



CONSERVATION
FINANCE ALLIANCE

Conservation Finance Alliance Strategic Plan, 2019

The Conservation Finance Alliance is the leading global professional alliance for Conservation Finance experts, practitioners, and organizations.

Executive Summary

The Conservation Finance Alliance (CFA) has been operating since 2002 and includes most of the leading practitioners of conservation finance globally. The mission of the CFA is to *promote awareness, expertise, and innovation in conservation finance globally*. This is done through extensive collaboration and partnerships with individuals and organizations. The CFA is largely a member driven organization with well over 700 individual members and strong engagement by the most active environmental NGOs and many donors working in the conservation finance space. In effect, the CFA is the leading global professional alliance for conservation finance experts, practitioners, and organizations. Conservation finance is defined as *the practice of generating, managing and deploying financial capital and economic incentives to support the sustainable management of nature*.

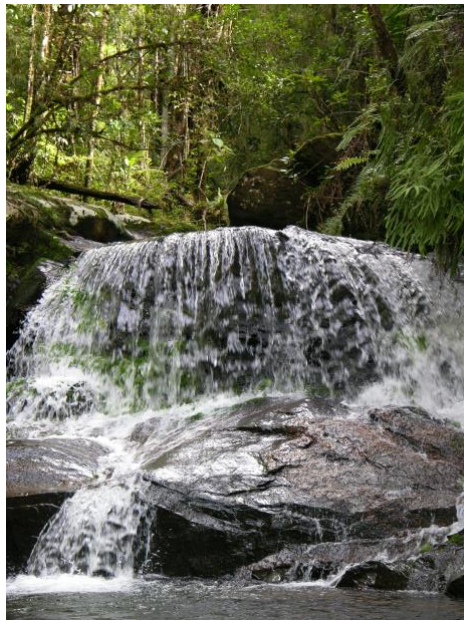
The CFA's programs and activities include:

- 1) Enhancing conservation finance knowledge products and practice standards
- 2) Expanding conservation finance training and professional development
- 3) Incubating and disseminating conservation finance solutions
- 4) Supporting conservation trust funds (CTFs) and their networks
- 5) Reinforcing the global network of conservation finance practitioners
- 6) Maintain CFA's institutional strength and effectiveness

This strategic plan seeks to provide guidance for the organization over the next 10 years. The report covers the following areas:

- 1) Context
- 2) Vision and Mission
- 3) Action Plan
- 4) Organization
- 5) Financial Sustainability





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Context

1.1 Introduction

The Conservation Finance Alliance (CFA or the “Alliance”) is the leading global professional alliance of conservation finance experts, practitioners, and organizations. The Alliance was established in 2002 and has supported the work of over 700 members, implemented numerous projects, produced essential documents and remains one of the few organizations globally targeting its support to the field of conservation finance. The field of conservation finance has been rapidly evolving and the CFA has an opportunity to reaffirm its leadership role in the changing organizational and technical environment.

This strategic plan has been drafted to examine the current and future direction of the CFA and provide a long-term roadmap towards increased impact and institutional strength. It seeks to provide an overarching vision of the strategy of the CFA for the next 10 years. This living document will evolve with the organization but should also act as a grounding vision that directs the organization and clarifies its relationship with key stakeholders.

The strategic plan includes the following sections:

- 1) Context
- 2) Vision and Mission
- 3) Action Plan
- 4) Organization
- 5) Financial Sustainability

1.2 Background

Nature provides the raw material and basic services underlying the global economy including food, fuel, fiber, water, and climatic stability. In addition to this financial and economic value, the beauty and diversity of life on the planet provide us with unmeasurable spiritual, physical and emotional wellbeing. Yet nature remains underappreciated, underfunded, and continuously under attack from the same economic actors that depend on nature for their profits and livelihoods. As such, the conservation and sustainable management of the world’s natural ecosystems continues to face extreme challenges despite the enormous value the natural world provides to humanity. Although the value of these services matches that of the global economy, the ongoing loss and degradation of functioning ecosystems has resulted in the loss of 60%-70% of the world’s plant and animal populations over the last half century, rising water stress and crises, massive topsoil loss, overexploited fisheries, and an increasingly severe economic cost of natural disasters.

The development of the field of conservation finance dates back to the early days of conservation as it has been long recognized that in order to ensure the conservation of a piece of land or water, long term stable financing is key. Ever since the early days of the national park system in the USA was financed from bullet sales, conservation practitioners have been exploring creative ways to use finance and economics tools to ensure nature is conserved or wisely used. The field of conservation finance seeks to consolidate these tools through a common lexicon and field of

practice. Conservation finance can be defined as *the practice of generating, managing and deploying financial capital and economic incentives to support the sustainable management of nature.*

There are four conservation finance approaches that can slow and eventually reverse the decline of nature and nature’s services.

- First, **increase finance for nature**. Nature conservation and sustainable management efforts are severely underfunded and estimates indicate an additional annual finance need of between 100 to 350 billion dollars. There are many reports that suggest that there are enormous financing gaps that need to be filled to achieve the stated goals of biodiversity conservation (e.g. CBD High Level Panel¹, Little Biodiversity Finance Book², Credit Suisse³). Most conservation finance mechanisms generate additional revenue for nature.
- The second needed approach is to decrease or **reorient existing financial flows to reduce their harmful impacts** or to convert financial flows into positive impacts. The New York Declaration on Forests found that 40 times more financing is spent on subsidies and other financial assistance to activities that destroy forests (including agricultural expansion) than actions to support forest protection. In fact, the cost of nature conservation is almost always directly related to the man-made pressures on ecosystems.
- Third, **incentive systems must align the interests of private, public and civil society actors** within and among organizations so that all are working towards shared sustainable development goals. These incentive systems are determined by governance, regulations, and enforcement as well as corporate strategy and responsibility and can be greatly enhanced by the right conservation finance tools.
- Fourth, produce **more efficient and effective delivery** of services with financing that is already available. This includes sound business planning, activity-based accounting, institutional effectiveness and more.

The UNDP managed Biodiversity Finance Initiative (BIOFIN) elaborated over 150 conservation finance mechanisms and solutions including the partial list provided below in Table 1.

Table 1 Partial List of Conservation Finance Mechanisms

Biodiversity friendly subsidies	Natural capital accounting
Bioprospecting	Official Development Assistance
Biodiversity offsets	Outsourcing strategies
Biosecurity fees	Payment for Ecosystem Services
Carbon markets including REDD+	Pasture and grazing fees
Corporate donations	Penalties for environmental damage
Conservation easements	Private donations
Crowd funding	Private Protected Areas

¹ <https://www.cbd.int/financial/hlp.shtml>

² <http://globalcanopy.org/publications/little-biodiversity-finance-book-3rd-edition-2012>

³ Conservation Finance From Niche to Mainstream: The Building of an Institutional Asset Class <https://www.credit-suisse.com/media/assets/corporate/docs/about-us/responsibility/banking/conservation-finance-en.pdf>

Corporate sustainability	Project Finance for Permanence
Debt-for-Nature Swaps	Promotion of sustainable tourism
Disaster and environmental risk insurance	Reform subsidies harmful to biodiversity
Earmarking of taxes on financial transactions	Remittances
Ecological fiscal transfers	Result based budgeting
Enhanced Land or Marine Stewardship	Retention of biodiversity revenues
Enterprise challenge and innovation funds	Social and development impact bonds
Environmental trust funds	Sustainability standards and certification
Fees, penalties, and management expenditures for Environmental (and Social) Impact Assessment	Tariffs, fees and taxes in the water sector
Financial guarantees	Taxes and fees in the wildlife sector
Green banks	Taxes, fees and royalties in the forestry sector
Green bonds	Taxes, fees and quotas in the fishery sector
Green lending	Taxes on renewable natural capital
Green procurement	Taxes on non-renewable natural resources
Impact investment	Taxes on pesticides and fertilizers
Lower cost of capital for conservation investments	Taxes and fees in the tourism sector
Lobbying for public budget allocations	Venture capital
Lotteries	Water markets

The diversity and complexity of these solutions and the fact that expert knowledge about each one is spread across various experts and organizations is a large part of the driving force behind the creation and continued value of the CFA. Accumulating knowledge and experience of the experts followed by sharing and capacity development of all the conservation practitioners is dependent on a strong alliance around conservation finance. Without adequate understanding and effective use of the conservation finance “toolkit”, nature conservation cannot compete with the relentless expansion of unsustainable economic activities.

The Conservation Finance Alliance has been a leading source of awareness, knowledge and engagement in the field of conservation finance since its launch in 2002. Throughout its existence the CFA has epitomized expertise, neutrality, and open collaboration and has developed and made available a rich array of resources. The wealth of knowledge on the CFA website – searchable published and grey literature, the Environmental Funds Toolkit – and in targeted publications such as the CTF Practice Standards, Conservation Trust Fund Investment Surveys, CFA’s webinar series, and at various meetings, trainings and workshops held at global and regional conferences – provides essential nutrients to the growing ecosystem of global conservation finance practitioners.

The CFA leadership and members believe that using the power of finance and economics to design, establish, and scale financial capital flows, incentives and tools is essential to turn the tide of ecosystem loss and degradation towards conservation, restoration, and the resultant enhanced wellbeing of individuals, societies, and nature.

1.3 Organizational Environment

Since CFA's founding in 2002, there have been enormous changes in the conservation finance landscape. The main changes include: 1) massively increased need and demand for conservation finance-related awareness, information and training activities; 2) great diversification of finance solutions for nature – especially those beyond protected areas financing and Conservation Trust Funds; 3) expansion in number of practitioners and experts in conservation finance; and 4) launch of other actors providing overlapping services including the Conservation Finance Network (CFN), the Coalition for Private Investment in Conservation (CPIC), and a wide range of business and biodiversity groups. The CFA seeks to identify an effective strategic positioning within this rapidly evolving landscape to complement related initiatives while retaining a leadership position as the respected expert organization in conservation finance globally.

