



VOICES *OF THE* *ENTREPRENEURS*



WORLD
RESOURCES
INSTITUTE

***New Ventures would like
to thank the entrepreneurs
who lent their voices to
this publication:***

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FOREWORD

In 1999, the World Resources Institute set out to prove a new concept: that small and medium-sized businesses could make a profound difference to the health of the planet.

Thirteen years on, the proof of our concept is demonstrated daily around the world. As engines of economic growth and laboratories for environmental and social innovation, small and medium-sized enterprises are helping to build modern economies that improve people's lives while conserving natural resources.

This is especially true in developing countries where such businesses can account for as many as four in five jobs and almost a third of GDP. Which is why, back in 1999, WRI chose Latin America and Asia as the focus of its pioneering New Ventures project to nurture environmental entrepreneurs.

Today, New Ventures has more than lived up to its name. Our innovative model—helping entrepreneurs build solid business plans and skills, linking them with mentors, and showcasing them to investors—has taken root in six countries. Companies we support have launched mold-breaking products and business models, ranging from an Indian company that generates affordable rural electricity from rice husks to an Amazonian community business that sells premium Brazil nut

products to overseas markets. In China, a New Ventures company has created a vibrant national market for refurbished photocopiers, thereby reducing toxic electronic waste.

In all, New Ventures has supported 367 companies in six countries, facilitating US\$377 million in investment with average deal sizes ranging from US\$100,000 to US\$3 million. To date, these businesses have conserved or sustainably cultivated 4.5 million hectares of land while keeping 3.3 million tons of greenhouse gases out of the atmosphere.

With New Ventures now poised to scale up to the next level, the time is right for WRI to step back from its role as coordinator of the country centers in Brazil, China, Colombia, India, Indonesia, and Mexico. Although we are immensely proud of our long association, we recognize that the country directors have built strong, distinct programs that will reach new heights with greater local and regional independence.

This report, aimed primarily at investors and donors, is both a record and a celebration of what New Ventures has

achieved so far and a springboard to its future. The 32 entrepreneurs featured in these pages are a truly inspiring group of individuals: innovators rooted in the real world and doers who base their actions on dreams of a more sustainable future.

The report mines their experiences to provide valuable insights into what it takes to succeed in the fledgling environmental small business sector. It also describes firsthand the challenges that can block such companies' growth—from policy barriers and inadequate human capacity to lack of access to business development support, markets, and timely investment.

The New Ventures model works, as the case studies in these pages amply illustrate. With the Earth's resources rapidly depleting, the need for such sustainable business models becomes ever more urgent. But local entrepreneurs cannot do it alone. We trust that the compelling voices in this report will resonate with investors and donors and that they will help New Ventures to scale up environmental entrepreneurship throughout the emerging world.



Andrew Steer
*President and CEO,
World Resources Institute*



Jamshyd Godrej
*Member of Board of Directors,
World Resources Institute and WRI India*



**INNOVATORS.
RISK-TAKERS.
DREAMERS.
DOERS.**

ENTREPRENEURS.

This report is about a special group of these already extraordinary people—those who are dedicated to creating environmental benefits through their successful commercial enterprises. These environmental entrepreneurs are New Ventures' very reason for being. Their stories give meaning to our work, their voices bring the issues to life, and their words inspire action.

What role do environmental entrepreneurs play?

One of the greatest challenges of our time is achieving economic development and prosperity in a manner that is sustainable with regard to natural resource consumption against the backdrop of a rising global population. Environmental entrepreneurs have a critical role to play in solving this dilemma.

Since New Ventures was founded by the World Resources Institute (WRI) in 1999, a number of initiatives, backed by generous donors, have recognized the important role of entrepreneurship in development and have ramped up their efforts to promote it. Entrepreneurs and the small and medium-sized enterprises (SMEs) they often create are central to *private-sector development*—stimulating the growth of the local private sector in developing countries and helping markets to function well—a strategy to which development practitioners and donors are increasingly turning as a means of achieving lasting poverty reduction and economic growth.¹

SMEs contribute up to 78 percent of employment and more than 29 percent of GDP in developing economies.² Environmental SMEs—enterprises that capitalize on commercial opportunities while generating clear, measurable environmental benefits—create even more value. In addition to providing local jobs and spurring growth, environmental SMEs also provide the innovative business models, technologies, products, and services that can shape growth that is both economically and environmentally sustainable.

Despite their importance and potential, however, the majority of environmental SMEs in developing economies fail in their first few years of operation, mainly due to a lack of access to finance, a need for business development services, and policy barriers that make it hard to build or expand businesses. These SMEs are

NEW VENTURES

CORE MODEL

- *Identify and select promising environmental SMEs*
- *Provide business development services to support the selected companies*
- *Showcase leading SMEs to key stakeholders and facilitate debt and equity investments to scale businesses*
- *Build a local support network to help environmental SMEs prosper*

typically too large for microfinance but too small for commercial finance, so they fall into the so-called “missing middle.”³ In particular, environmental SMEs tend to have business models built around

operationalizing new technologies, breaking into new product sectors, and reaching previously untapped customer segments (for example, in rural areas), creating the type of unfamiliar risk profiles that financial institutions shy away from.

New Ventures was founded—and continues to be driven—by the conviction that when environmental entrepreneurs are given the opportunity to succeed, their businesses will unleash substantial environmental and social benefits and promote sustainable economic development. Our efforts to support these entrepreneurs form the basis of our mission: to empower environmental entrepreneurs in emerging markets⁴ to develop market-based solutions that protect the Earth’s environment and its capacity to provide for current and future generations.



© WRI / Robin Murphy 2007

1. Private-sector development began to gain real traction in the development community following the World Bank’s seminal report, “Voices of the Poor.” The report’s team surveyed 60,000 poor people and asked them what they saw as their best escape route from poverty. The answer was wages or self-employment. Narayan, D. with R. Chambers, M. K. Shah, and P. Petesch, “Voices of the Poor,” World Bank, 2000.

2. Employment figure from Ayyagari, M., A. Demirgüç-Kunt, and V. Maksimovic, “Small Versus Young Firms Across the World: Contribution to Employment, Job Creation, and Growth,” World Bank, Policy Research Working Paper No. 5631, 2011. GDP figure is a modest estimate because it only accounts for formal SMEs; from “Scaling-Up SME Access to Financial Services in the Developing World,” International Finance Corporation, SME Finance Sub-Group of the G-20 Financial Inclusion Experts Group, 2010.

3. We refer to the “missing middle” as the lack of investable capital targeted at funding SMEs; it tends to range from US\$20,000 to US\$2 million. The Aspen Network of Development Entrepreneurs, a global network of organizations that invest money and expertise to propel entrepreneurship in emerging markets, has been influential in spreading the use of this term as a synonym for the SME finance gap. <http://www.aspeninstitute.org>

4. We have focused our attention on emerging markets because of their vibrant economies and their large and growing impact on our global environment.

FOUNDED IN 1999, NEW VENTURES HAS:

Demonstrated that businesses that incorporate environmental benefits into their core business model can be commercially successful

NEW VENTURES HAS:

367

Worked with 367 innovative enterprises whose goods and services produce clear, measurable environmental benefits, such as clean energy, efficient water use, and sustainable land use, and often address the challenges experienced by the world's poor.

