

Oak Foundation

# Environment Programme Evaluation

Executive Summary

September 2015



This external evaluation was conducted by a team led by Cascadia Consulting Group, Inc., at the request of the Oak Foundation Environment Programme.

Authors:

Nora Ferm

Marc Daudon

Imen Meliane

Amy Solomon

Kendra White

## Acronyms

CFP	Common Fisheries Policy
COP	Conference of the Parties
ECF	European Climate Foundation
EIA	U.S. Energy Information Administration
EU	European Union
GHG	Greenhouse gas
IEA	International Energy Agency
INDC	Intended nationally determined contribution
IUU	Illegal, unreported and unregulated fishing
MPA	Marine protected area
MSC	Marine Stewardship Council
NGO	Non-governmental organization
OECD	Organization for Economic Cooperation and Development
PO	Programme officer
ROI	Return on investment
SFP	Sustainable Fisheries Partnership
UNFCCC	United Nations Framework Convention on Climate Change

# 1. Introduction

This is an Executive Summary of a full evaluation conducted for the Oak Foundation in 2015. The evaluation provided an external assessment of the impact of the Oak Foundation's climate and marine philanthropy from 2009 to 2014, and the effectiveness of the strategies, internal structures, and approaches deployed.

The lessons learned are also intended to guide the formation of a new strategic framework to guide grant-making to 2020. Thus, this review was intended to not only reflect on past programming and the Oak Foundation's role in environmental philanthropy, but also to update the understanding of baseline conditions, highlight important trends, needs, and opportunities, and identify ways to increase impact.

The evaluation method was centered on interviews, desktop research, and a document review. The scope was not comprehensive; it focused on grants and initiatives that were of most interest to Oak leadership, and that had not been subject to a recent in-depth project evaluation.

This Executive Summary is intended for external audiences, and does not include the sections covering the Foundation's internal processes and operations.

## THE OAK FOUNDATION'S ENVIRONMENT PROGRAMME

The mission of the Oak Foundation is "to address issues of global social and environmental concern, particularly those that have a major impact on the lives of the disadvantaged."

Environment was one of the first two program areas established at the Foundation. The Environment Programme's grant-making focuses on two main areas: climate change mitigation and marine resource conservation. From 2009 to 2013, Environment Programme grants made up approximately 19-25 percent of the Oak Foundation's annual grant-making. A large special initiative grant to ClimateWorks Foundation in 2014 made that an anomalous year, with over 44 percent of all grant dollars going to environment grants. Figure 1 and Figure 2 show the geographic breakdown of the grants in the climate change and marine sub-programmes.

In five of the last six years (all but 2014), there have been a few more marine grants than climate grants. However, in five of the last six years (all but 2013), more dollars went towards climate grants than to marine grants. Of the \$186.8 million in Environment Programme grants from 2009 to 2014, approximately \$101.9 million, or 54.5 percent, were for climate grants, and \$67.1 million, or nearly 36 percent, went towards marine grants. The remainder was categorized as "other" or Joint India Programme.

Approximately \$7 million of the annual Environment Programme budget is reserved for opportunistic grants; this funding is primarily managed by the Trustee. Opportunistic funding tends to be used for global efforts and/or near-term or unanticipated opportunities in priority geographies.

Figure 1. Oak climate change grants from 2009-2014, by geographic classification (in millions).

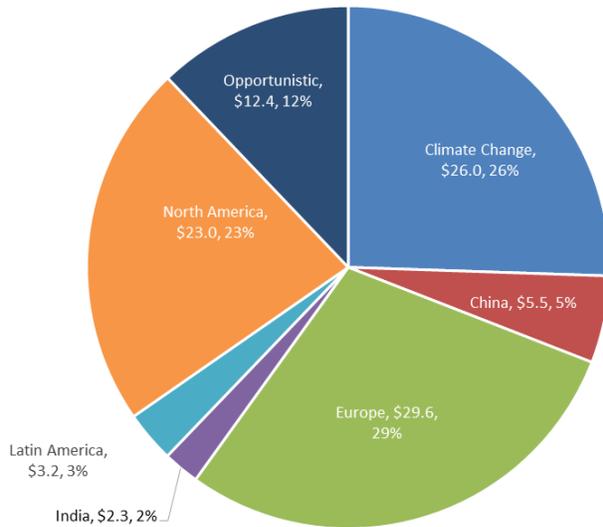
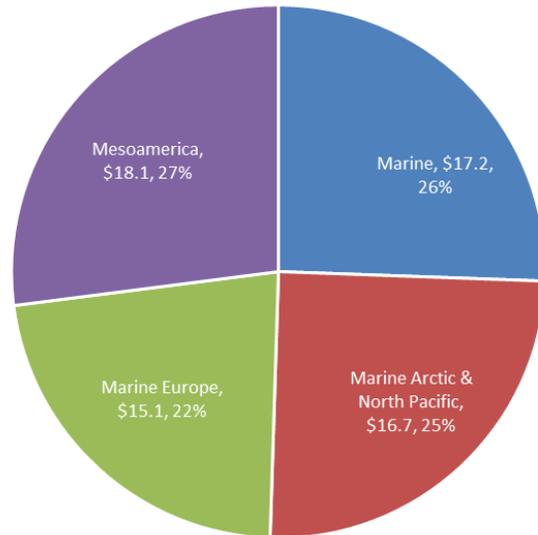


Figure 2. Oak marine conservation grants from 2009-2014, by geography (in millions). Does not include marine-related grants classified by Oak as “other” Environment grants.



## 2. Evaluation Approach

The evaluation was guided by the following over-arching questions as set forth by the Oak Foundation Environment Programme:

1. What were the overall impacts of Oak’s Environment Programme grant portfolios and were these impacts closely aligned with the strategic goals outlined in its 2009 Strategic Framework?
2. What are the main roles that Oak’s Environment Programme has been playing in the larger philanthropic landscape related to climate change and marine conservation? And of these, what are those most critical for success and valued by others?
3. What was the relationship between the internal structure of the Programme and the strategic goals? Did that structure serve to advance the strategic goals?

The evaluation was necessarily limited in scope, given that it did not involve any field visits and did not cover all Environment grants. It focused on grants and initiatives that were of most interest to Oak leadership, and that had not been subject to a recent in-depth project evaluation. The evaluation did not include a close examination of the impact of sub-grants made through intermediary organizations; this would be a worthwhile focus for a subsequent evaluation.

## DOCUMENT REVIEW

The team reviewed over 30 documents provided by Oak as background. These included 13 evaluations, several of which were progress or performance evaluations rather than impact evaluations. We also reviewed 10 program strategies, and recent annual reports. The team undertook desktop research to document changes in conditions relative to Oak's 2009 high-level goals, and gathered data from the Foundation Center.

