

# GLOBAL CONSERVATION FUND: World-Changing Impacts, 2001-2016

Executive Summary  
April 2017

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“ Ensuring the protection of biologically rich landscapes and seascapes is the greatest conservation challenge of this century. I am convinced that protecting these places is the most important legacy our generation can bestow upon our children. ”

—**Gordon Moore**

Board Member Emeritus  
Conservation International

## OVERVIEW

We are excited to share with you this executive summary of the final report of the Global Conservation Fund (GCF), highlighting the world-changing impacts of the Gordon and Betty Moore Foundation (GBMF)'s visionary investment.

As in 2001, when the agreement with CI and the Foundation was signed, GCF remains unique in its focus on pairing effective conservation management with substantial investments in sustainable financing.

Our experience has shown the many benefits of investing over a long-term horizon in the inherently complex world of conservation—and of a “patient capital” approach that can allow multifaceted projects to achieve conservation results over time. At CI, we believe that GCF has been one of the most important, most productive and historically most impactful programs in the 30-year history of our organization.

Many GCF investments will continue to gain in importance, even though our agreement with the GBMF has concluded, as conservation approaches tested and proven by GCF continue to see results regionally, nationally and globally.

Additionally, more than 25 sustainable financing mechanisms established through GCF leadership will contribute to core conservation costs and measurable impacts year after year.

This report attempts to synthesize the impacts, innovations and lessons from GCF's 15-year history. We look forward to discussing these lessons—and our exciting future plans—with GBMF and providing any additional detail that you would require.

We remain grateful to Gordon and Betty Moore, the Moore family and GBMF staff for their leadership, vision and the inspiring legacy they will bestow upon future generations.

Sincerely,



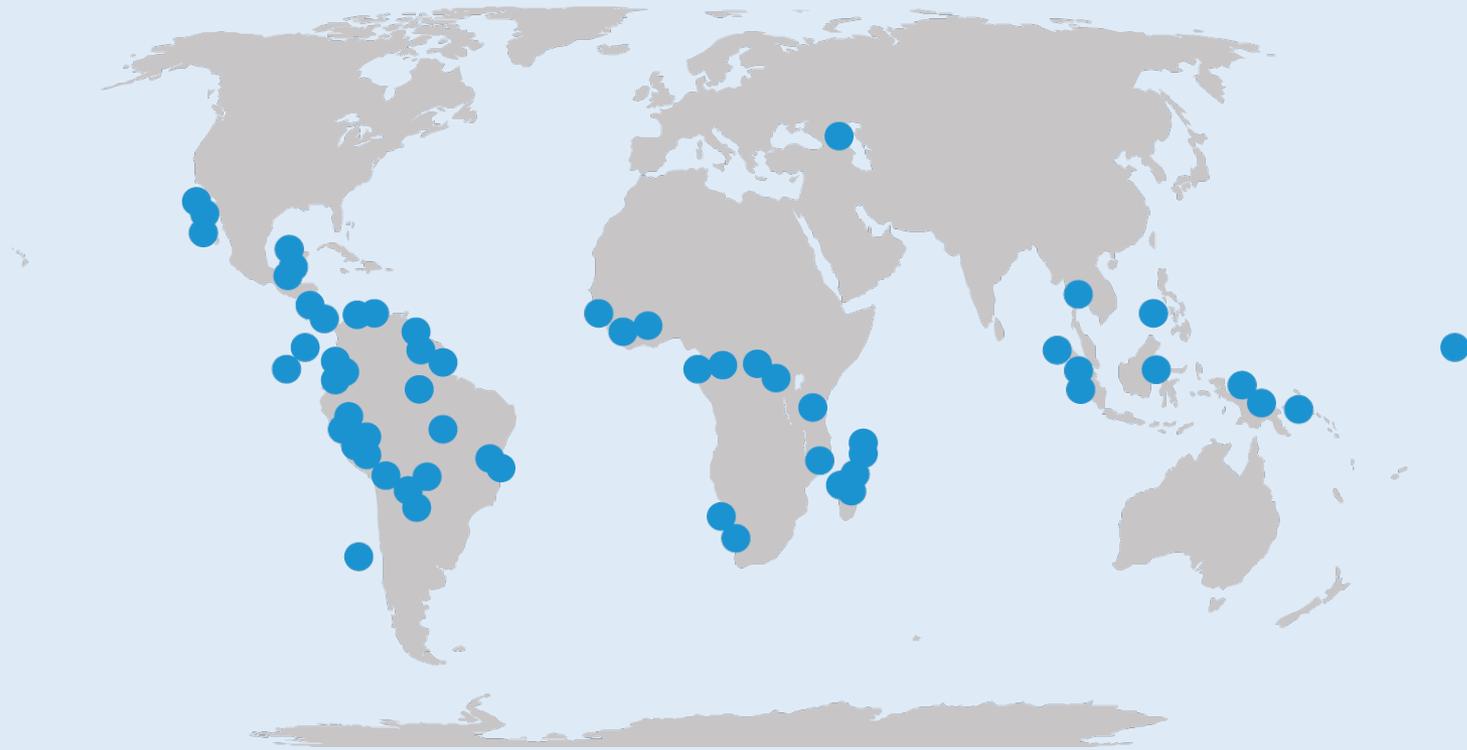
**Chris Stone**  
*Managing Director*  
Global Conservation Fund



