



Ethical
Conservation
Alliance

SUSTAINABLE ECONOMIES AND LOCAL ENTREPRENEURSHIP

A toolkit for community-based
enterprise in conservation

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Summary

This toolkit on Sustainable Economies and Local Entrepreneurship is a practical guide designed to help conservation practitioners, community partners, and policymakers understand and support the development of community-based enterprises (CBEs) that align economic opportunity with ecological sustainability.

Drawing on field experience, economic and social theory, and lessons from conservation practice, the toolkit integrates enterprise development, community empowerment, and environmental stewardship into a single framework. It emphasizes that sustainable enterprises are not only vehicles for income generation, but also instruments for strengthening local agency, fostering resilience, and supporting long-term conservation outcomes.

The toolkit is organized into five main parts:

1. **Community-based enterprises and community development** – introducing key concepts, definitions, and principles
2. **The emergence of enterprises in conservation** – tracing how enterprise approaches have evolved within conservation practice
3. **Challenges confronting conservation-linked enterprises** – examining structural, social, and ecological risks
4. **Building community-based enterprises** – outlining practical guidance for designing and strengthening enterprises
5. **The relevance of enterprises for communities and conservation** – highlighting their broader role in sustainable development

Throughout, the toolkit underscores the importance of balancing economic viability, social equity, and ecological integrity, and situates enterprise development within the realities of local contexts and global environmental change.

This toolkit is intended for conservation practitioners, development professionals, community facilitators, and policymakers working to promote sustainable livelihoods and conservation outcomes.

The toolkit should be used together with the **accompanying video lessons and online course**. The document and videos complement each other; engaging with both will provide a deeper and more practical understanding of how to support sustainable, community-led enterprises.



Purpose

This toolkit aims to help practitioners and partners understand, design, and support community-based enterprises that contribute to both local economic development and conservation goals.

It provides a conceptual and practical foundation for:

- Understanding how enterprises function within social and ecological systems
- Recognizing the opportunities and risks associated with linking livelihoods to conservation
- Identifying strategies for building enterprises that are economically viable, socially equitable, and ecologically sustainable
- Strengthening community agency, leadership, and participation in enterprise development

The toolkit brings together insights from economics, conservation, and community development, and draws on field-based experience from diverse geographies. It emphasizes that sustainable economies are not created through standardized models, but through context-specific approaches grounded in local knowledge, capacities, and aspirations.

Like other toolkits in this series, this document is designed to be used alongside the accompanying video lessons and online course. While there is some overlap, each format reinforces and expands on the other, enabling a more comprehensive and applied understanding of the material.

Intended users: Conservation practitioners, NGOs, government agencies, community leaders, and development professionals working at the interface of livelihoods and conservation.



How to Use This Document

This toolkit is designed to be flexible and accessible, allowing users to engage with it in different ways depending on their needs, experience, and context.

- **Use alongside videos and the online course:**



Watch the accompanying video lessons for each section while reading the document. The videos provide additional explanations, examples, and reflections that complement the written content.

- **Read sequentially or selectively:**



The toolkit can be read from beginning to end for a comprehensive understanding, or individual sections can be used as standalone modules depending on specific needs.

- **Engage with reflection questions and checks:**



Each section includes reflection prompts and quick checks to help apply concepts to real-world contexts and reinforce learning.

- **Apply concepts to your context:**



Users are encouraged to relate the ideas in this toolkit to their own landscapes, communities, and projects, and to adapt the guidance to local ecological, social, and economic realities.

- **Use as a training and facilitation resource:**



The toolkit can be used to support workshops, training sessions, and discussions with community members, practitioners, and decision-makers.

By combining the document, videos, and practical application, users can develop a more holistic and actionable understanding of how to build and support sustainable, community-based enterprises in conservation contexts.

PART I

Community-Based Enterprises and Community Development



What is an Enterprise?

An enterprise is a structured organization or business entity engaged in producing goods or providing services, which can be transacted in a market to generate revenues and a profit. In economic terms, an enterprise acts as the primary vehicle for value creation, utilizing various forms of capital—natural, human, social, and financial—to generate outputs that can be transacted in a market.

