

## TERMS OF REFERENCE N° 020/2016

Ref: RedLAC – CAFÉ Knowledge for Action Project – Project K – Specialist consultant(s) for content development and workshop moderation on the topic “Practice Standards for EFs: focus on Asset Management & Sustainability”

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Rio de Janeiro, July 20th, 2016

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### 1. Context

International agreements on biodiversity conservation and climate change have common targets, but the gap in funding at the global scale, still prevents them from being achieved. Debate at the international forums, such as the IUCN World Parks Congress, the COP of the United Nations Framework Convention on Climate Change, and the Convention on Biological Diversity (CBD), highlights the huge challenges in terms of scaling up and diversifying funding for conservation and climate change mitigation.

In this context, Environmental Funds (EFs), first developed in the 1990s, provide long-term financing derived from a variety of sources. Most EFs are legally independent private institutions and have become efficient conservation supporters, providing resources mobilization mechanisms, funds management and grant making mechanisms. EFs deploy several types of financing mechanisms and provide funding for a variety of activities, including biodiversity conservation, climate change mitigation and adaptation, sustainable production, community development, green energy, etc.

To improve their performances, 40 EFs have joined forces in two networks: RedLAC (a network of EFs from Latin America and the Caribbean) founded in 1999, and the more recently created CAFÉ (the Consortium of African Funds for the Environment), in 2011. The objective of the two networks is to strengthen EFs operation, by helping them to achieve excellence in their operations and practices, promoting innovative financing mechanisms and impact monitoring. Like other networks, they focus on capacity building, exchanging lessons learned, information sharing, knowledge development and innovation. The two networks and their members have matured to different extents but their synergies and exchanges are rewarding.

With the support of RedLAC and CAFÉ, the CFA (Conservation Finance Alliance) has drawn up standards of practice for EFs after almost a year of discussions with several EFs donors. The CFA Practice Standards will be a reference for the present project and will be used as a common ground for EFs to assess their specific strengths and challenges.

Today the key challenges faced by EFs are: 1) Innovate and improve performances, 2) strengthen institutional integrity, 3) focus on quality and effectively introduce best practices through collaboration and partnership, and 4) continue to exchange information among EFs and strengthen capacities while promoting synergies between biodiversity conservation financing and climate change mitigation and adaptation.

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The “Knowledge for Action project – Project K” grew from the lessons learned after the final evaluation of the previous project, "RedLAC Capacity Building for EFs", which was implemented with success by Funbio (the Brazilian Biodiversity Fund) on behalf of RedLAC, from 2010 to 2014, in close collaboration with the RedLAC secretariat. This previous project revolved around the same principles for stimulating innovation, exchanging experience and learning by means of participative workshops involving the EFs belonging to both RedLAC and CAFÉ. Project K is co-financed by the French Fund for the Global Environment (FFEM), Mava Foundation and the Global Environment Facility (GEF through UNEP).

The current proposed project aims at expanding the EFs' portfolios of innovative financial mechanisms that take up the challenges of biodiversity conservation and climate change. In addition, it aims at strengthening capacities by providing support for EFs to adopt standards of excellence. The project is designed to provide the 40 RedLAC and CAFÉ EFs with an opportunity to test new financial mechanisms that they would otherwise be unable to test due to a lack of both resources and support for their ventures. In parallel, it is an opportunity to exchange and learn from the experience of other EFs and to document and disseminate their solutions.

The Project K comprises four components:

- **Component 1: Innovation Seed Fund to support new EF financing mechanisms** - The fund is specially designed to support new ways of increasing and diversifying conservation programme finance streams (park bonds, PES, REDD+, taxes, etc.). The Seed Fund will finance at least ten pre-viability studies of innovative financing mechanisms and five of them will be selected for implementation. .
- **Component 2: Capacity-building, peer-to-peer mentoring and exchange knowledge mechanism** - an interactive peer-to-peer learning programme for EFs will be developed based on their individual needs, best practices and volunteering mentor-EFs identified by means of a survey based on CFA Standards of Practice (CFA categories and standards). The mechanism is to be secured thanks to a monitoring system and terms of reference. Tools will then be shared and used across the networks. The workgroup on the impacts of EFs on biodiversity will be continued. Thematic training workshops will be included in the overall capacity building strategy in conjunction with e-learning activities.
- **Component 3: Communication and databases** - strengthening the networks and transfer of best practices: A simple database will allow development of the following: "EF Solutions from A to Z and e-learning" database, "Experts" database for network expertise and "EF Typology / Activity & Project Indicators" database to document project monitoring indicators and the effects of component 4 on the Baseline situation. The idea is to produce a full compilation of EF experiences in a format that can be widely reproduced, disseminated and communicated over the web.
- **Component 4: Institutional capacity-building for the RedLAC and CAFÉ networks and their enhanced sustainability** - at least 10 EFs from each network (RedLAC and CAFÉ) will receive financial support so that they can attend the General Assemblies of the other network and exchange knowledge. Questionnaires filled in by the EFs during years 1 and 3 will lead to the establishment of a reference situation describing the activities of the networks and their evolution (activities, volumes of financing per activity...). Qualitative and quantitative performance indicators will also be used to monitor the evolution and impacts of the project. The CAFÉ network will receive operational support and both networks will draw up new long-term strategies including their strategic plans. Two innovative