## INTERVIEWS

The consultant team conducted 50 structured interviews with staff, grantees, peers, and partners to assess the perceived impact, effectiveness, comparative advantage, strengths, and weaknesses of Oak's Environment Programme grants and operations. Interviewees were also asked to comment on trends in the field, needs, and opportunities, in order to inform the development of the Programme's new strategic framework.

The interviewee list was comprised primarily of individuals suggested by Oak and secondarily of those recommended by the consultant team. Interviewees were informed that the information they provided would be treated as confidential and would not be directly attributed to them or their organization in this report.

While information sources were triangulated where possible to check for consistency and thereby increase validity, rigorous verification was not possible with the information available. Only a few individuals were interviewed on any given topic. Furthermore, without a counterfactual, we can assess plausible contribution to impact, but not direct attribution. With Oak's very high-level goals, impacts will be achieved through multiple interventions, supported in many cases by multiple foundations and other actors. It is important to highlight the importance of Oak's role—as funder, convener, and leader—in this broader context, while acknowledging the limitations in proving direct connections between grantee activities and high-level outcomes. We used an inductive approach to move from specific observations—including from interviewees—to broader generalizations and findings about the Programme. The baseline used for this evaluation was the state of affairs in 2009 with regard to the high-level goals and targets in Oak's 2009-2014 Strategic Framework.

## IMPACT AND ENGAGEMENT MODEL

We began the evaluation process by developing an impact and engagement model to capture the primary types of interventions supported through Oak's programmatic grants, as depicted in Figure 3. The purpose was to graphically depict a logic model that implicitly guides Oak's philanthropy, and to categorize the activities funded by the Foundation and its peers.

Figure 3. Impact and engagement model<sup>1</sup>



The sequence of activities depicted in the impact and engagement model does not necessarily mean that results can only be achieved by moving from left to right. However, in many cases, grantees, sub-programmes, and initiatives do progress in this fashion as they address a given issue. Grantees may also be engaged in multiple categories of interventions simultaneously.

This impact and engagement model helps elucidate: 1) the types of activities that Oak most commonly supports, and a potentially related need for core competencies among Oak programme officers; 2) how Oak’s support in some categories enables broader progress in the movement towards global goals, including by laying a foundation for work by other entities; 3) where Oak may be making—or need to make—assumptions about the contributions of other donors and other actors; and 4) gaps in interventions within specific geographies or “themes,” where the Foundation may want to consider granting funds, building new partnerships, or funding collaborations to fill those gaps. While not all of these analyses were undertaken for this report, we encouraged Oak to critique and adjust this model and then consider using it to underpin future discussions.

Our assessment revealed that the Oak Foundation primarily directs its philanthropy to projects and organizations engaged in the first three categories in our model, with limited funding for implementation and enforcement at this time. As the work continues in key geographies, opportunities to support implementation are likely to increase. In addition, Oak’s grant-making is typically well-coordinated with that of other organizations, who may be able to help fill gaps in that area.

In climate, Oak’s themes include sustainable cities and mobility, transportation policy, air quality control, energy efficiency, field and movement building, strengthening indigenous voices, and climate justice. In marine, they include rights-based fisheries management, fisheries policy, indigenous stewardship, building leadership capacity, marine spatial planning, establishing marine protected areas, and addressing oil and gas

<sup>1</sup> The model was informed by a review of Oak grant documents and conversations with Oak staff. It also takes some inspiration from the ECF Policy Funnel, which informs Oak-supported climate work in Europe.

development, among others. Picking a few primary themes and then engaging across multiple geographies could make it easier to transfer lessons learned and best practices from one region to another, and thereby achieve global impact.

### 3. Cross-Cutting Findings

In this section, we address the three overarching questions introduced in Section 2 above.

#### OVERALL IMPACT AND ALIGNMENT WITH STRATEGIC GOALS

***What were the overall impacts of Oak's Environment Programme grant portfolios and were these impacts closely aligned with the strategic goals outlined in its 2009 Strategic Framework?***

Oak's long-term high-level goals for impact in the marine conservation and climate change mitigation fields, set forth in 2009, were ambitious and far-reaching. In marine conservation, the aspirational goals were to secure healthy marine ecosystems along with sustainable coastal livelihoods in Mesoamerica, North Pacific, and Europe, and to attain 80 percent market share globally for sustainably harvested wild fish stocks. The climate change goal was to attain peak greenhouse gas (GHG) emissions by 2020 and to reduce GHG emissions from the transportation and power sectors to scientifically acceptable levels by 2030.

Progress has been made on creating institutions, building the capacity of civil society organizations to be effective, and shaping policies to advance progress toward these outcomes. It is difficult to definitively attribute advancements specifically to Oak's grant-making. But it is highly likely that, without the philanthropy of the Oak Foundation and its peers, we would not be where we are today in terms of reducing carbon emissions, advancing carbon pricing schemes, and conserving marine resources.

#### OAK'S ROLE IN THE LARGER PHILANTHROPIC LANDSCAPE

***What are the main roles that Oak's Environment Programme has been playing in the larger philanthropic landscape related to climate change and marine conservation? And of these, what are those most critical for success and valued by others?***

The Oak Foundation is a leading funder in advancing solutions to reduce greenhouse gas emissions and conserve marine resources. In 2012, for example, Oak was the fourth largest foundation contributor to climate change mitigation efforts, and the fifth

#### High Impact

The interviews and qualitative analysis pointed to these initiatives and approaches as particularly effective and impactful:

##### CLIMATE

- Creating institutional capacity (e.g., ClimateWorks global network)
- Early pivot to developing countries like China and India, extending the climate advocacy movement
- Dissemination of Carbon Tracker's data and concepts
- Delays or avoidance of lock-ins of petroleum infrastructure in key places

##### MARINE

- EU common fisheries policy reform
- Bristol Bay campaign
- Engaging with indigenous groups in the Arctic
- MPA creation and improved management in Belize

largest foundation grant-maker in the marine conservation field. At the same time, Oak provides value beyond its funding; it also plays a key role as convener and thought leader.

Oak is positively perceived as a risk-taker. By taking risks the Foundation is recognized as having achieved outcomes and impact, and set a path for other funders to follow. Oak is also a leader among environmental foundations in engaging in developing countries, specifically China, India, and Brazil, and in achieving diversity and inclusion in the environmental field.

