**John D. and Catherine T. MacArthur Foundation**

**A Program Reflection on the Mid-term evaluation of the**

**Conservation & Sustainable Development 2011-2020 Strategic Framework**

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The MacArthur Foundation is committed to building a more just, verdant, and peaceful world. The Foundation began making international conservation grants in 1979 and has awarded over 3,300 grants totaling more than $800 million to date. Formerly known as “World Environment and Resources” and then as “Ecosystems, Conservation and Policy,” the name of the program was changed in 2000 to “Conservation and Sustainable Development” (CSD). The program has consistently focused on preventing the loss of biodiversity.

## In 2011, CSD launched a ten-year grant making initiative to protect nature in the places people need it most for their well-being. In its first four years, the Foundation provided 221 grants in priority geographies and globally that totaled $83 million. The Foundation engaged Michael P. Wells and Associates to undertake a mid-term review of the CSD program in 2015, which is available on TheLoop.

The purpose of the evaluation was to understand:

* the efficacy of the initiative's approach and outcomes and impact to date;
* the relevance of the initiative and its priorities with respect to the problem of global biodiversity loss and the potential for philanthropy to catalyze effective solutions; and
* the contribution of the program to climate change mitigation and ways to increase its impact.

This memo summarizes our reflections on the evaluation’s findings, our lessons learned, and the implications for our future work in biodiversity conservation and climate change.

**The Findings of the Evaluation**

**The evaluation concluded that the Foundation’s investment in biodiversity conservation since 2011 has produced impressive achievements, with new and anticipated grants promising further progress.** More specifically, it concluded that most of the regional portfolios and global grants were convincing and aligned with the strategy. In a few cases, individual grantee achievements were characterized as remarkable. The evaluators highlighted several areas of work as particularly impressive. We fully agree with these findings and are proud to have supported the organizations involved in them. This work included:

* Strengthening the land management capacities of indigenous groups throughout the Andes.
* Mounting some effective challenges to the relentless advance of hydropower dam construction on the Mekong.
* Building the field of ‘sustainable commodities production’ with its considerable potential to both conserve forests and reduce carbon emissions.
* Key advances in collaborative shark and ray conservation, notably in Indonesia.
* Marine protected area conservation in Cuba and Madagascar, building on earlier CSD work.

The evaluation observed that these and other notable successes were evident despite the mid-term evaluation occurring a year earlier than planned and amidst a time of significant change within CSD and the MacArthur Foundation.

As one would expect in a mid-term evaluation, uneven progress and concerns regarding specific issues also were identified. These were in most cases accurate interpretations and reasonable inferences, and the evaluation put forward useful recommendations for course corrections. Overall, we agree with the evaluation’s analyses and conclusions, and draw lessons from both successes and failures. In fact, significant differences of opinion arose in only one area of work, the Great Lakes Region of East Central Africa, which we respond to in detail below.

**Lessons Learned**

We draw six larger lessons that might be particularly relevant to the biodiversity conservation community. These lessons learned emerged both from the evaluation process and our experience testing assumptions made in the ten-year strategy over the past five years.

**Lesson 1.** **Sustained engagement and flexibility are key to impact.** The evaluation finds that a key reason why early conservation impacts have been achieved is the program’s long-term commitment to the priority land and seascapes, including strong, enduring relationships with grantees that emphasize shared long-term program goals over projects. Deep staff engagement and knowledge of the regions made it possible for grantmaking to be flexible and responsive to emerging issues and take advantage of unanticipated opportunities for biodiversity conservation. Specifically, CSD was able to address recent oil discoveries in Africa, support innovative work to reduce the environmental impact of dams in the Mekong, and advance breakthroughs in shark and ray protection globally. Grantees noted that MacArthur was willing to support their most challenging efforts, which carried risks, but also had the greatest potential payoff. And, as the evaluation emphasized, some of the biggest weaknesses in the initiative were driven by significant changes in staffing and shifts in grantmaking away from the defined strategy.

**Lesson 2.** **Striking the right balance between traditional and innovative approaches to conservation is a process that requires experimentation and course corrections.** When crafting this strategy in 2009, CSD sought to expand the practice of conservation by addressing the drivers of biodiversity loss, such as increasing global demand for food, energy, and other raw materials. The evaluation notes that this effort has come at the expense of investment in traditional approaches to conservation, such as the creation and management of protected areas. It also concludes that (a) many more institutions in the field now have a focus on the underlying factors causing biodiversity loss in 2015 than in 2009, changing the balance of resources between traditional and market approaches to conservation; (b) it has been hard to operationalize our aims in grantmaking; and, (c) our grantmaking to address drivers of biodiversity loss has resulted in variable degrees of success. However, the evaluation also identifies several areas where these innovative approaches have spurred notable progress, including reducing the environmental and climate impacts of commodity production, slowing the expansion of hydropower in the Mekong, and illustrating China’s global environmental footprint.

