

CRITICAL ECOSYSTEM PARTNERSHIP FUND



ANNUAL REPORT 2003

A joint initiative of Conservation International, the Global Environment Facility, the Government of Japan, the MacArthur Foundation and the World Bank



PURPOSE

CEPF aims to dramatically advance conservation of Earth’s biologically richest and most threatened areas. A fundamental goal is to ensure that civil society, such as community groups, nongovernmental organizations and private-sector enterprises, is engaged in biodiversity conservation.



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MESSAGE FROM THE PARTNERS

Across the developing world, places rich in unique plants and animals are at enormous risk. They are also home to scores of passionate people wanting to halt the staggering loss of biodiversity on their doorstep.

With energy and determination, in-depth local knowledge and sound ideas to benefit nature and people alike, these individuals are poised to help ensure a better future. What many often lack, however, is financial and networking resources to take their ideas forward and make them happen.

The Critical Ecosystem Partnership Fund (CEPF) helps bridge this gap, enabling civil society—from community groups and nongovernmental organizations (NGOs) to private landowners and businesses—to develop, fund and implement promising initiatives where it matters most.

These regions, known as biodiversity hotspots, are the most threatened reservoirs of plant and animal life on Earth. We focus on the hotspots as a silver bullet approach to conservation, developing very targeted, strategic approaches to help preserve the diversity of life. Hotspots are classified by their concentration of unique species and the degree of threat.

More than two-thirds of the most endangered mammals and more than 80 percent of the most endangered birds are found in the hotspots, where human pressure threatens the very ecosystems that human society relies on. We focus on these extraordinary places in developing countries because the poor—the people most reliant on natural resources for food, shelter, medicine and income—are the hardest hit by the biodiversity crisis.

Civil society remains core to our ethos and our strategic program. Local people are best placed to lead and create change in their own communities. It is only through local ownership of conservation effort that long-term benefits will be achieved. It is their home, their resources and their livelihoods that must be balanced with biodiversity conservation.

The emergence and growth of civil society over the past two decades has been one of the most significant trends in international development. CEPF engages and helps build this new constituency. As well as channeling funds, CEPF encourages and facilitates partnerships. Through partnerships, stakeholders can better make themselves heard in the decisions that affect their environment and combine effort rather than duplicate it.

Private-public partnerships, like CEPF itself, present one of the most promising mechanisms to enable change and to leverage local financial and political commitment. We've taken the approach to the regional level as well. In the Mountains of Southwest China hotspot, for example, NGOs and government agencies sit side by side on a special committee to help guide our investments.

We also work with small organizations and communities often outside the reach of traditional funding institutions. Where fundamental barriers exist, we act. On the

Indonesian island of Sumatra, our grant manager brought together a local NGO with an indigenous community that lacked a bank account but needed urgent assistance to save vital lowland forests. The result: nearly 50,000 hectares saved from logging.

This report covers our 2003 fiscal year, July 2002–June 2003. Despite the youth of our partnership, significant progress has been made on our path toward conservation outcomes: extinctions avoided, habitats protected and biodiversity conservation corridors created. We share highlights of these results, like the example from Sumatra above, in this report.

It has been a year of strong growth. During the period, we supported 180 conservation projects, a near trebling of our global portfolio compared to our first 18 months. We also expanded to the Succulent Karoo hotspot in southern Africa, bringing the total number of hotspots to 11 where we supported civil society efforts during the year.

The strengthening of the partnership since its beginning in late 2000 to include the Government of Japan and the MacArthur Foundation alongside Conservation International, the Global Environment Facility and the World Bank has been an illustration of diverse institutions coming together to achieve common goals just as we facilitate in the hotspots.

Success is not measured by money spent or grants made, but by critical habitats protected and extinctions avoided. CEPF will continue to engage civil society in creating

MESSAGE FROM THE PARTNERS

Continued

sustainable change in biodiversity hotspots to achieve this success. A primary focus during this stage of the partnership is also to take stock of far more than total grant numbers or dollars but actual progress in implementing the partners' shared strategies designed to achieve concrete conservation outcomes.

This year, CEPF underwent an independent review to evaluate how effectively it is meeting the partners' original objectives in creating the Fund. The review's main conclusion is that the partners' underlying rationale for creating CEPF is "sound and well-founded" and that CEPF has "shown that it is an effective model for meeting the objectives of the Fund's partners."

CEPF also created a team to strengthen monitoring and evaluation, with a focus

on gathering reliable documentation, designing tools and refining analytical methodologies to improve our ability to assess progress and—just as vitally—sharpen our approach or even change course, where necessary.

But not one effort described in the following pages would have succeeded without our many grantees and partners. We cannot meet our goals alone or without leveraging strengths, funds and efforts together. The challenges to conservation are too complex and too dynamic for any one group to manage. In today's world, we know this much is true: we will not succeed if we act in isolation, either as institutions or even as nations. **We invite you to join this partnership effort.**



A handwritten signature in black ink, appearing to read 'James D. Wolfensohn'.

James D. Wolfensohn
Chairman, CEPF Donor Council
President, The World Bank Group

A handwritten signature in black ink, appearing to read 'Leonard Good'.

Leonard Good
Chairman and CEO, Global Environment Facility

A handwritten signature in black ink, appearing to read 'Jonathan F. Fanton'.

Jonathan F. Fanton
President, The John D. and Catherine T.
MacArthur Foundation

A handwritten signature in black ink, appearing to read 'Naoko Ishii'.

Naoko Ishii
Director, Development Institutions Division, International Bureau,
Ministry of Finance, Japan

A handwritten signature in black ink, appearing to read 'Peter A. Seligmann'.

Peter A. Seligmann
Chairman and CEO, Conservation International



THE PARTNERSHIP

Conservation International (CI) administers the Fund. A leader in biodiversity conservation, the organization is advancing conservation in more than 40 countries on four continents to preserve threatened ecosystems. CI believes that the Earth's natural heritage must be maintained if future generations are to thrive spiritually, culturally and economically. CI's mission is to conserve the Earth's living heritage, our global biodiversity, and to demonstrate that human societies are able to live harmoniously with nature. www.conservation.org

The **Global Environment Facility** (GEF) is the largest single source of funding for the global environment. GEF brings together 176 member governments, leading development institutions, the scientific community and a wide spectrum of private-sector and nongovernmental organizations in support of a common global environmental agenda. GEF's mandate is to forge international cooperation and

finance actions that link global environmental benefits and sustainable development. Since its creation in 1991, GEF has allocated \$4.5 billion in grants to support more than 1,300 projects in over 140 countries. www.gefweb.org

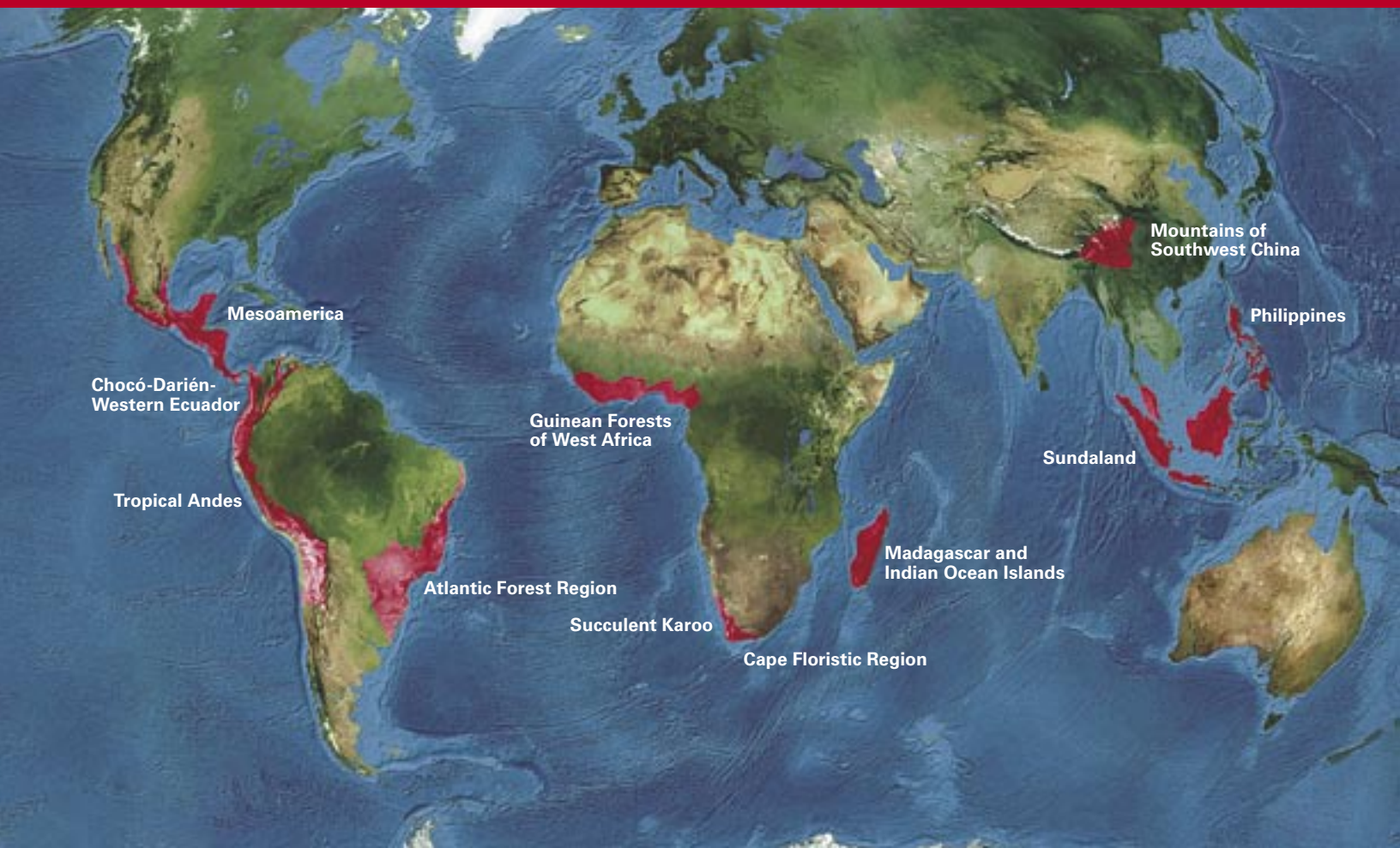
The **Government of Japan** believes biodiversity conservation is one of the most critical issues facing the world today. Japan is one of the world's largest providers of development assistance for the environment, with its environmental official development assistance (ODA) amounting to about 20–30 percent of its total ODA each year. Japan seeks constructive measures and concrete programs to preserve unique ecosystems that provide people with important benefits and, ultimately, help reduce poverty.

The **John D. and Catherine T. MacArthur Foundation** is a private, independent grant-making institution dedicated to helping

groups and individuals foster lasting improvement in the human condition. The Foundation seeks the development of healthy individuals and effective communities; peace within and among nations; responsible choices about human reproduction; and a global ecosystem capable of supporting healthy human societies. The Foundation makes grants totaling approximately \$170 million annually. www.macfound.org

The **World Bank** is the world's largest source of development assistance. The World Bank's mission is to fight poverty for lasting results and to help people help themselves and their environment by providing resources, sharing knowledge, building capacity and forging partnerships in the public and private sectors. It works in more than 100 developing economies. From 1990 to 2000, the World Bank invested almost \$18 billion in environmental projects. www.worldbank.org

HOTSPOTS WHERE CEPF SUPPORTED PROJECTS, FY03



FY03 RESULTS

Before awarding grants in a particular region, CEPF develops an investment strategy, called an ecosystem profile. As part of this, we build upon or help determine consensus on which areas are the highest priorities for conservation, determine our unique niche and develop a strategy with directions and priorities to guide our investments.



These extensive preparations are often led by partner organizations and involve hundreds of stakeholders. The result is a shared strategy that we use to chart, monitor and evaluate our course.

Each project, including those highlighted in this section, is linked to one of the strategic directions in the relevant ecosystem profile. In this way, each one is a vital component of a larger strategic program designed to foster alliances, avoid duplication of effort and, ultimately, better safeguard the hotspots.

The importance of meeting conservation challenges is sharpened in the hotspots by the multiple benefits provided by healthy, diverse ecosystems in areas such as agriculture, water supply and fisheries—issues critical to the partners' contribution to poverty alleviation.

From safeguarding indigenous lands against logging in Sumatra to facilitating community ecotourism exchanges in the Tropical Andes to providing resource management training to previously underprivileged people in South Africa, civil society groups working together with governments and other partners in

the hotspots are using CEPF resources to preserve their natural heritage and create or strengthen opportunities for sustainable development. One common theme is enabling management of natural resources in more socially, economically and ecologically sustainable ways. Our approach is about far more than nature for nature's sake.