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financial mechanisms promoted by EFs will be tested in order to secure sustainable financing for recurrent network activities over the short and the long term.

Funbio, the Brazilian Biodiversity Fund that coordinated the RedLAC Capacity Building Project is also the manager of the Project K. The following workshops were organized in the previous project:

Topic	Date and location
1. Environmental Funds and PES	Mexico, November 2010
2. Strategic Planning for Environmental Funds	Kenya, March 2011
3. The roles of EFs in REDD+	Brazil, July 2011
4. Fundraising Strategies for Environmental Funds	Tanzania, September 2011
5. Opportunities for EFs in Compensation and Offset Schemes	Suriname, November 2011
6. Communication and Marketing for Environmental Funds	Uganda, September 2012
7. Monitoring the Impact of EFs on biodiversity in PAs	Peru, November 2012
8. Governance Strategies for EFs	Madagascar, September 2013
9. Resource Mobilization Strategies for EFs	Costa Rica, November 2013
10. Extractive Industries and the role of EF's	Cameroon, September 2014
11. Case Studies: Documenting EFs experiences	Ecuador, October 2014

Project K will continue with the capacity building workshops that were organized in the previous RedLAC Capacity Building project. In Ivory Coast, in September 2015, the first workshop was organized by this project on the topic “Negotiations with the private sector and international cooperation for EFs”.

All workshops follow the following guidelines:

- Participation is restricted to EFs staff and boards to about 20 people per workshop.
- A thematic handbook prepared previous to the workshop to introduce participants to the theme’s context, concepts and main theoretical topics.
- Cases from EFs are selected to be presented in the written material and in the workshop. Representatives of the EF delivering the case study are responsible for preparing and presenting this content in the workshop.
- Meeting is oriented to practice, focusing on cases analysis and “hands on” activities.
- Participants justify the importance for the Fund to attend the workshop and are contacted after the meeting to follow up on the progress made.

All material produced for the eleven workshops already carried out are available at <http://redlac.funbio.org.br>

The 2<sup>th</sup> workshop, covering the topic of “Practice Standards for EFs: focus on Asset Management & Sustainability” will take place in **Malawi, on October 10<sup>th</sup> to 12<sup>th</sup>, 2016.**

This topic was selected especially by the demand of the African EFs, congregated in CAFÉ network, and the priority was given to them to select the topic as the workshop will be organized as part of the CAFÉ 6<sup>th</sup> Assembly program (the Assembly will take place on October 13<sup>th</sup> to 14<sup>th</sup>), which will be hosted by the *Malawi Environmental Endowment Trust (MEET)* and *Mulanje Mountain Conservation Trust (MMCT)*. This workshop will focus on providing an instrumental capacity for participants to have