\$337M

Helped innovative companies build viable businesses that have collectively received more than US \$337 million⁵ in investment capital and have held two Initial Public Offerings (IPOs) that raised approximately US \$100 million.

Developed metrics and practices to measure and promote the positive environmental impacts of companies.

3,306,786

tonnes of carbon dioxide emissions reduced or avoided from products and services

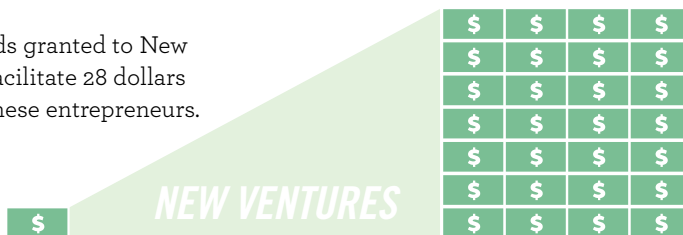
4,534,243

hectares of land conserved or sustainably cultivated

5,788,495,460

liters of water produced, treated, or saved from products and services

Each dollar of funds granted to New Ventures helped facilitate 28 dollars of investment to these entrepreneurs.



5. This figure includes investment facilitated during the early years of New Ventures when the program was a Latin America regional initiative.

TIMELINE

1999

New Ventures launched as a project within WRI

2000

First Investor Forum held in Rio de Janeiro, Brazil

2001

New Ventures Brazil started in partnership with the São Paulo Business Administration School of Fundação Getulio Vargas, a top Brazilian business school

2002

First Investor Forum held in Mexico City to explore expansion to other countries

2003

New Ventures China started in partnership with LEAD China, the Chinese chapter of a global network of NGOs and individuals committed to sustainable development

2004

New Ventures Mexico founded in partnership with Fondo Mexicano para la Conservación de la Naturaleza A.C., a nonprofit promoting the conservation of biodiversity in Mexico

Catalyzed action on the ground and created support networks for environmental entrepreneurs

NEW VENTURES HAS:

Developed and convened local support networks for environmental entrepreneurs including:

- investment community (debt providers, angel investors, venture capitalists, impact investors⁶)
- experienced business professionals acting as mentors and advisers
- large companies and multinationals
- academia and business schools
- leading think tanks and nongovernmental institutions (NGOs)
- development agencies
- government representatives and policymakers
- media

Played a significant role in growing the pool of financial resources for environmental SMEs. Here are some examples:

- formation of PT Social Enterprise Indonesia, Indonesia's first angel investor group focusing on social enterprise, which kicked off with a commitment of US \$2 million in investment.
- creation of Colombia's first angel investor network targeting sustainable SMEs for investment. The network was spearheaded by Bavaria, SAB Miller's Colombian subsidiary comprising high net worth individuals and family offices.
- launch of responsAbility's US\$15 million venture capital fund, responsAbility Ventures I. The fund was responsAbility's first base of the pyramid (BoP) fund focused on SMEs providing essential services like energy and water to the BoP. ResponsAbility is a social investment company with US\$1 billion assets under management.

6. The Global Impact Investing Network (GIIN) defines impact investments as investments made into companies, organizations, and funds with the intention of generating measurable social and environmental impact along with a financial return.

2005

New Ventures Indonesia founded in partnership with Yayasan Bina Usaha Lingkungan, a local nonprofit promoting community-based renewable energy initiatives

2006

NextBillion launched: a Web site and blog bringing together the community of business leaders, social entrepreneurs, NGOs, policymakers, and academics wanting to explore the connection between development and enterprise

New Ventures India started in partnership with the CII-Sohrabji Godrej Green Business Centre, one of 10 centers of excellence of the Confederation of Indian Industry

2007

New Ventures México established as an independent organization

NextBillion en Español launched

2008

New Ventures Colombia started in partnership with the School of Management at Universidad de los Andes, Colombia's top business school

FOUNDED IN 1999, NEW VENTURES HAS:

Influenced financial markets through cutting-edge research

NEW VENTURES HAS:

Encouraged the flow of capital to the environmental SME sector as a whole through investor and business-targeted publications:



Power to the People: Investing in Clean Energy for the Base of the Pyramid in India (2010)

informed investors about the market potential of the clean energy industry serving India's rural BoP market by looking at opportunities, challenges, and potential paths to growth.



China's Booming Energy Efficiency Industry (2008)

provided a snapshot of China's energy efficiency industry and the investment landscape of this high growth sector.



On the Frontiers of Finance: Scaling up Investment in Sustainable Small and Medium Enterprises in Developing Countries (2009)

provided an overview of the current landscape, lending practices, and principal challenges of financial intermediaries providing capital to environmental SMEs in developing countries.



The Next 4 Billion: Market Size and Business Strategy at the Base of the Pyramid (2007)

produced in partnership with the International Finance Corporation: measured the market opportunity of the BoP using the World Bank's national household data.



Powering Up: The Investment Potential of Energy Service Companies in India (2009)

provided an overview of the opportunities in energy efficiency, one of the fast-growing industries in India. Consequently in 2010, the Industrial Development Bank of India (India's fourth largest bank), approved a new financial product aimed at driving greater investment into energy efficiency projects done by energy services companies.

2009

New Ventures China set up as an independent entity under the Institute for Environment and Development

New Ventures joined the newly launched Aspen Network of Development Entrepreneurs

2010

New Ventures became a Global Impact Investing Ratings System (GIIRS) Emerging Markets Pioneer Fund. GIIRS, a project of the nonprofit B Lab, is a comprehensive and transparent system for assessing the social and environmental impact of companies and funds with a ratings and analytics approach

In partnership with E+Co, a nonprofit that makes clean energy investments in developing countries, New Ventures developed a toolkit for entrepreneurs to measure environmental impacts

New Ventures joined the GIIN's Impact Reporting and Investment Standards (IRIS) advisory committee and co-chaired IRIS's Energy, Water and Environment Working Group. IRIS is a set of metrics that can be used to measure and describe an organization's social, environmental, and financial performance



2011

New Ventures Global Investor Forum held in partnership with the New York University Stern School of Business and Citi Foundation

New Ventures transitioned partnerships in three countries:

- The Apex Consulting Group began hosting New Ventures Indonesia
- Sustainable Hub began hosting New Ventures Brazil
- Regain Paradise Research Consulting Pvt Ltd began hosting New Ventures India

2012

NextBillion Brasil launched

Proteak (Mexico) successfully held an IPO on the Mexican Stock Exchange (Bolsa Mexicana de Valores), the first IPO for New Ventures companies

¡Échale! a tu casa (Mexico) and Ouro Verde Amazônia (Brazil) were the first of the New Ventures companies to receive GIIRS ratings

WRI transferred full ownership of New Ventures operations to its local partners in recognition of their expertise in maintaining New Ventures' mission on the ground

Four New Ventures India companies were featured at the United Nations Global Compact's Rio+20 Corporate Sustainability Forum: "Innovation & Collaboration for the Future We Want." One company, Waterlife, was selected as a G20 Challenge on Inclusive Business Innovation winner



NEW VENTURES

AROUND THE WORLD

NEW VENTURES MEXICO

Founded: 2004**Managed by: New Ventures México**
www.nvm.org.mx

New Ventures Mexico supports companies in both the environmental and social sectors. The program provides business mentoring services through a strategy boot camp conducted with mentors from the Sustainable Minds Network, which comprises CEOs, senior corporate managers, and strategy consultants. The program has also built a strong network of partners, local and international growth capital funds, private investors, business organizations, and NGOs in Latin America, and hosts the Latin American Impact Investment Forum. In 2007, New Ventures Mexico also launched *Las Páginas Verdes*, the first directory of environmental products and services in Mexico.

