



Verde Ventures (VV) builds sustainable green economies by investing in small and medium sized businesses that are strategically placed to contribute to conserving Earth’s biologically richest and most threatened areas.

Verde Ventures seeks out those enterprises best suited to maintaining and valuing healthy, intact ecosystems and ecosystem services.

Verde Ventures investments have supported:

- Site-based protection of 308,009 hectares of key biodiversity habitat
- Indirect protection of an additional 3 million hectares in protected areas adjacent to project sites
- Protection of 191 globally threatened species found in project sites
- Businesses that employ 15,125 people working in project sites in 13 countries

FY 10 Highlights

During fiscal year 2010 (July 2009-June 2010), Verde Ventures awarded \$2.4 Million in loans to 13 businesses in 3 countries, and provided \$117,110.00 in business development grants to 12 enterprises in 3 countries. VV also implemented the World Heritage Local Ecological Enterprise Program (WH-LEEP) in collaboration with the United Nations Foundation, United Nations Development Program/Global Environment Facility /Small Grants Programme/Community Management of Protected areas for Conservation (UNDP / GEF/ SGP/COMPACT), and Daiwa Securities Co, Ltd.

Our investments are focused in four principal thematic areas - Coffee and Cocoa, Sustainable Tourism, Fisheries, and Clean Energy.

- **Coffee and Cocoa** – With the continued support of Starbucks, VV has continued to invest in sustainable and responsibly grown coffee cooperatives and estates in Central and South America. During this fiscal year, VV diversified its portfolio to include coffee growers in the [Alto Mayo](#) region of Peru, where we are co-investing with a number of other Ecosystem Finance Division Funds to build a viable green economy. We are simultaneously ensuring long term fresh water and food security while tackling habitat loss and deforestation in this key ecosystem.



- Sustainable Tourism** – Sustainable, responsible tourism continues to be an important component of many green economies and is an effective mechanism to secure both critical habitats and provide alternative economic opportunities in many parts of the world. Verde Ventures portfolio includes ecotourism partners in in [Costa Rica](#), [Mozambique](#) and [Ecuador](#). We welcome [Playa Viva](#) who directly supports leather-back turtle conservation on Mexico’s Pacific coastline and provides an important local source of alternative incomes. It was recently named a finalist in the Innovation Leadership category of the Sustainable Tourism Awards [[The International Ecotourism Society](#)].
- Fisheries** – In addition to our terrestrial green economy investments, Verde Ventures made its first marine investment in a [sustainable lobster fishing company in Cancun](#), Mexico. This investment not only contributes to species and habitat conservation, but also it provides valuable food and cultural security benefits to the shareholders, comprised of over 300 fishing families. As most scientists agree that unsustainable fishing is one of the most significant threats to ocean ecosystems, Verde Ventures is investing in Small and Medium sized enterprises in critical marine habitats which are already Marine Stewardship Council certified or are seeking to achieve [MSC certification](#).
- Clean Energy** – Addressing energy cleanliness is a key component of developing a sustainable green economy. Verde Ventures is committed to tackling the challenges of energy poverty and the related health, climate and deforestation impacts. A number of exciting new initiatives are under review in this sector.



UP CLOSE...



Integradora de Pescadores: Changing the way we fish

With the help of the United Nations Foundation and UNDP COMPACT, Verde Ventures has been able to award its first sustainable fisheries loan to Integradora de Pescadores de Quintana Roo. This enterprise directly supports the growth and establishment of a sustainable, green enterprise investing in species conservation, alternative sources of incomes and food security.

[Integradora de Pescadores de Quinana Roo](#) is a private company in Mexico consisting of 6 fishing cooperatives based in the southern part of the Sian Ka’an World Heritage site, representing 300 fishing families. The company has registered the name CHAKAY to denote sustainably fished lobster in collaboration with Razonatura, a local non-profit. They have developed an

extensive monitoring and management program to ensure sustainable fishing, and have begun selling to the tourism/hospitality industry. They have also been provided with retail facilities in Cancun by the state.

In keeping with CI's focus on conservation based, community development, this enterprise has developed an innovative model of sustainable fishing in collaboration with local stakeholders. We hope its success will influence other efforts of this type, seeking to overcome the common tragedy so often associated with fisheries.

Projects—WH-LEEP



Verde Ventures in collaboration with the United Nations Foundation, United Nations Development Program/Global Environment Facility Small Grants Programme (UNDP / GEF SGP), and Daiwa Securities Co, Ltd. , continues to implement the [World Heritage Local Ecological Entrepreneurship Program \(WH-LEEP\)](#). The purpose of WH-LEEP is to establish a loan financing and enterprise development facility that provides affordable loans and enterprise development support to community based sustainable businesses around World Heritage sites.



This project utilizes the tools of enterprise development, complementing COMPACT's support to existing enterprises, by providing technical assistance for business growth and the provision of affordable capital. This package supports the long-term viability of selected enterprises with growth potential in the COMPACT regions.



The WH-LEEP program focuses on innovative ways to leverage market mechanisms and promote private sector enterprise development. Additionally, it provides a market-based approach to community enterprise development in and around World Heritage sites and high biodiversity areas.



Significant progress has been made during the implementation of the program phase one, in Mexico, Kenya, and Tanzania. A total of 21 projects have applied, of which 12 have been formally approved and selected for Business Development Support, and one approved for a Verde Ventures loan.



Awardees include coffee cooperatives, a honey harvesting cooperative, tourism entrepreneurs, a charcoal substitution company, a water management company and the provision of solar lighting / water purification equipment through a community cooperative. Each of these opportunities have been selected to further test and implement our green economies approach, while ensuring long term food and water securities as well as habitat conservation.

New Partnerships

VV in Africa in Partnership with FFEM—Fonds Français pour l'Environnement Mondial

Lack of access to financing is consistently cited by Small and Medium Enterprises (SMEs) as one of the main barriers to growth. With such limited access to financing, SME owners struggle to make the investments they need to increase productivity and the competitiveness of their business, develop new markets and hire more people. This is particularly true in African countries.



Verde Ventures has seen that there is a substantial SME investment market potential in Africa that overlaps with CI's conservation priorities. The existence of this "missing middle," unserved by either microfinance institutions or large financial institutions, is a significant challenge for SMEs seeking to grow responsibly, particularly in Africa. Given the importance of the SME sector as a driver of growth and employment, as well as a large unserved need in this sector in Africa, Verde Ventures has developed an aggressive Africa strategy.

We very are grateful to both l'Agence Française de Développement (AFD) and Fonds Français pour l'Environnement Mondial (FFEM) for their continued support and the opportunity to expand our services to this critical continent.

Please visit <http://www.conservation.org/sites/verdeventures/loans/pages/default.aspx> for more information on this new partnership.

Conservation Capital

Verde Ventures is pleased to announce a new partnership for Africa with Conservation Capital <http://www.conservation-capital.com/>

Conservation Capital (CC) is a leader in the application of innovative finance and strategy solutions in biodiversity conservation. CC has led over US\$220m worth of private sector conservation investments across 26 countries in four continents. These projects have created over 4,000 jobs and generate over US\$30m in annual revenues. The partnership between VV and CC will be led by Josep Oriol, a CC partner specializing in principal investments.



We look forward to working with Conservation Capital in the coming year.

For more information about this and other opportunities please visit: www.conservation.org/verdeventures

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