Any enterprise must generate sufficient revenue over time to cover its operational costs and produce a profit, which can then be reinvested for growth or distributed among stakeholders. Within the specific context of this toolkit, we view the “enterprise” not merely as a profit-seeking unit, but as a catalyst for local entrepreneurship that provides opportunities for marginalized populations, should they so desire, to move from subsistence-based living toward active participation in the global economy.

QUICK CHECK

Which of the following best reflects how an “enterprise” is understood in the context of communities and conservation?

- A. A structure focused only on profit
- B. A mechanism for value creation and social upliftment
- C. A government welfare system
- D. A temporary livelihood activity

What is Sustainability in the Context of CBEs?

The term “sustainability” is frequently used in development circles, yet it is rarely defined with the nuance required for field-level implementation. It is crucial to clarify that ecological sustainability is not an absolute, static concept; rather, it is a relative and dynamic one.

In a community-based enterprise, sustainability is a process of ongoing negotiation between the needs of the human population and the regenerative capacity of the ecosystem. What is “sustainable” one year may not be the next. Therefore, engaging with sustainability requires:

Adaptive Management: The ability of the enterprise to scale back production or shift activities based on ecological feedback loops.

Context-Specificity: Recognizing that a harvesting rate that is sustainable for a high-density forest in a tropical zone may be catastrophic for dry, low productivity ecosystem.

The Triple Bottom Line: Acknowledging that for a CBE to be truly sustainable, it must strive to achieve equilibrium across three fronts:

1. **Economic Viability:** The business must be able to sustain itself without indefinite external subsidies.
2. **Social Equity:** The benefits must be distributed in a way that maintains community cohesion.
3. **Ecological Integrity:** The natural capital (the “goose that lays the golden eggs”) must be protected and, where possible, restored.

QUICK CHECK

Which of the following best captures sustainability in CBEs?

- A. Fixed ecological limits
- B. A dynamic negotiation between people and ecosystems
- C. Only environmental protection
- D. Profit maximization with regulation

Reflection

Think of an activity
in your landscape
that depends on
natural resources.

How might its
sustainability change
across seasons, years,
or market conditions?

What signals
would indicate
that it is becoming
unsustainable?



What are Community-based Enterprises (CBEs)?

CBEs are enterprises owned, managed, and operated by Indigenous or local communities or groups. They differ from traditional private enterprises in their mission and structure. CBEs often focus on generating goods and services that address local needs and utilize local natural and community resources while fostering social, economic, and environmental benefits for members and the wider community.

Additionally, CBEs generate a financial surplus while improving social and environmental situations. They are 'place-based' institutions whose identity and operations are closely linked to the specific landscape and culture of the community.





Historical Background of CBEs in the Context of Development

CBEs emerged in the 1970s–1980s as part of a shift from top-down, government- and industry-led development approaches toward participatory and sustainable development models. They aimed to provide communities with a way to participate in local and global markets to generate income while enhancing inclusion, social cohesion, and exerting control over their development.

The strong belief that undergirded these initiatives was that CBEs could constitute one of the key drivers for the economic empowerment and the social mobility of communities.

QUICK CHECK

CBEs emerged as part of a shift toward:

- A. Industrial expansion
- B. Participatory development approaches
- C. Tourism-led development
- D. Export-driven agriculture



Key Characteristics of CBEs

Community-Agency and Shared Benefits

CBEs are often owned and managed collectively by local communities, fostering shared decision-making and benefits. There is often a debate about whether collective ownership is a defining characteristic of a CBE. While collective ownership (e.g., as a cooperative or trust) is a powerful model, the truly defining characteristic is community agency.

This means the community has the primary decision-making power and that the benefits are shared equitably, whether they be wages, dividends, or community services. A CBE might be managed by a core group of entrepreneurs, but if it operates under the mandate of the community and for its collective benefit, it fulfils its purpose.





Resource Focus and Local Value Addition

CBEs are focused on local resources such as biodiversity, traditional knowledge, and local skills. A key goal of these enterprises is value addition, where instead of selling raw produce to external middlemen, a CBE strives to process those goods locally and retain a higher percentage of the market value within the community.

