling Tricky Situations . . . . .	6
<b>1. Workshop Preparation</b>	<b>7</b>
1.1. Participant Communication . . . . .	7
1.2. Materials and Resources . . . . .	7
1.3. Venue Logistics . . . . .	7
1.4. Backup Plans . . . . .	8
1.5. Facilitator’s Script . . . . .	8
1.6. Time Management . . . . .	8
1.7. Engagement Strategies . . . . .	8
1.8. Feedback Mechanism . . . . .	9
1.9. Self-Care . . . . .	9
<b>2. Introduction</b>	<b>10</b>
2.1. Warm Welcome . . . . .	10
2.2. Introduction of Yourself . . . . .	10
2.3. Icebreaker Activity . . . . .	10
2.4. Overview of the Agenda . . . . .	11
2.5. Purpose and Objectives . . . . .	11
2.6. Ground Rules . . . . .	11
2.7. Connection to Participants’ Goals . . . . .	11
2.8. Logistical Details . . . . .	11
2.9. Encouragement and Enthusiasm . . . . .	12
2.10. Building Anticipation . . . . .	12

## Table of contents

<b>3. Ecosystems and State of Nature</b>	<b>13</b>
Section Overview . . . . .	13
3.1. Explanation of Key Terms . . . . .	13
3.1.1. Eight Core Ecosystems . . . . .	14
3.2. Exercise: Ecosystem Matching . . . . .	15
3.3. States of Degradation . . . . .	15
3.3.1. Link to the Restoration Explorer Tool . . . . .	16
3.4. Restoration and Rehabilitation . . . . .	16
<b>4. Business Considerations</b>	<b>18</b>
Section Overview . . . . .	18
4.1. Starting a new business . . . . .	18
4.1.1. Enter an existing market or create a new product? . . . . .	19
4.2. Business Purpose . . . . .	19
4.3. Target Customers and Willingness to Pay . . . . .	20
4.3.1. Identifying your Customers . . . . .	20
4.3.2. Willingness to Pay . . . . .	20
4.4. Value Proposition . . . . .	21
4.5. Potential Market Size of the Product . . . . .	23
4.5.1. Calculating Market Size . . . . .	24
4.5.2. Market Testing and Developing a Pro- totype . . . . .	24
4.6. Comparative Analysis . . . . .	25
4.7. Promotion Strategies and Pricing . . . . .	26
4.8. Stakeholder Mapping . . . . .	27
4.8.1. How to How to Prioritize Stakeholders . . . . .	28
<b>5. Operational Resource Considerations</b>	<b>29</b>
Section Overview . . . . .	29
5.1. External Infrastructure, Equipment and Staff Required to Run the Business . . . . .	30
5.1.1. Infrastructure . . . . .	30
5.1.2. Technology . . . . .	31
5.1.3. Human Resources . . . . .	32
5.2. Paperwork and Licenses . . . . .	33
5.3. Accounting Basics . . . . .	34
5.3.1. Business Establishment Costs . . . . .	34
5.3.2. Balance Sheets . . . . .	34
5.3.3. Income Statements . . . . .	35
5.3.4. Cash Flow Analysis . . . . .	38
<b>6. Social and Governance Considerations</b>	<b>39</b>
Section Overview . . . . .	39

*Table of contents*

6.1. Land and Natural Resource Ownership . . . .	39
6.2. Human Rights, Gender, Youth and IPLCs . . . .	40
<b>7. Environmental Considerations</b>	<b>41</b>
Section Overview . . . . .	41
7.1. Environmental Checklist . . . . .	41
7.2. Natural Capital Framework . . . . .	42
7.3. Certifications . . . . .	42
7.4. Brainstorming . . . . .	42
<b>8. Risks, Mitigation, and Positive Impacts</b>	<b>43</b>
Section Overview . . . . .	43
8.1. Environmental and Social Risks . . . . .	43
8.1.1. E&S Risk and Impact Framework . . . .	45
8.1.2. Assessing Identified Risks . . . . .	45
8.1.3. Risk Management and Mitigation . . . .	45
8.2. Going from Negative to Positive Impacts . . . .	45
<b>III. Restoration Explorer Tool</b>	<b>47</b>
<b>9. Overview of Explorer Tool</b>	<b>48</b>
<b>10. Frequently Asked Questions</b>	<b>49</b>
<b>Glossary</b>	<b>50</b>



# Preface

Welcome to the Restoration Explorer Training Handbook! It accompanies the Training PowerPoint slides and supports you as a facilitator to understand the concepts and materials in the PowerPoint.

To make sure that you get everything you need to run an excellent training workshop, we need your feedback! If you find anything wrong, unclear or missing, please contact Jonathan Gheysens.

Thank you for your dedication and hard work facilitating this workshop! You are the key to a successful cohort of new ecopreneurs who can make the difference between thriving, healthy ecosystems and degraded and pressured ecosystems.



**Part I.**  
**Workshop**



## **Part II.**

# **Overview of Handbook**

This handbook is organized in the same fashion as the PowerPoint. Each chapter corresponds to a section in the PowerPoint deck and the order of information is the same throughout.

In each chapter you will find information and tips about the section's key aspects. This does not replace the notes in the PowerPoint! Please make sure to read these carefully.

Each term introduced in the training is listed at the end of the book in a glossary. The glossary is alphabetically sorted and you can use the magnifying glass in the website's navigation to search through the entire book.

Throughout the handbook you will also find links to additional resources which can help you to quickly look up content you might not be familiar with, and to share it with participants depending on their interest.

## **Training Objectives**

The main goal of the Restoration Explorer is to **guide project developers towards commercially viable eco-regenerative interventions**. At the end of the workshop, the participants should have learned

1. To name different ecosystems and to identify their states.
2. Acquired basic business knowledge to help develop and test the economic viability of their enterprise.
3. Be able to assess their readiness to start a business based on operational resource, social and governance, and environmental considerations.
4. Be ready to use the Restoration Explorer Tool to assess their idea and assess their readiness as Ecopreneurs.

## **Training Schedule**

While you are ultimately in charge of the training and are free to adjust the timing as needed, we hope that this example schedule can help you get started.

## Training Evaluation

---

Time	Content
<b>Day 1</b>	
9.00 - 9.15	Arrival and Welcome
9.15 - 10.00	Ecosystems
10.05 - 12.00	Business Considerations – Purpose, Customer and Value Proposition
12.00 - 13.00	Lunch
13.00 - 15.30	Business Considerations – Market Fit
15.35 - 17.00	Operational Resource Considerations
<b>Day 2</b>	
9.00 - 9.15	Q&A and Outline for Day 2
9.15 - 10.30	Social and Governance Considerations
10.35 - 12.00	Environmental Considerations
12.00 - 13.00	Lunch
13.00 - 14.00	Risk, Mitigation and Positive Impacts
14.15 - 16.45	Restoration Explorer Tool and Application of Learnings
16.45 - 17.00	Next Steps, Training Feedback, and Good Bye

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## Training Evaluation

At the end of the training, gathering feedback is important to improve the Restoration Explorer, the training, and this handbook. This means we need feedback from the participants you train and from yourself!

Please ask your participants to fill in the feedback form at this link. Alternatively, you can also handout the feedback on paper.

## **Handling Tricky Situations**

This workshop demands a lot from you and your participants. You need to cover a lot of different topics, from basic business and finance to human rights and ecosystems. Make sure to pay attention to your group.

If you feel they need a break, take one even if the training schedule says otherwise. If you need to repeat a definition or concept, do that! This is particularly important in the core sections that develop business skills. It is possible that your participants have different amounts of background knowledge. For those that know some aspects of the workshop, a little repetition does not hurt. But others might learn this for the first time in their lives. It is more important that they understand it, than that you reach the end of the workshop in record time!

