

ECOENTERPRISES FUND

FONDO ECOEMPRESAS, S.A.

Organic Commodity Products

Based in San Jose, Costa Rica, Organic Commodity Products (OCP) developed organic chocolate products for the world market. Working with cooperatives of largely indigenous growers in Costa Rica and Panama, the company purchased cacao grown naturally as an understory tree in the forests of the Talamanca-Caribbean Biological Corridor.

The region harbors incredible diversity, including a wealth of bird species. The Nature Conservancy and other organizations in the Talamanca-Caribbean Biological Corridor researched whether environmentally friendly cacao cultivation, such as that promoted by OCP, could benefit bird populations. A scientific study supported the theory that cacao, properly managed among diverse native shade trees, can be a viable commercial crop and a critical conservation tool in buffer zones near national parks and other protected natural areas.

Before OCP began working with growers in the Talamanca region, these small producers were selling conventionally grown cacao beans into the traditional market through local manufacturers that paid traditional commodity prices. Through their work with OCP, these local farming cooperatives, such as Asociación de Pequeños Productores de Talamanca, have mastered organic cultivation practices, quality control, organic certification systems and financing. They now enter into long-term contracts that support fair trade—which means greater profits for the growers—and organic sustainability.

EcoEnterprises Fund co-financed this loan with Root Capital, the MacArthur Foundation, Hot Fudge Ventures, and with socially responsible private investors.

Date Invested: November 8, 2000

Current Status as of December 2008: No longer in operation. Local farming cooperatives continue to sell fair-trade certified cacao. Project principal started another chocolate company, Theo (www.theochocolate.com).