For the complete text of our region-specific strategies and listings of all projects supported, visit www.cepf.net.

2003 global overview

- Expanded number of hotspots where we work to 11, with the addition of the Succulent Karoo in southern Africa
- Approved \$17.8 million in new grants, bringing our global grant portfolio to \$28.9 million
- Supported more than 110 partners in implementing conservation projects in 20 countries
- Completed extensive stakeholder consultations and preparations to expand to two new hotspots in 2003—Caucasus and Eastern Arc Mountains and Coastal Forests of Tanzania and Kenya—and initiated preparations to expand to three others in 2004

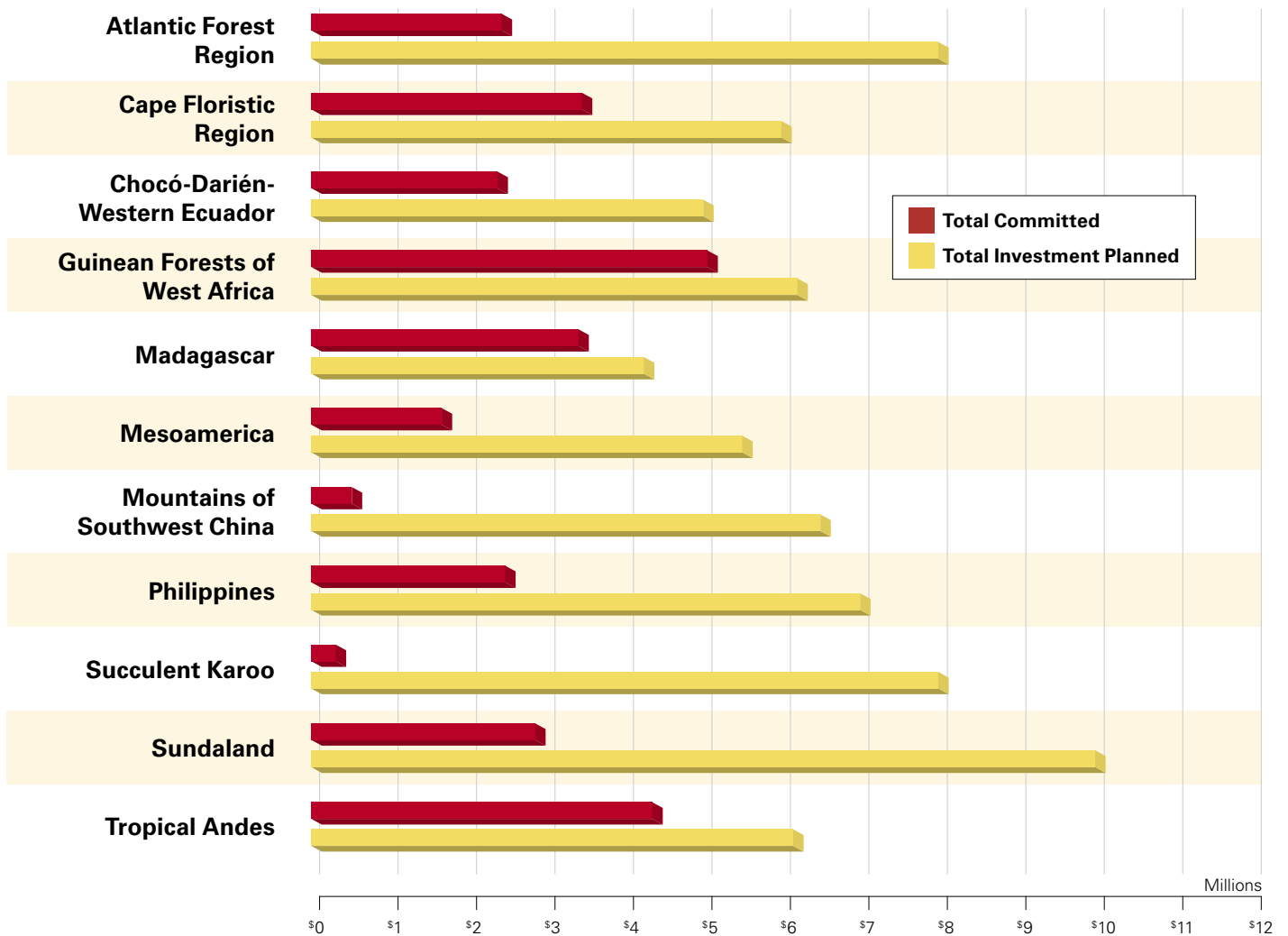


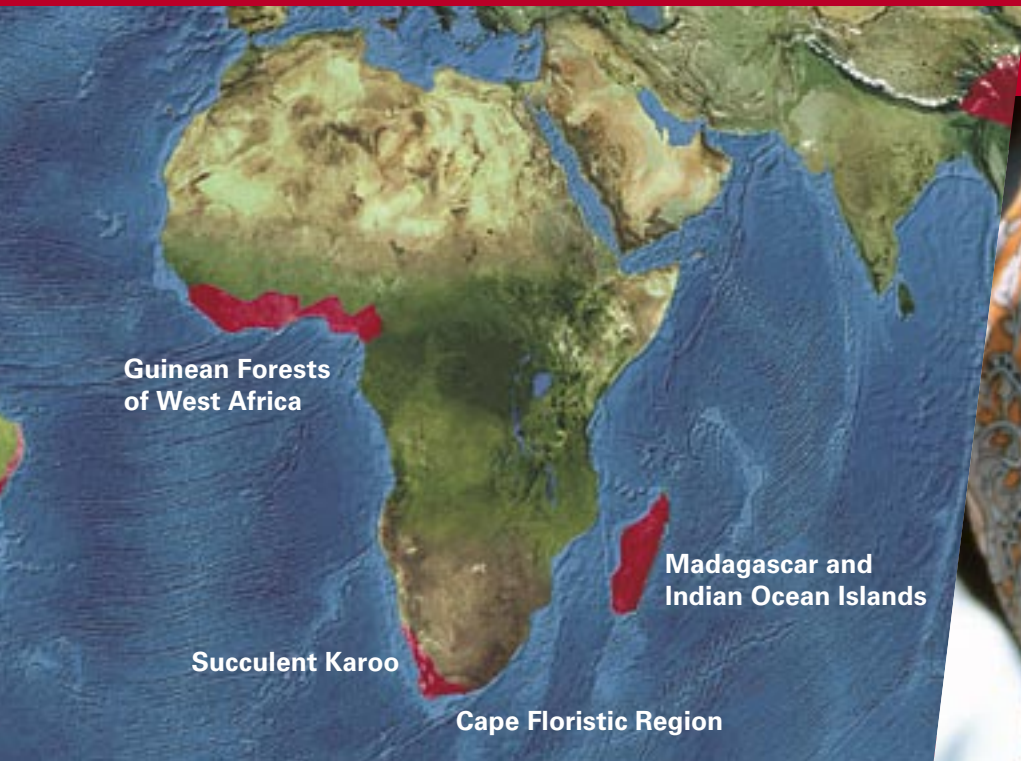


“Our mission is urgent: The next five to 10 years will be critical for biodiversity hotspots. By engaging local people in conservation, we are ensuring the best chance of success at protecting the environment for future generations.”

—Jorgen Thomsen, CEPF Executive Director

CEPF INVESTMENTS FY03





AFRICA RESULTS

Scientists identify priority areas for Malagasy flora conservation

Madagascar is world renowned for its concentration of endemic species. It's a living example of evolution in isolation, with a unique assemblage of life forms, including some 11,000 plant species found nowhere else.

Now a groundbreaking effort is under way to identify Priority Areas for Plant Conservation (PAPCs) on the island and, with this information in hand, evaluate the effectiveness of the protected area system. Ultimately, the results will increase national capacity to apply botanical data to the overall conservation effort—a vital component of our strategic approach in this hotspot to ensure that the best and most objective information is available to shape decision-making by a broad range of actors.

The project is nearing completion of a vital first step: identifying patterns in the geographic distribution and ecological range of plant species.

“Information on the flora is increasingly being included in conservation planning, which in the past has largely focused on animal species protection,” says Pete Lowry of the Missouri Botanical Garden (MBG), which is undertaking the project.

“Areas with similar-looking vegetation can in fact have totally different species composition. No one has yet tried to detect

patterns in the distribution of plant species in Madagascar, but this information is of fundamental importance for conservation planning.”

Already, preliminary analyses show that the seemingly barren rocky massifs of Ibity and Itremo to the south of Antananarivo are areas of immediate conservation concern as they harbor unique threatened species yet remain unprotected. These windswept and weathered rocky outcrops of granite, quartzite and marble are home to at least 500 species of plants, with virtually all of them unique to Madagascar and many found only on these two massifs.

Despite the long history of exploration in Madagascar, new species of plants and animals are being discovered all the time, and known species are rediscovered after not being seen for many decades. The tree *Humbertiodendron saboureau* is an example of this. The sole species of its family found in Madagascar, it was last collected more than 50 years ago by a French botanist before being spotted once again last year during MBG studies.



As the year closed, the CEPF Donor Council approved a \$7 million strategy for expansion to the Eastern Arc Mountains and Coastal Forests of Tanzania and Kenya hotspot. CEPF investment will focus on conserving the hotspot's 333 globally threatened species.

Humbertiodendron saboureau is more than 10 meters high and is recognizable by its simple opposite leaves and its dry three-winged fruit. Despite its rediscovery, *Humbertiodendron's* survival is far from assured because it is found only in a small part of the Vohibola forest, an un-protected area threatened by bush fires. Only immediate, informed conservation action will save this species.

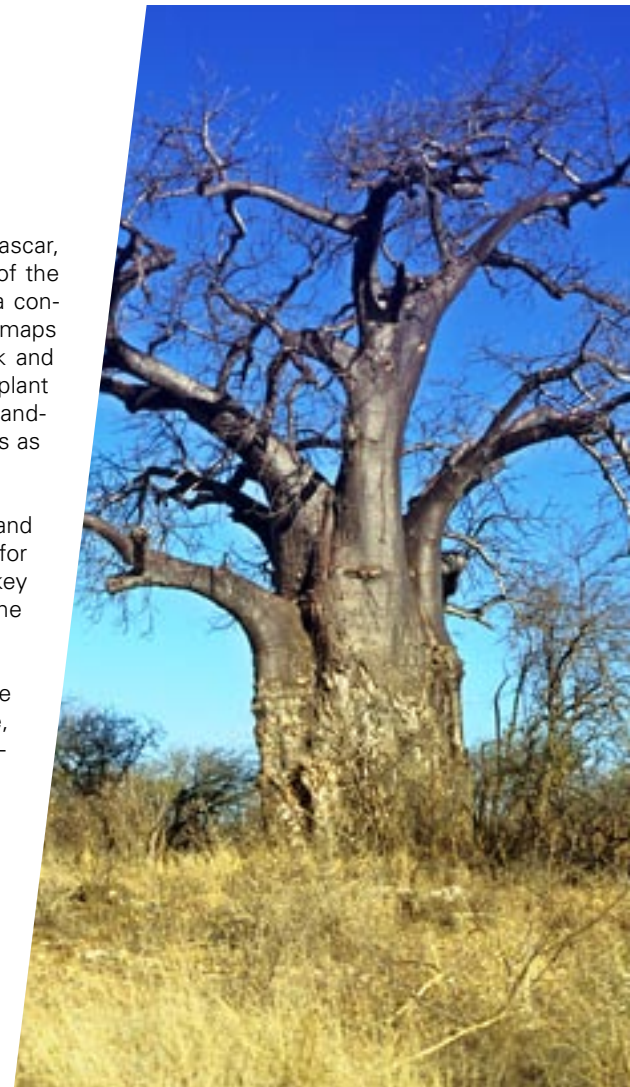
"The project's final analysis will enable us to establish key floristic regions and help to identify where there are important gaps in species protection—the PAPCs. We may also be able to show where currently protected areas are similar and have floras that overlap," Lowry says. "This new endeavor is one of the most important and timely contributions MBG can make toward conservation in Madagascar."

As part of MBG's contribution to a draft Red List for endemic Malagasy species, the team undertook a preliminary analysis of 93 species in the nation's endemic plant families. The results enabled the project to identify Itremo and Ibity massifs as priority sites for plant conservation.

MBG, in partnership with CI-Madagascar, is now producing a series of maps of the massifs that will form the basis of a conservation management plan. The maps will illustrate the distribution of rock and soil types, vegetation types, target plant species and threats, and will map landscape features such as rock outcrops as well as man-made features.