On some areas there might be discussion if it is necessary to do what the workshop instructs. Does a business really have to focus on youth, gender, all aspects of the ecosystem? Is it not enough to run the business well? If those discussions come up, feel free to invite the group to participate with their opinions. Peers can be great eye openers. At the same time, make sure that you always remain in control of the workshop atmosphere. If a contribution could create an uncomfortable climate for others, make sure to interrupt and remind your participants of the importance of conducting themselves respectfully. A good rule of thumb can be to talk as if those that are being talked about are in the room. In general it helps to set and communicate ground rules for the workshop which you can refer to if need be.

# 1. Workshop Preparation

Good preparation is key for a successful workshop. We hope the notes in the PowerPoint and this handbook help you in being as prepared as possible. Here are some points you may want to think about.

## 1.1. Participant Communication

Send pre-workshop communication to participants, including the agenda, and logistical details. Make sure you set expectations and ensure everyone is prepared.

## 1.2. Materials and Resources

Prepare all necessary materials, handouts, slides, and visual aids. Ensure that any technology or equipment required for presentations is working properly. Read through this handbook and the presentation, including the notes.

### ! Important

Slides that need to be updated to better fit your local context are marked by a box like this and a stamp on the corresponding slide. Make sure to modify them accordingly.

## 1.3. Venue Logistics

Visit the venue in advance to familiarize yourself with the space. Check that seating arrangements, lighting, and audio-visual equipment are set up appropriately.

## *1. Workshop Preparation*

### **1.4. Backup Plans**

Prepare for potential issues and have contingency plans in place. This includes technical difficulties, unexpected participant challenges, or changes in schedule. Be ready to address these with alternative solutions.

### **1.5. Facilitator's Script**

While we hope that this handbook and the presentation function as a facilitation script – ensuring that key points are covered, and transitions between topics are smooth – you are encouraged to write an outline or take notes yourself.

### **1.6. Time Management**

Develop a detailed schedule, allocating specific time for each segment of the workshop. Allow for flexibility to adapt to your participants' pace. You can find an example schedule in the Introduction ([?@sec-schedule](#)), but you might have to adjust it to fit your workshop.

### **1.7. Engagement Strategies**

Plan strategies to encourage active participation and engagement. This could involve asking questions, facilitating discussions, or using interactive tools. This handbook includes a few ideas, but please feel free to make the workshop your own by using your own ideas. We would also love to hear if you have suggestions for engagement strategies that have worked well for you. Make sure to keep the energy high and participants engaged throughout the workshop.

## **1.8. Feedback Mechanism**

Please make sure to use the feedback tool at the end of the workshop. This helps in continuous improvement and tailoring future workshops to meet participant needs. Encourage honest and constructive feedback and remind participants that their responses are anonymous. Lastly, please fill in your own feedback about the materials and concept, so that we can improve and develop them to meet your needs as facilitators better.

## **1.9. Self-Care**

Take care of your personal well-being by ensuring enough rest before the workshop and preparing with water and snacks for yourself. Maintain your energy levels to deliver an effective and engaging workshop.

## 2. Introduction

The introduction to a workshop is crucial for setting the tone, creating a positive atmosphere, and capturing participants' attention. Here are some tips for a successful workshop introduction.

### 2.1. Warm Welcome

Greet participants warmly as they arrive. Make them feel comfortable and appreciated for their presence.

### 2.2. Introduction of Yourself

Briefly introduce yourself, highlighting your expertise and what qualifies you to lead the workshop. Share a personal anecdote or connection to the workshop topic to establish rapport.

### 2.3. Icebreaker Activity

Start with a simple icebreaker activity to help participants relax and get to know each other. This can be a quick round of introductions or a fun, relevant activity that encourages interaction.

#### Tip

Ask people to introduce themselves by name and state one thing that made them happy in the last week or month.



## **2.4. Overview of the Agenda**

Provide a brief overview of the workshop agenda, outlining the key topics and activities. This sets clear expectations for what participants will learn and experience throughout the session.

## **2.5. Purpose and Objectives**

State the purpose of the workshop and the specific objectives participants will achieve by the end. This helps to align everyone's expectations and creates a sense of direction.

## **2.6. Ground Rules**

Establish any ground rules for the workshop, such as respectful communication, active participation, and adherence to time schedules. This helps create a positive and inclusive learning environment. It is your job to enforce these ground rules during the workshop and to ensure an inclusive and safe experience for every body.

## **2.7. Connection to Participants' Goals**

Relate the workshop content to the participants' goals and challenges. Emphasize how the information and activities will be valuable to them in their personal or professional development.

## **2.8. Logistical Details**

Briefly go over any logistical details, such as the location of restrooms, break times, and emergency procedures. This ensures that participants feel well-informed and at ease.

## *2. Introduction*

### **2.9. Encouragement and Enthusiasm**

Express enthusiasm for the workshop and convey your belief in the value of the content. Encourage participants to actively engage, ask questions, and share their perspectives.

### **2.10. Building Anticipation**

Tease upcoming activities or interesting aspects of the workshop to build anticipation. This can create excitement and motivation for participants to dive into the session.

# 3. Ecosystems and State of Nature

## Section Overview

Duration	Slides	Materials	Key Points
45 min	Section 1	Videos of Ecosystems	Ecosystems are vital for humans and other living beings and need to be protected and restored.

### 3.1. Explanation of Key Terms

The workshop begins by clarifying the most important concepts: Restoration Businesses and Ecosystems.

#### Definition

**Restoration Business** A Restoration Business incorporates ecosystem restoration and rehabilitation into the way it operates.

#### Definition

**Ecosystem** A community of living organisms interacting with each other and their physical environment. It includes not only the organisms but also the physical environment they inhabit, forming a

### 3. Ecosystems and State of Nature

complex web of relationships and dependencies.

The core idea of the Restoration Explorer and other projects like the Restoration Factory is that private sector initiatives need to be part of the solution to protect and restore ecosystems. Your cohorts will contribute to this goal significantly, so make sure to share the enthusiasm for their work with them.

#### 3.1.1. Eight Core Ecosystems

The explorer tool is centered on eight different ecosystems:

- Forests
- Freshwaters
- Mountains
- Grasslands
- Marine Coastal
- Urban
- Peatlands
- Farmlands

You can read more about each ecosystem, including different examples of their use in the support material the ECOSYSTEM RESTORATION PLAYBOOK.

In the following slides, present each ecosystem, its importance, and also reasons for and consequences of their degradation. The notes in the PowerPoint should provide you with some examples for all of the above.

It is important to highlight that businesses can contribute to restoring degraded ecosystems instead of contributing to their destruction.

## 3.2. Exercise: Ecosystem Matching

### Group Exercise

To get the participants thinking about ecosystems, there are a seven videos of different ecosystems. Select and play some of them and invite your participants to think about their answers for a moment before discussing them in the group.

An alternative icebreaker is to let participants discuss in small groups how many ecosystems are involved in producing their favorite food. People are very surprised just how depended we are on ecosystems.

## 3.3. States of Degradation

To know how to restore an ecosystem, it is not only important to identify it, but also to determine its state. An ecosystem can be in four types of states.

### Definition

**Natural Ecosystem State** The original and undisturbed condition of an ecosystem, free from significant human influence or alteration. The natural state of an ecosystem represents its pristine or unmodified state, characterized by the balance of species, ecological processes, and environmental conditions that existed before human intervention.

**Degraded Ecosystem** An ecosystem that has been adversely affected by various factors, such as human activities, pollution, or climate change, resulting in a decline in its health, diversity, and functionality.

**Transformed Ecosystem** An ecosystem that has undergone significant changes, often as a result of human intervention or external factors, leading to a different composition and structure compared

### 3. Ecosystems and State of Nature

to its original state.

The fourth state is a combination of a degraded and transformed ecosystem.

These concepts can be confusing at first, but they are important to the functioning of the Explorer Tool and the success of the restoration businesses, so make sure that you understand them well and take enough time to explain them to your participants.

#### Tip

You can find additional information about the states of nature in the Report of the Plenary of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services on the work of its sixth session.

