

**Critical Ecosystem Partnership Fund
Twenty-sixth Meeting of the CEPF Donor Council
Brussels, Belgium
27 January 2015
10 a.m. – 5 p.m. CET**

Draft Business Plan Summary: Exploring Pathways for CEPF Phase III

Recommended Action Item:

The Donor Council is asked to review the summary of the analysis conducted for CEPF's business plan for Phase III, especially the "Points for Consideration," and come prepared to discuss their reactions to the document.

Background

At its 24th meeting, in Paris on 28 January 2014, the CEPF Donor Council approved the strategic framework for Phase III of CEPF. The new strategy proposes taking CEPF to a scale where it can have a transformational impact, reversing biodiversity loss in the hotspots. A key element of the strategy is the creation of a business plan for CEPF that provides a roadmap for the scale-up needed to meet the goals of the strategic framework.

To that end, CEPF has contracted Padma and Associates to conduct an analysis of the state of biodiversity funding and develop a business plan that will allow CEPF to scale up to a level that allows it to truly meet the challenge of the biodiversity crisis.

A representative of Padma and Associates, Daniela Lerda, will participate in the meeting on January 27 to present the draft business plan that is succinctly described in the draft business plan executive summary that follows.

DRAFT SUMMARY

Exploring Pathways for CEPF Phase III: Fundraising, Private Sector Engagement, and Governance Factors

SUMMARY

This report responds to the terms of reference received on July 22, 2014 to support the development of a business plan for the Critical Ecosystem Partnership Fund (CEPF). In the following pages we lay out the conclusions of the work we have jointly carried out over the last four months, including an overview of biodiversity finance trends considering ODA sources and private sector contributions, and potential factors that will need to be reviewed concerning CEPF's current governance model and structure. This report also provides points for consideration by the Donor Council and Secretariat to help stimulate discussions during the upcoming January 2015 meeting. The result of those discussions will help clarify and define future directions and priorities during Phase III, which will be incorporated into future revisions of this report.

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ABOUT PADMA

PADMA is a consulting firm that specializes in business and biodiversity conservation issues. With more than twenty years of experience working on social and environmental issues across the globe, our team convenes a broad set of skills to support sound business and investment decisions that help to conserve natural capital. We work with a variety of sectors including: finance, mining, energy, agriculture, and infrastructure, and support private foundations, NGOs and governments, to develop biodiversity conservation strategies and programs that avoid, mitigate and compensate impacts on the environment. Through a set of tools and approaches, we help our clients with strategic planning, capacity building, communications, stakeholder engagement, as well as monitoring and evaluation of investments and programs.

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Executive Summary

This report explores potential pathways for the Critical Ecosystem Partnership Fund (CEPF) Phase III program in terms of scaling up funding, reaching USD 750 million by 2018, expanding both the length and breadth of investments, pooling new donors and resources, and consequently adapting the current governance structure and model in order to continue to provide effective support to halt the global loss of species, degradation of natural capital and enhance human wellbeing in the world's most biologically rich and threatened regions, known as the Biodiversity Hotspots.

Our analysis includes a review of traditional ODA allocations for biodiversity as well as patterns of private sector engagement and support for conservation, looking at what companies report, as well as patterns in corporate-NGO partnerships. Given the need for CEPF to engage and incorporate new donors, our analysis includes an examination of CEPF's current governance practices and models in the light of best practices and trends in the governance of similar mechanisms.

Our findings indicate that international aid is still the most significant source of funding for conservation in biodiversity-rich developing countries (Hein, Miller, & de Groot, 2013; Waldron et al., 2013) although it comprises a very small proportion of overall aid-- the combined total of both strict and mixed types of biodiversity aid—approximately USD 17.2 billion (in constant 2000 USD) for 1990–2008—is less than 1% of foreign assistance for the period.

ODA for biodiversity also appears to be relatively stagnated since 2010; Biodiversity ODA did not increase during the period reviewed (2000-2011). Furthermore, allocations to biodiversity are much smaller than for other development issues. The average value per year for biodiversity aid in the period was USD 665.7 million per year, much lower than aid allocated to sectors like water (USD 14.9 billion) and health (USD 12.9 billion).

Multilateral agencies are the leading supporters of biodiversity conservation, with an average contribution of 84% in the period reviewed. A sharp decline has taken place since 2011, when contributions from multilaterals dropped by 30%. The GEF was particularly impacted, although together with the World Bank continues to be the most important individual donor for biodiversity conservation in the short-term. The future role of these organizations however, remains less certain.

