

Fundo Casa Socioambiental (“Casa Fund” or “the Fund”)

Type: Non-Profit Organization

Global Objective: Sustainable development

Fundo Casa Socioambiental (“Casa Fund” or “the Fund”) is a Brazil-based non-profit founded in 2005. A grant-making institution, it mobilizes financial resources from a mix of private philanthropies, bilateral donors, and NGOs.

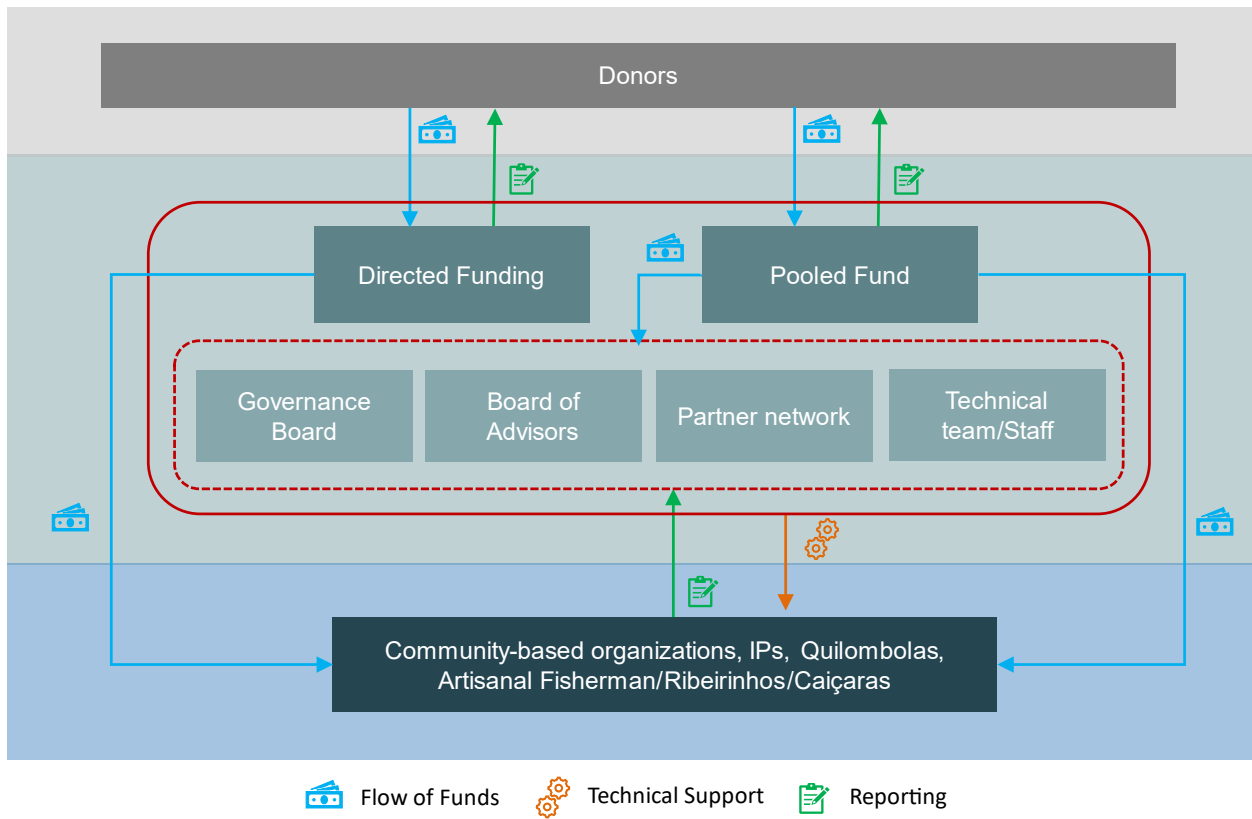


Current Funding Sources	<ul style="list-style-type: none"> • <i>Private Donors:</i> Amazon Watch, Appleton Foundation, Both ENDS, C.S. Mott Foundation, Caixa Socio-Environmental Fund , Climate and Land Use Alliance, Full Circle Foundation, Global Fund for Communities Foundations, Global Greengrants Fund, Gordon and Betty Moore Foundation, Humanize Institute, International Rivers, Oak Foundation, Open Society Foundation, Rainforest Action Network, Tamalpais Trust • <i>Bi-lateral agency:</i> Inter-American Foundation
Annual Turnover	<ul style="list-style-type: none"> • USD 4.5 Million (2021)
Management/Administration Costs – % of total funds	<ul style="list-style-type: none"> • About 15% of grant funding
Scale of Representation	<ul style="list-style-type: none"> • Medium – IP & LC-accountable
Replicability potential	<ul style="list-style-type: none"> • High - The model can likely be widely replicated, as there is no evidence that the demand for small grants and capacity building is being completely met in any context
Absorption capacity	<ul style="list-style-type: none"> • Current: High in relative terms and low in absolute terms¹
Expansion potential	<ul style="list-style-type: none"> • High in relative terms and low in absolute terms²

¹ Casa Fund tripled its grantmaking between 2019-2021 (from around USD 1 million to USD 3.5 million) via strengthening its programmatic and administrative team. A mature organization with deep connections to global philanthropy, the Casa Fund has undergone rapid growth through the last few years and expects to more than double its current financial capacity by 2025.

² Casa Fund can significantly increase the scale of its grants over a period of two to four years; annual grant making is expected to reach USD 7.2 million in 2025

Fundo Casa Socioambiental Fund Flow Diagram



Fundo Casa Socioambiental (“Casa Fund”)

What is the Casa Fund? Fundo Casa Socioambiental (“Casa Fund” or “the Fund”) is a Brazil-based non-profit founded in 2005. A grant-making institution, it mobilizes financial resources from a mix of private philanthropies, bilateral donors, and NGOs.

Global objective (-s): Sustainable development

Organizational objective (-s): Promote environmental conservation and sustainability, democracy, respect for socio-environmental rights and social justice through financial support to civil society initiatives and by strengthening their capacities in South Americaⁱ.

Typology: Accountability – IP & LC-accountable. Scale of target outcome – Strengthening of IP & LC communities and organizations.

