

Conservation Trust Fund

Investment Survey



For Financial Years 2007 and 2008

Conservation Trust Fund

Investment Survey

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Prepared in collaboration with the Conservation Finance Alliance and the Latin American and Caribbean Network of Environmental Funds

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Latin American and Caribbean
Network of Environmental Funds



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Acknowledgements



Photo: Bromelia en La Azufrosa contributed by Lorenzo Rosenzweig

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This report is based on the responses of participating Conservation Trust Funds (CTFs) and we would like to thank all those who took the time from their many responsibilities to complete the survey and contribute photos for this project.*

* Cover photo titled Ranita Dorada contributed by Lorenzo Rosenzweig

Foreword

Dear Fund Manager,

One year ago in the inaugural Conservation Trust Fund Investment Survey (CTIS), we wrote that the goal of the survey is to “help the conservation trusts...understand and encourage investment best practices” and our hope was that the survey “will not only lead to improved investment results, but to opportunities to learn from each other in other areas as well.” Judging by the feedback from the trusts, the initial survey has made a good start that we hope will only grow in the future.

As we prepared the survey for the 2007 investment year, the dramatic decline in financial markets in 2008 accelerated. Many Conservation Trust Funds (CTFs) asked that the survey be delayed to enable 2007 and 2008 results to be reported simultaneously. Interest was high among the trusts in learning how the financial turmoil had impacted the portfolios and investment strategies of their peers. This second annual report, combining 2007 and 2008 returns, continues our efforts to help the trusts in their crucial conservation work.

During 2008, cash and the debt of governments perceived as being secure, provided the only financial safe havens. All other asset classes: stocks, real estate, corporate bonds, timber, energy, and private equity funds, suffered dramatic declines. As one person put it, “In 2008 the only thing that went up was correlation.”

For the trusts, the best investment results in 2008 were reported by those largely invested in cash. For the 13 CTFs with positive returns in 2008, the average equity exposure was only 12%. Nine funds ended the year with no equities, six had less than 10% invested in stocks, and only five of 32 trusts had more than 50% in stocks.

What lesson should investors learn from this experience? To be in cash during the largest decline in the stock market since the Great Depression was certainly fortuitous. However, the trusts have a mission to permanently protect some of the world’s most precious and vulnerable natural habitats. These habitats will be no less deserving of our protection 20 years from now. Will portfolios heavily invested in cash and bonds provide the long term spending power to carry out the trusts’ invaluable work?

Conservationists with work to do over decades need to have a similar investment horizon.

We have just suffered through the worst 10-year performance of the S&P 500 in at least 70 years. Through the end of 2008, the S&P 500 returned an average of -1.39% per year over the previous ten years. In the years encompassing the start of the Great Depression, 1929 – 1938, the S&P 500 returned - 0.89% annually. While no one knows how the stock market will perform over the next one, two, or even five years, history suggests that the returns from stocks over the next ten years will be higher than the last ten years. If we are supposed to buy low and sell high, trusts with large allocations to cash and bonds might consider owning an increased proportion of equities.



Photo: Perfil en Acuarela contributed by Lorenzo Rosenzweig

Jeremy Grantham of Grantham, Mayo & van Otterloo (GMO) is a dedicated conservationist and one of the most prescient investment strategists. Overseeing more than \$100 billion in assets, Grantham warned of the Tech Crash in 2000 and of the 2008 stock meltdown. Despite expecting “seven lean years” as he puts it, Grantham is nonetheless projecting annual returns for stocks of 6.0% to 9.5% over the next seven years.

However stocks perform, the yield on cash and bonds may not provide sufficient protection against the growth in operating expenses from inflation. Five percent annual inflation will cause a 50% reduction in the purchasing power of cash in just fourteen years. Holding 70%, 80%, even 100% of a portfolio in cash and bonds worked in 2008. Individuals responsible for *long-term* returns at conservation trusts need to consider whether such holdings make sense in a world of lower stock valuations and possible increasing levels of inflation.

Finally, as in all things, skill matters. As those in the charitable world know, funding, whether direct or via an endowment, should not be an afterthought. Hard work is required to raise funds, and one should not be casual either in spending or investing them. Not many people are good investors, and we would advise that trusts either find the good ones or stick to guaranteed Treasury-type investments.

Whatever the markets may hold, the Conservation Trust Fund Investment Survey will continue to assist the wonderful work of conservation trusts around the world. We are proud play a part in protecting the most ecologically important and threatened areas of our natural world.

With our best regards,

Greg Alexander
Alexander Foundation

Executive Summary



Photo: Contributed by Fondo Ambiental Nacional, Ecuador

This survey of Conservation Trust Funds (CTFs) was developed to provide information on investment strategies, to report on average returns to allow funds to compare their performance and experience to that of similar institutions, and to facilitate information sharing and collaboration amongst both newly formed and established trusts. After extensive investigation and interviews with funds throughout the world we now know of approximately forty Conservation Trust Funds (CTFs) that are currently operating and investing assets to finance conservation and biodiversity projects throughout Africa, Asia, Eastern Europe, and Latin America.

Thirty-four out of the 40 identified CTFs responded to this second annual survey, providing investment information and reporting performance data for the 2007 and 2008 financial years. This year's study made a particular effort to verify the number of funds that are currently operating to determine which funds would be able to participate in this type of survey now and in the future. A good part of the effort this year was spent in contacting funds to ensure their participation in the survey and thereby developing a robust database with updated contact information for all of the known CTFs. In addition to the forty operating trusts, we have found that twelve new trusts have been created and are currently structuring endowments or initiating investments this year and will be reporting their data in the future. We continue to receive more information on new trusts being developed throughout the world and will reach out to those funds with a goal of including them in future versions of this report.

This document provides investment details for 2007 through 2008, a challenging economic period that saw a sharp downturn in markets throughout the world. While 2007 yielded overall positive returns for most funds, trends shifted for many CTFs in 2008, with investment returns for the group of funds averaging negative 6.9% compared to an average positive return of 8.6% in 2007.

The larger funds experienced positive returns in 2007; however these funds then saw heavier losses in 2008. Funds with small capitalizations were generally invested in fixed income or cash and reported more modest positive returns in 2007 and experienced less severe losses, on average, in 2008.

Table 1: CTF Average Returns by Fund Size 2007 and 2008

Average Returns by Fund Size			
Size Category	Total Assets (\$US)	Returns 2007	Returns 2008
>20M Avg.	222,138,164	9.2%	-9.6%
10-20M Avg.	115,396,771	11.6%	-9.3%
<10M Avg.	85,027,395	7.0%	-5.0%
Equal-Weighted Average All Funds		8.6%	-6.9%
Dollar-Weighted Average All Funds		9.2%	-9.4%

*Average returns are calculated for 6 funds in the >\$20 M category and for 8 funds in the \$10-20 M category. In the \$10M category, returns are shown for 17 funds in 2007 and for 19 funds in 2008.

Overall, the trust funds responding to this survey showed positive average returns over three and five-year periods, even outperforming standard benchmarks in some cases. Figure 1 below shows the average returns over time, by region.

Figure 1: Average 1, 3 and 5-Year CTF Returns by Region



This year the survey also explored how participating Conservation Trust Funds responded to the economic crisis, gathering anecdotal data on how the funds worked with their advisors to react to the crisis, whether they made changes to their investment strategies and long-term investment policies, and also how losses in endowment value may have affected spending policies. Many of the CTFs indicated that their investment advisors took early action, moving assets from US and international equity markets and investing more heavily in US treasury bills, or in local fixed income and cash instruments.

The economic crisis of 2008 has resulted in important lessons for all those operating endowments. The changes in the market have caused the CTFs to more closely monitor their investments and to modify their traditional asset allocation strategies. The funds have indicated that they continue to work with their advisors to strengthen their investment policies and position their investments for long term growth.

The returns documented in this survey indicate that the 34 CTFs reporting investment information fared better on average in 2008 than many of the bond indexes, reinforcing our belief that Conservation Trust Funds have invested their assets prudently in order to preserve the long term value of their capital. Also, despite their relatively small size in terms of capitalization, CTFs appear able to contract adequate investment advice to guide their investment decisions. Three and five-year returns demonstrate appreciation in the value of CTF assets, despite the market downturn in 2008. These results indicate that CTFs remain viable mechanisms for long-term financing of conservation.