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a good comprehension of the Practice Standards for EFs<sup>1</sup>. Following those good practices as a guideline to achieve excellence, EFs can be able to accomplish their purpose of managing financial assets as sinking funds or endowments more efficiently. Over time as they monitor and evaluate systematically the self-implementation of those practices. Historically, EFs have been having difficulty in measuring progress and identifying points of improvement in a day-to-day operation in pragmatic manners while implementing and executing funding. There is also a variety of tools and methods adopted on an individual basis, making knowledge sharing and exchange of experiences complicated as well as a common basis for benchmarking. In this sense, the Practice Standards should be a management tool that provides important interfaces with the Funds' key-areas and knowledge management capable to establish a common code based on basic structures and real challenges faced by EFs. A process of understanding and putting into practice those standards, systematically and continuously, can provide to managers and stakeholders information on progress, goals achieved and the affected resources. Special attention will be given to Standards for Asset Management, including currently challenges that EFs are facing today. Portfolio optimization and investment strategies applied to the different project portfolios and funding models which EFs presents will be discussed against the capital market rules and combined with Countries macroeconomic & social context, putting on evidence factors of conservativeness and risks in accordance with EF's investment policies. EFs must to be prepared to make decisions about how to lead with asset management issues, from the basic aspects of governance to the advanced stages of hiring a professional to manage their assets. Additionally, this workshop will approach in some level of details other standards such as those related to Administration and Resource Mobilization. Addressing some issues on budgeting, transparency and accountability, funding sources diversification and fundraising strategies can help EFs to achieve a financial sustainability in the long-term, allowing them to keep a fast track on operational growth and confidence when negotiating projects with donors and developing innovative financial mechanisms.

## 2. Activities

The following activities are included in this consultancy:

- |            |   |
|------------|---|
| Activity 1 | Produce written material (handbook) to be a theoretical base to all workshop participants and for future references. This material should be written in English. The final text should be delivered and approved before the workshop, to be circulated to all participants, as a way to level the understanding ground of the audience and produce clear knowledge for future references. The material should be delivered in Word and will be formatted and printed by the project team in Funbio. A preliminary version of the written material should be delivered prior to the final delivery date for revision and comments by the project team. |
| Activity 2 | Deliver 2 case studies on EFs experiences: one on investment responsibility & capacity and one on budgeting & long-term financial strategy.   |
| Activity 3 | Prepare a detailed workshop agenda in collaboration with the project team in Funbio.  |

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<sup>1</sup> The "Practice Standards for EFs" are a set of norms and good practices to help Funds to achieve more professional standards. The standards were built on the experience of more experienced EFs, led by CFA (CFA is a global voluntary network to help address the challenges of sustainable financing for biodiversity conservation) with the participation of Funds' main donors.

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- Activity 4 Moderate the workshop – coordinate all activities planned for the workshop, including the participation of external speakers, case studies presentations and analysis and group activities monitoring. The specialist should develop presentations for the workshop and should deliver them to the project team in electronic form at the end of the workshop for entry into the library of materials that is being created by the Capacity Building project team.
- Activity 5 Produce a written final chapter (3 to 5 pages) in English about the activities and the content developed in the workshop – analysis of the debated questions, evaluation of the participation and learning experience of the group, and main collective conclusions and recommendations reached. The specialist should be available by email for a minimum of two weeks after the workshop to help participants with possible queries.

### 3. Expected Results

As results of the above described activities, the following products should be delivered:

- Product 1 Handbook “Practice Standards for EFs: focus on Asset Management & Sustainability” preliminary text delivered for comments and approval by the project team (see content suggested in Annex 1).
- Product 2 2 Case studies (one on investment responsibility & capacity and one on budgeting & long-term financial strategy) prepared and approved by the EFs.
- Product 3 Handbook “Practice Standards for EFs: focus on Asset Management & Sustainability” final version with case studies approved (see content suggested in Annex 1).
- Product 4 Detailed workshop agenda approved – work sessions.
- Product 5 Workshop coordination – deliver the course itself in Malawi on October 10<sup>th</sup> to 12<sup>th</sup>, 2016 (Day 1: Practice Standards for EFs, Day 2: Asset management and Day 3: Financial sustainability of EFs) and deliver electronic material at the end (presentations).
- Product 6 Final chapter for the compiled text with the analysis of the debated questions and main collective conclusions and recommendations.

### 4. Coordination and required profile

The specialist should have experience in capacity building practices and knowledge of the topics cited, from which: Practice Standards for EFs, asset management and financial sustainability of EFs. In case the consultant does not have the required know-how on those topics, we recommend joining someone else as needed to make sure that the team presents the combined profiles required to deliver the workshop content. It is important to know how EFs operate, preferably with experience working with Funds, as to be able to give Funds a panorama of possibilities. High proficiency in spoken and written English is required and French is a plus (the workshop will have simultaneous translation English-French and the handbook will be translated into French prior to the workshop). Capacity building tools and experiences involving learning by doing techniques and active participation will be an asset. The specialist will be hired by Funbio, on behalf of RedLAC and CAFÉ, and will rely on the project team in Funbio to coordinate all activities of this TOR.