**Russell Mittermeier**  
*Executive Vice Chairman*  
Conservation International

## GLOBAL PORTFOLIO

Over the course of 15 years, the Global Conservation Fund supported conservation efforts in 45 countries.



## KEY CONSERVATION OUTCOMES



**77** PROTECTED  
AREAS

**198M** ACRES



GCF supported newly created or expanded protected areas equal to twice the size of California



**X 6,200**

Forest carbon stored equivalent to the annual emissions of 6,200 coal-fired power plants



540 threatened species with improved management

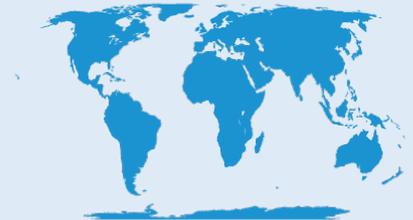


**2350**

jobs created



**473 TRILLION LITERS**  
per year, volume of fresh water (nearly equal to Lake Erie) delivered to downstream users



80 partners across 45 countries

## KEY FINANCIAL OUTCOMES

**\$100M** + **\$259M** = **\$359M** INVESTED IN CONSERVATION  
GBMF investment in leveraged funds from partners

**BY YEAR  
2022**

the GCF-supported endowments are projected to have disbursed over \$100M, equivalent to the cost of the entire GCF program\*

\*Based on existing spending rules and an average annual return of 4%



Since inception, the endowments created or supported by GCF have disbursed \$29M

## KEY IMPACTS

### Testing the conservation agreements model

In partnership with CI-Ecuador, the Critical Ecosystem Partnership Fund and the Conservation Stewards Program, facilitating one of the first investments to test conservation agreements with three Chachi communities, eventually leading to the Socio Bosque initiative in Ecuador, which protects 2 million acres and benefits 120,000 people—and is now being replicated across the globe.

### Investing in Kiribati

In partnership with the New England Aquarium and CI's Pacific Islands programs, making the first investment to explore the feasibility of protecting the Phoenix Islands of Kiribati, beginning with a \$25,000 planning grant. With continued investment, the Phoenix Islands Protected Area eventually grew to become one of the largest protected areas in the world—and served as the inspiration for the Pacific Oceanscape, a framework for marine conservation spanning 10% of the Earth's surface.

### Supporting indigenous territories

In partnership with CI-Brazil, working to support the protection of the Kayapó indigenous territories, eventually leading to the Fundo Kayapó, which enlisted the Brazilian Development Bank to create a first-of-its-kind fund to support the conservation and sustainable development work of the indigenous Kayapó people.

### Laying the groundwork in Guyana

In partnership with CI-Guyana, working to support the establishment of the Konashen Community-Owned Conservation Area, and eventually leading the design of what would become the Guyana Protected Area Trust. The Trust has since attracted a large contribution from KfW and a \$10 million commitment from the Guyanese government.

### Leading the way in Madagascar

In partnership with CI-Madagascar, WWF-Madagascar and key donor agencies, making the first investment in the Madagascar Biodiversity Fund, which has since grown to over \$50 million and is a leading force for conservation in the country.