After some reflection on these mixed results, we draw a few conclusions. First, we are proud of the progress we fostered in this area over the last five years. We believe a new field of action is emerging with the potential to reduce considerably the threats to biodiversity. However, we agree that our experience suggests there are not yet many proven models to address the drivers of loss. Our most significant contributions came through a few flexible program- and field-building grants that allowed for greater risk-taking and learning by grantees. More experimentation may be required, as well as increased investment in building institutional capacity and leadership in the organizations working on these challenging topics. Yet, in light of the material changes in conservation funding since 2009, it is possible that the time for greatest impact by CSD has passed.

We recognize that serious, immediate efforts on the ground are the only way to conserve biodiversity while the long-term challenge of mitigating the underlying factors driving those threats is addressed. In fact, all of our regional and the coastal-marine portfolios contain significant investments in site-based biodiversity conservation and protected areas. In the Andes, for example, the evaluation highlighted the success of significant investment in indigenous land management and conservation areas. With fewer resources now devoted to protected areas and related work for biodiversity conservation, we will consider carefully what balance we should strike moving forward.

**Lesson 3.** **Donor partnerships and coordinated grantmaking around common objectives can enhance collective impact.** CSD has pursued donor partnerships to support the implementation of the strategy in the Great Lakes, Andes, Mekong, and Coastal-Marine, representing a range of approaches. We agree with the evaluation team that this approach is effective for achieving grantmaking objectives and ensuring complementary strategies and grantee portfolios, as demonstrated in the Mekong donor partnership. We have found that donor exchange within a region or around a particular theme helps establish a common, and sometimes more sophisticated, understanding of the threats and opportunities in a region. In several of our focal marine regions, for example, all donor partners have benefitted from the knowledge and results of one partner’s field visits and commissioned research.

These benefits come at some cost of time and independence, and we find that different arrangements yield different levels of benefit. For CSD, informal partnerships in the tropical Andes and coastal Madagascar provided value without adding significant burden for coordination. Yet, formal collaborations with the Indonesia Marine Funders Collaborative and with fellow donors in the Mekong reaped greater conservation benefits through coordinated investments. For example, in Indonesia, CSD complemented the grantmaking of partner foundations with strategic awards and technical expertise. As a result, we have come to believe that formal partnerships—although more complex, with multiple donors and shared strategic goals—can have a greater conservation impact. This is particularly the case where the partnerships are well coordinated by an independent facilitator.

**Lesson 4.** **A universal theory of change is most useful for developing and communicating a grantmaking strategy; it is less helpful to guide grantmaking in a given problem and geographic context.** CSD developed a global theory of change in 2010 to underpin the ten-year grantmaking strategy, which in some cases was adapted for grantmaking in priority regions. We found the analytical and participatory process helpful to build a nuanced strategy with a distinct focus for grantmaking, particularly where stakeholders contributed to developing or refining the theory of change in a specific region, as grantees helped to do in the Mekong. However, the evaluation rightly points out that, although grantmaking in most regions exhibited a clear and convincing logic, it was not always consistent with the theory of change, and the theory of change was poorly linked with regional targets and assumptions. Our experience indicates that although the process can be useful to develop and communicate a grantmaking vision, the product of a global theory of change is too broad, and often too simplistic, to usefully guide regional grantmaking, where opportunities, threats, and players shift quickly.

From this learning, CSD will emphasize the process of developing and refining strategies and targets for priority regions and themes, which can better incorporate important economic, environmental, political, and social context, and clarify assumptions in our approach.

**Lesson 5.** **When investing in science, good planning will determine the conservation payoff.** We agree with the evaluation’s findings that scientific analysis and communication are valuable, but insufficient means to ensure effective environmental conservation. Our support of conservation science could be better targeted—at both the global and regional levels—to complement and improve site-based conservation and policy. We agree that some areas of concern, such as poorly planned infrastructure, are difficult to tackle with good scientific analysis alone, and other strategies may be more promising. However, we strongly believe that conservation science is an important part of an effective conservation portfolio, particularly when studies are appropriately designed, timed, and communicated to inform specific decisions. One example of this, highlighted in the evaluation, is CSD’s investment in an innovative approach to forest carbon measurement by the Carnegie Institution, which has helped set a new global standard for forest carbon accounting and international reporting.