At the same time, Oak is critiqued by peers and grantees for lacking clearly defined priorities and consistent strategic direction, and sometimes being too opportunistic. While Oak indeed had a strategic framework, and we reviewed a “public” version of the Climate Strategic Framework, it seems that many of Oak’s partners and grantees had not seen it. As noted above, while Oak is quite focused in terms of geography and core issues, they have numerous “themes” in their work that can give the impression that they are not as concentrated as they could be.

Peers and grantees also noted that staff often appear to have a heavy workload, and staff agreed that they are not always able to allocate their time as they would ideally like. Meanwhile, grantees, while appreciative of the support they receive from the Foundation, are at times frustrated by the way the grant-making process works.

Oak needs to evolve its business model to optimize the use of resources, avoid exhausting the staff, balance a strategic focus with opportunism, and increase accountability for the dollars spent. Crafting a new strategic framework that provides clear direction, clearly defines priorities for both internal and external audiences, and still allows for flexibility and responsiveness to changing circumstances is another essential next step, and is already underway.

## OAK’S COMPARATIVE ADVANTAGE

Six main findings emerged from the research related to the Oak Foundation’s areas of comparative advantage within global climate and marine philanthropy.

### 1. Credibility due to deep technical expertise in-house

The deep knowledge of Oak’s marine and climate sub-programme staff—both of the technical issues and also of the political context and the reality on the ground—is a major asset, mentioned by many interviewees. The fact that the Trustee brings a background in marine science and a deep knowledge of the field also gives Oak strong credibility and a unique power to convene and leverage interests among the marine funders.

### 2. Ability and readiness to provide core support

Oak provides both project-specific funding and more general core support to improve operational systems and build capacity. In a world where many foundations prefer to support specific projects, Oak’s willingness to provide core operating support is unique, and widely perceived to be invaluable. One grantee noted that the core support helped “glue together bigger pieces,” allowing them to focus on big picture solution work rather than individual projects. It also gave them the ability to plan longer-term.

### **3. Ability to forge strong partnerships with grantees and other funders**

Several interviewees, particularly peers, commented on the important contributions that Oak makes as a result of its ability to forge relationships with other donors, listen to grantees, and establish partnerships based on mutual respect. Oak seeks to maximize thoughtful, collaborative work between funders, and explicitly invests staff time and money to do so.

Skill at building partnerships has enabled Oak to leverage significant funding for causes it believes in, without significantly increasing the burden on its own staff (compared to the time that would be required for directly managing those additional grant resources). Leverage occurs through support to donor coordination mechanisms like the Artic Funders group, the creation of donor-advised funds like the Alaska Native Fund, donor joint initiatives, chairing the ClimateWorks Donors Round Table, and through sub-granting and matching requirements. About 30 percent of Oak's 2013 Environment budget was sub-granted through its grantees; Oak calculates that its \$11.1 million in sub-grants leveraged \$55.7 million in other funding. This leverage effect was largest through the European Climate Foundation.

### **4. Ability to support lobbying, particularly in North America**

Very few foundations with environment programs in the United States—reportedly only Atlantic Philanthropies (which will close all operations by 2020) and the Oak Foundation—can deploy 501(c)(4) dollars for lobbying and advocacy. While this is only a small part of Oak's grant-making, in the U.S., this capability is seen as unique and valuable. One external expert estimated that “every dollar that Oak gives to (c)(4) is worth 3-4 dollars of (c)(3) tax-exempt resources.”

### **5. Providing support for capacity building, with reasonable expectations about timeframes**

Oak sees the relevance of building organizational infrastructure and empowering marginalized voices as a critical element in the pursuit of transformational change, closely linked to the achievement of policy and other programmatic objectives. There are several organizations—ECF, Oceana, Larci/iCS, Shakti, and ClimateWorks, among others—that arguably would not exist today without Oak's support.

Oak's involvement has increased other funders' and NGOs' sensitivity and attention to indigenous issues and indigenous leadership in marine conservation, particularly in the Arctic and Belize.

Oak should consider synthesizing the lessons it has learned in various geographies, and developing a more deliberate strategy to build the sustained capacity of select organizations. It seems that Oak staff rely on their extensive experience to know when capacity building support needs to be prioritized, and to assess progress, but some more objective criteria could be helpful for internal use and/or external messaging.

### **6. An emerging campaign model that complements other interventions in a portfolio approach**

Oak is one of few foundations that supports advocacy and campaigns, and it approaches campaign work with a thoughtful and nuanced perspective. Its ultimate goal is to build the political will to pass or enforce important policies, and campaigns are often necessary to help counter entrenched, powerful, vocal interests.

On the whole, interviewees found Oak's support for campaigns to be worthwhile. "There are a lot of funders who would be willing to fund research or an evaluation or polling, but not capacity development for advocacy work and corporate campaigns," said one grantee.

The reform of the European Common Fisheries Policy and the campaign to protect Bristol Bay from offshore development are examples of a model worth replicating, where Oak brought strategic breadth to its work. Several interviewees pointed to these as good examples of combining thoughtful campaigning with sound policy interventions. These examples highlight the utility of making use of local expert knowledge, supporting bottom-up work (but with an eye to scale), embedding campaigns within a portfolio of projects, and directing each campaign at a very clearly stated goal.

In the climate field, primary examples of Oak's support for interventions related to campaigning are seen in air quality control work, the Global Call for Climate Action, and 350.org, among others.

## RELATIONSHIP BETWEEN INTERNAL STRUCTURE AND STRATEGIC GOALS

*What was the relationship between the internal structure of the programme and the strategic goals? Did that structure serve to advance the strategic goals?*

The past five years have been a time of transition for the Foundation. It has evolved past the start-up phase and through a period of sustained growth in staffing and funding levels. The intent now is to achieve "maturity" and stability, focusing on how to make the greatest impact without increasing the size of the staff or the level of funding. It is important to manage this change and transition effectively.

**For the most part, Oak's internal organizational and team structure has been aligned logically and practically around the Environment Programme's strategic goals and core grant-making activities.**

Programme officers are assigned to either the climate mitigation or marine conservation sub-programme area, and within each sub-programme to a specific geography. Grant-making is focused geographically, so having programme officers assigned in this way allows them to maximize their effectiveness by developing relationships, expertise, and knowledge of the context in the countries in which they work. Oak staff are widely praised for this place-based, technical expertise, which we consider a key factor in achieving outcomes and impact. This benefit is further advanced by having some staff located within the regions in which they work and others having relevant ethnic backgrounds and/or language capabilities.