Introduction

Background

Over the last two decades a number of Conservation Trust Funds have been established throughout the world to provide long-term funding for biodiversity conservation and sustainable development. These funds are capitalized by bilateral debt swaps and multilateral agencies, as well as by grants from governments or non-profit organizations.

The trust funds participating in this study manage a total of over \$420 million dollars and operate under a variety of financing structures, including endowments, sinking funds and revolving funds. These funds are investing assets to fund conservation projects and operating expenses and for the purposes of this study are referred to as Conservation Trust Funds (CTFs). This report will explore how investments are managed, how assets are allocated and how funds have adjusted their investment strategies in the face of global economic challenges.

The establishment of conservation trust funds as a funding mechanism is still relatively new, with many CTFs beginning operations since the year 2000. While there have been efforts to facilitate information sharing and collaboration among funds, many CTFs operate without the benefit of broader information and knowledge sharing opportunities. The Latin American and Caribbean Network of Environmental Funds known as RedLAC was established in 1999 to provide training and networking for its membership of 19 CTFs. Interest in similar networks has been identified amongst newer funds in both Africa and Asia and there are on-going discussions about expanding RedLAC membership to funds located outside the region.

Recent efforts to expand information sharing and dissemination among CTFs include the first edition of this Conservation Trust Fund Investment Survey (CTIS) report covering investment returns from 2006 and published in June 2008, as well as the Rapid Review of Conservation Trust Funds published by the Conservation Finance Alliance in May of 2008. Still, many funds are operating without the ability to collaborate with their peers or to draw on the experience of established funds. This project was conceived as one mechanism to provide information on fund management approaches and compare endowment investment strategies and performance over time to promote information sharing and networking regarding best practices for investment management. The report will also provide the investment, donor, and conservation communities with an assessment of the efficacy and reliability of CTFs as a mechanism to achieve long term sustainable financing of biodiversity.



Photo: Arteaga, Coahuila contributed by Lorenzo Rosenzweig

This project is coordinated under the Conservation Finance Alliance (CFA), which is comprised of environmental NGOs, multilateral agencies and conservation trust funds. The CFA's working group on environmental funds has provided important input and support into the development of the survey instrument and has also helped with outreach to funds. This study has been a collaborative effort between the Wildlife Conservation Society and RedLAC, the Latin American and Caribbean Network of Environmental Funds whose Secretariat, the Biodiversity Foundation of Brazil (FUNBIO), coordinated the survey of its member funds.

Objectives

The objectives of this study are to assess the financial performance of conservation trust funds and to discuss the various investment strategies employed by these funds. The data collected over time will provide a variety of information on the performance of Conservation Trust Fund endowment strategies.

This report will focus on the following information gathered through surveys of each participating fund:

- Endowment size, location and experience
- Investment returns
- Asset and currency allocation
- Types and fees of investment advisors
- Investment policies and response to current market changes

The first CTIS report published in 2008 reported on fund performance in 2006 and provided benchmark data against which funds could evaluate their returns, gauge their financial performance and compare their investment practices and returns. In that first year of the study 17 funds submitted completed surveys. This year, as a result of improved information collection, more rigorous outreach, and growing interest by conservation funds, the number of funds participating has doubled. We have collected investment data from 34 CTFs to evaluate return performance for 2007 and 2008, the latter a particularly volatile year in the markets. This report will discuss particular strategies that funds took to respond to the recent economic crisis and provide suggestions for additional steps that CTFs could take to enhance their investment returns.

Methodology

Survey format, origination

This report is designed to benefit conservation trust funds and foundations that manage endowments, sinking funds or revolving funds, providing long-term funding for conservation and sustainable development. The survey was drafted in cooperation with RedLAC, the Latin American and Caribbean Network of Environmental Funds, with assistance from Acacia Partners, a widely respected New York investment fund that initiated this study. Additional assistance was provided by members of the working group on Environmental Funds currently chaired by Funbio and Conservation International, as well as the French Global Environment Fund (FFEM). Development of the CTIS survey drew on the experience of the National Association of College and University Business Officers (NACUBO), which publishes an annual survey of the performance of US College and University endowments.

Data collection

The 2007-2008 CTIS survey was administered in a Word-based format emailed to all participating funds. The survey was available in English, Spanish and French to ensure ease of accessibility for most participants and to garner greater participation by funds in the survey. An initial introductory cover letter and a hard copy of the survey, as well as a copy of the first annual CTIS report were mailed to all potential participants. The RedLAC Executive Committee distributed the survey to its member funds and provided follow-up to ensure full participation of its membership. RedLAC was instrumental in collecting survey information from all of its member trusts.

The survey itself was lengthy, with questions that required detailed financial information. A number of the funds participating for the first time this year consulted with their Board of Directors before committing the time to submit data. Four of the CTFs chose to submit a short version of the survey limited to investment return data and a discussion of their response to the economic crisis. Three funds

provided answers to the survey through phone conversations and follow up emails. Some of the funds relied on their financial advisors/asset managers to complete the survey.

Overall the 2007-2008 CTIS collected data from 34 funds, double the number of funds that participated in the survey of the 2006 financial year. This increased participation resulted in significantly more information on trust fund performance and investment approaches than in the past and provided greater geographic representation, with inclusion of more funds from Asia and Latin America. In addition, the process of verifying information on CTFs to ensure robust survey results allowed us to create an updated database of information on new and existing funds.

Confidentiality

With respect to the sensitivity of the data provided, CTIS is committed to maintaining the confidentiality of individual data submissions. Contact information for each of the participating funds is provided in the report; however, all financial data is reported anonymously to ensure that the funds are not placed at an unfair advantage by disclosure of information. The objective of the report is to share information and support the development of effective investment strategies. Each fund is therefore able to compare its performance to the average returns of funds within similar size categories and with the average returns of all funds. Where individual returns are listed, each fund is assigned a random identification number.

Fiscal Year

For this study CTFs were asked to report financial data through December 31st of each year to allow comparability among the results. Unless specifically noted, all performance data are reported net of investment management fees and expenses.

Statistical Variants

Survey participants were encouraged to answer as many of the questions as possible; however some of the CTFs were unable to fill in data for all of the categories. Therefore, the data tables in this report do not necessarily reflect all participants. Each data table indicates the number of funds represented in the analysis either within the table itself or in a footnote below the table.

Average Returns

Following procedures used in the NACUBO study, average values provided in this report are calculated as equal-weighted averages, meaning that each reporting fund has an equal influence on the outcome of the average calculation regardless of the size of the endowment. This allows each individual fund to compare its returns to other funds participating in this study. For informational purposes dollar-weighted averages may also be calculated and are reported in tables as noted.



Photo: Tribal village in Banderban Hill District where the indigenous community has been conserving a natural forest under community management for generations and where Arannayk Foundation supports alternative income generation for community members.

Results and Analysis

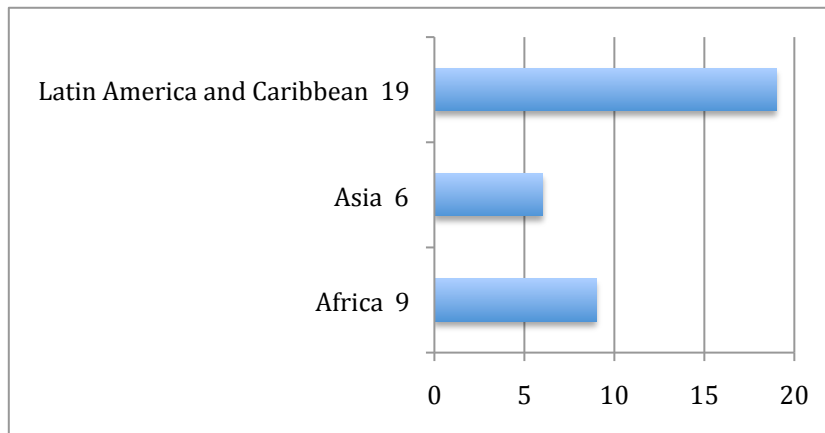
Description of Participating Funds

In 2007, the initial CTIS contacted 57 potential Conservation Trust Funds (CTFs). A total of 25 funds responded to the survey, with 17 funds providing complete financial information for the 2006 fiscal year. Upon further investigation, we have determined that there are closer to 40 Conservation Trust Funds (CTFs) currently managing endowments, investing assets to fund conservation and biodiversity projects throughout Africa, Asia and Latin America. The remaining 17 potential funds were either government-managed funds receiving annual budgetary allocations, or sinking funds that do not control assets and accordingly do not invest. Of the 40 identified Conservation Trust Funds, 34 responded to this year's survey and provided data on the market value of their invested assets, investment return data and asset allocation details, as well as information on investment strategies.

