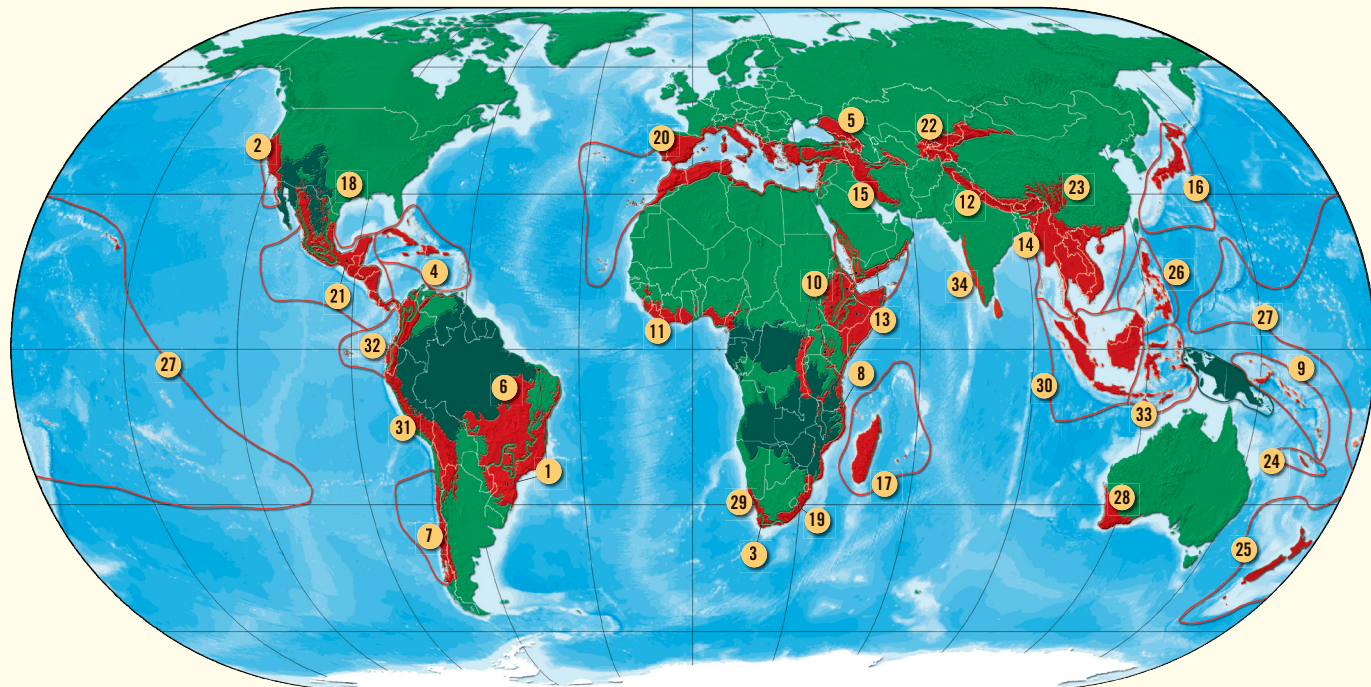


APPLICATION PROCEDURES

To apply, please send a letter of interest to Verde Ventures, at verdeventures@conservation.org, that addresses the following:

- Specific location of business operations (refer to map below to ensure your enterprise is located within a CI priority area)
- Amount of investment requested
- Information on how funds will be used
- Description of how your business supports biodiversity
- Information on the background of your key managers
- Summary financials.

CI PRIORITY AREAS



Biodiversity Hotspots **High-Biodiversity Wilderness Area**

- | | | |
|---|--|--------------------------------|
| 1 Atlantic Forest | 12 Himalaya | 24 New Caledonia |
| 2 California Floristic Province | 13 Horn of Africa | 25 New Zealand |
| 3 Cape Floristic Region | 14 Indo-Burma | 26 Philippines |
| 4 Caribbean Islands | 15 Irano-Anatolian | 27 Polynesia-Micronesia |
| 5 Caucasus | 16 Japan | 28 Southwest Australia |
| 6 Cerrado | 17 Madagascar and Indian Ocean Islands | 29 Succulent Karoo |
| 7 Chilean Winter Rainfall-Valdivian Forests | 18 Madrean Pine-Oak Woodlands | 30 Sundaland |
| 8 Coastal Forests of Eastern Africa | 19 Maputaland-Pondoland-Albany | 31 Tropical Andes |
| 9 East Melanesian Islands | 20 Mediterranean Basin | 32 Tumbes-Chocó-Magdalena |
| 10 Eastern Afromontane | 21 Mesoamerica | 33 Wallacea |
| 11 Guinean Forests of West Africa | 22 Mountains of Central Asia | 34 Western Ghats and Sri Lanka |
| | 23 Mountains of Southwest China | |

CI'S MISSION

Conservation International (CI) believes that the Earth's natural heritage must be maintained if future generations are to thrive spiritually, culturally, and economically. Our mission is to conserve the Earth's living heritage—our global biodiversity—and to demonstrate that human societies are able to live harmoniously with nature.

