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## Three questions for Tammy Newmark, CEO and Managing Partner at EcoEnterprises Fund



EcoEnterprises Fund

*EcoEnterprises Fund offers tailored growth capital and strategic guidance to innovative impact businesses in order to scale and optimize their financial, environmental and social performance. They managed two funds that have financed over 30 companies across 11 countries and have started a 3<sup>rd</sup> fund in May 2018 with UEBT as a partner.*

*This UEBT/EcoEnterprises Fund partnership aims to support investment in small businesses that actively contribute to conserving biodiversity and improving livelihoods for local communities. UEBT will also support EcoEnterprises Fund on issues such as supply chain verification, monitoring and evaluation, and access and benefit sharing.*

### Question 1: Tell us about the fund and what you are trying to do?

**Tammy Newmark:** EcoEnterprises Fund has been investing in nature-based biodiversity small community-based businesses for 20 years. We started under the umbrella of The Nature Conservancy (TNC). The whole concept of investing in these types of business emerged because of a need for sustainable management of businesses located in precious ecosystems, especially where local and indigenous communities are leading the way.

A first fund was created in 2000 to invest in these types of businesses. It demonstrated how capital markets and consumer awareness for different environmental products have changed over time. This first fund was a 'proof of concept' as it still was the early stages of organic agriculture and sustainable forest management certified to FSC. We invested in a portfolio of 23 businesses throughout Latin America - these were some of the first organic cocoa, shrimp or spice operations, for example. We wanted to show you could create these impactful results concurrent with financial returns. In 2010, we spun off from TNC and launched our 2<sup>nd</sup> fund with a portfolio of 11 enterprises. Today we have our third fund!

### Question 2: How does UEBT add value as a partner?

**Tammy Newmark:** As we've seen the market transform and evolve, there is an emergence of new opportunities, and an increasing level of sophistication in the overall field. In the latter part of fund 2, we invested in a UEBT member company in Colombia – Ecoflora Cares, a natural colorant company – both were buying from indigenous communities and providing the additional benefits, the Access and Benefit Sharing component.



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We thought this was intriguing and I decided to learn more by visiting the UEBT Secretariat in Amsterdam. I believed it would be interesting to create a more formal collaboration with UEBT to look at whether there are any more leading-edge companies, the next generation of businesses, like these other two. UEBT has the expertise and people on the ground who can help us with identifying possible enterprises, verification of good practice, supply chain protocols, and all those necessary services that businesses are increasingly needing to get into the marketplace.

### **Question 3: What are you hoping for the future of this work, and what keeps you moving forward?**

**Tammy Newmark:** I got into this business 30 years ago and I have really stayed strongly motivated mainly due to our team - we have been working together from the start. What keeps us engaged and energized is the ability to pioneer a new approach and mainstream impact investing – how we are getting more attraction now as sustainable business is not a new concept anymore. We like pushing the edge of the envelope, supporting those companies that serve as business models in the region, examples to replicate for others...

We are now seeing the next generation of business leaders coming into this - starting their own innovative green business or steering a family-run business towards sustainability. It's all that new activity that will bring fundamental change. Our approach of using investment capital and the financial markets is critical because of our global challenges: climate change, poverty, social inequities. These all require full action from all the actors and all the stakeholders and vested interests.

Ultimately it would be great if we work ourselves out of a job. We'd like to see the local capital markets fill this void. If we have enticed other players to come into this niche of businesses, if more investors take this ethos and impact philosophy, it would bode well for all of us.