

Maliasili / Maasai Landscape Conservation Fund (MLCF)

Type: Non-Profit Organization

Global Objective: Ecosystem conservation

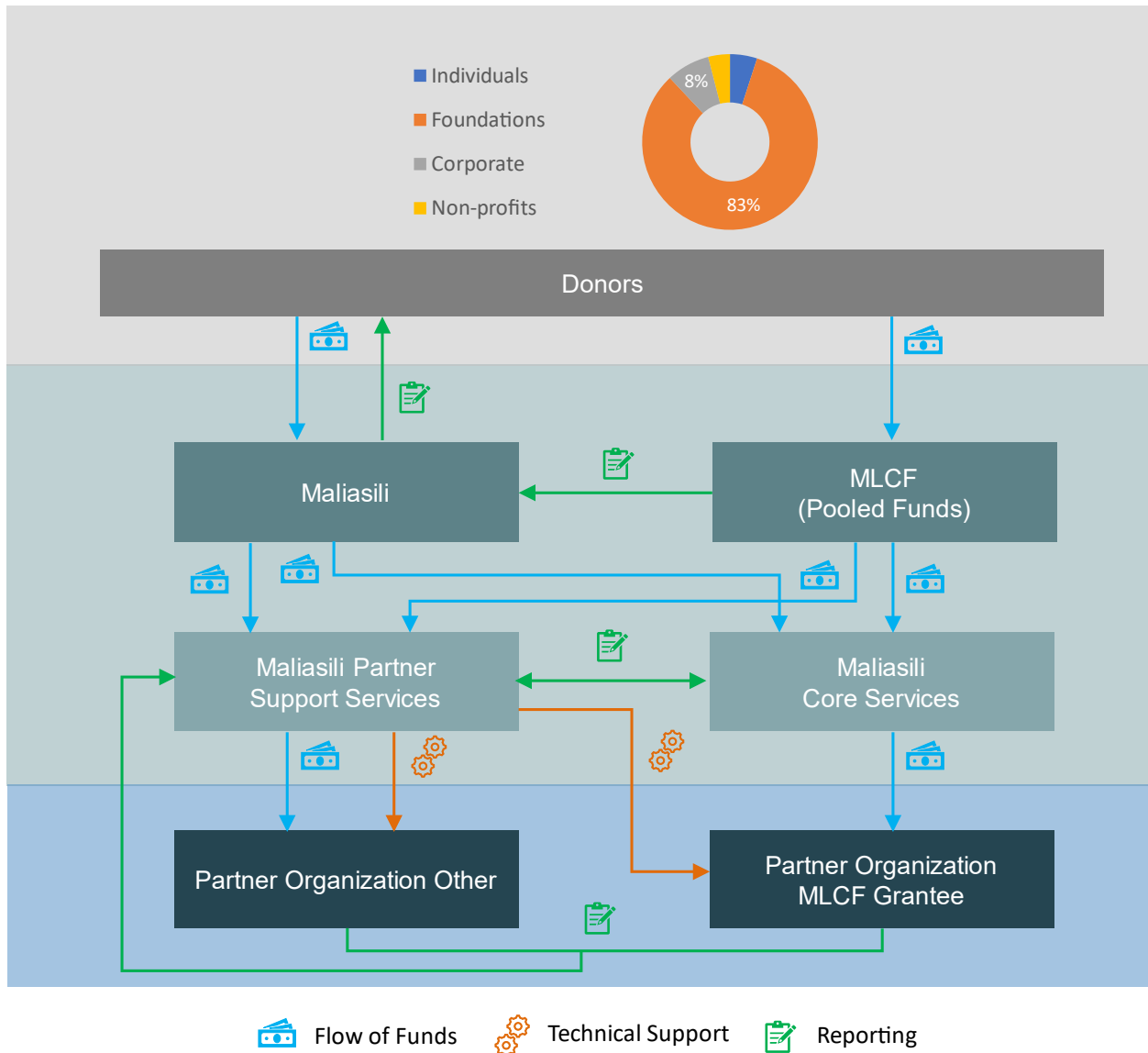
Maliasili is a US-based non-profit founded in 2010 to provide organizational development support to local African conservation organizations to enable them to achieve their potential. The MLCF is a pooled fund model, established in 2019 as a three-year learning pilot. It is capitalized by multiple, mid-size private philanthropies. MLCF is managed and administered by Maliasili.



