

## ECOENTERPRISES FUND

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### *FONDO ECOEMPRESAS, S.A.*

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#### **Noram de Mexico, S.A. de C.V.**

Working with indigenous communities in the forests of the Sierra Madre Mountains in Mexico, Noram produces natural charcoal from sustainably-harvested oak hardwood.

An award-winning project at the World Resources Institute's New Ventures Competition of Environmental Enterprises, this company produces a high-quality product to meet the growing international demand for all-natural charcoal. Locally, Noram's most significant customers include Comercial Mexicana (a leading Mexican supermarket chain).

The charcoal is made from 100 percent oak hardwood in temperature-controlled, state-of-the-art kilns. Unlike conventional briquettes, natural charcoal chunks do not contain coal, oil, limestone, sawdust, starch or petroleum products. They burn hotter and cleaner because they contain more than 80 percent fixed pure carbon.

Raw materials such as oak branches gathered from the pine-oak forest are purchased from local indigenous communities called *ejidos*. Noram supports these *ejidos* by providing training in such practices as pruning, fire prevention and the protection of reforested areas and biodiversity corridors.

The pine-oak forests of the Sierra Madre have been recognized as areas of high endemism and biodiversity. They are home to such mammals as black bears, pumas and the Mexican wolf and such bird species as the Thick-Billed Parrot, the Eared Trogon and the Imperial Woodpecker.

In accordance with the standards set by the Forest Stewardship Council, the Rainforest Alliance's Smartwood Program has formally evaluated the forest operations and verified that Noram's wood comes from well-managed forests that are harvested in a way that is environmentally responsible, socially beneficial and economically viable. The company's forest management practices are continuously monitored to ensure compliance. Noram is also promoting other forest conservation projects in coordination with the Consejo Civil Mexicano de Silvicultura Sostenible in order to increase the benefits *ejidos* receive from their sustainable forestry practices.

EcoEnterprises Fund co-financed this investment with Corporación Andina de Fomento, Environmental Enterprises Assistance Fund, and several U.S. and Mexican private investors.

Date Invested: May 29, 2001

Current Status as of December 2008: In operation. The Fund's loan ended in November 2007.