1.4 Stakeholders

The CFA's stakeholders can be roughly divided into overlapping categories:

- 1) Individual CFA members
- 2) CFA member institutions
- 3) Donors / Investors
- 4) Other conservation finance practitioners
- 5) Other partner organizations
- 6) Public and private decision-makers
- 7) General public

Each of these groups will have a different relationship with the CFA with the first three being the primary constituents.

- 1) Individual CFA members – Together with member institutions, these make up the CFA itself. The CFA seeks to support these individuals in their professional efforts to design and implement conservation finance actions globally and especially in their ability to build capacity in our target stakeholders in government, NGOs, the private sector and civil society. The needs of this group include: access to up-to-date information on effective conservation finance tools and case studies; detailed implementation guidance that saves time and increases likelihoods of success; ability to share lessons and networks with expert actors in this field; and access to professional events and job and consulting opportunities. The individual CFA members take an active role in the governance and implementation of the CFA's activities.
- 2) CFA member institutions – The CFA was started by individuals and their institutions and these founding institutions have remained important supporters of the CFA over the years. The CFA has established an institutional membership form for organizations (to complement the individual member approach) in order to formalize the relationship with

these key entities. These institutional members include the main international environmental NGOs active in conservation finance, key donors active in this space, and could also include a range of Conservation Trust Funds and their networks (RedLAC, CAFÉ, and APNET), Development Finance Institutions, and private companies. CFA member institutions provide financial support to specific projects and take leading roles in Working Groups and Task Forces.

- 3) Donors and Investors – Although there are several donors or investors who have been playing important roles in the CFA over the years, others have been less active. This is an especially important group in that: 1) they are conservation finance practitioners themselves; 2) they are a source of finance for conservation activities; and 3) they can support the use of conservation finance mechanisms through their direct investments and their requirements for projects to be sustainable following the grant phase. The CFA will seek to build strong relations with the main conservation and conservation finance donors to encourage the use and financing of conservation finance solutions globally.
- 4) Conservation finance practitioners – These can include members and non-members and are our primary stakeholder group. There are a continuously growing number of practitioners seeking technical support and capacity development. These practitioners include protected areas managers and agencies, conservation trust fund directors and boards, local and international NGOs, foundations, government agencies and other individuals and groups. Although these conservation practitioners may not be interested in becoming part of the CFA membership, they are very interested in the information, training and other products and services that the CFA produces. The recent creation of the option for stakeholders to sign up for the CFA Newsletter without becoming a member seeks to address outreach to this group. Other means of outreach and communication include social media, website, training programs and conferences.
- 5) Non-member partner organizations – As with individuals, there are many organizations that are non-members but have a strong interest in collaboration and partnership with the CFA. The sister networks of the Conservation Finance Network and the Coalition for Private Investment in Conservation are important partners with which the CFA actively collaborates.
- 6) Public and private decision-makers – Governments and private companies are likely to have the greatest degree of influence on the desired conservation finance outcomes supported by the CFA. Almost all of the mechanisms implemented in conservation finance require strong engagement by the government, civil society actors, and private companies. These stakeholders include companies that depend on nature, those that impact negatively on nature, and those that seek to have net positive impacts. The CFA will seek to enhance its communication channels to provide the organization and its members with effective communication tools to reach and influence these important constituencies.
- 7) General public – The general public influences government decisions and can also impact significantly on private company decisions – especially in the age of social media activism. Although communications to the general public are not the focus of the CFA, care will be taken to improve the clarity and effectiveness of our messaging so that other members may be able to repurpose it for wider consumption and impact.

1.5 Members

CFA members are extremely diverse, coming from a wide range of organizations and countries. The CFA currently has a total of over 700 subscribed members from well over 200 organizations. Since October 1 when the CFA Executive Director began full time engagement, there have been several hundred new members. Members of the CFA come from over 50 countries. Additional membership information is provided in the following pie charts including the types of organizations from which members come, their geographic regions, and the number of years members have been working in conservation finance. A few observations are evident. First, although protected area finance is an especially important focus of the CFA, very few members come from protected areas agencies. In terms of geographic representation, the Latin America and Caribbean region is very important but there is very little representation there. This is a great opportunity for expansion and collaboration. Finally, it should be noted that well over half the members have been active in the conservation finance space for 4 or more years with nearly ¼ having been working in this field for over 10 years.

Continued outreach is focused on adding new committed individual and institutional members to the CFA especially from Africa, Asia/Pacific and Latin America and the Caribbean.

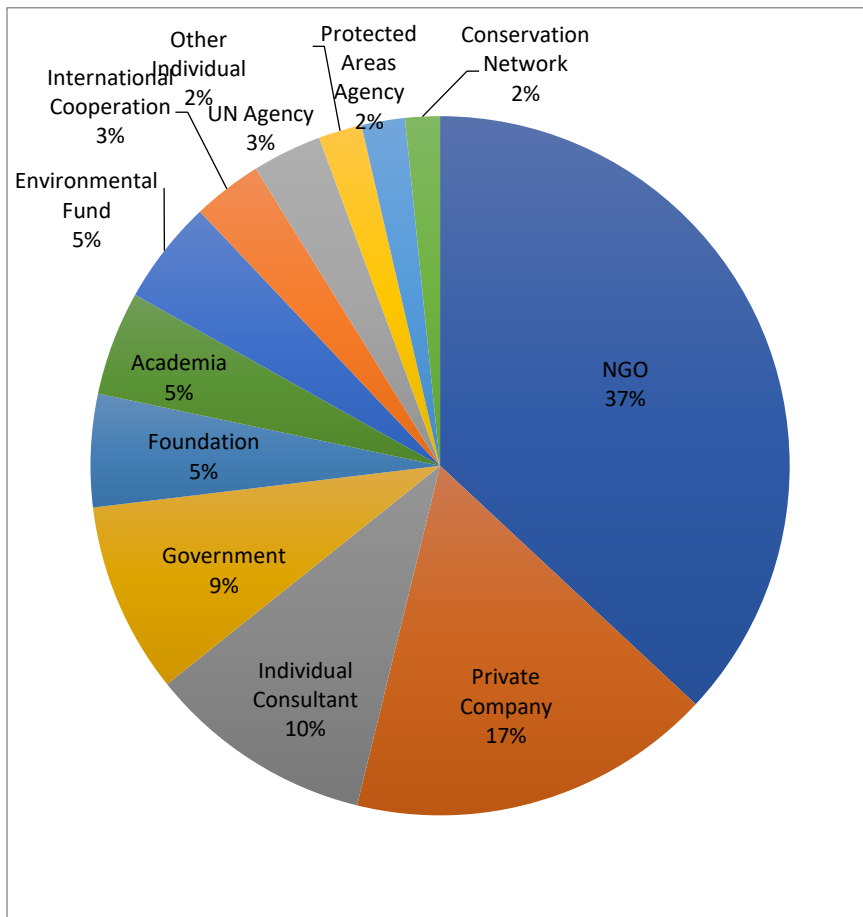


Figure 1 Members' Organizations

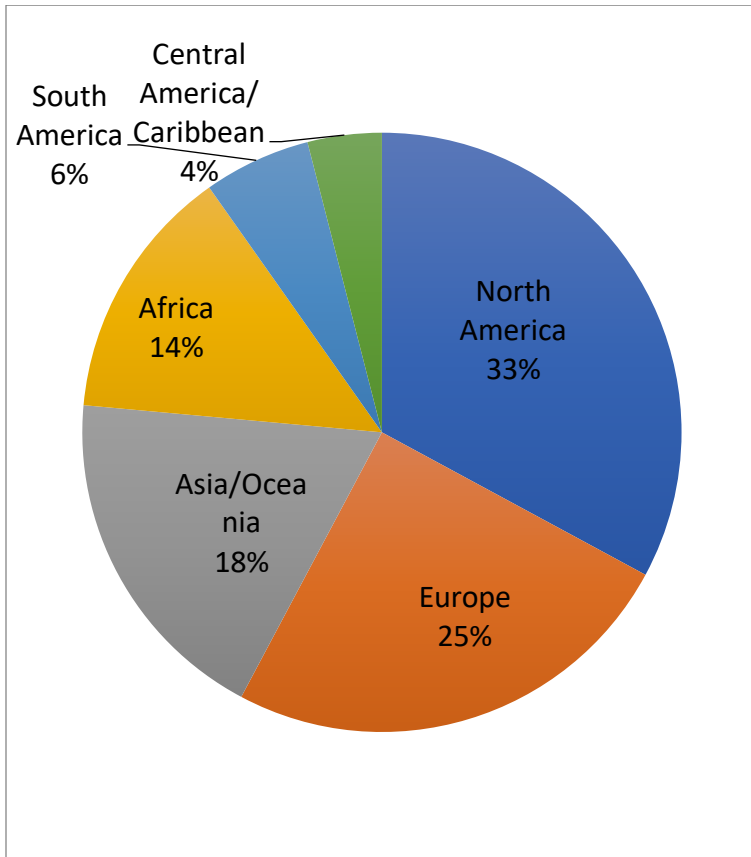


Figure 2 Members' Geographic Region

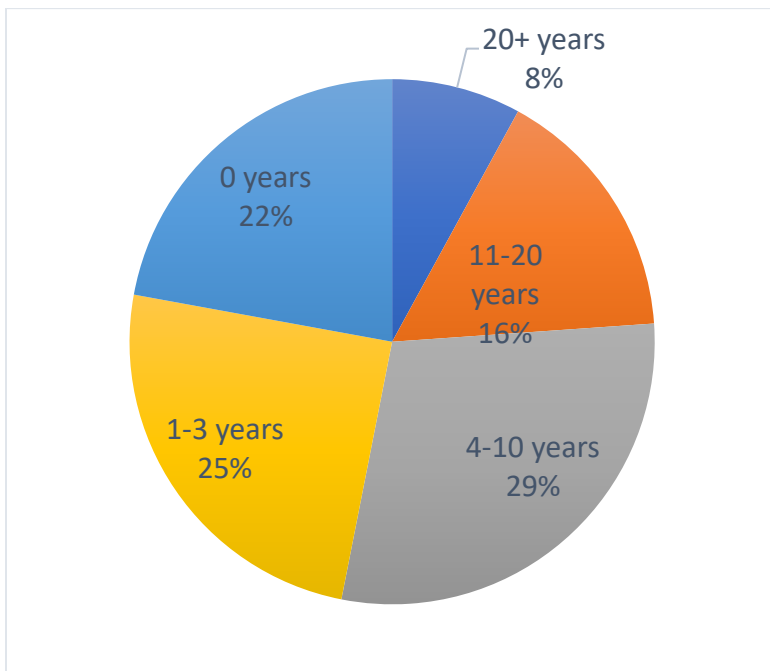


Figure 3 Members' Years Working in Conservation Finance

1.6 Partnerships

The CFA is an alliance and has several important types of partnerships which are essential to the success of the organization. The first type of partnership is with the CFA's institutional members. These are core organizational partners for the CFA some of whom started the CFA back in the early 2000's and all continue to provide essential support and collaboration. The second type is partnerships with outside organizations that are collaborating with the CFA on a range of specific issues. This can include financial partners as well as technical partners.