Current Funding sources	<ul style="list-style-type: none"> • <i>Private Donors</i> Private foundations (e.g., Liz Claiborne Art Ortenberg, BAND Foundation, Well Spring Philanthropic, Mulago Foundation, Acacia Conservation Fund), Corporate donations (e.g., JP Morgan Chase Philanthropy), Non-profits (e.g., TNC), and individual contributions
Annual Turnover	<ul style="list-style-type: none"> • USD 3.5 million (2021)
Management/Administration Costs – % of total funds	<ul style="list-style-type: none"> • 10% of total MLCF funding
Scale of Representation	<ul style="list-style-type: none"> • Medium – IP & LC-accountable
Replicability potential	<ul style="list-style-type: none"> • Medium in the short-medium term
Absorption capacity	<ul style="list-style-type: none"> • Current: High in relative terms and medium in absolute terms, with goal to increase grantmaking 500% by 2025
Expansion potential	<ul style="list-style-type: none"> • High in relative terms and moderate in absolute terms, with goal to 2025 to expand geographic coverage from three to four regions; increase coverage from 35 to 75 million ha; triple number of partners to 90; and increase total funding to US\$174 million¹.

¹ USD 100 million of that to be leveraged for new funding commitments in support of community-based conservation and local organizations.

Maliasili / Maasai Landscape Conservation Fund (MLCF) Fund Flow Diagram



Maliasili / Maasai Landscape Conservation Fund (MLCF)

What is Maliasili / MLCF? Maliasili is a US-based non-profit founded in 2010. The MLCF is a pooled fund model, established in 2019 as a three-year learning pilot. It is capitalized by multiple, mid-size private philanthropies. MLCF is managed and administered by Maliasili.

Global objective (-s): Ecosystem conservation

Organizational objective (-s): Maliasili – To provide organizational development support to local African conservation organizations, to enable them to achieve their potential and “*build the organizations and networks they need to deliver on their mission and achieve their goals.*”ⁱ MLCF – To provide flexible, results-based funding that targets IPLC-based conservation outcomes at landscape scale.

Typology: Accountability – IP & LC accountable. Partner organizations inform and shape organizational strategy and resource allocation on an annual basis. Scale of target outcome – Strengthening of IPLC organizations.

Focal region: East African savannah landscape of southern Kenya and northern Tanzania.