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## 5. Timeline

Products	Delivery date
1 - Workshop draft agenda – activities plan	August 18, 2016
2 - Preliminary material for comments and revision (ppt presentation + first chapter of the handbook)	August 25, 2016
3 - 2 Case studies and chapter 2-4 of the handbook	September 04, 2016
4 - Handbook draft version (4 chapters + 2 case studies) and ppt final version approved by the Project K team	September 15, 2016
5 - Coordinate workshop	October 10 to 12, 2016
6 - Post-workshop final handbook	November 07, 2016

## 6. Payment

Payments will be made according to the following schedule:

- 15% with the contract signature
- 35% with products 1, 2 and 3 delivered
- 25% with products 4 and 5 delivered
- 25% with product 6 delivered

## 7. Application process

Consultants interested in the project should send a proposal, specifying the approach to be taken and cost details, with CV attached showing previous experience in the topic with personal contact (email, telephone and skype).

Travel costs will be covered by Funbio separately from this proposal. Consultants are responsible for necessary visas.

Proposal have to be send to [projectk@funbio.org.br](mailto:projectk@funbio.org.br) before **August 07, 2016**.

Results of the selection process will be communicated individually by **August 12, 2016**.

The consultant should be available for a first conference call with the project team on **August 15 at 11am Rio de Janeiro/Brazil** time zone.

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## **Annex 1 – Suggested content to be approached in the handbook “Practice Standards for EFs: focus on Asset Management & Sustainability”**

### Chapter 1 – The Practice Standards for EFs

- Good practices for EFs: track-record and applicability
- Practice Standards background and purpose
- Practice standards core areas
- Practice Standards used as a common basis for benchmarking
- Practice Standards tool

### Chapter 2 – Asset Management by EFs

- Global Capital Market features and the African particularities in context
- Investment policy of EFs
- EF’s portfolio and investment strategies
- EF’s governing body as responsible for overseeing investment management
- Endowment capital preservation and earning streams
- Investment professionals and contracting procedures

### Chapter 3 – Financial Sustainability of EFs

- Governing body as advisors of the performance of EF’s
- Budget transparency
- Budget allocation
- Cost-effectiveness ratio
- Project planning and costs assessment (direct x indirect costs)
- Fundraising strategies for funding sources diversification

### Chapter 4 – Financial Sustainability of EFs

- Discussions and conclusion

### Annexes - Case studies: cases will be identified with the support of Funbio and CAFÉ and RedLAC Secretariats

- 1 case on investment responsibility & capacity
- 1 case on budgeting & long-term financial strategy

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## Annex 2 – Practice Standards for EFs (52 standards in 6 core areas)

CORE AREA	NUMBER	STANDARD	EXTREME DEFINITIONS	
			Fully comply	Do not comply
1. Governance	1.1	Governing documents clearly define the purposes for which a Conservation Trust Fund's or a Fund's assets may be used	My Fund's bylaws clearly define the purposes for the use of our assets.	My Fund's bylaws are not clear enough about the purposes for the use of our assets, nor do they provide specific guidance.
1. Governance	1.2	Governing documents clearly define the composition, powers and responsibilities of the governing body (or bodies). A governing body's composition is designed so that its members will have a high level of independence and stakeholder representation	My board is multi stakeholder, operates with a high level of autonomy and our governing documents have clear rules, responsibilities and procedures for selecting members.	My board is not diverse, is dependent on one stakeholder and does not have clear rules, responsibilities and procedures for selecting members.
1. Governance	1.3	Governing body members are selected or appointed based on their competencies and commitment to contribute meaningfully to the CTF's (or Fund's) overall mission and responsibilities	All board members have been selected based on their competencies and are committed to my Fund's mission. They are renewed in a regular (preferably staggered) basis.	My Board members were not selected based on their competencies and/or are not so committed. They are not renewed as per the governing documents.
1. Governance	1.4	Specialized committees are established by governing bodies to provide advice and to perform certain functions of the CTF or Fund more effectively and efficiently	We have specialized committees operating to provide advice and help the board to perform more effectively and efficiently.	We don't have any specialized committees advising the board or they are not operating.
1. Governance	1.5	A governing body has at least two face-to-face meetings per year, and maintains accurate written records of all meetings and decisions	My board has regular meetings (at least 2 face-to-face meetings) per year, with accurate minutes to record all decisions.	My board meetings are not regular and written records are not always prepared and/or are not very accurate about the decisions taken.
1. Governance	1.6	Governing body members understand their fiduciary responsibilities and ensure they have (or acquire) the competence necessary to carry them out	My board members understand their fiduciary responsibilities and have, or acquire, the competence necessary to carry them out.	My board members don't really understand their fiduciary responsibilities and think that they do not need to acquire competences to carry them out.
1. Governance	1.7	An effective conflict of interest policy is in place to identify, avoid and manage potential and actual conflicts of interest to reduce exposure of the CTF to favoritism and reputational risk	My Fund has a comprehensive conflict of interest policy that is used effectively.	My fund does not have a conflict of interest policy.
1. Governance	1.8	The governing body recruits a full-time chief executive or Fund manager to manage the CTF's or Fund's daily operations, and oversees his/her performance, which is evaluated annually	The Executive Director was selected by the board and his/her performance is overseen and evaluated annually.	The Executive Director was not selected by the board and they do not evaluate his/her performance on a regular basis.