Through its acceleration and pre-acceleration programs, New Ventures Mexico has supported more than 300 companies that, on average, are growing at a 30 percent annual rate and have supported the creation and maintenance of 6,300 jobs. New Ventures Mexico has facilitated a total of US\$92 million in investment and helped 10 entrepreneurs to be featured in *Expansión Magazine*, Mexico's leading business magazine, as its Entrepreneur of the Year.

New Ventures Mexico would like to acknowledge Fondo Mexicano para la Conservación de la Naturaleza A.C. and Nacional Financiera for their strategic partnership and Secretaría de Economía, Fundación AVINA, Fundemex, Halloran Philanthropies, Inter-American Development Bank, Potencia Ventures, Promotora Social México, US Mexico Foundation, FEMSA, Nacional Monte de Piedad, and Banorte Ixe for their support.

NEW VENTURES COLOMBIA

Founded: 2008**Managed by: School of Management at Universidad de los Andes**
www.newventurescolombia.net

New Ventures Colombia is the only program in the country to accelerate environmental companies and connect them with investors. The New Ventures Colombia program is operated by the School of Management at Universidad de los Andes, one of the most reputable academic institutions in Latin America. Since the program's establishment in 2008, 40 companies have participated and received investment of nearly US\$3 million.

Each year, New Ventures Colombia selects 10 promising environmental companies that have potential for investment. These companies participate in the New Ventures Acceleration Program which provides business development skills to enterprise leadership and senior management. The acceleration program consists of 60 hours of training and 20 hours of mentoring. At the end of the process, New Ventures Colombia companies are presented in a financing round to domestic and international investors interested in green markets and environmental companies.

New Ventures Colombia would like to acknowledge the support of Citibank Colombia, Fundación Bavaria, Fundación Bolívar, and the Ministry of Commerce, Industry and Tourism of Colombia.

NEW VENTURES BRAZIL

Founded: 2002**Managed by: Sustainable Hub**
www.facebook.com/NewVenturesBrasil

New Ventures Brazil selects and accelerates companies that provide solutions to sustainable development through high-impact products and services. The companies in its portfolio include a range of sectors from agribusiness to high-end technologies. During the acceleration program, senior business executives provide one-on-one mentoring to selected companies while industry experts lead workshops on finance, strategy, operations, and communications. Beyond the acceleration program, New Ventures Brazil is forming a community of mentors, investors, professors, private companies, and other organizations that are committed to a new way of doing business.

Since the program's inception in 2002, New Ventures Brazil has supported more than 50 companies and facilitated US\$6.2 million in investment. In addition to linking companies with investment from investment funds and private companies, New Ventures Brazil also helps companies achieve market access by connecting them with top managers of corporations that may be interested in their products or services.

New Ventures Brazil would like to acknowledge Luiz Maia and the rest of its advisory board, as well as Banco Santander Brasil, Alcoa Foundation, Citi Foundation, and Zennström Philanthropies for their support.

NEW VENTURES INDIA

Founded: 2006

Managed by: Regain Paradise Research Consulting Pvt Ltd
www.nvindia.biz

New Ventures India provides business mentoring, investment facilitation, and access to markets services for environmental entrepreneurs. Specifically, the program works closely with companies that provide clean energy access in rural areas and has worked with many of India's most successful environmental SMEs, such as Husk Power Systems, Sustaintech, VayuGrid, and Greenlight Planet. Recognizing that access to markets can be critical for companies, the program has conducted numerous workshops for clean energy access companies to connect with large companies and for energy efficiency companies to work with commercial real estate developers. The New Ventures India network of mentors and coaches includes senior business executives and successful entrepreneurs, and the New Ventures Indian Green Investor Network includes both "impact-first" and "financial-first" investors investing in environmental entrepreneurs.

Since 2006, New Ventures India has worked with 48 companies and facilitated a total of US\$39 million of investment.

New Ventures India would like to acknowledge TiE and Nadathur S. Raghavan Centre for Entrepreneurial Learning for their continued partnership and U.S. Agency for International Development, U.K. Foreign and Commonwealth Office, CII-Sohrabji Godrej Green Business Centre and Citi Foundation for their support.

NEW VENTURES CHINA

Founded: 2003

Managed by: Institute for Environment and Development
www.new-ventures.org.cn

New Ventures China provides business mentoring and investment facilitation services to environmental SMEs in a wide range of industry sectors, with a specific focus on energy efficiency and conservation. These sectors are critical to reaching the sustainable economic development targets set in the government's 12th Five-Year Plan. New Ventures China provides support through its network of mentors (leaders from domestic and international consultancy firms, banks, and universities) and investors (domestic and international banks and local and international private equity and venture capital funds).

In 2011, in partnership with the Information Center of the Ministry of Industry and Information Technology and Sina's Environmental Channel (a leading Chinese Web portal), New Ventures China launched its Green SMEs Impact Role Model Initiative, featuring best practices for environmental SMEs in China, providing policy recommendations to government, and promoting the concept of "green investment" among Chinese investors.

Since its establishment, New Ventures China has worked with more than 500 environmental SMEs, 60 of which were selected for the acceleration program. New Ventures China has facilitated a total US\$178 million of investment in more than 20 companies.

New Ventures China would like to acknowledge Shell Companies in China, Citi Foundation, and Alcoa Foundation for their support.

NEW VENTURES INDONESIA

Founded: 2005

Managed by: The Apex Consulting Group
www.new-ventures.or.id

With a network of local partners, New Ventures Indonesia identifies outstanding companies that create solutions to environmental and social challenges, specifically in the renewable energy and clean technology sectors. New Ventures Indonesia has access to an extensive network of mentors that include business experts in different fields both in Indonesia and internationally. It also has an investor network that includes regional funds and local and global investors. Through these networks, New Ventures Indonesia provides mentoring and investment facilitation services to selected companies.

Since 2005, New Ventures Indonesia has established an IT Training Facility (in collaboration with a local university), held four investor forums showcasing companies, conducted 25 outreach and business seminars around Indonesia attended by more than 850 entrepreneurs, selected 34 entrepreneurs from 269 applications, and facilitated total investment of US\$3.5 million.

New Ventures Indonesia would like to acknowledge Citi Foundation and HP Global Social Innovation for their support.

A note on our methodology

New Ventures staff interviewed 32 entrepreneurs from our six countries of operation who have been supported by New Ventures since 1999. We chose entrepreneurs that represent a range of industries, economic sectors, and environmental benefits in one of our seven categories of environmental intent: biodiversity conservation, energy and fuel efficiency, natural resources conservation, pollution prevention and waste management, water resources management, sustainable energy, and sustainable land use.

