BHUTAN TRUST FUND
FOR ENVIRONMENTAL CONSERVATION

Grant making for Environmental Conservation
since 1991
ABOUT US

The Bhutan Trust Fund for Environmental Conservation (BTFEC) is legally and administratively an independent grant making organization established in perpetuity under the Royal Charter of 1996. The BTFEC was established in 1992 with the financial support from Global Environment Facility, Multi-lateral donors, and World Wildlife Fund as a long-term sustainable financing mechanism for biological diversity and ecosystem conservation. The BTFEC’s thrust as spelled out in the Royal Charter is “promotion of social welfare through environmental conservation of the forests, flora, fauna, wildlife, diverse ecosystems and biodiversity in Bhutan”.

BTFEC has made vital contribution in the areas of environmental conservation and management, natural resource management, cleaner technology and land-use planning, rural livelihood, human-wildlife conflict, field research, environmental education, green transport, waste management, plantation and reforestation, biodiversity assessment of various flora and fauna, conservation of endangered species, eco-tourism, with special attention to the legal and institutional framework for environmental and natural resource management.

Initiatives were also taken to establish facilities such as ecological park, environment resource centre, greenery park, door-to-door waste management services, development of hot springs, solid waste management, zero waste project, rural livestock and agricultural crop insurance, recovery plan for white-bellied heron, development of compact onsite sanitation technology, and fuel efficient stoves and rice cookers in schools and monasteries. Further, BTFEC grants strengthened resource monitoring, patrolling, and service delivery in national park and reserves, and enhanced management effectiveness and sustainability of these parks. With the successful implementation of its first Strategy Plan of 1997, and second Strategy plan 2010-15, the BTFEC is currently implementing its third Strategy Plan 2015 – 2020.
OUR MISSION

To promote the socio-economic welfare of Bhutanese citizens by funding conservation of their flora, fauna, diverse eco-system and biodiversity; and addressing the adverse effects of development on Bhutan’s natural environment.

OUR VISION

All citizens champion their natural heritage of healthy forests, clean waterways, diverse flora and fauna and intact eco-systems and take personal responsibility for maintaining a green and healthy environment for themselves and future generations.

OUR OBJECTIVES

BTFEC will demonstrate its leadership role in environmental conservation by increasing measureable results of grant funding and capacity building. It will:

• Set its strategy priorities and target key issues for grant funding in line with the conservation priorities of the nation;
• Increase the conservation capacities of rural populations, civil societies and local governments;
• Expand the pool of grantees to non-governmental and rural sectors and provide greater assistance with proposal preparation;
• Proactively support grantees to produce replicable, demonstrated results;
• Provide monitoring and evaluation of all grants to ensure successful grant completion;
• Disseminate conservation achievements to encourage successful replication;
• Use all available financial resources annually to increase grant impacts and organization development; and
• Increase name recognition and visibility of BTFEC activities.
GOVERNANCE/ADMINISTRATION

The BTFEC is a legally and administratively autonomous entity governed by its Management Board (in effect its Board of Trustees). Royal Charter 1996 entrusts full governance and fiduciary oversight to the Management Board. The Royal Charter decrees governance through a six-member Management Board including representation from non-government and private sectors. The Board also determines investment strategy and annual spending.

The management board decides on policy issues reviews and approves project proposals, and work plans. The Board has a Chairman and a Member Secretary. The Chairman is selected by consensus from among the members appointed by the government. The Director is the Chief Executive Officer who implements the Board’s decisions and, through powers delegated by the Board, manages the day-to-day activities of the BTFEC. Fulltime employees of the Secretariat support the Director.

As a non-profit, the BTFEC is exempt from Bhutanese income tax, payment of customs and import duties and excises taxes on equipment purchased for carrying out activities and programmes that are approved by its Board. The Fund also has a US non-profit status of 501(c) 4 in recognition of its operation in the interest of Bhutan’s social welfare and of the exclusive use of net earnings for charitable purposes.
Royal Government of Bhutan, WWF-US, & UNDP formulates the establishment of the BTFEC

BTFEC has over 26 years of success in conserving Bhutan’s rich and globally renowned wildlife and habitats

KEY MILESTONES

Royal Government of Bhutan, WWF-US, & UNDP formulates the establishment of the BTFEC

Signs MoU of BTFEC between RGoB, WWF-US, & UNDP in Washington DC.