Some of the core institutional members of the CFA include the following:

- Wildlife Conservation Society⁴
- The Nature Conservancy
- WWF
- Conservation International
- IUCN
- US Agency for International Development
- Global Environment Facility (GEF)
- The World Bank
- Forest Trends (including Katoomba Group and Ecosystem Marketplace)
- United Nations Development Program (UNDP) – including the Biodiversity Finance Initiative (BIOFIN)
- United National Environment (UNEP)
- CTF Networks - RedLAC, CAFÉ, and APNET

As the CFA is a network, the organization has many institutional partners and collaboration is a principal objective. As noted above members come from well over 200 organizations. Some specific important current partners that the CFA is actively engaged with include:

- Foundation MAVIA – current donor
- Fonds Français pour l'Environnement Mondial (FFEM) – current donor
- KfW – the German Development Bank
- International Coral Reef Initiative (ICRI)
- The Coalition for Private Investment in Conservation (CPIC)
- The Conservation Finance Network (CFN)
- Natural Capital Coalition (NCC)
- Land Trust Network and International Land Conservation Network
- EcoAgriculture Partners
- Conservation Strategy Fund

Additional Institutional Members can be found on the CFA Website [Institutional Members' page](#).

⁴ Hosts the CFA and collaborates on the Conservation Trust Investment Survey (CTIS) annually.

2 Vision and Mission

The Conservation Finance Alliance is the leading global professional alliance of conservation finance experts, practitioners, and organizations.

The CFA's long-term vision is: *Societies value their natural resources and invest to conserve nature.*

This vision is supported by the CFA's mission, goals, and actions. CFA members are committed to using the power of finance and economics to ensure equitable and sustainable use and protection of nature.

The Mission of the CFA is to

Promote global awareness, expertise, and innovation in conservation finance.

This mission includes 5 key terms:

- 1) **Conservation Finance** - Conservation finance is the practice of generating, managing and deploying financial capital and economic incentives to support the sustainable management of nature. In other words, the aim of conservation finance is to ensure the effective long-term management of nature by designing, implementing, and continuously improving tools, instruments, and mechanisms – “finance solutions” – that enhance financing, increase effectiveness, or reduce costs for the sustainable management of nature. Conservation finance practitioners provide governments, businesses, investors, NGOs, donors, and site managers with the ability to effectively use finance solutions to achieve conservation and sustainable management objectives in the short and long term.
- 2) **Global** – The CFA is a global alliance with members in over 50 countries who are developing and implementing conservation finance solutions throughout the world. The organization is committed to the successful conservation of nature, both as a source of value for humanity – including the valuable ecosystem services provided by nature – and for the intrinsic and moral value of maintaining the diversity of life on Earth. As such, although the CFA supports conservation finance in all countries, the organization pays special attention to countries and areas with extremely high levels of biodiversity and ecosystem services such as tropical countries and countries where biodiversity is under extreme threat, such as Small Island Developing States.
- 3) **Awareness** – The CFA seeks to expand awareness of conservation finance solutions and of the importance of long-term conservation of nature in general. This element incites the CFA to expand our membership and outreach, and to promote conservation and conservation finance to key decision makers beyond the CFA's direct membership. It also highlights the important role of communication and the need for new communication tools to achieve the CFA's mission.

- 4) **Expertise** – The CFA is a professional alliance of and for conservation finance experts and practitioners. The organization is recognized globally as a leading authority and reference on Conservation Trust Funds and other finance mechanisms. The individuals and organizations that make up the CFA membership are the most active practitioners of conservation finance globally. The Alliance’s body of knowledge and members also serve as essential resources for conservation and investment practitioners newer to the field. Informational and benchmarking materials from the CFA are industry standards.
- 5) **Innovation** – The CFA seeks to identify, develop and promote innovative solutions to conservation finance. The organization believes there are enormous opportunities in this area that can have a great impact on conservation and sustainable development.

The CFA is a member-based organization and engages with its members to both achieve its objectives and to support the member’s own initiatives.

Strategic Positioning - The CFA is in a moderately strong competitive position, offering a range of services and programs that are not adequately provided by other organizations (see a detailed strategic analysis in the Appendices). To successfully capitalize on its current position and opportunity, the CFA must raise the capital needed to slightly expand its operational and technical capacity to maintain its leadership role in the following areas:

- 1) Enhancing Conservation Finance Knowledge Products and Practice Standards
- 2) Expanding Conservation Finance Training and Professional Development
- 3) Incubating and Disseminating Conservation Finance solutions
- 4) Supporting Conservation Trust Funds (CTFs) and their networks
- 5) Reinforcing the Global Network of Conservation Finance Practitioners

All of these programs will be implemented in collaboration with partners as the CFA is an alliance and is built on partnership. Strengthening the CFA’s partners is one essential means by which the CFA can achieve its strategic objectives without the need to greatly expand its own size and cost structure.

3 Action Plan

The CFA has multiple ongoing programs and activities. The following brief action plan elaborates the full range of existing and potential programs and activities that the CFA seeks to undertake. It should be noted that the ability of the organization to implement these programs is dependent on acquiring the financial means for implementation.

The CFA’s programs and activities can be grouped into the following goals:

- 1) Enhancing conservation finance knowledge products and practice standards
- 2) Expanding conservation finance training and professional development
- 3) Incubating and disseminating conservation finance solutions
- 4) Supporting conservation trust funds (CTFs) and their networks
- 5) Reinforcing the global network of conservation finance practitioners
- 6) Maintain CFA’s institutional strength and effectiveness

3.1 CFA Programs and Activities

The CFA has an ambitious agenda of programs and activities that are presented below under each of the goals. Note that where there is a (AG) or an (AC) after the activity, that reflects how the activity was scored in the MacMillan Matrix – aggressive growth (AG) or aggressive competition (AC). For more information on the results of the matrix analysis see the appendices.

- 1) Enhancing Conservation Finance Knowledge Products and Practice Standards
 - a. Updating the Conservation Finance Guide (www.conservationfinance.info) through peer reviewed entry preparation and wiki (AG)
 - b. Expand the CFA "Toolkit" Series (AG) to include PA finance, payment for environmental services (PES), biodiversity offsets, subsidy reforms, and others
 - c. Expand Practice Standards for conservation finance solutions including updating Practice Standards for CTFs (AG) and exploring options for new standards
 - d. Produce White Papers – targeting emerging issues (AC)
 - e. Maintain a comprehensive online document library for conservation finance (AC)
- 2) Expanding Conservation Finance Training and Professional Development (AG)
 - a. Expand training materials for programs and online learning
 - b. Provide training programs at targeted locations globally to build capacity for conservation finance
 - c. MOOCs on conservation finance (AG)
 - d. Consultancy and training services to facilitate readiness to access finance - laws, policies, business planning, proposals for government, environmental businesses, PA Systems, NGOs / CBOs, investors, DFIs, etc. (AC)
- 3) Incubating and Disseminating Conservation Finance solutions
 - a. Identify, incubate and enhance conservation finance solutions and tools to stimulate innovation and impact through the establishment and operation of a Conservation Finance Incubator (AC)
 - b. Broadly disseminate innovative solutions to conservation finance challenges
 - c. Establish a Think-Tank process (AC)
- 4) Supporting Conservation Trust Funds (CTFs) and their networks
 - a. Review and track CTFs (including 10-year update of 2008 review)
 - b. Produce an expanded annual Conservation Trust Investment Survey (CTIS) (AG)
 - c. Produce an online version of the Investment Management Workshop
 - d. Provide Training and other support to RedLAC, CAFÉ, and APNET.
- 5) Reinforcing the Global Network of Conservation Finance Practitioners
 - a. Produce technical webinars (AC)
 - b. Manage Working Groups for Innovation, Protected Areas Finance, Environmental Funds and develop a working group for Marine and Coastal Finance (AC/AG) (others as needed)
 - c. Lead and manage Task Forces for specific initiatives including the CF Guide, CTIS, CTF update, and others as needed
 - d. Establish a bi-annual global conservation finance conference (AG)
 - e. General convenings, member networking and interaction (AG)

- f. Convening experts to produce standards and guidelines (AG)
- g. Expand partnerships with Development Finance Institutions (DFIs) (AG)
- 6) Maintain CFA’s institutional strength and effectiveness
 - a. Expand CFA membership globally
 - b. Maintain and share a members / experts’ directory
 - c. Enhance functionality of web sites and other technology assets
 - d. Maintain and active social media presence for all goals.
 - e. Ensure the CFA is on a sound financial and institutional platform

Some areas of potential development include the following⁵:

- Expand knowledge management functions and tools
- Develop infographics on conservation finance
- Track global conservation finance flows (in partnership)⁶
- Monitoring, evaluation and support for CTFs, Protected Areas Systems and other CF clients based on practice standards (start with CTFs)
- Collaborate with Development Finance Institutions (DFIs) for implementing offsetting and PES with infrastructure

The entire Action Plan for the CFA will be supported by a Communications Plan that is presented in the Appendices.

