An alternative financial mechanism, managed directly by Indigenous Peoples and Local Communities (IPCL), who live and sustain the last great forests and natural territories in six countries of Mesoamerica.

An initiative of the Mesoamerican Alliance of Peoples and Forests (AMPB), formed by 11 indigenous and local community organizations
Currently, our operations extend across: Mexico, Guatemala, Honduras, Nicaragua, Costa Rica, and Panama.
A study by Rainforest Foundation Norway, in 2021 confirmed that less than 1% of global climate finance reached indigenous peoples and local communities in the global south in the last ten years.
The current climate finance model fails to invest in community territories and protect forests because:

- It has been designed by and for governments and some organizations.
- Focuses almost exclusively on reducing emissions.
- Very costly and bureaucratic financial flow channels.
- Does not take into account the organizational initiatives that already exist in the territories.
- A narrative of respect for rights that is rarely applied.
The current design of financial flow channels:

- Cooperation or Donors
- Multilateral organizations that ensure good management and reporting.
- Governments, implementing agencies, large NGOs, among others.
- Local consulting and technical services companies, local NGOs or national chapters of international NGOs, universities, among others.

Less than 10% of climate investment reaches the territories.

There is not full and effective participation in all processes.

Priorities are often not decided by the communities.
Pilot Phase 2020-2021

CLUA donation $600,000
Call for indigenous organizations and local communities. Supported 10 projects in Mexico, Guatemala, Nicaragua, Costa Rica, Honduras, and Panama.

Lines of action defined by organizations

- Strengthening the organization's governance of the organization
- Processes for the defense of rights and territories
- Local economic and productive initiatives
Direct territorial investment piloting

Cooperation, Co-investors

- Lowering the cost of intermediation
- Strengthening rights
- Strengthening territorial governance
- Deciding investment priorities together with organizations
- Ensuring investment efficiency
- Ensuring transparency

FTM pilot + an allied organization for administration + allies in project evaluation

Territorial communities
Shandia approach at FTM

- Territorial communities and their organizations define priorities.
- Rights of indigenous peoples and local communities.
- Seeks territorial alliances with other actors.
- Design of less costly financing channels.
- Measurable and achievable results.
- Transparent use of resources.
- Contribution to the climate agenda, biodiversity and the fight against desertification and degradation.
In the first pilot cycle of projects, during 2020-2021, we achieved:

- 10 projects supported
- 6 countries
- 7 indigenous peoples’ organizations
- 2 local community organizations
- 1 mixed organization: Indigenous Peoples and local communities

- USD 600,000 invested
- 80% direct investment in the territory
- 20% of administration, operation, and accompaniment
- USD 47,000 average investment per project

- 16,952 people supported
- 8,728 women supported (39.7%)
- 10,224 men supported (60.3%)
- 228 communities supported

- 9 audits performed
- 1 overall external evaluation of the pilot
3 INVESTMENT AXES

GOVERNANCE
- 78 organizational strengthening meetings
- 2 internal virtual communication networks supported
- 9 communities strengthened in land concession processes

RIGHTS
- 27 processes of territorial defense and governance supported
- 16 training events on rights
- 30 meetings for dialogue and advocacy

VENTURES
- 25 ventures supported on food self-sufficiency
- 4 ventures supported on value-added timber products
- 6 ventures supported on alternative tourism
- 8 community forestry initiatives supported
A process that has already begun

**PILOTING**

Support for small pilot projects and management of a grant portfolio of up to USD 11,000,000.

**INCUBATION**

Adjustment and formalization of our governance system and deepening of local participation, as well as alliances and commitments of financial resources for the following phases. Financing via donations.

**CONSOLIDATION**

Diversification of grant sources and financing mechanisms, and consolidation of the governance system in the prioritized territories before expanding geographically in the future.

**SCALING**

Adjustments to the Fund's governance to adapt it to the communities it serves and their projects, as well as to community decision-making processes. Implementation of learned lessons, capitalization of USD 50,000,000 and diversification of FTM activities and services.

CLUA, FORD FUNDATION, USAID, FSC-IF
What do we finance?

1. Climate change, nature degradation and biodiversity protection
2. Land and forest rights
3. Indigenous and community economic and productive enterprises
4. Projects for women
5. Youth projects
6. Support for emergencies and opportunities
5x5x5 Ambition

In 5 years, our Fund will reach approximately 5,000,000 indigenous and community-based people, thereby actively conserving and restoring, 50,000,000 hectares of forests and biodiverse ecosystem.
We invite you to invest with us to protect the climate, biodiversity and reverse the damage of Mother Nature.
www.alianzamesoamericana.org