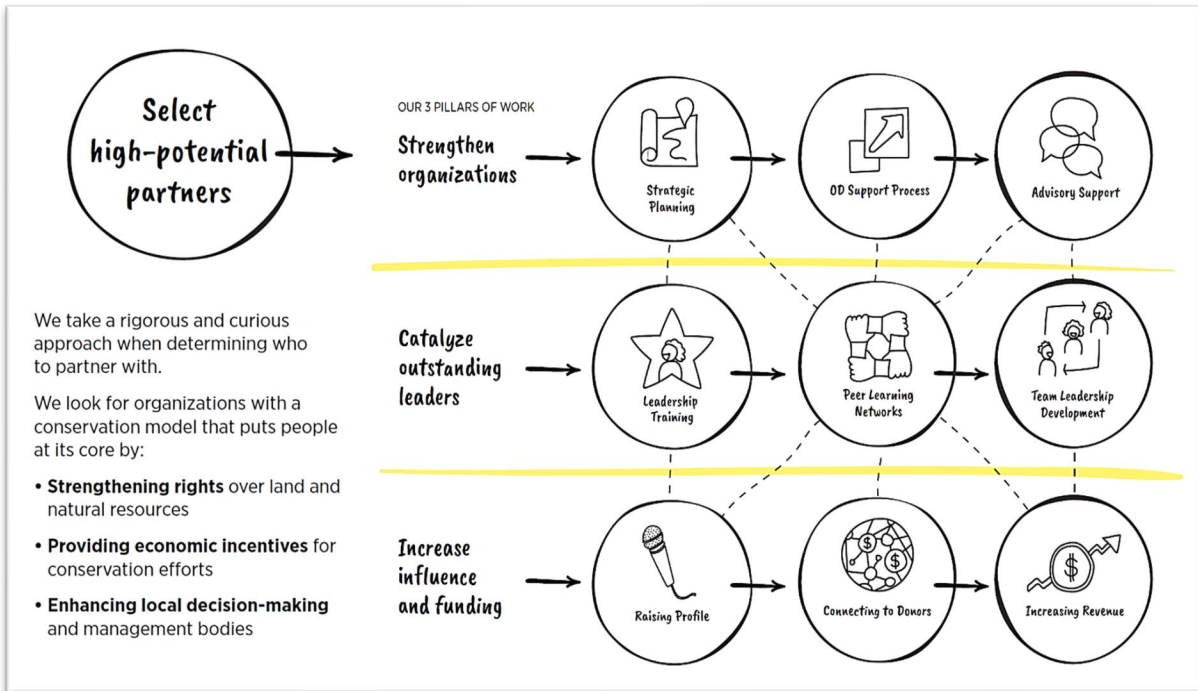
Operational context: A landscape of global interest for wildlife conservation, spanning more than 100,000 km², within which Maliasili’s focus is on a region some 40,000 km², which contains at least ten of Africa’s most iconic protected areas. Alone, these protected areas are insufficient to achieve the conservation objectives for which they were established. Depending on location, an estimated 30% to over 75% of the lands and resources needed by wildlife is to be found outside of the parks and reserves in surrounding community lands. Sustaining the landscape and its wildlife generates millions of jobs and several billion dollars in annual economic activity through tourism for Kenya and Tanzania.

How it works: Maliasili selects its partners from among high-performing, local African conservation organizations. This is done through their networks and on-the-ground teams, as well as through open calls for expressions of interest. Candidate organizations are rigorously vetted prior to acceptanceⁱⁱ. The purpose of the vetting is to select high potential partners that are demonstrably invested in working towards goals shared by the communities with which they work, and that have social legitimacy and well-established relations and credibility. Among others, the due diligence process evaluates the organization’s commitment, leadership, conservation model, geographic focus, track record, growth potential, and fundability.

Partners are offered a systematic program of organizational support through a customized, four-year process tailored to the specific needs of their organization. In year one of the program, the focus is the development of the organization’s strategic plan and leadership development. Years two and three focus on communications, fundraising, human resources, management systems, monitoring and evaluation, and board governance. In year four, Maliasili provides advisory support, and partners continue to participate in the Maliasili’s partners peer learning network. Maliasili also raises funds to support partners’ programs, either directly with Maliasili as the financial intermediary, or through assisting partners to develop the wherewithal to directly access funding. Figure 1 provides an overview of how they work. Figure 1 provides an overview of how they work.ⁱⁱⁱ

MLCF provides annual grants for multi-year initiatives. The grants are performance-based; aligned with the local organizations’ own strategic and annual work plans; and support core organizational capacity within the structure of grants. Funds are directed to a limited number of eligible activities, in a well-defined geography, and to a limited group of eligible organizations as “enabling capital” that includes explicit investments in the organizational development and capacity of the grantee.

Figure 1. Maliasili – What We Do: Accelerating impacts for people and nature by enabling high-potential, local organizations to achieve even more.
 Source: Maliasili, 2021



Governance: Maliasili is governed by a five-person, US-based Board of Directors that is responsible for oversight of asset management, financial policies and procedures, and the audit process. Anchor MLCF funders, invited technical experts, and potentially, other collaborating funders sit on an Advisory Committee that meets quarterly to review and inform the fund’s strategy and investment decisions, leads outreach to other funders, and provides advice on portfolio development and feedback on grant proposals and progress reports. IPLC are stakeholders.