Area and Age of Participating Funds

Conservation Trust Funds are well established in the Latin American and Caribbean region, with an active network, RedLAC, providing opportunities for communication and training amongst its member funds. The majority of the funds responding to this survey are in that region, with 19 funds reporting endowment investment information for this study. The average age of these funds is 9 years, with a range from 1 to 16 years.

Figure 2. Number of Responding Funds by Region



A total of 16 funds in African countries responded to our inquiries. The newest CTF in this region received funding in 2008 and the longest operating fund has been in existence for 19 years. Consequently only 9 African funds had data to report this year, but all 16 will be able to report investment data next year. The formation of new conservation trust funds in Africa is continuing, especially in francophone Africa, so the number of funds reporting from Africa is likely to increase over time.

A number of long established funds in Asia also reported this year. Of the six funds in Asia that participated in this study, four have been operating for more than 13 years. The most established fund in the region has been in existence for more than 18 years. In addition, Asia reported two very new funds, both of which have been established since 2008.

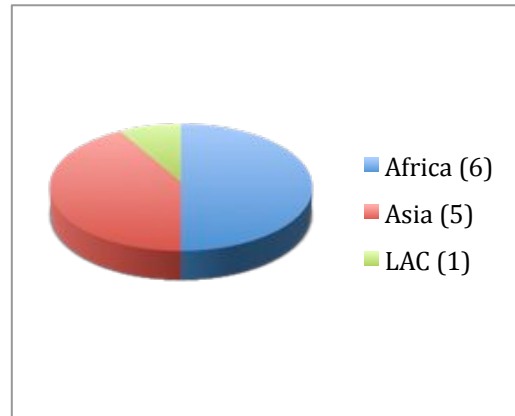
Only four of the funds known to manage endowments did not respond to inquiries. We will continue efforts to contact these funds and encourage their participation in this project in subsequent years.

New Conservation Trust Funds

Twelve Conservation Trust Funds responded by email or by phone indicating that their endowments are either very new, beginning investments in 2008, or are still being set up. These funds have indicated their intent to participate in subsequent survey efforts when their endowments are operational. Each has provided contact information for future reference and their details are included on the last page of this document.

Countries where new CTFs exist or are being established:
Mexico
Kazakhstan
Botswana
Cameroon/Central African Republic/Congo
Cote d'Ivoire
Gabon
Mauritania
Benin
Vietnam
Laos
Micronesia (2)

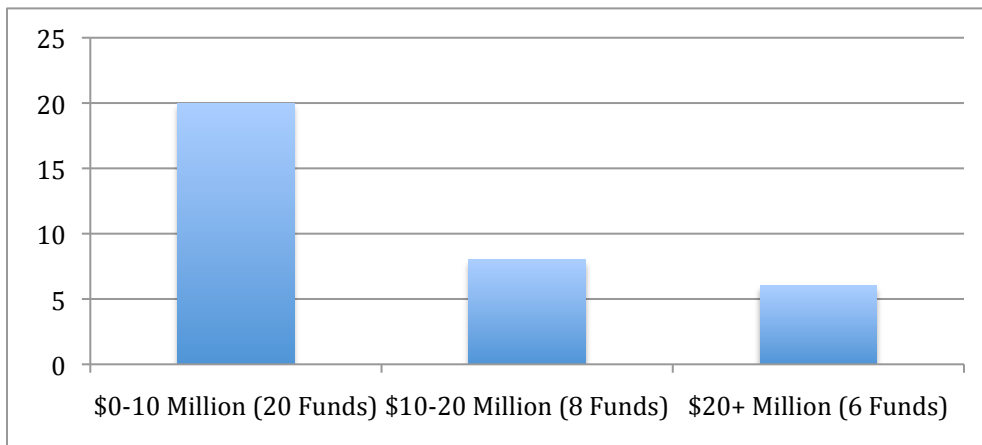
Figure 3: New Funds by Region



Endowment Size by Region

The 34 responding funds that reported investment information manage endowments ranging in size from \$200,000 to \$89 Million. Overall, 20 CTFs manage endowments with capitalizations up to \$10 Million. The majority of responding funds in this category are in Latin America and the Caribbean. Of the responding funds, 8 funds manage endowments of \$10-20 Million, evenly distributed in Africa, Asia and Latin America. Six funds, including 1 in Asia and 5 in Latin America, manage endowments with assets in excess of \$20 Million.

Figure 4: Number of Funds in Each Size Range



Overall Rates of Return

Investment performance

This second annual CTIS report records investment information for the years 2007 and 2008, a period of great challenges in investment markets throughout the world. Markets were relatively stable through the first quarters of 2007. However, beginning in late 2007 global markets entered a period of extreme volatility that continued through the 2008 fiscal year. Average returns for the CTFs fell from 8.6% in 2007 to -6.9% in 2008, the first year that average negative returns were reported since 2002.¹

Table 1. CTF Average Returns by Fund Size, 2007 and 2008

Average Returns by Fund Size			
Size Category	Total Assets (\$US)	Returns 2007	Returns 2008
>20M Avg.	222,138,164	9.2%	-9.6%
10-20M Avg.	115,396,771	11.6%	-9.3%
<10M Avg.	85,027,395	7.0%	-5.0%
Equal-Weighted Average All Funds		8.6%	-6.9%
Dollar-Weighted Average All Funds		9.2%	-9.4%

The group of mid-sized CTFs (assets between 10 and 20 million US dollars) experienced the greatest decline in returns, from an average gain of 11.6% in 2007 to a loss of 9.3%, while the group of smaller CTFs (less than \$10 million) experienced a less significant decrease, moving from a gain of 7% in 2007 to an average loss of 5% in 2008.

Average Endowment Returns, 3 and 5-Year Periods

The CTFs' one-, three- and five-year average rates of return for the period between 2004 and 2008 are shown in Table 2 below. The table also lists 1-, 3- and 5-year returns for the S&P 500 and Barclays Capital US Aggregate Bond Index. While the average 1-year returns (fiscal year 2008) were negative for all fund sizes, the average 3- and 5-year returns were positive for all fund categories.

The CTF funds reported returns that outperformed the S&P 500 in 2008 and over the 3-year and 5-year periods. All fund categories outperformed the Barclays Bond Index over the 5-year period from 2004 to 2008.

Table 2. CTF Average Returns by Fund Size for 1, 3, and 5-years

Average Returns by Fund Size			
Size Category	1-Year Returns (2008)	3-Year Returns	5-Year Returns
>20M Avg.	-9.6%	3.5%	4.9%
10-20M Avg.	-9.3%	5.2%	5.5%
<10M Avg.	-5.0%	5.7%	7.0%
S&P	-37.0%	-8.36%	-2.19%
Barclays Bond	5.2%	5.5%	4.7%

*33 funds reported investment return information for 2008

¹ Nine funds have reported historical returns with data going back to 2000. During 2002, three of these funds reported losses.

Endowment Returns by Region

The 19 responding funds in the Americas manage investments totaling approximately \$278 Million, with an average endowment size of \$14.6 Million. The largest CTF in the Americas manages approximately \$89 million in assets and the smallest reporting fund manages approximately \$200,000. These funds had an average return of -7.1% for 2008. The Latin American and Caribbean (LAC) funds posted three-year average gains of 4.2% and over a 5-Year average the funds reported average annual returns of 5.4%.

