INVESTING in the NATURAL CAPITAL

The ERC-FI Tool that Supports
Community-led Ecosystem Restoration Initiatives

No silver bullet can save our planet.
But ecosystem restoration comes pretty close.

The Ecosystem Restoration Foundation (ERF), the Center for Corporate Responsibility and Sustainability (CCRS), and the Green Bridge Association (GBA) are jointly developing a new financial instrument to facilitate, predict, assess, and report on the local progress made toward the restoration of vulnerable ecosystems.

The ERC-FI instrument will deliver data, outcomes, and scenarios to three constituencies:

COMMUNITIES
The voluntary offset market will be leveraged to fund holistic community-based restoration measures that contribute to a healthier environment for all.

RESEARCHERS
Offsets will be calculated by our predictive model, which assesses the impacts we expect from on-site interventions.

INVESTORS
Investors will receive reports on offsets made in carbon-sequestration, hydrological cycles, biodiversity, and social impacts.

We live a time of severe environmental and climate crises. Around the world, people are picking up the tools to repair what is broken.

We are convinced that local communities hold the key to lasting change. The Ecosystem Restoration Communities have achieved systemic change – from the ground up.

Our experience now encompasses more than 80 communities in 30 countries across six continents.

Ecosystem Restoration Communities' achievements

In **Guatemala**, one village stopped with slash and burn agriculture and implemented highly productive agroforestry systems. Now, only 8 years later, 500 villages have followed suit. No one single initiative can scale up that rapidly.

In the **Sinai Desert,** one local farm started to regenerate their soil. Now 80 farms across the region are learning how to do the same, replicated the regenerative farming approach in their own backyards.

In **Southern Italy**, a group of young people made the courageous choice to return to their land and roots, reintroducing nature into agricultural systems. The impacts generated, and the trust these local people had, inspired 11 more farms to follow suit.

Successful ecosystem restoration projects are often underfunded. Some reasons:

- Investing in ecosystem restoration is seen as high risk.

- Community-based initiatives often have limited or no access to potential financing partners.

- The narrow focus on carbon in the offset market has resulted in unintended negative impacts on both the environment and local communities, such as failed monoculture tree-planting projects and community displacement.
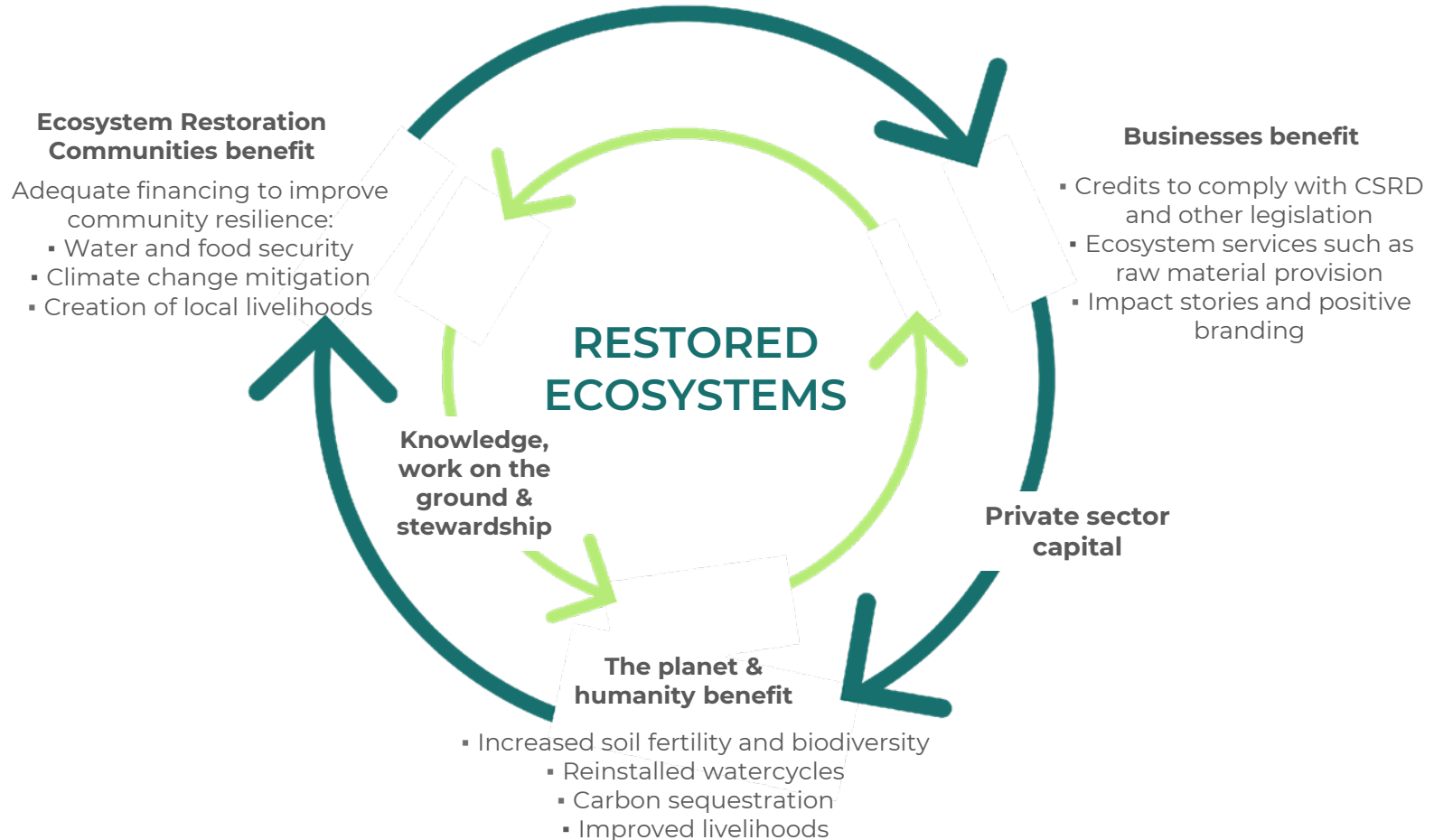
The Financial Instrument of the Ecosystem Restoration Communities (ERC-FI) will channel **corporate funding** to community-led ecosystem restoration initiatives.