Focal region: Brazil and other South American countries³.

Operational context: Recent trends in Brazil have seen marked increases in deforestation, with the annual rate of forest loss in the “Legal Amazon”⁴ almost tripling during the ten-year period ending in 2021ⁱⁱ. This trend endangers the lives and territories of indigenous peoples and traditional communities, who are positioned in defense of their territories and forests. Threats to forest guardians are also on the increase. At a time when mobilization of climate fund investments to protect both the forests and the forest peoples whose protection they receive is quite urgent, the country's principal climate finance mechanisms are paralyzed due to omissions by the Brazilian government on climate policyⁱⁱⁱ. Many of the communities, groups, and individuals most in need of climate finance support find the barriers to applying for and receiving support insurmountable. The vast inequalities in society are reflected in these IP & LC organizations' limited capacities to promote themselves, communicate with and appeal to funders.

How it works: The Fund focuses on supporting groups that traditionally have had less access to donors or other financing sources. These include community-based organizations, Indigenous peoples, Quilombolas⁵, Artisanal Fishermen/Ribeirinhos/Caiçaras⁶, those in extractivist activities and groups of people struggling to maintain the environmental integrity of their territories in rural, urban areas, or by supporting mobilizations and social movements. The Fund strengthens organizations and helps create the conditions for relevant socio-environmental projects to be taken forward in the diversity of biomes and populations in South America.

Financing primarily takes place via calls for project proposal submissions and through the Fund's staff actively searching out opportunities in specific territories and populations of interest, or to support ongoing and promising approaches. A partner network of the Casa Fund – comprised of previous grantee groups, communities and leaders and supported by academics, experts, and NGOs - identifies groups that need support and assists them to prepare projects to submit to The Casa Fund. The partner network and a technical team evaluate the proposed projects.

Most grants ranges are in the USD 3,000 to 12,000 range, though since 2020 the Casa Fund has piloted larger grants in the range of USD 30,000 to USD 100,000. Urgent cases are considered on a case-by-case basis. The Casa Fund provides support to formal, institutionalized associations, informal groups and movements and environmental defenders and indigenous leaders. The funding cycle averages twelve months for project support and six months for emergency support to defenders and advocates. For many communities/ partners, the Casa Fund offers a capacity building program in support of organizational development and strengthening. See Table 1.

