

Small Grants in Brazil: What works best?

Since 1993, Global Greengrants Fund has made thousands of grants in more than 100 countries. To learn more about the impact of its grants, Greengrants commissioned a study in 2005 to analyze more than a decade of grantmaking in Brazil.



SMALL GRANTS IN BRAZIL:

Greengrants makes small grants to grassroots and community groups, often at the beginning stages of their work. Though we learn the immediate results of these grants from grantee reports, we often know little about long term impacts:

How effectively have these grants helped build the environmental movement in Brazil? What kinds of grantmaking strategies have worked best?

To answer a range of such questions, Greengrants hired independent analyst Flavio Fefermann to report on the successes and shortcomings of its Brazil grantmaking. Mr. Fefermann has dual citizenship (Brazil and U.S.), an MBA and a Masters in Economics, and has more than 15 years of experience in project consultation.

The Greengrants Model: Trusting the Wisdom of Local Advisors

The Greengrants model relies on the generous participation of more than a hundred volunteer advisors around the world who identify local organizations that can make effective use of a small grant (usually \$500 to \$15,000).

In Brazil, a team of advisors has been working together for most of Greengrants' existence and has a wealth of experience and observations to draw on. This team, drawn from a range of organizations, has worked to nurture the growth of new organizations that can complement its work and help build a healthier environmental movement.

This study began with a series of interviews with our Brazil advisors, and then widened to include conversations with grantees, Greengrants staff and other Brazilian and international organizations.

Greengrants hopes that the report will be useful in helping to hone our grantmaking in Brazil and elsewhere, and we also hope it is helpful to other social change grantmakers. All grantmakers struggle to make the best possible decisions based on local needs and opportunities, and in a way we are all pioneers with very little data to help us know what choices will lead to the best long-term results. Though our Brazil experience will not always be directly applicable elsewhere, many lessons will certainly be relevant.

Interviews

GREENGRANTS BRAZIL ADVISORY BOARD (NOW CASA)

GREENGRANTS GLOBAL ADVISORY BOARD

GREENGRANTS INTERNATIONAL FINANCIAL INSTITUTIONS ADVISORY BOARD

BRAZIL GRANTEES

CERRADO PROGRAM

GLOBAL FUND FOR WOMEN

FASE SMALL GRANTS PROGRAM

FORD FOUNDATION

INSTITUTO SOCIO AMBIENTAL

BOTH ENDS

ELIANA REDE MATA ALTANTICA

THE NATURE CONSERVANCY

WHAT WORKS BEST?

Assessing Grant Strategies

The main goal of this study was to assess four primary grantmaking strategies: **capacity building, networking, advocacy** and **direct service**. These are discussed in detail on the next page spread.

Participants emphasized the interrelationships among the four strategic approaches. For instance, networking strategies usually require capacity building, and successful advocacy often depends on effective networks.

Participants also emphasized that the best strategy depends on the context and issue. For example, capacity-building strategies are seen as more important in places with few existing groups. Networking strategies are more effective when several groups are already working on an issue, and advocacy is most effective at critical moments as opportunities to influence policy arise.

The study found general agreement among participants that a well-designed small grants program can be an effective way to support social change over time.

Participants agree that one grant in isolation is not as effective as a cluster of mutually supportive grants.

Participants disagreed on whether it is best to concentrate funding on issues and places where a critical mass of environmental activity exists. Some participants felt this was more effective, while others felt that Greengrants should focus on areas that are underfunded or neglected.

GREENGRANTS PLAYS AN INVALUABLE ROLE IN BRAZIL: ACCORDING TO PARTICIPANTS, GREENGRANTS IS STILL ONE OF THE FEW ORGANIZATIONS PROVIDING SMALL GRANTS FOR GRASSROOTS ENVIRONMENTAL ORGANIZATIONS IN BRAZIL. GREENGRANTS IS UNIQUE IN ITS USE OF VOLUNTEER ADVISORS TO IDENTIFY GRANTEEES—AND IN ITS RESPONSIVENESS TO LOCAL NEEDS AND INTERESTS. ITS ABILITY TO MAKE GRANTS QUICKLY, WITH MINIMAL RED TAPE, HAS PROVIDED INVALUABLE SUPPORT TO SMALL, COMMUNITY-BASED GROUPS THROUGHOUT BRAZIL. AN AVERAGE GRANT OF ABOUT \$3,000 IN BRAZIL REPRESENTED MORE THAN HALF OF THE AVERAGE GRANTEE BUDGET, THUS GIVING A SIGNIFICANT BOOST TO THESE ORGANIZATIONS AND GENERALLY OFFERING A HIGH RETURN ON INVESTMENT EVEN AT MODEST LEVELS OF FUNDING.