Integrated Sustainability

CBEs emphasize eco-friendly practices and leverage local traditional skills and knowledge. By combining modern business management with ancestral ecological wisdom, CBEs create products that often have a unique selling proposition and a lower environmental footprint than mass-produced alternatives.

What Kind of Businesses are CBEs?

CBEs are both social initiatives and they have clear economic imperatives. They engage in commercial activities such as farming, crafts, ecotourism, and small industries to generate income and profit. Their focus is on creating sustainable livelihoods, improving economic self-reliance, and sometimes scaling up to serve broader markets.

Common sectors for CBEs include:

- Regenerative agriculture (e.g., organic coffee, cacao, spices, honey production)
- Non-timber forest products (e.g., wild honey, essential oils, medicinal plants)
- Ecotourism (e.g., community-owned lodges, homestays, guiding services)
- Small-scale manufacturing (e.g., crafts, textiles, sustainable materials)

Why are CBEs Important Today?

CBEs are vital sources of local economic development, social cohesion, and environmental sustainability. Their ability to generate income while empowering communities makes them a key component of inclusive and sustainable development. CBEs can help ensure that economic development and social upliftment in the last remaining biodiversity-rich areas can be achieved without damaging the environment, and respecting local resources, traditions, and values.

QUICK CHECK

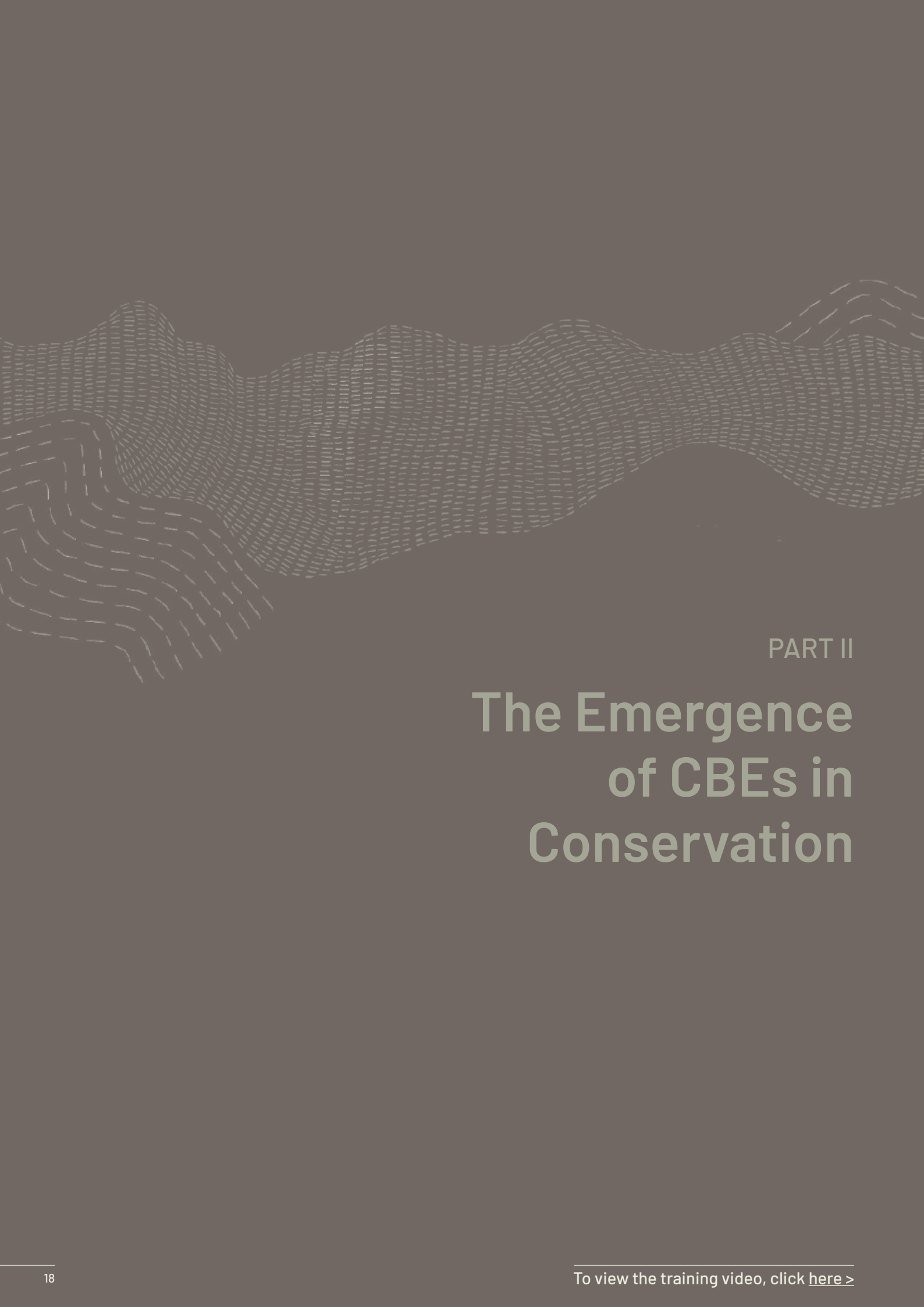
Which of the following best represents value addition in a CBE?