Priorities: The MLCF’s financing priorities result from a tripartite dialogue between Maliasili and its network and partners in Kenya and Tanzania, and the anchor funders of the MLCF. They include securing tenure and sound governance of community lands; strengthening local conservation entities and management systems, and ensuring their governance is locally accountable; developing nature-based enterprises that generate community-level revenue from wildlife and sustainable use of natural resources; and resolving conflicts between people and wildlife to reduce the costs of wildlife and promote co-existence. Unique to the MLCF funding model is its explicit targeting of organizational development. The prioritization of the specific investments to be made with the MLCF grant funding is defined by the recipient organization, based on its needs and requirements to deliver on its strategy and medium-term work plan more effectively.

Primary Outputs/Outcomes: As of the end of 2022, Maliasili has twenty-eight partners in seven countries, who taken together are working with communities and reaching more than two million people to protect and manage about 350,000 km² of terrestrial, freshwater, and marine ecosystems in east and southern Africa.^{iv} Amongst others, they are:

- Supporting communities to safeguard elephants and lions living in critical ecosystems
- Helping to generate more than US\$12 million/yr. for communities that are sustainably managing their forests, wildlife, rangelands, and waters.
- Raised and leveraged more than US\$15 million for their partners since 2018.
- Supported more than twenty local organizations to develop their strategies to bring focus, clarity, and direction to their work, and enhance their fundraising opportunities.
- Over eighty African conservation leaders have participated in their leadership training program.

- 90% of partners report Maliasili’s support has made them a stronger organization, with 90% of these having increased or held steady their social and environmental impacts; 70% reported having more financial resources, with 2 out of 3 also reporting having a more diverse group of donors; and 60% having grown the size of their teams.^v

Preliminary results from MLCF’s first three years include:

- Ongoing support to eight organizations in southern Kenya and northern Tanzania.
- 120,000 hectares of land secured across key wildlife landscapes through communal legal title in southern Kenya and northern Tanzania.
- Management improvements in 400,000 hectares of community lands hosting northern Tanzania’s largest elephant population.
- Communities assisted to earn \$450,000 in carbon revenue.
- Poaching reduced by 94% from 2020 to 2021 in one organization’s territory.
- Internal governance systems strengthened in six conservancies around the Maasai Mara, while registering one newly formed conservancy.
- Organizational development outcomes amongst grantees included increased technical capacity through recruitment of new staff; strengthened fundraising, communications, and networking capacity, leading to development of relationships with new donors; and two organizations doubling their budgets between 2019 and 2021.
- Development of a community land registration methodology to facilitate communities’ gaining rights to manage and benefit from their land.
- Leadership development support for effective fundraising.

Funding sources: Private foundations (e.g., Liz Claiborne Art Ortenberg, BAND Foundation, Well Spring Philanthropic, Mulago Foundation, Acacia Conservation Fund), Corporate donations (e.g., JP Morgan Chase Philanthropy), Non-profits (e.g., TNC), and individual contributions.

Financial mechanism: A pooled funding model, with the fund hosted and managed by Maliasili. The fund was capitalized with US\$3 million (US\$1 million/yr for three years), with resources allocated as follows: 75% for direct grants to partner grantees; 15% to Maliasili for provision of organizational development support services and technical assistance to partner grantees; and 10% to Maliasili for fund management and administration. Grantees are expected to include in their proposals financing to support their core organizational capacity, which amount may represent some 30%-40% of the grant being destined for their staffing and other core costs. Total grant amounts are roughly equivalent to between 15% and 25% of the recipient’s annual budget.

Annual turnover: As of December 2021, Maliasili reported net assets of US\$4.2 million; of which US\$1.2 million were restricted resources for the MLCF. It turned over US\$3.5 million, with (i) US\$2.7 million going to program services, which included grants to partners (US\$1.4 million) and operational expenses for the delivery of Maliasili’s core work program, and (ii) US\$0.8 million for management and general expenses. See Annex 1 for details.