Lyonpo Chenkyab Dorji becomes the first Chairman of the Management Board

Institutes BTFEC Secretariat

Mr Karma Phunstho becoming the first Director/CEO

His Majesty Jigme Singye Wangchuck granted the Royal Charter 1996

Endowment Fund Invested into International Financial Market

Implements Strategic Plan I

Successfully executes the first World Bank GEF grant project worth $10 million

Lyonpo Dr Kinzang Dorji becomes Chairman of Management Board

Mr Tobgay Sonam Namgyal becomes Director/CEO

In line with the Royal Charter of 1996, the Management Board is fully Bhutanized

His Royal Highness The Chhoetse Penlop Jigme Khesar Namgyel Wangchuck formally took over as Chairman of the Management Board as unanimously submitted by the board members

Lyonpo Dr Pema Gyamtsho becomes the Chairman of Management Board

Dr Pema Choephel becomes Director/CEO

Implements Strategic Plan II

His Majesty The King grants BTFEC permanent ownership of a government building along with land measuring 0.77 acres near Nazhoen Pelri, Thimphu

Lyonpo Yeshey Dorji becomes Chairman of Management Board

Adopts BTFEC bylaws

Implements Strategic Plan III

Celebrates 25 Years of its service to the environmental conservation

Receives accreditation as NIE for Adaptation Fund

Adopts Program Official Norms
PRIORITIZE CONSERVATION AREAS

Mandated by the Royal Charter, BTFEC’s field programs encompass the three broad themes:

- Biodiversity Conservation,
- Ecosystem Management, and
- Social Well-being.

GRANT ELIGIBILITY

Protected Areas and known natural habitat, biological corridor, area which is known to be a critical wildlife habitat, and forests; known route of wildlife or wild bird movement; high risk of landslides and erosion prone areas; flood prone and river cutting; water sources and water bodies such as pond, lakes, springs, drinking water sources; historical / religious / cultural sites such as monastery, temple, palace, and other religious sites; aesthetically important places / valued natural landscapes / viewpoints; local/ community infrastructures, agricultural land, local resources, and community forests.

ELIGIBLE GRANTEES

Agencies of the Royal Government of Bhutan, National NGOs/CSOs/CBOs, and Bhutanese individuals are eligible for the grant.

- Proposals received directly from grass roots communities are desired
- When submitted by government and CSOs, proposals that enhance community involvement in conservation will be prioritized
- Co-financing is desired, but our support do not displace other donor funding
TYPES OF GRANT AVAILABLE

There are three funding windows.

1. **Project Feasibility and Preparatory Grant**
   This grant is intended to encourage grantees and help them to develop full-blown project to access the MB-grant. This will help those grantees who do not have capacity to develop proposal but has good concept. Each grantee can avail maximum of Nu 150,000 upon approval of the concept note to conduct feasibility studies.

   Please visit www.bhutantrustfund.bt for details.

2. **Small grant**
   Small Grants, not exceeding Ngultrum 400,000 per grant are approved by the Secretariat. Small Grants are accepted on a rolling basis throughout the year until the maximum of six grants in a year.

3. **MB-Grant**
   The projects approved by the Management Board is referred to as MB-Grant, where a grant shall not exceed Ngultrum 15 million, and the proposed implementation period do not exceed three years.
REQUEST FOR PROPOSAL

From June 2017, BTFEC instituted grant making based on thematic areas through “Request for Proposal” (RFP) on annual basis. This approach is used to address a specific conservation issues. It is expected to supplant the existing system of funding a large number of dispersed projects.