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1. Governance	1.9	A CTF keeps a “compliance list” in order to monitor and ensure its full compliance with all applicable laws and regulations, with all legal agreements between the CTF and donors, and with the CTF’s own governing documents	My Fund has a compliance list with all applicable laws and regulations, governing documents, and legal agreements with donors.	We don’t have a compliance list with all legal requirements we need to comply with.
1. Governance	1.10	A CTF is established under the laws of a country that effectively ensures the CTF’s independence from government, that has clear and well enforced laws concerning private non-governmental organizations (including foundations or trusts), and that does not subject the CTF to paying substantial taxes	My Fund is registered under laws that provide political independence and tax exemptions.	The laws of the country my Fund is registered in don’t ensure political independence or any tax exemptions..

2. Operations	2.1	A CTF prepares a strategic and financial plan that translates its broad vision and mission statements into specific goals, objectives and activities	My Fund has a strategic and financial plan including specific goals, objectives and activities	My Fund does not have a strategic and financial plan
2. Operations	2.2	As public benefit organizations, CTFs actively pursue opportunities to collaborate with all relevant levels of national government(s) on achieving conservation priorities	My Fund collaborates with different levels of national government(s) on achieving conservation priorities	My Fund does not collaborate with any levels of national government(s)
2. Operations	2.3	CTFs actively seek partnerships at the national or international levels with key actors in donor agencies, businesses, non-governmental organizations, communities and research and academic institutions	My Fund formed partnerships at the national and/or international levels with key actors	My Fund does not have partnerships at the national or international level with key actors..
2. Operations	2.4	When awarding grants, a CTF evaluates potential grantees by requiring them to submit key information and by making direct contact with them	My Fund requires key and up-to-date information and assesses the grantees capacity before awarding grants	We don’t contact potential grantees, we just select them by their proposals and basic institutional information
2. Operations	2.5	CTFs follow a well-defined grant award process that aims at selecting high quality proposals in a timely manner through competitive means	We have a well-defined grant award process and all potential grantees have access to the same opportunities and to a complete information	Our grant award process and eligibility criteria are not well-defined or equally accessed to by all potential applicants
2. Operations	2.6	The grant award cycle concludes with the signature of a contract between the CTF and the grantee; the contract sets out all important understandings and obligations related to the financing the CTF will provide	Our grant contract is clear about responsibilities and obligations for the grantee and my Fund	Our grant contract does not clearly state all obligations and responsibilities and may generate doubts and conflicts between parties.
2. Operations	2.7	CTFs encourage cost-sharing arrangements through which grantees contribute a portion of the project or activity cost, or raise funding from others	We always encourage and monitor cost-sharing arrangements when it is possible	We don’t require or monitor any cost-sharing
2. Operations	2.8	Measures to strengthen grantee capacity are carried out which enable grantees to prepare responsive proposals and implement grant-funded activities	My Fund carries out, finances and promotes periodic capacity building activities for the grantees who needs strengthening	We don’t deliver any capacity building activities for grantees

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2. Operations	2.9	A CTF ensures that the entities to which it awards grant funding apply effective, efficient and transparent acquisition processes and practices such that appropriate quality goods, works or services are obtained at the best prices for value in a given market	We provide grantees with a clear procurement manual (or we analyze and approve grantees procurement manuals) and we monitor their process and results	We don't require procurement procedures (manual) for the grantees and we do not monitor their process and results
2. Operations	2.10	A CTF that accepts execution responsibility applies the same standards to the service it provides for grantees as it applies to the service it carries out for its own administration	We provide services to grantees with the same quality we have for our own needs	We have lower standards for providing services to grantees compared to our own needs