1. WHAT MOTIVATES ENVIRONMENTAL ENTREPRENEURS?

CREATING GREATER IMPACT THROUGH A FOR-PROFIT BUSINESS MODEL

FRANCESCO PIAZZESI

*Founder and CEO,
¡Échale! a tu casa (Mexico)*

¡Échale! a tu casa works with low-income communities to help them self-build new homes using environmentally friendly building materials.

We started as a naïve NGO, thinking that going to the community and providing them with the production equipment would be enough. As an NGO, it was heart-wrenching, but we weren't creating an impact.... So we said we have to spin to another thing. We have to spin to have more impact. So we switched from an NGO to a social business.... The first huge challenge was, and still is [to respond to skeptics who ask], how come you want to charge people for the homes [you are building]? How come you are exploiting the poorest people? We are not exploiting them; we are getting them onto the train of economic development. The only way to solve the problem of the base of the pyramid is to put them onto the economy train....

LUIS FELIPE AVELLA VILLEGAS

*Founder and CEO,
Factoría Quinoa (Colombia)*

Factoría Quinoa helps small producers in the Andean region cultivate fair-trade quinoa by providing them with high productivity quinoa seeds and technical support.

When I did my master's with NGOs [in rural communities], I saw millions of dollars and euros go nowhere. With good ideas, with good feelings, with good people, but going nowhere.... The communities are still as poor as they are.... That's the main reason I got out of the university, and I am here, in a for-profit business, trying to create concrete changes.

BENJAMIN RIPPLE

*Founder and co-CEO,
Big Tree Farms (Indonesia)*

Big Tree Farms is a natural food manufacturing and trading company for Indonesian traditional foodstuffs.

We didn't feel that the "jack-of-all-trades" style of an NGO—which was and still is prevalent here in Indonesia and much of Southeast Asia—was effective in meeting the needs of small farmers and giving them sound advice on how to develop their products and how to relate to and navigate the value chain.... I've seen very similar veins of miscommunication or poor communication to farmers about what they should be doing...because project timelines are too short, and NGOs are driven by the need to show returns on the philanthropy that goes into the program.



Haifa Wahyu

HAIFA WAHYU

Co-founder and CEO, Dyna Energy (Indonesia)

Dyna Energy provides clean and reliable energy to large enterprises and local communities in isolated regions of Indonesia.

At first we didn't intend to establish a company. We were part of a government research institute.... [But then we thought,] it will be easier in the private sector to deal with our financials (for example, audits and bank loans) since we'd be more independent.... We could better develop the commercialization of the technology outside of the complicated government bureaucracy.

1. WHAT MOTIVATES ENVIRONMENTAL ENTREPRENEURS?

BEING GREEN PRESENTS BUSINESS OPPORTUNITIES

ALFREDO SUÁREZ RIVERO*Founder and CEO, AliBio (Mexico)**AliBio develops biotech products for environmentally sustainable agriculture, aquaculture, and water treatment.*

I see that there is demand in the market that will start driving environmental projects and products. I think there's an environmental movement, and this is not going to stop. It's not going to go backwards; it's going to go forwards. So, therefore, that is a huge opportunity for these projects.

"I realized there's a good opportunity to be in the sector as it develops."

MOHAN RANBAORE*Co-founder and executive director, Waterlife (India)**Waterlife tackles the acute lack of safe drinking water in India through community water systems.*

We saw a huge opportunity to do something because the majority of people in India are not getting potable water.... The only requirement was that one had to work very hard; and if we came up with the right business model we could really make the most of this opportunity.

JUAN MANUEL SOTO*Founder and CEO, Acción Verde (Colombia)**Acción Verde provides "green shares," the planting of a tree and its guaranteed maintenance for three years, neutralizing customers' carbon footprint.*

I realized there was a business opportunity in reforestation.... I thought that it might be a good business initiative if we marketed the idea that, by planting trees, you could save the planet.... The Colombian forest sector is very incipient. In my opinion it's actually just starting off. And I'd been working for some time and I realized there's a good opportunity to be in the sector as it develops...nobody else had gone into that sector.

BURNING WITH A UNIQUE VISION

STEVE SHI*Founder and marketing director, Pearl Hydrogen (China)**Pearl Hydrogen is a developer of low-cost hydrogen power fuel cells for small and medium power applications.*

Before we started Pearl Hydrogen, we were three guys working in different fuel cell companies, but we had the same opinion on fuel cells. We believed they are more than a toy for engineers, we believed fuel cells can be best commercialized in some niche market rather than in cars or buses.

CAIO BONATTO*Co-founder and CEO, Tecverde (Brazil)**Tecverde produces energy-efficient, low-cost wood frame housing.*

My father has a construction company, and since I was a child I started to work with him.... At the university with some friends, we realized that the challenge of change would be for the next generation. It wouldn't be my father or

other construction workers that would change the way they were constructing. The construction environment in Brazil isn't so innovative, so we started to think about how we could change the market. Our goal was to bring more sustainability and more industrialization for our markets.

HUGO HERNANDEZ*CEO, Vidrios Marte (Mexico)**Vidrios Marte brings energy-efficient window panes to the construction industry across Mexico.*

I knew that I had to be in recycling... and then I saw this niche, I saw it in Germany—some machines that were producing insulated glass [for energy-efficient window panes]. And I said, "Why isn't this done in Mexico?" and [others said] "It's because nobody asked for it." "Yes," I said, "but it's energy-saving, and it has all these benefits, and we should start doing it." And they said "Well if you want, go ahead." And so that's what I did.

*Hugo Hernandez*

1. WHAT MOTIVATES ENVIRONMENTAL ENTREPRENEURS?

DRIVEN BY A DESIRE TO IMPROVE THE WORLD



Zhaohui Yang

MAYANK SEKHSARIA*Co-founder, Greenlight Planet (India)**Greenlight Planet designs and distributes solar-powered lanterns to low-income rural customers in India and Africa.*

We saw the need, there being such a big problem in [lack of] access to electricity. We had a solution in mind. We knew we could help solve a good part of the problem.

ZHAOHUI YANG*Co-founder and CEO, Beijing Green Channel (China)**Beijing Green Channel manufactures and distributes reverse vending machines that help increase the recycling of plastic bottles, aluminum cans, and other recyclables.*

I started Green Channel to increase the younger generation's awareness to protect the Earth. I'm chasing the dream of improving China to a greener, greater, and more sustainable, innovative country that can rock the world.

FRANCESCO PIAZZESI*Founder and CEO, ¡Échale! a tu casa (Mexico)**¡Échale! a tu casa works with low-income communities to help them self-build new homes using environmentally friendly building materials.*

We can't have a sustainable society if we don't have a sustainable home. Home is the base of absolutely everything. That's why we were sensitive to the people without a home and produced equipment to construct adobe brick houses in the community. We said we have to do something for the other part of the population to have a home, which is the dream of everybody.

"We said we have to do something for the other part of the population to have a home, which is the dream of everybody."

