

Case Study #4:

Ibero-Rest: an innovative approach to ecological restoration

Description of the Innovation

Ibero-Rest is a Spanish company specialized in technical projects for ecological restoration (according to the definition of the Society for Ecological Restoration, www.ser.org) of damaged or degraded natural areas. Ibero-Rest has developed an innovative business model, based on application of the latest research, and maintains close collaboration with leading Spanish universities. The innovation lies in new approaches and perspectives in project design (the technology is not new); these take into account environmental, social and economic factors. Ibero-Rest operates in Spain but seeks to expand to other European countries and to Latin America. The company has received numerous awards in start-up and new business competitions.

Benefits for business

Since the company is of recent creation, Ibero-Rest has not yet realised any substantial growth. However, Restoration Ecology is the basis of the company Biohabitat in the USA. This company has more than twenty years of experience in the environmental field and its business model is consolidated. Based on market analysis, Ibero-Rest anticipates growth during 2014 and consolidation by 2015.

Benefits for biodiversity

Ibero-Rest has not concluded any projects to date, however recent research indicates that benefits for biodiversity will include: (1) an increase of the number and diversity of habitats compared to those of a degraded ecosystem; (2) recuperation of the ecosystem goods and services provided by the damaged area prior to its degradation; (3) long-term substrate stability, which is especially useful when applying new methodologies to the restoration of mining areas, in contrast to the instability of the conventional restoration models; (4) substantial decrease in long-term maintenance costs; (5) greater visual integration, making the restored area resemble the adjacent natural areas.

Opportunities for growth / future potential in the EU

Restoration ecology is one of the main green business opportunities in Spain. The EU target to restore 15% of degraded ecosystems by 2020 should favour rapid market growth in Spain and other member states. The EU loses c. 3% of its GDP due to biodiversity loss, at an annual cost of c. €450 bn. Restoring biodiversity and ecosystem services where these have been degraded is therefore potentially a very strong business. The development of biodiversity offsetting could also increase demand for ecological restoration services.

Barriers to development of the opportunity

There is limited understanding of ecological restoration and the potential benefits. Environmental remediation is not ecological restoration without appropriate monitoring and adaptive management (which is essential to ensure the restoration of ecosystem goods and services). Ibero-Rest has sought to address this through an educational and awareness campaign.

Potential actions to accelerate uptake

Enabling actions: There is a need for enhanced government support for ecological restoration and for monitoring and evaluation to ensure planned outcomes. At EU level, the main opportunity is to strengthen the regulatory framework requiring compensation for development impacts on biodiversity, thereby strengthening demand for ecological restoration services. Specific funds could also be provided to foster ecological restoration, and incentives provided to companies that invest in restoration.

Research and innovation needs: further research on biodiversity offsetting as a potential financing source for ecological restoration, notably research on the distribution of costs and benefits.

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