#### 3.3.1. Link to the Restoration Explorer Tool

The states of ecosystems are the basis from which the Restoration Explorer suggests business models. Highlight the link between the learning of the workshop and the tool by showing how the tool uses the states of nature in ecosystems. Clarify any questions that participants might have at this point.

### 3.4. Restoration and Rehabilitation

Depending on the state of an ecosystem, it might not yet be possible to restore it fully to its natural state. It is important to highlight that rehabilitation measures, which improve the ecosystem, are just as valuable. Any progress away from degradation and towards restoration is something to strive towards, and celebrate once achieved!

#### Definition

**Increase Natural Ecosystem Area** Increasing natural ecosystem area refers to the expansion

### 3.4. Restoration and Rehabilitation

or enhancement of the size and coverage of existing ecosystems or the creation of new ones. This may involve initiatives such as reforestation, afforestation, habitat restoration, or the establishment of protected areas to conserve biodiversity and enhance ecosystem services. The goal is to promote ecological balance, support wildlife habitats, and mitigate the impacts of habitat loss and fragmentation.

**Increase Ecosystem Integrity** Increasing ecosystem integrity involves measures to enhance the health, resilience, and functionality of ecosystems, ensuring they can sustainably provide essential services and support biodiversity. This may include efforts to reduce pollution, prevent habitat degradation, control invasive species, promote natural regeneration processes, and restore ecological balance. Enhancing ecosystem integrity contributes to the long-term sustainability of ecosystems and the well-being of both humans and wildlife.

#### Additional Resource

- ECOSYSTEM RESTORATION PLAYBOOK
- Report of the Plenary of the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services on the work of its sixth session.

## 4. Business Considerations

### Section Overview

Duration	Slides	Materials	Key Points
210 min	Section 2	Case Study information, New business video, NBS BMC	Finding customers, understanding the market and providing value

This section is the longest section of the Explorer Training Programme. It is essentially a crash course in business in which your participants will learn the basics of how to run a business. You will have to introduce a lot of new terms and explain them in depth before letting everybody try to use them in various exercises. Make sure to adapt the pace of the workshop to your audience.

The goal of the Restoration Explorer is to start businesses that can use private capital to protect and improve nature. That means the businesses need to be viable. This section covers the basics of how to achieve this.

### 4.1. Starting a new business

The video introduces a lot of new terms and even a tool: The Business Model Canvas. Group Exercise A version, specially designed for Nature Based Solutions, exists as well. The important difference to the general Canvas is that it starts with the business model instead of with the financial flow, broadens the value proposition to more stakeholders, and helps bridge the communication gap between conservation and finance.



## 4.2. Business Purpose

As you will notice, while the training takes a lot of inspiration from these tools, it does not follow them strictly. Please feel free to provide your participants with the canvases linked above, but remind them that it is not necessary for this training.

### Definition

**Stakeholder** People or groups who have an interest or involvement in the success or activities of a business or project. This includes employees, customers, investors, and the local community.

### 4.1.1. Enter an existing market or create a new product?

This training covers two main strategies for creating a new business. Creating a new product and entering an existing market. Neither is inherently better than the other. So the goal is to collect and work out some pros and cons of each approach. Before revealing the answers, it can be a nice interaction to let your participants think for a second and then name a few pros and cons in the group.

This question sets up the following topics. At the end of the business section, you will revisit the question if participants should enter a market. By then the participants should be equipped to carry out a first comparative analysis to help their decision.

## 4.2. Business Purpose

### Group Exercise

This is an exercise for the participants to think about their business's purpose.

Present the questions on the slide and then give sufficient time for your participants to think about their businesses. While there are no perfect answers, try to make sure that

#### 4. Business Considerations

the answers are as detailed as possible. The clearer the answers are to the participants of the Restoration Explorer, the better they can communicate them with stakeholders.

### 4.3. Target Customers and Willingness to Pay

One of the most difficult parts of building a business is finding customers and determining what they should pay for what the business is selling.

#### 4.3.1. Identifying your Customers

To support participants in finding their customers give everybody 15 minutes of time to answer the questions on the slide. Based on experience, it helps to have your participants discuss their answers with others either in pairs of small groups, to ensure that all questions are answered. Then run through the case study to show how an existing business identified its customers.

#### 4.3.2. Willingness to Pay

##### Definition

**Willingness to Pay (WTP)** The highest amount a customer is willing to spend or pay for a product or service.

Getting the price right is one of the most difficult aspects of running a business. Many different strategies exist to determine how much a business should charge for its products and services, here the slide notes introduce three of the most available options:

1. Research the competition
2. Research customers
3. Survey customers

#### 4.4. Value Proposition

The categories of pricing shows what different price levels signal to customers.

### 4.4. Value Proposition

Pricing needs to correspond with the value proposition of a business' products and services.

#### Definition

**Value Proposition** The unique set of benefits and value that a product or service offers to its customers, differentiating it from competitors and addressing the needs and preferences of the target market.

The slide shows a section inspired by the Business Model Canvas. On the left, in the box, are Products & Services, Gain Creators and Pain Relievers. This is what the business provides. In the circle on the right, is the customer profile. It contains what the identified target customer experiences: the jobs, pains and gains. Jobs are things the target customer would like to do, or has to do. They include not only work related task, but might even include hopes and wishes such as: being able to relax in a natural environment with friends and family. Pains refer to undesirable outcomes that customers seek to avoid, such as dissatisfaction with existing solutions, frustrations, obstacles, or risks encountered when attempting to accomplish a task. Lastly, gains represent the indicators of success for customers in accomplishing a job well-done. These gains encompass positive outcomes, tangible results, benefits, and aspirations that customers aspire to achieve. This map becomes clearer the more one learns about ones customer.

Getting the fit right between how a business' products and services create gain and relieve pain for customers and how customers experience pains and gains related to their jobs is possibly the central challenge. Without a strong product-market fit, it will be difficult to grow a business. Creating product-market fit is not a one-and-done affair either. Instead, as the products and services or the customers of a

#### 4. Business Considerations

business change, so will the fit between product and market. Ensuring a strong value proposition is therefore a recurring exercise for any entrepreneur, the more they learn about their offers and their customers, the better they will be able to formulate and communicate a their value proposition.

Sources for insight into the target customer come from research into existing customers of competitors or from research about customers in new market segments that are yet to be created.

##### Definition

**Product-Market Fit** Product-market fit refers to the alignment between a product or service and the needs, preferences, and demands of a specific target market. It indicates that the product addresses a genuine problem or pain point faced by customers and delivers unique value that resonates with them. Achieving product-market fit is crucial for sustainable business growth and market success, as it indicates that the offering meets market demand and has the potential for widespread adoption.

The example slide shows how to identify pains and gains the target customer experiences from existing solutions and the entrepreneurs offering.

##### Important

The slides “Customer’s Pains and Gains” needs to be tailored with a custom case study.

The section on value propositions closes with an exercise where trainees fill in their own problem solution fit.

##### Additional Resources

- Value proposition explained

## 4.5. Potential Market Size of the Product

How successful can a business expect to become? A key aspect in this question is the potential market size.

### Definition

**Potential Market Size** The estimated size of the overall market opportunity for a particular product or service, considering factors such as the total number of potential customers and their purchasing power.

There are two types of market size that need to be calculated, along with your projected share in the market. The first type is the total addressable market (TAM), which essentially determines whether the potential market for your business is sufficiently large. It represents the number of customers or the amount of revenue you could generate if your business achieved a 100% success rate and managed to sell to every potential customer. For simplicity, TAM will also be referred to as the total number of potential customers. The second type is the target or available market, which denotes the realistic size of the market that your business can realistically reach. This can also be referred to as the Serviceable Addressable Market (SAM).

### Definition

**Addressable Market** The revenue opportunity available for a product or service within a specific market, considering the maximum potential demand.

**Servicable:** The portion of the addressable market that a business can effectively serve and target based on its resources, capabilities, and strategy.

**Total:** The entire market that could potentially be addressed by a product or service, encompassing all possible customer segments and use cases.