The methodology applied for Itremo and Ibity will serve as a valuable model for the planned assessments of the key PAPCs during the second phase of the project now being embarked upon.

MBG has already developed the world's largest botanical database, TROPICOS, which contains information on nearly 880,000 plant names, more than 1.6 million specimen records and almost 63,000 bibliographic references, including extensive data on Madagascar's flora. The organization has worked in Madagascar for more than 30 years and has about 30 Malagasy staff, many of whom have helped compile the extensive data now being used in the analysis to identify PAPCs.





Diverse stakeholders agree on 20-year conservation plan for Succulent Karoo

The rich floral diversity of the Succulent Karoo hotspot is mirrored in the diversity of its stakeholders, from landowners and communities, governments, and conservation and tourism groups to multinational mining companies. The mix makes consensus on how best to ensure effective and lasting protection of the hotspot all the more surprising.

As part of preparing CEPF's \$8 million investment strategy for the hotspot, CI's Southern Africa Hotspots Program and its partners successfully engaged more than 60 experts and 400 groups and individuals to agree to geographic priorities and establish a conservation strategy for the region.

"To get buy-in from such a diverse array of groups and individuals is remarkable and unprecedented in CI's priority-setting process," says CI's Program Director Sarah Frazee about the effort, which included the Botanical Society of South Africa, Eco-Africa Environmental Consultants, the Institute for Plant Conservation, the National Botanical Institute of South Africa and the Namibian Ministry of Environment and Tourism as coordinating partners.

Coming out of the process was a 20-year strategy to effectively conserve 75 percent of the species in the hotspot while improving livelihoods of communities. CEPF support will play a key role in helping to implement this

strategy by providing grants to local land users such as communal and commercial farmers to help expand protection for priority habitat and species. This stimulation of civil society is in line with the conservation vision for the region that "the people of the Succulent Karoo take ownership of and enjoy their unique living landscape in a way that maintains biodiversity now and into perpetuity."

The Succulent Karoo hotspot boasts Earth's richest variety of succulents—plants with thick, fleshy tissues that can store water—as well as high reptile and invertebrate diversity. Stretching across southwestern South Africa into Namibia the arid region is home to more than 6,300 plant species, 40 percent of which are unique to the hotspot.

Restoration of Sierra Leone's sole protected area gets under way

While long sought-after but tenuous peace has arrived in Sierra Leone, reconstruction poses new challenges after a decade of civil war. Less obvious but at the fore is the need to guard against further environmental damage as individuals, families and the country rebuild.



The Environmental Foundation for Africa (EFA) joined the effort by launching a project to restore and protect Tiwai Island Wildlife Sanctuary, the country's sole protected area and a critical habitat in the Guinean Forests of West Africa hotspot for primates, including the endangered Diana monkey and several species of colobine monkey.

The project has required a dynamic approach and intensive public outreach and involvement of the Koya and Barri chiefdoms. The two chiefdoms, which flank the island on either side of the Moa River, share the island. They are also home to many communities that had come to rely on the natural wealth of the lush island during wartime for farming, hunting and logging.

A centerpiece of the three-year project is putting community members at the forefront of the effort, while implementing targeted literacy, agro-forestry and other skills training in the communities.

Since a public launch in February, EFA, Njala University College and community members have reconstructed the island's once world-renowned research center and visitor facilities. An administrative committee, with the Koya and Barri paramount chiefs alternating the chair position each year, is at work on a management plan for the sanctuary. It is important that the island has also received its first visitors and hence its first gate fees, which will fund community projects.

Engendering long-term community support will take years. But if successful, the island could once again become a model for protected area management and community development.

"All the stakeholders—government, civil society, NGOs and donor agencies—need to understand that failure to invest in the environmental sector at this crucial turning point in Sierra Leone's history will undermine all collective effort for sustainable development."

—Cecilia Utas, Environmental Foundation for Africa





AFRICA

FY03 APPROVED GRANTS

Cape Floristic Region Hotspot

Strategic Direction 1: Support civil society involvement in the establishment of protected areas and management plans in CFR biodiversity corridors

Baviaanskloof Mega-reserve Project: Mega-reserve Vision and 5-year Development and Management Plan
\$301,421
Wilderness Foundation

Conservation Biology of the Black Harrier in South Africa
\$49,220
Percy FitzPatrick Institute of African Ornithology

Development of a Strategic Management and Business Plan to Ratify the Objectives of the Gouritz Megapark Conservation Corridor
Funding: \$119,255
Western Cape Nature Conservation Board

Mainstreaming Biodiversity on the Cape Flats: Project Design Phase
\$4,000
National Botanical Institute

Market Research Support to the Africa Environmental News Service: Phase Two—E-Commerce Development and Market Research*
\$10,000
Equals Three Communications

Promoting Public Participation in Caring for Tokai's Core Cape Flats Flora Conservation Site
\$10,000
Friends of Tokai Forest

Support to CEPF in the Cape Floristic Region
\$331,519
CI-South Africa

Taking C.A.P.E. to a Finer Scale: Catalyzing Conservation Action in the Cederberg Conservation Corridor and the "Cederberg Mega-reserve Area" in the Cape Floristic Region
\$3,842
CI-South Africa

Strategic Direction 2: Promote innovative private sector and community involvement in conservation in landscapes surrounding CFR biodiversity corridors

Building a Global Constituency for Biodiversity Conservation*
\$1,993,855
RARE Center for Tropical Conservation (\$1,569,030) and CI-International Communications Department (\$424,825)

C.A.P.E. Threatened Plants Program
\$312,359
National Botanical Institute

Partnerships, Cooperative Management and Incentives to Secure Biodiversity Conservation in Priority Areas in the Cape Floristic Region
\$260,160
Botanical Society of South Africa

Promoting and Marketing Flower Valley Conservation Trust—Biodiversity-based Small Business Development Initiative
\$10,000
Flower Valley Conservation Trust

Sustainable Utilization: A Tool for Managers and Workers in the Cape Floristic Region
\$18,855
South African Protea Producers and Exporters Association

Strategic Direction 3: Support civil society efforts to create an institutional environment that enables effective conservation action

African Botanic Gardens Congress*
\$11,250
Durban Botanic Gardens

Creating Electronic Access to Information on the Red Data List Species and Endemic Plant Families of the Cape Floristic Region
\$28,928
National Botanical Institute

Highlighting the Hotspots: Curating, Using and Sharing the C.A.P.E. Findings and Other Biodiversity Data
\$203,070
Western Cape Nature Conservation Board

Wilderness Concepts and Practice Training Courses for Western & Eastern Cape
\$8,550
Wilderness Action Group

Strategic Direction 4: Establish a small grants fund to build capacity among institutions and individuals working on conservation in the CFR

The Table Mountain Fund Capacity Building Program for the Cape Floristic Region
\$898,744
WWF-South Africa

Guinean Forests of West Africa Hotspot Upper Guinean Forest

Strategic Direction 1: Strengthen institutional capacities for conservation

Ankasa Exploration Base, Southwestern Ghana
\$250,600
Living Earth Foundation

Building a Global Constituency for Biodiversity Conservation*
\$1,993,855
RARE Center for Tropical Conservation (\$1,569,030) and CI-International Communications Department (\$424,825)

Implementation of Activities for Creating a Protected Area Network and Biodiversity Conservation Corridor in Liberia
\$159,292
Society for the Conservation of Nature of Liberia

Interim Support to the Management of Sapo National Park, Liberia
\$136,193
Fauna & Flora International

**Phytomedica Network:
Enhancing Exchange of
Information**
Funding: \$15,400
Conserve Africa Foundation

*Strategic Direction 2: Hotspot
Biodiversity Monitoring System*

**Acoustic Monitoring of Forest
Elephants**
\$75,000
Cornell University, Elephant
Listening Project

Liberia Sea Turtle Project
\$6,500
Save My Future Foundation

**Monrovia, Liberia as a
Transport Hub for the
Bushmeat Trade**
\$9,838
Concerned Environmentalists for
the Enhancement of Biodiversity

*Strategic Direction 3: Develop
conservation corridors*

**Building the Capacity of
Farmers in the SW Ghana
Conservation Corridor to
Practice Cocoa Agroforestry**
\$74,992
Kuapa Kokoo Farmers Union

**Corridor Coordination—West
Africa**
\$350,776
CI-West Africa Program

*Strategic Direction 4:
Collaborative public awareness,
education and community out-
reach programs*

**Action Plan for the
Conservation of Chimpanzees
in West Africa**
\$33,617
Center for Applied Biodiversity
Science

**Development of a Summer
Camp**
\$25,970
Ghana Heritage Conservation
Trust

*Strategic Direction 5: Small
Grants (Biodiversity Action Fund)*

**Africa Environmental News
Service: Phase Two—
E-commerce Development
and Market Research***
\$10,000
Africa Environmental News
Service

**African Botanic Gardens
Congress***
\$11,250
Durban Botanic Gardens

**Bushmeat Awareness and
Sustainable Development in
Southeast Liberia Project**
\$9,978
Grand Gedeh Community
Servant Association

Echoes of the Rain Forest
\$9,900
Agoro Centre for Intercultural
Learning and Talent Development

**Engaging the Private Sector in
Conservation in Côte d'Ivoire**
\$9,100
Afrique Nature International

**Healthy Ecosystems, Healthy
People: Linkages Between
Biodiversity, Ecosystem
Health and Human Health***
\$27,200
University of Western Ontario

**Market Research Support
to the Africa Environmental
News Service: Phase Two—
E-Commerce Development
and Market Research***
\$10,000
Equals Three Communications

**Preliminary Meeting to
Establish Elephant Corridors
Between Ghana and Côte
d'Ivoire**
\$1,000
Marcus Pieter Emilie Parren

**Protected Area Gap Analysis
for the Upper Guinea
Ecosystem—Contribution
to Regional Workshop on
Protected Areas in West and
Central Africa**
\$5,650
Center for Applied Biodiversity
Science

**Regional Workshop on
Protected Areas in West and
Central Africa**
\$10,000
IUCN-World Conservation Union

**Madagascar and Indian
Ocean Islands Hotspot
Madagascar**

*Strategic Direction 1: Integrate
local groups and individuals in the
management of protected areas*

**Building a National
Constituency for Bird and
Biodiversity Conservation in
Madagascar**
\$79,354
BirdLife International

**Catalyzing and Monitoring
Community-based Forest
Management of the Tandro
Forests of Southern
Madagascar**
\$89,798
Centre Ecologique Libanona

**Makira Forest Area
Conservation Project**
\$201,771
Wildlife Conservation Society

*Strategic Direction 2: Enhance
private sector conservation ini-
tiatives*

**Sustainable Biodiversity
Conservation in Key Areas of
Madagascar Through Local
Populations and Private Sector
Implications**
\$132,750
L'Homme et l'Environnement

*Strategic Direction 3:
Biodiversity conservation and
management training programs*

**Mapping the Vegetation of
Madagascar**
\$205,610
Royal Botanic Gardens Kew
(\$152,500) and Center for
Applied Biodiversity Science
(\$53,110)

*Strategic Direction 4: Public
awareness and advocacy*

Hope in Daraina
\$25,119
CI-International Communications
Program

*Strategic Direction 5: Small
grants program (Biodiversity
Action Fund)*

**African Botanic Gardens
Congress***
\$11,250
Durban Botanic Gardens

**Healthy Ecosystems, Healthy
People: Linkages Between
Biodiversity, Ecosystem
Health and Human Health***
\$27,200
University of Western Ontario

**A Marketing Pilot for
Community-based Tourism in
Madagascar—Designing and
Implementing a Pilot That Can
Be Replicated Countrywide**
\$10,000
Eco-Africa Environmental
Consultants

Succulent Karoo Hotspot

*Strategic Direction 5: Increase
awareness of the Succulent
Karoo hotspot*

**Building a Global Constituency
for Biodiversity Conservation***
\$1,993,855
RARE Center for Tropical
Conservation (\$1,569,030) and
CI-International Communications
Department (\$424,825)

**Formal Launching of the CEPF-
funded SKEP Program in the
Knervlakte**
\$2,260
CI-Southern Africa Hotspots
Program

**Market Research Support
to the Africa Environmental
News Service: Phase Two—
E-Commerce Development
and Market Research***
\$10,000
Equals Three Communications

**Taking SKEP to a Finer Scale:
Catalyzing Conservation
Action in Geographic Priority
Areas in the Succulent Karoo**
\$16,272
CI-Southern Africa Hotspots
Program

*Strategic Direction 6: Create
the capacity to catalyze the SKEP
program*

**Facilitating the Transition
from Conservation Planning
to Action: Establishing SKEP
Sub-regional Coordination
Nodes**
\$137,618
CI-Southern Africa Hotspots
Program

* To capitalize on maximum potential for
impact and to minimize administration,
funding for this grant came from multi-
ple hotspots.