³ From 2019-2021, 94% of the Funds support went to communities within Brazil.

⁴ Brazil's Legal Amazon, an area designated by government in 1948, contains all nine states in the Amazon Basin.

⁵ A quilombo is a Brazilian hinterland settlement founded by people of African origin.

⁶ Respectively, riverside communities in the Brazilian Amazon and Caiçaras communities in coastal SE Brazil.

Table 1. Fundo Casa Socioambiental Summary

Financing process	<ul style="list-style-type: none"> • Call for projects -> technical analysis -> approval -> transfer of resources
Duration of funding	<ul style="list-style-type: none"> • Average of 12 months to support projects and 6 months for emergency support (to human rights defenders and advocates at risk)
Funding Amounts	<ul style="list-style-type: none"> • Common donations: from approx. USD 3,000 to USD 12,000. • One-off donations: between approx. USD 30,000 and USD 100,000 (pilot experience).
Capacity building	<ul style="list-style-type: none"> • Workshops on administrative, financial, and organization management; and relevant special topics
Accountability, Projects	<ul style="list-style-type: none"> • For support of up to USD 8,700 (most cases), the Casa Fund passes on 90% of the resources on contract signing and 10% at project end, following presentation of final report and accounting. • For support above USD 8,700, the Casa Fund passes on 50% at contract signing, 45% following approval of an intermediate progress report, and 5% after approval of the final report and accounting. • Urgent cases/emerging needs are analyzed on a case-by-case basis.
Accountability, the Casa Fund	<ul style="list-style-type: none"> • Annual external audit publicly disclosed • Annual Reports, with disclosure on financial execution, publicly disclosed • Periodic external evaluations to assess programmatic areas and efficiency in use of financial resources • Preparation of annual and quarterly Budget Forecasts, with projection of Revenue and Expenditure made from a financial database and projects that provides several financial studies. • Elaboration of annual and quarterly budget forecasts, with revenue and expenditure projections based upon scenarios derived from financial and project database.

Governance: Decision-making is led by the five-person Governance Board comprised of Brazilian CSO representatives and local leaders^{iv}. The Board evaluates the entities recommended for funding by the staff and advisory committee to ensure a more comprehensive distribution of the grants; and prioritizes the allocation of resources based on the political, social, and economic needs of communities. They receive the communities' project submission, guide programmatic priorities, and ensure the Fund's activities maintain an IP & LC perspective. In addition, it has the power to veto and weigh in on the selection of projects. A sixteen-person Board of Advisors lends its skills, guidance, and knowledge to the Board on policy, strategy, and pathways for the achievement of the Fund's goals.

Priorities: The Fund's priority target group, since its inception, has been vulnerable populations and local organizations with low institutional budgets and limited access to philanthropic resources.

The Governance Board, Directors, and staff/ operational team meet annually to define priorities and action plans. The Casa Fund has six strategic axes (see below), cross-cut by gender and youth issues, focused in five geographic areas (Amazonia, South America, communities, rivers and oceans and cities): (1) Defenders and Advocates of the Environment and Climate Justice; (2) Capacity Building; (3) Protection of Territories, Human Rights and Nature; (4) Resilience in Climate Change; (5) Proactive Actions for Sustainable Solutions; and (6) Monitoring and Participation in Public Policies.

Primary Outputs/Outcomes:

- From 2003 and through 2021, the Casa Fund has supported 2,777 projects in nine South American countries, providing some USD 15.1 million in grant funding in support of local initiatives; 52% of these projects and 63% of total funding were for projects supported in the period from 2018 through 2021^{vi}.
- In 2021 alone, the Casa Fund held four rounds of calls for proposals, receiving 876 submissions, from which 462 were selected for support, with USD 3.54 million in financial assistance provided. The majority of the projects financed supported Indigenous peoples, defenders of the environment and climate justice, Quilombolas, and citizen activists and networks^{vii}.
- In 2020 and 2021, the Casa Fund's capacity building program – with a strong focus on organizational development in networking, financial management and accountability, administrative management, and institutional strengthening and development – provided seventy workshops to one-thousand individuals from four-hundred organizations^{viii}. As most of the Casa Fund's grantees are first-time grantees, the capacity building program's central objective is to assist the supported groups to be able to increasingly manage their own organizations and receive direct financial support from other institutions.
- In 2019 Casa Fund grantees identified the top five impact areas from the Fund's support as being: increased visibility; institutional strengthening: the mission and management processes; strengthening/expanding networks of partners; and enhanced networking with local actors and within decision-making spaces.^{ix}
- The Casa Fund is one of the most active organizations in support of development and application of consultation protocols for Indigenous Peoples and traditional communities as per ILO Convention 169.
- With Casa Fund support, a now well-known organization, the Munduruku Wakoborun Women's Association, was created to strengthen indigenous women's struggle against major infrastructure projects, support the implementation of Life Plans⁷, and the inclusion of women in political decision-making bodies.

Funding sources: Family philanthropic organizations, national and international NGOs, foundations and large donors active in the environment, climate change and human rights, including: Amazon Watch, Appleton Foundation, Be The Earth Foundation, Both ENDS, Charles Stewart Mott Foundation, Climate and Land Use Alliance – CLUA, *Embassy of France in Brazil*, *Royal Embassy of Norway in Brazil*, *Fondo De Acción Urgente* – FAU, *Foundation de Luxembourg*, Frontline Defenders, Full Circle Foundation, Caixa Socio-Environmental Fund, Global Fund for Communities Foundations, Global Giving, Global Greengrants Fund, Gordon and Betty Moore Foundation, Humanize Institute, IAF – Inter-American Foundation, *Instituto Sociedade, População e Natureza* – ISPN, International Rivers, Oak Foundation, Open Society Foundation, Porticus, Prism The Gift Fund, Rainforest Action Network, Rockefeller Philanthropy Advisors, Synchronicity Foundation, The Roddick Foundation, The Savitri Waney Charitable Trust, Tamalpais Trust, Thousand Currents, Wellspring Philanthropic Fund, and WWF Brazil.

Financial mechanism: The Casa Fund both pools funding, as well as receives directed funding⁸, from a range of donors (see above) and regrants to smaller entities and IP & LCs. Almost 83% of the Fund's budget was allocated to grantees (77% toward direct donations and 6% toward capacity building), almost 2% toward network strengthening and almost 15% allocated toward operating costs and administrative costs. Nearly 1% of the overall budget was directed toward institutional strengthening, including communications, studies and evaluations. See Annex I.

Annual turnover: In 2021, The Casa Fund reported annual expenses of USD 4.5 million. Direct donations to communities totaled USD 3.5 million and capacity building for partners utilized almost USD 0.3million. Operations and administrative costs for the Casa Fund totaled almost USD 0.7 million.

⁷ In the 1990s indigenous people across the Amazon began developing "Life Plans", which are long-term development plans designed to cultivate indigenous economies built on sustainable, traditional practices like the harvesting of Brazil nuts or acai, the creation of handicrafts, and a great diversity of others.

⁸ Examples of directed funding in 2021 include funds from Both ENDS for management, training of groups and support in partnership with an organization located in Bolivia, and from Amazon Watch for directed donations.

Absorption capacity: High in relative terms and low in absolute terms. The Casa Fund has tripled its grantmaking between 2019-2021 (from around USD 1 million to USD 3.5 million) via strengthening its programmatic and administrative team. A mature organization with deep connections to global philanthropy, the Casa Fund has undergone rapid growth through the last few years and expects to more than double its current financial capacity by 2025.