2. WHAT CHALLENGES HAVE TO BE OVERCOME?

FINANCING IS A HUGE HURDLE

XAVIER FARGETTON*Co-founder, ArcaNatura (Colombia)**ArcaNatura provides veterinary products made from natural ingredients sourced from the Colombian ecosystem.*

If I wanted to present a project to an investment fund here, I'd find two, maybe three. But the size of the operation we have

here really depends on the money that we can find here because, when we go to investors in France and say "Invest in Colombia," they say "OK...why Colombia?" And it's the same thing in the United States. The investment funds ask for the entrepreneurs to be different, but they [the fund managers] are actually very conservative.



Xavier Fargetton

2. WHAT CHALLENGES HAVE TO BE OVERCOME?

LIMITED MARKETS LIMIT BUSINESS

LUIS FERNANDO LARANJA

Founder and executive director,
Ouro Verde Amazônia (Brazil)

Ouro Verde Amazônia works with village communities to protect the Amazon rainforest by producing and selling premium Brazil nut products.

The first challenge was capital because it's not easy to get a loan from traditional banks for start-up companies, and so it was very difficult to find working capital in the beginning for my business.

C.S. JADHAV

Director of marketing,
Nandan Cleantec (India)

Nandan Cleantec develops clean energy by helping small farmers cultivate jatropha for biofuel production on degraded marginal lands that they own.

The investors are hesitant to invest in the sector. They still are waiting for the first commercial-scale production [of jatropha biofuel]. So that's one challenge we have in India: the mood itself in the investment community. They're very skeptical; they're going very slowly now.

LUIS FELIPE AVELLA VILLEGAS

Founder and CEO,
Factoría Quinoa (Colombia)

Factoría Quinoa helps small producers in the Andean region cultivate fair-trade quinoa by providing them with high productivity quinoa seeds and technical support.

The world of impact investment is so slow compared to the world of traditional investors. And this is not good for creating results and supporting companies like ours...because when the company is in this stage of growth, we need to move quickly with everyone in the chain. The investor can't say to us, "I really like your product, I love your project, but I want to wait maybe one or two years." Because that does not work.

MOHAN RANBAORE

Co-founder and executive director,
Waterlife (India)

Waterlife tackles the acute lack of safe drinking water in India through community water systems.

Our biggest challenge stems from the fact that our primary customer is the government. There's no clear buyer. The person who drinks the water is the last customer. He has very different knowledge and expectations. He has little say in the decisions of buying the water. Usually the customer is clearly defined, but...the political decisions affect our market. People were not paying for water, so why would they start paying? We had to change people's mind-sets.

DAVID KASNO

Founder and director,
Maraton Kencana (Indonesia)

Maraton Kencana produces furniture by using waste like coconut shells from the food and industrial sector.

In the beginning, we made furniture from teak; but during that time we could

not compete with the market because you had to buy from a company owned by the government, and the pricing was expensive. The other option was to illegally source for raw materials, and we weren't going to do that.

GUADALUPE LATAPÍ

Founder and director of product development,
Aires de Campo (Mexico)

Aires de Campo is a leader in the branding and commercialization of more than 120 organic products through diverse specialized sales centers called BioCentros.

To change [Walmart's] attitude is to convince the buyers that great quality products are going to have a higher price. It's to convince them that behind the price, you're helping small producers and communities.... [We want them] just to give us a chance to show them that there is a market in Mexico that is willing to pay a higher price, and there's this growing consciousness of consumption.



2. WHAT CHALLENGES HAVE TO BE OVERCOME?

HUMAN CAPITAL FORMS THE BASE OF A SUCCESSFUL BUSINESS



Svati Bhogle

CAIO BONATTO

*Co-founder and CEO,
Tecverde (Brazil)*

*Tecverde produces energy-efficient,
low-cost wood frame housing.*

One of the most important things is a great team. And when we talk about the team, it's not just the people that work with you inside your office but the people that work with you outside your office—your social network, the people that really believe in your company and make some efforts to help you. And we realize that it's those people that make your company a success.

MANOJ SINHA

Co-founder, Husk Power Systems (India)

Husk Power Systems provides affordable electricity to rural Indian villages by building and operating small-scale biomass gasification power plants that convert rice husks into electricity.

When you're sitting in the United States, a Fortune 500 company doesn't have to recruit high school graduates, train them for six months.... We need to recruit people for the power plant from untrained systems that don't even know what it means to go to work.... Absolutely the government should step in, and hopefully other nonprofit organizations will too.

SVATI BHOGLÉ

*Founder and managing director,
Sustaintech (India)*

Sustaintech produces and distributes a fuel-efficient wood burning stove for commercial kitchens.

It is challenging to put together a good team. We have trouble attracting enough high quality human capital, finding people who will buy into the idea.... We need to find more high quality people who will buy into our philosophy.

DAVID KASNO

*Founder and director,
Maraton Kencana (Indonesia)*

Maraton Kencana produces furniture by using waste from the food and industrial sector like coconut shells.

If you need someone with a university education, it is difficult. I tried to hire an accountant who graduated from the local university, and I was surprised that the person didn't know the basics of accounting.... It's hard to convince university graduates from big universities to come to our company. They want to work with a big company in a big city. They don't want to work with us very long because, as soon as they get offered a job in a big company, they will go.

WINNING RESPECT AND ACCEPTANCE IS A LONG ROAD



Guoqiang Gao

GUOQIANG GAO

Founder and CEO, Ecostar (China)

Ecostar remanufactures photocopy machines using exclusive technology and sells the refurbished copiers to office and printing markets.

At the beginning (in the first 20 years), the perception of this kind of business was far from being glorified in the eyes of the government, employees, and customers.

The society had a misunderstanding of recycled products. Customs treated us like smuggling suspects. The Trade and Industry Bureau investigated us, and there was no support from financial institutions. (We did not begin to get bank loans until 2009.) Basically, there was a lack of support and acknowledgement from the whole society.

2. WHAT CHALLENGES HAVE TO BE OVERCOME?

POLICY BARRIERS HAMPER BUSINESS

ALFREDO SUÁREZ RIVERO

Founder and CEO, AliBio (Mexico)

AliBio develops biotech products for environmentally sustainable agriculture, aquaculture, and water treatment.

The major challenge that AliBio has is to be recognized. A Mexican company doing biotechnology? That sounds weird.... Our biggest challenge right now is to prove that AliBio is doing the microbiology and handling the microbiology like no other company is doing it worldwide.

HAIFA WAHYU

Co-founder and CEO,
Dyna Energy (Indonesia)

Dyna Energy provides clean and reliable energy to large enterprises and local communities in isolated regions of Indonesia.

Renewable energy technology isn't new; it's really an old technology that people have been using since the beginning of time. So when we try to introduce renewable energy technology to the customers or the users, they don't respect this technology.

"The perception of this kind of business was far from being glorified in the eyes of the government, employees, and customers."



GILBERTO MEIRELLES

Founder and director,
Estação Resgate (Brazil)

Estação Resgate converts construction waste into new raw materials that can then be employed in construction sites.

In my business segment [recycling], laws and oversight by the government are essential, but the lack of law enforcement today hinders the production chain.

CINTHIA MAGALHÃES

Director of marketing, DryWash (Brazil)

DryWash produces an innovative line of water-free vehicle cleaning solutions.