Table 3. Total and Average Endowment Size and Average Returns

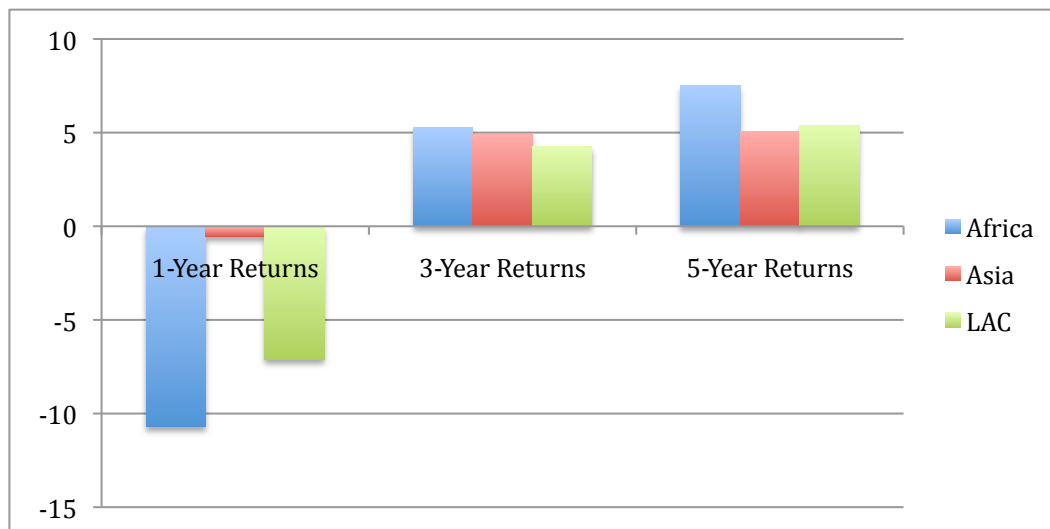
Total and Average Endowment Size and Average 1, 3 and 5-Year Returns by Region					
Region	Total Endowments	Average Endowment	1-Year Returns (2008)	3-Year Returns (2006-2008)	5-Year Returns (2004-2008)
Africa	77,757,475	8,639,719	-10.7%	5.3%	7.5%
Asia	88,548,106	14,758,018	-0.5%	4.9%	5.1%
LAC	277,879,496	14,625,237	-7.1%	4.2%	5.4%

*33 funds reported investment return information for 2008

The nine African funds reported a combined investment of approximately \$77.8 million, with an average endowment size of \$8.6 million. The largest fund in Africa manages approximately \$17 million and the smallest manages \$1.7 million. In 2008 African funds also posted losses, with an average rate of return of -10.7%. However as in the Latin American case, the African funds posted positive longer-term returns, with 3-Year average returns of 5.3% and average returns of 7.5% for a five-year period.

Six funds in Asia provided investment return information for the survey this year, reporting a combined value of \$88.5 million in endowments and an average size of \$14.8 million. The largest fund manages approximately \$40 million in equivalent US funds and the smallest fund has an endowment of \$4 million. The average rate of return for Asian funds in 2008 was -0.5%. The 3-Year average return for these funds is 4.9% and the 5-Year average is 5.1%. In general Asian funds demonstrated less volatility across the study years compared to the funds in other regions.

Figure 5. Average 1, 3 and 5-Year Returns by Region



Currency Adjusted Returns

Table 4 on the following page shows the reported investment returns for the three-year period from 2006-2008 adjusted for changes in exchange rates. The table lists the US dollar and equivalent domestic currency returns for each fund and demonstrates the differences in investment returns based on the impact of exchange rate variations between the domestic and US currencies. Column 2 identifies the reporting currency for each CTF, either domestic or US currency.

Where the reporting currency is US dollars the dollar return serves as the base and an equivalent return based on the value of the domestic currency is calculated. For example, Fund No. 16 reports in US dollars and shows positive US dollar returns each year. The value of returns in domestic currency adjusted for changes in the exchange rate is higher in both 2006 and 2007 due to a depreciation of the currency against the dollar but slightly lower in 2008 due to domestic currency appreciation against the dollar. Over three years the average return is slightly higher in terms of domestic currency.

Since many fund transactions occur in domestic currency the value of returns in domestic currency is an additional consideration to take into account in assessing fund performance. Three-year average adjusted returns are reported for those CTFs reporting returns over multiple years.



Photo: Yogyakarta, Central Java, Indonesia: Awareness program for school children for alternative consumption other than rice, for food securities program, contributed by KEHATI/Puji Sumedi.

Table 4. Currency Adjusted Returns

Fund ID	Reporting Currency	2006 Returns		2007 Returns		2008 Returns		3-Year Average Returns	
		Domestic	Dollar	Domestic	Dollar	Domestic	Dollar	Domestic	Dollar
1	US\$			5.76%	5.43%	6.92%	5.59%		
2	US\$	4.32%	4.32%	5.53%	5.53%	4.71%	4.71%	4.85%	4.85%
3	US\$	7.27%	9.00%	-2.47%	8.50%	25.57%	1.75%	10.12%	6.42%
4	US\$			-6.15%	-6.15%	-39.01%	-39.01%		
5	US\$	8.80%	8.80%	9.18%	8.85%	10.20%	8.87%	9.39%	8.84%
6	US\$	-0.40%	10.14%	-5.65%	4.16%	-19.84%	-25.02%	-8.63%	-3.57%
7	US\$	10.26%	9.75%	8.73%	9.75%	9.75%	9.75%	9.58%	9.75%
8	US\$					4.41%	1.57%		
9	Domestic	24.20%	13.5%	9.91%	11.96%	-3.34%	-42.14%	10.26%	-5.56%
10	Domestic			8.00%	17.94%	7.8%	-3.67%		
12	US\$	25.42%	14.39%	7.20%	6.50%	-21.09%	-21.29%	4.41%	0.43%
13	US\$	14.76%	19.13%	2.77%	5.24%	-9.99%	-24.57%	6.16%	3.58%
15	US\$			0.41%	9.15%	-7.31%	-21.48%		
16	US\$	11.82%	7.69%	10.28%	9.60%	10.17%	11.10%	10.76%	9.46%
17	Domestic	14.50%	10.53%	13.52%	8.19%	14.11%	0.94%	14.04%	6.55%
18	Domestic	9.11%	9.17%	3.76%	8.2%	-16.84%	-8.07%	-1.32%	3.10%
19	Domestic	25.40%	14.7%	11.60%	13.65%	2.00%	-36.80%	13.00%	-2.82%
20	Domestic	9.31%	9.37%	4.82%	9.26%	-14.86%	-6.09%	-0.24%	4.18%
21	Domestic	7.25%	7.25%	6.50%	6.50%	0.35%	0.35%	4.70%	4.70%
22	US\$	8.42%	16.94%	7.62%	24.30%	17.09%	-12.94%	11.04%	9.43%
23	US\$	6.08%	12.66%	13.55%	19.73%	-13.90%	-18.45%	1.91%	4.65%
24	US\$	16.89%	16.71%	3.36%	3.36%	-17.45%	-17.4%	2.24%	2.19%
25	US\$	1.96%	8.90%	-3.09%	8.49%	0.89%	-2.88%	-0.08%	4.84%
26	Domestic			10.90%	12.95%	-3.28%	-42.08%		
27	US\$			12.42%	8.00%	-9.61%	-28.00%		
28	US\$	10.02%	16.96%	-0.56%	11.02%	7.33%	3.56%	5.60%	10.51%
29	US\$	9.41%	5.78%	9.81%	6.62%	7.39%	5.07%	8.87%	5.82%
30	US\$	9.80%	16.38%	10.73%	16.91%	-8.47%	-13.02%	4.02%	6.76%
31	US\$	17.91%	17.91%	7.45%	7.45%	-20.27%	-20.27%	1.70%	1.70%
32	Domestic			8.5%	18.44%	-11.51%	0.03%		
33	US\$	9.11%	10.84%	-1.30%	9.67%	26.78%	2.96%	11.53%	7.82%
34	US\$	10.45%	8.87%	7.25%	6.37%	9.38%	-16.08%	9.03%	-0.28%

Asset Allocation

Endowments traditionally invest with the goal of generating a high enough return to fund their programs while avoiding the risk of large losses. This is reflected in the asset allocation strategies recorded in the survey data. Asset allocation information was provided by 22 funds for 2007 and by 29 funds for 2008. Allocations among the four categories: equities, fixed income, cash and alternative strategies, are shown below, averaged by endowment size.