What works:

- High-trust model built from close collaboration between the Casa Fund and communities, enabling linking of donors (often international) to the “grassroots”.
- Capacity building support for partners/grantees to build basic institutional capacities.
- Continued investment, networking, and collaboration with its broad partner network of prior grantees – who are now more experienced and empowered communities – creates value for both the Casa Fund and new grantee partners. Amongst others, the Casa Fund network of partners plays a role in assisting to identifying and mapping new groups that need the type of initial support that the Casa Fund can provide and connecting them to the Fund.
- The Fund is able to supervise and validate a large number of small, geographically dispersed, and often remote projects⁹ due to their strong approach to database management, agile communications between Fund staff and grantees (e.g., through instant messaging apps), workshops for question-and-answer, as well as regular field visits that help them to stay updated and connected to the communities and organizations.
- The Fund’s database supports both programs and the coordination of finances. It contains information about funders, contracts, project registration, registration of reports and indicators that map and monitor the profile of supported organizations and projects. These data serve to support the daily management of each project and provide information for the monitoring and evaluation of supported projects, serving as a fundamental tool to produce strategic information and to assist in decision-making for resource mobilization. With this tool, the Fund monitors and evaluates its projects based on a series of indicators, which aims to measure the impact of the donation made on the groups of sites, observing in detail the results of the projects. The diversity and complexity of this monitoring is only possible with constantly organized and up-to-date data and information.
- Reporting by grantees is kept simple. Depending on the size of the project, grantees are expected to submit one or two reports during their annual projects. For smaller grants (up to about USD 7,200), the organization only needs to send a final report. If the support is above USD 7,200, the organization sends an interim report and a final report at the end of the project.
- The Fund is successful at avoiding overburdening their grantees with bureaucracy on one side, while satisfying their wide range of donors that appropriate due diligence is being carried out, and that their funds are having an impact. Amongst others, this translates into a more flexible approach in terms of M&E, one which grantees interviewed reported was within their capabilities to implement (vs their feeling of being overwhelmed by the requirements of other donors, where experience was had with other donors).^x
- The Casa Fund works collaboratively to extend its influence and exchange experiences and learning with other funds from the Global South. In partnership with the Baobá Fund and the Brazil Human Rights Fund, The Casa Fund launched the *Aliança entre Fundos*^{xi} Initiative, which proposes a new way of working in the philanthropy ecosystem in Brazil - a collaborative philanthropy for the achievement of social justice - with a focus on promoting direct resources for Indigenous Peoples, *Quilombolas* and other traditional communities more vulnerable to the COVID-19 pandemic. Together with 9 organizations, The Casa Fund is also part of the Socio-Environmental Funds of the Global South^{xii}, an initiative that brings together independent socio-environmental funds from around the world. The Alliance advocates protecting the planet by providing resources to local organizations which face the negative impact of environmental devastation while proposing sustainable alternatives to protect the rights and territories of communities across ecosystems.

⁹ The Fund managed an average of 500 projects per year between 2020-2021. In 2021 alone, the support reached 414,688 families served by projects.

Strategic Insights

Trusted intermediaries and empowered communities: In order for funds to arrive at the point of impact (i.e., communities/grantees) as rapidly as possible, donors can rely on both trusted local funds (e.g., The Casa Fund) and communities empowered by these funds via capacity building and organizational development. When funders actively listen to communities to better understand their realities, funding processes and requirements can be better adapted to the diverse contexts and realities of IP & LCs. This can include increased representativeness within funding organizations, visits to IP & LC territories/communities and the support of trusted intermediaries such as The Casa Fund.

The communities most at need of financing face many obstacles. These include unrealistic rules (e.g., procurement rules requiring multiple quotes, impractical limitations on necessary expenses such as fuel), monitoring and evaluation requirements, highly-bureaucratic procurement processes and difficulties communicating directly with donors, including challenges with language and online systems. Communities/grantees must be supported to develop capacities in administrative and financial management, communication, information technology, proposal writing and fundraising.

IP & LCs may be challenged to communicate how their local actions contribute to the global outcomes that are most tangible to donors. This includes how local agroecological approaches and their defense of territorial integrity contribute to climate change mitigation. Monitoring and evaluation, by grantees/communities in particular, presents challenges. At times, the indicators and metrics utilized do not adequately measure the impacts most relevant to communities in highly diverse, local contexts. Supporting practical monitoring, evaluation and learning capacities of IP & LC organizations to measure indicators relevant to them and their communities can support structuring of medium-long term activities and help them expand their access to funding.

More continuous support and local income generation can better drive structural change. Short-term, emergency funding is appropriate for crises and immediate needs but cannot support the long-term efforts and projects that communities undertake. Longer-term support and support for activities that strengthen sustainable production chains and generate income for communities are needed to support communities to go beyond short-term and emergency financing.