In Brazil, small and medium companies have a lot of difficulty. I don't know if you have already heard about the cost of living in Brazil. The taxes here are very tough, which means that we have a

lot of problems in developing small and medium companies because we have a lot of taxes. It's been very difficult to grow a responsible company and pay all the taxes.

FRANCESCO PIAZZESI

Founder and CEO,
¡Échale! a tu casa (Mexico)

¡Échale! a tu casa works with low-income communities to help them self-build new homes using environmentally friendly building materials.

The problem with [a housing] subsidy is that today it's there; tomorrow it's not. Today there are no more subsidies, and we don't know in the next administration if we will have them because no one knows what is going to happen exactly.... If the subsidy does not exist, we have to extend the terms of credit; and that is the main problem.

2. WHAT CHALLENGES HAVE TO BE OVERCOME?

THERE'S NO AVOIDING RISK

STEVE SHI

Founder and marketing director,
Pearl Hydrogen (China)

Pearl Hydrogen is a developer of low-cost hydrogen power fuel cells for small and medium power applications.

The biggest challenge we are facing is the downturn in the world economy. More than one-half of our partners changed their minds—some cancelled, and some delayed—on the project. The downturn of the economy makes the demands for our new products lower and lower.

LUIS FELIPE AVELLA VILLEGAS

Founder and CEO,
Factoría Quinoa (Colombia)

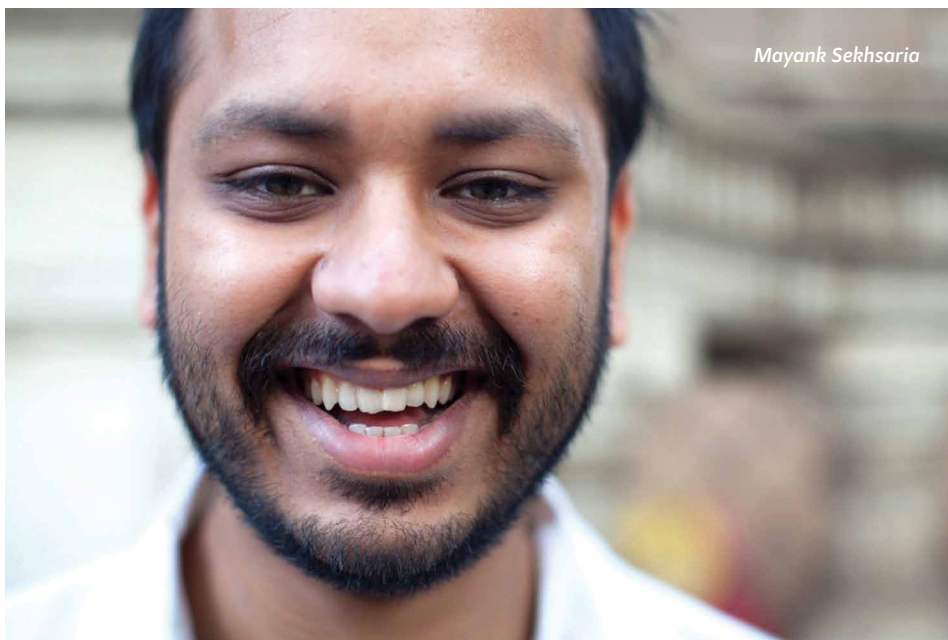
Factoría Quinoa helps small producers in the Andean region cultivate fair-trade quinoa by providing them with high productivity quinoa seeds and technical support.

We have been studying risk. The exchange rate of the dollar and peso is very variable because there is a lot of money that has been entering Colombia due to exports. So there is a danger for us as exporters that the peso will gain value compared to the dollar.



Luis Felipe
Avella Villegas

DISTRIBUTION CHALLENGES MAKE IT HARD TO REACH SCALE



Mayank Sekhsaria

MAYANK SEKHSARIA

Co-founder, Greenlight Planet (India)

Greenlight Planet designs and distributes solar-powered lanterns to low-income rural customers in India and Africa.

Once we had solved technology and affordability problems, we realized the problem was how do we go to the village to sell the product? The biggest challenge was and remains distribution. How do you go to the last 50 km? We have the solution [the product]. How do we scale it up, replicate it, grow faster?

JOSELIN CASTAÑEDA

Project manager, Ikoportex (Colombia)

Ikoportex commercializes recycled styrofoam products for the construction industry.

We need our own system of transportation and cars that are more efficient because the bottleneck point of any process of expanded materials is volume. A truck transports a maximum of 200 to 300 kilos. And, in general, all this use of gas to transport 300 kilos, environmentally, isn't correct. But in this moment we don't have another option.

"Once we had solved technology and affordability problems we realized the problem was how do we go to the village to sell the product?"

3. HOW ARE ACCELERATORS PROVIDING SOLUTIONS?

Organizations that provide business development services (technical assistance) to entrepreneurs with the goal of accelerating the growth of their companies are often referred to as Accelerators. The quotes below reflect entrepreneurs' involvement in the New Ventures program but reveal insights for all Accelerators.

THE IMPORTANCE OF MORAL SUPPORT

HUGO HERNANDEZ

CEO, Vidrios Marte (Mexico)

Vidrios Marte brings energy-efficient window panes to the construction industry across Mexico.

I feel that I have been environmentally conscious...since I was a kid. And sometimes you feel that you are by yourself, and by getting to New Ventures, [they] said, "Hey, no, this is a wave, and I'm riding on it. And I've got some other people that are not crazy as well. We're in this together." So we find a lot of common subject matter and people, and just being around all these people, all this knowledge, helps.



SURISYONO BAYU

Founder, Tiga Sehati (Indonesia)

Tiga Sehati produces paving material from recycled furniture and copper slag.

New Ventures Indonesia has a very rich portfolio of companies with access to raw materials, but there's no market for the products. So creating a special network for the portfolio of companies, especially for small businesses, is important.

JUAN MANUEL SOTO

Founder, Acción Verde (Colombia)

Acción Verde provides "green shares," the planting of a tree and its guaranteed maintenance for three years, neutralizing customers' carbon footprint.

During the acceleration program, they present you with case examples where you see a guy who can come to the audience and say, "I've been through what you're going through, and I've succeeded. It'll be hard work and tears and band-aids and whatever, but you'll come through it all and this is how it all broke out." And you're basically presented with cases that lift your spirit, and it's actually very important when you don't know what's going to happen a month, six months ahead, finding someone who says "Hold on. Stay with it. Keep your shirt on. Don't worry."

LUCIO DI DOMENICO

Founder and president, Descarte Certo (Brazil)

Descarte Certo collects, recycles, and manages waste from old electronic products to minimize and properly dispose of electronic waste.

Even after almost four years, I maintain relationships with New Ventures. Why? Because they step in, and I can count on them with the needs I have in my business now. So in the challenges I'm facing now, I'm sure I can count on New Ventures people.

LEARNING AND GROWING FROM NEW PERSPECTIVES



MOHAN RANBAORE

Co-founder and executive director, Waterlife (India)

Waterlife tackles the acute lack of safe drinking water in India through community water systems.