#### 4. Business Considerations

##### 4.5.1. Calculating Market Size

To calculate the market size a business needs to go through four steps.

1. Define the target audience
2. Research the market size
3. Assess the potential value
4. Estimate total market demand.

The slide notes explain each step in detail.

To calculate the market size two formulas exist:

$$\text{Market Size or Volume} = \text{Number of Target Users} \times \text{Expected Purchases During Period}$$

and

$$\text{Market Value} = \text{Market Volume} \times \text{Average Value}$$

##### Group Exercise

Go through the market exercise for each participant in small groups.

##### Important

The example slide for “Market Size Exercise” needs to be tailored with a case study fitting your context.

##### 4.5.2. Market Testing and Developing a Prototype

To systematically assess how viable your product or service is a business needs to test its ideas with real world feedback.

Two ways of doing this are through Prototypes and/or Minimum Viable Products.

## 4.6. Comparative Analysis

### Definition

**Prototype** A preliminary model or version of a product that is developed to test and validate its design, functionality, and feasibility before full-scale production.

**Minimum Viable Product (MVP)** A version of a product that includes only the essential features necessary to meet the needs of early adopters and gather feedback for further development. The primary goal of an MVP is to quickly deliver a functional product to the market with minimal resources, allowing the development team to learn from real user interactions and make informed decisions about future enhancements.

On the two slides corresponding to prototypes and minimum viable products their characteristics and benefits are introduced.

## 4.6. Comparative Analysis

Now that participants understand how to conduct a market sizing analysis, we will use comparative analysis to assess the factors to consider when deciding to enter the market with a new product or enter an existing market with a more sustainable product that already exists. A comparative analysis is used in business strategy to evaluate different aspects of a business or its environment. It involves analyzing and contrasting multiple factors or variables to gain insights and make informed decisions that benefit both the company and its customers.

### Definition

**Comparative Analysis** A method of evaluating and comparing the performance, features, or characteristics of a business, product, or strategy relative to others in the same industry or market.

The slide “Should you enter a market?” and its notes cover the steps of this analysis.

#### 4. Business Considerations

### 4.7. Promotion Strategies and Pricing

The best products and the best market fail if nobody knows about the offer or if the price is set incorrectly. How to best achieve the right promotion and pricing strategy are ongoing topics and a business constantly needs to evaluate that their chosen strategies work. The start to a coherent marketing strategy are the four Ps:

#### 1. Product

Presentation or Product defines the characteristics of the product or service (e.g. quality, labelling or packaging). Further, the characteristics also include the differentiation and added value compared to the competition.

#### 2. Price

The Price describes the value of a product or service. It should be linked to the product's perceived value while considering supply costs, seasonal discounts, competitors' prices, and retail. It has a crucial impact on the success of the product as it gives an immediate signal to the consumer. Setting the price too high or too low, it will fail to reach the target audience. Further, positioning the product on the price scale can define perceived quality standards that are connected to the price – for example, high priced products are usually perceived as better quality. Additionally, knowing the willingness to pay of the target consumers but also the price in an existing market is useful. Finally, the price is the only of the 4Ps that is flexible and possible to be changed immediately.

#### Definition

**Cost-Based Pricing** A pricing strategy where the selling price of a product or service is determined by adding a markup to the cost of production, ensuring that all costs are covered and a desired profit margin is achieved.

**Customer-Based Pricing** A pricing strategy that takes into account the perceived value of a prod-



#### 4.8. Stakeholder Mapping

uct or service from the customer's perspective, aligning the price with what customers are willing to pay based on factors such as brand image, quality, and customer experience.

#### 3. Place

Place involves identifying the best stores or online platforms that stock products like yours for your target consumers (e.g. wholesale, retail, online). Including the product in an existing store, it is important to choose the one where the target audience goes. Choosing the right place has also an influence on logistics and transportation of the product.

#### 4. Promotion

Promotion describes the actions to reach and enter the market to become visible for new consumers. It includes advertising, public relations, and other media strategies that communicate the product's appeal to the target consumers. Again, knowing how to reach the target audience is important to choose the right way of promotion. For example, if the target audience is likely to use social media, this might be a suitable promotion platform.

### 4.8. Stakeholder Mapping

While stakeholder matter for any business, for restoration focused enterprises they are especially important.

The slide "Stakeholder Mapping" shows four types of relevant stakeholders.

#### Definition

**Stakeholder** People or groups who have an interest or involvement in the success or activities of a business or project. This includes employees, customers, investors, and the local community.

#### 4. Business Considerations

##### Additional Resources

- The section on stakeholders in the social and governance section (Section 6.1)

#### 4.8.1. How to How to Prioritize Stakeholders

Not all stakeholder need the same amount of attention at all times. Prioritizing between different stakeholders is an important task for any business. The stakeholder power matrix is a useful framework for this task and explained in detail in the notes to the slide “How to Prioritize Stakeholders”.

##### Tip

Stakeholder Power Matrix

## 5. Operational Resource Considerations

### Section Overview

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Duration	Slides	Materials	Key Points
90 min	Section 3	Profit & Loss Sheet, videos on accounting basics.	Businesses depend on different resources to run their operations. Accounting basics help to track the operations of a business.

---

This section helps participants list the operational resources they need, both within and outside their enterprise, to run their business. The types of resources covered in this section are ones external and internal to the company. A company may not be able to control external resources at all times, hence thinking carefully about what infrastructure, human resources and legal context exist matters for anyone interested in starting a business.

## 5. Operational Resource Considerations

### 5.1. External Infrastructure, Equipment and Staff Required to Run the Business

Key logistics are those central to a business' ability to perform its core functions. The training includes infrastructure, technology and human resources as key logistic types.

#### 5.1.1. Infrastructure

##### Definition

**Infrastructure** The physical and organizational structures, facilities, and systems necessary for the operation of a society, economy, or enterprise. Infrastructure includes transportation networks, communication systems, utilities, buildings, and other essential facilities that support and enable various activities and functions.

The training highlights transport and storage infrastructure as the two types most relevant to ecopreneurs.

Transport infrastructure is closely tied to the distribution channels of an enterprise. The central question participants should answer at this point is: What do I need to transport how to whom?

##### Definition

**Distribution Channels** The pathways or routes utilized by businesses to deliver products or services from producers or manufacturers to end consumers. These channels can include intermediaries such as wholesalers, retailers, distributors, agents, and online platforms. Distribution channels play a crucial role in reaching target markets efficiently, managing inventory, and providing customer access to goods and services.

## 5.1. External Infrastructure, Equipment and Staff Required to Run the Business

When items are not being transported, they need to be stored somewhere. The storage infrastructure needs to fit the type of goods in size, temperature, humidity, and cost.

### 5.1.2. Technology

Technology includes all machines, tools and apparatuses used to produce the ecopreneurs goods or services. Participants should start a list of technology they will need. To be well prepared, this list should include the specific name and model the business intends to use. Instead of listing “A shovel”, the participants should try to concretize their choice “A broad shovel, Cost \$\$, manufactured by AmazingShovel Inc.”. Where a tool consumes resources, for example, fuel or electricity, the participants should think about the amount, type and cost of energy needed to operate the tool. The same applies to maintenance costs, what is needed to keep the technology in good condition? While maintenance comes with additional expenses in the short term, it is often cheaper to invest in upkeep than to replace broken technology later. But, even if a tool is carefully maintained, it will break down over time. Wear and tear will reduce the value of assets. Participants should be aware of this and that they need to take this depreciation into account.

#### Definition

**Depreciation** Depreciation refers to the decrease in the value of an asset over time due to factors such as wear and tear, obsolescence, or aging. It is a non-cash expense that reflects the gradual reduction in the asset’s usefulness or value as it is used in the operations of a business. Depreciation is recorded on the income statement to reflect the allocation of the asset’s cost over its useful life.