- A. Selling raw materials directly
- B. Processing products locally before sale
- C. Exporting without modification
- D. Reducing production

Reflection

In your context, what
role do enterprises
currently play in
shaping livelihoods?

Who controls them,
and who benefits
most?



PART II

The Emergence of CBEs in Conservation



Conservation efforts have typically been top-down, with governments and societal elites establishing protected areas, often leading to the displacement of communities and an attendant loss in their livelihoods or access to natural resources. These impacts of top-down conservation led to protracted and complex conflicts with local populations.

Recognizing the importance of local communities, efforts began toward involving them in decision-making. Some conservation strategies and interventions started acknowledging Indigenous rights and traditional knowledge. By the 1990s, it became increasingly recognised that conservation projects needed to be promoted in partnership with Indigenous peoples and local communities, emphasizing local ownership, benefit-sharing, and sustainable resource management.





This new approach to conservation recognized the importance of economically empowering communities through the establishment of enterprises and small businesses, though, typically, on-ground efforts have focused more on livelihood enhancements rather than promoting entrepreneurship. In the three decades since this idea gained traction, global nature conservation has witnessed the emergence and establishment of a variety of enterprises spanning sectors as wide ranging as ecotourism, sustainable harvesting, and craft production, though these are not always inclusive or community-owned.

QUICK CHECK

What was a major consequence of earlier top-down conservation approaches?

- A. Increased local employment
- B. Strengthened community ownership
- C. Displacement and conflict with communities
- D. Improved market access

**What has the idea
of community-
based enterprise in
conservation led to
so far?**

The idea of community-based enterprises in conservation has led to the development of businesses that attempt to align ecological sustainability with economic opportunity. These enterprises represent an effort to reconcile the needs of conservation with the realities of local economic needs.

**What kind of
businesses have
these enterprises
tried to create?**

These are businesses that intentionally balance species and habitat conservation, social equity, and economic profitability, embodying the principles of the triple bottom line.

**What has been
the focus of these
businesses?**

They aim to generate positive social and environmental impacts while remaining financially viable, integrating ecological and social goals into their business models.



Key Characteristics of These Enterprises

CBEs, especially those integrated with wildlife conservation, are intrinsically identified by distinctive characteristics:

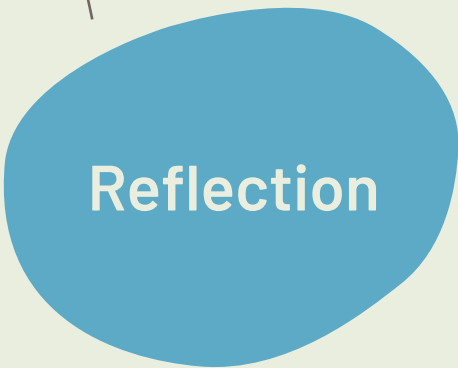
- 1. Local Community Ownership and Participation:** These enterprises are rooted in local communities, with ownership and decision-making power residing primarily within community members.
- 2. Conservation Focus:** They promote wildlife conservation and sustainable use of natural resources, aligning economic activities with environmental protection.
- 3. Sustainable Use of Resources:** They emphasize long-term ecological sustainability through responsible use of biodiversity and ecosystem services.
- 4. Economic Empowerment:** They create income-generating opportunities and contribute to improved wellbeing.
- 5. Inclusive and Equitable:** They promote inclusion, particularly for marginalized groups such as Indigenous women and youth.