We want to use the voluntary offset market to fund **holistic restoration measures** that result in a healthier environment for all.

The ecosystem restoration approach of ERC promotes outcomes that are **relevant** to the restoration initiatives of **local communities**, while avoiding counterproductive and reductionist outcomes.
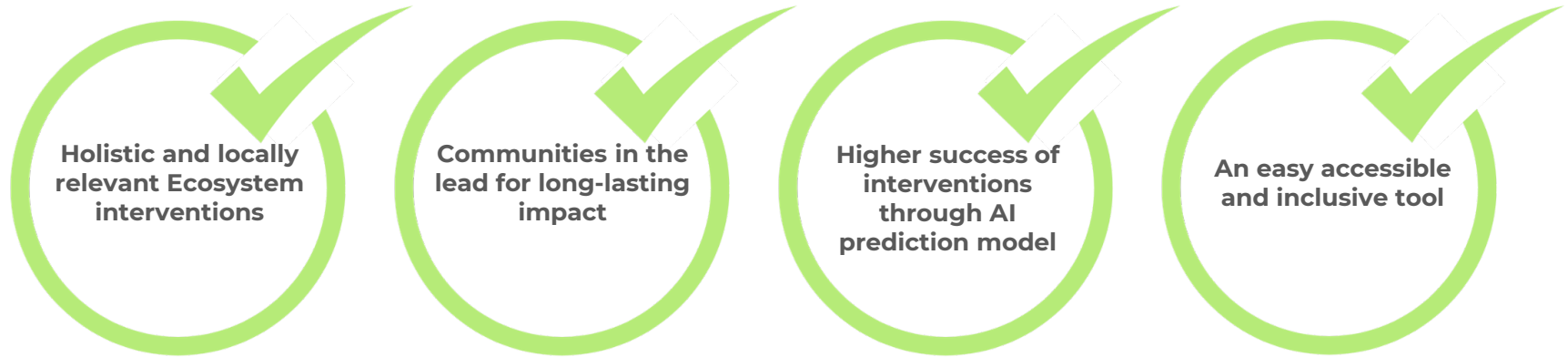
Ecosystem Restoration Communities benefit

Adequate financing to improve community resilience:
▪ Water and food security
▪ Climate change mitigation
▪ Creation of local livelihoods

Businesses benefit

▪ Credits to comply with CSRD and other legislation
▪ Ecosystem services such as raw material provision
▪ Impact stories and positive branding

RESTORED ECOSYSTEMS

Knowledge, work on the ground & stewardship

Private sector capital

The planet & humanity benefit

▪ Increased soil fertility and biodiversity
▪ Reinstalled watercycles
▪ Carbon sequestration
▪ Improved livelihoods

What makes ERC-FI stand out?

Holistic and locally relevant Ecosystem interventions

Communities in the lead for long-lasting impact

Higher success of interventions through AI prediction model

An easy accessible and inclusive tool

A disruptive offset credit system

ERC-FI disrupts the logic of the offset credit market and improves its impact.

EFFECTIVE AND SUSTAINABLE IMPACT

Offset credits come with significant costs. This project reduces costs using new methods to verify impacts. (AI, etc) making it accessible to local communities and farmers.

ERC-FI aims to develop a robust ecosystem restoration standard that is a fit for local farmer and community interventions

ERC-FI will be lead by inputs into holistic ecosystem restoration, not by outcomes such as carbon sequestration only - by this it will result in lasting outcomes for communities.