3.2 Key Performance Indicators

Some of the Key Performance Indicators (KPIs) for the CFA are presented in the following table.

Objectives	Targets	KPIs
Enhancing Conservation Finance Knowledge Products and Practice Standards	12 enhanced products per year	CFA Guide Entries published online, webinars held, toolkits updated / released, Practice Standards produced, White papers produced.
Expanding Conservation Finance Training and Professional Development (AG)	5 training programs provided per year	Training / Workshop Reports, Requests for training, MOOC produced, Online courses produced.
Incubating and Disseminating Conservation Finance solutions	5 ideas incubated per year, 1 successful launch	Grants provided, additional financing

⁵ “Build strength or get out” under the MacMillan Matrix – see Appendices.

⁶ For example the [Little Biodiversity Finance Book](#) and the [TNC / UNDP report on LAC protected area finance](#) (2010)

	per year (starting in y2)	raised, number of incubator meetings
Supporting Conservation Trust Funds (CTFs) and their networks	3 trainings or knowledge products produced annually	Training reports, publications
Reinforcing the Global Network of Conservation Finance Practitioners	Double membership & Double newsletter readership in 18 months, triple website monthly visits and double length of stay	Number of members, number of subscribers, unique monthly website visitors, average duration of visit.
Maintain CFA's institutional strength and effectiveness	Secure budget for 4 years of operations and expand staff to 3 FTE by 2020	Annual financial and institutional reports.

4 Organization

4.1 Institutional Arrangements

The CFA is an alliance of individuals and organizations and currently does not retain its own legal identity. Since July 2015, the CFA has been hosted by the Wildlife Conservation Society (WCS), as interim solution first and was later confirmed for a 3-year term in February 2017. From (mid 2008) to (December 2014) it was hosted by the Brazilian Conservation Trust Fund – FUNBIO. The current hosting of the CFA by WCS is governed by a Memorandum of Understanding (MOU). With the current institutional structure, the CFA benefits from administrative support from WCS and importantly can benefit from the 501(c)3 status of WCS as a recognized non-profit organization in the USA for tax purposes under US law.

The opportunity to establish the CFA as an independent legal entity with full 501(c)3 tax exempt status will be explored over the course of the following two years (2019-2020) in association with the goal of establishing financial and institutional sustainability for the organization.

4.2 Values

The Conservation Finance Alliance is a collaborative, non-competitive, learning and teaching organization dedicated to its vision that *societies value their natural resources and invest to conserve nature*. Some additional values held by the organization include: neutrality, a strong focus on member needs, setting standards in the subject area, remaining authoritative, and working in a transparent manner.

4.3 Management and Governance Structure

The Conservation Finance Alliance is an alliance made up of individuals and organizations. The CFA is currently hosted by the Wildlife Conservation Society and managed under a Charter (see Appendices). The hosting arrangements with WCS are supported by a Memorandum of Understanding. The overall governance structure is the following:

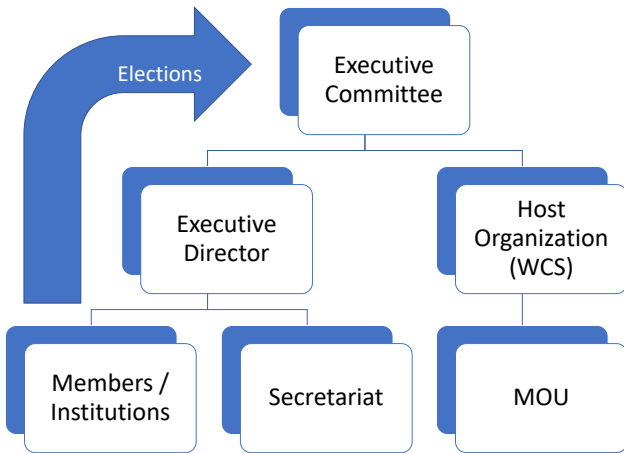


Figure 4 Governance Structure of the CFA

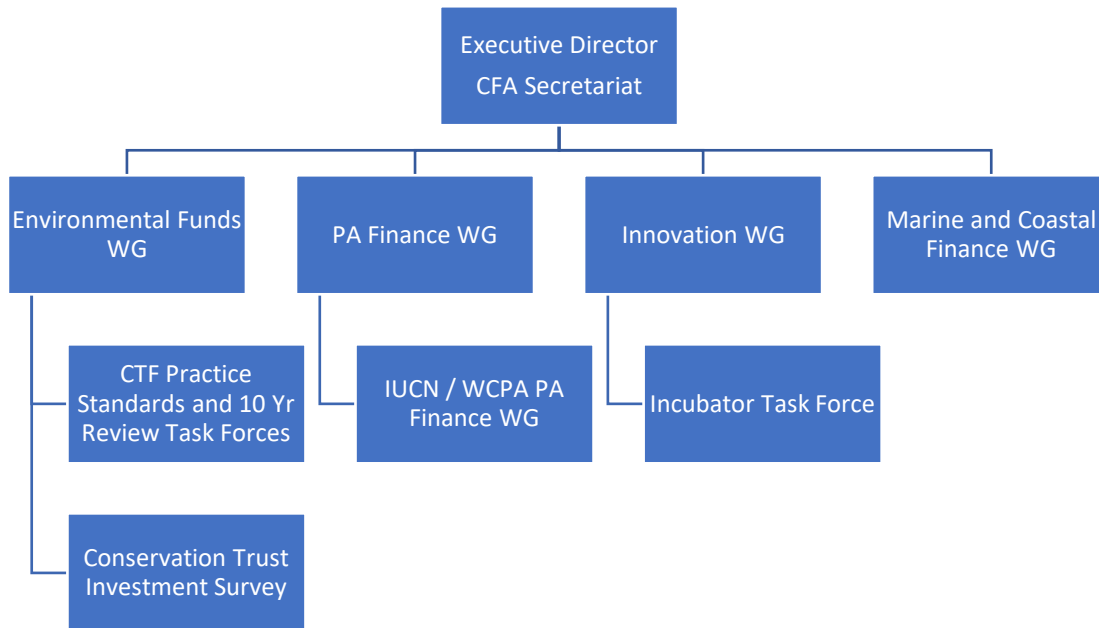


Figure 5 Management Structure of the CFA

4.4 Team

4.4.1 CFA Secretariat

The CFA Secretariat is currently composed of an Executive Director, a conservation finance expert, and a part time communications and social media assistant. It is anticipated that the CFA will hire a full-time assistant director to manage daily operations of the Incubator, Working Groups, and Task Forces including the large project to update the Conservation Finance Guide. Additional engagements with consultants and future staff will be determined by financed projects and programs.

4.4.2 Executive Committee (ExCo)

The CFA Executive Committee is composed of five individuals nominated and elected by CFA members. The ExCo functions as a “Board of Directors” with the objective of overseeing the direction of the CFA, approving annual work plans and budgets, and fundraising. The Executive Committee is elected on a rotating basis by active CFA Members. ExCo members have terms of 3 years with two terms possible. Elections are staggered so that a maximum of two ExCo members will change per year. The ExCo is responsible for hiring and supporting the Executive Director with in collaboration with the host organization, WCS.

4.5 Future Institutional Options

The CFA does not have its own legal status. It exists as an alliance being supported by the hosting organization – previously FUNBIO and currently WCS. In 2017, the CFA went through an extensive analysis process, facilitated by external consultants and with the input of an Advisory Committee of its members, and determined that WCS should be selected as the host of the CFA for at least three years. It was understood through that process that the institutional options could be re-visited. Long term institutional sustainability may be supported by a change in legal status to establish the CFA as an independent organization. Independence has both challenges and advantages in terms of financial and institutional sustainability and effectiveness. The nature of the Alliance as a neutral and impartial source of expertise and technical oversight is supported by the small size of the organization. The hosting arrangements with WCS – considered a science-based organization with a history of collaboration with other big NGOs – are functioning well and at this point in the operations of the CFA, changes to the status towards independence is not justified. As such a renewal of the MOU with WCS should be considered in 2020.

5 Fundraising and Financial Sustainability

5.1 Financial needs

The CFA has baseline financing needs of approximately \$350,000 per year that covers the cost of the Executive Director, Assistant Director, and Communications Assistant. These actors take on substantial technical roles as well and as such this should not just be considered management costs but also technical activities as well. Current plans for annual activities including international training programs, updating the conservation finance guide, and a series of ongoing reports, studies and other punctual efforts will require approximately an additional 650,000 for a total annual budget of \$1 million.

5.2 Current Financial Outlook

Currently the CFA has an ongoing project funded by FFEM and MAVFA Foundation for a current total budget of \$778,000 for a period of 3 years of which approximately half has been spent. An additional request associated with this project has been submitted to the German government for an additional \$400,000.

A separate project concept note has been developed and is being circulated internally for comments. The project seeks \$4 million in financing for 4 years. Potential donors have yet to be identified.

5.3 Long-term Financial Sustainability

The long-term financial sustainability of the CFA requires a source of baseline financing in perpetuity of approximately \$350,000 per year. This financing can be generated through a combination of sources: multi-year grants, fees for services, potentially institutional membership fees, and an endowment fund. If the CFA is able to raise a large endowment fund, grants and other finance sources will be less necessary. Baseline operations can be supported in part from grant overheads, as well as from profits generated by a global conference or services rendered.

1) Endowment Fund

The following table presents some estimates of the annual income that can be generated from an endowment fund based on an average annual rate of return of about 4.5%. The net is based on a 0.5% financial management fee and 1% income retention to offset inflation.

Total Fund Size (\$US)	5 million	10 million	15 million
Gross Return (4.5%)	225,000	450,000	675,000
Net available (3%)	150,000	300,000	450,000

Raising the financing for this endowment will be challenging but should be seen as a long-term objective. The fact that a relatively small fund 10-15 million could provide the CFA financial autonomy in perpetuity could encourage certain donors to consider contributing to an endowment. An alternative approach could be a combination of endowment and sinking fund where a certain percentage of money is allocated to be spent for CFA (knowledge management and capacity development) activities over a 5-10 year period.