ASIA RESULTS

Saving forests in Sumatra

Local communities and organizations in Sumatra won a major victory with the cancellation of logging plans in the northwest of Bukit Tigapuluh National Park, home to one of the largest areas of remaining lowland forest on the Indonesian island.

The cancellation by the district chief who had already issued tentative permits to private companies capped a six-month effort led by a local foundation with support from CEPF to help the Talang Mamak and other traditional forest-dwelling communities organize against the logging.

“CEPF support provided us with a critical opportunity to act before it was too late,” said Mangara Silalahi of the Alam Sumatera Foundation.

The success is an example of how CEPF’s strategic approach to build the capacity of civil society at the local level in Sumatra can be a powerful catalyst for conservation that benefits both people and nature.

Bukit Tigapuluh National Park is one of Sumatra’s prime tiger landscapes. A mountainous plateau stretching across more than 100,000 hectares, the Bukit Tigapuluh (“The Thirty Hills”) and its surrounding areas also provide important benefits to the Talang Mamak and other local communities. Known as a hinterland

tribe, the Talang Mamak number only about 6,000 and depend on the natural resources found in the park in Riau’s Indragiri Hulu regency.

Recent months had seen tentative licenses issued to the companies for logging and timber plantation development of 22,450 hectares in an area that is part of the remaining lowland rain forest that connects Bukit Tigapuluh with the protected forests of Bukit Sosa and Bukit Betabuh. Protected species in this area include Sumatran tiger, tapir and Asian elephant. The targeted area is also located within the forests of the Talang Mamak community, which had not been consulted.

Following a request for assistance by Talang Mamak community leader Patih Laman, CEPF helped bring together the Alam Sumatera Foundation—an NGO set up jointly by WWF-Indonesia and the Conservation Information Forum (WARSU)—and the community leader in a project to build awareness of the situation and advocate for the permits’ cancellation.



As the year closed, the CEPF Donor Council approved an \$8.5 million strategy for expansion to the Caucasus hotspot, which includes parts of Georgia, Armenia and Azerbaijan and small portions of Russia, Iran and Turkey. More than 130 experts representing scientific, governmental and nongovernmental groups from the six countries helped develop the strategy.

The Foundation helped provide the community with an understanding of industrial timber plantations and their impact by arranging study visits for the Talang Mamak and Malay communities to the Sakai tribal areas, where large-scale industrial timber operations are already well-established. The result was a joint declaration by the Sakai people and the communities rejecting large-scale timber plantations in their traditional territories.

Talang Mamak representatives subsequently attended a special hearing on the plans at the Indragiri Hulu district chief's office and, in cooperation with the Alam Sumatera Foundation and support from the local Sialang Foundation, went on to lobby government officials, environmental impact assessment team members and influential individuals at district and provincial levels.

Their efforts, helped by the participation of an NGO network in provincial hearings, gained significant media coverage at both provincial and national levels.

Following these activities, the district chief publicly declared a commitment to cancel the permits and later actually did so. He also declared that permits of other companies with land development plans affecting the Bukit Tigapuluh National Park buffer zone would be reviewed, and then cancelled two other tentative permits to log 26,500 hectares.

The project is a powerful demonstration of how local communities, working together with local NGOs, can wield enormous influence. The result: nearly 50,000 hectares saved from logging.

"Our next step as part of a consortium of NGOs will be to enlist community support to protect the forest on very steep hills surrounding Bukit Tigapuluh National Park from destruction through logging by including these areas in the park," Silalahi said. "We hope eventually to combine this with acquisition of an adjacent concession to be managed for multiple uses that cover community needs as well as the needs of elephant for a sanctuary."

Indonesia is at the epicenter of the global deforestation crisis. It lost some 20 million hectares of forest from approximately 1985 to 1997. Since then, experts believe another 5 million hectares or more may have been lost, with rampant logging occurring even in protected areas.

The establishment of district autonomy and the economic crisis in the country have increased forest destruction because district governments are able to issue logging licenses to companies with reference to the urgent need to raise local revenues.





Team records Philippine eagle sighting

A survey team recorded the first sighting of the critically endangered Philippine eagle in the Peñablanca forests in five years. The tallest of all eagles, this bird is unique to the Philippines hotspot and is the country's most important flagship species—being equivalent to the giant panda in China. However, severe habitat destruction throughout the island nation has pushed this magnificent bird to the edge of extinction.

Its newly documented presence in the Peñablanca forests strengthened the case for expanding the Peñablanca Protected Landscape to protect the remaining old growth forests and the species they harbor in the Sierra Mountain Range on Luzon Island.

The sighting occurred during a CEPF-funded biological survey carried out by CI-Philippines and the local unit of the government's Department of Environment and Natural Resources to establish biodiversity baseline information for the proposed expansion.

Recording a total of 134 species, the survey revealed high diversity and endemism (45 percent) of terrestrial wildlife vertebrates, further affirming the high conservation value of the area.

As part of the project, CI worked with local, regional and national stakeholders to support the development of the Peñablanca Protected Landscape and Seascape expansion bill. This legislation, signed into law later in the year, expanded an existing protected area of 4,136 hectares to 118,108 hectares.

As Peñablanca is adjacent to the Northern Sierra Madre Natural Park, the legislation ultimately brought 477,564 contiguous hectares under conservation management. The result: the largest block of forest under protection in the country, providing critical habitat for the Philippine eagle and other threatened species unique to the Philippines.

Anti-poaching patrols snare poachers

With its long borders and massive agricultural encroachment in many areas, Bukit Barisan Selatan National Park is one of the most challenging landscapes to protect against poachers on the Indonesian island of Sumatra. The Sumatran rhino—the world’s most imperiled rhino species—has been among the highly sought after and easy targets.



Urgent funding provided by CEPF to enable special anti-poaching units to intensify and expand patrols in the park’s core rhino areas is making a dramatic difference: zero rhinos killed and poachers, rather than rhinos, snared. In 2003, their efforts led to the arrest and prosecution of 11 people involved in nine cases of poaching in the park. In two cases, unprecedented sentences of 3 and 3.5 years imprisonment were imposed.

The park is home to one of the largest remaining populations of Sumatran rhinos. Globally, Sumatran rhino numbers have been halved from an estimated 600 in 1994 to probably no more than 300 today. Bukit Barisan Selatan, part of the Sundaland hotspot, is home to possibly more than 60 Sumatran rhino.

The success of the Rhino Protection Units hinges on frequent and intensive patrols, a special intelligence unit and the teamwork of trained government forest rangers and recruits from local communities. Each of the eight operating units is generally made up of one forest ranger and three local community recruits.

The Indonesian Rhino Conservation Program operates the program with technical assistance from the International Rhino Foundation (IRF) in close coordination with the government and other NGOs working to protect the park. Says Nico van Strien, IRF Southeast Asia coordinator: “This is a project that has been very successful and demonstrates how it is possible to involve local communities in protection.”

“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.”

—Hon. Hiroshi Ohki, Japan’s Minister for the Environment





ASIA

FY03 APPROVED GRANTS

Mountains of Southwest China Hotspot

Strategic Direction 1: Develop and operationalize hotspot-wide monitoring and evaluation projects

Establishing Partnerships for Lasting Conservation in the Mountains of Southwest China Hotspot

\$273,905
CI-Mainland Asia Program

Strategic Direction 2: Support site-related projects led by civil society to mitigate key threats to natural areas and species populations

Black Market: The Trade in Endangered Species in Asia

\$10,000
CI-Mainland Asia Program

Building a Global Constituency for Biodiversity Conservation*

\$1,993,855
RARE Center for Tropical Conservation (\$1,569,030) and CI-International Communications Department (\$424,825)

Strategic Direction 3: Build capacity of civil society to implement conservation efforts at a site and regional level

A Strategy for the Threatened Birds of Asia*

\$231,023
BirdLife International

The Philippines Hotspot

Strategic Direction 1: Improve linkage between conservation investments to multiply and scale up benefits on a corridor scale in Sierra Madre, Eastern Mindanao and Palawan

Conservation Assessment in Bataraza and Balabac, Palawan

\$10,000
CI-Philippines Program

Development of Biodiversity Monitoring Project for Eastern Mindanao, the Philippines

\$9,944
Philippine Eagle Conservation Program Foundation, Inc.

Establishing an Educational Nature Park to Build Local Capacity for Restoring Wild Habitats

\$9,760
Palawan Conservation Corps

Protected Area Design and Management of Core Nuclei Within the Sierra Madre Biodiversity Corridor

\$311,614
CI-Philippines

Strategic Direction 2: Build civil society's awareness of the myriad benefits of conserving corridors of biodiversity

Building a Global Constituency for Biodiversity Conservation*

\$1,993,855
RARE Center for Tropical Conservation (\$1,569,030) and CI-International Communications Department (\$424,825)

Launching of the Philippine Biodiversity Conservation Priority-setting Program Products and the July 2002 National Geographic Issues

\$64,532
CI-Philippines

Strategic Direction 3: Build capacity of civil society to advocate for better corridor and protected area management and against development harmful to conservation

Capacity Building for Financial Operations in CI-Philippines and CI-Indonesia*

\$129,594
CI-Indonesia

Finalization of the Implementing Rules and Regulations of the Wildlife Act, a Critical Step Towards the Establishment of Critical Habitats Identified by the Philippine Biodiversity Conservation Priority-setting Program

\$25,565
CI-Philippines

Healthy Ecosystems, Healthy People: Linkages Between Biodiversity, Ecosystem Health and Human Health*

\$27,200
University of Western Ontario

Training for CEPF Grant Facilitation in the Philippines

\$9,233
CI-Philippines

Strategic Direction 4: Establish an emergency response mechanism to help save critically endangered species

Emergency Action for Endangered Species and Ecosystems in the Philippines

\$1,000,000
Haribon Foundation for the Conservation of Natural Resources

A Strategy for the Threatened Birds of Asia*

\$231,023
BirdLife International

Sundaland Hotspot Sumatra

Strategic Direction 1: Enhance stewardship of forest resources at district level and below

Assessment and Strategy for Protecting Wildlife and Timber Resources in the Gunung Leuser Ecosystem

\$260,440
WildAid (\$154,490) and CI-Indonesia (\$105,950)

Capacity Building for Financial Operations in CI-Philippines and CI-Indonesia*

\$129,594
CI-Indonesia

Collaborative Management as a Tool for Reaching Consensus Among Stakeholders in Tesso Nilo for Better Natural Resource Management
\$9,998
Riau Mandiri

Establishing a Framework for Conserving the Northern Sumatra Conservation Corridor (NSC)
\$364,924
CI-Indonesia

Incorporating Investment Strategies and Regional Planning into the Master Plan for CANOPI (the Conservation Action and Network Program) in Bukit Barisan Selatan
\$9,950
Greenomics

A Strategy for the Threatened Birds of Asia*
\$231,023
BirdLife International

A Voice of Siberut: Publication and Dissemination of the Newspaper Pualigoubat
\$9,633
Yayasan Citra Mandiri

Workshop to Formulate Management Strategies for Bukit Tigapuluh National Park
\$6,075
Conservation Information Forum

Strategic Direction 2: Empower civil society to organize in favor of conserving biodiversity

Anti-Poaching Patrols for Rhinos, Tigers and Other Megafauna Within Sumatra's Bukit Barisan Selatan National Park and Ecosystem
\$372,710
International Rhino Foundation

Building the Capacity of NGOs to Conserve Forests and Species in Sumatra's Tesso Nilo/Bukit Tigapuluh Conservation Corridor
\$186,674
WWF-Indonesia

Building a Global Constituency for Biodiversity Conservation*
\$1,993,855
RARE Center for Tropical Conservation (\$1,569,030) and CI-International Communications Department (\$424,825)

Campaign Against Illegal Logging in Karo Forest Reserve of the Leuser Ecosystem
\$9,785
Yayasan Perlindungan Lingkungan Hidup dan Pelestarian Alam

CEPF Support of Local Partners in Sumatra
\$128,000
CI-Indonesia

Empowering Local Stakeholders to Support Cancellation of PT Bhara Induk Timber Concession in Sumatra's Angkola Forest
\$9,960
Participatory Natural Resources Conflict Network

Incorporating Local Stakeholders & Conservation into Riau's Provincial Spatial Planning Process
\$46,274
Yayasan Kaliptra

