

FROM PUSHING NUMBERS TO PLANTING TREES

TREETALKS | An interview with Corekees Co-Founder and CFO Tamar van Heesewijk

- By Kees Rottinghuis -



Tamar at the tree nursery

Working at KPMG in the Corporate Finance department for four and a half years, after studying Financial Economics at the Erasmus University, Tamar was all settled. Then her cousin came, and it all changed. “My path was laid out for me. My future was

secured. Then Nick came back from the Reforestation Site in Latin America and changed everything.”

Nick’s idea was to start a company that plants trees, which absorb CO₂ and simultaneously generate decent profits for their clients. “He needed a ‘finance’ person and that had to be me. To be honest, at first, I was sceptical. I was all settled at KPMG, but eventually I came around to the idea. Instead of just pushing numbers around, I wanted to make a difference in the world. I just thought that was for a later stage. Then I realised; I can do it all now; with Corekees.”

“I went from sitting behind a desk making Excel sheets and Powerpoint presentations to

actually being part of the world.” That’s doesn’t mean she isn’t still working the numbers. “Corekees’ finances are my responsibility. I make the models for tree pricing and financial projections for example. I’m still sitting behind a desk, but in a very different way. In order to do something about climate change, we have to start with ourselves. With Corekees we want to stimulate everyone to do something good for the environment. We are trying to make people aware of their emissions and give them a way to deal with it. Most people have no idea what they are actually polluting. One tree is already a first step. We all should and can tackle the problem, that’s why we started Corekees.”

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THE TREE MODEL

Tamar easily and quickly explains the whole business model, and simultaneously demonstrates why Nick wanted her but also needs her at Corekees. “One tree is \$17.50, but you don’t buy an actual tree. You purchase the right to all profits from the tree. Each year all the trees are harvested, and the nuts crushed to extract their crude oil. The leftovers from the crushing are used as fertilizer and protein feed for the local cattle. Each tree is a bond of \$17.50, from which \$10 goes straight to the planting of the tree. The first four years the tree needs

maintenance, which costs \$1 per year. Furthermore, \$1.50 dollar is for the administration, \$1 dollar to transaction and conversion costs and \$1 is the management fee. So, you loan the money and the profits from the tree will be payed to you as an interest on your bond. The interest is variable, depending on the harvesting profits of the tree."



Visiting the trees on horseback

"We expect a return on investment of 9-11%. The first three years there are no profits, as the tree has to mature; it is an agricultural product after all. The remaining 17 years, profits increase gradually, which results in an average of

9-11% per year for the total of 20 years. Total profits are expected to be over 300% in the full lifetime. After 20 years the trees go to the local farmers on who's land the trees are planted. This way, they will keep compensating CO₂. The farmers in Paraguay can then receive the profits of the trees. That is another benefit, that we are also helping the locals over there."

CORPORATE PLATFORM

Tamar is happy with the progress that Corekees has made in its first year. "Now we are really selling trees. We have sold over 10,000 trees, which exceeded our projections. We are also setting up a corporate platform, which will go live next quarter."

"That is another benefit, we are also helping the locals over there"

The idea behind the corporate platform is that corporations can make themselves climate neutral in a very easy way. "Even if companies don't know what their emissions are, we can calculate that for them and offer them a personalised 'Carbon Off-set Program'. The profits of the trees can be reinvested into new trees, creating an infinite tree loop and by doing so exponentially reducing CO₂. Profits can also be given to an NGO or corporations can keep the profits themselves. Most companies want to act on climate change and consumers are demanding action more and more, but there aren't a lot of options out there right now. We are changing that!"



Holding a tree ready to be planted