### Forging corporate partnerships

Building off core competencies and experience built under the GBMF agreement, partnering with the world's largest mining company, BHP Billiton, to help the company design and execute over \$30 million in long-term conservation investments in their countries of operation, including what is believed to be the largest-ever corporate investment in a single protected area.

### Facilitating world-wide change

GCF has supported many other protected areas and conservation trust funds in Belize, Cambodia, the Caucasus region, Chile, Colombia, the Democratic Republic of the Congo, Federated States of Micronesia, Fiji, Gabon, Indonesia, Liberia, Mexico, Mozambique, Palau, Panama, Paraguay, Peru, Philippines, Papua New Guinea, Sierra Leone, South Africa and Tanzania.

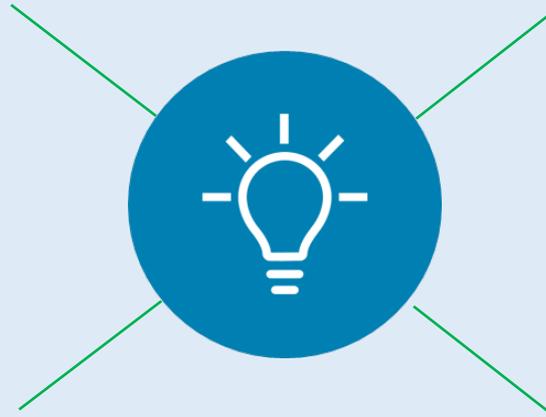
# KEY INNOVATIONS

## Long-term financing design

GCF's legal team successfully designed efficient long-term funds to optimize good governance, financial performance and robust administration in a variety of political, legal, financial, and protected area management contexts, including support for indigenous and community conserved areas, national protected area systems, regional transboundary protected area systems, important marine sites, and innovative conservation interventions.

## New conservation model in Indonesia

By supporting the work of the Royal Society for the Protection of Birds and Birdlife Indonesia, in the Harapan rainforest of central Sumatra, GCF helped pioneer a new legal instrument for forest conservation—an ecosystem restoration license—that allows organizations to bid for concessions from the Ministry of Forests to use forest for conservation and restoration activities.



## Funds for community-led conservation

The Kayapó Fund is believed to be one of the first dedicated endowments for financing conservation by indigenous people in Amazonia and perhaps worldwide. The model demonstrated in the Kayapó Fund and several other GCF projects is the basis for a new Conservation Equity initiative in development by CI and partners.

## Conservation agreements

GCF was an early and regular funder of the conservation agreements model, which has developed into a robust program within CI that is now deployed worldwide. The model has been incorporated into national policy, as in Ecuador's Socio Bosque program.

# KEY INNOVATIONS

## Monitoring and evaluation

An innovative monitoring and evaluation framework made GCF one of the few donors able to comprehensively track protected area investments on issues from protected area management to sustainable financing.

## Compensation fund mechanisms

CI-financed conservation trust funds in Brazil have been designed to strategically and efficiently deploy compensation funds collected from private sector investments (potentially generating millions of dollars annually for conservation) in the Amapá and Bahia regions.



## Conservation finance tools

GCF-developed tools such as a long-term financing toolkit, a financial management effectiveness tracking tool and protected area permanence index influenced the broader conservation finance community and positioned GCF as a thought leader in the conservation finance sector.

## Business planning approach

GCF demonstrates the value of a business planning approach, which analyzes the financial needs of a protected area and the potential sources of revenue to complement endowment financing and establish a foundation for long-term financial success.

## KEY LESSONS LEARNED

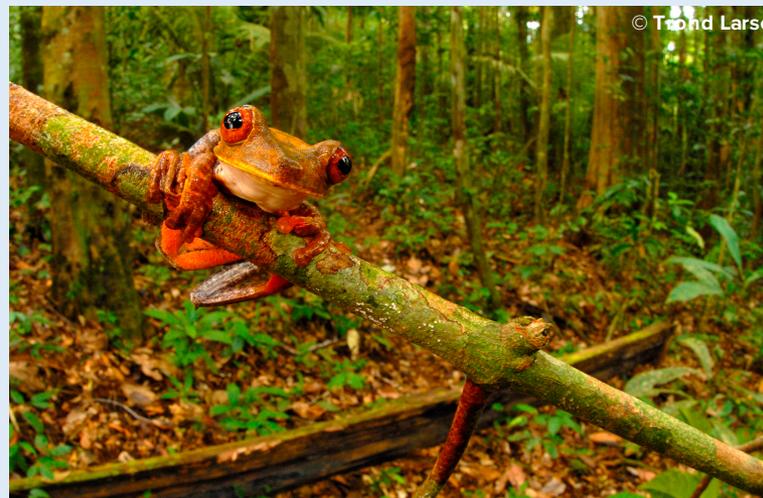
GCF's unique vision enabled the program to build expertise in the management and financing of conservation areas in diverse contexts. The next two pages summarize key lessons learned (a complete version can be found in the full report).