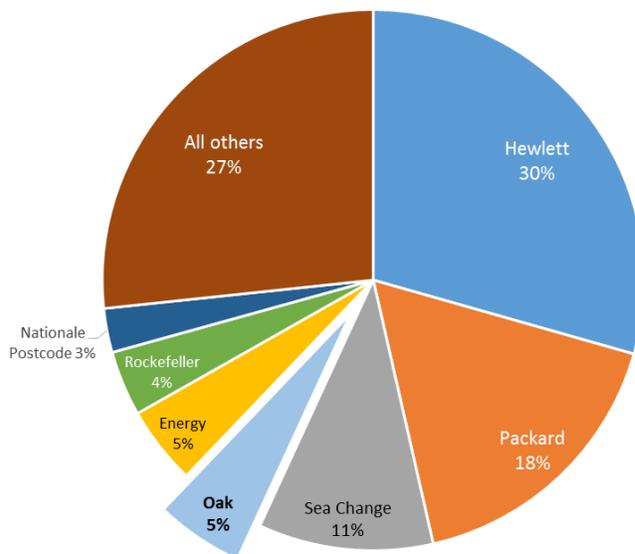
## 4. Climate Change

### INTRODUCTION

Nearly \$102 million of the Environment Programme budget went to the climate sub-programme between 2009 and 2014. Oak has ambitious goals for this sub-programme, and a global perspective and reach. The 2009-2014 Strategic Framework centered on global emissions peaking by 2020, with an international agreement among major emitters, a price on carbon, and reductions in emissions from the power and transportation sectors, particularly in North America, Europe, and India.

The sub-programme has evolved from a focus on North America and Europe to now engaging in China, India, and Brazil, as part of a truly global strategy. The new major investment in ClimateWorks is intended to create a global “brain” that can track and guide this effort.

**Figure 4. Relative contributions of top foundations making climate change mitigation grants in 2012. Source: Foundation Center.**



### Position in climate mitigation philanthropy (2012)

- Oak **ranked #4** among foundations in terms of dollars granted for climate change mitigation efforts.
- Oak was the **largest contributor for capacity building**, with 50% of grant dollars.
- Oak was second among foundations making grants for **public policy and advocacy work** around climate change mitigation, with just over 14% of grant dollars. The Rockefeller Foundation was ranked first.

*(Source: Foundation Center)*

### PROGRESS RELATIVE TO GOALS AND TARGETS

This section summarizes global progress against some of the high-level climate goals and targets laid out in Oak’s 2009-2014 Strategic Framework. Many of Oak’s grants over the last five years served as building blocks to allow change to occur. In other places, political and economic realities shifted unexpectedly, and hindered progress against the original goals.

- **Goal 1: Peak in Global Emissions by 2020.** Global emissions have not yet peaked, but the annual growth rate has fallen. Figures from the International Energy Agency (IEA) show no growth in annual global emissions from 2013 to 2014, despite three percent growth in the global economy; this indicates increased decoupling of emissions from economic expansion and bodes well for future emissions reductions.
- **An agreement to stabilize and curb GHGs is reached at the international level among major emitters representing 70 percent of global emissions.** There has not been an international agreement among major emitters under the United Nations Framework Convention on Climate Change (UNFCCC). There is new hope this year, as Parties and other stakeholders prepare for the 21<sup>st</sup> Conference of the Parties (COP) in Paris. The UNFCCC will release a report on November 1 that sums up all of the intended nationally determined contributions (INDC) submitted to date, which will give a better picture of the impact of aggregated anticipated cuts.
- **Ambitious nation-wide cap and trade systems in the U.S., Canada, and Europe, and an international coordination mechanism of national cap and trade systems established.** Currently, there is no carbon price within the global economy. However, nearly 40 countries and more than 20 cities, states, or provinces use carbon pricing mechanisms or are planning to implement them.
- **At least 50 percent of new electric power coming online in the E.U. and U.S. is from carbon-free sources (trigger).** This trigger point has not yet been reached, but the trend is going in the right direction. Globally, renewables were responsible for more than 56 percent of net additions to global power capacity in 2013.<sup>2</sup> In Europe, the U.S. Energy Information Administration (EIA) anticipates that the share of no-carbon generation will continue to increase, due to the European Union's 2020 Climate and Energy Package.<sup>3</sup> In the U.S., looking ahead and using a business-as-usual trend estimate, the EIA predicts that renewable electricity generation will account for more than one-third of new generation capacity in U.S. energy markets from 2013 to 2040; it is therefore unlikely that Oak's trigger of 50 percent annually in the U.S. will be reached before 2040.<sup>4</sup>
- **Reducing absolute GHG emissions from vehicles in Europe and North America.** The European Commission has committed to a fleet average of 95 grams of CO<sub>2</sub> per kilometer by 2020.<sup>5</sup> Oak's original target of a fuel efficiency standard of 42 miles per gallon (mpg) by 2016 in the U.S. has not been met, although advances have been made in the last five years; for example, in 2012, a new rule raised average fuel economy to up to 54.5 mpg for model year 2025.<sup>6</sup> In Canada, regulations were adopted in 2014 with progressively stricter annual average GHG emissions standards from model year 2017 to model year 2025.<sup>7</sup>
- **Public transportation systems and air quality standards in place in at least five second tier cities in India.** India's first Bus Rapid Transit system was introduced in 2007;<sup>8</sup> there were seven by 2013. There are

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<sup>2</sup> Renewables 2014: Global Status Report. REN21.

<sup>3</sup> "European Countries are Increasing Electricity Generation Using No-Carbon Sources," September 22, 2014.

<sup>4</sup> U.S. Energy Information Administration. Annual Energy Outlook 2015, With Projections to 2040.

<sup>5</sup> [http://ec.europa.eu/clima/policies/transport/vehicles/cars/index\\_en.htm](http://ec.europa.eu/clima/policies/transport/vehicles/cars/index_en.htm)

<sup>6</sup> Center for Climate and Energy Solutions, <http://www.c2es.org/federal/executive/vehicle-standards>

<sup>7</sup> [http://www.transportpolicy.net/index.php?title=Canada:\\_Light-duty:\\_Fuel\\_Consumption\\_and\\_GHG](http://www.transportpolicy.net/index.php?title=Canada:_Light-duty:_Fuel_Consumption_and_GHG)

<sup>8</sup> "In New Dehli, a Rough Road for Bus Rapid Transit Systems," Yale Environment 360, May 8, 2014.

systems planned or under construction in at least ten other cities. The recently announced policy to develop 100 “Smart Cities” in India is a hopeful sign. However, air quality is still a major concern.