In light of declining funding from multilaterals, bilateral agreements are becoming increasingly important for financing biodiversity in developing countries. Bilateral donors tend to be more stable over time, and follow geopolitical guidelines as a means to define regional priorities, including those corresponding to historical ties (ie. former colonies) or strategic alliances (partnerships, security issues, etc). This means that bilateral grants allocation depends on “case by case” negotiations: the success of obtaining a grant is dependent upon the quality of the relationship between the donor and recipient countries.

Germany is the main bilateral donor for biodiversity in terms of total volume of funding. It falls to third place however, behind the Netherlands and Norway, when analyzed according to its GDP. The United States, France and Spain although among the top ten donors for biodiversity, contribute the least resources out of the group. Outreach to these donors should be targeted as a priority in future efforts to engage additional countries to join CEPF's Donor Council.

As ODA allocations for biodiversity are unlikely to increase substantially in the near term future, the private sector is increasingly being identified as a potential source of supplemental funding for programs. But little information is actually available on corporate investments for biodiversity. One of the major difficulties in determining how much the private sector actually contributes is that companies report on broader environmental commitments and not on biodiversity issues specifically. Engagement with biodiversity is done through a few different mechanisms beyond regulatory approaches, including: certification schemes, labels and standards, sustainability councils, and industry associations. All of these efforts are focused on business needs and interests, producing limited impacts on conservation and making up a small fraction of future global funding for conservation.

NGOs are increasingly involved in some form of corporate partnership, concentrating on a few sectors, with retail being the most common, followed by Basic Resources and Banks. Corporate-NGO partnerships include supply chain management, restoration of degraded areas, and improved business practices to name a few. In order to become more competitive, CEPF will need to develop a portfolio of services that can be offered to potential corporate partners. CEPF must analyze carefully if efforts deployed to develop new skills for engaging and establishing partnerships with companies are worth taking on for reasons other than fundraising.

Corporate engagement around biodiversity issues concentrate on three broad approaches: i. supply chain risk management; ii. impact mitigation and offsets; and iii. mission-driven long-term investments. Supply chain approaches offer the fastest-growing opportunities. Few unrestricted resources are available from companies, who instead invest in short-term projects related to particular business and site-specific interests.

Companies are also moving away from general corporate giving, and concentrating investments on a reduced number of partners and projects. The main areas of corporate giving in 2013 were Health and Social Services, Education, and Community & Economic Development. Environmental projects receive relatively little support from companies. Therefore, combining biodiversity outcomes with broader social objectives emerges as a central approach for engaging future private sector donors.

Regional perspectives point to an untapped willingness and potential for CEPF to involve RITs in a more concerted effort to engage with local companies. Doing so will require going beyond consultations during the ecosystem profiling phase, to include these actors in the development of joint regional portfolios catering to particular sectors and relevant sites. An initial opportunity map is suggested for selected hotspots, based on the perspectives shared by current RITs, including priority sectors, approaches and companies to be targeted in future outreach efforts.

CEPF's operations are transparent, accountable and pioneering in many aspects. Interviews carried out with Working Group members ratified and reinforced these perspectives, demonstrating a high level of donor satisfaction with CEPF. The fact that it is a trustworthy and effective mechanism makes donors somewhat resistant to changing any aspect of CEPF's governance model and structure. The participation of nontraditional bilateral and private sector donors is seen as potentially risky, greater civil society involvement is not viewed as necessary, and procedures, even when they lack clarity regarding donor terms, renewals, and obligations, are perceived as adequate.

As CEPF's most important governing body, the Donor Council is currently responsible for approving priority areas and strategies for investment and providing guidance over operational aspects. Meanwhile, the Working Group provides expertise and guidance for operational and technical issues. Governing documents do not provide a lot of detail on additional potential contributions that either group could make to the mechanism, considering the full potential of their skills, expertise and strategic position.

Furthermore, the Operational Manual and the agreements celebrated between donors do not currently specify procedures for nominating members, nor do they place limits on the terms of office or set the conditions for maintaining and excluding members. Rules for the participation of different types of donors, including those involved at the regional rather than global level, are also missing. The only guidance currently in place for joining CEPF's Donor Council and Working Group is making a donation of USD 25 million to a global set of priorities and programs, thereby matching the commitment of other global donor partners.