2) Project Funding

A substantial number of CFA activities can be financed directly with project financing through a series of grants. This has been how most projects and activities have been financed to date. However, project finance is limited in two important ways. First, substantial time is required for fundraising. For a very small organization, time allocated to fundraising and project finance takes substantial time away from core operational and technical activities. Secondly, project funding often has limited overhead that is acceptable to donors. As such, although some overhead can be used for base operating costs of the CFA, this is extremely limited. For example, the current

hosting arrangement allocates all extra overhead not directly contained in project activities to the CFA's hosting organization. At 10% of total project budget, this allocation only just covers finance and administrative expenses of WCS. Larger grant funding – for example of 1 million per year, would produce only 100k of overhead – not enough to cover the salaries of the CFA staff.

3) Profit from services rendered

Another alternative source of organizational financial support could come from profit from services rendered. This is different from project funding in that it is often secured through competitive bidding for projects or through offering services /products for a fee. These recurring revenue stream could provide longer term finance for the CFA if the production of the services were significantly more cost effective than that value of the services rendered.

Some initial opportunities for products or services include the following:

- Training programs on conservation finance globally
 - o Punctual training programs on a thematic issue – i.e. coral reef finance
 - o Specific training / workshops around locations or issues – i.e. protected areas finance, specific finance solutions, etc.
- Global Conference on Conservation Finance – with funding raised from sponsors and registration fees
- Bespoke studies - i.e. CTIS comparative studies for Boards and Investment Consultants, targeted white papers for corporations or other groups.
- Financial services: running endowments/sinking funds for CTFs against a very competitive fee

4) Additional sources of finance

Some additional long-term finance sources can include retaining equity from companies supported by the CFA Incubator or perhaps charging membership fees to institutional or corporate members. Both options should be explored over the course of the next 2 years and their feasibility will be clarified over time.

6 Appendices

6.1 CFA Charter

CONSERVATION FINANCE ALLIANCE: CHARTER¹

BACKGROUND

The Conservation Finance Alliance (CFA) is a unique collaborative network established in February 2002 to help address the challenges of sustainable financing for biodiversity conservation. To accomplish its mission, the CFA has been facilitating collaboration among organizations committed to promoting conservation finance solutions and developing tools to optimize conservation finance capacity worldwide.

On October 2008, members of the CFA held a meeting in Barcelona, Spain, to discuss the future of the CFA. This meeting resulted in an agreement by the parties to revitalize and relaunch the network in a structured manner that guarantees the commitment of human and financial resources to ensure its viability. The present Charter is an outcome of the decisions of this meeting and others that followed, and sets the guiding principles for this new cycle of the Conservation Finance Alliance.

CFA MISSION

Promote sustainable financing for biodiversity conservation worldwide

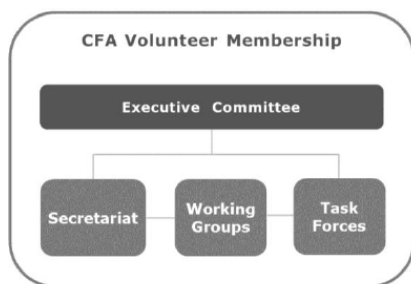
APPROACH

The CFA will achieve its mission through:

- Engaging, informing and influencing key constituencies (e.g. policy makers, multilateral and bilateral organizations, NGOs, private sector, etc.), and promoting cooperation among them.
- Providing and refining training and technical assistance.
- Ensuring that technical information is effectively communicated and disseminated.
- Catalyzing innovative approaches for sustainable financing.
- Mobilizing financial resources to support sustainable financing mechanisms.
- Focusing the collaborative work on a strategic set of high-leverage activities that can generate significant financial resources for conservation on-the-ground.
- Supporting conservation finance efforts that improve the implementation of multilateral environment agreements, such as the Convention on Biological Diversity, Ramsar Convention, World Heritage Convention and others.
- Crafting messages and materials articulating the importance of sustainable conservation finance mechanisms, and highlighting success stories.
- Mapping conservation funding supply and demand, and correlating demand with execution capacity.

GOVERNANCE STRUCTURE

The Conservation Finance Alliance is a volunteer membership network, with a Governance Structure composed of its members and comprised of three entities: Executive Committee, Secretariat and Working Groups (WGs), each of them with specific roles and responsibilities to guide and support the functioning of the CFA and its membership. Task Forces are put into place to collectively coordinate ad hoc projects and products.



¹ Updated November 2012

Executive Committee

The CFA will be governed by an Executive Committee (ExCo) composed of five members elected by the CFA membership.

Roles and Responsibilities of the ExCo

- Approve and dissolve memberships.
- Liaise with the chairs of Working Groups, overseeing their activities and ensuring involvement of members.
- Approve charters, work plans and annual reports of the Secretariat and Working Groups.
- Identify and recommend new Working Groups.
- Identify projects to support the CFA which are additional to the Working Group mandates.
- Select the CFA Secretariat, coordinate and supervise its work, and review its annual audit.
- Participate in a quarterly meeting to align procedures and decision-making process.
- Mobilize financial resources for CFA projects and to cover the network's operational costs, according to the CFA Business Plan.
- Decide the exact date and venue for the Global CFA Meeting.
- Represent CFA at select fora and events.

Election of EC members

An Inaugural ExCo has been established by founding members who have been serving on a voluntary basis for the initial years, and who were responsible for activities related to the revitalization and operation of the CFA.

Each member of the ExCo will serve for a period of two years. ExCo members will be elected by CFA members. ExCo members can volunteer to run for one additional term. Elections for the ExCo will be held online by the Executive Secretariat. The CFA Secretariat will register all volunteer candidates and announce them to all members before election takes place. No more than 2 members of the ExCo may leave at once, except in cases of force majeure. If that were to happen, the incumbent ExCo will ensure that adequate measures are taken to ensure a phasing out and a transition.

Although not restricted, the composition of the ExCo should reflect as best as possible the diversity of the network, preferably combining representation of different sectors of activity (not-for-profit organizations, governmental institutions, academia, and for-profit companies) and geographical areas (Americas, Africa, Asia, and Europe).

Decision making within the ExCo will be by consensus with 3 votes serving to make a decision final.

CFA Secretariat

The CFA Secretariat will be responsible for the day-to-day operations of the CFA.

The Secretariat will be established within a member institution, which will serve for a period of two years, renewable for two additional terms if in accordance with the decisions of the hosting institution and of the CFA ExCo.

The member institution will ensure that the financial transactions of the CFA Secretariat are annually audited, as part of its own annual external and independent audit.

Since 2008 the CFA Secretariat is established in the Brazilian Biodiversity Fund (Funbio).

Roles and Responsibilities of the CFA Secretariat

- Liaise closely with the ExCo, CFA members, CFA Working Groups, CFA Task Forces and projects on a regular basis.
- Manage financial contributions.
- Conduct outreach to potential new members in coordination with the EC.
- Maintain and update a database of the CFA members and monitor member participation in the network's activities.
- Maintain and update the list of key CFA contacts for publications and other communication products.
- Coordinate internal procedures – contracts and payments for CFA projects.
- Implement communications protocol developed and agreed by EC to ensure branding cohesiveness for the CFA, including development of communication products defined in the CFA annual work plan, management of the website, publication and dissemination of CFA reports, preparation of a quarterly newsletter.
- Maintain CFA's strategic calendar updated on the website – reaching out to members on a regular basis for updates.
- Provide logistical support for CFA meetings and events as needed – e. g. set up conference calls, publicize agenda and minutes.
- Serve as rapporteur for the ExCo meetings and Global CFA Meetings.
- Coordinate the development of project proposals to potential donors for the implementation of CFA's strategic plan, including specific activities of the CFA WGs.
- Manage budget and resources allocated to the Secretariat and report to the ExCo on a semester basis.
- Support the preparation of the CFA annual report based on WGs reports.
- Represent CFA (together with EC members) at required consultations, fora, conferences and meetings; locally, nationally and internationally.
- Coordinate with other organizations and networks working on sustainable financing-type programs, such as the Katoomba Group, the Business and Biodiversity Offset Programme (BBOP), and others.

- Carry out procedures for the election of EC members.
- Support the organization and coordination of CFA training courses.

Procedures followed by the CFA Secretariat

The CFA is not a legally registered corporate entity. Thus, contracts, grant agreements and any other legal documents shall be signed on behalf of the CFA, preferably by the member institution that hosts the Secretariat, or other designated CFA member lead institution. In the latter case, the lead institution will ensure close collaboration with working group members and the CFA Secretariat in program implementation.

CFA members will follow standard guidance for the use of the CFA and member institution logos in CFA products, with the support of the CFA Secretariat. Member institutions will be properly acknowledged whenever they dedicate significant in kind contributions to specific CFA initiatives.

Transparent procurement procedures shall be taken into account for the hiring of consultants for specific CFA projects as well as any rules and procedures of the hosting institution and/or of the donor institution that is financially supporting the project. The steps below must be followed:

- Elaboration of Terms of Reference (ToR), according to models available for members at the CFA website
- Dissemination of ToR among members and partners by the CFA Secretariat
- Transparent selection process of applicants carried out by the Task Force
- Public announcement of selected candidate(s)

Working Groups

The work of the CFA is carried out through Working Groups (WGs), whose activities and projects range from publications to workshops, in-country pilots of new approaches and best practices and online databases. Through the creation of WGs, the CFA conducts its technical assistance, training, and programmatic work. The WGs aim to bring partners to work together on joint initiatives which will have more value than if managed by any one institution.

At the time of the Charter there are three WGs identified. As the CFA evolves, WGs may change, with new groups added and group roles modified to address issues as they arise – upon discussion between members and amendments to this Charter.

Activities, projects and products

Under the scope of their own objectives, WGs' activities include:

- Identify and undertake specific projects and activities related to promote the objectives the WG.
- Carry out training in workshops in international fora.
- Carry out research or studies to enhance knowledge on subjects related to the area of WG focus.
- Fundraising.
- Information exchange and lesson learning between WG members.
- Support the design and implementation of internal and external communication strategies.
- Report to CFA on progress.