The RFP describes the conservation issues based on research with subject experts, relevant stakeholders and interactions with target populations. It will include expected outcomes of project funding, total allocated budget and funding cycle, relevant resources, the proposal format, descriptions of the processes for assistance with proposal preparation, final proposal review and approval, and funding terms and expectations.
## GRANT CYCLE

<table>
<thead>
<tr>
<th>Step</th>
<th>Activity</th>
<th>Timeframe</th>
</tr>
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<tbody>
<tr>
<td>01</td>
<td>RFP Announcement</td>
<td>January</td>
</tr>
<tr>
<td>02</td>
<td>BTFEC receives project proposals from agencies through GNHC</td>
<td>February-June</td>
</tr>
<tr>
<td>03</td>
<td>BTFEC reviews proposals</td>
<td>July</td>
</tr>
<tr>
<td>04</td>
<td>Proposal Screening and review by Independent Technical Advisory Panel (ITAP)</td>
<td>August</td>
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<tr>
<td>05</td>
<td>Board reviews/approves the proposals</td>
<td>September - October</td>
</tr>
<tr>
<td>06</td>
<td>Negotiation with the grantees of approved projects</td>
<td>September - October</td>
</tr>
<tr>
<td>07</td>
<td>Grant Agreement Signing between GNHC and BTFEC/for COS/NGOs</td>
<td>December</td>
</tr>
<tr>
<td>08</td>
<td>Implementation of approved projects</td>
<td>July</td>
</tr>
</tbody>
</table>

### During this period, grantees are also expected to carry out pre-project works such as seeking clearance, preparation of TOR, feasibility study etc.
STRATEGY PLAN III

Strategy Plan III, 2015-2020, presents an opportunity to develop a clear and focused programme to fund critical conservation challenges and engage additional partners in the effort.

**STRATEGY 1**

Fund a few Core Conservation Threats

1. Biodiversity Protection & Improved Rural Livelihoods.
   - Human wildlife conflicts
   - Agriculture & Animal Husbandry Impacts on Biodiversity
2. Sustainable Forest Management
3. Sustainable Water Sources For Agriculture & Consumption
4. Solid & Liquid Waste and Industrial Pollutant

**STRATEGY 2**

**Support population most affected by loss of Natural Resources & Biodiversity**

1. Defining the specifics of conservation issues
2. Trained to prepare proposals for project funding
3. In project management and implementation
4. Empower to sustain and improve conservation practices

**STRATEGY 3**

Collaborate with other Institutions to Maximize Conservation Benefits of BTFEC funding

1. Conservation Initiatives
2. Research Institutions
3. International Aid Organizations
4. Civil Societies
5. Private Industry

<table>
<thead>
<tr>
<th>Strategy One</th>
<th>Strategy Two</th>
<th>Strategy Three</th>
</tr>
</thead>
<tbody>
<tr>
<td>60%</td>
<td>30%</td>
<td>10%</td>
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</table>
### INITIAL ENDOWMENT DONORS

**Donors to initial capital**

Donors to the initial capital include the World Wildlife Fund, and the Global Environment Facility, the Governments of Bhutan, Denmark, Finland, the Netherlands, Norway, and Switzerland.

<table>
<thead>
<tr>
<th>Donor</th>
<th>Amount (USD)</th>
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<tbody>
<tr>
<td>The World Bank - GEF</td>
<td>10,000,000</td>
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<tr>
<td>Government of Switzerland</td>
<td>2,586,207</td>
</tr>
<tr>
<td>Government of the Netherlands</td>
<td>2,454,500</td>
</tr>
<tr>
<td>Government of Denmark</td>
<td>2,334,418</td>
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<tr>
<td>World Wildlife Fund; Inc.</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Government of Finland</td>
<td>66,312</td>
</tr>
<tr>
<td>Royal Government of Bhutan</td>
<td>173,818</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>21,303,690</strong></td>
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“... promotion of social welfare through environmental conservation of the forests, flora, fauna, wildlife, diverse ecosystems and biodiversity in Bhutan” (Royal Charter ’96)