Different accounting frameworks exist for depreciation, the easiest to understand might be straight line depreciation. Under straight line depreciation one estimates the number of years a technology might be used, and its value at the end of the usage period, the so called salvage value. From there, the initial cost minus the salvage value is divided by the usage years.

## 5. Operational Resource Considerations

$$\text{Annual Depreciation Rate} = \frac{(\text{Asset Cost} - \text{Salvage Value})}{\text{Estimated Usage Duration}}$$

The result is the annual depreciation rate, or the amount of value the asset uses each year. You can read more about depreciation in any introductory business book or at many sources online, like this one

### ! Important

This concept might be difficult to understand at first. Please make sure to adjust and tailor it to your audience, perhaps with a contextual example.

### 5.1.3. Human Resources

While it sounds instrumentalist to refer to human beings as a resource, the knowledge, skills and labor humans provide are important considerations for any business. Any business needs to keep track of the people it employs, both from a business and from a interpersonal perspective. On the business side it is important to ensure that an organization has the right amount of people equipped to carry out the necessary work. This equipment includes tools needed, but also knowledge and other skills. Plans need to be in place for how to manage people working in a business, especially as their numbers grow. The job of a good manager is to ensure that the people they work with have everything necessary to perform well in their jobs. This includes training, supervision, feedback, but also a safe work environment, breaks and good working conditions.

The people working for a business can be represented in an organigram, which shows who works with whom on what. Having an organigram can be practical both for internal use as well as to communicate your organization's structure to others.

## 5.2. Paperwork and Licenses

### Definition

**Organigram** An organigram, also known as an organizational chart, is a visual representation of the hierarchical structure and relationships within an organization. It typically depicts the roles, responsibilities, and reporting relationships of individuals or departments within the organization, showing how they are organized and interconnected. Organigrams help stakeholders understand the organizational structure, facilitate communication, and clarify lines of authority and decision-making.

The case study is an opportunity to illustrate all of the above with examples. Please feel free to give your participants some time to develop their own list of infrastructure, technology and human resources needed.

## 5.2. Paperwork and Licenses

Running a business requires to follow laws and regulations. One important aspect to document that this is the case are licenses and other necessary paperwork.

Often permits are required to show that one has the rights to conduct business.

### Definition

**Permit** An official document or authorization issued by a government or regulatory authority that grants permission to engage in a specific activity, conduct business, or use certain resources. Permits are often required to ensure compliance with laws and regulations.

Highlight that it is best to be proactive and diligent in dealing with paperwork. A business needs to stay up to date with laws and regulations that might affect it. Failure to do so can have wide-ranging risks from fines to other punishment.

## 5. Operational Resource Considerations

### 5.3. Accounting Basics

The training covers some basic accounting concepts. Depending on your audience, you may cover more or less of these concepts. The most important to understand are Balance Sheets and Income Statements. You should cover them in any case.

If you feel like your audience has an easy time following along with these accounting basics, then proceed to also cover Cash Flow. To fully understand how cash flows through a business, participants need to understand what depreciation, net income and assets mean and how to determine or at least identify them on the suggested exercise.

#### 5.3.1. Business Establishment Costs

A business incurs a number of costs during its creation. The two slides titled “Business Establishment Costs” sensitize entrepreneurs for different establishment costs. The first are costs which have to be paid directly, while the second slide covers costs that a business establishment incurs from funds to cover unforeseen events. Each cost is described briefly on the slides and in the corresponding PowerPoint Notes.

#### 5.3.2. Balance Sheets

##### Warning

This section is fairly advanced and complex. It will take a lot of explaining and likely your ecopreneurs do not need to know such extensive accounting basics when they begin their business. If there are easier accounting frameworks in your context, please refer to them instead.

The balance sheet is one of the core documents of accounting. Balance sheets are organized from the left to the right and from the top to the bottom. It shows how a company



### 5.3. Accounting Basics

uses money, on the left of the balance sheet, and where that money comes from, on the right of the balance sheet. The assets (where the money is within the company) are organized from most difficult to most easily liquidated. Liabilities and equity on the right are organized from top to bottom by how much a company owns the money. Short term liabilities include payable accounts, such as outstanding bills and any debt that needs to be repaid within one year. Last on this side are equity positions, such as the companies own funds from past profit. In a way balance sheets therefore provide two perspectives on the question what a companies monetary resources are. Therefore, both sides must be exactly equal, or in other words, they must balance.

#### Definition

**Balance Sheet** A financial statement that provides a snapshot of a company's financial position at a specific point in time. It summarizes the company's assets, liabilities, and shareholders' equity, showcasing the balance between what the company owns and owes.

Balance sheets show the financial health of a business, because they make transparent how much debt exists and what the money is used for at the time point of the balance sheet.

#### Resource

[Basic Accounting Explanation Video \(English\)](#)

#### Additional Resource

- [Bookkeeping explained for beginners \(English\)](#)
- [Balance Sheet 101 \(English\)](#)

### 5.3.3. Income Statements

Where balance sheets show where a business' money comes from and where it is used, the income statement shows *how* a business uses its money. Income sheets are also known

## 5. Operational Resource Considerations

as profit and loss or P&L statements, as their result shows the profit, or loss made by an enterprise during the reporting period. Income statements help to analyze where a company should cut costs, or to find strategies for growth.

### Definition

**Profit Loss Statement** A financial report that provides a summary of the revenues, costs, and expenses incurred by a business over a specific period, indicating whether the business has earned a profit or incurred a loss during that time.

An income statement list how money was earned and how it was spent. Items on the income statement typically include:

### Definition

**Revenue** Revenue is the total amount of money generated by a company from its normal business activities, typically from the sale of goods and services to customers. It is often referred to as sales or turnover. Revenue is calculated before any expenses are subtracted, making it a gross income figure. It serves as a starting point for a company's income statement and is crucial for assessing the company's ability to bring in money and cover operating costs.

**Expenditure** The total spending or costs incurred by a business or individual during a specific period, including operational, capital, and other expenses.

**Cost of Goods Sold (COGS)** The direct costs associated with producing or purchasing the goods that a company sells during a specific period. COGS includes the cost of raw materials, labor, and overhead directly attributable to the production of goods.

**Gross Profit** The total revenue generated by a business minus the cost of goods sold (COGS). Gross profit represents the amount available to cover operating expenses and contribute to net profit.

**Operating Income** Gross profits minus operating ex-

penses

**Income Before Taxes** Operating income minus non-operating expenses

**Net Income** Net income, also known as net profit, is the total earnings of a company after all expenses have been deducted from revenues. This includes deductions for operating expenses, interest, taxes, depreciation, and amortization. Net income represents the amount of money that a company has earned during a specific reporting period and is an important indicator of financial health. It is the bottom line of the income statement and directly affects the company's profitability and earnings per share.

**Depreciation** Depreciation refers to the decrease in the value of an asset over time due to factors such as wear and tear, obsolescence, or aging. It is a non-cash expense that reflects the gradual reduction in the asset's usefulness or value as it is used in the operations of a business. Depreciation is recorded on the income statement to reflect the allocation of the asset's cost over its useful life.

**EBITDA** EBITDA stands for Earnings Before Interest, Taxes, Depreciation, and Amortization. It is a financial metric used to assess a company's operating performance and profitability before the impact of non-operational decisions like financing and accounting decisions. EBITDA focuses on the earnings from core business operations, excluding the effects of capital structure, tax rates, and non-cash accounting items like depreciation and amortization. It provides investors and analysts with a clearer view of the company's operational efficiency and its ability to generate cash

 Additional Resources

- Accounting Fundamentals (English)
- Harvard Business School

## 5. Operational Resource Considerations

### 5.3.4. Cash Flow Analysis

Cash flow analysis shows how money flows through a business. The important difference to income statements is that this analysis focuses on money only, accrual values – such as depreciation of assets, or outstanding receivable accounts – are not considered as income or expenses. This helps to answer if annual revenues suffice to cover annual costs, if money can be invested to replace investment like old machines, and how many years it will take to pay back investors. In short, analyzing cash flows helps to answer the basic question of: can we pay our bills from the money that we earn?