Best practice governance guidelines, nevertheless, recommend that organizations establish a clear legal framework, including founding documents and operational manuals that set the rules for selecting, maintaining and excluding governing members (Spiegel; Mikitin, 2013). Moreover, the periodic renewal of board members is considered a healthy practice when conducted in a way that ensures that institutional capacity, continuity of mission, and institutional memory are maintained (Quesne; LaFontaine, 2013).

In our view, all of these matters will need to be addressed by CEPF in the short term if it is to engage with a growing number of partners operating at different scales, and contributing via decision-making in addition to financial resources. Considering a more inclusive approach to CEPF's governance by inviting broader perspectives into resource allocation decisions will help strengthen what is an already well-established initiative. Including a more diversified set of perspectives at the global level; creating regional advisory councils; clarifying terms of service, roles and responsibilities of Council members; and broadening current donor commitments to share in fundraising goals are some of the most critical aspects that need to be addressed during Phase III.

Introduction

The Critical Ecosystem Partnership Fund (CEPF) was launched in 2000 with a powerful mission: *to help people protect biodiversity hotspots for their own well-being and that of future generations*. CEPF awards grants to and mentors civil society organizations (CSOs) to help protect the hotspots¹, Earth's most biologically rich yet threatened areas.

Since its creation, CEPF has demonstrated a proven capacity to convene and build partnerships among diverse local organizations, government agencies and academic partners. Over the last 14 years more than USD 178 million have been awarded in grants to a variety of civil society organizations (CSOs) ranging from small farming cooperatives and community associations to private sector partners and large international NGOs. These relatively modest financial resources leveraged an additional USD 346 million in funding for conservation programs in the world's most critical regions for biodiversity conservation. This scale of funding represents less than 1% of total biodiversity aid to developing countries over the period.

CEPF's grants have supported projects in more than 80 developing countries and territories covering 23 biodiversity hotspots. Through its unique niche as a global fund supporting civil society's engagement in biodiversity conservation, CEPF is helping to supplement national public investments and those of international donors, most notably from the Global Environmental Facility (a CEPF donor), bilateral development agencies, philanthropies and international NGOs – all of whom are partners to CEPF.

The Fund's focus on protecting key biodiversity areas and addressing the threats to biodiversity across broad landscapes allows it to impact ecosystems found in a variety of land uses, including protected areas, indigenous reserves, biological corridors and productive landscapes. Many of the locations targeted by CEPF provide ecosystem services that directly benefit human society by safeguarding water supplies, improving food security, and building resilience to climate change.

What began as a commitment of USD 25 million (USD 5 million annually for five years) from each of CEPF's founding partners—Conservation International, the Global Environment Facility (GEF) and the World Bank—in 2001, expanded with contributions from the MacArthur Foundation and the Government of Japan in 2002. The French Development Agency (AFD) invested an additional USD 25 million in 2007 and the European Commission, which joined CEPF in 2012, made an additional contribution of 18 million Euros (~USD 23.5 million). Core contributions from these seven donors, including reinvestments from the original five donors, now total USD 270 million. Philanthropic donors have also made additional contributions to programs in specific regions, including the Margaret A. Cargill, McKnight, MAVA and Prince Albert II of Monaco foundations.

Each global donor is represented on CEPF's Donor Council, which approves priority areas and strategies for investment, and acts as a forum for donor coordination.

¹ Biodiversity hotspots harbor more than half of the diversity of life on the planet, but have already lost more than 80% of their original habitat. More than half of the world's plant species are found only

Global donors are also represented at the level of a Working Group, which provides technical guidance and oversight of CEPF's operations.

In order to enhance its positive impacts on biodiversity conservation, the Donor Council approved in 2014 a third phase for CEPF with a new target to expand into a US\$750 million global program. A scaled-up and revamped CEPF will allow the Fund to focus on the following goals²:

- Create long-term visions for the hotspots, extending them to 10-15+ years instead of the current five-year investment plans;
- Secure regional stewards of the long-term visions through Regional Implementation Teams (RITs) or similar organizations;
- Establish stronger communications, monitoring and operations.

At the same time, meeting the new financial target represents a major shift in the scale of CEPF's existing programs' operational and management capacity. It also places greater demands on outreach and fundraising efforts that will necessarily lead to adaptations in the existing governance structure and model.

Under phase III, CEPF will be required to develop sufficiently attractive incentives that draw new donors to its conservation strategies and goals, including nontraditional donor partners (for example, private sector companies) as well as to make adjustments in its current governance structure to accommodate new partners.

