

ECOENTERPRISES FUND

FONDO ECOEMPRESAS, S.A.

NatuScience Ltda.

NatuScience was a small, woman-owned Brazilian start-up dedicated to bringing to market products that respect the knowledge of traditional peoples and the environment. The company produced a line of candles, soaps, and oils made from the nut of the Andiroba tree.

Andiroba (*carapa guianensis*) is common to the Amazon basin and its extract is a natural mosquito repellent. The nut has a rich and diverse history in Amazonian culture. For generations, the purest form of Andiroba oil has been used to help ease painful joints, heal cuts, and help control diseases by repelling mosquitoes, fleas, ticks and lice. NatuScience has gathered the living memories of the few Andiroba workers left—traditionally women—to learn about extraction methods, the plant's medicinal uses, and the production of Andiroba soap.

The collection of the Andiroba nuts represents one of the few income sources for Amazonian communities that does not require the clearing of the forest. The Andiroba fruit falls from January to April, and is often collected by canoe from the forest floor when it is flooded.

The type of sustainable business model NatuScience promoted had social and economic advantages that accentuated the value of the product itself. At least six local Amazonian tribes benefited directly from the income NatuScience provided. The Nature Conservancy's Amazon Program endorsed the project, as one of its priorities is finding ways to support traditional extractive Amazon activities that bring economic value to the standing forest. The indigenous communities that rely on such activities control more land than all of the declared protected areas in the Amazon. In addition, the oil of the Andiroba nut can be used for electricity generation, a significant need in the remote Amazon.

When EcoEnterprises Fund first learned of NatuScience, the company did not have a business plan and thus the Fund was not able to consider it for investment. The Fund recognized the promise in the company, however, and provided technical assistance to help develop a comprehensive business plan. This assistance enabled the company to pursue follow-on financing from the Fund.

EcoEnterprises Fund co-financed this investment with the project principal and other shareholders.

Date Invested: January 29, 2003

Current Status as of December 2008: No longer in operation. The company was forced to close after a change in governmental regulations altered the local demand for andiroba products.