**Lesson 6.** **Defining an appropriate grantmaking niche is critical to success.** The evaluation suggests that CSD has identified “carefully targeted niches” in its regional grantmaking, particularly the Andes, Mekong, and Coastal-Marine priority places, which has made it possible “to demonstrate and catalyze the potential for change…and, critically, to respond effectively to emerging conservation opportunities and challenges.” In some of CSD’s global grantmaking, in contrast, the evaluation concluded that the strategy did not identify a “compelling niche where it has a comparative advantage.” We take particular note of important questions raised about whether CSD’s contribution to climate change mitigation is most valuable and best leveraged in pay-for-performance emissions reduction mechanisms or whether we should consider mitigation options beyond the narrow confines of REDD+.

**Our Response to the Evaluation’s Critiques of the Great Lakes of East and Central Africa Portfolio**

The evaluation characterized the grant portfolio in the Great Lakes of East and Central Africa as unconvincing in several respects. It was criticized for: (1) lacking sufficient geographic and thematic focus to generate mutually supportive “portfolio effects” to amplify individual grant impacts; (2) insufficient investment in site-based conservation management, particularly in protected areas; (3) over-investment in the Lake Victoria Basin in comparison with the Turkana, Tanganyika, and Malawi-Niassa-Nyasa Basins; (4) failing to articulate clearly a conservation-focused niche within the Lake Victoria Basin; (5) attempting to design and implement integrated conservation and development projects in collaboration with other Foundation programs that were generally inefficient and unlikely to produce significant conservation results; and (6) including grants that do not directly address work plan targets.

We note that the evaluation also found:

“CSD’s Great Lakes Region Strategy (GLRS) and work plan, which guides grant making, is largely based on a participatory process, which many grantees identify with as contributors. The GLRS fills gaps in the current CEPF strategy, particularly in lowland watershed areas, climate change adaptation and ecosystem services. The strategy remains relevant…”

This conclusion corresponds with our own judgment that most of the failings and challenges identified by the evaluation team, particularly the six addressed here, are due to ineffective implementation and poor resource allocation choices, and not fundamental errors of strategic orientation.

Among the six specific critiques, we agree fully with three. The portfolio does lack sufficient geographic and thematic focus. We also acknowledge that some cross-foundation collaboration experiments in the GLR are not likely to lead to significant, durable conservation impact and that a small set of grants addressing post-conflict situations were not aligned with strategy. The collaborative grants were worthy, but flawed, experiments. In the case of the post-conflict grants, the Foundation responded to tragic circumstances with attempts to alleviate human suffering, knowing that the connections to our conservation strategy were tenuous at best. We will not continue either area of work, but will exit responsibly.

We respectfully take issue with elements of the other three findings. While there was a shift away from support for traditional protected-area creation and management, we have contributed to efforts that assist communities within Key Biodiversity Areas to assess opportunities to improve livelihoods through Community Conserved Areas. This approach defines areas of cultural and spiritual importance and develops natural resource management strategies and ecotourism opportunities to benefit communities. As part of a broader reassessment of CSD’s 2010 shift away from supporting “traditional conservation,” we will look carefully at this concern within the GLR context.

With regard to the assessments of our approach in the Lake Victoria Basin, the implication that CSD investments were not strategically valuable because the basin has received so much attention from public donors is unconvincing in our view. The same charge could easily be made of the CSD portfolios in the Lower Mekong or Indonesia. We also feel the niche articulated in the work plan with respect to the Lake Victoria Basin is relevant and compelling. Unfortunately, the grants do not align within this niche in all cases, and were probably not sufficiently concentrated around priority geographies or themes to generate evidence of progress in the relatively short time under implementation.

**Conclusion**

CSD’s ten-year Strategic Framework always planned for a mid-term evaluation to inform a discussion with Trustees about strategic course corrections. The evaluation—its findings, recommendations, and the lessons we have learned from it—will now inform even more significant questions. Will MacArthur’s commitment to nature conservation continue? And, if it does, how it will evolve to aim higher, be bolder, and take more risks, while also reflecting our experience that sustained engagement is essential to driving profound change?

Based on the evaluation findings and our own reflections, we conclude that the Strategic Framework has made important, often critical, contributions in many of the areas prioritized for grantmaking. The evaluation also confirmed our belief that MacArthur possesses qualities—a focus on global conservation priorities, willingness to take risks, and sustained engagement with partners on challenging issues—that make us a uniquely important conservation donor. The Strategic Framework does have weaknesses, however, and we have learned important lessons as a result. We will draw upon these experiences—positive and negative—as we present options for the future of work in nature conservation. We will ask ourselves: What has worked and holds the most promise to produce significant results? Has our moment for greatest influenced passed in certain regions or issues? What can we do to strengthen our contribution to the field? What is the optimal role for us to play to contribute to profound and durable results over time?

We believe thoughtful consideration of these questions will contribute to crafting a path forward that sustains and amplifies MacArthur’s long-standing commitment to nature conservation, and responds to the new ways of approaching our work as we seek more profound and durable impact.