

URL: <https://stv.stanford.edu/clips/sustainable-finance-models>

According to Executive VP Jennifer Morris, Conservation International focuses on creating long-term, sustainable mechanisms to power growth, because offering only "short-term grants will probably lead to short-term success." In this clip, Morris explains how tapping a nation or corporation's "enlightened self-interest" can be a component to creating successful endowment funds to support communities and conservation.



Transcript

So this fund specifically is not necessarily a revenue generating fund in the sense that it's trying to make a profit.. It's trying to make sure that it has sufficient resources to continue providing resources to those communities upstream so they won't deforest, recognizing there's an opportunity cost to preserve the forest.. So it's not necessarily a profit model.. It's really about sustainable financing.. So the funding that's going into that is coming from the Chinese government.. There's a percentage of money from the dam companies that is also going into that because remember this is not about CSR for them.. This is about ensuring that siltation and sedimentation into the water stops because it's much more expensive for them to try to fit or to clean up the dam than it is for them to stop deforestation.. So this is all about enlightened self-interest.. They recognize this is critical.. So they're putting money into that fund..

Marriott is putting money into the fund again because they're using a lot of water from this area and then CI is raising its own resources to put into that fund.. So that's the whole model.. But to your general question, we look at cost benefits across the whole organization, so depending on what we're trying to do.. As a non-profit, we're trying to create mechanisms that will be sustainable.. A key part of our work that I didn't mention is our work in related to setting up trust funds and endowment funds.. Because we recognize that short-term grants will probably lead to short-term success.. So ensuring longevity and creating endowment funds which can be invested in capital markets.. And instead of using the principal, we just use the interest that's earned every year on that.. So we're doing that all over the world.. We have a \$100 million fund that was financed by the Gordon and Betty Moore Foundation specifically for creating trust funds for different projects all over the world...