Maintaining the quality of CEPF's institutional governance, which relates to the interaction and decision-making processes among the actors involved in strategic and programmatic decision-making, will be key to the program's future success. After all, an organization's governance is the institutional space where values, beliefs and strategies that justify and inform the operational policies and management models are defined, kept and guaranteed (Ostrom, E. 2006; Ostrom, E. 2007b; Agrawal, A.; Ostrom, E., 2001). It is therefore likely that CEPF will be required to develop additional conditions and guidelines to orient the engagement and participation of a more diverse donor base as part of its phase III plans.

In order to assist CEPF in developing its phase III business plan, the current study examined Official Development Aid (ODA) allocations and private sector investments destined to biodiversity conservation given their potential to contribute to CEPF's set fundraising target. Our analysis includes a set of recommended strategies that can guide business plan development during phase III. The current study does not attempt to be a comprehensive review of the full breadth of conservation funding available, nor does it seek to cover all of the recommended actions for changes and adaptations to CEPF's program. Given time and data constraints, we were not able to analyze market-based mechanisms nor private foundation investments. Recommendations for CEPF's governance are provided, with the aim of helping to engage and accommodate a more diversified and ever growing set of donors in what is a thriving and inspiring initiative of global relevance and importance.

² Taken from the minutes of the 25th Meeting of the Donor Council, held on 24 June 2014 (http://www.cepf.net/SiteCollectionDocuments/donor_council/DC25_3_DraftMinutes.pdf).

Points for Consideration

This section provides a set of elements to be considered by CEPF's Donor Council and Secretariat regarding fundraising priorities, private sector engagement, and adjustments to the current governance. We expect that these points will help to draw attention and stimulate discussions around options for the Phase III Business Plan.

- 1. ODA will remain an important source of external public financing for hotspots, although allocations will remain relatively stagnant during Phase III.** Although difficult to establish the volume of funding available for biodiversity conservation during Phase III, it is possible to compare past and present ODA flows and make predictions based on an assumption that pre-crisis biodiversity ODA volumes will be re-established in the mid-term future.
- 2. Bilateral agreements will likely dominate biodiversity ODA in the near future and should be prioritized.** CEPF should embark on a consistent and purposeful campaign to bring the top donors for biodiversity on board during Phase III. All attempts should be made to bring new donors in at the level of previous global donors. Germany, the Netherlands, United States, United Kingdom, Norway, Switzerland, Spain and Denmark are key priorities. Current CEPF donors will be key in terms of helping to open doors and facilitate access to like-minded bilateral donors, helping advocate for additional resources for CEPF.
- 3. Outreach to potential new donors should frame biodiversity conservation against a broader set of development sectors, including water, health, education and agriculture – highlighting the mixed benefits of conservation investments.** CEPF should identify how synergies and complementarities between these topics can be drawn out of existing portfolios. And new profiles should be developed with these broader objectives at the forefront. Furthermore, ongoing efforts to strengthen support and cooperation for biodiversity conservation should be promoted within relevant UN conferences and other initiatives, seeking to step out beyond a biodiversity centric world, to engage with climate and other development sectors agencies and actors.
- 4. CEPF will also likely benefit from developing a portfolio of mixed biodiversity + carbon projects specifically.** COP 21 results will reveal the future volume and destination of financial flows for climate change issues (both mitigation and adaptation), including those tied to forest conservation approaches. CEPF is well positioned to take advantage of these opportunities, and should anticipate these synergies, in particular those potentially available through bilateral donors that have already made pledges to the Climate Investment Fund.
- 5. The GEF and World Bank will continue to be the most important donors for biodiversity conservation despite recent reduction in multilateral allocations.** Given the historic involvement of both of these donors in CEPF, all efforts should be made to maintain their engagement at the global level, even if this means renegotiating the value of their future contributions. The GEF and World Bank bring a great deal of legitimacy to CEPF, in addition to providing safeguards that reduce operational risks.
- 6. Establishing metrics for project performance will improve governance at the micro-scale of regional portfolios.** CEPF should be able to promote and

engage new donors around the economic, social and environmental dimensions of all of its portfolios. Placing greater emphasis on the development of broader measurements will mean adopting or developing sustainable development criteria to be included in ecosystem profiles, investment decisions, and communications materials. CEPF should exploit synergies across the economic, environmental and social dimensions of sustainable development, especially in the context of national sustainable development strategies, including the Convention on Biological Diversity (CBD)'s Aichi Targets and UN Sustainable Development Goals. Given CEPF's focus on civil society performance and multilateral preferences for broader development impacts, having clear indicators for these parameters will be important when reporting on performance and progress towards broader aid targets over time.

