

CASE STUDY

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# EcoEnterprises Fund: Nurturing Nature-Based Businesses to Succeed

*Delivering a just rural transition through hands-on  
venture capital investing in impact-driven food and  
agribusiness startups*



supported by



## Seeding Value and Values through EcoEnterprises Fund

Venture capital, tailored finance, and advice for startups that protect and restore biodiversity

### Location

The EcoEnterprise Fund works across Latin America, Europe and the US, while their partnership with Terrafertil has been focused in Colombia and Ecuador.

### Context

EcoEnterprises Fund is a women-owned and led fund that identifies, nurtures, and finances businesses that conserve natural resource systems and biodiversity; mitigate climate risks; and create long-term sustainable income and economic development for workers, suppliers, and rural communities. The Fund particularly seeks investment opportunities in women-led businesses, and encourages its portfolio companies to strengthen the participation of women in the workforce, its leadership and across its supply chains.



Terrafertil - a Latin American 'superfood' startup producing snacks based on the Andean Goldenberry sourced from farming communities in Colombia and Ecuador - is one of the businesses which EcoEnterprises Fund supported for over a decade. In 2005, EcoEnterprises Fund provided Terrafertil with a USD \$50,000 loan to purchase land for its first plant in Ecuador.

### Challenge

With startup failure rates high in agribusiness, the challenge for the Fund was to provide appropriate guidance to Terrafertil to turn it from a fledgling company to a successful category leader, while also retaining the Fund's values of gender inclusion, climate-smart practice and livelihood support.

**“ [EcoEnterprises] have built a track record delivering portfolio results... generating fair and sustainable livelihoods for local communities, and preserving our most important natural asset: Planet Earth. ”**

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### Solution

To nurture the brand, EcoEnterprises began a close relationship with Terrafertil, that ran from its founding in 2005 to its purchase by Nestlé in 2018. EcoEnterprises positioned themselves as Terrafertil's go-to financier by demonstrating flexibility in their loan options, providing fast follow-on financing, increasing ticket sizes when appropriate, and adjusting payment schedules to changing market realities. This flexibility represented an important value-add during the long-term partnership between the Fund and the company.

EcoEnterprises combined this investment support with long-running technical assistance capacities, building a strong relationship with Terrafertil through business plan development; funding research for market entry into Mexico; offering guidance for the development of the company's impact metrics monitoring; and encouraging the founders to implement more formal corporate governance practices and financial controls, all of which helped to professionalize operations and eventually paved the way for the sale to Nestlé.

**“ The Fund’s private and institutional investors ... valued the distinctive, collaborative approach and professional expertise of our women-led and managed investment team during our two decades producing results. ”**

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## Impact

Supported by EcoEnterprises Fund since its inception, Terrafertil was able to capitalize on the boom in global demand for healthier snack options, rapidly scaling up operations and expanding internationally with formal long-term employment for hundreds of workers and economic opportunities for over 1,000 smallholder farming families created in the process.

With Terrafertil’s support, farmers have been able to increase their goldenberry productivity by an average of 20% and have reported positive impacts in

household wealth, education opportunities, quality of life improvements, and even health benefits. Guided by the principles of its key funder, Terrafertil adopted organic and Fair Trade practices, obtained international certifications, and focused on forging strong ties with its suppliers, half of whom were women, providing stable demand as well as continuous technical assistance and certification support.

Upon the 2018 acquisition of Terrafertil by Nestlé, EcoEnterprises was rewarded for its proactive and hands-on funding by achieving what they describe as “favorable market returns” from the sale. The thirteen year journey from an initial USD \$50,000 loan to selling a market leader to a major food conglomerate, whilst still retaining core environmental and social values, is a testament to the potential of committed investment funds to drive meaningful change across agricultural landscapes.

Over two decades, EcoEnterprises Fund has launched three sub-funds that have mobilized over USD \$150 million in private and public funding for impact investments across Latin America, Europe and the

U.S., closing a gap in local capital markets that often lack the tailored, long-term structures many growing sustainable businesses require to succeed. The Fund has invested in over 50 companies, spanning 11 countries with commercial success across its portfolio.

**“ [EcoEnterprises’] capital combined with hands-on partnering through direct technical advisory support, one-on-one work with principals, and Board-level participation yields strong portfolio outcomes. ”**

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