

Critical Ecosystem Partnership Fund

First Meeting of the Donor Council
World Bank Headquarters, Washington, DC
(14 December 2000)

Priorities for the 2nd Year of the Critical Ecosystem Partnership Fund

Seven biodiversity hotspots have been selected as priorities for the second year of CEPF based on biological and political criteria, and potential leveraging opportunities. These areas would benefit from the funding allocated in the first annual spending plan for preparation and planning. In order to allow a reasonable amount of flexibility, it is agreed that five hotspots will be selected from the seven for inclusion in the second annual spending plan. The priorities are as follows:

1. **Mesoamerica** has received substantial environmental support, but coordination and impact at a regional level are modest. The Mesoamerican Biological Corridor remains a high profile and promising initiative, which could benefit from regional activities involving non-governmental entities. There are significant co-financing opportunities, and priorities, action plans and strategies are available.
2. **Atlantic Forest** (Brazil) is considered an area of high biological urgency, and a major leverage opportunity exists through World Bank and GEF programs. The region is attractive because of demonstrated successful alliances and partnerships between national and international institutions. There are good prospects for early success and lessons learned.
3. The **Northern Andes** is perhaps the world's most biologically rich region. The region is beginning to receive large-scale funding, in particular as a result of the Ecuador-Peru peace treaty and anti-drug related investments in Colombia. However, much of this funding is for governments, and strengthening a non-governmental constituency for conservation remains a high priority. Regional and landscape based planning and priority-setting are urgently needed.
4. A strong coalition of local NGOs has been formed and a dynamic action plan completed for the **Cape Floristic Region** (South Africa). All that is missing is funding. In addition, providing support to link the action planning process undertaken in the Cape with a needed similar approach in the **Succulent Karoo** (South Africa and Namibia) holds promise for this hotspot. There are good prospects for early success and lessons learned.
5. **Philippines**, a hotspot and megadiversity country with only 3 percent of its natural forest remaining, is one of the hottest of the hotspots. CI has recently completed a priority setting workshop with buy-in from all key stakeholders and funding from bilateral and multilateral donors. Supporting the nongovernmental sector to follow-up on the priority setting is urgently needed.
6. **Sundaland** (Indonesia) needs massive environmental support to head off the current wave of decentralization-induced deforestation. CEPF is strongly positioned to leverage emerging Dutch funding for priority-setting exercises in each province. Building a consensus-based approach at the provincial level is urgently needed to complement the new decentralized political decision-making process in Indonesia.
7. **Southwestern China**, the world's most biodiverse temperate region, is currently subject to a logging ban, and substantial conservation opportunities have arisen as a result. Future land-use practices can be positively influenced through the introduction of alternative planning strategies and by securing a platform for increased involvement of the private sector.