#### Definition

**Accrual Value** Accrual value refers to the amount of income or expense recognized in the accounting records during a specific period, regardless of when the associated cash transactions occur. It reflects the economic activity or performance of a business over time, recognizing revenues when earned and expenses when incurred, regardless of when cash is received or paid.

The video in the presentation goes through a cash flow analysis step by step. However, it uses a lot of technical language such as “accrual value” and is quite long. This is why we think it should be optional and you can use your judgement based on how the workshop progresses if you include this section.

#### Resource

Cash Flow Explanation Video (English)

#### Additional Resource

For a comprehensive overview of financial analysis using cash flow please look at FAO Developing bankable business plans (pp. 45-55).

## 6. Social and Governance Considerations

### Section Overview

Duration	Slides	Materials	Key Points
75 min	Section 5	Case Study	Participants need to be aware of governance and social requirements.

### 6.1. Land and Natural Resource Ownership

Businesses need to be aware of different types of rights. This section highlights the difference between ownership and access rights. Clearly communicate that paying attention to both ownership and stewardship of resources is part of stakeholder engagement.

#### Definition

**Stewardship** The responsible and ethical management and care of resources, assets, or affairs entrusted to an individual or organization. Stewardship involves making decisions that consider the long-term well-being and sustainability of the entrusted entities.

## 6. Social and Governance Considerations

### Definition

**Stakeholder** People or groups who have an interest or involvement in the success or activities of a business or project. This includes employees, customers, investors, and the local community.

## 6.2. Human Rights, Gender, Youth and IPLCs

Businesses, particularly those focused on improving the world, need to pay special attention to marginalized or otherwise underrepresented groups. These groups include workers, people who are not men, youths and Indigenous Peoples and Local Communities.

The main point of the following slides is to make Restoration Explorer participants aware of the importance, challenges but also opportunities that engagement with these groups can bring to an enterprise.

### Important

The slide “Case Study: Native Fruit Juices” needs to be tailored with an example fitting your context.

### Additional Resource

For an example, we refer you to “The business case for change”.

# 7. Environmental Considerations

## Section Overview

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Duration	Slides	Materials	Key Points
25 min	Section 5		All business activity will have an impact on the environment. It is important to accurately assess and continuously think about both positive and negative impacts.

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This section is one of the shorter sections in the training programme. But this does not mean that it is not an important section. The environmental challenges a business faces are as diverse as the environments they operate in. Thus the goal of this section should be to enable your participants to think and research themselves about the importance and issues of their business' natural environment.

### 7.1. Environmental Checklist

Give your participants sufficient time to think about each point on the environmental checklist. Try to challenge them a bit by asking follow up questions.

## 7.2. Natural Capital Framework

### Definition

**Natural Capital** The elements of the natural environment, such as air, water, soil, and biodiversity, that provide benefits to humans and other living organisms. Natural capital plays a crucial role in supporting life, providing ecosystem services, and contributing to the overall well-being of ecosystems and societies.

## 7.3. Certifications

Certifications can play an important role to the success of a restoration business. They can signal to consumers that the project is credible and delivers positive impact. Present some of the biggest and best known certifications to your participants, but emphasize that obtaining a certificate alone is not enough to have a successful business that contributes to healthy ecosystems.

## 7.4. Brainstorming

### Group Exercise

End this session by inviting your participants to brainstorm the environmental impacts of their business ideas.

Brainstorms work best if each participant gets to write down their own ideas first before sharing them with the group. This way there is less pressure to come up with “good answers” and less opportunity to let others do all the talking. Keep the brainstorm focused but encourage participants to think broadly and come up with many different answers. The list does not need to be complete, it is all about getting everybody to think carefully about how their business might impact the environment.



## 8. Risks, Mitigation, and Positive Impacts

### Section Overview

Duration	Slides	Materials	Key Points
60 min	Section 6	Central Park Bee example	Risks can and need to be monitored and, where possible, mitigated.

### 8.1. Environmental and Social Risks

This section begins by clarifying the key concepts of environmental and social risks. Make sure to read through the notes on the slides before. This handbook section is a bit shorter as the slides themselves are text heavy and include detailed information in the notes to each slide. Try to come up with a few examples that fit your local context. This can be a nice addition to what your participants might identify.

Environmental and social risks can over time develop into financial risks for the enterprise. That is one of the reasons why it is important to keep a close eye on them.

These slides should illustrate that all businesses are embedded in an environmental and social context. Paying attention to and taking care of that context is a crucial part of being a responsible, and successful, business. You should also make the participants aware of increasing scrutiny in many land use sectors, such as forests and agriculture, as well as marine or coastal sectors. Prepare some examples of news headlines, ideally from your context, to illustrate this point.

## 8. Risks, Mitigation, and Positive Impacts

### Definition

**Deforestation** Deforestation refers to the clearing, removal, or destruction of forests or wooded areas, primarily for agricultural expansion, urban development, logging, or infrastructure projects. Deforestation leads to the loss of forest cover and the conversion of forested land into non-forest uses, resulting in significant environmental impacts such as habitat destruction, biodiversity loss, soil erosion, water pollution, and climate change. It is a major concern for global environmental conservation efforts.

### Definition

**Soil Degradation** The deterioration of soil quality and health, often caused by human activities such as deforestation, agricultural practices, and improper land management. Soil degradation results in a decline in fertility, erosion, and a loss of the soil's ability to support plant and animal life.

### Definition

**Chemical Overuse** Chemical overuse refers to the excessive or inappropriate application of synthetic chemicals such as fertilizers, pesticides, and herbicides in agricultural, industrial, or residential settings. It occurs when chemicals are applied in quantities higher than necessary or when they are used without proper consideration for their environmental and health impacts. Chemical overuse can lead to various negative consequences, including soil degradation, water pollution, biodiversity loss, harm to beneficial organisms, development of pesticide resistance, and adverse effects on human health. Sustainable agricultural practices and integrated pest management strategies aim to reduce chemical overuse and minimize its environmental and social impacts.

## 8.2. Going from Negative to Positive Impacts

### 8.1.1. E&S Risk and Impact Framework

Risk Monitoring is not only done by individual businesses but also of high interest to investors and regulators. The E&S Risk and Impact Framework is a good illustration of what these stakeholders think about when talking about risk management and can serve as an idea for your participants.

### 8.1.2. Assessing Identified Risks

Once risks are identified, a business needs to assess them. To do so, an enterprise needs to evaluate the likelihood that a risk materializes and its potential impact.

But you should calm them a little and stress that they do not need to perform risk analysis at the level of an international investor. It is sufficient that they know of its importance and know how to carry it out for some of the key risks their business might face.

### 8.1.3. Risk Management and Mitigation

Discuss what risk management and risk mitigation mean.

#### Additional Resource

UN Disaster Risk Reduction Terminology

#### Important

The slide “Risk Assessment Example - Central Park Bees” needs to be tailored with an example fitting your context.

## 8.2. Going from Negative to Positive Impacts

Mitigating risks is not where the journey has to stop! Restoration businesses can do a lot to go from preventing negative

## *8. Risks, Mitigation, and Positive Impacts*

impacts to generating positive ones. End this section on a high note so that your participants do not become too demotivated by possible risks that their business faces. Highlight the possibilities that successful risk management can bring.

**Part III.**

**Restoration Explorer  
Tool**

## 9. Overview of Explorer Tool

Make sure to familiarize yourself with the Restoration Explorer before the workshop. The easiest way to do so is to experiment with the tool. Create an account and take a few minutes to answer each section with different responses. Try to get an understanding of the tool's structure, the questions asked, the additional information available and pay attention to areas that seems unclear to you. Chances are your participants will have questions at the same points.

You can also watch a video tour of the Restoration Explorer on [restorationexplorer.org](http://restorationexplorer.org).