HOW GRANT STRATEGIES

ACCORDING TO BRAZIL BOARD MEMBER ALCIDES FARIA, MORE THAN HALF OF BRAZIL'S MOST IMPORTANT ENVIRONMENTAL ORGANIZATIONS TODAY WERE ONCE GREENGRANTS RECIPIENTS.

BRAZIL ADVISORS WILL OFTEN RECOMMEND GRANTS TO SEVERAL ORGANIZATIONS WORKING ON THE SAME ISSUE TO ENCOURAGE COLLABORATION, NETWORKING AND A BROAD RANGE OF PARTICIPATING VOICES.

Capacity-Building Grants

Grants to help build capacity of startup groups received high marks from both Greengrants advisors and outside observers. These are often general support grants that might allow a group to hire or train staff, for instance.

- **Speed organizational development and increase survival rates.** Greengrants often provides a group's first grant, coming at a time when the group has marshaled volunteer energy and is able to launch itself with tremendous momentum.
- **Take organizations to the next level and leverage further funding.** Small grants help increase the confidence of organizations, allowing them to chart a path toward greater effectiveness, continued growth, and increasing influence. A grant brings credibility with other donors, as well.
- **Ensure continuity of work. Grants that allow groups to hire or maintain staff can help reduce reliance on volunteers and increase accountability.** Many participants in the study noted the value of Greengrants' willingness to allow grantees to use funds for operational needs, unlike other funders.
- **Capacity-building grants can help an organization increase its visibility within the community and, in turn, increase community engagement.** Grants can allow groups to gain the skills to conduct more sophisticated and effective public information and awareness programs.

Advocacy Grants

Grants to support advocacy gained the highest rating from outside observers, but were ranked third by Greengrants advisors. Greengrants is one of only a few grant sources for advocacy activities in Brazil.

- **Alter the balance of power in key policy debates.** Advocacy grants help mobilize groups, give them greater credibility, and provide resources to facilitate community participation, often keeping public pressure on policy makers.
- **Increase public awareness of important issues.** Advocacy grants, especially when tied to networking efforts, can play a critical role in bringing environmental issues to regional or national prominence.
- **Help change or stop harmful projects or practices.** Perhaps the most visible direct impact of advocacy grants has been to alter the course of proposed development projects with serious environmental consequences. Advocacy grants help groups conduct highly focused work on important local projects.

MEASURED UP

Networking Grants

Grants to strengthen networks of organizations were ranked second by Greengrants advisors and third by outside observers. Greengrants' Brazil advisors have made a long-standing effort to make grants that support networks directly, allowing them to better coordinate activities and become more effective hubs for regional collaboration.

- **Ensure the survival of networks where funds are limited.** Greengrants has been able to step in at critical moments and make grants to ensure the survival of existing activist networks struggling for financial support.
- **Support the formation of networks at critical moments.** Network grants have been effective helping organizations join together in collaborative initiatives to take advantage of unique or urgent opportunities.
- **Help networks gain representation in important policy councils.** Small grants to networks have helped them get seats at the table and better representation for constituent groups when governments solicit input on policy decisions.
- **Enable small organizations to plug into existing networks.** Funds granted to groups wishing to participate in networks can benefit both the group, which gains access to network resources, and the network, which broadens its constituency and reach.

Direct Service Grants

Grants for providing direct services received the lowest marks from Greengrants advisors and from outside observers. Study participants agreed that direct service grants were a costly way to support the environmental movement, especially given the limited funds available in Brazil.

- **Support activities that are relevant to local interests.** Projects such as recycling programs, sustainable forestry and environmental education can often be started with small amounts of funding and are often highly valued by community members. These projects are often people's first exposure to concepts of sustainability.
- **Support innovative projects that can be replicated.** Direct service grants can fund new and creative approaches to solving local challenges, and these solutions may have potential for replication.
- **Help build the environmental movement at the grassroots level.** Direct service projects enable local groups to gain organizational skills, build local constituencies and gain better access to funding from other sources.

BRAZIL'S ENVIRONMENTAL MOVEMENT HAS TENDED TO BE HIGHLY COLLABORATIVE, WITH SMALLER GROUPS JOINING FORCES PERHAPS MORE READILY THAN IN OTHER COUNTRIES. NETWORKING ACTIVITIES HAVE BETTER RESULTS WHEN THERE IS A CLEAR FOCUS AND OBJECTIVE. GRANTS WITH VAGUE OBJECTIVES SUCH AS NETWORK STRENGTHENING ARE LESS EFFECTIVE THAN GRANTS WITH SPECIFIC GOALS AND A CLEAR PLAN.

