

Critical Ecosystem Partnership Fund

Fourth Meeting of the Donor Council
World Bank Headquarters, Washington, DC
12 February 2003

Summary of CEPF FY03 Progress (July 2002-present)

Expanding the Partnership and Increasing Synergy among the Donor Partners

The Critical Ecosystem Partnership Fund (CEPF) stepped up efforts to expand the CEPF partnership and increase synergy among donor partners. The first step in this direction was in June, when CEPF welcomed the Government of Japan as a new partner. Japan's remarkably rapid and sustained economic recovery has served as inspiration for countries in Asia and elsewhere. Today, it is also one of the world's largest providers of official development assistance for the environment. In a special press event in Bali to announce Japan's commitment, H.E. Mr. Hiroshi Ohki, Japan's minister for the environment, said: "The CEPF approach enables local people in developing nations to create and implement projects for a healthy environment and to prosper economically. That is why the Japanese government has chosen to be a participant in this very focused initiative."

Japan joins Conservation International (CI), the Global Environment Facility, the John D. and Catherine T. MacArthur Foundation and the World Bank in pledging to commit at least \$5 million annually to the Fund for five years. The new partner brings the Fund's total committed assets to \$125 million—ever closer to its goal of raising at least \$150 million to invest in civil society-led conservation projects.

Private-public partnerships like the CEPF are under-used but among the most promising mechanisms to enable change and to leverage additional financial and political commitment. In August, CEPF Executive Director Jorgen Thomsen featured as a panelist in a World Bank-sponsored event focusing on challenges and good practice in encouraging the participation of all partners in global programs. The panel, "Scaling Up By Scaling Down: Delivering Global Public Goods Locally," took place at the World Summit on Sustainable Development in Johannesburg. Mr. Thomsen also participated in a special public forum sponsored by the Japan Ministry of the Environment highlighting new partnership approaches.

Four groups from Africa, Asia and Latin America gave presentations on their conservation projects in a special workshop on CEPF during the Global Environment Facility's Second General Assembly held Oct. 16-18 in Beijing. CEPF donor partners GEF and the World Bank hosted CEPF's workshop during the assembly, which brought together representatives from ministries of finance and ministries of environment from more than 200 countries. The organizations—Association Fanamby, Instituto Machu Picchu, the National Botanical Institute and WWF-Indonesia—also participated in the daylong workshop alongside about 40 World Bank staff, advisors to various governments and others.

"It was really interesting to be part of a larger forum where conservation and strategies are being outlined," said Alfredo Ferreyros, President of Instituto Machu Picchu (IMAPI) in Peru. "I had always participated very much at a national and regional level and to be there in Beijing and see what is going on in different places and at an international level struck me as a magnificent experience."

For Khungeka Njobe of the National Botanical Institute in South Africa, the opportunity to participate in the CEPF workshop in Beijing was also valuable.

"It gave South Africa an opportunity to share with the international community the work (much of which is innovative) it is doing in conservation," said Njobe, who is responsible for bioregional/ecoregional programs at the institute. "It also provided an opportunity for me to learn and network with colleagues from other parts of the world who are implementing conservation programs under different political and socio-economic situations and provided an opportunity to expose our work to other funding institutions."

This meeting marked one of the first times that representatives from GEF and the World Bank were able to hear first hand from some of CEPF's locally based grantees. It provided a significant opportunity for the

local voices of the CEPF partnership to share news of the results and successes being catalyzed by CEPF's investment in civil society.

The CEPF Working Group met in October and December. Representatives from each of the donor organizations participated fully in these meetings, including a new member representing the Government of Japan, Mr. Kakuoki Hoshino. The main focus of the October meeting was to provide an update on the CEPF preparation process and ecosystem profile for the Succulent Karoo hotspot and to continue the evolving discussion on integrating conservation outcomes into all 10 hotspots where CEPF grants are now available. The CEPF Executive Director presented a summary of the current thinking on outcomes, highlighting several regions where the integration has been most effective. The primary objective of the second Working Group meeting was to discuss all items for consideration in the February Donor Council meeting—including the Succulent Karoo Ecosystem Profile—and to discuss ways to increase synergy and participation among donor partners.