3. Administrative	3.1	Clarity of roles and organization and adequate resources allow the chief executive, managers and CTF staff to perform effectively and efficiently	We have clear roles, the needed skills and resources to operate effectively and efficiently	The roles in my Fund are not well defined and we lack skills and resources to operate effectively and efficiently
3. Administrative	3.2	When proposing a budget or reviewing budget implementation, transparent presentation of management expenses allows a governing body to understand and analyze the full costs of delivering grant programs and any other strategic objectives	Our budgets transparently portrays management expenses. The governing body approves the annual budget request and monitors the use of the approved budget.	Our budgets do not clearly portrait the management expenses
3. Administrative	3.3	A reasonable allocation of the available budget between management expenses and a grant program seeks to maximize funding for the grant program, but also recognizes the importance of achieving the institutional strategic objectives of the CTF	The defined ratio between management expenses and program spending is "reasonable" and measured	The defined ratio between management expenses and program spending is not enough to operate with excellence
3. Administrative	3.4	One or more operations manuals with up-to-date policies, procedures and practices guide the day-to-day management of a CTF or Fund	We follow our administrative, financial and operational manuals, which are updated constantly	We don't have an updated operations manual to follow in our day-to-day management
3. Administrative	3.5	A CTF acquires the goods, works and services needed to carry out its own everyday activities through processes and practices which are efficient, cost-effective and transparent; assure the appropriate quality of goods, works and services, and aim to obtain the best price for value in the market	We apply efficient, cost-effective and transparent procurement practices	We don't have specific procurement practices for our own operation
3. Administrative	3.6	A CTF undergoes an annual audit by independent external auditors who apply standards that are consistent with internationally accepted accounting standards	My Fund is audited annually by recognized external firms and standards	My Fund is not audited by external firms

4. R,M & E	4.1	CTFs are intentional about reporting to different audiences for different purposes	We have clear guidelines about the different types of reports that are prepared, their audiences and purposes.	We do not have clear guidelines about reporting to different audiences and different purposes.
4. R,M & E	4.2	Grant agreements between a CTF and its donor clearly set out the specific formats, information requirements, procedures and timing for technical and financial reports	The grant agreements my Fund signs with donors clearly state the reporting formats, information requirements and timing of reports.	The grant agreements my Fund subscribes with donors are not clear about specific formats and procedures for technical and financial reporting.

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4. R,M & E	4.3	CTFs maintain a regularly updated checklist and schedules for all of the reports that they are required to submit to government agencies in the country where the CTF is legally registered and the countries where the CTF operates or has investments	My Fund has a report up-to-date checklist and does not fail in delivering reports on time to governmental agencies	We do not have a checklist and schedule for reporting to governments and have missed some reports to governmental agencies
4. R,M & E	4.4	A CTF monitors and evaluates its programs in relation to the CTF's purpose and its strategic plan, and in relation to national-level and international-level conservation indicators, targets and strategies	We have a monitoring methodology and we monitor our conservation results and how they contribute to national and global targets	We don't monitor conservation results, just financial indicators
4. R,M & E	4.5	A CTF designs internal reporting, monitoring and evaluation, including financial management reporting, to support informed decision-making by its governing body, about the functioning of the CTF as an institution	We prepare periodic reports for the Board to base their decisions on	We don't have regular reports for the Board to base their decisions on
4. R,M & E	4.6	CTF staff, and often the grantee itself, monitor grants using indicators and measures agreed upon in the grant agreement, or its required monitoring plan	We monitor grants using the indicators and/or monitoring plan in our grants agreements	We don't monitor grants and don't have a monitoring plan and/or or indicators in our grants agreements
4. R,M & E	4.7	CTFs design monitoring and evaluation to support evidence-based reporting of conservation impacts	We monitor our conservation indicators and evaluate our impact using evidence-based information.	We cannot evaluate our conservation impact as we have not established indicators
4. R,M & E	4.8	CTFs support their grantees by providing clear reporting templates, frameworks and information requirements for monitoring and evaluation of the grant performance in achieving planned outputs and outcomes	We provide user-friendly templates for our grantees to report to us and, when necessary, help the grantees to use our templates	We don't have templates for the reports, only a list of requirements for the reports
4. R,M & E	4.9	CTF staff (and/or independent evaluators) perform due diligence and monitor grantees' progress towards achieving outputs and outcomes	We have capable staff and/or independent evaluators and enough resources to monitor the projects	We don't monitor the projects in site, we just ask for reports
4. R,M & E	4.10	CTFs prepare an Annual Report each year, which is distributed to donors and key stakeholders, and is made available to the general public	We prepare an annual report, which is distributed to donors and key stakeholders and is made available to the general public	We don't prepare annual reports.