- 
6. **Capacity Building:** They invest in building local skills, knowledge, and leadership.
 7. **Partnerships and Collaboration:** They engage with governments, NGOs, and private actors.
 8. **Revenue Reinvestment:** Profits may be reinvested into community and conservation initiatives.
 9. **Ecosystem Service Valuation:** They recognize ecosystem services as economic assets.
 10. **Adaptability and Resilience:** They respond to ecological, economic, and social changes.
 11. **Legal and Institutional Support:** They operate within enabling legal and policy frameworks.
 12. **Awareness and Education:** They contribute to conservation awareness.

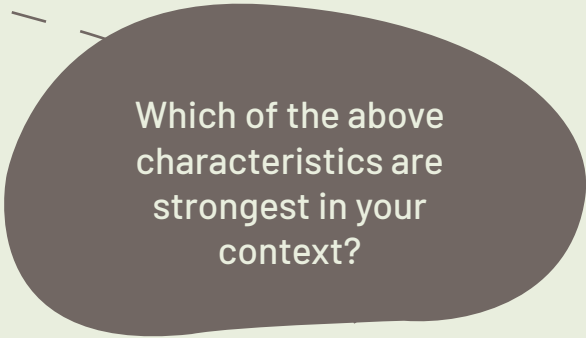
QUICK
CHECK

Which characteristic relates most directly to long-term ecological sustainability?

- A. Revenue reinvestment
- B. Sustainable use of resources
- C. Partnerships
- D. Branding