Decision-making

Decision-making for WGs will be made by a majority of the members of the WG, with specific issues to be agreed via electronic mail.

Each WG should have a chair and a substitute co-chair, elected by its participants and serving for a term of two years, renewable. Any member is eligible to volunteer to serve as chair, and nominations from members can also be considered. Elections of WG chairs will be carried out by the current chair via electronic mail. The top two vote getters from each WG will be selected as chair/co-chair and will liaise with the CFA EC and Secretariat to communicate major decisions.

Annual Reports and Work Plans

On an annual basis, the WGs will prepare financial reports and work plans on a standard format provided by the Secretariat, which will receive them at the last week of each March.

Task Forces

Task Forces are formed by members of the CFA network. They may include members from one or more WGs and are specific to one CFA activity or project. Task Forces should work with assistance and in coordination with the Secretariat.

Meetings are organized according to demand and members' availability. Meetings are held by conference call or webinar and in person meetings may be organized if funded by the project.

Task Force projects shall rely on independent fundraising efforts from members, in a coordinated fashion through the CFA Secretariat and in accordance with the CFA Business Plan, including "project administrative fees".

Webinars

Webinars will be held once a month. Members can send requests to present at webinars and final agenda decisions are taken collectively by co-chairs of WGs and members of the ExCo. The webinars are organized by the CFA Secretariat and chaired by co-chairs of the WGs and ExCo members according to thematic affinity.

- Meetings will only take place if there is a quorum of members.
- Minutes for each meeting will be recorded on a rotating basis by members volunteering to take notes, who will then distribute the draft minutes to the CFA membership. Final versions of minutes will be then uploaded by the Secretariat on the secured part of the CFA website, available to all CFA members.
- A news article about the theme and presentation of the webinar will be posted by the Secretariat up to two weeks after the webinar.
- Additional meetings for Working Groups and Task Forces can be arranged on a needs basis as indicated by co-chairs to the Secretariat.

6.2 CFA Draft Communications Plan

6.2.1 Strategy Overview

Communication Objectives. The CFA’s communication objectives seek to support the successful achievement of the mission and goals of the CFA. As a reminder, the mission of the CFA is to *promote global awareness, expertise, and innovation in conservation finance*. The specific goals of the CFA and the associated communication objectives include:

Goals	Communication objectives
1) Enhancing conservation finance knowledge products and practice standards	High quality of presentation, technical information, participation and expert engagement
2) Expanding conservation finance training and professional development	Training programs using classic and internet-based technologies, high quality, multi-language capacity
3) Incubating and disseminating conservation finance solutions	Broad outreach to entrepreneurs and potential partners
4) Supporting conservation trust funds (CTFs) and their networks	Similar with other areas
5) Reinforcing the global network of conservation finance practitioners	High quality and effective membership communications
6) Maintain CFA’s institutional strength and effectiveness	Strong internal communication, donor/investor relations, key partners’ engagement.

The communication objectives will support these goals and seek to enhance the effectiveness of the activities under each goal. It should be noted that each goal depends quite heavily on communication efforts – especially, to ensure strong functioning of the global community of practice around conservation finance. Keeping the members engaged and active is essential to

achieving the entirety of the CFA’s ambitious agenda and communication efforts are especially important for that. Specific desired communication outcomes will be developed below associated with each type of communication medium.

As well, the organization requires strong internal communication among its members. This is primarily accomplished through the active working groups and task forces. New communication tools for these working groups have recently been established such as regular online meetings and a listserv.

Positioning Statement. The CFA’s positioning statement is “The Conservation Finance Alliance is the leading global professional alliance for conservation finance experts and practitioners.” Our tag line is “expert knowledge and insight on finance for the sustainable use and conservation of nature.” The organization is a member-based alliance built on voluntary contributions and an effective community of practice around conservation finance. It is the only globally focused association for conservation finance experts and practitioners. Our members include the leading experts and organizations in the field.

6.2.2 Target Audiences and Communication Goals

The following categories of stakeholders have been identified above and each have their own needs and interests from the CFA. (more information on these stakeholders is provided in the section “Stakeholders” (5.2).

- 1) Individual CFA members
- 2) CFA member institutions
- 3) Donors / Investors
- 4) Other conservation finance practitioners
- 5) Other partner organizations
- 6) Public and private decision-makers
- 7) General public

Each stakeholder group has specific communication elements:

- 1) Individual CFA members – Together with member institutions, these are the CFA’s main stakeholders. Communication goals include increasing engagement and participation, sharing information and providing expert advice and knowledge.
- 2) CFA member institutions – Communication goals include increased time and financial commitment to the CFA and its projects, collaboration on a wide range of initiatives including conferences and publications.
- 3) Donors and investors – This is an especially important group in that: 1) they are conservation finance practitioners themselves; 2) they are a source of finance for conservation activities; and 3) they can support the use of conservation finance mechanisms through their direct investments and their requirements for projects to be sustainable following the grant phase. Communication objectives include increasing engagement with the CFA on technical issues, increased financing for the CFA’s program and increased financing for conservation finance efforts globally.

- 4) Non-member conservation finance practitioners and partner organizations – These practitioners and partners include conservation practitioners not currently members of the CFA but who are in the following categories:
 - a. Protected area managers and agencies
 - b. Conservation trust fund directors and boards
 - c. Local and international NGOs
 - d. Foundations
 - e. Government agencies
 - f. Other individuals and groups.

Communication objectives for these stakeholders include increased visits to the websites, greater use and distribution of the newsletter, increased participation at webinars and events, increased awareness of the value of conservation finance tools.

- 5) Public and private decision-makers – Almost all of the mechanisms implemented in conservation finance require strong engagement by the government, civil society actors, and private companies. The CFA will provide the organization and its members with effective communication tools to reach and influence these important constituencies.
- 6) General public – Communications to the general public are not the focus of the CFA, yet care will be taken to improve the clarity and effectiveness of our messaging so that other members may be able to repurpose it for wider consumption and impact.

6.2.3 Communication Platforms

Platform	Target Audience	Timing / Key Messages
Website – Conservationfinancealliance.org (CFAlliance.org)	All Stakeholders	Monthly / what we are and why we are important, access to information
Website – Conservationfinance.info	Practitioners, Members	Monthly / Conservation Finance Guide (home of Wiki?)
Email Regular	Members, partners, donors, etc.	Daily / Specific diverse communications
Mail Chimp	Members	As needed / Invites to become members, manage member list,
Newsletter	Members and Newsletter readers, and other partners?	Monthly / upcoming activities, past events, etc.
Webinars	Members, Newsletter readers, Practitioners (note need wider distribution of webinar notifications if we want outsiders.	Monthly / Technical information, CFA provides expert knowledge, presentation of members

List Serve, and other communications for WGs	Working Group Members, Chairs	Every 2 months / Events and shared documents for WG members
Presence at Conferences	Practitioners, Members, Partners	3 per year / Raise awareness of conservation finance issues
Linkedin	Members? Practitioners, Consultants	Weekly / Facilitate building network, thought leader, publications
Task Force Communications	Task Force members	Every 2 months (or as needed) / Call preparation, logistics, technical discussion, document review
Facebook	Members, General Public	Weekly / Awareness of importance of conservation finance, build community/members
Twitter	Twitterverse	2-3 weekly / Support all other communication
Instagram	Opinion makers, general public	2-3 weekly / Leadership in conservation finance, raise awareness

6.2.4 Communication Partners

Key partners useful to share CFA information more broadly include the following:

- 1) Conservation Finance Network
- 2) Coalition for Private Investment in Conservation
- 3) IUCN – Global Conferences
- 4) Forest Trends – Ecosystem Marketplace
- 5) Big Environmental NGOs (WCS, WWF, CI, TNC)
- 6) World Congress on Protected Areas (WCPA) IUCN
- 7) CTF Networks (RedLAC, CAFÉ, APNET)

6.2.5 Messaging

Article topics can be based on our main WG categories and other large issues:

- PA Finance
- Environmental Funds
- Innovation and other CF topics – Biodiversity Offsets, PES, PPP, Insurance products, Debt Swaps, etc.
- Marine and Coastal Conservation Finance

- Climate Finance for Conservation
- Member’s Corner – monthly article from members about what they are up to
- Publication of the Month!

Daily / Weekly Message Themes.

- Nature’s services are Earth’s regulatory systems
- Finance tools provide long-term elevated financing for Protected Areas
- Governments play a key role in establishing market-based mechanisms for conservation
- Efficiency and effectiveness allow money to go farther and have greater impact
- Environmental Funds have become centers of excellence for conservation finance in countries and are central instruments in many innovative finance solutions.
- Economic understanding of nature’s value leads to improved financing for nature

Inspirational quotes:

- “When nature has work to be done, she creates a genius to do it.” Ralph Waldo Emerson, Ralph Waldo Emerson, Robert Ernest Spiller, Alfred Riggs Ferguson, Joseph Slater, Jean Ferguson Carr (1971). “The Collected Works of Ralph Waldo Emerson: Nature, addresses, and lectures”, p.128, Harvard University Press
- “It's the beauty within us that makes it possible for us to recognize the beauty around us. The question is not what you look at but what you see.” *Henry David Thoreau*
- “Our task must be to free ourselves by widening our circle of compassion to embrace all living creatures and the whole of nature and its beauty.” *Albert Einstein (2015). “Bite-Size Einstein: Quotations on Just About Everything from the Greatest Mind of the Twentieth Century”, p.15, St. Martin's Press*
- “There is something infinitely healing in the repeated refrains of nature.” Rachel Carson (2011). “The Sense of Wonder”, p.41, Open Road Media
- “The nation behaves well if it treats the natural resources as assets which it must turn over to the next generation increased; and not impaired in value.” Theodore Roosevelt (2015). “Theodore Roosevelt on Bravery: Lessons from the Most Courageous Leader of the Twentieth Century”, p.47, Skyhorse Publishing, Inc.
- “We could have saved the earth, but we were too damned cheap.” Kurt Vonnegut “If This Isn't Nice, What Is?: Advice for the Young”. Book by Kurt Vonnegut, 2013.
- “Conservation is a cause that has no end. There is no point at which we will say our work is finished.” Rachel Carson (no ref)
- “Conservation is a state of harmony between men and land.” Aldo Leopold (no ref)
- “When one tugs at a single thing in nature, he finds it attached to the rest of the world.” John Muir

6.2.6 Key Dates

Annual Members’ Meeting – this can be done at global conferences or online

Latin American Protected Areas Congress (October 2019?)