Investigation and Campaign About Biodiversity Concerns Related to the Ladiagalasko Road Development Plan
\$10,000
Sekretariat Kerjasama Pelestarian Hutan Indonesia

Nanggroe Aceh Darussaleam Conservation Policy Initiative
\$222,220
CI-Indonesia

Organizing Local Communities to Advocate for Cancellation of Forest Concession in Bukit Tigapuluh National Park
\$9,985
Yayasan Alam Sumatera

Reassessment of Indonesia's Biosphere Reserves on Sumatra
\$7,500
CI-Indonesia

Strategic Direction 3: Build alliances among conservation-minded groups in civil society and the private sector

Workshop on Planning and Implementing Conservation Efforts in the Seulawah Ecosystem
\$5,546
University of Syiah Kuala

Workshop to Finalize Vision Map and Development of Project Design for Tesso Nilo Bukit Tiga Puluh (TNBT) Landscape
\$3,789
Riau Mandiri

Strategic Direction 4: Assess impact of conservation interventions at district level and below

Assessment and Boundary Setting for High-Value Conservation Forests in Angkola, Northern Sumatra
\$9,333
Yayasan Biota Lestari

Building Capacity of Locals to Conduct Biodiversity Surveys in Angkola, Northern Sumatra
\$10,000
Yayasan Cipta Citra Lestari Indonesia

Conservation Assessment and Management Plan for Threatened Sumatran Species and Red List Assessment of Threatened Reptiles and Freshwater Fish
\$101,198
CI-Indonesia

Survey of the Distribution of the Orangutan and the Thomas Leaf Monkey in the Seulawah Ecosystem
\$5,023
Yayasan Ekologi Konservasi Nanggroe Aceh

Use of Forest Resources in Riau: A Look at Legal and Illegal Employment
\$49,432
WWF-US





LATIN AMERICA RESULTS

Exchange advances community-based ecotourism in Tropical Andes

“Ten years ago people were leaving San Jose because there were few ways to make a living or get an education,” says Guido Mamani about his home in the indigenous community of San Jose de Uchupiamonas in lowland Bolivia. “Now, people are returning to our village. We used to call San Jose a place to suffer; now we call it a place of opportunity.”

Mamani was among the participants in a unique ecotourism exchange program that brought together members of indigenous communities, private industry and conservation organizations as representatives of three pioneering community-based ecotourism lodges to share experiences. The result: shared agendas to better conserve local cultures and environments, new partnerships and surprising lessons learned.

The meetings took place in each of three lodges located deep in the rain forests of their respective countries: Posada Amazonas in Peru, Chalalan Ecolodge in Bolivia and Kapawi Ecolodge in Ecuador. Participants included members of the Ese'ejá, Quechua-Tacana and Achuar indigenous groups such as Mamani and two tourism businesses—Rainforest Expeditions from Peru and Canodros from Ecuador.

The exchange, called Learning Host to Host, was funded by CEPF as part of its strategic approach in the Tropical Andes hotspot to encourage community-based

biodiversity conservation and natural resource management. The exchange stretched over three months for a total of 20 days and built on several months of previous ethnographic and comparative research on ecotourism impacts in each of the communities.

While rural communities around the world have taken up ecotourism to support habitat conservation and community development, many of their initiatives are developed on a very small budget and with on-the-job training. Their success—in terms of quality of service, economics and conservation effectiveness—is often questionable.

The lodges participating in the exchange represent a new model that brings together indigenous communities with tourism businesses and/or NGOs to provide capital and technical support. The idea is that each has unique capabilities that, when combined, allow ecotourism to exemplify sustainable development. After working



"We hope this exchange of lessons learned will help other communities, tour operators and environmental organizations—not by providing a recipe of what to do, but rather by giving an honest assessment of what's worked and what hasn't worked in different places."

—Amanda Stronza, who directed the exchange program on behalf of Rainforest Expeditions

together for a predetermined period, there is a gradual and planned transfer of skills, rights and responsibilities from the private partner to the community.

Among the preliminary lessons learned from the workshops, two came as a surprise. One is that a partnership of communities together with *both* a private enterprise and an NGO would be best positioned as an entirely new model. In addition, an enduring alliance, rather than autonomous management by communities, may be the best long-term goal.

"Right away from the get-go there was resistance to the idea of transfer," says Amanda Stronza, who directed the program on behalf of the private company Rainforest Expeditions. "I think this was the most revolutionary finding.

"This is what you read in all the literature and what you hear in all the meetings but they said, 'Who says we have to transfer everything to local communities? We can still focus on bringing benefits to communities and making that translate to conservation, but it doesn't necessarily mean you have to get private companies out of the picture—they can continue to bring resources to the partnership, and the same with NGOs.' "

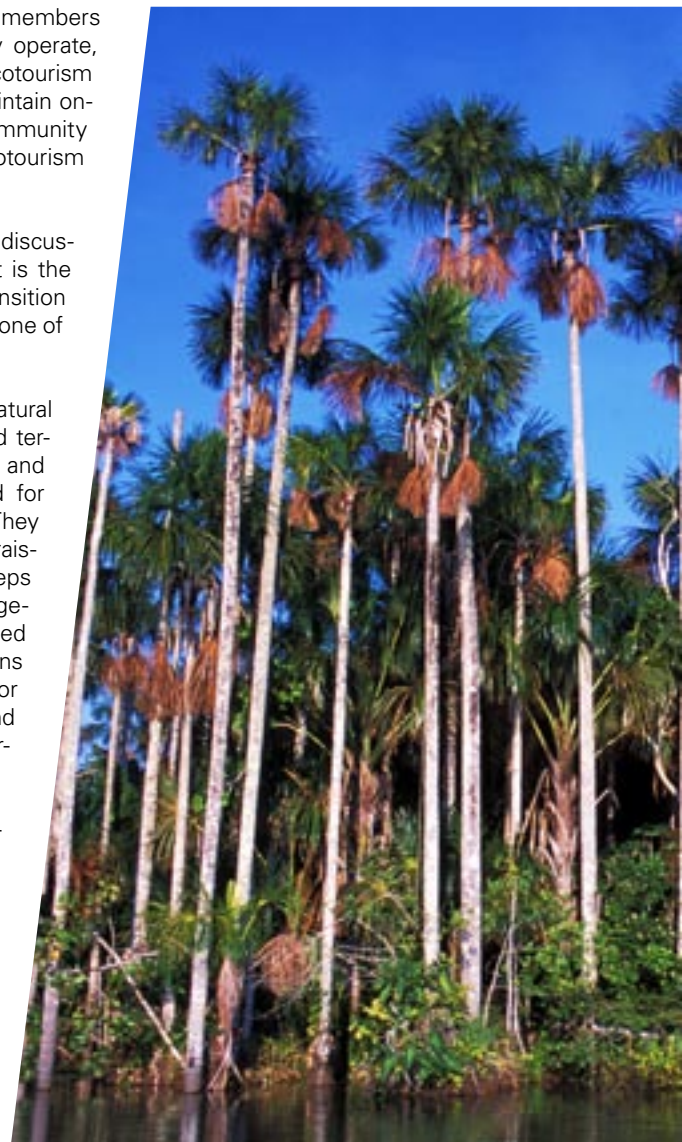
While the participants were surprised at the differences between their cultures, the types of their business partners and the terms of their agreements, they found that they share many concerns and challenges. One of these is building local capacities. How much preparation and time are

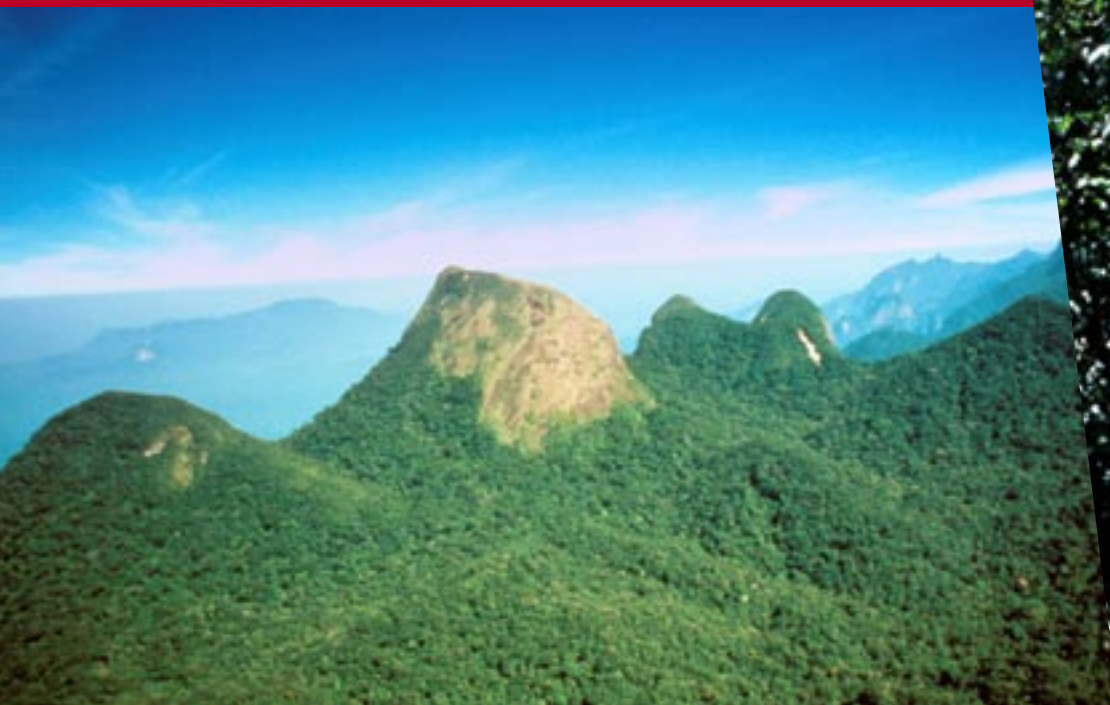
needed to train community members so that they can independently operate, manage and market their ecotourism business? And, how do you maintain ongoing training to allow new community members to rotate into the ecotourism operation?

Another subject eliciting much discussion was cultural change. What is the best way to facilitate the transition from a subsistence livelihood to one of running a business?

The participants evaluated the natural assets of their communities and territories, threats to conservation and the variety of techniques used for protecting natural resources. They agreed that education and raising awareness are the first steps for successful resource management. Developing locally defined and understood land-use plans to designate distinct zones for ecotourism, farming, hunting and other activities is a second important step.

The workshops' findings and recommended best practices for community-based ecotourism and a guide for tour operators and communities will be published as part of the project. In the meantime, the diverse group of participants is already benefiting from the new alliances they have established, with plans to jointly market their businesses.





Alliance approves grants for private reserves in Brazil

The Alliance for the Conservation of the Atlantic Forest awarded 19 small grants to assist landowners in managing their existing private reserves and establishing new reserves totaling an estimated 1,700 hectares in the Central and Serra do Mar conservation corridors in Brazil.

The grants are the first in a new Alliance initiative—Program for the Support of Private Natural Heritage Reserves (RPPNs) in the Atlantic Forest—to assist civil society in sustainably managing private reserves and creating new ones in the two corridors, which are focal areas for CEPF investment. The Alliance is a partnership between Fundação SOS Mata Atlântica and CI-Brasil.

RPPNs are one of the official management categories of natural protected areas under Brazilian legislation that defined the country's system of natural protected areas in 2000.

While more than 500 private reserves exist in Brazil today, many landowners need

technical or financial support to effectively manage these areas and maximize the benefits for conservation.

The newly awarded grants, totaling \$145,000, support projects in five Brazilian states. They range from support for creating at least 10 new RPPNs in different areas of south Bahia to construction of a forest observatory to attract ecotourism at RPPN Mitra do Bispo in Minas Gerais.

Overall, the partnership aims to invest \$877,000 through the grants program supported by CEPF and Bradesco Bank and ultimately aims to disburse \$1 million to promote the conservation of biodiversity through private landowners.

Deal leverages \$3.5 million for Peruvian forest protection

Through targeted support to local communities and NGOs in four of South America's Andean nations, CEPF is playing a vital role in the creation of one of the most comprehensive and integrated networks of protected areas in the world.



In Colombia, Ecuador, Peru and Bolivia, the partnership's financial and technical support has helped in design, planning, creation and management of conservation corridors. Such corridors, a centerpiece of the partnership's approach, are patchworks of reserves, indigenous lands, multi-use and managed areas that stretch across international boundaries to link core protected areas.

The flagship effort is the Vilcabamba-Amoró Conservation Corridor. Linking 16 protected areas and their buffer zones in the Tropical Andes hotspot, the corridor stretches across nearly 300,000 square kilometers from the Vilcabamba Mountain Range in Peru to Amoró National Park in Bolivia.