7. **While private financing will be essential to supplement traditional ODA, it is not the same as development aid.** Long-term investments in biodiversity need to be financed with long-term funds. Private financing is profit-oriented, making it particularly well suited for productive investment related to mitigation of impacts and supply chain issues. Sector-specific approaches should be emphasized whenever possible. Liaising with industry associations is the most efficient way to introduce CEPF to multiple companies, given that they congregate in groups that share philanthropic goals, stakeholders, and similar business challenges. These approaches should be combined with efforts to explore identified individual and regional leads, as industry approaches do not tend to yield investments.
8. **Corporate outreach may be organized around three main methods.** CEPF should target: i. companies that depend on natural resources for their supply chain, ii. companies seeking to offset / mitigate impacts, iii. companies where sustainability is aligned with corporate strategy (this group has the least number of companies but represents significant investments). Identifying existing opportunities that are synergistic with these approaches will contribute to enhancing CEPF's capacity to dialogue and develop relationship with companies, in particular those in the food and agriculture, mining, oil and gas, and tourism sectors, pointed out by RITs.
9. **There is an untapped willingness and potential to involve RITs in a more concerted effort to explore regional corporate partnerships, although strengthening their capacity to do so is a first step and priority.** It seems CEPF's secretariat will also need greater support in reaching out to private sector donors. It is unclear whether CI will support CEPF with this task through CELB, and whether current bilateral donors will be able to help open doors with national industry groups. Either way, a team will need to be assembled to support CEPF's Secretariat with the considerable investment of time and energy required to mobilize donor resources.
10. **National development banks (NDBs) may be important future agents for funding.** The combined assets of the group of 20 national, bilateral and regional development banks that make up the International Development Finance Club (IDFC) amounted to more than USD 2.1 trillion in 2010. Given NDBs specific knowledge of domestic markets, they can be important partners in building ties to local private sector, raising conservation awareness and designing a portfolio of sector-specific mitigation projects. RITs should make a concerted effort to establish a direct line of communication with these organizations as a means of building ties to local companies and identify synergistic interests.
11. **An enabling environment is essential for reducing risks and encouraging**

private sector investments in a mechanism like CEPF, including making a more concerted effort to strengthen CEPF's brand, disseminate the biodiversity hotspots concept, and articulate the inter-play between conservation approaches and business interests. Working with sectors that are more exposed to consumers, such as telecommunications, retail, and personal goods, will require raising the profile of the CEPF brand as a means to secure credibility with the general public, industry groups and companies in particular.

12. **Multi-stakeholder, people-centered and inclusive approaches to governance at the hotspot and national level appears key as CEPF seeks to expand and extend its investment strategies.** Consultations with multiple stakeholders already take place during CEPF's profiling phase, but engagement is not continued beyond this initial phase. In this sense, the creation of permanent hotspot-level advisory councils would allow stakeholders to weigh in on conservation funding strategies while staying engaged in identifying, monitoring and recommending priorities and highlighting opportunities.
13. **The diversification of CEPF's global governance, including civil society representatives, indigenous and traditional peoples, in addition to private sector interest groups, and experts, such as the CBD Executive Secretary, should be emphasized and encouraged, independent of their financial contribution.** These actors can provide important input into strategy design and decision-making, as well as contribute to addressing technical and operational challenges.
14. **Establishment of a clear set of rules that can guide corporate engagement, as well as the participation of new bilateral donors, will mitigate any potential conflict or risk involved in engaging nontraditional donors.** CEPF will benefit from revisiting and redefining rules for nominating new members, excluding existing members, determining the term of office of each donor, and specifying expected roles and responsibilities. The establishment of more clearly defined and detailed operational rules, duties and rights for each governing body emerges as a priority.
15. **In order to maximize CEPF's chances of growing its program during Phase III, fundraising should be prioritized as well as designated as a collective and shared effort among current donors.** Establishing a dedicated committee to support the Secretariat in the design and implementation of a resource mobilization strategy would greatly enhance chances of future fundraising success. Furthermore, in addition to meeting the USD 25 million contribution to join CEPF's at the global Donor Council, new donors should be willing to take on shared fundraising responsibilities on a permanent basis.

