

Bulb Foundation Director's Annual Letter, 2020-2021

The last 12 months have been busy ones for the Bulb Foundation as we completed our first full year of grantmaking. This work was done against a backdrop of massive social upheaval as we, as a society, begin the hard work of reckoning with racial injustice and building back from a pandemic which has turned the world upside down.

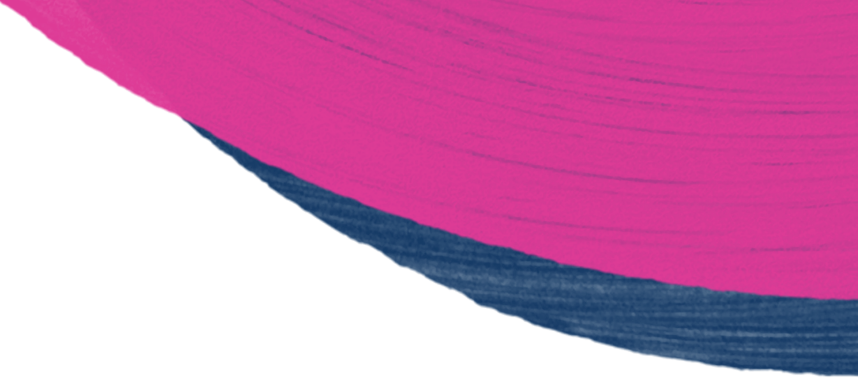
But the threat of climate change has not gone away, if anything the past year has shown us a glimpse of what we may be facing ahead if we don't take action – wildfires, droughts, increased major weather events, massive ice melt and biodiversity loss. And at the same time we have seen an ever increasing number of actors trying to address the climate crisis, be they governments, businesses, local grassroots groups or individuals who have recognised that we must act now and cannot continue as if climate change is a problem for the future.

This increased engagement, as well as the awareness of linkages between the climate crisis, racial injustice, and inequality has brought on a significant pushback, as incumbent players in the fossil fuel economy, feeling threatened, dig their heels in and fight back against creating a just transition, whilst at the same time often engaging in very public displays of greenwashing.

It is against this backdrop that the Bulb Foundation has begun its work on supporting organisations and ideas that work to address the climate crisis – a backdrop that is complicated, ever-changing, and increasingly urgent.

Grantmaking Strategy

The Foundation, given our size and expertise, has chosen to focus our work on addressing systemic ways to stop climate change largely in the areas of finance, policy, the real economy, and international politics across the globe. We believe that targeted investment can change financial regulations which have the ability to shift trillions of dollars of investment into low carbon technology, and that advocating for new government policies can create whole new markets for green products or put an end to polluting industries and technologies. But it is not enough to simply look at the technical aspects of systemic change, we also believe that a just transition cannot happen without the voices of everyone who is affected. To that end, we will support work to influence the multilateral institutions that have an important role to play in the transition away from the fossil fuel economy and towards a both greener and more equitable future, to ensure that they are listening to all their stakeholders not simply those with the most power or money.



Within these areas, we've focused our interventions on organisations and ideas at the early or growth stages of development. This has ranged from supporting the development of business plans for entirely new organisations, to being part of a collective of funders launching a new organisation, to helping medium-sized organisations explore new areas or scale up nascent areas of work. It reflects our belief that innovation is needed to solve the climate crisis, but that innovation isn't always about technology it's also about new business models, new ways to engage civil society, about new ways for organisations to work together and importantly about bringing new voices to help solve existing problems.

Over the past year, our funder, Bulb donated \$1,562,441 to the Bulb Foundation. Following the strategy outlined above we have made grants to over thirteen organisations totaling \$1,558,384, with another cohort of grants waiting to be approved at our upcoming board meeting. Within our portfolio 10.6% of our funding has gone to grassroots work, with 34.9% going to policy advocacy, 47.6% working to push financial flows towards greener investments, and 6.9% on charting pathways towards decarbonisation of the energy sector. Our geographic footprint is equally diverse with 36.2% of our funding working on affecting global systems, 8.7% invested in Africa, 20.4% in the UK, 4.8% in Latin America, 15.8% in Europe, 6.8% in the US, and 7.1% in Asia.

