**FUNBIO**

**Type of organization:**
Private, not for profit (NGO)

**Mission:**
Catalyze financial resources to promote conservation and sustainable use of the Brazilian biodiversity

**HISTORY**

**Initiative:**
Brazilian Government + GEF

**Motivation:**
To help in the implementation of the Convention on Biological Diversity

**September'95:** Created as relatively autonomous unit of the Getulio Vargas Foundation (FGV).

**In 2000:** FGV transferred the capital received from GEF to a newly established organization, which adopted the same name, functions and obligations: Funbio.
**MAJOR SUPPORTER**

Global Environmental Facility - GEF

**CAPITAL BASE**

US$ 20 million

**AVERAGE INVESTMENT RETURN**

Brazil: nearly 17%
World: nearly 1,5%

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**FUNDRAISING STRATEGY**

- Use GEF grant to leverage contributions from new partners.
- Develop new proposals to obtain new grants, such as Amazon Region Protected Areas Program (ARPA).

**CURRENT FINANCIAL SITUATION**

Funds available for investment: US$ 10 million (GEF 1)

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**OTHER SOURCES (Matching Funds)**

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inst. Terra</td>
<td>US$ 495,000</td>
</tr>
<tr>
<td>Fund. Ford (I &amp; II)</td>
<td>US$ 850,000</td>
</tr>
<tr>
<td>CEMIG</td>
<td>US$ 166,855</td>
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<tr>
<td>CSN</td>
<td>US$ 572,574</td>
</tr>
<tr>
<td>FBDS/Klabin</td>
<td>US$ 1,483,886</td>
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<tr>
<td>RURECO</td>
<td>US$ 179,251</td>
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<tr>
<td>Associação Caatinga</td>
<td>US$ 114,275</td>
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<tr>
<td>AS-PTA</td>
<td>US$ 681,468</td>
</tr>
<tr>
<td>IPE</td>
<td>US$ 180,200</td>
</tr>
<tr>
<td>Other grants (MPE)</td>
<td>US$ 567,418</td>
</tr>
<tr>
<td>TOTAL</td>
<td>US$ 5,290,927</td>
</tr>
</tbody>
</table>

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**ORGANIZATION AND MANAGEMENT**

**Governing Council**: 28 leaders. 8 environmental, 8 business people, 8 academic and 4 government.

**Executive Committee**: President and Vice President of the Governing Council and the coordinators of the Technical Commissions.

**Technical Commissions**: promotion, finance and audit, monitoring and evaluation; and natural protected areas.
ORGANIZATION AND MANAGEMENT

Executive Secretariat:
15 professional staff
• Implements the strategy and programs, in both technical and administrative aspects.
• Provides the Governing Council with proposals and information for its decision making.
• Contracts specialized services.

PROGRAM FOCUS AND TYPE OF PROJECTS

• 1996/97 Project Call
• Matching Funds
• Support for Sustainable Production
• Ford Foundation/Funbio
• Ecotourism Best Practices (MPE)

To date, FUNBIO has supported 58 projects for a total of $12 million.

1996/97 PROJECT CALL

Priority areas:
• sustainable management of natural forests;
• agriculture and biodiversity;
• sustainable fisheries;
• management of conservation units;
• conservation of ecosystems on private property.

10 selected and supported projects.
US $2.4 million.

MATCHING FUNDS PROGRAM

Objective: Support conservation & sustainable use proposals from organization(s) with common interests in priority areas.

Arrangement: Each fund is formed by a donation from the proponent, complemented by resources from FUNBIO (limited to 50% of the total value of the initiative supported).
Disbursement: FUNBIO has signed eight contracts with a total investment of US $8.7 million, of which $5.6 million were provided by the partners.

Supported areas:
- conservation,
- recovery/consolidation of natural resources,
- environmental education,
- production and trade of medicinal plants,
- research on fish in hydroelectric reservoirs,
- fishery resources management,
- agrobiodiversity.

Project Mechanism:
- Business planning/strategy.
- Provides about US$90,000 to each project for (partial) implementation and leveraging

ECOTOURISM BEST PRACTICES

Objective: Improve quality of ecotourism teams of community projects.

Method: Defining best practices in ecotourism (best practices manual, training program and extension program).

Number of projects: 15
Program value: US$ 750,000
ECOTOURISM BEST PRACTICES

Main partners:

• Finep; Basa (Banco da Amazônia SA); Embratur; and the Ministry of Environment.

• FUNBIO provides matching funds from its own resources for each of the sponsorships.

www.mpefunbio.org.br

FORD FOUNDATION/FUNBIO

• Objective: Economic support to community projects in sustainable development.

• Program value: $1.16 million

• Number of projects: 9

Products: tropical fruits, vegetables, condiments, coffee, medicinal plants, hearts of palm and handmade wood products.

MECHANISMS FOR DISBURSING FUNDS

• Project calls;
• Proposals evaluation & selection
• Business planning for sustainable use initiatives;
• Matching funds (when applicable);
• Work plan;
• Cash flow;
• Contract;
• Monitoring & evaluation.

ISSUES AND CHALLENGES

• Fundraising in adverse context;
• Stiff control mechanisms in informal economy;
• Board development and functioning;
• Asset management in times of global economic crisis;
• Occupying governmental/non-governmental niche;
• Ousting from FGV.
• Developing proficient professional staff in diversified fronts.
**LESSONS LEARNED**

- To adjust rigid control mechanisms to informal economy;
- Empowering Governing Council;
- Involving private sector in Governing Council;
- To run an efficient and active Governing Council;
- To dialogue with private sector, attracting it to invest in biodiversity;
- To fund raise through matching funds;

- To use matching funds as an environmental finance mechanism;
- To use business planning as an environmental finance mechanism;
- To develop efficient mechanisms for disbursing and controlling the use of funds;
- To monitor and evaluate projects;
- To empower and capacitate communities as executing agents.

**FUTURE PLANS**

- To guarantee institutional and financial sustainability beyond GEF 1 trust fund;
- To create and develop institutional endowment fund;
- To strength environmental finance mechanism profile;
- To develop skills necessary to run ARPA;
- To develop Integrated Conservation and Sustainable Use Program as priority form of action.
- To replicate ARPA’s model in other biomes.

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