Regional Private Sector Opportunity Map

Biodiversity Hotspot	Major Productive Sectors*	Companies with significant operations*	Engagement Strategy
Cerrado	Soybeans Agriculture Inputs Machines Beef Eucalyptus Cosmetics Coffee Steel	Soybeans: Archer Daniel Midland, Bunge, Cargill, Dreyfuss Inputs: BASF, Monsanto, Syngenta Machines: John Deere Beef: JBS-Friboi Eucalyptus: Suzano, Duratex Cosmetics: Natura Coffee: Nespresso, Nescafé Steel: Usiminas	Brazil's strict environmental regulations and the wide range of sectors operating in the hotspot offers a variety of ways for CEPF to explore a portfolio of projects to reduce supply chain risks and compensate environmental impacts.
East Melanesian Islands	Mining Logging Agriculture Tourism Oil and Gas	Mining companies - e.g. Gold, Silver, Copper, Nickel. Newcrest; Deep sea mining companies - e.g. Nautilus in PNG; Logging - especially Asian companies (e.g. Kolombangara Forest Plantation Ltd from Taiwan), and national companies in Solomon Islands and Papua New Guinea Agriculture (cocoa, coffee, palm oil) - New Britain Palm Oil Ltd; Goroka Coffee PNG, Tanna Island coffee Vanuatu, coconut oil production, vanilla Tourism - major international hotel groups and chains, dive operators Saudi Aramco; Arwa Mineral water co. (Shamlan) – Yemen; TOTAL - Yemen	Given environmental regulations and the wide range of sectors operating in the hotspot, companies may be interested in reducing supply chain risks and compensate environmental impacts. Hotels may offer an opportunity for partnerships that receive guest contributions.

Indo-Burma	Tourism Forestry Fisheries Hydropower Oil and Gas	Tourism - Minor Group - Marriott - Hilton Hotels - Shangri-la Hotels Forestry - Asian Pulp and Paper - Vietnam Rubber Group - Hoang Anh Gia Lai Fisheries - CP Foods - Thai Union Frozen - Minh Phu Hydropower - Sinohydro - Hydrolancang - EGCO Oil and Gas - PTTEP - Mubadala	Companies may be attracted to CEPF as an opportunity to reduce supply chain risks and compensating negative environmental impacts. Hotels may offer an opportunity for partnerships that receive guest contributions.
Maputaland-Pondoland-Albany	Shipping Mining and Processing Consume goods Construction Consumable Oils	Grindrod Ltd; BHP Billiton, Hulamini; Unilever; Stefanutti Stocks; Sunfoil	Explore voluntary offset and environmental mitigation. BHP Billiton may be an interesting partner motivated by impact compensation. Unilever may also become a partner for supply chain management.
Mediterranean	* North Africa: agriculture; mining (phosphate, iron ore, steel);energy - natural gas petroleum; textiles; tourism fisheries * Middle East: agriculture mining: Cement, Potash technology energy tourism banking * Balkans:hydropower agriculture mining (steelmaking, aluminum, cement) tourism pharmaceuticals	Cruise companies: P&O, MSC Cruises, Azamara Club Cruises, Hotel companies: Club Med, IBEROSTAR, Atlantica Hotels, Azur Hotels, Med Hotels group. No other companies were listed.	Given environmental regulations and the wide range of sectors operating in the hotspot, companies may be interested in reducing supply chain risks and to compensate environmental impacts. Hotels may offer an opportunity for partnerships that establish guest donation contributions.

Wallacea	Food (Cocoa, cashew nuts) Mining	- Mondelez (cocoa; Indonesia) - Citra Sekarwangi (cashew nut; Indonesia) - Vale (nickel mining; Indonesia) - Newmont (gold mining; Indonesia) - Weda Bay (nickel & oil mining; Timor-Leste and Indonesia)	Mining companies may be interested in environmental compensation voluntarily or not. Cocoa companies may invest in their supply chain.
Western Ghats-Sri Lanka	Tea Coffee Rubber Spices NTFP & MFP	Tea – Kanan Devan Ltd, Tata Tea Coffee - Tata Coffee Rubber - Harrison Malayalam, Cochin Malabar Spices - AVT NTFP & MFP - several small firms	Forestry and agricultural products are the most important sectors in this hotspot. CEPF should invest in attracting companies interested in supply chain risk reduction.

*Responses are written as expressed by respondents