<https://www.youtube.com/embed/FE0akGEVGQY?si=Bbayq9J5ar6fsPGR>

## 10. Frequently Asked Questions

**Do I need to perfect everything in this training to start my ecopreneurship journey?**

No. This training is supposed to provide you with the basic tools and skills necessary to go from conservation idea to a functioning business. You should expect to return to what you have learned in this program over time as different aspects of the material become relevant to you. There is no need to memorize everything in here by heart before you begin your enterprise.

# Glossary

## Tip

If you find an important term relating to ecosystems missing in the list below, you might be able to find it in the IPBES glossary.

**Accrual Value** Accrual value refers to the amount of income or expense recognized in the accounting records during a specific period, regardless of when the associated cash transactions occur. It reflects the economic activity or performance of a business over time, recognizing revenues when earned and expenses when incurred, regardless of when cash is received or paid.

**Addressable Market** The revenue opportunity available for a product or service within a specific market, considering the maximum potential demand.

**Servicable:** The portion of the addressable market that a business can effectively serve and target based on its resources, capabilities, and strategy.

**Total:** The entire market that could potentially be addressed by a product or service, encompassing all possible customer segments and use cases.

**Asset** Anything of value owned by an individual, organization, or business, which can be converted into cash or provide future economic benefits.

**Balance Sheet** A financial statement that provides a snapshot of a company's financial position at a specific point in time. It summarizes the company's assets, liabilities, and shareholders' equity, showcasing the balance between what the company owns and owes.



**Bioacoustic Monitoring** The scientific practice of using sound recordings and analysis techniques to study and monitor the vocalizations and acoustic signals produced by living organisms in their natural environments. Bioacoustic monitoring is commonly used in ecology and wildlife research to assess biodiversity, behavior, and habitat health based on acoustic cues.

**Business Concept** The core idea or proposition behind a business, encompassing its products or services, target market, unique value proposition, and key differentiators.

**Business Purpose** The fundamental reason for the existence of a business, beyond profit-making, often encapsulating the broader societal or environmental goals and values that guide its operations.

**Capital** Financial resources, including funds and assets, used by a business to generate income and support its operations.

**Cash Flow** The movement of money into and out of a business, reflecting the liquidity and financial health of the organization.

**Chemical Overuse** Chemical overuse refers to the excessive or inappropriate application of synthetic chemicals such as fertilizers, pesticides, and herbicides in agricultural, industrial, or residential settings. It occurs when chemicals are applied in quantities higher than necessary or when they are used without proper consideration for their environmental and health impacts. Chemical overuse can lead to various negative consequences, including soil degradation, water pollution, biodiversity loss, harm to beneficial organisms, development of pesticide resistance, and adverse effects on human health. Sustainable agricultural practices and integrated pest management strategies aim to reduce chemical overuse and minimize its environmental and social impacts.

**Cost of Goods Sold (COGS)** The direct costs associated with producing or purchasing the goods that a company sells during a specific period. COGS includes

## Glossary

the cost of raw materials, labor, and overhead directly attributable to the production of goods.

**Comparative Analysis** A method of evaluating and comparing the performance, features, or characteristics of a business, product, or strategy relative to others in the same industry or market.

**Contingency Funds** Reserved funds set aside by a business or individual to cover unforeseen expenses or emergencies, providing a financial safety net.

**Cost-Based Pricing** A pricing strategy where the selling price of a product or service is determined by adding a markup to the cost of production, ensuring that all costs are covered and a desired profit margin is achieved.

**Customer-Based Pricing** A pricing strategy that takes into account the perceived value of a product or service from the customer's perspective, aligning the price with what customers are willing to pay based on factors such as brand image, quality, and customer experience.

**Debt** Money borrowed by an individual, business, or government with the obligation to repay the principal amount along with interest within a specified time period.

**Deficit** The amount by which expenses or liabilities exceed income, resources, or assets. A deficit occurs when there is a shortfall or negative balance in financial terms.

**Deforestation** Deforestation refers to the clearing, removal, or destruction of forests or wooded areas, primarily for agricultural expansion, urban development, logging, or infrastructure projects. Deforestation leads to the loss of forest cover and the conversion of forested land into non-forest uses, resulting in significant environmental impacts such as habitat destruction, biodiversity loss, soil erosion, water pollution, and climate change. It is a major concern for global environmental conservation efforts.

**Degraded Ecosystem** An ecosystem that has been adversely affected by various factors, such as human

activities, pollution, or climate change, resulting in a decline in its health, diversity, and functionality.

**Depreciation** Depreciation refers to the decrease in the value of an asset over time due to factors such as wear and tear, obsolescence, or aging. It is a non-cash expense that reflects the gradual reduction in the asset's usefulness or value as it is used in the operations of a business. Depreciation is recorded on the income statement to reflect the allocation of the asset's cost over its useful life.

**Distribution Channels** The pathways or routes utilized by businesses to deliver products or services from producers or manufacturers to end consumers. These channels can include intermediaries such as wholesalers, retailers, distributors, agents, and online platforms. Distribution channels play a crucial role in reaching target markets efficiently, managing inventory, and providing customer access to goods and services.

**Due Diligence** The comprehensive investigation, research, and analysis conducted by individuals or organizations before entering into a business transaction or agreement. It aims to gather relevant information to make informed and prudent decisions, ensuring that all aspects of the transaction are thoroughly examined.

**EBITDA** EBITDA stands for Earnings Before Interest, Taxes, Depreciation, and Amortization. It is a financial metric used to assess a company's operating performance and profitability before the impact of non-operational decisions like financing and accounting decisions. EBITDA focuses on the earnings from core business operations, excluding the effects of capital structure, tax rates, and non-cash accounting items like depreciation and amortization. It provides investors and analysts with a clearer view of the company's operational efficiency and its ability to generate cash

**Ecopreneur** An entrepreneur who prioritizes environmental sustainability and incorporates eco-friendly practices and principles into their business ventures. Eco-preneurs aim to create products or services that have a positive impact on the planet, often considering

## Glossary

the ecological and social aspects of their operations alongside economic success.

**Ecosystem** A community of living organisms interacting with each other and their physical environment. It includes not only the organisms but also the physical environment they inhabit, forming a complex web of relationships and dependencies.

**Increase Ecosystem Integrity** Increasing ecosystem integrity involves measures to enhance the health, resilience, and functionality of ecosystems, ensuring they can sustainably provide essential services and support biodiversity. This may include efforts to reduce pollution, prevent habitat degradation, control invasive species, promote natural regeneration processes, and restore ecological balance. Enhancing ecosystem integrity contributes to the long-term sustainability of ecosystems and the well-being of both humans and wildlife.

**Entrepreneur** An individual who takes initiative to start, manage, and operate a business, often with the goal of making a profit by identifying and capitalizing on opportunities.

**Equity** The ownership interest in a company, representing the residual interest in the assets of the entity after deducting liabilities. It can also refer to fairness and justice in economic and social contexts.

**Expenditure** The total spending or costs incurred by a business or individual during a specific period, including operational, capital, and other expenses.

**Forced Labor** The illegal practice of compelling individuals to work against their will, often through threats, coercion, or physical violence. Forced labor deprives individuals of their freedom and basic human rights, and it is considered a violation of international labor standards.

**Gross Profit** The total revenue generated by a business minus the cost of goods sold (COGS). Gross profit represents the amount available to cover operating expenses and contribute to net profit.

**Gross** The total amount before any deductions or expenses. It can refer to gross income, gross profit, or other financial metrics before subtracting costs.

**Human Resources** The department within an organization responsible for managing personnel, including recruitment, training, employee relations, and other aspects related to workforce management.

**Income Before Taxes** Operating income minus non-operating expenses

**Infrastructure** The physical and organizational structures, facilities, and systems necessary for the operation of a society, economy, or enterprise. Infrastructure includes transportation networks, communication systems, utilities, buildings, and other essential facilities that support and enable various activities and functions.

**Initial capital outlay** Assess the upfront costs necessary for initiating a restoration enterprise, such as purchasing equipment, acquiring land, or investing in initial restoration activities.