EXISTING OFFSET CREDIT MARKET COSTING

EXISTING OFFSET STANDARDISATION

EXISTING OUTCOME FOCUS

The ERC-FI financial instrument combines:
- A comprehensive dataset
- An AI-based and self-learning prediction model
- A blockchain-based financial transfer system
- A reporting and certification scheme

ERC-FI supports both natural and agricultural ecosystem restoration initiatives.
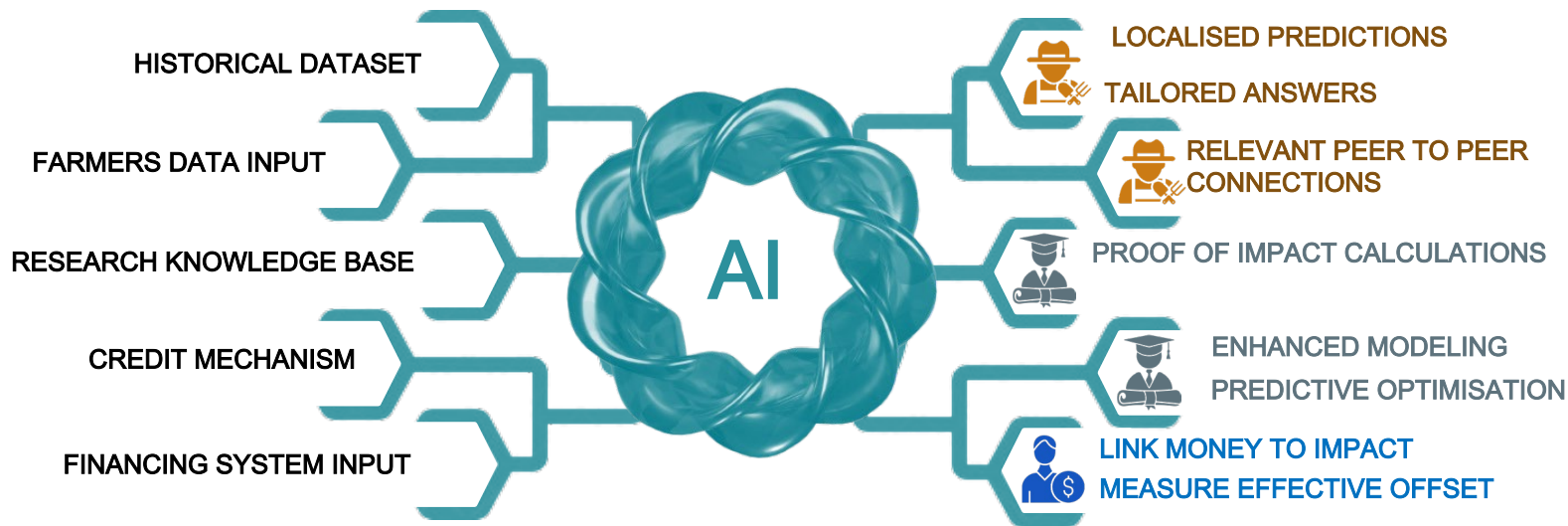
Project phases and timeline

PHASE I

Project preparation

- Consortium building
- Feasibility research
- Concept development
- Proposal for funding phase II

PHASE II

Technical development

- The database
- The AI prediction model
- The financial transfer system
- The reporting and certification scheme

Pilot & Verification

- Iteration I with 5 ERCs and 3 corporates to test overall functionality and delivery capacity of required data
- Iteration II with 50-90 ERCs and a group of first adopters in business to test compliance and off-setting needs as well as the reputational aspect of the instrument

Implementation & Marketing

- Public launch
- Attendance at global summits and conferences

| Sep 25 | Sep 26 | Sep 27 | Sep 28/29 |

The ERC-FI project leaders

The Ecosystem Restoration Foundation is a not-for-profit organization registered in The Netherlands, supporting the global Ecosystem Restoration Communities (ERC) movement. It has Public Good Organization status (ANBI) and is overseen by a voluntary Supervisory Board and supported by an Advisory Council of experts in the field. With more than 80 communities in over 30 countries, the ERC movement empowers local people with resources, support, and knowledge exchange to restore ecosystems. These communities serve as Living Laboratories for developing and sharing regenerative practices. The Foundation supports the movement through a knowledge platform, monitoring and evaluation framework, education, and communications.

The Center for Corporate Responsibility and Sustainability (CCRS) is an institute at HEG-FR, University of Applied Sciences of Western Switzerland. Founded in 2003, the centre reports to the Stiftung Zentrum Nachhaltigkeit. It researches and teaches interdisciplinary sustainability solutions. CCRS collaborates with the private sector on practical sustainability strategies at local and global levels. Its flagship project, esg2go, is a sustainability rating tool with CSR reporting frameworks and a GHG calculator. Its AI-enhanced recommendation engine proposes measures to SMEs to improve their specific footprint on sustainability. CCRS helps businesses drive sustainability and decent work (e.g. UN SDG 8 Key Embeddedness Indicator).

The Green Bridge Association (GBA) is an independent educational association founded in Zurich in 2024, to promote research, training, and exchanges in sustainability and innovation across Switzerland, Europe, and the Global South. Led by Prof. Philippe C. Forêt, Hans Martin Galliker, and ecopreneur Fred Yang 杨宗强. GBA connects change-makers and focuses on transformation tools. With partners in China, India, the Netherlands, and the U.S., GBA runs projects from Sahel to Central Asia on research methods, climate anxiety, cultural landscapes, and inclusive education.

We have a long history of working in collaboration. Our partners include:

Design with us the financial instrument that will dramatically impact both people and the planet!

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