Ultimately, the corridor will be linked with others to form a single contiguous backbone of managed areas following the Andes mountain range in a sweeping arc up through Ecuador and across Colombia and

Venezuela. Parallel efforts will safeguard the Chocó-Darién Western Ecuador hot-spot, which runs south from the Panama Canal through Colombia, Ecuador and into northern Peru.

In one far-reaching move, through a debt-for-nature swap between the U.S. and Peruvian governments to guarantee long-term funding for protected areas, CEPF contributed funding to WWF for a two-year project to improve protection of Manu National Park, Amarakaeri Communal Reserve and Alto Purus Reserved Zone inside the Vilcabamba-Amoró corridor.

In total, the funding is expected to leverage \$3.5 million in local currency over the next 12 years for Peruvian organizations to carry out activities related to effective management of these protected areas, providing the long-term support needed to ensure sustainability. The outcome: improved protection of approximately 4.8 million hectares of tropical forest.

CI, The Nature Conservancy and WWF each committed approximately \$370,000 toward the debt-for-nature swap. The U.S. government allocated \$5.5 million to cancel a portion of Peru's debt to the United States. As a result, Peru will save about \$14 million in debt payments over the next 16 years and will provide the local currency equivalent of approximately \$10.6 million toward conservation over the next 12 years.





LATIN AMERICA

FY03 APPROVED GRANTS

Atlantic Forest Region Hotspot Brazil

Strategic Direction 1: Stimulate landscape management initiatives led by civil society in the Central and Serra do Mar Corridors

Assessment and Capacity Building of NGOs Active in the Serra do Mar Corridor

\$73,580
Associação Mico-Leão-Dourado

Building a Global Constituency for Biodiversity Conservation*

\$1,993,855
RARE Center for Tropical Conservation (\$1,569,030) and CI-International Communications Department (\$424,825)

Conservation of Biodiversity in the Atlantic Forest in the State of Espírito Santo

\$213,982
Instituto de Pesquisas da Mata Atlântica

Coordination of CEPF in the Atlantic Forest

\$697,921
CI-Brasil

Establishment of the BioAtlantic Institute

\$75,000
Instituto BioAtlântica

Healthy Ecosystems, Healthy People: Linkages Between Biodiversity, Ecosystem Health and Human Health*

\$27,200
University of Western Ontario

Using the Eco-Index to Allow Organizations Working in Neotropical Hotspots to Share Experiences and Glean Lessons from Colleagues*

\$189,727
Rainforest Alliance

Strategic Direction 3: Increase the number of private protected areas through civil society efforts

Program for the Support of Private Reserves (RPPNs) in the Atlantic Forest

\$674,318
SOS Mata Atlântica

Strategic Direction 4: Create an Action Fund to improve civil society identification and management of critical habitats

Analysis and Ecological Relevance of Institutions in the Central Corridor of the Atlantic Forest

\$20,000
Instituto de Estudos Sócio-Ambientais do Sul da Bahia

Small Grants Program for the Central Corridor of the Atlantic Forest

\$400,000
Instituto de Estudos Sócio-Ambientais do Sul da Bahia

Chocó-Darién-Western Ecuador Hotspot Chocó-Manabí Conservation Corridor

Strategic Direction 1: Establish/strengthen local and regional mechanisms to foster corridor level conservation

Building a Global Constituency for Biodiversity Conservation*

\$1,993,855
RARE Center for Tropical Conservation (\$1,569,030) and CI-International Communications Department (\$424,825)

Building the Chocó-Manabí Conservation Corridor

\$1,055,048
CI-Andes Program

Healthy Ecosystems, Healthy People: Linkages Between Biodiversity, Ecosystem Health and Human Health*

\$27,200
University of Western Ontario

Pangan Project: An Initiative to Achieve Community Conservation in the Pangan Reserve

\$119,700
Fundación para la Investigación y Conservación ProAves

Regional Forum Prior to the Summit for Ecology and Development in the Northern Region of Esmeraldas

\$9,900
Fundación Alternativas para el Desarrollo Sostenible en el Trópico

Using the Eco-Index to Allow Organizations Working in Neotropical Hotspots to Share Experiences and Glean Lessons from Colleagues*

\$189,727
Rainforest Alliance

Strategic Direction 2: Bring selected protected areas and species under improved management

Preparation of a Management Plan for the Mache-Chindul Ecological Reserve

\$149,981
Corporación para la Investigación, Capacitación y Apoyo Técnico para el Manejo Sustentable de los Ecosistemas Tropicales

Strengthening the Management Capacity of Mache Chindul Ecological Reserve

\$77,000
Fondo Ambiental Nacional

Strategic Direction 3: Identify and promote sustainable development practices in communities near selected protected areas

Awacachi Corridor Project: Sustainable Community Development and Capacity Building

\$330,066
Fauna & Flora International

Development and Implementation of Private Nature Reserves in Serranía de los Paraguas

\$152,945
Corporación Serraniagua

Promoting and Evaluating Conservation Best Practices for the Coffee Growing Zone of the Micro-corridor Paraguas-Tatamá

\$210,000
Federación Nacional de Cafeteros de Colombia, Comité Departamental de Cafeteros del Valle del Cauca

Restoration of Mangrove Forests in Muisne, Ecuador

\$6,575
Fundación de Defensa Ecológica

Mesoamerica Hotspot Southern Mesoamerica: Nicaragua, Costa Rica, Panama

Strategic Direction 1: Strengthen key conservation alliances and networks within integral corridors

Building the Southern Mesoamerica Conservation Corridor

\$1,053,010
CI-Mesoamerica Program

Indigenous Peoples and Biodiversity Conservation in the Mesoamerican Hotspot

\$90,000
Environmental Law Institute

Promoting Conservation for Regional Development and Unification: Scientific Research, Biological Monitoring and Capacity-building for Improved Management of Protected Areas

\$23,159
CI-Mesoamerica Program

Supporting the Integration of Civil Society into Conservation and Development Decisionmaking Processes at the Regional Level

\$172,827
CI-Mesoamerica Program

Strategic Direction 3: Promote awareness and conservation of flagship species

Building a Global Constituency for Biodiversity Conservation*

\$1,993,855
RARE Center for Tropical Conservation (\$1,569,030) and CI-International Communications Department (\$424,825)

Plan for Control and Protection for the Corcovado and Piedras Blancas National Parks and their Surrounding Areas

\$51,382
Fundación Corcovado Lon Willing Ramsey Junior

Promoting Environmental Education in Bocas del Toro

\$9,960
Institute for Tropical Ecology and Conservation

Using the Eco-Index to Allow Organizations Working in Neotropical Hotspots to Share Experiences and Glean Lessons from Colleagues*

\$189,727
Rainforest Alliance

Strategic Direction 4: Support improved management of key protected areas

Preparation of the Management Plan for the Indio Maíz Biological Reserve

\$44,000
Fundación Amigos del Río San Juan

Tropical Andes Hotspot Vilcabamba-Amboró Conservation Corridor

Strategic Direction 2: Strengthen national coordination of protected area systems

Creation and Effective Management of Forest Protected Areas in Peru

\$236,000
WWF

Strategic Direction 3: Encourage community-based biodiversity conservation and natural resource management

Formalizing Forest Access and Implementing Sustainable Brazil Nut Management in Madre de Dios, Peru

\$163,963
Amazon Conservation Association

Prevention of Human-Induced Forest Fires in Madidi and Apolobamba National Parks

\$193,743
CARE Bolivia

Sustainable Development and Natural Resource Conservation Capacity-building in Indigenous Community Groups in the Buffer Zones of Madidi National Park, Bolivia

\$48,215
Wildlife Conservation Society

Strategic Direction 4: Strengthen public awareness and environmental education

School-based Conservation: A Network of Partnerships in the Vilcabamba-Amboró Corridor. Phase One: Pilon Lajas, Madidi and Apolobamba

\$78,980
Instituto para la Conservación y la Investigación de la Biodiversidad

Healthy Ecosystems, Healthy People: Linkages Between Biodiversity, Ecosystem Health and Human Health*

\$27,200
University of Western Ontario

Strategic Direction 5: Strengthen environmental and legal policy frameworks

Disseminating and Implementing Legal Tools for Conservation in the Private Sector in the Vilcabamba-Amboró Corridor

\$69,384
Sociedad Peruana de Derecho Ambiental

Strategic Direction 6: Electronic information exchange and coordinated information and data gathering for the corridor

Monitoring Conservation Outcomes in the Vilcabamba-Amboró Corridor

\$355,196
Friends of the Museo de Historia Natural Noel Kempff Mercado

Using the Eco-Index to Allow Organizations Working in Neotropical Hotspots to Share Experiences and Glean Lessons from Colleagues*

\$189,727
Rainforest Alliance

* To capitalize on maximum potential for impact and to minimize administration, funding for this grant came from multiple hotspots.



BUILDING ONLINE RESOURCES

The Volta-Togo highlands in the Guinean Forests of West Africa hotspot harbor more amphibian species than previously thought, according to the results of a CEPF-funded herpetological survey. However, the survey failed to find previously recorded species and recommends urgent action to protect remaining forest fragments and avoid extinctions.

The survey team recorded 34 amphibian species, including two that may be newly discovered and others that may be first recordings for this area. Based on sampling and statistical and comparative extrapolation, the team estimates the area is home to about 46 amphibian species. Nonetheless, two forest toads—*Bufo togoensis* and *Werneria preussi*—reported in older literature to exist in the region could not be found. Despite extensive searches along fast-flowing creeks and rivers in the three sites, the surveyors also failed to find *Conraua derooi*, *Petropedetes natator* and other frog species highly adapted to this type of habitat.

CEPF brought these results to its online readers in mid-2002. Over the course of the next year, nearly 3,000 people from around the world downloaded the full survey report from our Web site, www.cepf.net. It is a dramatic example of the power of the Web to not only share information but also potentially build communities and even shared action among colleagues and others once far out of reach.

Since its inception, CEPF has recognized the potential of the Internet to help it reach and build civil society. During FY03, we significantly stepped up our online presence, complementing our ground presence with an approach to ensure the opportunities CEPF presents are known and to help agencies and communities pull together more effectively and have a greater impact.

In December, we launched a new and expanded Web site, designed to enable ease in learning about the partnership and our programmatic approach as well how to apply, the projects we support and progress to date. The site, updated

weekly, includes new sections about the partnership, frequently asked questions and regional sections with our region-specific strategies.

It also includes lists, organized by hotspots, with details of the more than 180 grants we have approved since the first one in 2001, a move designed to increase transparency and, more important, knowledge about projects under way.

We also help our visitors learn about specific projects more in-depth by including links to all of our grantees with an online presence, final project reports and a new feature each month on a CEPF project or partner.

Features have ranged from projects as diverse as the Haribon Foundation's program to arrest species loss in the Philippines hotspot to the small grants program operated by the WWF-South Africa Table Mountain Fund to enable previously disadvantaged persons, such as women and particularly black South Africans, to become conservation project managers and leaders.

The site brings the top story from each issue of *CEPF E-News*, our monthly e-newsletter, to a wider audience. Once we enabled visitors to the site to subscribe to the newsletter online, the number of subscribers jumped nearly 100 percent in just six months. CEPF grantees and other organizations are now proactively contributing ideas and drafting articles for the newsletter and our Web site, illustrating how these tools have become a resource both for and about the growing CEPF community.

- Nearly 90,000 visitors to the Web site viewed in excess of 182,400 pages throughout the course of the year.
- 73,423 ecosystem profiles, application forms, frequently asked questions, final project reports and other documents were downloaded in multiple languages.
- The number of visitors, pages viewed and documents downloaded all increased more than 100 percent during the six months after the new site launched, compared to the first six months of the year under review.



Virtual almanac enables better conservation through communication

Keeping track of who is doing what, when, how and why, as well as lessons learned in the conservation field, would be a major endeavor. However, such information could help to build on one another's success and to avoid mistakes and duplication of effort—a fundamental CEPF approach.



This year, CEPF joined other communications-minded donors in supporting Eco-Index, a Web-based, bilingual almanac of conservation projects that helps conservation professionals and others learn about projects under way and share information, results and lessons of their own.

Launched by the Rainforest Alliance in 2001, the site's first phase focused on projects in the Mesoamerica hotspot. Now the Alliance's Neotropics Communications Office based in San José, Costa Rica, is expanding the site's already existing database of more than 350 projects to include more projects in Mesoamerica and activities in the Atlantic Forest, Chocó-Darién-Western Ecuador and Tropical Andes hotspots.