Allocation of assets is fairly similar among the various endowment categories in 2008, with fixed income being the largest asset class for the majority of funds. The large funds and the smaller funds show a preference for fixed income investment over cash, while the mid-sized funds held much more cash or cash equivalents in 2008.

Table 5. Asset Allocation and Fund Size 2007

Returns by Asset Allocation and Fund Size 2007				
Size Category	Equity	Fixed Income	Cash	Other
Endowments >20 Million	30%	49%	20%	1%
Endowments 10-20 Million	32%	14%	49%	5%
Endowments <10 Million	32%	52%	12%	4%

*Asset allocation information provided by 22 CTFs for fiscal year ending December 31, 2007

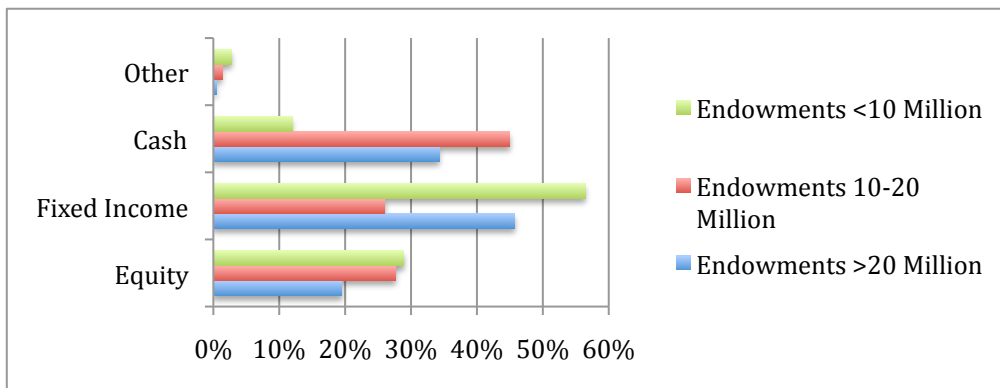
The CTFs generally shifted assets from equities to cash and fixed income in 2008, with the larger funds reducing their holdings of equities and fixed income and increasing their holdings of cash. The smaller funds modified their asset allocation minimally amongst the four categories between 2007 and 2008, maintaining generally the same mix of equities, fixed income and cash.

Table 6. Asset Allocation and Fund Size 2008

Returns by Asset Allocation and Fund Size 2008				
Size Category	Equity	Fixed Income	Cash	Other
Endowments >20 Million	20%	46%	34%	1%
Endowments 10-20 Million	28%	26%	45%	1%
Endowments <10 Million	29%	56%	12%	3%

*Asset allocation information provided by 29 CTFs for fiscal year ending December 31, 2008

Figure 6. Asset Allocation 2008 by Fund Size



Investment in Alternative Instruments

Nine funds reported investment in alternative instruments. The funds making these investments are located primarily in the Americas, with only one African fund reporting investment in options, swaps and structured assets and at least one fund investing in real estate. The eight funds in the Americas report investment in preferred stock, hedge funds, real estate, private investment and alternative instruments. These funds have between 1% and 11% of their total portfolios invested in alternative strategies and all but two funds reduced their allocation in this category between 2007 and 2008.

Asset Allocation in Domestic, US and International Markets

Asset allocation was also reported more specifically with regard to investments in domestic, US and international markets. The following page shows the allocation of investments in these markets, based on percentages in equities, fixed income, cash and alternative investments. The asset allocations are reported for the end of each fiscal year (December 31).

Generally, the funds show an increased investment in domestic equities over the three-year period between 2005 and 2007. The larger funds - those managing \$20 million or more - decreased their investment in equities and significantly increased their investment in US cash instruments in 2008. Unfortunately the survey did not capture the timing of the shift in investment strategies so it is difficult to know at what point investments shifted in response to the growing crisis. However it does appear that larger funds may have taken refuge in US cash instruments in 2008 in response to market volatility.

Funds managing between \$10-20 million slightly increased their investments in domestic fixed income between 2007 and 2008. These funds also decreased exposure to US equities, cash and fixed income and increased holdings of international cash. The funds in this size range showed average returns of -9.3% in 2008, slightly better than the larger funds but significantly below the 2008 returns of the smaller funds.

The smaller funds, managing endowments of up to \$10 million showed a steady increase in domestic equity investments until 2008, when they slightly reduced their holdings of domestic equities. These funds decreased investment in US equities and international cash while increasing their investment in international and US fixed income in 2008. These smaller funds performed better than the larger endowments in 2008.

Success of Asset Allocation Strategies

The funds reporting positive returns for 2008 generally are invested in domestic fixed income instruments and domestic currency. Funds whose assets were based primarily in US and European equities or US instruments generally reported positive returns from 2005 to 2007, but reported heavily negative returns for 2008. In discussing these asset allocation strategies, it will be most important to note that this data reflects the world market situation in 2008, during which US and European markets experienced the worst financial crisis since 1929. Further analysis of long-term asset allocation strategies will provide more valuable insight into investment opportunities for Conservation Trust Funds.



Photo: Contributed by Fondo Ambiental Nacional, Ecuador

Table 7. Asset Allocations for Fiscal Years 2005 through 2008 by Fund Size

Asset Class	20+ Million				10-20 Million				0-10 Million			
	2005	2006	2007	2008	2005	2006	2007	2008	2005	2006	2007	2008
Domestic Fixed Income	30%	40%	36%	29%	11%	11%	3%	10%	37%	34%	41%	38%
US Fixed Income	9%	18%	15%	19%	10%	12%	11%	9%	4%	7%	5%	6%
Intl. Fixed Income	16%	18%	3%	1%	17%	33%	0%	7%	13%	10%	6%	12%
Total Fixed Income	55%	76%	54%	49%	38%	56%	14%	26%	54%	51%	52%	56%
Domestic Equities	5%	4%	8%	5%	1%	1%	0%	13%	9%	8%	19%	17%
US Equities	8%	7%	4%	2%	15%	9%	31%	14%	6%	10%	7%	5%
Intl. Equities	8%	2%	14%	9%	13%	10%	1%	1%	7%	9%	6%	7%
Total Equities	21%	13%	26%	16%	29%	20%	32%	28%	22%	27%	32%	29%
Domestic Cash	12%	2%	3%	5%	19%	16%	23%	19%	13%	13%	9%	9%
US Cash	4%	2%	16%	29%	5%	4%	26%	17%	5%	4%	3%	3%
Intl. Cash	3%	0%	0%	0%	6%	1%	0%	9%	2%	0%	1%	0%
Total Cash	19%	4%	19%	34%	30%	21%	49%	45%	20%	17%	13%	12%
Total Alternative Strategies	5%	7%	1%	1%	4%	3%	5%	1%	4%	5%	3%	3%

*27 funds provided asset allocation data for 2008; data is shown for 21 funds in 2007, 19 funds in 2006 and 17 funds in 2005.

Investment Management Policies

Organizational responsibility for Investment Decisions

All of the trust funds surveyed have a Board of Directors, generally made up of 7 to 9 members. The boards have the majority of the responsibility for hiring and firing investment managers, although six of the funds listed the Executive Director as making this type of decision. The boards also have the responsibility of determining how investments are made: asset allocation and investment objectives are set by the board in most cases, with only three of the funds reporting these to be tasks of the Director. The boards also generally make spending policy changes, though again four of the funds report that the Executive Director makes decisions regarding spending policy.



Photo: Contributed by Lorenzo Rosenzweig

Investment Policy

Investment policies provide the framework from which financial decisions are made. An investment policy describes the overall financial objectives of the trust, outlines portfolio composition and asset allocation, describes spending policies, and lists monitoring guidelines. It will specify benchmarks and outline responsibilities of the asset managers. A carefully drafted investment policy provides a measurable basis for feedback between the trust and its investment advisors, encouraging disciplined and systematic management of funds.