## KEY FINDINGS

**The Oak Foundation’s global climate strategy has been well designed to achieve outcomes at the international, regional, and country levels – with high likelihood of ultimately contributing to carbon pricing, the advancement of clean energy strategies, and reduced GHG emissions.**

While achieving transformational change in climate mitigation has proven more difficult than anticipated, in the consultant team’s judgement, as well as that of many interviewees, the strategies and approaches being deployed by the Foundation are sound and should be continued. The climate programme has a global orientation, with a well-founded emphasis on key emerging economies, while continuing efforts to advance transformational policies in Europe and North America. It is marshalling philanthropic resources at a scale that has the potential to have real impact. Oak has made a conscious and bold decision to provide significant funding to ClimateWorks as the ‘brain’ of the program. Metrics will be developed and tracked through ClimateWorks as well, which will help ensure accountability for measurement of progress and to support strategy adjustments as needed. The Foundation—along with its partners at the Funders Table, ClimateWorks, and the European Climate Foundation—will need to be nimble in response to the outcomes of the Paris meeting later this year, and adjust strategies accordingly.

**Oak is widely credited with revitalizing ClimateWorks; continued engagement by the Foundation is needed.**

Oak’s strong, credible voice and Kristian’s drive and involvement in restructuring ClimateWorks were critical contributors to its revitalization. As one interviewee stated, “ClimateWorks owes its continuing existence to Oak.” Kristian’s leadership on the ClimateWorks Board has helped to re-build the confidence of other funders and of grantees in that organization.

**Given that Oak has only been involved in China for about three years, and is part of an ecosystem of actors concerned about air pollution and climate, direct impact attribution is difficult; however, Oak’s support has clearly been meaningful.**

Oak has taken a big step by making a commitment to work in China. Given the realities of the culture, political climate, and rapid economic expansion, it will take some time to test which approaches and issues have the best prospects for “success” as Oak chooses to define it. In its three years of engagement in China, Oak has already supported meaningful interventions, including ones that led to the establishment of a transparent, real-time information disclosure system for air and water pollutants. While those successes were supported by a much larger set of players and pressures, Oak’s support for policy development and demonstration projects contributed to keeping attention focused on the problem and strengthening the forces calling for change.

Oak has remained nimble as it finds its footing and focus in China, and listens to grantees about the messaging that is likely to generate buy-in for new policy options. Grantees also noted the importance of Oak funding city-level work; most other funders have “focused too much at the national level.”

**Oak's grants directly enabled the inclusion of transport electrification in European Parliament policy drafts.**

In Europe, electrification of transportation was wholly absent from early drafts of European Parliament policies. Oak funding enabled coordination and put people on the ground to confer with activists and policymakers in member countries, and ultimately transport electrification was included in the policy drafts.

**The U.S. cap and trade effort was a major failed effort supported by the climate sub-programme in recent years, with the failure attributable to external factors. Some interviewees strongly encouraged Oak to re-enter the North American donor space to take advantage of new opportunities.**

Many other foundations also provided support for the U.S. cap and trade effort and were badly disappointed. That doesn't mean that it wasn't worth a shot, and wasn't the top priority at that time. The global economic crisis changed the political calculus, and opponents put together strong messaging in a campaign year. Oak itself was conscious that this was a high risk campaign with the potential for a high return, and a risk-taking foundation can expect to endure some losses. Seeing the diminishing prospects, and lacking the predetermined trigger of having a bill on the Senate floor, Oak was able to reallocate funding that had been intended for this effort to other grants, which shows some nimbleness to adjust as political realities shift.

**The EU's RoadMap 2050 and Germany's Agora /Energiewende provided a meaningful model for stakeholder engagement, where on-hand technical support provided data analysis to overcome potential stalemates. This approach has also credited with stimulating technology innovation leading to market transformation.**

At the EU-wide level, Oak has supported ECF to develop a decarbonization pathway to be achieved by 2050. It has also joined forces, through ECF, to support Mercatur Foundation's Agora initiative in developing the Energiewende strategy, which is frequently cited as an example of a truly transformational strategy. Feed-in tariffs resulting from Energiewende resulted in the highest percentage of renewable generation in Germany compared to any other OECD country.<sup>9</sup> Some credit part of the dramatic drop in global photovoltaic prices to Germany, because the feed-in tariff boosted demand and therefore industry growth.<sup>10</sup>

Some also say that Energiewende disrupted market signals, prevented Germany from taking advantage of the natural gas boon, and contributed to a decision to transition away from nuclear; some of the gap was filled by increased use of coal.<sup>11</sup> While the specific outcomes of Energiewende currently remain under debate, the process has provided meaningful data points for future strategies.

**The Carbon Tracker team provided an alternative private sector focused model for achieving outcomes and stimulating transformational change.**

The Carbon Tracker project was designed to influence investors and increase accountability in the private sector for carbon emissions. The foundational data developed by the Carbon Tracker team was then used by Bill McKibben to put forth the carbon budget framework, which has influenced the public discourse on greenhouse gas emissions, particularly in the United States. While the outcomes from this effort are emergent,

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<sup>9</sup> The Economist, "Germany's energy transformation," July 28, 2015.

<sup>10</sup> Robert Fares, "Energiewende: Two Energy Lessons for the United States for Germany," October 7, 2014.

<sup>11</sup> The Economist, "Germany's energy mix: getting out of gas," September 26, 2014.

this tool has the potential to significantly change the way the investor community assesses climate-related risks in the marketplace, and thus it could have a major impact on emissions in the future.

## 5. Marine Conservation

### INTRODUCTION

A total of approximately \$67 million of the Environment Programme’s budget between 2009 and 2014 went to the marine conservation sub-programme. Although the 2009-2014 strategic framework establishes global goals and exit triggers, Oak’s marine work is primarily focused in a few key geographies: the North Pacific and the Arctic, Mesoamerica, and Europe. The goals and activities vary depending on the local context. Oak expects to transition out of its Mesoamerican Reef programme in the relatively near future, but maintain its focus in areas like the Arctic.