**Inventory** The total stock of goods or materials held by a business for the purpose of resale, production, or use in its operations.

**Indigenous Peoples and Local Communities (IPLC)**

Indigenous peoples and local communities (IPLCs) are, typically, ethnic groups who are descended from and identify with the original inhabitants of a given region, in contrast to groups that have settled, occupied or colonized the area more recently.

**Just Transition** A framework and set of policies aimed at ensuring a fair and equitable transition for workers and communities affected by changes in industries, technologies, or economic structures, often associated with shifts toward sustainability and environmental considerations.

**Land Use Change** The alteration or modification of how land is utilized, often involving shifts in the purpose or activities conducted on a particular piece of land. Land use change can include transformations from natural

## Glossary

landscapes to urban areas, agricultural fields, or other human-made environments, impacting ecosystems and communities. Land use can also change to regenerate ecosystems.

**Liability** A financial obligation or debt that a business or individual owes to others, typically arising from past transactions or events.

**Loss** The negative financial outcome experienced by a business or individual when the expenses exceed the revenue or when the value of assets decreases, leading to a decrease in net worth.

**Market Testing** The process of assessing a product or service's viability and acceptance in the target market through experiments, trials, or surveys before a full-scale launch.

**Marketing** The activities and strategies involved in promoting, advertising, and selling products or services to customers, encompassing market research, advertising, branding, and communication.

**Mitigation** The proactive measures and strategies implemented to reduce or prevent the adverse impacts of potential risks, challenges, or threats. Mitigation aims to minimize the severity or negative consequences of events, often related to environmental, social, or economic factors.

**Monitoring** The systematic collection of data on specific (risk and impact) indicators to evaluate and document how implementation is progressing, and which targets are being met.

**Minimum Viable Product (MVP)** A version of a product that includes only the essential features necessary to meet the needs of early adopters and gather feedback for further development. The primary goal of an MVP is to quickly deliver a functional product to the market with minimal resources, allowing the development team to learn from real user interactions and make informed decisions about future enhancements.

**Natural Capital** The elements of the natural environment, such as air, water, soil, and biodiversity, that provide

benefits to humans and other living organisms. Natural capital plays a crucial role in supporting life, providing ecosystem services, and contributing to the overall well-being of ecosystems and societies.

**Natural Ecosystem State** The original and undisturbed condition of an ecosystem, free from significant human influence or alteration. The natural state of an ecosystem represents its pristine or unmodified state, characterized by the balance of species, ecological processes, and environmental conditions that existed before human intervention.

**Increase Natural Ecosystem Area** Increasing natural ecosystem area refers to the expansion or enhancement of the size and coverage of existing ecosystems or the creation of new ones. This may involve initiatives such as reforestation, afforestation, habitat restoration, or the establishment of protected areas to conserve biodiversity and enhance ecosystem services. The goal is to promote ecological balance, support wildlife habitats, and mitigate the impacts of habitat loss and fragmentation.

**Net Income** Net income, also known as net profit, is the total earnings of a company after all expenses have been deducted from revenues. This includes deductions for operating expenses, interest, taxes, depreciation, and amortization. Net income represents the amount of money that a company has earned during a specific reporting period and is an important indicator of financial health. It is the bottom line of the income statement and directly affects the company's profitability and earnings per share.

**Net Profit** The total revenue generated by a business or individual after deducting all expenses, costs, taxes, and other deductions. Net profit is a key indicator of financial performance and represents the actual earnings retained by the entity.

**Net** The amount remaining after all deductions or allowances have been made, often used in the context of income, profit, or financial transactions.

**Operating Income** Gross profits minus operating expenses

## Glossary

**Operational Expenditures** The day-to-day expenses incurred by a business in its normal course of operations, including costs related to rent, utilities, salaries, and other ongoing operational activities.

**Operations** The activities and processes involved in running the day-to-day functions of a business or organization, including production, logistics, and other operational aspects.

**Organigram** An organigram, also known as an organizational chart, is a visual representation of the hierarchical structure and relationships within an organization. It typically depicts the roles, responsibilities, and reporting relationships of individuals or departments within the organization, showing how they are organized and interconnected. Organigrams help stakeholders understand the organizational structure, facilitate communication, and clarify lines of authority and decision-making.

**Ownership** The legal right or claim to possess, control, and use a property, asset, or business. Ownership implies the ability to make decisions, derive benefits, and transfer or sell the owned entity.

**Permit** An official document or authorization issued by a government or regulatory authority that grants permission to engage in a specific activity, conduct business, or use certain resources. Permits are often required to ensure compliance with laws and regulations.

**Potential Market Size** The estimated size of the overall market opportunity for a particular product or service, considering factors such as the total number of potential customers and their purchasing power.

**Product-Market Fit** Product-market fit refers to the alignment between a product or service and the needs, preferences, and demands of a specific target market. It indicates that the product addresses a genuine problem or pain point faced by customers and delivers unique value that resonates with them. Achieving product-market fit is crucial for sustainable business growth and market success, as it indicates that the



offering meets market demand and has the potential for widespread adoption.

**Profit Loss Statement** A financial report that provides a summary of the revenues, costs, and expenses incurred by a business over a specific period, indicating whether the business has earned a profit or incurred a loss during that time.

**Profit** The positive financial gain obtained when the revenue generated from a business or investment exceeds the total expenses and costs incurred.

**Prototype** A preliminary model or version of a product that is developed to test and validate its design, functionality, and feasibility before full-scale production.

**Regeneration** Intentional activities to restore or renew ecosystems that have been disturbed or damaged, aiming to bring them back to a more natural and balanced state

**active:** Direct influence on the process of regeneration, such as planting seeds and trees.

**passive:** Reducing external harm causing the degradation to give the ecosystem time to recover by itself.

**Rehabilitation** Improving the degraded state but not fully recovering it.

**Restoration Business** A Restoration Business incorporates ecosystem restoration and rehabilitation into the way it operates.

**Revenue** Revenue is the total amount of money generated by a company from its normal business activities, typically from the sale of goods and services to customers. It is often referred to as sales or turnover. Revenue is calculated before any expenses are subtracted, making it a gross income figure. It serves as a starting point for a company's income statement and is crucial for assessing the company's ability to bring in money and cover operating costs.

**Social Justice** The fair and equitable distribution of resources, opportunities, and privileges within a society,

## Glossary

aiming to address and rectify systemic inequalities and promote the well-being of all individuals.

**Soil Degradation** The deterioration of soil quality and health, often caused by human activities such as deforestation, agricultural practices, and improper land management. Soil degradation results in a decline in fertility, erosion, and a loss of the soil's ability to support plant and animal life.

**Stakeholder** People or groups who have an interest or involvement in the success or activities of a business or project. This includes employees, customers, investors, and the local community.

**Stewardship** The responsible and ethical management and care of resources, assets, or affairs entrusted to an individual or organization. Stewardship involves making decisions that consider the long-term well-being and sustainability of the entrusted entities.

**Supply Chain** A network of organizations, individuals, activities, information, and resources involved in the production, transformation, distribution, and delivery of goods or services from the initial creation to the end consumer. The supply chain encompasses all stages and processes, including sourcing raw materials, manufacturing, logistics, and retail.

**Surplus** The excess or extra amount of something, often referring to resources, income, or goods that exceed what is needed or used.

**Trade-Off** The concept of giving up one benefit or advantage in exchange for another. In decision-making, trade-offs involve choosing between different options, considering the advantages and disadvantages of each, and accepting the compromise inherent in the decision.

**Transformed Ecosystem** An ecosystem that has undergone significant changes, often as a result of human intervention or external factors, leading to a different composition and structure compared to its original state.

## *Glossary*

**Value Proposition** The unique set of benefits and value that a product or service offers to its customers, differentiating it from competitors and addressing the needs and preferences of the target market.

**Willingness to Pay (WTP)** The highest amount a customer is willing to spend or pay for a product or service.