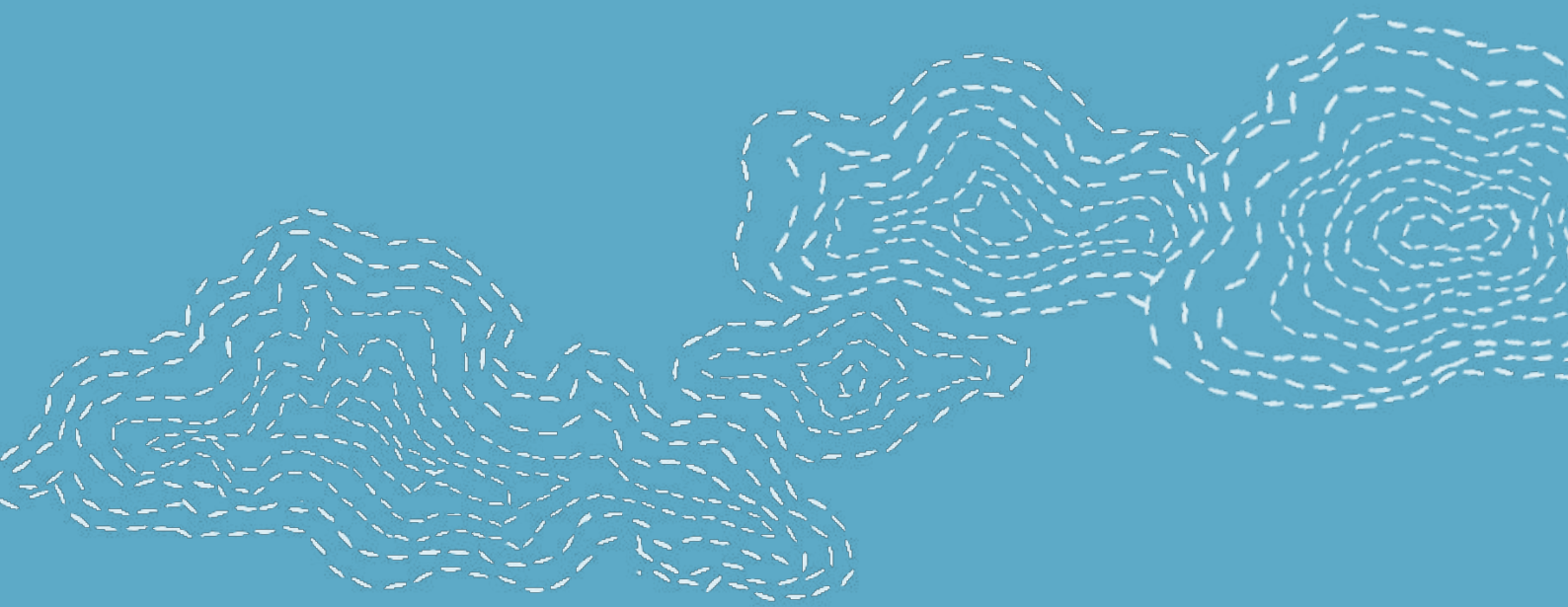
Reflection



Which of the above characteristics are strongest in your context?



Which are weakest or missing entirely?



PART III

Challenges of Confronting Conservation CBEs?



CBEs operating in conservation contexts face a number of structural and operational challenges that can undermine both their economic viability and conservation outcomes.

1. **Paradox of Overexploitation:** The pursuit of profit can lead to unsustainable harvesting or hunting, harming wildlife populations and ecological health. Short-term financial gains may undermine long-term sustainability.
2. **Market Vulnerabilities and Shock:** Dependence on tourism, commodity markets, or external funding exposes enterprises to economic fluctuations, political instability, and global crises.
3. **The Dependency Trap:** Excessive reliance on external agencies can weaken local ownership and reduce sustainability once support ends.
4. **Power Imbalances:** External actors or local elites may dominate decision-making, limiting community agency and equitable benefit-sharing.
5. **Loss of Local Context and Autonomy:** Externally catalysed models may not align with local ecological or cultural realities.

- 
6. **Governance and Corruption Risks:** Weak governance can lead to mismanagement and erosion of trust.
 7. **Inequitable Benefit-Sharing & Social Tensions:** Unequal distribution of benefits can lead to conflict and marginalization.
 8. **Environmental and Social Trade-offs:** Profit-driven activities may result in ecological degradation or social inequality.
 9. **Limited Capacity for Monitoring and Enforcement:** Enterprises often lack the tools or authority to enforce sustainable practices.
 10. **Conflict of Interests:** Economic goals may conflict with ecological or social priorities.
 11. **Potential for “Greenwashing” & Misrepresentation:** Some enterprises may falsely claim sustainability.
 12. **Long-Term Survival and External Dependence:** Without strong local capacity, enterprises risk collapse after external support ends.

QUICK
CHECK

Which challenge refers to over-reliance on NGOs or donors?