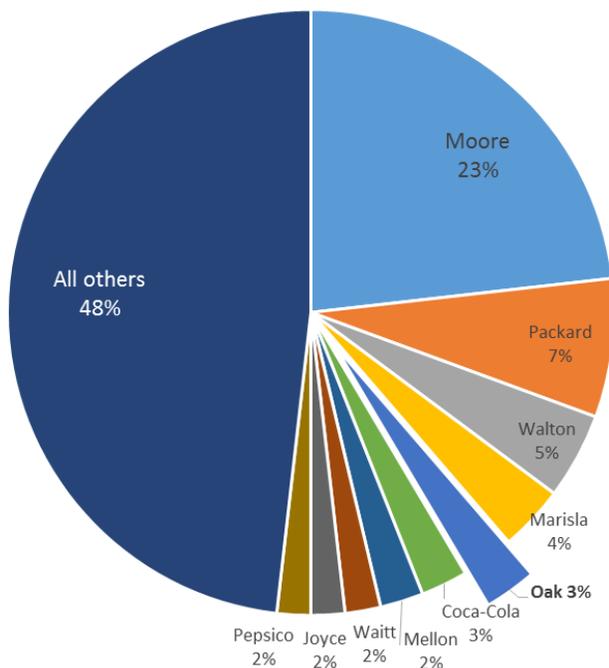
As with climate, Oak is also among the top foundation grant-makers for marine conservation efforts. In this arena, its relative influence is largest with regard to public policy around fisheries. From our analysis, it is clear that Oak is heavily involved with capacity building for marine conservation, even though the Foundation Center data did not register those amounts (see Figure 5).

### Position in marine conservation philanthropy (2012)

- Oak **ranked # 5** among foundations in terms of dollars granted for marine conservation.
- Oak was the **largest contributor for public policy on fisheries**, with 38% of all grant dollars.
- Oak was fourth among foundations making grants for **marine protected areas**, with just over 8% of grant dollars.

(Source: Foundation Center)

Figure 5. Relative contributions of top foundations making marine conservation grants in 2012. Source: Foundation Center.



## PROGRESS RELATIVE TO GOALS AND TARGETS

This section summarizes global progress against some of high-level marine conservation goals and targets laid out in Oak's 2009-2014 Strategic Framework.

- **Eighty percent of the world's marine catch is from sustainable fisheries.** The 2014 MSC-certified landings were estimated at 8.83 million tons, which corresponds to about 10 percent of global wild-capture landings.<sup>12</sup> At the end of 2014, there were 231 MSC-certified fisheries and an additional 88 were in different stages of the assessment process. While this is far from the Oak global target, it is important to note that the total certified landings in 2014 represent a three-fold increase over five years prior. The trend indicates that the Oak target should be achieved in the very near future.
- **The percentage of depleted or overexploited global fish stock decreases from 28 percent to 15 percent by 2030 (exit trigger).** More work still needs to be done to reach that target. According to the FAO (2014), the number of fish stocks fished at unsustainable levels peaked at 32.5 percent in 2008 before declining slightly to 28.8 percent in 2011.<sup>13</sup> This situation, however, is not homogenous around the globe. In developed countries, progress is being made in reducing fishing rates and restoring overfished stocks and marine ecosystems through effective management actions. However, overfishing is rapidly increasing in many other developing countries, which often lack fisheries management regimes. The situation is most serious in Southeast Asia, although West Africa and Central America are not far behind. With growing populations, rising demand for seafood, and continued poor management, overfishing will have severe consequences on food security and coastal livelihoods in these countries.
- **In Mesoamerica, a network of effectively managed Marine Protected Areas and good reef health by 2015.** In the past five years, significant progress was achieved in the Mesoamerican region. The four Mesoamerican reef countries have collectively protected 35 percent of their territorial sea and 67 percent of their coral reef habitat within MPAs.<sup>14</sup>
- **Marine Protected Areas (MPAs), globally.** Oak has also invested significantly in MPAs in several regions through Oceans 5 and its support to the Global Ocean Legacy programme. As of 2014, there were 12,076 established marine protected areas that covered 3.4 percent (just over 12 million km<sup>2</sup>) of the world's ocean (see Figure 6).<sup>15</sup> The rapid progress is largely due to the establishment of large scale MPAs in remote areas of the oceans. In part due to their recent creation, many MPAs still lack effective management plans. In addition, at present the greatest efforts towards MPA establishment

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<sup>12</sup> MSC. Global Impacts Report, 2015.

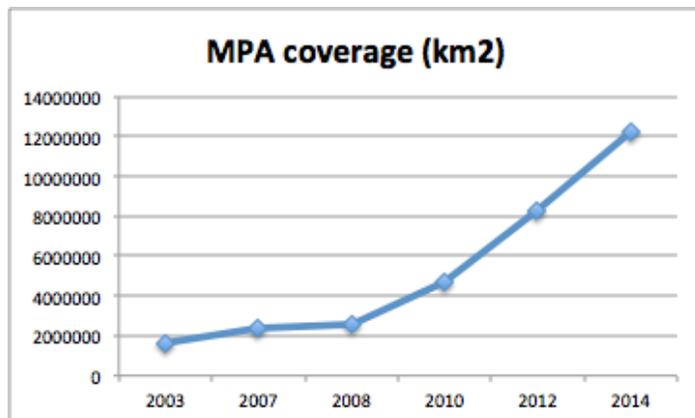
<sup>13</sup> FAO, 2014. The Status of World Fisheries and Aquaculture: Opportunities and Challenges.

<sup>14</sup> Healthy Reefs Initiative (2014). Eco-Audit of the Mesoamerican Reef Countries. [www.healthyreefs.org](http://www.healthyreefs.org)

<sup>15</sup> UNEP-WCMC. Protected Planet Report, 2014. Note: The 3.4 percent figure from 2014 does not include recent additions, such as President Obama's expansion of the Pacific Remote Island Marine National Monument.

are currently located away from human populations and often do very little as a management measure to address the root causes of degradation of marine ecosystems.

Figure 6. Evolution of MPA coverage from recent assessments of the World Database on Protected Areas.



## KEY FINDINGS

**Oak has made substantial impact in the three geographies where it is investing in marine conservation.**

Oak invested in an “ecosystem” of activities in select regions, and this model has had impact at the regional level. This sets Oak apart from other foundations in the marine realm, whose strategies seek more of a global impact with a focus on one or a few select conservation measures.

The capacity for impact is linked to the fact that Oak has been such a significant funder in those regions, and the fact that its programme officers are experts in their field and know the region, its politics, and players, and can therefore identify promising opportunities and partners and work with them effectively.

**The work on the European Union Common Fisheries Policy (CFP) was largely successful, and Oak played a critical role in supporting influential NGOs.**

A reformed E.U. common fisheries policy entered into force in January 2014. It was largely regarded as a dramatic jump forward, as it put environmental issues and sustainable development at the forefront. The NGO influence was one of the main contributing factors to the success of the reform,<sup>16</sup> and Oak not only provided funding, but also played an important coordination role with the NGO community working on the CFP reform.