Results from this discussion have already taken seed. CEPF and the MacArthur Foundation organized a series of meetings to discuss grantmaking collaboration for the Tropical Andes and Madagascar. In addition to discussing the CEPF portfolio of grants for these regions, representatives of the Center for Applied Biodiversity Science at Conservation International (CABS) provided a summary of several science projects in both hotspots, including satellite imagery and demographic forecasting efforts. Both organizations have agreed to reconvene discussions on Madagascar in early 2003 and to invest additional time to increase synergy in donor efforts. The World Bank will facilitate meetings with staff who have significant knowledge of Madagascar with the MacArthur Foundation.

The Government of Japan has encouraged CEPF to be in direct contact with different representatives of Japan's Overseas Development agencies, including JICA, to explore possible areas for collaboration and partnership.

Emerging Results and Highlights from the Field

Targeted CEPF support to alliances in southern Mesoamerica enabled the Osa Alliance of civil society groups, national and international organizations and government agencies to finalize an integral action plan and attract new funding to help preserve biodiversity in the Osa Peninsula of Costa Rica. The new funding of \$100,000 came from the Costa Rica-USA Foundation, an alliance member and initiative of the U.S. and Costa Rican governments. The foundation pledge came as a direct result of the CEPF strategy to provide \$5.5 million in southern Mesoamerica over five years beginning in 2002, with a focus on three priority areas including the Peninsula.

In southern Africa, a pioneering team of more than 30 individuals from 15 institutions in Namibia and South Africa are working together to establish a common vision and strategy among diverse stakeholders for conservation of the Succulent Karoo biodiversity hotspot. The team, facilitated by CI as part of CEPF preparations to expand to the hotspot, includes special advisors and four coordinating organizations: the Botanical Society of South Africa, Eco-Africa, the Institute for Plant Conservation and the National Botanical Institute. It also includes 10 conservation champions, well-connected and respected individuals with biodiversity or social development expertise who have raised awareness about the process and gathered vital information within their own communities.

In August, more than 70 representatives of local, provincial and national government agencies, nongovernmental organizations and academic institutions from Namibia and South Africa participated in a consensus-building process to develop a final action plan. The results of this workshop and other activities of the project team resulted in a framework for conservation of the hotspot and lay the foundation for the CEPF Succulent Karoo Ecosystem Profile that will be discussed by the Donor Council during this meeting.

The Upper Guinean Forest stretches approximately 420,000 square kilometers across six countries, but centuries of human activity have resulted in a loss of more than 70 percent of the original forest cover and left the remaining forest highly fragmented. Determining where and how best to focus conservation efforts is vital for lasting success but so, too, is widely sharing the results. One project is helping meet the challenge.

The project team in CI's West Africa Program has created maps and full color workshop reports in English and French, a special, multi-language CD-ROM database and a Web site presenting the results of an intensive workshop to determine the highest priorities for conservation in the region. The project is an important extension to the priority-setting workshop, documenting the results in multiple formats and ensuring dissemination throughout the region and beyond. Dissemination is a vital part of the project, as is the continuation of the participatory process begun at the workshop.

Product launches have been held in Ghana, Guinea, Côte d'Ivoire and Liberia, where workshop participants and other local representatives helped develop distribution strategies. The team has distributed the maps and workshop reports widely and started distributing the CD-ROM to workshop participants, national governments and other stakeholders throughout the region. The aim is to equip decision-makers, donors and others with the best possible information to take strategic action where it matters most and to enhance conservation planning efforts and focus investment in areas of greatest conservation importance.

Improving the Grant Application System

As CEPF continues work in the current biodiversity hotspots eligible for CEPF funding and prepares to expand into new regions, the intricacies and challenges of realizing our mission have started to surface. In direct response to a survey conducted of CEPF applicants and grantees in July, CEPF has begun to modify its application system to help meet our goal of having a flexible and streamlined application process and to enable successful applications from as many local groups as possible.