Of the 34 funds surveyed, 23 reported having investment policies. A number of funds did not answer the question regarding investment policy, and it is possible that most if not all have some type of written guidelines. The majority of the funds responding to the question indicate that their investment policy covers:

- The investment objectives of the trust;
- The degree of investment risk in the investment pool;
- Asset allocation strategies;
- Whether the investment portfolio should be rebalanced to maintain a specific asset allocation; and
- Benchmarks against which the returns should be measured.

Only a few of the funds indicated that their investment policy covers how the portfolio should be rebalanced and how earnings or returns relate to spending policy. Of the responding funds, 18 funds indicated that not losing money was the key driver in decisions regarding investment strategy. Interest and dividend income and capital gains were also commonly mentioned as key objectives of the trusts investment strategies. Only three CTFs indicated that social investment criteria are incorporated into their strategies and two trusts listed environmental criteria as important components of their investment decisions.

Investment Management, Consultants, etc.

The majority of the participating Conservation Trust Funds use the services of an independent financial consultant or an asset manager. All six funds managing endowments of greater than \$20 million contract with an investment advisor, an asset manager or both. Six funds in the mid-range report use either an investment advisor or an asset manager with discretionary authority. Sixteen funds managing less than



Photo: Niña en Guatemala contributed by Lorenzo Rosenzweig

\$10 million report using an advisor or an asset manager. Only three funds in this category report that they do not use an advisor or an asset manager. These funds all invest the majority of their assets in fixed deposits with domestic banks.

Most funds indicated satisfaction with the way their asset managers responded to the economic crisis. They felt that their advisors reacted promptly to the growing crisis and worked to preserve the value of the trust. This active response appears to have averted potentially much larger losses.

One challenge for conservation trust funds is their size. Smaller funds may have difficulty finding or recruiting interest from competent asset managers to actively manage their portfolios. In some cases, inattention from managers may have resulted in greater losses than necessary. Smaller CTFs may want to consider exploring options such as pooling their investments with other funds to increase their investment asset base and attract interest from top level financial advisors.

Consultant Fees and Services Provided

Thirty funds reported information on fees paid to investment advisors or asset managers. These funds also provided information on the services of the advisors or consultants. Fees paid by the funds range from 0.07% to 1.8% of total portfolios, as shown in Table 8.

Many fund portfolios include investments in mutual funds, which are often not listed on financial statements. The survey attempted to obtain information on mutual fund fees that are charged in addition to fees of the asset manager or investment advisor, but only four funds reported this type of fee. For funds that did not report mutual fund fees, it is assumed that the level of fees was unknown or that the information was not readily available and, as such, is not included in the calculations.

Most funds receive quarterly statements from their asset managers or investment advisors, and board briefings are provided as necessary. The majority of funds indicate that they received good service from their advisors or managers and felt that the fees were reasonable and performance was satisfactory.

Table 8. Breakdown of Asset Manager or Investment Advisor Fees

Fund ID No.	Expense Type	Expenses as % of Total Assets		Total Return	
		2007	2008	2007	2008
16	None-Finance Committee of the board invests in domestic fixed deposit receipts	0.00%	0.00%	9.60%	11.10%
7	None-Director of Finance and Administration manages assets as term deposits at local bank.	0.00%	0.00%	9.75%	9.75%
33	Consulting fees-Investment Advisor	0.03%	0.02%	9.67%	2.96%
	Trust/custody fees	0.01%	0.01%		
	Mutual fund fees	0.20%	0.03%		
20	Investment advisor	0.50%	0.50%	4.82%	-14.86%
18	Investment advisor	0.50%	0.50%	3.76%	-16.84%
22	Asset Manager w/discretionary capacity	1.8%	1.8%	24.30%	-12.94%
6	Asset Manager w/discretionary capacity	1.18%	1.55%	4.16%	-25.02%
14	Consulting fees-Investment Advisor		0.04%		4.00%
	Trust/custody fees		0.04%		
10	Asset Manager w/discretionary capacity	0.00%	1.00%	3.76%	-16.84%
	Investment advisor	0.00%	0.00%	8.00%	7.80%
32	Asset Manager w/discretionary capacity	0.16%	0.07%		
21	Investment Advisor (Intl. Investments)	0.45%	0.24%	5.47%	-10.59%
	Mutual fund fees (Domestic investments), (Asset Manager w/no discretionary capacity)	0.18%	0.12%	6.90%	6.00%
2	Mutual fund fees (Asset Manager)	0.40%	0.35%	5.53%	4.71%
1	US Funds	0.00%	0.00%	5.35%	6.00%
	Domestic Funds	0.00%	0.00%	5.50%	5.50%
17	Asset Manager w/discretionary authority	0.85%	0.85%	13.52%	14.11%
25	Asset Manager w/discretionary authority	0.26%	0.21%	8.49%	-2.88%
28	Mutual fund Manager	0.33%	0.32%	11.02%	3.56%
12	Investment advisor		0.90%	6.50%	-21.29%
34	Investment Advisor	0.20%	0.20%	6.37%	-16.08%
4	Asset Manager w/discretionary authority	0.98%	7.2% +0.85%	-6.15%	-39.01%
31	Investment advisor	0.25%	0.25%	7.45%	-20.27%
	Asset Manager w/discretionary authority	0.63%	0.4%		
8	Only invest locally with financial agent			N/A	1.57%
23	Investment Advisor	0.50%	0.50%	19.73%	-18.45%
30	Asset Manager w/discretionary authority	0.61%	0.81%	16.91%	-13.02%
9	Asset Manager w/discretionary authority	1.10%	1.10%	9.91%	-3.34%
19	Asset Manager w/discretionary authority	0.80%	0.80%	11.60%	2.00%
24	Asset Manager	0.80%	0.73%	3.36%	-17.40%
15	Asset Manager w/discretionary authority		0.74%	9.15%	-21.48%
13	Asset Manager w/discretionary authority		0.78%	0.30%	-24.57%
29	Asset Manager w/discretionary authority	0.40%	0.60%	6.62%	5.07%
26	Asset Manager w/discretionary authority	0.80%	0.80%	10.90%	-3.28%

Frequency of Asset Allocation Rebalancing

Twenty-one funds answered the question regarding frequency of rebalancing of assets. Of these funds, ten funds indicated that they do not have a tactical rebalancing strategy. These funds are invested mainly in domestic fixed income assets. The other eleven funds indicated that they strategically rebalance their portfolios. Examples include periodic revisions of the ratings of debt instruments and preferred stocks and optimizing the returns to a set percentage,

Four of the funds indicated that they rebalance strategically or as and when the market value of an asset class exceeds its permissible range in relation to the investment policy of the trust. Although not all the funds necessarily have a specific tactical rebalancing strategy, the funds do indicate periodic rebalancing as follows: one fund rebalances annually, five funds rebalance bi-annually, four are on a quarterly schedule and three funds rebalance monthly.

Donor Restrictions

Many CTFs receive funding from multilateral and bilateral agencies. Fourteen of the funds indicate that their donors have not placed restrictions on their investment strategies. Eleven of the responding funds however indicate that donors have an influence on their investment strategies. Six funds report that donors have defined the asset allocation strategy for the endowment, two funds are required by donors to invest only in domestic markets and one fund is required by its donors to invest only in assets denominated in US currency.

Types of Benchmarks Used

A variety of benchmarks are used by the funds to measure performance. The S&P 500 is the most commonly listed index across all of the funds, though the Morgan Stanley Capital International (MSCI) World Index and the Barclays Capital US Aggregate Bond Index are also commonly used. National indices are also used by many of the funds invested in domestic markets.

Asian funds use the S&P 500, the Barclays US Aggregate Bond Index, the MSCI World Index, the JP Morgan Global Bond Index and the MSCI Europe, Australasia and Far East Index (EAFE). African funds most commonly use the MSCI World Index, the EAFE and the JP Morgan Global Bond Index. Other benchmarks used by African funds include the Morgan Stanley Bond Index, the Barclays US Aggregate Bond Index and the Citigroup 3-month T-Bill Index.