Channelling Resources to the Global South

Another key aspect of our grantmaking at Bulb Foundation is a belief that if we're going to succeed in ending the climate crisis, we need to ensure that existing civil society groups working on climate change in the Global South are properly resourced as well as new groups and leaders identified and given support. In doing so we can make sure that solutions proposed take into account local concerns and political realities in order to make them more successful in the long term.

Two of our grants – the Sustainable Finance Institute Asia (SFIA) and Grupo de Financiamiento Climático para América Latina y el Caribe (GFLAC) – are good examples of the type of work that we're keen to support. Both groups build on the strength of founders who have in depth experience in working within their regions on climate change finance. In the case of SFIA, the group builds on the founder, Eugene Wong's experience working in a number of roles within the Malaysian government to help embed sustainability into the financial architecture in the country. As a result, SFIA, despite only being set up in 2020 has been given a leading role in helping develop ASEAN's Taxonomy for Sustainable Finance which will serve as the rules for green investment throughout much of Asia. In Latin America, Sandra Guzman's long term leadership on climate finance, which resulted in her being appointed as the point person for the Mexican Government has given her unique insight into how governmental budgets are allocated and the important role they play in addressing climate change. Her group, GFLAC

has developed a new index that makes transparent how much governments throughout Latin America are spending on climate change – making it easier for NGOs to hold governments accountable and increase pressure on governments to ensure sufficient funding is being allocated to meet the climate challenge.

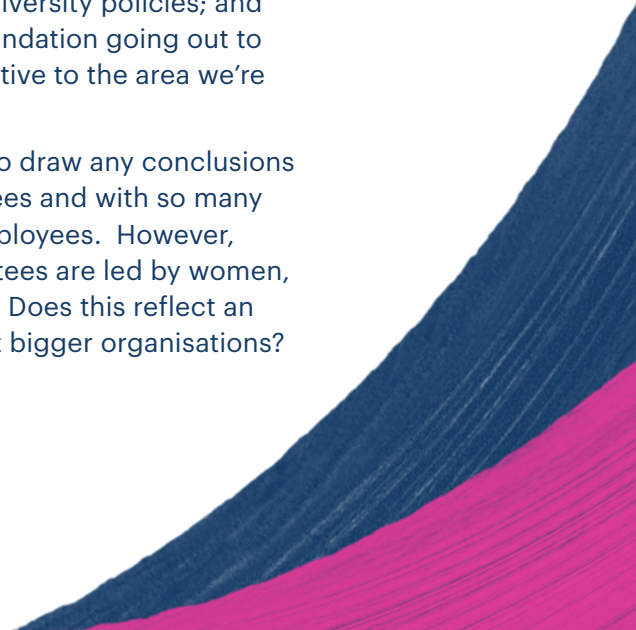
As we can see from the breakdown of funding in the previous section, the foundation has space to grow in channelling funding directly to the Global South. We've started doing this already by instituting a policy in the last 6 months, where we've asked our grantees in the Global North to identify at least one partner in the Global South that they're working with on the area we're funding and to allocate some of the grant to supporting that partner's work. This has allowed us to get to know new grantees working within our field and support groups working together on a single issue, often with very different approaches. This is just one example of how we're looking to scale up our engagement in Latin America, Africa and Asia and hope as travel again opens up we'll have more opportunities to meet with new potential partners both within the region and at international gatherings.

Diversity of the Portfolio

We have a special responsibility as a grantmaking foundation working to make the world a better place to ensure that we do so in a way that encourages a multitude of voices and viewpoints. One way to do that is to work at ensuring that we support a diverse group of grantees within our portfolio. But what does that mean for a foundation with a global remit? Is it about the size or an organisation, where it's located or what area of climate change it's working on? Is it about ensuring that the organisations we fund are made up of a diverse group of people spanning age, race, gender, or religion? It's an area that we're looking to better understand and address, even though we recognise that this will be a complicated task and that we will not always succeed.