The reform of the E.U. CFP can have an impact beyond Europe. It can influence the E.U.’s global fishing fleet operating overseas; in addition, the E.U.’s leadership on fisheries policy can set an example for other important players. At the same time, the CFP is a complex policy and much of its success will be dependent on

<sup>16</sup> Björnsson, K.A. 2014. “Reforming the European Union’s Common Fisheries Policy: Why was there a successful reform of the Common Fisheries Policy possible in 2013, after years of ineffective policy and unsuccessful attempts at reforms?”

closing loopholes and ensuring effective implementation, in particular with regards to the Total Allowable Catch and the rules to implement the discard ban.

**Oak’s grant-making in the Arctic has global significance, and demonstrates an approach that is strategic, comprehensive, inclusive, and effective.**

The Arctic is one of the last frontiers where policies and regulation for shaping development in the marine space can be set in place before development happens. In addition, many of the principles of engagement that the Oak programme uses with indigenous and local communities in the Arctic are relevant and transferrable to other parts of the world.

Oak added strategic breadth to marine conservation work in the Arctic through complementary investments in campaigns, policy work, and improving governance by working with and building the capacity of communities and indigenous organizations. Perhaps a less visible outcome of Oak’s work in the Arctic, but one that is recognized by many interviewees as of significant impact, is the paradigm shift in the way that foundations and NGOs work with indigenous groups. Oak’s support has provided flexibility and empowered Native groups to identify priorities, and inform culturally-appropriate strategies, and that has been transformational in the field.

**Oak is clearly recognized as the driving force behind marine conservation work in the Mesoamerican region, particularly in Belize.**

Major achievements include the progress made in creating marine protected areas, establishing sustainable fisheries management regimes, building NGO capacity, and bringing in new funders. Many interviewees—mainly those from Mesoamerica—also highlighted the impact of policy work in Belize. The monitoring system (through the report cards and eco-audit of the Healthy Reefs for Healthy People initiatives) provides an excellent model for monitoring both the health of the reef and progress towards agreed conservation objectives. The work in the Mesoamerican reef, however, has not sufficiently been communicated in global forums (e.g., the Convention on Biological Diversity) that discuss the MPA target.

**There are inconsistencies in the application of Oak’s funding principles and mission when it comes to marine conservation.**

It is unclear whether the structuring of the marine sub-programme fully took into consideration Oak’s mission to “address issues of global social and environmental concern, particularly those that have a major impact on the lives of the disadvantaged.”<sup>17</sup> Although working with indigenous and small scale fisherfolk has been key to two of the three marine regional sub-programmes, these sub-programmes do not have goals or triggers that measure the impact of the grant activities on the socio-economic conditions of communities where they operate.

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<sup>17</sup> Oak intends to apply six funding principles across all of its programmes. These include funding initiatives that: 1) target root causes of problems; 2) are replicable either within a sector or across geographical locations; 3) include plans for long-term sustainability; 4) have secured co-funding; 5) strive to collaborate with like-minded organizations; and 6) value the participation of people (including children) and communities.

Another one of Oak's funding principles is valuing the participation of people and communities. The Environment Programme has paid particular attention to communities' participation and in its work in Belize and the Arctic. However, it is also funding marine initiatives that seem to pay little attention to this issue or that have been publicly criticized on these points.

In selecting interventions, it is useful to make a clear link back to Oak's principles, so that the nexus is readily apparent to internal and external audiences.

**Transferability of approaches and lessons learned is a weak spot of the programme, which could be addressed through improved knowledge management and fostering peer learning among grantees.**

Oak is funding similar conservation measures (e.g. rights-based management in fisheries) in different geographies, which could provide opportunities for extracting and sharing lessons learned to encourage replication of successful approaches. However, there seems to have been little attention paid to this so far. With Oak's ambition of moving towards a more global approach to marine conservation, a conscious focus on replicability and leverage will be important. This will require increased knowledge management. About half of the marine interviewees also suggested that it would be worthwhile for Oak to foster more sharing between grantees working on similar or complementary measures, such as by convening bi-annual workshops. Enhanced coordination and collaboration would create more momentum towards a larger impact, and it would also help build the capacity of the smaller organizations.

**Oak is one of very few marine funders that understands both the importance and the complexity of policy work. Oak's work in this niche should be continued and strengthened.**

Almost all interviewees on the marine side noted that Oak is one of very few marine funders that understands the importance of policy work, as well as the complexity, riskiness, and slowness of these efforts. As noted earlier, Oak was the fifth largest contributor to grant funding for public policy efforts related to marine conservation in 2012, and the largest foundation supporter of grants on public policy related specifically to fisheries. Oak has had significant success influencing important marine policies in the three geographies where it operates, generally investing in a number of actors that played different roles in the policy cycle.

**Oak has made big bets into a small number of organizations working in the marine area, which is questioned by peers and grantees alike.**

Oak's Environment Programme has invested significantly in the capacity of a few international organizations dedicated primarily to ocean issues. Some of them have succeeded in raising important funding for marine conservation. Several interviewees mentioned that while it may be important to have ocean-dedicated organizations, there could be bigger wins in mainstreaming ocean issues within the conservation community, rather than isolating them. Several marine issues could benefit from the application of lessons from experiences in terrestrial and freshwater systems, and some ocean-related challenges require land-based solutions.

About 70 percent of all interviewees on the marine side—and not just grantees who could be seen as competitors—volunteered doubts about some of these organization's effectiveness. Several interviewees mentioned the difficulty of getting them to work with other organizations, which runs counter to Oak's interest in promoting collaboration.

**Collaboration in the marine field—between funders, and between grantees—continues to be difficult, and the competition for grant dollars may contribute to the problem.**

As mentioned earlier, collaboration in the marine field has been notoriously difficult. There is an atmosphere of competition between marine organizations, particularly the big ones. Some interviewees perceived that this is to some degree exacerbated by funders, who make “bets” on certain organizations and strategies, setting up a more competitive environment rather than creating more favorable conditions for collaboration.

## 6. Recommendations

Oak has been at the forefront, both regionally and globally, of supporting efforts to address the depletion of marine resources and the quickening pace of climate change. Together with its grantees and partners, it has generated concrete outcomes and contributed to real impact, but immense challenges still loom.