As part of the project, the Alliance is redesigning and expanding the site to include all projects supported by CEPF and more than 65 others in the four hotspots and will add project information in Portuguese along with the current English and Spanish. In addition, the Alliance will organize a "best lessons learned" workshop in early 2004 for groups working in Mesoamerica.

The Eco-Index and CEPF communications teams are also working together to share news and links between the Eco-Index and the CEPF Web site, leveraging the visitors and information both can offer (www.eco-index.org).

"We've chosen some of the most innovative CEPF-funded projects to receive our special monthly awards. For example, 'Creation and Effective Management of Forest Protected Areas in Peru' was recently recognized for its use of a particularly helpful monitoring and evaluation methodology."

—Diane Jukofsky, director of Neotropics Communications at the Rainforest Alliance



FINANCIAL SUMMARY

July 2002–June 2003

FY03 was a year of strong growth for CEPF. We approved \$17.8 million in new grants, bringing our global grant portfolio to \$28.9 million. In total, we are now supporting more than 110 partners in implementing conservation projects in 11 biodiversity hotspots, enabling civil society—from community groups and NGOs to private landowners and businesses—to develop, fund and implement promising initiatives where it matters most. The partnership also completed extensive stakeholder consultations and preparations to expand to two new hotspots just as the year closed and initiated preparations to expand to three others in 2004.



REVENUE	
Funds received	14,500,000
Pledges receivable due as of June 30, 2003	18,500,000
Interest earned	126,381
Total Revenue	33,126,381
EXPENSES AND COMMITTED FUNDING	
Grants	
Atlantic Forest Region	2,369,749
Cape Floristic Region	2,872,254
Chocó-Darién-Western Ecuador	2,303,072
Guinean Forests of West Africa	1,322,628
Madagascar and Indian Ocean Islands	585,894
Mesoamerica	1,640,044
Mountains of Southwest China	515,586
Philippines	1,938,746
Succulent Karoo	312,856
Sundaland	2,450,375
Tropical Andes	1,459,317
Total Grants	17,770,521
Ecosystem profile preparation	1,780,344
Business development, grant making, monitoring and evaluation and knowledge management	2,237,702
Total	4,018,046
Total Expenses	21,788,565
Excess of revenue over expenses	11,337,816
Fund balance as of June 30, 2002	5,275,153
FUND BALANCE AT THE END OF THE PERIOD	16,612,969
FUND BALANCE AT THE END OF THE PERIOD CONSISTED OF:	
Cash net of amount due	12,203,198
Pledges receivable	18,500,000
Grants payable (balance due on awarded grants)	(14,090,229)
Fund balance as of June 30, 2003	16,612,969

THE CEPF COMMUNITY

INTERVIEW

MOHAMED T. EL-ASHRY



Mohamed T. El-Ashry served as Chairman of the Global Environment Facility (GEF) since its establishment in 1991 and CEO/Chairman since 1994. When he stepped down at the end of his third term in July 2003, the GEF

had a portfolio worth more than \$16 billion and had grown from less than 30 member countries to 174.

Q. As Chief Executive Officer of the GEF, you were one of the three founding members of CEPF. What inspired you to take this bold move?

A. GEF was and continues to be the largest funder for biodiversity so the question became, "Why should we enter into this program that provides very small grants to NGOs?" and the answer really has five points.

1) The proposal was to focus on hotspots and that was important to us since we (GEF) address the broader aspects of biodiversity in all settings, including the production landscape and threatened ecosystems.

2) You need different instruments, different modalities, for funding conservation. The GEF has a big grants program for management of protected areas and park systems. We also have a small grants program so CEPF was to us another important modality that would support a broader vision of conservation of biological diversity.

3) It was to be a partnership. This was an important consideration. If it was just funds from the GEF to another organization, it would have then been just another project. But CEPF was to be a partnership on an equal basis among the different partners—each one putting in money and ideas, each one bringing something to the table for this important conservation effort.

4) The proposal came from CI. CI in my mind is a very successful organization that already has a proven track record in the area of biological diversity and in supporting conservation of hotspots.

5) The fact that it was to support efforts of NGOs in their own countries in the area of conservation was, of course, a key factor as well.

Q. CEPF aims to engage civil society in conserving the world's most important yet imperiled ecosystems. Has CEPF responded or performed in the way you hoped?

A. In a short time, CEPF has been able to put in place the needed mechanisms to support local NGOs and representatives of civil society within the framework that has been provided by the ecosystem profiles, which are discussed and agreed to by all partners. In many cases, this has resulted in building capacity of smaller NGOs and

BECOME A DONOR PARTNER

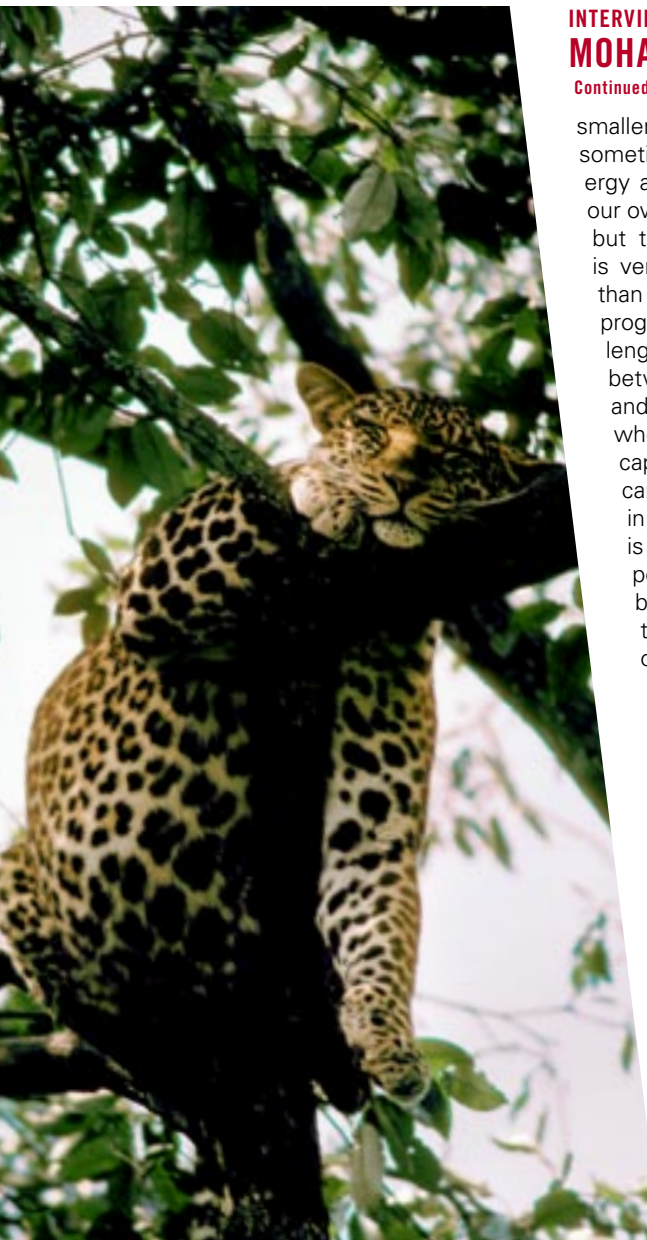
Step into the front line with us, where our support is enabling ordinary people to take extraordinary actions. Becoming a CEPF donor partner offers the opportunity to influence and coordinate plans and strategies around the globe to preserve the environment and to create change vital for the prosperity, health and well-being of future generations.

CEPF also offers a new modality to build upon and expand your reach. The CEPF Donor Council provides strategic guidance, approves resource allocations and evaluates the partnership's effectiveness. It's a constellation of leaders helping to empow-

er others where it matters most: the biologically richest yet most threatened areas. The Council also provides a forum through which the partners can coordinate their conservation investments—leveraging the power of partnership as well as investments dollar-for-dollar.

We hope you will share our enthusiasm for the commitment and innovation we are inspiring and enabling. It's about much more than nature for nature's sake. We're helping people help themselves, their communities and their nations to ensure a sustainable future that benefits nature and people alike.





INTERVIEW MOHAMED T. EL-ASHRY

Continued

smaller civil society organizations that are sometimes even new but are full of energy and ideas. We work with NGOs in our own small grants program in the GEF but the major difference is that CEPF is very targeted to the hotspots rather than the broad scope of the small grants program. So the challenge is—the challenge for all of us is—to find the balance between supporting indigenous NGOs and those large, international NGOs who by their objectives help build the capacity of these organizations so they can continue to carry out conservation in their own countries. I believe this is a balance that CEPF must prove is possible and achievable over time because there will always be a question in the mind of the indigenous organizations about who is really running the show in their countries. CEPF needs to become the facilitator of the actions to be taken by the organizations for which CEPF has built their capacity so they can carry on in perpetuity what CEPF has started.

Q. What do you envision in the future for CEPF?

A. I think the important test will be how CEPF demonstrates that a collection of small, individual grants within the context of an ecosystem profile can actually add up to conservation action at the level of a hotspot. We are not naive to think that the small CEPF is going to save

a whole hotspot, but that it should contribute toward that effort because there is not going to be just one actor or one player carrying out that responsibility. It is going to be all the efforts of GEF, CEPF, CI in its own right, WWF, TNC and all the other major organizations contributing to the ultimate objective of conserving the hotspot.

In other words, the way things are happening now in terms of demand and delivering or supplying funding, they must lead ultimately to results that are greater than the sum of the individual parts. Rather than just counting the number of grants and what they are achieving, because they are small, they all must add up to something that is measurable on the ground. That's what ultimately CEPF must ensure—that it has measurable results and impact on the ground—but it has only begun.

Q. Do you have any advice for other leaders who are considering joining the CEPF partnership?

A. I would say first, consider the value added to your own organization or institution. What can you achieve through CEPF that you cannot on your own? In my view, you can achieve a lot. That is the question we posed in GEF, and we are pleased that we went in that direction. I would also say, make sure you can invest staff time for your involvement in the development of CEPF strategy. This is more than writing a check; this is a partnership. And it's about leveraging other institutions' abilities and resources for the greater good.

DONOR COUNCIL

James D. Wolfensohn

President, The World Bank Group
Chairman, CEPF Donor Council

Mohamed T. El-Ashry

Chairman and CEO, Global Environment Facility
(Until July 1, 2003)

Jonathan F. Fanton

President, The John D. and Catherine T.
MacArthur Foundation

Leonard Good

Chairman and CEO, Global Environment Facility
(As of July 1, 2003)

Naoko Ishii

Director, Development Institutions Division,
International Bureau, Ministry of Finance, Japan

Ian Johnson

Vice President, Environmentally & Socially
Sustainable Development, The World Bank Group

Peter A. Seligmann

Chairman and CEO, Conservation International

WORKING GROUP

Michael Carroll

CEPF Task Team Leader, Senior Agriculturalist,
The World Bank Group

Gonzalo Castro

Team Leader, Biodiversity, Global Environment
Facility

Avecita Chicchon

Latin American Program Officer, The John D. and
Catherine T. MacArthur Foundation

Claude Gascon

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Division, Conservation International

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Bureau, Ministry of the Environment, Japan

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CEPF Operations Analyst, The World Bank

Tetsuro Uesugi

Biodiversity Coordinator, Nature Conservation
Bureau, Ministry of the Environment, Japan

Michael Wright

Conservation and Sustainable Development
Program Area Director, The John D. and
Catherine T. MacArthur Foundation

SENIOR STAFF

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Executive Director, Critical Ecosystem
Partnership Fund
Senior Vice President, Conservation International

Jason Cole

Grant Director for South America

Lisa Dean

Director of Financial Management

Bobbie Jo Kelso

Director of Communications

Nina Marshall

Grant Director for Africa

Roberto Martin

Senior Director for Portfolio Management

Judy Mills

Grant Director for Asia

Donnell Ocker

Senior Director for Program Management

Michele Zador

Grant Director for Mesoamerica

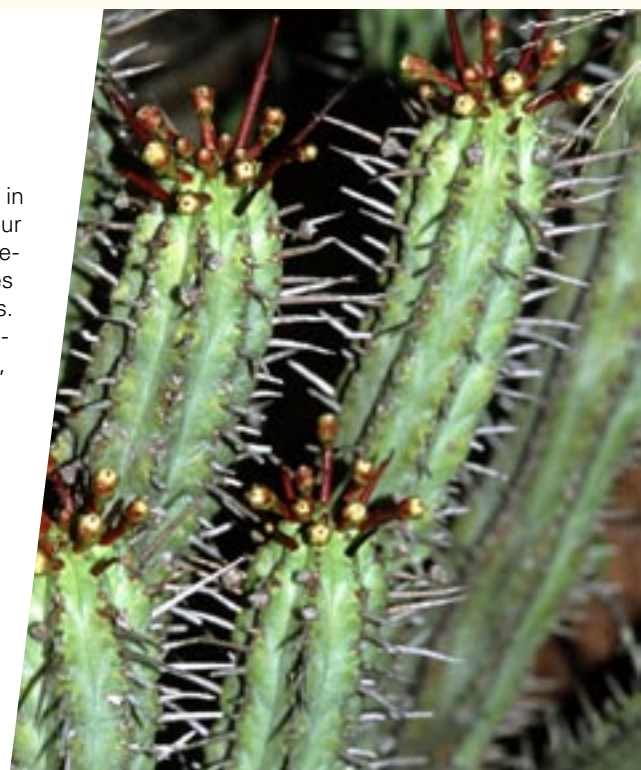
ROLES AND RESPONSIBILITIES

CI administers CEPF, ensuring accuracy and accountability in all operations. The CEPF Management Team is responsible for creating the ecosystem profiles, developing the regional grant portfolios, financial management, communications, and project and program monitoring and evaluation.