We have started our journey on this issue by asking all our grantees to fill out a diversity survey to get a better sense of both the organisations we support as well as the people who work there. Additionally, we've integrated the diversity questionnaire into our due diligence for every potential grantee that we present to the board for funding. We have found that even asking the questions of our start up grantees can often spur organisations to put into place diversity policies; and that asking the question of ourselves has resulted in the Foundation going out to actively look for new grantees that bring a different perspective to the area we're looking to influence.

It is early days in the Foundation's journey and it is difficult to draw any conclusions about the diversity of our portfolio with relatively few grantees and with so many start-up organisations which may have only a handful of employees. However, one area that we've been struck by is how many of our grantees are led by women, and many of these NGOs are at the earlier stages of growth. Does this reflect an issue within civil society of women struggling to be heard at bigger organisations?



Does it reflect working patterns that weren't conducive to the role that women often play as both breadwinners and the COO of the home? Is it more common in certain themes or geographies? We're not sure yet but it's something we'll be exploring further in the years to come.


Whilst it may be too early to draw too many conclusions, across our portfolio, we have already seen how working with a diverse group of organisations means we can help share learnings and intelligence, and work collaboratively with organisations that wouldn't otherwise speak but are connected through their relationship with the Bulb Foundation. It makes our grantmaking more impactful, and considering how small the window of opportunity is for stopping catastrophic impacts of climate change, it's a tool we cannot afford to waste.

Where we've seen impact

After only a year of grantmaking it's difficult to measure our impact, particularly as systems change often is a case of working on a particular issue for a sustained period of time with seemingly little change, only for a tipping point to be reached and all of a sudden things begin to change at a speed that would have been unimaginable only a few months earlier. Additionally, with so many new organisations in our portfolio, we'd expect them to need a period of time to establish themselves before they'd be able to have an impact. All that being said, we've been impressed not only the dedication of our grantees during a very difficult time, but at their ability to take advantage of opportunities that have arisen to change discourse, create new policy and shift billions of dollars of investment.

In addition to the work that we highlighted above by GFLAC and SFIA, a number of our grantees have already made headway in their areas of work. Below are just a few examples of how our funding is supporting real changes in international climate discourse and in the real economy.

The Fossil Fuel Non-Proliferation Treaty is an effort to put pressure on the supply side of fossil fuels and their contribution to climate change – an area that has largely been overlooked with the current focus on driving down demand for fossil fuels. As oil and gas companies continue to look to the future with expansion plans the Treaty has begun working work countries, cities, policy makers, activists and researchers to call out these plans as non Paris-aligned and is beginning work on creating a global registry of the world's oil and gas reserves to ensure transparency in decision making about how we can make decisions of how to use our remaining carbon budget in the most just way possible. In the past year alone the treaty has been endorsed by cities such as Barcelona, Vancouver and Los Angeles, as well as over 100 Nobel Laureates and hundreds of scientists and academics.



One of our first grantees, E3G has been working with Bulb's support to drive a strong national finance strategy by the UK government in the lead up to COP26 to deliver the government's net zero targets and serve as a model for other developed economies. In the past year we have seen significant gains in this space including such commitments as the UK to demanding mandatory reporting against TCFD; the UK establishing a new Green Infrastructure Bank; and the ending of UKEF's financing of fossil fuels abroad. In addition to this E3G has made progress in other areas such as the Bank of England agreeing to conduct its first climate stress test; and the Treasury embedding net zero mandates of the Monetary Policy Committee and the Financial Policy of the Bank of England.

Carbon Tracker's work to end the financial industry's support of fossil fuels has continued to have significant impact on the broader discourse of the role of finance in holding back the transition to a low carbon economy through the publication of 13 major reports in the last year as well as numerous notes, blogs, interviews and webinars. In addition, their interventions have influenced numerous investment decisions following targeted engagement including ending Nordea's investment in coal fired power plants in Vietnam; ENI's commitment to absolute emissions reduction targets; the Irish Government's ending the exploration for fossil fuels and committing to divesting from the sector; and Cambridge University's divestment from fossil fuels.