IUCN World Conservation Congress June 2020 Marseille

6-month Washington/Europe get togethers

CAFÉ – September annually
RedLAC – October annually
APNET – To be determined
Global Landscape Forum Investment Case Nov 2019 Luxembourg
World Parks Congress - 2024

6.2.7 Benchmarks for Success

- Current number of active members – members who have read newsletter – current average about 180 “opens” per newsletter.
- Participants on Working Group Calls – average about 15 members per call.
- Participants on Task Force calls
- Guest Blogs
- Newsletters out / number of entries per newsletter – one newsletter per month – average about 15 entries per newsletter.

6.3 The Current Secretariat and Executive Committee Members

6.3.1 Secretariat

Executive Director – David Meyers, PhD, MBA.

David Meyers is an environmental finance expert and entrepreneur with more than 25 years of experience in sustainability, business strategy and management, environmental economics, international conservation and development, environmental impact assessment, training, education and research in ecology and evolution. David has launched and managed various companies including a financial services company providing online marketplaces for impact investing and environmental assets, a triple-bottom-line bamboo-flooring manufacturer in Madagascar, and a technology incubator. David has spent well over a decade in Madagascar and has worked in 46 countries. In Madagascar, he helped the country plan and execute a tripling of the area under conservation, including establishing the Makira Natural Park 370,000 hectare protected area using REDD+ financing. He holds a Doctorate in Biological Anthropology and Anatomy from Duke University and an MBA from the Yale School of Management.

Conservation Finance Expert – Katy Mathias, MBA

Katy Mathias is the co-author of the annual CTIS study of the investment management practices of Conservation Trust Funds (CTFs), and project manager of the educational programs related to the CTIS. Katy works to improve investment management expertise and knowledge-sharing among the CTFs. Her role also focuses on broader conservation finance efforts to increase available funding to conservation. Katy has been acting as the CFA Secretariat since 2015 when the CFA began its hosting arrangements with WCS.

Assistant Director – An additional post is required to achieve the basic operations of the CFA. The Assistant Director will be someone with a Master’s degree or higher with a specialization in conservation finance.

6.3.2 Executive Committee

John S. Adams

John's professional work includes leading The Arbor Group, a sustainable investment group at UBS, and providing Investment Consulting for Conservation Trust Funds in 14 countries. At the CFA he helped found and fund the CFA Newsletter, helped with the Conservation Trust Fund study, and participated in the CFA Global Practice Standards project. His passion at the CFA is in developing a deep and searchable knowledge center to help make conservation finance information readily accessible.

Charles Besançon

Charles is a conservation planner and policy specialist with over 25 years professional experience. As a trained planner for national parks and protected areas in the USA, he brought his field experience to global policy jobs with the United Nations, international organizations and national governments. He spent 6 years as the Head of the Protected Areas Programme at the UNEP World Conservation Monitoring Centre in Cambridge UK and 4 years as a staff member of the Secretariat for the Convention on Biological Diversity (CBD) in Montreal, coordinating the LifeWeb Initiative. He has extensive experience in project, policy and programme development, strategic planning, proposal writing and fundraising. He has lived in the USA, South Africa, the United Kingdom and Canada and has worked and travelled in over 65 countries. Charles is currently working as a consultant from Missoula Montana focusing his professional work on protected area finance, visitor use and conservation management planning, and project development. He is a faculty affiliate at the University of Montana College of Forestry and Conservation, a Fellow at the Center for Large Landscape Conservation, a Senior Advisor and past Chair of the IUCN WCPA Transboundary Conservation Specialist Group, a member of the Board of Directors of the Montana Environmental Information Center and is the Chair of the CFA Working Group on Protected Area Finance. He is an avid amateur conservation photographer and spends his spare time exploring the Rocky Mountains by foot, ski, canoe, raft and mountain bike.

Sylvie Goyet

Sylvie is Director, Climate Change and Environmental Sustainability, at the Pacific Community (SPC), based in Noumea, New Caledonia. Prior to joining SPC, she was Director General of FIBA – Fondation Internationale du Banc d'Arguin, a private Swiss foundation working in West Africa on coastal and marine issues. While at FIBA, she also presided and led the transforming of the regional West Africa Coastal and Marine Regional Programme (PRCM) into a large partnership, helped operationalize the regional MPA network RAMPAN and construct the BACoMaB Conservation Trust Fund (Mauritania) as its first President. Sylvie held previous positions as the Regional Coordinator of the UNOPS/UNDP/GEF MedWetCoast project (France), Programme Manager at WWF International (Switzerland), Programme Officer at UNDP Black Sea Programme (Turkey), UNEP Caspian Sea Programme (Azerbaijan), and UNDP Suva (Fiji). Sylvie holds a Master degree in Environmental Management from the University of London, an MBA in Finance from the University of Texas at Austin and a Master in International Business from the Business Management School of Lyon.

Lorenzo J. de Rosenzweig

Lorenzo J. de Rosenzweig Pasquel has thirty+ years of experience in the environmental and conservation finance field. As President of the Mexican Fund for the Conservation of Nature (a US\$125 million endowment Conservation Trust Fund) for more than 22 years, and Chairman of the Mesoamerican Reef Fund (a US\$25 million endowment Regional Conservation Trust Fund) for more than 10 years, he has acquired extensive experience in fundraising and execution of capital campaigns, and the operation and funding of biodiversity conservation, environmental research, regional development and capacity building projects. He has also contributed to the design and incorporation of learning and practice networks for the National Environmental Funds of Latin America and the Caribbean (RedLAC, www.redlac.org) and 3 additional communities of practice in fire management, protected areas and marine conservation.

He is member of several boards and advisory councils, including the Conservation Finance Alliance (CFA) Executive Committee, The Mexican Institute for Competitiveness (IMCO), The Mesoamerican Reef Fund, The Healthy Reefs Initiative, The Fund for Communication and Environmental Education, the Lindblad Expeditions-National Geographic Conservation and Exploration Fund and the International Institute for Environment and Development (IIED). His fields of expertise include biology, ichthyology, ornithology, natural sciences, environmental engineering, food science and toxicology as well as financial investment and asset management. He has contributed to more than 30 books and capacity building tools. Has participated also in 6 technical field guides as illustrator and photographer of wildlife. He has a B.S. degree in Biochemistry and Engineering from the Monterrey Technological Institute (ITESM) and a Master in Science degree in Marine Biology and Seafood Technology from Oregon State University.

Ray Victurine

Ray Victurine is the Director of the Wildlife Conservation Society's (WCS) Business and Conservation Initiative, which he launched in 2007. The program engages with industry, governments and other stakeholders to explore innovative approaches to balance conservation and development interests through design and implementation of best practices aimed at reducing and compensating for impacts on biodiversity and ecosystem services. Ray also directs WCS's Conservation Finance Program which focuses on the development of sustainable financing mechanisms that contribute to positive biodiversity conservation and sustainability outcomes. Ray has contributed to the design and development of a variety of endowment and conservation funding institutions around the world and has been leading an annual study on the financial performance of conservation trust funds. In addition to the CFA, Ray serves on the Board of the Wildlife Friendly Enterprise Network has been active with organizations engaged with the carbon market. He is also a member of the Biodiversity and Livelihood Advisory Committee for Total Uganda. He is trained as a natural resource economist, and has worked on conservation and sustainable development issues in Africa, Asia, and Latin America for more than 30 years.

6.4 Strategic Analysis

6.4.1 Introduction

The goal of this strategic analysis is to explore the position and strategy of the Conservation Finance Alliance relative to its overall context and history, and in consideration of the organizational environment within which it works. Currently the Conservation Finance Alliance holds a vital position as the largest network of conservation finance experts and practitioners working on a global scale. The organization has gone through a transition from a loose alliance with only a part-time secretariat to an organization with an Executive Director and an annual operating budget. Preceding this current phase, there was a transitional period where certain activities were reduced and the main website “conservationfinance.org” was lost to internet speculators. The CFA’s hosting, organizational, and operational situation has greatly improved recently and the strategic situation has slightly changed over time. The main changes are that 1) there is rapidly growing interest and need for information and capacity development in conservation finance and 2) there are other organizations also working towards this goal. This strategic analysis seeks to explore how the CFA can create the strongest impact for its stakeholders given the current and emerging environment.

A strategic analysis of the CFA’s competitive position, opportunities and challenges can help ensure the most appropriate strategy for the future. Two different strategic analyses – Porter’s Five Forces and MacMillan’s Matrix – were used for which the summary outcomes are presented here.⁷

6.4.2 Porter’s Five Forces

Porter’s Five Forces is a classic business strategy approach that has been widely used and can be easily adapted to non-profits.⁸ It is based on exploring the organization in question from a 360-degree perspective. It is important to note that since the Five Forces were first used, the concept of “co-opetition” was developed and it is now well accepted that organizations must cooperate in addition to compete to succeed and that strategic cooperation is as important as competition.

⁷ More detailed information on these analyses can be found in the Appendices.