### **A patient capital approach and higher risk tolerance enabled success.**

Projects that required long-term commitments or that pursued an as-yet unproven approach were the source of some of GCF's most important impacts. From conservation agreements and ecosystem restoration licenses to the planning of large protected areas that had not even reached the feasibility study stage, GCF's mandate and long-term vision enabled experimentation with diverse approaches to conservation and to not only test but also cultivate new ideas. GCF's long-term vision provided a complementary strategy that enabled steady support for promising conservation opportunities for—in some cases—a decade or more.

### **Institution-building creates multiple benefits and can attract significant additional investment.**

Institutions with improved governance, stakeholder engagement, strategic planning and operational capacity create new tools that can be used by governments, conservation organizations and other investors to generate impacts beyond conservation funding. In Suriname, Madagascar, Guyana, Mozambique, the Caucasus region and other cases, the institutions designed and created by GCF for the benefit of specific protected areas have since attracted multimillion dollar investments and have grown to be key actors in national and regional conservation planning.



### **GCF-designed financing mechanisms proved applicable.**

The financing mechanisms necessary to implement REDD+, payments for ecosystem services, debt swaps and innovative conservation financing tools in development have much in common structurally with conservation trust funds: Although they may have different sources of revenue, the challenges of financial modeling and management, sound governance and programmatic delivery remain the same. The capacities GCF built for conservation trust funds proved valuable and transferable to many other conservation finance approaches used by CI and partners.

## KEY LESSONS LEARNED (CONTINUED)



### **Demand for GCF investment far exceeded supply.**

In the project selection stage of GCF, demand was quite high and GCF overcommitted to more projects than could be supported with the initial \$100 million in capital from GBMF. Eventually, GCF had to discontinue some projects that were not progressing satisfactorily in order to ensure that sufficient funds would be available to the highest priority projects. As a result of this experience and other lessons described here, GCF increased its estimates for the amount of time and financial resources required to fully implement a project with the GCF model.

### **Flexible funding enabled agility and opportunistic deal-making to complement a strategic approach.**

GBMF's visionary and large-scale financial commitment coupled with flexibility allowed GCF to take advantage of time-sensitive conservation opportunities. Investments such as those in the Valdivian Coastal Reserve, which was purchased from a forestry company in bankruptcy, may not have occurred without this level of financial commitment, flexibility and agility.

### **GCF's approach and combination of competencies proved unique in the marketplace and attractive to donors.**

GCF's experience in grant management, technical assistance, field delivery and long-term conservation financing proved to be a unique and attractive package for donors such as BHP Billiton, Emerson Collective, the MacArthur Foundation and others. Moreover, the unique focus on linking protection, effective management and sustainable financing attracted corporate partners seeking long-term corporate social responsibility or net positive impact outcomes and donors concerned with the need for a long-term horizon when partnering with indigenous peoples and local communities.

# GCF OVER THE YEARS

**2001**

Grant agreement signed; first investment in Kayapó project

**2003**

GCF leads first investment in Phoenix Islands Protected Area (PIPA)

**2006**

PIPA established as a 100 million-acre protected area by the Government of Kiribati

**2005**

GCF leads first investment in Madagascar Biodiversity Fund

**2002**

First debt-for-nature swap with U.S. and Peru

**2009**

First Indonesia debt-for-nature swap, the largest in history at the time, completed

# GCF OVER THE YEARS (CONTINUED)

**2010**

PIPA added as UNESCO World Heritage site

**2012**

Conservation Trust Fund launched in Guyana, which evolved into the National Protected Areas Trust in 2014, serving the National Protected Area System