If we are to create a zero carbon economy, Energy Unlocked's work to better understand how to best decarbonise the energy grid will be an important part of the way forward. With support from Bulb, Energy Unlocked has been diving into the data around how demand, flexibility, and price signals can be integrated into the energy market in order to drive the decarbonisation of the energy grid in the UK. Early analysis has already drawn the notice of key policy makers and has begun to inform decisions on investment and regulations by the Department of Business, Energy and Industrial Policy and the Climate Change Committee in the UK, as well as the International Energy Agency and the G20.

Our grantee, Both ENDS, continues to work on ending Export Credit Agencies' funding of fossil fuels around the world. In the past 12 months, they've seen a growing commitment of European ECAs on this front, including their work in The Netherlands resulting in a parliamentary resolution that was adopted that requests the government to align its instruments of foreign policy and diplomacy with the objectives of the Paris Climate Agreement. Additionally, the Dutch ECA presented a world first: a 'Green list' that clarifies what type of projects are considered to be contributing to achieving the goals of the Paris agreement. In practice it means that companies can insure green projects against more attractive terms and conditions, making it easier and cheaper to finance green projects.

The pandemic has been particularly challenging for groups working to bring grassroots pressure to create action on climate change. Recognising this need Bulb Foundation worked with 350.org to boost the organisation's capacity to

organise online around the globe with an emergency grant. 350.org used this funding to ensure that their partners were able to continue their critical work in numerous countries by a wide range of online tools including creating a digital storytelling toolkit for activists which has been translated into Bahasa, German, Spanish, Portuguese, Turkish, Ukrainian and Japanese; designed and implemented a customised user journey for the Fossil Free campaign in Dutch against the pension fund ABP; optimised the Africa team's website and engagement tools in both English and French for local activists; and created localised content in multiple languages and countries for the Just Recovery Campaign. All of this work and a great deal of other initiatives ensured that momentum was maintained and local activists weren't shut off from the discussions around climate change due to language or connectivity barriers.

A look ahead

If the past year has taught us anything, it's that expecting things to turn out exactly as you had planned for is a dangerous game. But with that caveat, the Foundation will continue to focus our grant giving on organisations working to create systemic change to end the climate crisis, we'll continue to work with smaller organisations who are bringing innovative approaches and ideas to the table, and we'll work hard to ensure that our portfolio is more than just a sum of its parts by connecting our grantees to each other and encouraging collaboration.

2022 is likely to bring an increased focus on the voice of the Global South as two of the key international fora move to South Africa (COP27) and Indonesia (G20 Presidency) and the need to increase climate funding and investments into the region will become ever more urgent if we are to ensure sustainable development paths are the default option. We'll continue to look for grantees throughout the Global South who can help us navigate the coming year and create impact both regionally and at the international level.

Another area which will continue to be of interest to us is the critical issue of finance as it interacts with climate change. We need to rapidly shift finance at a massive scale away from high carbon technologies and towards a green options if we're to limit climate change to under 2C, to that end we'll continue to fund groups that work to cut off funding to fossil fuel companies and who are able to change the rules of climate finance to encourage a just transition.

We'll also look at new areas of interest that are moving up the climate change agenda such as the role of petrochemicals in climate change and the ethical implications of geoengineering. And no doubt there will be others that will emerge that we have yet to discover.

Bulb Foundation may be a new player on the climate change scene, but we're committed to adding our resources to the critical fight against climate change to those of our fellow funders. We'll work hard to connect up with our peers to ensure our funding is used to best effect and avoid duplicating existing work; and we'll work to ensure that as our grantees grow beyond us they find new supporters and can expand their impact.

None of this would be possible without the support of all of the Bulb members who have been fundamental to Bulb's ability to support the Foundation and most importantly our grantees, who day in and day out work tirelessly to make the world a better place not only for generations to come but for all of us today. They have our eternal gratitude and admiration.

Allison Robertshaw

Director, Bulb Foundation

10 May 2021