TO LEARN MORE, CONTACT:

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VERDEVENTURES

AT CONSERVATION INTERNATIONAL



AT A GLANCE

Verde Ventures is currently capitalized with \$6.75 million raised from public and private sources including the International Finance Corporation/Global Environmental Facility, the Overseas Private Investment Corporation (OPIC) and the Starbucks Coffee Company. To date, just under \$4 million of this capital has been invested with a 100 percent repayment rate.

VERDE VENTURES INVESTMENT COMMITTEE

Leslie Barcus
The Microfinance Management Institute
c/o The Open Society Institute

Patrick Coady
President, Coady & Co.

Niels Crone
Chief Financial Officer,
Executive Vice President
Conservation International

Mark Feldman
President and Chief Executive Officer,
L&L Manufacturing Co

Steve Graubart
Managing Director, Calvert Ventures

John A. May
Managing Partner, New Vantage Group

Nicholas Pritzker
Chairman of the Board and CEO,
Hyatt Development Corporation and Hyatt Equities, LLC

Verde Ventures is a fund designed to strengthen small- and medium-sized enterprises that are strategically important to biodiversity conservation. The fund provides debt and equity financing of \$30,000–\$500,000 to select businesses in CI's priority areas. Through a new partnership with the United Nations Development Program's Equator Initiative, Verde Ventures also will augment its current funding with a Technical Assistance Program.

To date, Verde Ventures partners have helped directly secure the protection and restoration of over 580,000 hectares (1.2 million acres) of key habitat and 95 IUCN Red Listed species, and supported 14 projects that together employ more than 9,000 local people in 7 countries.

To be eligible for support from Verde Ventures, the enterprise must be involved in a business that benefits conservation. Some examples include:

- **Agroforestry:** Shade-grown and sustainable agriculture that buffers biologically important protected areas
- **Ecotourism:** Lodges or other ecotourism products that protect biodiversity and also provide conservation-oriented employment for communities living near protected areas
- **Wild-harvest products:** Businesses that develop and promote oils, nuts, fruit, plants, fibers and other natural materials sustainably harvested near protected areas.

Any income-generating enterprise that provides direct benefits to biodiversity conservation is encouraged to apply.

An applicant/business must meet the following basic criteria:

- Make contributions to conservation in biodiversity hotspots, major high-biodiversity wilderness areas or CI marine project sites (see map on back page)
- Have total assets valued at no more than \$5 million
- Employ a strong management team
- Demonstrate viable cash flow for repayment.



INVESTMENT PROFILES:

A LOOK AT THE BUSINESSES SUPPORTED BY VERDE VENTURES



The Day Chocolate Company Ghana, West Africa

The enterprise: DayChocolateCompany is a United Kingdom-based fair-trade chocolate company that sources cocoa from CI's Ghanaian Conservation CocoaSM partner Kuapa Kokoo. Day's products are available throughout the UK and via the SERRV catalogue in the United States (www.divinechocolate.com).

The deal: In May 2001, Verde Ventures approved an investment of \$250,000 in Day Chocolate. Day purchases cocoa from Kuapa farmers at "fair-trade" prices, often two times that of the commercial price, while also giving Kuapa 33 percent ownership in Day.

The benefit: While cocoa grown on plantations can be detrimental to biodiversity, Kuapa farmers working with CI's Conservation CocoaSM program seek to increase yields of existing crops, reduce pesticide use and diversify farms to ensure maximum shade in buffer zones bordering some of Ghana's most important protected areas. Farmers participating with Day Chocolate earn a better living and the incentive to continue growing shade cocoa, rather than converting to more detrimental crops such as oil palm.



Coffee Investments Mexico, Peru and Indonesia

The enterprise: Verde Ventures has provided financing for coffee enterprises in Mexico, Peru and Indonesia. In Chiapas, Mexico, Verde Ventures has provided financing to eight cooperatives participating in CI's Conservation Coffee Program (CCP). In Peru, financing was provided to CECOVASA, a federation of cooperatives consisting of 5,000 primarily indigenous producers. In Indonesia, Trimaju has also received funding to purchase coffee from the Gayo Organic Coffee Farmers Association, a cooperative of 1,400 small-scale producers in Aceh.