Funds in the Americas use the S&P 500, the Barclays Capital Aggregate Index, the JP Morgan ELMI, the UBS Equity Index, MSCI World Index, 90 Day US Treasury Bills, as well as the Amsterdam Exchange Index (AEX) and DJ Euro Stoxx 50. Six of the funds in the Americas report using national interest rates or national indices such as the Brazil BoVESPA Stock Index.

Effects of Market Downturn

The economic situation in 2007 and 2008 presented great challenges for management of endowment assets. The Conservation Trust Funds participating in this study reported an overall equal-weighted average return of -6.9% for 2008. Eighteen of the 34 participating funds report a drop in endowment size resulting in less money available for operational expenses and program funding.

This year, the CTIS survey asked funds to describe how their advisors responded to the economic crisis, and whether they made changes in investment strategies or policies in response to the market downturn. Funds were also asked how the negative returns might have affected spending policy. A variety of responses showed that most investment advisors took action in 2008 to modify investment strategies, moving assets from equities to fixed income or short-term investments, as well as more stable instruments such as US treasuries.

Action Taken in Response to Market Changes

Eighteen funds reported that their asset managers took timely action in response to the crisis. A number of funds moved investments from US markets to domestic fixed income or cash. These funds sold equities held in US or International markets and focused on local currencies or short-term domestic investments.

Eight funds report that they have not made changes to their asset allocations. In some cases this is because the funds are invested in domestic fixed income and no action was necessary. However, several funds report that their asset managers did not take timely action, resulting in more significant losses in 2008 as compared to those reported by other funds in this survey. Two funds responded by firing their asset managers and moving assets to different banking institutions. Both of these funds are in the process of modifying their investment policies and hiring new asset managers. Another two funds did indicate that they were not satisfied with the performance of their investment advisor or asset manager but had not taken action at the time of the survey.

The survey responses do not give an indication of when during the last year the funds made changes to their investment strategies. Timing was critical during the 2007-2008 period, and funds that took timely action, working closely with their investment advisors to assess the market situation and reconsider their asset holdings, were more likely to report minimal losses during 2008.

“Our investment advisor advised caution towards end of bull market period, prompting the trust to research the then emerging sub-prime mortgage crisis, to eventually liquidate the entire offshore portfolio and invest in money market and US Treasury bills.”

“We concentrated on defensive sectors, moved to short term investments in fixed income, reducing exposure to commodities, finance companies and companies exporting goods to the US and Europe.”

“No action was taken in response to the economic crisis. The fund continues to apply a long-term asset allocation strategy, keeping short to medium term commitments liquid in cash or near cash.”

“The fund converted off-shore investments to local currency, invested in government securities and domestic equities, and increased investments in corporate issues.”

Changes to Investment Policy

Eleven funds report that they have not modified their investment policies in response to the market situation. Four of these funds indicate that they continue to take a long-term view and apply their

“The fund’s new policy is to update investment guidelines and asset allocation parameters. The trust will likely move to a full discretionary arrangement with investment advisor so as to enable quicker response to market volatility.”

existing asset allocation strategy, accepting the risk and managing spending accordingly. Nine funds report that they have made changes to their investment policies over the last year. The funds that made changes to their investment policies either reported

increasing investments in fixed income or treasuries or movement of assets from international holdings to local banks. One fund reported creation of a more flexible policy with the intent of providing better response to volatile market conditions.

Changes to Spending Policy

The creation of endowment spending policies involves defining a balance between investment and spending strategies, maximizing funds available for operations and projects while also allowing for endowment appreciation. The markets in the past 10-15 years have made it possible to maintain endowment spending rates with minimal effort or strategy². However, in a period of market correction as we experienced in 2008, careful management of spending policies becomes critical.

The 2008 CTIS survey asked respondents whether they had made changes to their spending policies as a result of the declines in endowment market value. Seven funds responded that they had made no changes to their spending policies. Fourteen funds have however changed their spending policy in response to the drop in available funds. Two funds reduced their spending ratio, one from 5% to 2.5% and one from 5% to 4%. One fund described a modification to the spending policy as moving toward a 36-month spending rate to moderate fluctuations of spendable income available to the programs. Four of the funds indicated that, rather than adjusting spending policies, they had adjusted their operating costs and streamlined budgets.

Conclusions and Recommendations

This survey of Conservation Trust Funds provides investment details for a challenging period in international financial markets. While the first two quarters of 2007 contributed to positive investment returns, many endowments found the market conditions through the end of fiscal year 2008 difficult to weather. CTFs suffered an average loss of around 7% in a financial year that saw a 37% decrease in the value of S&P 500 index and the significant loss in value of global investment portfolios. Despite the losses in 2008, the thirty-four CTFs responding to this survey showed positive average returns over three and five-year periods, even outperforming standard benchmarks in some cases.

Many of the CTFs surveyed have made changes to their investment policies as a result of the current economic situation and some even took steps to change asset managers and to restructure their portfolios. Many moved assets from US and international markets and invested in domestic fixed income instruments; while others moved assets to US treasury bills or other short term, relatively stable investments. Those that invested domestically showed positive returns for 2008. The top five performing funds in 2008 and also over a five-year period were invested almost exclusively in domestic fixed income and domestic cash instruments. Some, as a hedge against market conditions, have invested in local real estate as a way to increase their overall asset base. Anecdotally, there are reports that these investments have increased in value. In the face of extreme financial volatility, the CTFs sought responses that would preserve their assets and buffer them against future losses, thereby ensuring their ability to continue funding conservation projects.

Almost all of the CTFs surveyed indicate that they use investment advisors or asset managers and that they have documented investment strategies. Few of the funds indicate that they have tactical rebalancing strategies. All of the funds surveyed continue to closely monitor changes in the current economic climate and modify their investment strategies to seek positive returns over time.

The CTFs came of age in a period of rising markets and with it an expectation of continually increasing portfolio value. Many had learned an important lesson in the 2000 market downturn and hired asset

² Golding & Momjian, Endowment Spending Policies, March 1998, www.nais.org/resources/article.cfm?ItemNumber=145559.

managers that provide advice in a timely manner. This active, rather than passive, investment approach may have contributed to smaller losses than might have been expected in the last two years.

It is possible that the smaller funds may have problems finding effective investment advisors and may need to develop other strategies to access the professional and timely advice they need. Especially where networks are developed or when funds share an asset manager, there may be opportunities to pool investments to ensure access to the higher level of investment management skill available to larger endowments. Developing funds in Micronesia, Africa and the Caribbean region are exploring this type of model.

Despite recent losses, the funds still show a strong positive rate of return over a 3- to 5-year period. This is important. Biodiversity conservation is a long-term undertaking, requiring sustainable sources of funding over many years. Conservation Trust Funds represent an important mechanism to assure that such funding is available. Most funds report that not losing money is essential to their investment strategies; the boards recognize their fiduciary responsibility and are committed to ensuring that their institutions can continue to finance conservation activities. Some have begun planning their spending by using three and five year average returns to more accurately reflect the amount of income likely to be available to support their conservation programs.

The crisis of 2008 has resulted in important lessons and changes to strategy that should allow CTFs to operate effectively in the future. In response to losses the funds are reducing costs and are seeking greater operational efficiencies to ensure that they have the capacity to continue their program funding efforts. Many are taking a long-term view, understanding the financial meltdown of 2008 as a warning and developing prudent investment strategies with the expectation that their long-term returns will remain positive. The five-year performance of CTFs indicates that they remain a viable long-term mechanism for financing biodiversity conservation.

Our next report will demonstrate the effects of recent changes in investment strategy and how those affected CTFs performed in 2009. The next report will also include the newly developing trust funds in all regions that are just beginning to structure their endowment investment strategies and place their money with asset managers.

