

Webinar series | Practice Standards for Conservation  
Trust Funds

## Using the Standards: Starting a CTF



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Please RSVP

This event will be in English

# 2020 Practice Standards

[https://www.conservationfinancealliance.org/  
practice-standards-for-ctfs-update](https://www.conservationfinancealliance.org/practice-standards-for-ctfs-update)

2020

## PRACTICE STANDARDS FOR CONSERVATION TRUST FUNDS

2020 Update by Paquita Bath, Viviana Luján Gallegos, and  
Amilcar Guzmán Valladares

Original 2014 Edition by Barry Spergel and Kathleen Mikitin



# The Practice Standards

## Core Areas:

1. Governance
2. Institutional Effectiveness
3. Programs
4. Administration
5. Asset Management
6. Resource Mobilization
7. Risk Management and Safeguards

## Cross-Cutting Themes:

1. Communications
2. Human Resources
3. Technology
4. Monitoring and Evaluation

# Goals for the Standards Update

- Voluntary
- A tool for the design, management, and evaluation of CTFs
- Serve CTFs and funders
- Continue raising the bar



# Annex 1

## Prioritizing Standards at Different Stages of CTF Evolution.

### Five Stages in CTF Evolution

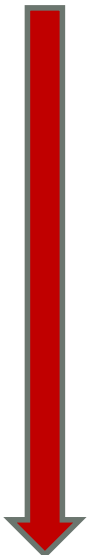
(adapted from Yabanex Batista)

1	Pre-registration	The period of design and legal incorporation
2	Start-up	Initial capitalization and staffing
3	Operational	Grant making, clear operating procedures, and increased resource mobilization and asset management
4	Institutional	Sophisticated asset management, multiple finance mechanisms, possible accreditation with multilateral institutions and program investments beyond grant making.
5	Termination	Final spend down of time-limited program accounts or forced closure due to financial challenges or changing institutional accords.

2020 Institutional Effectiveness Standards	Evolutionary stages of a CTF				
	Pre-registration	Start-up	Operational	Institutional	Termination
<b>Institutional Effectiveness Standard 1:</b>		X	X	X	
<b>Institutional Effectiveness Standard 2:</b>	X	X	X	X	X
<b>Institutional Effectiveness Standard 3:</b>	X	X	X	X	
<b>Institutional Effectiveness Standard 4:</b>			X	X	X
<b>Institutional Effectiveness Standard 5:</b>		X	X	X	X
<b>Institutional Effectiveness 6:</b>			X	X	

# Using the Standards to Start a CTF

## 1. Document Sequencing

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- i. **Laws** (both donor and host country)
  - ii. **Agreements** (bilateral, debt swap, other)
  - iii. **By-laws** and/or **Charters**
  - iv. **Articles of Incorporation** (under a Companies Act)
  - v. **Operations Manuals** (incl. internal controls)
  - vi. **Plans & Policies** (Strategic, Business, Conservation, Communications Plans; Investment Policies, etc...)

- *[Note: Many agreements no longer create new CTFs, but rather locate their new donor program accounts within existing CTFs or fund administrators.]*

## Document Sequencing

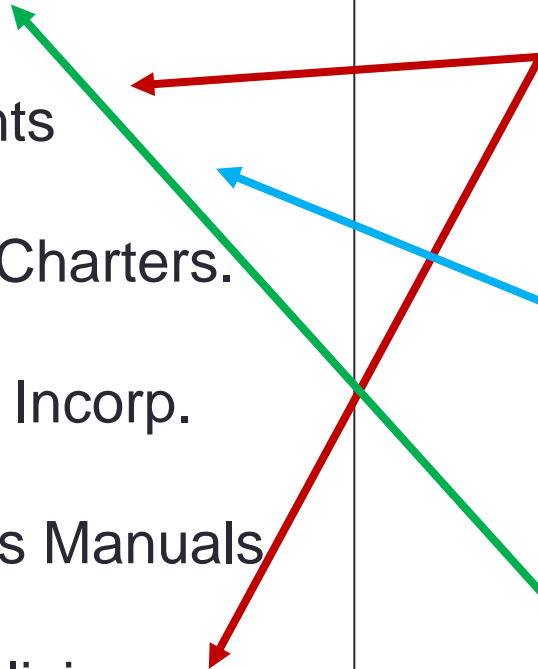
- i. Laws
- ii. Agreements
- iii. By-laws / Charters.
- iv. Articles of Incorporation.
- v. Operations Manuals
- vi. Plans / Policies

## Asset Mgt. Standards

**# 1: Specifies the need for clear and comprehensive investment policies.**

**#5: Specifies governing body approval of policies and selection of the asset manager.**

**#6: Specifies CTFs governing body members composition and skill sets.**



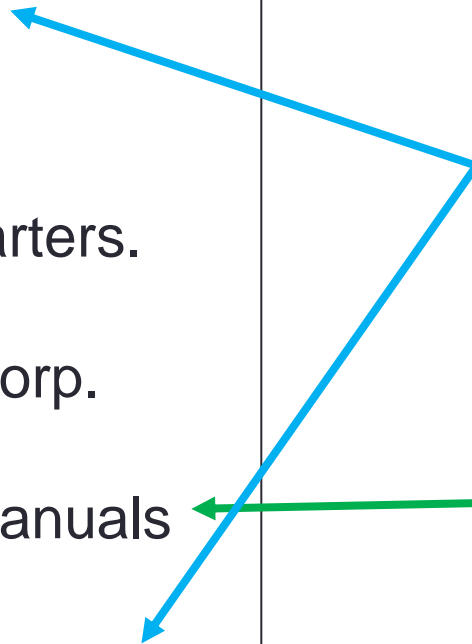
## Document Sequencing

## Administration Standards

- i. Laws
- ii. Agreements
- iii. By-laws / Charters.
- iv. Articles of Incorporation.
- v. Operations Manuals
- vi. Plans / Policies

**#6: Specifies that CTFs will set sufficient Overhead rates to achieve institutional strategic objectives.**

**#7: Specifies the need for Operations Manuals.**





# Using the Standards to Start a CTF

## 2. Structural Sequencing

An example from a Bilateral Agreement:



Conditions (examples):

- ratification
- CTF legal registration
- establish the governance body
- select a fiscal agent and sign the trust agreement
- hire an Executive Director
- other...