CEPF is now designing and implementing an offline application package. Features of the new application system include:

- All application materials accessible via the Internet to be easily downloaded by interested parties. Floppy disks and CD ROMs are also available to increase distribution potential.
- All steps of the application process are integrated in the sense that important elements from earlier steps pre-populate all following steps to allow for an automated application process.
- Applicants complete full project design entirely offline and then e-mail or mail them to CEPF.
- Application materials with the full technical advantages are available in multiple languages, including Bahasa (Indonesian), Chinese, English, French, Portuguese and Spanish.
- Package is constructed to allow for easier distribution within project teams promoting better partnerships and more collaboration.
- More automated functions are offered to provide clear instructions and reporting capabilities.
- Templates are revised to incorporate simpler visual design and more environmentally friendly printing.

Increasing Communication with Grantees, Donor Partners and the Conservation Community

CEPF has continued to enhance its communications efforts in an attempt to better convey the message of the partnership, to ensure that biodiversity conservation funding is made available to an appropriate constellation of conservationists and to continue to enrich its relationship with grantees and partners and attract new ones.

- The initiative's first public annual report was published in December. The 32-page publication will serve as a major tool for CEPF to demonstrate results during the initiative's first 18 months of grantmaking. The report is being marketed through CEPF E-News and the CEPF Web site, www.cepf.net. It will be available on request as a printed publication and in PDF format on our Web site and CD ROMs.
- CEPF staff completed a major redesign and expansion of the CEPF Web site. The new site, which launched in December, is a more dynamic, informative resource with lots of links to donor partner and grantee sites and information. It also enables CEPF to directly maintain and update the site, providing greater agility in regular updates and further expansion. CEPF is setting up a system to track visitor numbers and actions, information that will enable staff to set measurable goals for the site and better tailor the content.

- CEPF E-News, the CEPF's electronic newsletter launched in March 2002, now has more than 370 subscribers. In November, the CEPF began sending the newsletter out via a tailored service that enables staff to track subscriber response, such as how many subscribers open the e-mail and how many click on which links. This new tool will enable staff to set measurable goals for the newsletter and better determine useful content.

Progress on CEPF Preparation Regions

In June 2002, the CEPF Donor Council authorized CEPF to begin preparation and profiling processes in Northern Mesoamerica (Mexico, Guatemala, Belize) in the Mesoamerica hotspot where CEPF funding is now available in southern Mesoamerica, and in five new hotspots:

- Caucasus (Georgia, Russia, Armenia, Azerbaijan, Turkey, Iran)
- Eastern Arc Mountains and Coastal Forests of Tanzania and Kenya
- Polynesia & Micronesia
- Western Ghats & Sri Lanka
- Indo-Burma

CEPF has since initiated a partnership with a locally based organization in each of these regions to lead catalyzing stakeholder consultation, analyze current investment and conservation actions, identify conservation outcomes and help determine CEPF's strategic niche and specific investment opportunities within a particular geographic focus. This cycle of CEPF preparation is characterized by an up-front identification of conservation outcomes that, once defined, will help guide CEPF's investment to achieve the largest positive impact on biodiversity.

Three regions—the Caucasus, Eastern Arc Mountains and Coastal Forests of Tanzania and Kenya and Northern Mesoamerica—have been the focus of recent intensive analysis and the CEPF preparation phase will benefit from these previous analyses. The locally based organizations leading the preparation phase in these three regions each aim to produce an ecosystem profile for consideration in the June/July Donor Council Meeting. Consultations, meetings, roundtables and scientific analysis have been in progress in these regions for the past few months and are culminating in the months of January – March 2003. Initial draft profiles are expected in April for these regions.

Northern Mesoamerica

CI is catalyzing the preparation and profiling phase of CEPF in Northern Mesoamerica, with technical assistance from CABS and CI's Field Support Division. The analysis and consultation will be undertaken in partnership with several strategic alliances in the region including the following:

- Coalition of the Selva Maya
- Ecoregional Plan for the Selva Maya
- Selva Lacandona Generation XXI, Collaborative Strategy for the Conservation of Biodiversity in the Selva Lacandona
- Initiative Calakmul
- Committee to Support Laguna del Tigre National Park

The biggest challenge for CEPF in Northern Mesoamerica is determining why past efforts and investment have not resulted in more significant conservation progress and subsequently recommending the strategic niche and opportunities where CEPF's investment can make a positive impact.