Oak can best fulfill its mission and achieve outcomes and impact by considering the following high-level recommendations:

1. **Continue providing global leadership by taking risks, setting an example, and acting as a convener.** Oak can continue its evolution towards taking on a real global leadership role on both climate mitigation and marine conservation.
2. **Focus and more clearly define strategies.** Determine whether and how to limit the number of “themes” that the Environmental Programme funds, with the purpose of increasing effectiveness and global impact. Assess which themes and approaches offer the greatest potential return on investment, and consider funding those in multiple geographies.
3. **Increase accountability and grant-making effectiveness.** Develop more robust reporting and monitoring systems that track outcomes and impacts relative to goals, and harmonize Oak’s climate metrics with those being tracked by the new ClimateWorks dashboard, to the degree possible.
4. **Maximize the effectiveness of the existing Environment Programme business model.** Elements that have proven key to Oak’s success to date include hiring diverse and highly qualified staff, remaining nimble, developing regional expertise and working in specific geographies, allowing for some opportunistic grant-making, working collaboratively with both grantees and other funders, and leading the philanthropic community in building capacity and organizational infrastructure. At the same time, improvements can be made in areas such as replicability and sharing lessons learned.
5. **Develop mechanisms to more readily track and attribute impact from the full range of grant-making tools and ways of providing support.** These include core support grants, sub-granting mechanisms, and the development of funders’ collaboratives, which are central to Oak’s business model but not easy to capture in traditional evaluations and without purposeful data collection over time.

Within the climate and marine sub-programmes, the evaluation team recommends consideration of the following needs and opportunities, which were informed by interviewee inputs.

## Marine

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### STRATEGY AND FOCUS

- **Formulate a global strategy** and look for opportunities and projects in key geographies that are both replicable and globally significant.
- **Increase the focus on MPAs that are closer to human populations**, if Oak wants to align its efforts with the Aichi target.
- **Ensure that Oak has made a conscious decision about where and how to apply the Oak mission and funding principles to marine grant-making decisions**, and where there were reasons for making exceptions, if relevant. Communicate linkages to Oak's principles more clearly.

### GRANT-MAKING PRIORITIES

- **Consider supporting work on recovery of coastal fisheries and developing a global strategy that effectively takes into account socio-economic aspects and needs of poor communities.** The strategy should select one or two regions for a deep dive, and we recommend consideration of Sub-Saharan Africa.
- **Also explore opportunities to improve fisheries in China.** China is expected to increase its global influence in the fisheries sector in the coming years, and there is an opportunity for a funders' collaborative.
- **Enhance the impact of the reform of the European CFP.** This would include investing to ensure its adequate implementation, and closing loopholes in particular for discard bans. Europe can lead the charge globally in addressing illegal, unreported and unregulated fishing (IUU) by wielding its policy influence, playing a stronger role in surveying through remote sensing, and applying pressure through supply chains and traceability.
- **Target Oak's new investments in the Arctic to increase global impact.** Oak should consider supporting the development of a comprehensive management regime that regulates development before it actually happens in the Arctic and that respects the rights of indigenous and local communities. There is also an opportunity to influence the policy discussions under the Arctic Council.
- **To address the root causes of the plastics issue, invest in two areas: reducing the flow of plastic entering the oceans, and promoting accountability with producers for recycling.** Targeted action in China and Asia can have significant global impact. China is by far the country putting the most plastic debris into the ocean. Oak should also consider partnering with current programs such as the Plastic Disclosure Projects. (The issue of plastics and marine debris was not perceived by all interviewees as posing a huge threat to the overall health of the ocean. However, many see it as a big but solvable challenge, and an area that might be ripe for collaboration.

## COMMUNICATIONS, EVALUATION, AND PARTNERSHIPS

- **Communicate the advances in Mesoamerica, such as progress in creating marine protected areas, in global forums to increase accountability and avoid backsliding.** Such communications, made by the governments themselves, can reinforce their commitment, increase funding and interest of bilateral and development agencies, and inspire other countries to take similar actions.
- **Consider undertaking a separate, focused impact evaluation of Oak’s multi-year investments in large grantees,** and include consideration of opportunity costs.
- **Apply Oak’s convening skills and leadership skills to begin to enhance collaboration in the marine field.** With the discussion of a Sustainable Development Goal dedicated to oceans, many governments and development organizations are investing more in ocean conservation and seeking public-private partnerships to increase their impacts. Oak should consider the possibility of fostering public-private partnerships, as well as encouraging increased communication between the boards of different marine conservation organizations.

## Climate

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### STRATEGY AND FOCUS

- **As Oak moves to create change in developing countries on climate, refine the existing strategies and create new ones.** In particular, Oak will need to give more thought to providing support that enables creation of powerful narratives and messaging that acknowledge that climate change mitigation is sometimes seen as a co-benefit, with stakeholders and decision-makers placing more importance on other outcomes. For example, the climate programme can work with its partners to clearly link climate efforts with public health, human rights, economic development, and sustainable cities.

### GRANT-MAKING PRIORITIES

The climate sub-programme already has a clear strategy with a cohesive set of activities and a newly re-invigorated lead organization. Staying focused and being nimble in response to changing political realities will be key. If Oak is interested in exploring additional areas for grant-making, we recommend considering the following, based on interviewee comments and our own analysis.

- **Support the development of clean transportation alternatives, including through policies that couple clean electricity and electric vehicles.** Transportation suffers from less coverage and funding than other issues. There is a need to look holistically at how the systems interact, and how renewable energy could be better linked to the transport system as well as to electricity supply.
- **Explore new opportunities in the U.S. advocacy space, particularly in terms of supporting state-level climate policymaking efforts.** One external interviewee noted that there could be significant opportunities to advance climate and clean energy policy in the states in the next couple of years because they will be taking action to enact national standards. Ultimately, being active and effective in U.S. advocacy work will require being flexible and nimble.

- **NGOs—particularly in developing countries—could use more support to further develop their capacity for political awareness, economic analysis, and communications.** Sharing lessons with other funders on how to build capacity effectively would also be worthwhile.
- **Identify and advocate for regulatory changes and public sector funding to bring promising new technologies to market more rapidly.** Innovative technologies in the fields of solar energy, energy efficiency, batteries and other forms of storage, and the smart grid have the potential to accelerate the process of decarbonization of both the power and transportation sectors. However, the markets that these technologies seek to compete in are often highly regulated and/or concentrated. In addition, many of these technologies require substantial amounts of additional capital, new utility business models, and early adopters to achieve scale.
- **Coordinate with other donors and organizations to ensure accountability and ongoing attention to implementation and enforcement efforts in China.** Although Oak does not typically fund enforcement efforts, consolidating the gains in China will require monitoring and oversight.

## JOINT PROGRAMS

- **Explore opportunities for work in areas that intersect with both marine conservation and climate change mitigation or adaptation goals.** Examples include transport and shipping, and offshore oil and gas development. A grantee highlighted the opportunity to work on the impact of climate change on threatened species. Ocean acidification is another area that brings together marine and climate change issues. The most opportune place to bring together cross-cutting work is in the new foundation-wide Climate Justice Initiative that an Environment team programme officer is co-leading, which will take advantage of Oak's core technical strengths and existing presence in relevant geographies.