DIRECT SERVICE GRANTS ARE SEEN AS MOST VALUABLE WHEN DESIGNED TO BUILD A GROUP'S CAPACITY OR WHEN MADE IN TANDEM WITH SUPPORT FROM OTHER SOURCES.

STRENGTHS, WEAKNESSES

Characteristics of Successful Grantees

GRANTEE WITH A TRACK RECORD, HOWEVER BRIEF, AND COMMITMENT TO THE ISSUES

CLEAR OBJECTIVES AND THE ABILITY TO FORMULATE A PLAN AND MANAGE THE PROJECT

GOOD LEADERSHIP ABILITIES OF KEY PEOPLE IN ORGANIZATION

EXPERTISE ON ENVIRONMENTAL ISSUES EVEN IF ONLY AT LOCAL LEVEL

STRONG LINKS TO THE COMMUNITY AND GOOD LOCAL SUPPORT

ORGANIZATIONS THAT COMBINE SOCIAL AND ENVIRONMENTAL DIMENSIONS

Strengths of Brazil Program

- One of the only programs in Brazil that focuses on building the capacity of small, grassroots environmental organizations and their networks
- Grants are not strictly tied to projects – unique approach
- One of the only grant programs in Brazil to support environmental advocacy, often an effective strategy for promoting change
- Regional advisor model links Greengrants advisors with local organizations
- Decentralized model facilitates local decision making
- Deep understanding of local issues
- Trust and access to local environmental networks
- Greengrants advisors' reputation in Brazil provides high level of credibility
- Fast turnaround enables support at critical times
- Minimal bureaucracy and virtually no lead time
- Other small grants programs (GEF, GFW) require several months to evaluate proposals and disburse grants
- Grants can address emerging and emergency situations
- Flexibility in the use of funds

Weaknesses of Brazil Program

- Advisors have limited time and resources to devote to Greengrants activities such as grantee selection, mentoring, monitoring and evaluation
- Restricted selection process is based on personal contacts and may not be reaching deserving organizations
- Evaluation and feedback process could be more structured
- Need better coordination with Greengrants Global and IFI boards, which also make grants in Brazil
- Unclear guidelines for follow up funding

AND NEXT STEPS

Greengrants' Legacy in Brazil to Date

- Support for creation of a new generation of organizations and leaders in Brazil
- Support for the growth of environmental networks and key organizations in networks
- Support for Greengrants advisors' organizations, now key players in the movement
- Clear influence on many fronts, including the Paraguay-Paraná waterway, São Francisco River, Prodetur, Barra Grande and the IADB Pantanal Program
- Improved public participation in major policies, such as Prodetur community councils, the São Francisco basin council, and CONAMA

Next Steps

In 2005, Greengrants Brazil advisors formed an independent Brazil-based organization, CASA, that will carry on its grant program as a separate organization with its own strategic goals and a cast of new Brazilian and international donors. The report will enable CASA to move forward with confidence in its approach.

To address aspects of this study, CASA is now experimenting with a new monitoring system that will track a set of grants in northeastern Brazil. The system is designed to improve documentation of grantee progress without creating undue costs or other burdens for grantees or CASA.

CASA also is experimenting with using existing grantee partners to help identify and work with new grantees. In fact, more than 20 such groups are founding members of CASA. This will help distribute workload, improve reach and create a broader base of partners with grantmaking and monitoring expertise.

To improve coordination among CASA and the Greengrants advisory boards that also make grants in Brazil (the Global and International Financial Institutions boards) each will now be sharing proposals in advance and increasing dialogue on key issues and initiatives.

Building Social Capital

THE CONCEPT OF SOCIAL CAPITAL PROVIDES A USEFUL FRAMEWORK FOR UNDERSTANDING THE LONG-TERM INTENT OF GREENGRANTS' BRAZIL ADVISORS. MUCH OF THEIR GRANTMAKING HAS BEEN DESIGNED TO HELP WEAVE A FABRIC OF SOCIAL CAPITAL THAT CONNECTS A WIDE RANGE OF ORGANIZATIONS WORKING ACROSS BRAZIL. THE BRAZIL TEAM HAS NURTURED A VISION FOCUSED ON USING ITS GRANTS TO BUILD MOVEMENTS, NETWORKS AND RELATIONSHIPS AMONG GROUPS AND INSTITUTIONS. THE RESULTS OF THIS STUDY INDICATE THAT THEIR PATIENT EYE TO THE LONG VIEW HAS MADE A DIFFERENCE AND IS STILL REGARDED AS THE MOST EFFECTIVE GRANTMAKING APPROACH FOR BRAZIL, WITH ITS HIGHLY COLLABORATIVE AND ENGAGED CIVIL SOCIETY.

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A GREENGRANTS
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