Financing and accompanying accountability processes must be adapted to the reality of IP & LCs (i.e., more flexible, responsive to local conditions and less onerous) or in part mediated by trusted intermediaries (e.g., The Casa Fund). The Casa Fund acts as a key facilitator of grantees to be able to access funding from international donors. The flexible approach utilized by The Casa Fund includes adapting deadlines and the language of project calls and supporting institutional strengthening to respond to project and grant compliance needs. Additionally, The Casa Fund actively searches for strategic and impactful projects, ensuring that the proposal process for open project calls does not present a limitation for grantees. For larger grants (>~USD 28,000-100,000) the Casa Fund selected organizations with more organizational maturity and a greater capacity to manage resources and projects. Even so, The Casa Fund found that these organizations require flexibility in project execution, as they are in the learning process of managing these larger, more complex projects. Additionally, the increased professionalization of these organizations demands greater upkeep and resources, which represent indirect costs that many donors do not fund, to maintain and grow these capacities.

Scalability

Replicability. High – The model employed by the Casa Fund can likely be widely replicated, as there is no evidence that the demand for small grants and capacity building is being completely met in any context, even in areas where organizations such as the Casa Fund are most active. A consistent comment during interviews was “we need more funds like the *Fundo Casa Socioambiental*.”

At the same time, the basis for replicating the type of model employed by The Casa Fund, both inside and outside the Fund’s focal region, appears to be in place. The Casa Fund and others found globally with a similar strategy and focus (e.g., Global Greengrants Fund, Samdhana Institute) demonstrate a strong openness to sharing operational advice and information, as needed, for others to replicate this model. The Casa Fund is most active, and best equipped, to reach communities and individuals that lack strong

networks, access to external resources and experience as grantees. The organization provides mostly small grants to address short-term needs and capacity building primarily focused on financial, administrative, and project management skills and abilities, which in their turn allow organizations to better attempt donor compliance requirements. This type of organization builds community capacities to accomplish locally significant projects, access outside financial resources and be an active part of a growing network of similar grantees and communities. In doing so, they are providing new local partners that larger funders within the broader financing ecosystem can work with to implement their investment projects.

Expansion: The Casa Fund can significantly increase the scale of its grants over a period of two to four years via strengthening of its internal team and the development of new internal policies and procedures. As a priority for the coming years, the Fund aims to increase the amount of funds raised to reach more communities. For the medium term, grants are expected to reach the amount of USD 7.2 million in 2025.

References

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- ⁱⁱ http://terrabrasilis.dpi.inpe.br/app/dashboard/deforestation/biomes/legal_amazon/rates
- ⁱⁱⁱ <https://blogs.law.columbia.edu/climatechange/2021/12/01/a-new-climate-litigation-claim-in-brazil-raises-the-pressure-for-increased-climate-action-and-protection-of-the-amazon-rainforest/>
- ^{iv} <https://casa.org.br/en/about-us/board-of-directors/>
- ^v Fundo Casa Socioambiental. 2022. Our structure. <https://casa.org.br/wp-content/uploads/2022/07/nossa-estrutura-en.pdf>
- ^{vi} <https://casa.org.br/en/work/our-numbers/>
- ^{vii} Ibid.
- ^{viii} Fundo Casa Socioambiental. 2022. Annual Report. <https://casa.org.br/wp-content/uploads/2022/08/eng-annual-report-2021.pdf> ^{ix} <https://casa.org.br/en/work/our-impact/>
- ^x There are tradeoffs in terms of being able to measure or quantify outcomes and results on the project level, but for the Casa Fund's purposes, which are to reach and support groups that traditionally have had less access to donors or other financing sources (and using their small grants to assist these groups to "learn by doing" and build capacity), simpler input/output types of monitoring and reporting, coupled with other data sources (e.g., staff field visits) has proven to work well in their context.
- ^{xi} <https://aliancaentrefundos.org.br/>
- ^{xii} <https://www.alliancemagazine.org/blog/global-south-environmental-and-justice-funders-join-together-to-launch-fundos-del-sur/>