Working with New Ventures helped make our network larger. We were able to talk with different people, get new ideas, learn how others are solving problems.... This kind of partnership that we have with New Ventures helps us understand how similar things are happening in different markets. New Ventures helps enlarge your vision and teaches you something different.

ROBERTO MURAT

Founder and managing partner, BioVentures Brasil (Brazil)

*BioVentures Brasil produces aviation biofuel and biochemical products from the *Jatropha curcas* plant.*

What interested us about the New Ventures acceleration program is that the workshops really put us entrepreneurs in the position of thinking about strategic things. Because of the daily work, we don't spend time thinking about these things. So the program puts into perspective your own company.

3. HOW ARE ACCELERATORS PROVIDING SOLUTIONS?

MENTORS PROVIDE VALUABLE INSIGHT

FRANCISCO J. ALVAREZ

Founder and managing director,
Green Technologies (Mexico)

Green Technologies manufactures a product that could save up to 50 percent of water use in the agricultural and gardening sectors.

The mentors asked very challenging questions. They challenged my experience. I would polish my presentation and talk to New Ventures Mexico mentors, and they would challenge me even further. I think mentoring is important to any entrepreneur whether he's 20 or 50. As an individual, we can only see so much, and we might think we have everything in line; but whenever we run it by a mentor who's an engineer, executive, marketing expert...we open our minds and have to be open to those critiques. If an entrepreneur wants to make his company a successful one and to grow, mentoring is essential.

SVATI BHOGLÉ

Founder and managing director,
Sustaintech (India)

Sustaintech promotes a fuel-efficient wood burning stove for commercial kitchens.

One thing that New Ventures did that was very critical was that we had a mentor—a financial consultant—who worked with us for three months. He developed a strong financial model for us. He told us, “Don’t chase big money at this time.” Before him, we thought that we had to ask for large amounts of money; it seemed like investors wanted to make million dollar investments. Instead, he told us, “Start small, find small amounts of money, prove yourself. Then go for the big money.”

DEVELOPING SOLID BUSINESS AND SUSTAINABILITY PLANS

"They helped us really hone our business plan and clarify the key aspects of our business that investors wanted to see."

CAMILO PAGES

Co-founder and director of marketing
and sales, Sistema Biobolsa (Mexico)

Sistema Biobolsa develops, installs, and services biodigestors for small and medium farms that convert organic waste to biogas and biofertilizers.

Our biggest experience with New Ventures is the acceleration program where we developed a strategy plan, following the format they gave us. That helped us to crunch some numbers and to structure our plan and our strategies.

BENJAMIN RIPPLE

Founder and co-CEO,
Big Tree Farms (Indonesia)

Big Tree Farms is a natural food manufacturing and trading company for Indonesian traditional foodstuffs.

They helped us really hone our business plan and helped us to clarify—from a mass of information that we were trying to provide—the key aspects of our business that investors wanted to see. So they really took a thesis and were able to help us distill it down to two minutes to provide in an elevator with an investor.

GUILLERMO JAIME CALDERÓN

Founder and CEO, Grupo MIA (Mexico)

Grupo MIA builds energy-efficient, low-cost housing for rural populations in Mexico.

The first thing we did with New Ventures was a sustainability report. What we found out doing this was that we have a lot of information inside information [about our environmental impacts], and we have a lot of experience; but what we do not have is all this information in just one place. So putting this together with this methodology allowed us to see very clearly what we had to do to grow up faster. For us, this sustainability report added a lot of value.

JOSELIN CASTAÑEDA

Project manager, Ikoportex (Colombia)

Ikoportex commercializes recycled styrofoam products for the construction industry.

I had an erroneous concept of our water use. I thought, “we don’t use a lot of water for our product because we use rainwater and this seemed very good,” but they made it very clear to me that I still need to have a treatment process. And how much gas do we use? I didn’t realize that I should measure the harms as much as the benefits that I’m having. So I started monitoring—produce this much, recycle this much, use these many liters of water—and it was a very interesting process.

3. HOW ARE ACCELERATORS PROVIDING SOLUTIONS?

POSITIONING ENTREPRENEURS TO ATTRACT INVESTMENT

Iván Ricardo Gómez



GUADALUPE LATAPÍ

Founder and director of product development, Aires de Campo (Mexico)

Aires de Campo is a leader in the branding and commercialization of more than 120 organic products through diverse specialized sales centers called BioCentros.

They did a wonderful job demonstrating how to present your company and gathering all the right investors and showing you that there are different kinds of investors and what really is better for you or would be better for you: to have a private investor or government-funded money or company or family money?

C.S. JADHAV

Director of marketing, Nandan Cleantec (India)

Nandan Cleantec fosters reliable access to clean energy by helping small farmers cultivate jatropha for biofuel production on degraded marginal lands that they own.

I think because of New Ventures we were internationally exposed to different organizations.... Through New Ventures, we were given an international platform. And the first debt [investment in] the company came through New Ventures. That was the first capital we required.

GUOQIANG GAO

Founder and CEO, Ecostar (China)

Ecostar remanufactures photocopy machines using exclusive technology and sells the refurbished copiers to office and printing markets.

New Ventures organized some workshops where Ecostar got to connect with investors, for example the Global Investor Forum in New York where Ecostar was showcased and introduced to international investors.

IVÁN RICARDO GÓMEZ

Founder and general manager, Gaia Vitare (Colombia)

Gaia Vitare is the first company in Colombia to offer the collection, treatment, and disposal of waste electrical and electronic equipment.

We saw New Ventures as an opportunity to strengthen our negotiation process. This help was very important [when we later went through a negotiation with an investor]... and even though the process didn't result in any agreement, because at the end we didn't want to do business with them, we had the tools to know not to do it.

OPENING DOORS TO KEY STAKEHOLDERS AND BUSINESS OPPORTUNITIES

GUILLERMO JAIME CALDERÓN

Founder and CEO, Grupo MIA (Mexico)

Grupo MIA builds energy-efficient, low-cost housing for rural populations in Mexico.

New Ventures is very active in terms of positioning the brand of MIA in different forums. For example New Ventures recommended us to one of the most respected magazines in Mexico...for an interview.... Every time that New Ventures sees the opportunity to put us in the right forum, they do it.

CINTHIA MAGALHÃES

Director of marketing, DryWash (Brazil)

DryWash produces an innovative line of water-free vehicle cleaning solutions.

We expanded to India through New Ventures because the sponsor of the project knew DryWash through New Ventures.... Our master franchiser in India knew DryWash through a New Ventures business plan competition, so that's how he found us.



Cinthia Magalhães

3. HOW ARE ACCELERATORS PROVIDING SOLUTIONS?

OPENING DOORS TO KEY STAKEHOLDERS AND BUSINESS OPPORTUNITIES (CONTINUED)

YUCHENG YANG

Founder and CEO,
Sinan En-tech (China)

Sinan En-tech produces energy-saving condensed water treatment technologies for industrial boiler systems.

New Ventures has helped us with connections from different directions, including investors, government agencies, the media, and impact measurement organizations such as GIIRS.

DOUG PETERSON

CEO, VayuGrid (India)

VayuGrid focuses on renewable energy solutions, using non-edible oil seeds as biofuels for diesel engines.