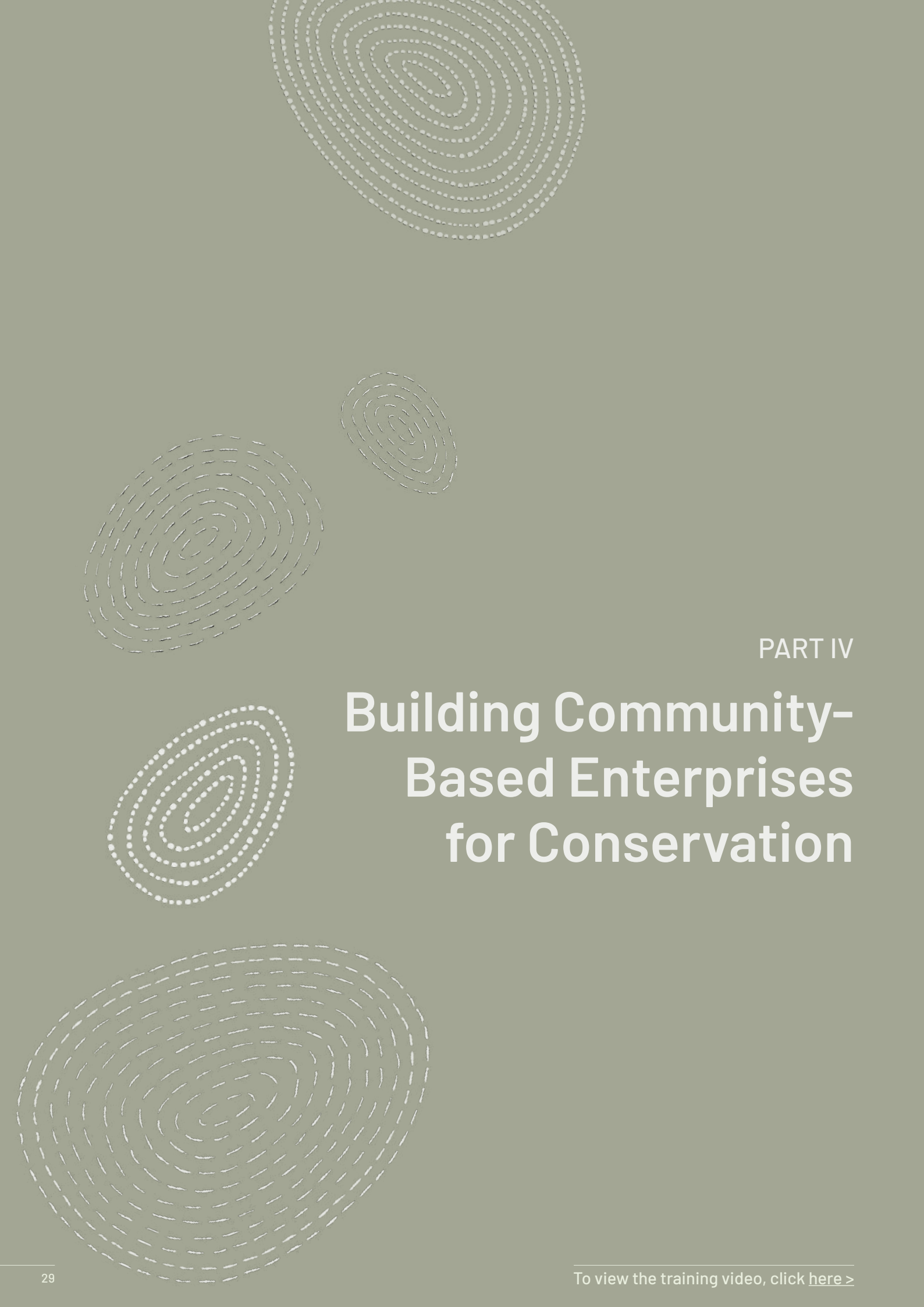
- A. Market vulnerability
- B. Dependency trap
- C. Power imbalance
- D. Governance risk

Reflection

Which of these challenges listed above are already visible in your context?

How might multiple challenges reinforce each other?





PART IV

Building Community- Based Enterprises for Conservation



Building a sustainable community-based and conservation-linked enterprise is a complex process fraught with numerous challenges. These include risks of overexploitation of resources, dependence on external support, lack of local ownership, limited capacity for management and innovation, market vulnerabilities, and social inequalities.

External agencies often act as catalysts, but their involvement can sometimes lead to dependency, misaligned priorities, or reduced local agency. To overcome these hurdles, a strategic approach that emphasizes strong local leadership is critical.

Identifying and empowering core entrepreneurs, along with inclusive participation, diversified income streams, transparent governance, and adaptive management are essential. A comprehensive strategy should aim to anticipate and address these challenges holistically, ensuring the enterprise can thrive independently, contribute meaningfully to conservation goals, and generate ongoing social and economic benefits for the community.



A Rough Guide

1. **Fostering Genuine Community Ownership and Identifying a Core Group:** Involvement of local communities from the outset is essential. Identifying entrepreneurial leaders within the community helps drive the enterprise.
2. **Conservation and Income Generation:** The enterprise must align income generation with ecological sustainability.
3. **Local Capacity and Leadership:** Training and mentorship are critical for long-term success.
4. **Transparent Governance:** Clear rules for decision-making and benefit-sharing are necessary.