5. Asset Management	5.1	A clear and comprehensive investment policy sets out the core principles the CTF applies for managing its assets	We have a clear, comprehensive, approved, monitored and periodically reviewed investment policy	We don't have an investment policy, just a few guidelines to manage the assets
5. Asset Management	5.2	A CTF's investment portfolio is managed in accordance with investment guidelines that set out the specific parameters to be applied by the investment management consultant, financial advisor and/or the investment manager(s)	Our portfolio is managed in accordance with investment guidelines, which are reviewed no less than once per year	Our portfolio is not managed according to investment guidelines, and/or these guidelines are not reviewed very often
5. Asset Management	5.3	The CTF governing body or its committee responsible for overseeing investment management, invests and manages as a prudent investor would invest his or her own funds	The people that are responsible for oversight of investment management do it in a prudent way and considering all the information needed	The people that are responsible for oversight of investment management are not prudent and have put our fund's assets in risk

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5. Asset Management	5.4	CTFs seek to preserve endowment capital in order to protect future earnings streams	We do all efforts to preserve endowment capital	We don't apply different strategies that would help to preserve our endowment capital
5. Asset Management	5.5	The governing body may delegate responsibilities related to investing the CTF's assets to a committee of the governing body or investment professionals, but the governing body itself must review and approve the investment policy, investment guidelines, the process of selecting a financial consultant and/or investment manager(s), and reports on investment and financial consultant and/or asset manager performance	My Board reviews and approves the investment policy, guidelines, the selection of investment professionals and investment reports	My Board does not approve the investment policy, guidelines, the selection of investment professionals and investment reports
5. Asset Management	5.6	To appropriately carry out its own responsibilities with regard to investment management, a governing body (i) has at least one director who is a qualified professional with knowledge and experience in one or more of the fields of finance, business or economics and (ii) ensures that all its members receive targeted training on the key concepts required to make informed decisions when it carries out its responsibilities	The governing body with regard to investment management has at least one director with ample experience and knowledge in the field of finance or related fields and the other people understand the key concepts to make informed decisions	The governing body with regard to investment management does not have people with ample experience and knowledge in the field of finance or related fields nor have they received targeted training on key investment concepts
5. Asset Management	5.7	The CTF assesses its existing investment capacity, identifies what types of investment professionals it may require, and selects these professionals through a competitive process and from among investment industry service providers of recognized quality	The investment professional selection process is made through a competitive process seeking to obtain the highest quality services, considering the Fund's internal capacity, the available resources and investment goals.	The investment professional is selected directly, without a competitive process.
5. Asset Management	5.8	Contracts for services to be provided by investment professionals state in a clear and comprehensive manner the services to be provided, the objectives of the services, the costs of delivering the services, and the responsibilities of both the service provider and the CTF	Our contracts with the investment professionals are clear and comprehensive and include the costs of delivering the services and the responsibilities of both the service provider and the Fund	Our contracts with the investment professionals don't have all the details on services, costs and responsibilities
5. Asset Management	5.9	A CTF engages in regular reviews of investment management performance	We do regular reviews (at least 4 per year) of our investment management performance	I don't remember the last time we reviewed our investment management performance

6. Resource Mobilization	6.1	CTFs have strategies to diversify and multiply their short-term and long-term sources of financing, rather than depending on a single source or a single funding mechanism	My Fund has a diversified resource base, with multiple funding sources and has a strategy to maintain this diversity	My Fund depends on one or very few funding sources
6. Resource Mobilization	6.2	CTFs develop resource mobilization strategies or action plans for raising long-term capital as well as shorter-term funding for particular projects or programs	My Fund has (and reviews) a resource mobilization plan or strategy for both short and long term funding to fulfill different projects and program's needs, develops (and review) a resource mobilization plan or strategy, and allocates sufficient time and budgetary resources for resource mobilization	My Fund does not have a resource mobilization strategy or action plan.