Absorption capacity: High in relative terms and moderate in absolute terms. Maliasili’s goals for expansion through 2025 would triple its number of partners and its annual budget, and increase grantmaking to partners five-fold. The MLCF (now “MCF” or “Maliasili Conservation Fund”) expects over next four years to increase financing by over 700%, and the number of organizations financed by 550%. The goal for increases in total funding amounts to US\$174 million over three to four years, with US\$100 million of that leveraged for new funding commitments in support of community-based conservation and local organizations.

What works: The combination of Maliasili’s organizational development support and the MLCF’s pooled-funding – that provides flexible, direct financing of local organizations – comprise an innovative approach that responds to and resolves some, and otherwise mitigates many other, of the common challenges encountered by funders and local organizations. From the funders’ perspective, the Maliasili/MLCF model

reduces their perception of risk and increases confidence that the impact of their funding will represent a good return on their investment. From the partner organization's perspective:

- Organizational development support assists them to engage effectively with other donors and overcome the barriers to entry represented by donors' bureaucratic requirements.
- The "investment in the organization and its mission" and results-based approaches greatly simplify proposal development, implementation, and reporting.
- No distortionary pressures, or top-down decision-making and prioritization as funding finances the organization's self-defined mission, strategy and annual work plan.
- Ample flexibility of one-year, renewable grants, designed to be flexible, responsive, and aligned to the partners goals and work plans, along with investment in their core costs (e.g., teams and infrastructure) mitigates bureaucracy-induced inefficiencies.
- Full funding of indirect costs and broad focus of finance through funding of core organizational capacity, which also directly benefits all of the organization's other donors whose financing norms do not fully cover indirect costs or organizational development.
- A more realistic timeframe with grants being for up to three years (vs annual grants from other sources), which limit was imposed by the pilot nature of the fund. The proposed next phase to scale up and expand the MLCF will allow for up to four years.

Strategic Insights

Maliasili: an innovative addition to the development finance ecosystem. Maliasili's core purpose is to support, strengthen, and enhance the impact of frontline, local/locally-led organizations in delivering upon their missions of supporting and improving community management of natural resources. An entity of this nature, which focuses upon organizational development, is unique. Maliasili considers itself an "accelerator", while some of its partners describe it as an "enabler". However one characterizes it, the set of "hands-on" services it provides are analogous to those provided by business incubators and business development services, but in this case applied to local conservation organizations instead of MSMEs. Given the centrality of building IPLC capacity to the COP 26 Pledge, the value added of an "accelerator/enabler" of this type is plain.

Invest in the mission rather than the tasks. Donors' immediate interests in local organizations are often limited to the specific services they might provide for meeting donor and project priorities. When projects end, to the degree that the local organization's future and health are considered, it is commonly limited to the assumption the organization must be "stronger" and "better off" from having participated and gained learning and experience. This assumption is questionable as project-driven growth may be unbalanced², distortionary³, and a financial drag on the rest of the organization's activities⁴. Greater consideration should be given to investing in high potential, local organizations with good track records and growth potential (or high potential if relatively new) that are pursuing the same or similar results sought by funders. This concept is not new. Ford Foundation's BUILD program is one example^{vi}, as Maliasili/MLCF is another. A strong base of local organizations is needed if desired results and impacts are to be achieved at scale. Approaches for building strong, local organizations should consider investing in local organizations as a whole, not just the pieces that are of short-term interest.

The purpose of capacity building is not compliance. IPLC organisations frequently point to donors' complex, bureaucratic requirements, and their own limited organizational capacity to meet these, as being among the main barriers to their accessing funding^{vii}. In response, donors commonly prioritize and finance "capacity building" tailored to meeting such donor requirements. The Maliasili approach eschews such "capacity building" and in its stead takes a more holistic and systematic approach with local organizations to develop and refine their overall capacity as an organization. In this scheme "capacity for compliance" is a result, rather than an end in itself. Grantee partners reinforced the value of this approach, noting the

² Having strengthened one aspect of the organization at the expense of other important aspects.

