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European firm's investment in Latin America to benefit garbage scavengers

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A social investment worth USD600,000 is expected to provide dignifying job opportunities to some 10,000 garbage scavengers in Latin America. This is the amount invested this month by LGT Venture Philanthropy in Peru Waste Innovation (PWI). The sum represents the purchase of 40 per cent of PWI, a for-profit company of the Healthy Cities Group (HCG), which works with governments and with the civil society and private sectors to create clean cities in Peru and Latin America. Among other things, the investment will allow the company to open an electronic waste treatment plant in Lima.

The dividends declared by PWI will be donated to HCG's not-for profit organization Ciudad Saludable, which provides job opportunities to thousands of garbage scavengers, works with the government to design effective and affordable waste management systems, and fosters the implementation of alternative waste management technologies. The investment is Liechtenstein-based LGT Venture Philanthropy's first equity deal in Latin America. The group calculates that, in addition to directly benefitting 10,000 recyclers, it will allow HCG to extend its reach to serve more than 14 million people per year in Peru and Latin America more widely by 2012.

Through its ICats (Impact Catalysers) programme, LGT Venture Philanthropy has also been involved in Fundação Pro Cerrado's (FPC) expansion of its Young Apprenticeship Programme in Brazil, through the Pro-Apprentice Network (PAN). PAN consists of some 50 partner organizations reaching 15 Brazilian states. ICats recruits professionals who are interested in working abroad for a year and using their experience to help social organizations. In the case of Fundação Pro Cerrado, former business consultant Juan Carlos Moreno has been working as an ICats fellow as Chief Financial Officer and Business Developer refining the strategy and financial structure of FPC.