**2015**

Central Cardamoms Conservation Endowment launched for Cambodia's largest conservation program

**2013**

Final evaluation

**2011**

Kayapó Fund created; new alliance with BHP Billiton launched; start-up financing loan issued to the Althelia Climate Fund

**2016**

Liberia Conservation Trust established, bringing the total of endowments created with GBMF funds to 26; CI/GBMF grant agreement completed

**2017**

Negotiations ongoing for launch of Conservation Equity building from GCF experience

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## THANK YOU

When I worked with Gordon Moore back in 2001 to finalize the creation of the Global Conservation Fund, I promised that the ***impacts of his investment would be visible from space.***

Fifteen years later, we have achieved that and so much more. In collaboration with the dedicated staff of Conservation International and a global network of inspiring partners, we have delivered world-changing results from the Pacific Oceanscape to Madagascar to the Amazon.

We should all be thankful for the extraordinary vision and generosity of the Moore family. In a world with ever more challenges, I hope their example will inspire new commitments to care for nature and people on our shared planet.

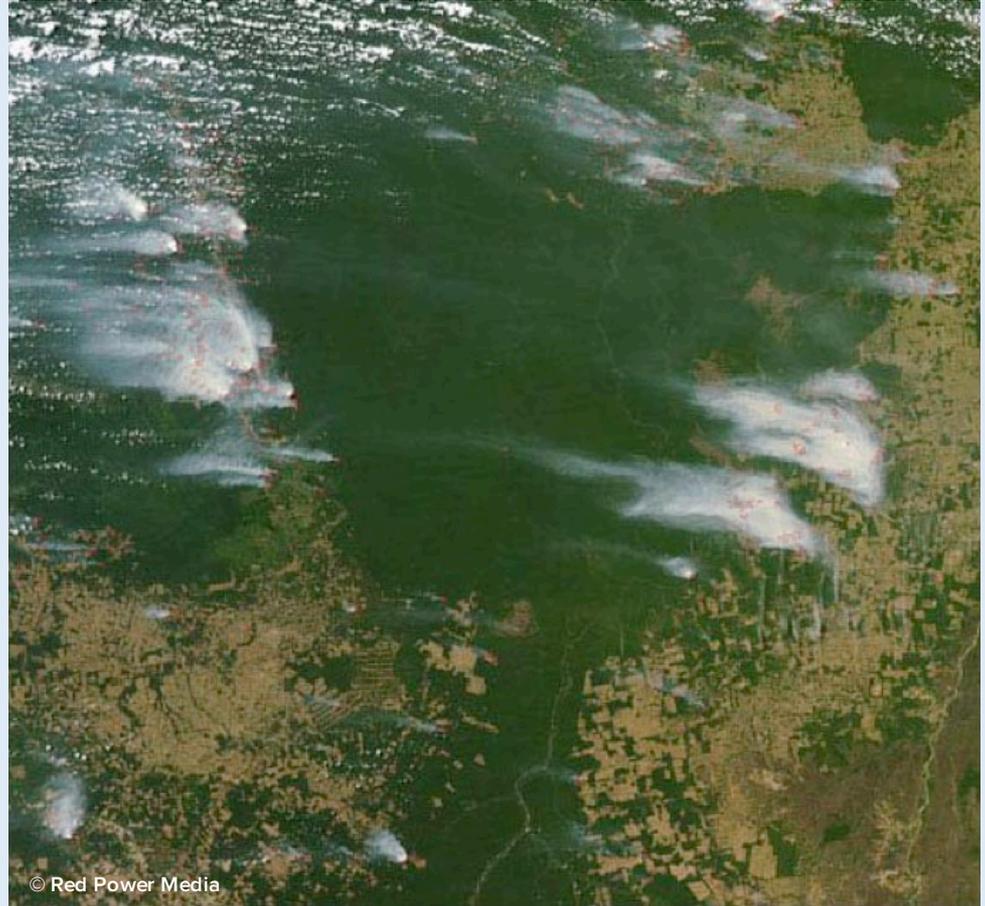
Sincerely,



**Peter Seligmann**

*Chairman and CEO*

Conservation International



The Kayapó indigenous territories in Brazil surrounded by deforested areas



**CONSERVATION  
INTERNATIONAL**



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