³ Driven by donor priorities rather than the organizations and IPLCs' priorities.

⁴ As donor finance tends to fall far short of covering the organization's full indirect costs.

usefulness and impact that Maliasili's programmatic support had on their evolution, maturation, growth, and improved financial status as an organization.

The power of combining organizational development with strategic finance. The MLCF provides Maliasili with a powerful tool for assisting grantee partners to expand and scale their work and impacts, as well as for investing in their development, growth, and effectiveness. As organizations grow and evolve, their internal systems must evolve equally. Yet, finding resources for this crucial need is difficult. This is a clear gap in the current funding and “capacity building” frameworks for local organizations; one for which the Maliasili/MLCF offers one promising alternative.

Pooled funding and its advantages. The MLCF's pooled funding structure demonstrated a several advantages for participating financiers: (i) enabling greater impact, leverage and efficiency than individual grantmaking; (ii) reducing transactions costs that otherwise would be involved in managing multiple mid-sized or small grants by any one funder; (iii) leveraging an existing portfolio of known, high potential local organizations that would otherwise be challenging for private funders to find, screen and support; (iv) leveraging Maliasili's knowledge, experience, expertise, and productive relationships with credible, local organizations with deep roots in their communities; (v) providing a platform for enhanced collaboration with other donors outside of the pooled funding structure (e.g., USAID); and (vi) offering the funders' foundations access to greater knowledge and learning, amongst others, through engagement with grantees. A further advantage is its potential for providing greater financial stability at the fund-level. A diversified fund model may reduce vulnerability to changing priorities of individual donors or donor fatigue.

Achieving a results-based financing approach⁵. Focusing on results rather than on process is a well-recognized good practice. It provides implementers with the needed flexibility to adapt to changing circumstances and pursue emerging opportunities^{viii}. Results-based approaches may also reduce transaction costs throughout the entire project cycle for all concerned. The Maliasili/MLCF model is a good example of a results-based approach that is based upon, and invests in, the grantees' achieving their organizational priorities. In this model, there is significant upstream investment in time and resources to refine, strengthen and/or develop the individual organizations' business model, strategy, and management capacity. Outcomes from this prior investment include clarity of focus and articulation of the organization's time bound goals (results), how those goals will be achieved (strategy), and the managerial and administrative capacity to meet fiduciary requirements. These then provide the vehicle and framework for investment in the organization's meeting of its purpose and goals which, in turn, delivers on the donor's and organization's aligned goals.

More equitable and trust-based⁶ approaches. The need to build relationships, dynamics, and practices to bridge gaps between donors and IPLC organizations and communities is part of a wider conversation on the importance of shifting away from traditional, hierarchical relationships towards more equitable and trust-based approaches essential to directing more financing to IPLC organizations and communities^{ix}. Here as well, the Maliasili/MLCF model offers a useful example. Maliasili's established relationships and track record with its partners and funders serves as “a trust filter”. It is this trust relationship that underpins and enables the MLCF's flexible, largely unrestricted financing of local organizations. Further, it is a more equitable approach. It imposes no external priorities; supports/strengthens the organization's internal governance and decision-making processes; and minimizes bureaucratic burdens and requirements by requiring no more than what the organization itself requires to understand its performance and impact, and to be accountable to the communities and funders with which it works.

⁵ “Results-based” is utilized here in the sense of “results-based management of projects and programs”, where the focus is on performance and the achievement of results (outcomes and impacts), not in the sense used, for example, in climate finance where funding (payments) is contingent on prior results (e.g., reducing greenhouse gas emissions).

⁶ It should be clear that “trust” does not imply any less attention to due diligence on the part of any of the actors involved. Rather it is about the building up of trust, among others, through respectful, ongoing dialogue, interactions, and a shared journey for achievement of demonstrable results. It is this that allows the depositing of trust in each other, which in turn enables more effective ways of working together, such as the “results-based financing” approach discussed above.