A series of stakeholder consultations will take place in Mexico, Guatemala and Belize during January – March. Like all the regions, defining conservation outcomes will play a major role in defining the geographic priorities and also the thematic opportunities for CEPF.

Caucasus

The Caucasus biodiversity hotspot is home to leopard, wild boar, West Caucasian tur, bezoar goat and numerous flagship bird species. The Caucasus is also categorized as a Global 200 Ecoregion by WWF, which has worked for more than a decade to ensure conservation of the biodiversity in this mountainous range.

CEPF has entered into a partnership with WWF to determine strategic opportunities for future CEPF investments to do the most good in this unique temperate hotspot, which spans approximately 420,000 square kilometers across six countries between the Black and Caspian seas. WWF is catalyzing a stakeholder consultation process, information synthesis and analysis that will ultimately result in the creation of the ecosystem profile for the Caucasus.

CEPF Grant and Program Management directors visited Georgia in September to learn more about the region, meet NGO representatives and participate in a WWF workshop funded by the MacArthur Foundation and the World Bank. CEPF staff met with numerous NGOs and government representatives, including NACRES, Rec Caucasus, Horizonti Foundation, the Georgian Center for the Conservation of Wildlife, the Ministry of Environment and the CUNA Foundation.

One of the issues that the CEPF Ecosystem Profile will need to address is the development of the BP Baku-Tbilisi-Ceyhan, South Caucasus Pipeline. There is mounting environmental opposition in the Caucasus and Europe to the pipeline. The main issues that this consortium of environmental organizations are concerned with include:

1. The Pipeline crosses directly through several protected areas in Georgia, Armenia and Azerbaijan - including a RAMSAR site.
2. The Pipeline crosses directly through Borjomi-Kharaguali National Park - opening it to additional encroachment by illegal loggers and development pressures.
3. The proposed route of the pipeline transects a very fragile area in Georgia that is susceptible to landslides.
4. The route transects crucial mineral water catchments from the Borjomi-Kharaguali National Park

An Environmental Impact Assessment conducted by a Dutch company (using Austrian, EU and Netherlands standards) summarizes several flaws in the design and recommends several mitigation plans. BP has conducted extensive dialogue about this project, committed to uphold World Bank Safeguard Policies and addressed some of the concerns of the environmental community but intends to go forward with the pipeline. Construction of the pipeline is already in progress. Likewise, BP has also developed plans for an Environmental Investment Program that will invest in specific efforts that will offset damage caused by the pipeline.

Eastern Arc Mountains and Coastal Forests of Tanzania and Kenya

This hotspot has the highest densities of plants and vertebrates found nowhere else and is the smallest and one of the most threatened of all the hotspots.

CEPF has entered into a partnership with CI's Africa and Madagascar Division, which will catalyze the preparation phase. To date CI-Eastern Africa has subsequently identified local partners who will support the process including the International Centre of Insect Physiology and Ecology (ICIPE), Nature Kenya and the Wildlife Conservation Society of Tanzania to prepare the ecosystem profile.

In partnership with Nature Kenya and ICIPE, CI-Eastern Africa is catalyzing a stakeholder consultation process, information synthesis and analysis that will ultimately result in the creation of the ecosystem profile for this hotspot. Organizations to be involved in the profiling and preparation phase include:

- International donor organizations, both multilateral (World Bank, UNDP, GEF, EU) and bilateral (USAID, GTZ, DANIDA, JICA, NORAD, FINNIDA)
- International NGOs, such as African Wildlife Foundation, African Conservation Centre, BirdLife International, CARE, IUCN-The World Conservation Union and WWF)
- National government agencies, such as ministries of environment and natural resources; the Kenya Wildlife Service; National Museums of Kenya; Kenya Forestry Research Institute; Tanzania National Parks; and Tanzania Forestry Research Institute.

- Local NGOs and civil society groups, such as Nature Kenya; Kenya Forest Working Group; East African Wild Life Society; and Wildlife Conservation Society of Tanzania
- Private business organizations, such as Lafarge/Bamburi Cement
- Academic institutions, such as Nairobi, Kenyatta, Moi, Dar-es-Salaam and Sokoine universities
- Major foundations, such as the MacArthur Foundation