Funds Participating in 2007-2008 Survey

Country	Organization Name	Contact Name	Email	Website
African Funds				
Cameroon	Fondation pour l'Environnement et le Développement au Cameroun (FEDEC)	M. Bodo Abanda Ernest, Président du Conseil d'Administration	e_bodabanda@yahoo.fr	www.fedec_cam.org
Madagascar	Fondation pour les Aires Protégées et la Biodiversité de Madagascar (FPAP)	Christian Ramarolahy, Directeur Exécutif	cramarolahy@fondation-biodiversite.mg	www.fondation-biodiversite.mg
Madagascar	Fondation Environnementale Tany Meva	Fenosoa Andriamahenina, Executive Director	f.andriamahenina@tanymeva.org.mg	www.tanymeva.org.mg
Malawi	Mulanje Mountain Conservation Trust (MMCT)	Mr. Carl Bruessow, Executive Director	carl@mountmulanje.org.mw	www.mountmulanje.org.mw
South Africa	Table Mountain Fund	Ian Goodwin, WWF Chief Financial Officer	igoodwin@wwf.org.za	www.panda.org.za/tmf.htm
South Africa	The Green Trust	Ian Goodwin, WWF Chief Financial Officer	igoodwin@wwf.org.za	www.panda.org.za/gt.htm
South Africa	Leslie Hill Succulent Karoo Trust	Ian Goodwin, WWF Chief Financial Officer	igoodwin@wwf.org.za	www.wwf.org.za/?section=Trusts_LHSKTF
Tanzania	Eastern Arc Mountains Conservation Endowment Fund (EAMCEF)	Francis B.N. Sabuni, Executive Director	eamcef@morogoro.net	www.easternarc.or.tz
Uganda	Bwindi Mgahinga Conservation Trust (BMCT)	Geo Z. Dutki, Trust Administrator	dutki@bwinditrust.ug	www.bwinditrust.ug
Eastern European and Asian Funds				
Armenia, Azerbaijan, Georgia	Caucasus Protected Areas Foundation	David Morrison, Executive Director	dmorrison@caucasus-naturefund.org	www.caucasus-naturefund.org
Bangladesh	Arannayk Foundation	Farid Uddin Ahmed, Executive Director	farid@arannayk.org	www.arannayk.org
Bhutan	Bhutan Trust Fund for Environmental Conservation (BT FEC)	Tobgay S. Namgyal, Director	namgyal@druknet.bt	www.bhutantrustfund.bt
India	A-TREE	Kamal Bawa, Board Member	Kamal.bawa@umb.edu	www.atree.org
Indonesia	Indonesian Biodiversity Foundation (KEHATI)	Mr. Sani Syafril Burhanuddin, Investment Specialist	sani.burhanuddin@gmail.com	www.kehati.or.id
Philippines	Foundation for the Philippine Environment (FPE)	Christine F. Reyes, Executive Director	creyes@fpe.ph	www.fpe.ph

Participating Funds (Continued)

Latin American and Caribbean Funds				
Belize	Protected Areas Conservation Trust (PACT)	Sharon Perera, Executive Director	sharon@pactbelize.org	www.pactbelize.org
Bolivia	Fundación para el Desarrollo del Sistema Nacional de Áreas Protegidas (FUNDESNA)	Sergio Martín Eguino Bustillos, Director Ejecutivo	seguino@fundesnap.org	www.fundesnap.org
Bolivia	Fundación Protección y Uso Sostenible del Medio Ambiente (Fundación PUMA)	Juan Carlos Chávez Corrales, Gerente General	jcchavez@fundacionpuma.org	www.fundacionpuma.org
Brasil	Fundo Brasileiro para a Biodiversidade (FUNBIO)	Daniela Lerda Klohck, Coordinator	danielal@funbio.org.br	www.funbio.org.br
Colombia	Fondo para la Biodiversidad y Áreas Protegidas (Patrimonio Natural)	Francisco Alberto Galán Sarmiento, Director Ejecutivo	agalan@patrimonionatural.org.co	www.patrimonionatural.org.co
Colombia	Fondo para la Acción Ambiental y la Niñez (FPA)	Jose Luis Gomez Rodríguez, Executive Director	joselgomez@accionambiental.org	www.accionambiental.org
Ecuador	Fondo Ambiental Nacional (FAN)	Samuel Sangüeza-Pardo, Director Ejecutivo	ssangueza@fan.org.ec	www.fan.org.ec
El Salvador	Fondo de la Iniciativa para las Americas - El Salvador (FIAES)	Jorge Alberto Oviedo Machuca, Ingeniero Agronomo Especialista en Economía Agrícola	gerencia_general@fiaes.org.sv	
Guatemala	Fideicomiso para la Conservación en Guatemala y Fundación para la Conservación de los Recursos Naturales y Ambiente en Guatemala (FCG)	Yvonne Ramírez, Directora Ejecutiva	yramirez@fcg.org.gt	-
Guatemala	Fondo Nacional Para La Conservacion de la Naturaleza (FONACON)	Marco Tulio	fonacon@intelnet.net.gt	
Jamaica	Environmental Foundation of Jamaica (EFJ)	Joan Grant Cummings, Chief Executive Officer	jgrantcummings@efj.org.jm	www.efj.org.jm
Jamaica	Jamaica Protected Areas Trust/Forest Conservation Fund (JPAT)	Sara Simpson, Acting Executive Director	s.simpson@infochan.com	www.ipat-jm.net
Mexico	Fondo Mexicano para la Conservación de la Naturaleza, A.C. (FMCN)	Lorenzo Rosenzweig, Director General	lorenzo@fmcn.org	www.fmcn.org
Netherlands Antilles	Dutch Caribbean Nature Alliance (DCNA)	Esther Wolfs, Assistant Director	assistantdirector@dcnature.org	www.dcnature.org
Panama	The Nature Conservancy, Panama Program	Mayte Gonzalez S., Program Director	mayte_gonzalez@tnc.org	www.nature.org
Paraguay	Fondo de Conservación de Bosques Tropicales	Félix S. Kasamatsu, Ph.D., President	fkasamatsu@hotmail.com	
Peru	Fondo de las Américas del Perú (FONDAM)	Juan Gil Ruiz, Secretario Ejecutivo	fondam@fondoamericas.org.pe	www.fondoamericas.org.pe
Peru	PROFONANPE	Alberto Paniagua V.	apaniagua@profonanpe.org.pe	www.profonanpe.org.pe
Suriname	Suriname Conservation Foundation	Leonard C. Johanns, Executive Director	johanns@sr.net	www.scf.sr.org

Funds Currently Establishing Endowments

Country	Organization Name	Contact Name	E-mail	Website
Bénin	Fondation des Parcs Nationaux au Bénin	Gérard Agbota, Facilitateur du comité de mise en place de la FPNB	geragbota@yahoo.fr	-
Botswana	Forest Conservation Botswana (FCB)	Chris Schaan, USAID/SA	schaanc@state.gov	
Cameroon, Central African Republic, Republic of Congo	Fondation Tri-National de la Sangha (TNS)	Laurent Magloire Somé, Foundation Board Chairman	fondationtns@yahoo.com	
Cote D'Ivoire	Fondation pour les Parcs et Réserves de Côte d'Ivoire	Fanny N'golo, Director	fondationparc@africaonline.co.ci	
Gabon	Fund for Protected Areas	René Adiaheno, Secrétaire Permanent, Conseil National des Parcs Nationaux	adiaheno@yahoo.fr	
Mauritania	Fondation pour le Parc National du Banc d'Arguin	Silvie Goyet, Chairman of the Board	goyet@lafiba.org	
Mexico	Mesoamerican Reef Fund (MAR Fund)	María José González, Directora Ejecutiva	mjgonzalez@marfund.org	www.marfund.org www.fondosam.org
Laos	Lao Environmental Protection Fund	Mr. Soukata Vichit Executive Director	soukatav@laoepf.org.la	www.laoepf.org.la/
Federated States of Micronesia	Micronesia Conservation Trust	Mr. Willy Kostka, Executive Director	mctdirector@mail.fm	
Papua New Guinea	PNG mama Graun Conservation Trust (MGCTF)	Dr. Jane Mogina, Executive Director	moginaj@global.net.pg	
Vietnam	Vietnam Conservation Fund	Chris Rua Tung/Do Quang Tung, Operation Manager	crua@fpt.vn fpdvn@hn.vnn.vn	
Kazakhstan	Biodiversity Conservation Fund of Kazakhstan	Assel Karasheva, Director	asko_a@bk.ru	www.wetlands.kz