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6. Resource Mobilization	6.3	CTFs have policies for screening and determining which donor contributions and conditions they will accept	We have policies for screening donor conditions before accepting a contribution	We normally accept donor contributions and adapt to their conditions, without a specific policy for this screening process
6. Resource Mobilization	6.4	CTFs analyze and pursue opportunities for using funds from particular donors or government sources as a way of leveraging additional resources	We have multiplied our resources by developing matching agreements	We don't have any case of leveraging funds through matching agreements
6. Resource Mobilization	6.5	CTF governing bodies and management try to identify, analyze and utilize opportunities for the CTF to be used as the financial and institutional mechanism for disbursing PES, user fees, REDD+, climate adaptation funding, biodiversity offset payments, environmental compensation and fines, in order to support activities that are aligned with the purpose of the CTF	We have been using market-based mechanisms and other new environmental financing mechanisms to attract resources to achieve our mission	We have not worked with market-based mechanisms yet
6. Resource Mobilization	6.6	CTF governing body members and the chief executive coordinate with, and seek the support of, national government ministries and politicians in mobilizing additional financial resources for the CTF from national governments and international donors	My Fund seeks support of national government and/or international donors in order to mobilize additional financial support for national conservation priorities	My Fund has never sought support of national government and/or international donors in order to mobilize additional financial support for national conservation priorities
6. Resource Mobilization	6.7	CTFs are able to show potential donors the role that the CTF plays in providing long-term financial support for the national system of protected areas and/or for national environmental action plans and programs	My Fund provides and communicates long term and strategic financial support for the national conservation priorities	My Fund's financial support is not related to the national conservation priorities

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### Annex 3 – List of RedLAC and CAFÉ members

CAFÉ Members	Countries
1. Mulanje Mountain Conservation Trust	Malawi
2. Botswana Forest Conservation Fund	Botswana
3. Kenya Wildlife Service	Kenya
4. Bwindi Mgahinga Conservation Trust	Uganda
5. Tany Meva Environmental Foundation	Madagascar
6. Eastern Arc Mountains Conservation Endowment Fund	Tanzania
7. Tanzania Forest Fund	Tanzania
8. Biofund Mozambique	Mozambique
9. Foundation for National Parks and Reserves of Côte d'Ivoire	Ivory Cost
10. Fondation pour les Aires Protégées et la Biodiversité de Madagascar – Madagascar Biodiversity Fund	Madagascar
11. Malawi Environmental Endowment Trust	Malawi
12. BioGuinee	Guinee Bissau
13. Banc d'Arguin, and Coastal and Marine Biodiversity Trust Fund Limited	Mauritania
14. Fondation Tri National de la Sangha	Cameroon
15. African World Heritage Fund	South Africa
16. Fondation des Savanes Ouest Africaines	Bénin
17. Fonds OKAPI pour la Conservation de la Nature	Democratic Republic of Congo
RedLAC Members	Countries
1. Fondo para el Manejo de Areas Protegidas y Vida Silvestre - FAPVS	Honduras
2. Fondo de Conservación de Bosques Tropicales de Paraguay	Paraguay
3. Fondo de la Iniciativa de las Américas - FIAES	El Salvador
4. Fondo Mexicano para la Conservación de la Naturalez - FMCN	México
5. Fondo Nacional de Financiamiento Forestal - FONAFIFO	Costa Rica
6. Fondo de las Américas - FONDAM	Peru
7. Fundo para a Biodiversidade - FUNBIO	Brazil
8. Fundación Sur Futuro	Dominican Republic
9. Fondo de Promoción de las Áreas Naturales Protegidas del Perú - PROFONANPE	Peru
10. Fundación para el Desarrollo del Sistema Nacional de Áreas Protegidas - FUNDESNAP	Bolivia
11. Fondo para el Sistema Arrecifal Mesoamericano - MARFUND	Regional
12. Fundación Natura para la Conservación de los Recursos Naturales	Panama
13. Fondo Patrimonio Natural	Colombia
14. Environmental Foundation of Jamaica	Jamaica
15. Suriname Conservation Foundation	Surinam
16. Asociación Costa Rica por Siempre	Costa Rica
17. Fondo para la Acción Ambiental y la Niñez	Colombia
18. Caribbean Biodiversity Fund	Regional, Caribbean
19. PACT Belize	Belize
20. Fundo Amazonia	Brazil