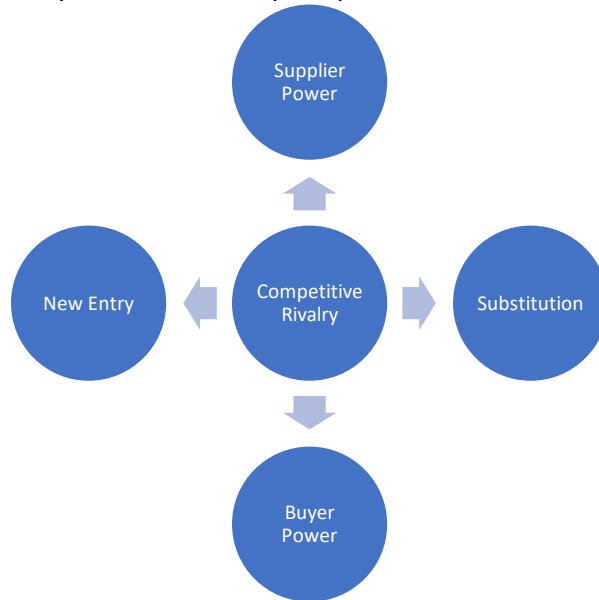
⁸ There are many resources for this. See article in Forbes

<https://www.forbes.com/sites/forbescoachescouncil/2017/06/07/why-nonprofits-should-rethink-their-strategy/#4a735500eaf1>

Porter's Five Forces

The use of Porter's Five Forces is adapted slightly for non-profit organizations in this analysis. The overall structure is presented in the figure below and can be divided into the following categories:

- a) Suppliers
- b) Buyers
- c) New Entrants
- d) Substitution
- e) Competitive rivalry and internal capacity



The first four elements are generally external to the organization and the 5th – competitive rivalry – is determined by both the direct competitors in the space and by the organization's internal capabilities in relation to those direct competitors.

Suppliers - The CFA has two main types of suppliers that are critical to success – our member experts and partners that provide their time, expertise, sometimes money and our financial investors and donors. Historically donors have been focused on funding specific projects and it has been a challenge to finance CFA's operations. As such, it is imperative that the CFA identifies long term sustainable financing for its organizational needs.

Buyers - The CFA's "buyers" are our beneficiaries – which, in addition to our members, are the large number of conservation practitioners that benefit from the conservation finance information and training that the CFA provides. These include protected areas managers and agencies (there are over 200,000 protected areas globally), NGOs, conservation trust fund directors, board members, and staff, government agencies working in conservation, conservation donors, private companies working in natural resources, investors, and more. For the CFA to address these clients, the quality and breadth of the information, communication, and events must be maintained and perceived as being of exceptional value. The CFA cannot be the sole

source of quality information but it should seek to curate the definitive collection of documents, reports, and grey literature on the subject.

Substitutes - There are numerous niche areas of conservation finance that have highly functioning networks and successful actors including Environmental Funds (RedLAC and CAFÉ), biodiversity offsets, environmental impact, and others. The strategy here is to collaborate with these organizations as much as possible and look for opportunities to provide added value.

New Entrants - It is unlikely that another group will enter the space and compete directly given the presence and history of the CFA, Conservation Finance Network (CFN) and the Coalition for Private Investment in Conservation (CPIC) as they will have to build membership from scratch in a crowded field. However, as the field of conservation finance is expanding, and of significant and growing interest, organizations that already work actively in this space, could increase their activities that overlap with the CFA. The CFA will seek to collaborate and partner with any such organizations.

Competitive rivalry and internal capacity – Two outside organizations have overlapping mandates with the CFA and although could be considered competitive are generally collaborative partners. These are the Conservation Finance Network (CFN) and the Coalition for Private Investment in Conservation (CPIC). The CFN has primarily focused on conservation finance in the USA and is seeking to collaborate on international work. CPIC is very focused on private investment in conservation and seeks to satisfy the needs of institutional investors for viable investment options that generate both financial and conservation outcomes. The CFA considers this work to be an important subsection of our activities and the CFA is an active member of CPIC including membership on CPIC’s Landscape Finance Working Group. Risks to the CFA in this element of the 5 forces are the current limited capacity of the CFA Secretariat. Fortunately, the Secretariat’s capacity is complemented by the Executive Committee and by individual members, including especially working group chairs and task force members, who contribute their time and expertise to support the mission of the organization. It will be essential to build up internal full-time capacity to complement the support and volunteer time of members.

6.4.3 MacMillan Matrix

The second strategic analysis conducted was based on the MacMillan Matrix⁹ - a competitive business strategy approach adeptly applied to non-profits. It is based on a series of criteria on which the organization can score its current or planned programs to examine fit with the mission, competitive position, program attractiveness and whether alternatives are being provided from other organizations. The activities that are scored are placed into the below table that determines if those programs should be prioritized, dropped, or otherwise managed (see table). Unlike Porter’s Five Forces, the MacMillan Matrix allows individual programs to be evaluated.

To review the CFA’s programmatic elements and future opportunities a detailed list of existing and proposed activities was elaborated based on existing grants, strategic planning, and

⁹ <https://www.icl.org/product/macmillan-matrix/>

fundraising documents. The full list and the resulting placement of each program are provided in the Appendix. The outcome of this analysis is presented in the Action Plan section of this document and includes 1) the elimination of programs or actions that were poor fits with the organization and 2) the labeling of programs or actions that were determined to be of “aggressive competition” (AC) or “aggressive growth” (AG) 1 or 2 in the figure below.

Table 2 MacMillan Matrix - Generic Categories

“MACMILLAN MATRIX” REPHRASED FOR ENVIRONMENTAL AND CONSERVATION GROUPS		Attractive Program		Difficult Program	
		Other org’s cover this.	Few other org’s cover this.	Other org’s cover this.	Few other org’s cover this.
GOOD FIT WITH MISSION AND ABILITIES	Strong Competitive Position	1. Affirm this program and negotiate functions with other org’s.	2. Grow in order to provide this service to the movement.	5. Collaborate to share the load or help to find resources.	6. “Soul of the Organization” – find support for this or limit its scope.
	Weak Competitive Position	3. Give this away quickly.	4. Decide with other org’s who should do this.	7. Give this to other organizations, supportively	8. Collaborate to share the load or give it away.
POOR FIT WITH MISSION AND ABILITIES		9. Give this away quickly.		10. Give this away systematically	

Source: https://www.icl.org/wp-content/uploads/woocommerce_uploads/2015/10/MacMillan-Matrix.pdf

The second strategic analysis conducted was based on the MacMillan Matrix¹⁰ - a competitive business strategy approach adeptly applied to non-profits. It is based on a series of criteria on which the organization can score its current or planned activities to examine fit with the mission, competitive position, program attractiveness and whether alternatives are being provided from other organizations. The activities that are scored are placed into the below table that determines if those activities should be prioritized, dropped, or otherwise managed.

¹⁰ <https://www.icl.org/product/macmillan-matrix/>

Table 3 MacMillan Matrix for CFA Activities

MacMillan Matrix	Internal		External		Outcome
Main Activities	Good / Poor Fit	Strong / Weak Competitive	Program "Easy" / "Difficult"	Alt Cover High / Low	
Environmental Funds Working Group	Good	Strong	Easy	High	Aggressive Competition
PA Finance Working Group (in association with the WCPA),	Good	Strong	Easy	High	Aggressive Competition
Innovative Finance Working Group	Good	Strong	Easy	High	Aggressive Competition
Marine and Coastal Finance WG (in development)	Good	Strong	Easy	Low	Aggressive Growth
Guide to Conservation Finance	Good	Strong (members)	Easy	Low	Aggressive Growth
Develop and promote authoritative standards for conservation finance mechanisms	Good	Strong	Difficult	Low	"Soul of the Agency"
Practice Standards for CTFs	Good	Strong	Easy	Low	Aggressive Growth
Expanded series of Practice Standards for a range of conservation finance mechanisms	Good	Strong	Difficult	Low	"Soul of the Agency"
Online document library (published)	Good	Strong	Easy	High	Aggressive Competition
Online Tool Kits (incl. unpublished)	Good	Strong	Easy	Low	Aggressive Growth
Knowledge management functions / tools	Good	Weak	Easy	Low	Build Strength or Get Out
Infographics on Conservation Finance	Good	Weak	Easy	Low	Build Strength or Get Out
Online discussion groups	Good	Weak	Difficult	Low	"Foreign Aid" or Joint Venture
White Papers	Good	Strong	Easy	High	Aggressive Competition
Think Tank Activities	Good	Strong (Members)	Easy	High	Aggressive Competition
General Convenings, member networking and interaction	Good	Strong	Easy	Low	Aggressive Growth
Convening experts to produce standards and guidelines	Good	Strong	Easy	Low	Aggressive Growth
The Global Conference on Conservation Finance	Good	Strong	Easy	Low	Aggressive Growth
Conservation Trust Investment Survey	Good	Strong	Easy	Low	Aggressive Growth

Tracking Global Conservation Finance Flows	Good	Weak	Easy	Low	Build Strength or Get Out
Monitoring, evaluation and support for CTFs, Protected Areas Systems and other CF clients based on practice standards	Good	Weak	Easy	Low	Build Strength or Get Out
Webinar Series	Good	Strong	Easy	High	Aggressive Competition
Training and capacity development on Conservation Finance	Good	Strong	Easy	Low	Aggressive Growth
Conservation Finance Incubator – incubation, design and promotion of innovative mechanisms	Good	Strong	Easy	High	Aggressive Competition
Members / Experts Directory	Good	Strong	Difficult	High	Build up Best Competitor
List of certified practitioners	Good	Strong	Difficult	Low	“Soul of the Agency”
MOOCs on Cons Fin	Good	Strong	Easy	Low	Aggressive Growth
Consultancy and training services to facilitate readiness to access finance - Capacity building, laws, policies, business planning, proposals for Government, Environmental Businesses, PA Systems, NGOs / CBOs, Investors, DFIs	Good	Strong	Easy	High	Aggressive Competition
Collaborate with Development Finance Institutions (DFIs) for implementing offsetting and PES with infrastructure	Good	Weak	Easy	Low	Build Strength or Get Out
Collaborate with DFIs to transform standards, safeguards and planning towards concrete results in countries	Good	Strong	Easy	Low	Aggressive Growth
Collaborate with DFIs to provide training and guidance on tools that increase effectiveness and efficiency of investments	Good	Strong	Difficult	Low	“Soul of the Agency”