New Ventures helped connect us to other companies that fit well with our business model and round out what we also need as a company. For instance, we collaborate with other companies [we met through New Ventures] to either expand

what we offer, bring them in as a partner, or discover new business opportunities for VayuGrid itself. As an entrepreneur, you get so busy dealing with day-to-day issues, so having groups like New Ventures come in and pull people together is extremely valuable because otherwise you just don't have time to make those connections.

4. WHAT DOES SUCCESS LOOK LIKE?

FRANCISCO J. ALVAREZ

Founder and managing director,
Green Technologies (Mexico)

Green Technologies manufactures a product that could save up to 50 percent of water use in the agricultural and gardening sectors.

In the larger picture, success for us would be to solve national and international environmental challenges that will help address climate change, population growth, and water scarcity...which is the main reason why we got involved in this.

STEVE SHI

Founder and marketing director,
Pearl Hydrogen (China)

Pearl Hydrogen is a developer of low-cost hydrogen power fuel cells for small and medium power applications.

Pearl Hydrogen will be a successful company [when we are able] to influence the industry. You know, now in the fuel cell industry, there's no company that can make money worldwide. Pearl Hydrogen hopes to be the first one.

**ROBERTO MURAT**

Founder and managing partner,
BioVentures Brasil (Brazil)

BioVentures Brasil produces aviation biofuel and biochemical products from the Jatropha curcas plant.

Success would be to prove that our concept works not only economically in terms of profit, but also in terms of the innovation that we are bringing. It means that the value chain that we propose works.

GILBERTO MEIRELLES

Founder and director,
Estação Resgate (Brazil)

Estação Resgate converts construction waste into new raw materials that can then be employed in construction sites.

Success comes when the DNA of sustainability from the entrepreneur is passed to the company and staff. So the speech is no longer just a concept, it becomes our reality.

4. WHAT DOES SUCCESS LOOK LIKE?

JOSELIN CASTAÑEDA*Project manager, Ikoportex (Colombia)**Ikoportex commercializes recycled styrofoam products for the construction industry.*

I look to three things. It ought to be a very profitable business.... It ought to be a business that respects the environment and generates a [new] culture around the use of styrofoam.... It should be a clean process. That's where we need to go. The machines should be clean.... And it ought to generate social profitability throughout the entire supply chain of recycling styrofoam. [The employees] ought to have an optimum quality of life through the chain of this process.

MANOJ SINHA*Co-founder, Husk Power Systems (India)**Husk Power Systems provides affordable electricity to rural Indian villages by building and operating small-scale biomass gasification power plants that convert rice husks into electricity.*

We want to provide very high quality power to people in the rural part of the world, people who make less than three dollars per day, and instill a dignified life that they all deserve by providing them with the ability not only to light their houses but also to power the tools to generate extra cash.

HUGO HERNANDEZ*CEO, Vidrios Marte (Mexico)**Vidrios Marte brings energy-efficient window panes to the construction industry across Mexico.*

When I don't have to push insulated glass as a novelty. When we take out the word "green," that's success. It's a standard? Good.

DOUG PETERSON*CEO, VayuGrid (India)**VayuGrid focuses on renewable energy solutions, using non-edible oil seeds as biofuels for diesel engines.*

If we meet our financial targets, that means that we're making an impact both with small farmers and on the renewable energy side. My view is that our business can't be successful if we're reliant on government subsidies and donor contributions and grants. We have to be successful based on a profit model, and I think we're well on the way to validating our success on the profit model.

ZHAOHUI YANG*Co-founder and CEO, Beijing Green Channel (China)**Beijing Green Channel manufactures and distributes reverse vending machines that help increase the recycling of plastic bottles, aluminum cans, and other recyclable materials.*

Cultivate an internal green culture of caring for the Earth and influence more and more people.... Sell a green dream, brand, and global green icon.

YUCHENG YANG*Founder and CEO, Sinen En-tech (China)**Sinen En-tech produces energy-saving condensed water treatment technologies for industrial boiler systems.*

Success in our eyes is that, aside from commercial success, we are also considered a company that takes care of its employees, helps create positive environmental impacts, and does business with our customers and partners with integrity and honesty.

**LUIS FERNANDO LARANJA***Founder and executive director, Ouro Verde Amazônia (Brazil)**Ouro Verde Amazônia works with village communities to protect the Amazon rainforest by producing and selling premium Brazil nut products.*

I think we did a very good job with local communities in the Amazon, so creating a fair relationship with natural communities of the Amazon and paying a really good price for the products is success for me now.

MAYANK SEKHSARIA*Co-founder, Greenlight Planet (India)**Greenlight Planet designs and distributes solar-powered lanterns to low-income rural customers in India and Africa.*

When we started, the goal was to bring electricity. Then light. Then distribution. Now the challenge is much bigger than electricity or light. If we're able to bring productivity to the rural developing world, then we would be successful.



CONCLUSION

Listening to these entrepreneurs, reading their words, it is clear that they are driven by a shared desire to run successful businesses that protect the Earth's environment and improve people's everyday lives. These are businesses that will thrive in a world with mounting environmental challenges and growing populations.

They are also businesses that are ahead of their time but face significant barriers that often prevent them from realizing their full potential. Many of the entrepreneurs cited similar challenges: accessing finance, attracting and maintaining quality human capital, tackling limited markets and mind-sets, overcoming unsupportive policies, coping with risk and uncertainty, and distributing their products and services.

Business accelerators have stepped in to try and help entrepreneurs overcome these challenges, each with a slightly nuanced approach. New Ventures occupies a unique niche among accelerators, with its specific focus on SMEs that provide environmental benefits along with social ones. New Ventures has concentrated on the finance piece of the puzzle, so it built its model around helping entrepreneurs develop solid business plans and skills, linking entrepreneurs to networks of mentors and supporters, and showcasing entrepreneurs to investors.

What we heard from these entrepreneurs was that these services were extremely

valuable to them. When we asked, “Do you feel that New Ventures helped your business?” The answer was always a resounding, “Yes.” The earlier pages captured highlights of what they valued most: gaining moral support, learning and growing from new perspectives and insightful mentors, getting guidance in developing solid business plans, attracting investment, and opening doors to new opportunities.

Between the lines is another message: There is much more to be done. The barriers that prevent environmental entrepreneurs from scaling up their businesses are far from gone, but as our Earth's resources become increasingly constrained, our future well-being will depend more than ever on the success of these entrepreneurs. They are passionate and determined to achieve their visions. Their voices will inspire New Ventures as it moves forward, filled with the hope that these voices will resonate loudly with others—donors, investors, policymakers, corporations, international development institutions—and that environmental entrepreneurs will achieve success on a massive scale.

FUNDERS

Our work would not be possible without the support of funders who believe in the power of entrepreneurship to address environmental challenges.

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The Citi Foundation is committed to the economic empowerment and financial inclusion of individuals and families, particularly those in need, in the communities where we work so that they can improve their standard of living. Globally, the Citi Foundation targets its strategic giving to priority focus areas: Microfinance, Enterprise Development, Youth Education and Livelihoods, and Financial Capability and Asset Building. The Citi Foundation works with its partners in Microfinance and Enterprise Development to support environmental programs and innovations.

Citi Foundation



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