The deals: Verde Ventures has provided over \$2 million in rotating loan finance for pre- and post-harvesting working capital for the production of conservation-oriented coffee in CI priority areas.

The benefit: By providing price incentives and affordable credit for local farmers growing conservation-oriented coffee, the program creates a direct incentive for farmers to continue sustainable coffee production. The program has contributed to the protection of key buffer zones around the El Triunfo Biosphere Reserve in Mexico, the Bahuaha-Sonene National Park and the Tambopata-Candamo Reserve in Southern Peru, and the Gunung Leuser Ecosystem in the Sundaland Hotspot.



Rainforest Exquisite Products Bolivia

The enterprise: Rainforest Exquisite Products, S.A. (REPSA) is a Bolivian company established in 1997 dedicated to the sustainable sourcing of organic cocoa, coffee, and brazil nuts from Bolivia. REPSA currently produces and exports products to Europe, Japan, and the US. (www.rainforest-products.com)

The deal: In December 2004 Verde Ventures provided a loan of \$121,200 to finance REPSA's purchase and export of wild criollo cocoa and brazil nuts from local producer associations.

The benefit: This investment will support REPSA's sustainably harvested cocoa and Brazil nut purchases from 550 association members providing a direct economic incentive for the local population to conserve 40,000 hectares of important woodlands between Noel Kempff Mercado National Park and Isiboro Sécure National Park of the Amazon High Biodiversity Wilderness Area.



Belize Lodge and Excursions Ltd. Southern Belize

The enterprise: Belize Lodge and Excursions Ltd. (BLE) is a unique ecotourism company located in the 12-mile Golden Stream Corridor of southern Belize. BLE currently operates two lodges and provides a variety of adventure activities for tourists (www.belizelodge.com).

The deal: In December 2002, Verde Ventures invested \$100,000 in BLE. The company is using the 5-year loan to complete construction of two ecolodges; to reforest 6,800 hectares (17,000 acres) of biologically rich private land; and to patrol the reserve.

The benefit: Previously the site of a logging operation and citrus plantations, the area now owned by BLE is home to 500 bird species and five species of wild cats. As the primary employer for the area, BLE provides tourism jobs for 150 local Mayans, many of whom worked as loggers and sawmill operators. Employment with BLE provides an economic alternative to natural resource extraction. Additionally, BLE contributes a percentage of daily tourist revenue to the protection of this private reserve.



Rainforest Expeditions Eastern Peru

The enterprise: Rainforest Expeditions (RFE) is a Peruvian ecotourism company founded in 1992. The company combines tourism and environmental education, research, and local sustainable development to support the conservation of 1,600 hectares (4,000 acres) within the Peruvian Amazon's Tambopata-Candamo Reserve Zone (www.perunature.com).

The deal: In 2003 Verde Ventures approved an investment of \$110,556 for infrastructure, transportation, and communications improvements at RFE's facilities. In 2005 Verde Ventures approved a new loan of \$250,000 for the construction of a new lodge.

The benefit: One of RFE's two lodges is 100 percent owned and jointly operated by the local Infierno community. In exchange for 60 percent of the profits, training and employment, the community has agreed to no hunting, farming, or logging within their communal reserve—one of the most biologically rich places on Earth. The lodge employs over 50 community members, who earn 38 percent more than the average earned from hunting and farming.



Wildlife Works Kenya

The enterprise: Wildlife Works, Export Processing Zone (EPZ), is a Kenya-based apparel company and manufacturing arm of Wildlife Works, Inc (WW), which was founded in 1997 in California. Wildlife Works' mission is to harness the power of the global consumer to create innovative and sustainable solutions for wildlife conservation (www.wildlifeworks.com).

The deal: In March of 2005 Verde Ventures provided a loan of \$150,000 to WW for working capital, which will enable the company to augment its production capacity in Kenya and subsequently increase the level of conservation and social impact in the region.

The benefit: In addition to benefiting the conservation of WW's 80,000 acre Rukinga Wildlife Sanctuary located between Tsavo East and Tsavo West National Parks (20,812 Km²) in the Eastern Afrotropical Hotspot, this investment will also provide incentives for local communities working with WW to reduce poaching and increase reforestation efforts on nearby Mt. Kasigau. The company's efforts will help protect 4 endangered species in the Sanctuary and the protection of 3 IUCN Critically Endangered species in adjacent areas. In addition, 55 people in the local community will directly benefit from this investment through local employment.

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