Scalability

Replicability. The potential for replication of the Maliasili/MLCF model in the near-term is modest. Doing so is contingent on the existence and supply of Maliasili-like organizations that have demonstrated commitment, expertise, and success in “*providing customized organizational and leadership development services to organizations working on the frontline of community conservation*”, as well as pre-established trust relationships with relevant local organizations. Absent more focused work to identify such organizations across regions of interest, the assumption is that the potential for near-term replication is modest.

Replication of the Maliasili/MLCF model over the medium-term should be a priority. This, given the “organizational development” gap in the development finance ecosystem, and the centrality of building IPLC capacities to the Pledge. Doing so would require systematic and well-targeted efforts to work with legitimate organizations whose missions are compatible, and that are already on the path of prioritizing “organizational development” of their constituents (e.g., national or regional-level IPLC organizations) or partners (e.g., non-profits like Maliasili). In the absence of such efforts to build out the niche of “accelerators and enablers” this critical gap is likely to persist. On the other hand, well-focused efforts could dramatically increase the medium-term potential for replication of the model.

Expansion. Maliasili’s goals for expansion during the 2022 to 2025 period are to: (i) expand geographic coverage from three to four regions⁷; (ii) triple its portfolio of partners from 30 to 90; (iii) expand its leadership program to train 200 conservation leaders and trial a new program to support emerging talent; (iv) increase grantmaking five-fold and mobilize US\$40 million in new funding for its partners; (v) influence wider conservation funding towards making at least US\$100 million in new funding commitments in support of community-based conservation and local organizations; (vi) increase area of coverage from 35 million ha to 75 million ha; and (vii) double the size of its team and triple their total budget to over US\$15 million by 2025.

Specific to the Maasai Landscape Conservation Fund (MLCF), the plan is to expand the MLCF’s coverage to all four focal geographies where Maliasili will be working and rename it the “Maliasili Conservation Fund” (MCF). The four-year investment target is to obtain US\$25 million in pooled funding to directly finance forty organizations; a 700% plus increase in financing and 550% plus increase in the number of organizations financed.

A significant design change will also be introduced in the grantmaking approach. Where the MLCF provided highly flexible, one-year renewable grants that averaged , the MCF will provide unrestricted, multi-year investments aligned to an organization’s strategic plan in the form of unrestricted, flexible funding for core support, organizational development, and adaptive management. Grants will range from US\$50,000- US\$250,000 per year depending on the size of the organization, and reporting will be based on grant recipients own organizational milestones and strategic plans. Funding of this type, which constitutes a direct investment in the organization itself and its mission, and that neither requires nor demands reporting beyond that which is intrinsically necessary to the strategic management of a well-run organization stands out as an innovation for direct financing of local organizations worthy of note and broader emulation.

Maliasili’s goal-setting for expansion over this period was based on their estimates of existing organizational and absorptive capacity within their four focal geographies. They used the organizations’ current budget sizes and a modest assumption⁸ of what they might realistically be able to absorb in the short-term without overwhelming their internal capacity. MCF financing is to provide “*a catalytic boost and core funding so that they’re absorptive capacity can increase over time*” with the goal that “*organizations whose annual budgets are [currently in the range from less than US\$0.5 million to US\$1 million can] be...put on a path [towards having] a lot of US\$5 to US\$10 million/yr. organizations*”.

⁷ East African savannah rangelands; Kavango-Zambezi Transfrontier Conservation Area in southern Africa; marine environments of the Western Indian Ocean; and Madagascar.

⁸ Depending on current organization size, an increase in the 5% - 20%/yr range was assumed as reasonable.

Also worth noting are the goals of mobilizing new funding for partners and influencing at least \$100 million in new funding commitments. The Maliasili model has proven effective at leveraging in additional donor financing for its partner organizations. This is illustrated by an quote, attributed to the head of a large bilateral donor agency in East Africa who reportedly remarked that *“if Maliasili did not exist, [we] would want to invent it, as it provides [us] with local partners that [we] can work with to implement [our] investment projects”*.

References

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