- 
5. **Adaptive and Sustainable Business Models:** Flexibility and diversification strengthen resilience of the enterprise.
 6. **Building Markets and Partnerships:** Strong branding and partnerships expand opportunities for the enterprise.
 7. **Securing Legal Foundations:** Operating within legal frameworks is essential.
 8. **Financial Management, Monitoring and Evaluation:** Tracking both financial and ecological performance is critical.
 9. **Constituencies for Place-based Conservation:** Enterprises can foster long-term conservation values within communities.

QUICK
CHECK

What is the role of local leadership in CBEs?

- A. Administrative only
- B. Driving operations, motivation, and innovation
- C. Managing external funding only
- D. Monitoring tourism



PART V

The Growing Relevance and Importance of Enterprises to Communities and Conservation



CBEs play an increasingly important role in advancing conservation and development goals simultaneously.

They help promote ecological sustainability by incentivizing the protection of natural resources. They create livelihood opportunities that reduce dependence on harmful practices. They empower communities and strengthen social cohesion. They build local capacity and resilience. They enhance awareness and appreciation of nature.

They also provide cost-effective and locally grounded conservation solutions, while contributing to broader goals such as biodiversity conservation and climate resilience.



Final Reflection

What role can CBEs
realistically play in
your landscape?

What conditions
are necessary for
them to succeed
over the long term?





Quick Check Answer Key

Page: **B**

Page: **B**

Page: **B**

Page: **B**

Page: **C**

Page: **B**

Page: **B**

Page: **B**



APPENDIX A Quiz Questions

1. In the context of the toolkit, an enterprise is best understood as:
 - A structure focused only on profit
 - A mechanism for value creation and social upliftment
 - A government welfare system
 - A temporary livelihood activity
2. Sustainability in CBEs is described as:
 - Fixed ecological limits
 - Only environmental protection
 - A dynamic negotiation between people and ecosystems
 - Profit maximization with regulation
3. What is a defining feature of Community-Based Enterprises (CBEs)?
 - External ownership
 - Government control
 - Community agency in decision-making
 - Focus on exports only
4. True or False: CBEs are always privately owned businesses focused only on profit.
 - True
 - False
5. Short Answer: Define a Community-Based Enterprise (CBE) in your own words based on the document.

6. Rank the three components of the “Triple Bottom Line” as presented in the toolkit:
 - [1] Economic viability
 - [2] Social equity
 - [3] Ecological integrity

7. Match the concept to its description:

- | | |
|--------------------------|--|
| [A] Economic Viability | [1] Protection of natural capital |
| [B] Social Equity | [2] Ability to sustain without subsidies |
| [C] Ecological Integrity | [3] Fair distribution of benefits |

8. True or False: Sustainability in CBEs requires balancing economic, social, and ecological factors.

- True
- False

9. Short Answer: What does “adaptive management” mean in the context of sustainability?

10. What is an example of value addition in a CBE?

- Selling raw materials directly
- Processing products locally before sale
- Exporting without modification
- Reducing production

11. CBEs emerged primarily as part of a shift toward:

- Industrial expansion
- Participatory development approaches
- Tourism-led development
- Export-driven agriculture

12. What was a major consequence of top-down conservation approaches?

- Increased employment
- Stronger community ownership
- Displacement and conflict with communities
- Improved market access

13. Short Answer: Name two sectors where CBEs commonly operate.

14. Arrange the following steps in building CBEs in a logical sequence:

- [1] Transparent governance
- [2] Community ownership
- [3] Building markets and partnerships
- [4] Capacity building

15. Which characteristic most directly supports long-term ecological sustainability?

- Revenue reinvestment
- Sustainable use of resources
- Partnerships
- Branding

16. Which challenge refers to over-reliance on external NGOs or donors?

- Market vulnerability
- Dependency trap
- Power imbalance
- Governance risk

17. True or False: External agencies always strengthen local ownership in CBEs.

- True
- False

18. True or False: CBEs can contribute to both conservation and livelihood improvement.

- True
- False

19. Match the challenge to its description:

[A] Dependency Trap

[B] Overexploitation

[C] Power Imbalance

[1] Unsustainable resource use
for profit

[2] Reliance on external support

[3] Unequal decision-making control

20. Short Answer: List two key challenges faced by CBEs in
conservation contexts.

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