

## The Climate and Land Use Alliance

### The Issue

Greenhouse gas emissions from deforestation, forest degradation, and agricultural production account for approximately 25 percent of global emissions. In 2009, four leading US philanthropic institutions already working together on these issues realized that much more needed to be done to address the pressures associated with deforestation and land use changes. These funders—David and Lucile Packard Foundation, Ford Foundation, Gordon and Betty Moore Foundation, and ClimateWorks—concluded that:

- The global response to climate change will be unsuccessful without significant reductions in deforestation and forest degradation and improved agricultural practices.
- To meaningfully reduce deforestation and enhance the ability of land to store carbon, we must address the forces that drive agricultural practices and expansion into forested areas, including the growing global demand for food, fuel, and fiber.
- Protecting and enhancing the livelihoods and rights of indigenous peoples and rural communities is an essential part of the solution.

To advance their shared goals, the four funders resolved to create a new, collaborative entity, the Climate and Land Use Alliance, more commonly known as CLUA. While the Margaret A. Cargill Foundation is not a formal member of CLUA, the foundation participates in most CLUA activities and aligns all of its tropical forest funding to CLUA's strategy.

### How the Collaborative Worked

CLUA launched in January 2010 for a five-year trial. As a collaborative, the partners agreed to develop a joint strategy and coordinate funding decisions. Each partner saw an opportunity to create “critical mass” around deforestation and agricultural sustainability and work with colleagues for whom they already had deep respect. As David Kaimowitz, director of sustainable development at the Ford Foundation put it: “[Ford] alone wasn’t able to put in enough resources at the beginning. . . . And we also saw a big opportunity to work with foundations that don’t have the same context or vision. We viewed that as a way to have something that was complementary. We didn’t see it as contradictory. And it’s proven to be a fabulous experience.”

### Fast Facts

**Type of collaboration:** Create a new entity and coordinate funding

**Established:** 2010

**Funders involved:** David and Lucile Packard Foundation (lead), Ford Foundation, Gordon and Betty Moore Foundation, ClimateWorks Foundation

**Shared goal:** To harness the potential of forested and agricultural landscapes to mitigate climate change, benefit people, and protect the environment

**Funding committed by Packard to date:** \$12.7M direct investment plus additional significant financial support of ClimateWorks

Each organization brought something different to the table. Kaimowitz explained: “The Ford Foundation is about social justice. This collaborative had to have some social justice perspective to warrant our getting involved. ClimateWorks had a strong carbon focus. Moore had a very strong biodiversity perspective. And Packard was the glue that had a little bit of each of these.” Working together, the CLUA partners have put together a joint strategy, coordinated work plans for a variety of initiatives, and agreed on plans for monitoring and evaluation.

CLUA is governed by a seven-member Alliance board and managed by an executive director and four-member staff. The board has broad oversight over unified strategy and grantmaking that supports the collaborative’s five initiatives: global climate and land use, and programs in Brazil, Indonesia, Mexico and Central America, and the United States. The teams working on each initiative include foundation program officers with specific interest in the target areas. These teams help develop and oversee grants in their respective areas.

Ford, Moore, and Packard decide upon and administer their own grants rather than pooling their funds. Each of the grants that they want to be considered CLUA grants has to be discussed by the different foundations in initiative meetings. Based on those discussions, CLUA’s executive director can decide if grants less than \$250,000 will be considered CLUA grants. Above, \$250,000 the CLUA board decides.

The CLUA board also allocates the use of ClimateWorks funds to an initiative based on a recommendation by CLUA’s program director. The initiative coordinators then decide on the use of those funds. Some of the foundation partners are involved in on-the-ground decision making. For example, Ford and Packard staffs serve as initiative coordinators; other initiative coordinators are long-term ClimateWorks consultants. And, staff of all four foundations (ClimateWorks, Ford, Moore, and Packard) can serve as program officers for the ClimateWorks grants. All ClimateWorks grants smaller than \$250,000 have to be approved by the CLUA executive director. If over that amount the board approves.

“The structure has worked really well because you have lots of experimentation from each of the individual funders, but also collective effort in support of one strategy,” said Walt Reid, director of Packard’s Conservation and Science Program and past CLUA board chairman. Moreover, CLUA brings together “people with different approaches in order to have a diversity of ideas and goals.” This blending of diverse perspectives has big unanticipated advantages, added Reid. “We’re constantly being forced to ask questions we don’t normally ask ourselves.” With diversity also comes a wide range of expertise. “If we want to understand what’s going on in Norway, or with large international conservation organizations, or with climate change negotiations, all we have to do is ring up one of our CLUA foundation partners. It’s been very valuable,” noted Reid.

“What makes it all particularly amazing,” Reid concluded, “is how different we are in our views, our history, in the grantees we support—and it all works.”

## Results

Since its 2010 founding, CLUA has awarded 392 grants and contracts totaling more than \$104 million in pursuit of its common strategy of enhancing carbon stocks associated with land use management.

An independent evaluation conducted in mid-2012 indicates that CLUA already had made substantial progress:

*At this point a key question for the partner foundations is whether CLUA is having, or showing the potential to have, an impact that justifies the investments being made, both financially and in terms of their staff time? Our conclusion is, that given the opportunities and constraints CLUA faced, the Alliance has so far made excellent use of the available financial and human resources in pursuit of its objectives, and demonstrated an impressive potential to deliver valuable future impacts.<sup>3</sup>*

The current board chairman, Guillermo Castilleja, chief program officer at the Gordon and Betty Moore Foundation, praised his predecessor for setting the CLUA's partners on a mutually beneficial path. "Walt Reid personifies Packard's ability to establish a productive and successful collaboration," noted Castilleja, who added that his task going forward is "to ensure that the partnership is even more effective."

## Key Takeaways

In studying CLUA, we observed several success factors:

- **Relationships rooted in deep respect:** Each of the four early funders had worked together in the past, and the principals of each noted a deep respect for their colleagues, despite differences in approach and focus.
- **Regular communication and a willingness to have hard conversations:** The norm across the four funders is one of strong communication: clear, constant, and candid. All of the funders noted their willingness to have hard conversations and a comfort with exploring differences candidly. This was enabled in part by preexisting relationships, but the funders also noted that the frequency of communication facilitated this dialogue.
- **Flexible governance structure:** A flexible governance structure that allowed the funders collectively to pursue a shared strategy while maintaining separate sub-strategies of interest to each funder.

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<sup>3</sup> *Independent Mid-Term Evaluation of the Climate and Land Use Alliance*, August, 8, 2012, <http://www.climateandlandusealliance.org/uploads/PDFs/CLUA%20MTEval%20Summary%202012.pdf>