The CEPF Donor Council governs the Fund. The Donor Council provides strategic guidance, secures additional partners to the Fund and approves priority areas for investment.

The CEPF Working Group, composed of technical staff from each of the partner organizations, provides input, expertise and guidance on operational and technical issues. The working group members communicate the partnership's purpose and progress with in their respective organizations.

A variety of partner organizations in the hotspots also help ensure that our regional program portfolios are strategic and delivering toward outcomes identified in the ecosystem profiles. These coordination teams help identify potential partners and grantees, provide strategic guidance to grant applicants and assist in monitoring and evaluating progress and results. Some of our small grants programs are also directly managed by local partners, such as Instituto de Estudos Sócio-Ambientais do Sul da Bahia and Fundação SOS Mata Atlântica in the Atlantic Forest, the WWF Table Mountain Fund in the Cape Floristic Region and the Haribon Foundation in the Philippines.



BECOME A GRANTEE PARTNER

CEPF aims to create a diversified portfolio of grantees and projects to best meet our shared conservation objectives and help strengthen the involvement of civil society in conservation. New proposals to help us implement our highly strategic programs in the hotspots are welcome.

CEPF has a two-part application process. Applicants first submit a letter of inquiry. If invited, applicants then complete a more detailed proposal. Instructions and forms

are available in multiple languages in the Apply section of our Web site, www.cepf.net.

Community groups, NGOs, private sector partners and other civil society enterprises may apply for grants. CEPF funds may not be used for the purchase of land, involuntary resettlement of people, the capitalization of a trust fund or the alteration of any physical cultural property.



GRANTEE PARTNERS

Africa Environmental News Service is an environmental news service designed to serve African and global audiences. The project is in its second phase of research and development and plans to provide news coverage of mainstream environmental issues throughout Africa.

Afrique Nature International contributes to the protection and the sustainable use of Africa's flora, fauna and natural areas by strengthening the network of national parks and nature reserves, safeguarding species and their habitats, sustainable natural resource management and the development of a global conservation vision at the regional level. www.afnature.org

AGORO Centre for Intercultural Learning and Talent Development teaches and performs Ghanaian traditional / contemporary music, dance and drama. Through community theatre projects, the Centre uses performances as an advocate to stimulate awareness for social transformation. <http://education.deakin.edu.au/agoro/>

Amazon Conservation Association seeks to conserve biodiversity through development of new scientific understanding, sustainable resource management and rational land-use policy for Amazonian ecosystems. www.amazonconservation.org

American Bird Conservancy conserves wild birds and their habitats throughout the Americas. www.abcbirds.org

Asociación de Autoridades Tradicionales y Cabildos Indígenas Awá, Organización Unidad Indígena del Pueblo Awa seeks to strengthen local community culture and defend the social, economic, political, cultural, environmental and territorial interests of the native communities in the Colombian municipalities of Barbacoas and Tuma-co Nariño.

Associação Mico-Leão-Dourado, known as the Golden Lion Tamarin Conservation Program in English, is an international conservation initiative established to formulate and implement an integrated strategy for the preservation of the critically endangered golden lion tamarin and its habitat, the Atlantic coastal rain forests of South-eastern Brazil.

Asociación Boliviana para la Conservación contributes to the conservation of biodiversity in Bolivia within the framework of sustainable development.

Association of Environmental Lawyers (Green Advocates) is engaged in environmental litigation, policy consulting, awareness and advocacy in Liberia.

Association Fanamby seeks to maintain biodiversity in Madagascar's unprotected high biodiversity areas by promoting a long-term conservation process that integrates development, research, training and education-outreach activities. www.fanamby.org.mg

BirdLife International is a global partnership of NGOs with a focus on birds that works together on shared priorities, exchanging skills, achievements and information. www.birdlife.net

Botanical Society of South Africa is committed to conservation of southern Africa's rich floral heritage by promoting the awareness of this resource and by supporting the National Botanical Gardens of South Africa. www.botanicalsociety.org.za

Cape Nature Conservation is an independent statutory board in South Africa with responsibility for biodiversity conservation in the Western Cape Province. It is the lead implementing agency for Cape Action for People and the Environment, a 20-year strategy to secure the biodiversity of the Cape Floristic Region while delivering local social and economic benefits. www.cnc.org.za

CARE Bolivia seeks a country with hope, tolerance and social justice, in which poverty has been overcome and people live in security and dignity. CARE Bolivia aims to be a global force and a partner in the national movement dedicated to eradicating poverty. www.carebolivia.org

Center for Applied Biodiversity Science aims to strengthen CI's ability to identify and respond to elements that threaten the Earth's biological diversity. www.biodiversityscience.org

Center for the Support of Native Lands works to protect biological and cultural diversity in Latin America, with a focus on Central America and southern Mexico. It assists indigenous peoples to develop and carry out their agendas for the preservation of the region's natural and cultural heritage. www.nativelands.org

Central de Pueblos Indigenas de La Paz represents approximately 20,000 indigenous families in Bolivia by providing sociopolitical representation at the departmental, national and international level, defending their social, economic and environmental rights and providing for a higher quality of life.

Centre Ecologique de Libanona tackles environmental problems and issues facing southern Madagascar and employs both trained Malagasy research staff

and local people. It provides educational opportunities for students and local people to learn about and develop skills in resource management. www.andrewleestrust.org.uk/libanona.htm

Centro Cientifico Tropical conducts and supports scientific research and education and encourages the acquisition and application of knowledge concerning the enduring and harmonious relationship of human beings with the biological and physical resources of tropical environments. www.cct.or.cr

Concerned Environmentalists for the Enhancement of Biodiversity was established in 2000 to ensure harmony between humans and the environment in Liberia. It is composed of graduates from the College of Agriculture and Forestry, University of Liberia.

Conservation Information Forum is a network of 12 NGOs from four provinces in Sumatra (South Sumatra, West Sumatra, Bengkulu and Jambi) focused on biodiversity conservation and community development. www.warsi.or.id

Conservation International is a leader in biodiversity conservation worldwide. The organization is advancing conservation in more than 40 countries on four continents to preserve threatened ecosystems. www.conservation.org

Conservation Management Ltd provides technical services to the nature conservation community.

Conserve Africa Foundation works to advance sustainable use and conservation of natural resources, environmental conservation and ecotourism in Africa. www.conserveafrica.org

Corporación para la Investigación, Capacitación y Apoyo Técnico para el Manejo Sustentable de los Ecosistemas Tropicales consists of five Ecuadorian organizations (Fundación Natura, EcoPar, Alianza Jatun Sacha/CDC-Ecuador, Ministerio del Ambiente y Conservación Internacional) forming the REMACH Alliance to build consensus on the Mache Chindul Ecological Reserve Management Plan.

Corporación Serraniagua seeks to coordinate and integrate efforts to improve management and use of natural resources in order to ensure sustainable development in the Columbian municipality of El Cairo.

Durban Botanic Gardens aims to demonstrate the role plants can play in social upliftment through the institution's involvement in urban greening, organic gardening and medicinal plant conservation projects. www.durban.gov.za/parks/

Eco-Africa Environmental Consultants is a private company dedicated to the skilled management of Southern African habitats, the upliftment of rural areas along ecologically and financially sound lines and preservation and management of areas with endangered species. www.ecoafrica.co.za





Eco-Security Task Force of China Council for International Cooperation on Environment and Development is a high-level nongovernmental advisory body established by the Chinese Government to strengthen cooperation and exchange between China and the international community on environment and development issues. www.chinabiodiversity.com

The **Elephant Listening Project** at Cornell University is designing a new way to monitor forest elephants in Africa. The project's methodology has its technical roots in the Cornell Laboratory of Ornithology's Bioacoustics Research Program. www.elephantlisteningproject.org

Environmental Foundation for Africa seeks to facilitate the establishment of community-led programs for environmental restoration and rehabilitation throughout the African continent. www.efasl.org.uk

Environmental Law Institute advances environmental protection by improving law, policy and management. The Institute researches pressing problems, educates professionals and citizens about the nature of these issues and convenes all sectors in forging effective solutions. www.eli.org

Equals Three Communications provides marketing communications solutions that build businesses, change lives and improve communities. <http://equals3.com>

Fauna & Flora International acts to conserve threatened species and ecosystems worldwide, choosing solutions that are sustainable, are based on sound science and take account of human needs. www.fauna-flora.org

Flower Valley Conservation Trust aims to influence biodiversity conservation and community empowerment in the Cape Floral Kingdom, by promoting ways in which wild fynbos resources can be sustainably utilized. www.flowervalley.org.za

Fondo Ambiental Nacional supports the efficient financing of environmental management in Ecuador. www.fan.org.ec

Friends of Tokai Forest was founded in 1996 to promote public participation in caring for the Tokai Forest, part of the Cape Floristic Region.

Fundación Alternativas para el Desarrollo Sostenible en el Trópico creates a space for a diverse array of stakeholders in the Esmeraldas province of Ecuador to discuss how to improve the quality of life, biodiversity conservation and sustainable development in the region.

Fundación Amigos de la Naturaleza Noel Kempff is a private nonprofit foundation created to support the activities of the Museo Noel Kempff Mercado Natural History Museum in Bolivia. www.sczbo.org

Fundación Amigos del Rio San Juan supports capacity building, which sets in motion strategic environmental management and development programs. The Foundation also seeks to support programs through political alliances. www.fundar.org.ni/fundar/pagCastillofundar.php

Fundación Corcovado seeks to support and improve existing conservation efforts benefiting the Osa Peninsula through direct assistance to the protection of the rain forest in Corcovado National Park,

purchasing unprotected land and providing alternative economic options to forest owners. www.corcovadofoundation.org

Fundación de Defensa Ecológica represents fishermen, farmers, youth, women and cultural groups who seek to preserve, restore and conserve the mangrove ecosystem in the Esmeraldas Province of Ecuador. www.ecuanex.net/ec/fundecol

Fundación para la Investigación y Conservación ProAves focuses on conserving the birds of Colombia through the promotion and execution of direct investigations, conservation actions and environmental education. www.proaves.org

Ghana Heritage Conservation Trust promotes the conservation, protection, maintenance and economic growth of Kakum Conservation Area, Cape Coast and Elmina Castles, Fort St. Jago and the surrounding communities in Ghana.

Grand Gedeh Community Servant Association aims to combat poverty and hunger through grassroots initiatives involving local people, government and NGOs.

Greenomics Indonesia is a policy development institute devoted to introducing innovative empirical and field-based economic, financial and policy approaches that support sound natural resources governance. www.greenomics.org

The Haribon Foundation is a membership organization in the Philippines committed to nature conservation through community empowerment and scientific excellence. www.haribon.org.ph

Indonesian Ecotourism Network uses ecotourism as a comprehensive tool to conserve biodiversity and to involve local communities and organization in a participatory way to derive maximum benefits in a sustainable way. www.indecon.or.id

Institute for Tropical Ecology and Conservation offers field ecology courses to undergraduate and graduate students, provides facilities for long-term biological research, operates conservation programs for various tropical species and aids local communities through education workshops on natural resource management. www.itec-edu.org

Instituto BioAtlântica contributes to the conservation, restoration and sustainable use of biodiversity in the Atlantic Forest region of Brazil. www.bioatlantica.org.br

Instituto de Estudos Sócio-Ambientais do Sul da Bahia develops and supports research and models of connectivity between humans and the environment in Brazil, focusing on biodiversity conservation and the sustainable use of natural resources to promote the social development of the local communities. www.iesb.org.br

Instituto de Pesquisa da Mata Atlântica was established by a group of scientists who contribute to ecological research in the Atlantic Forest region of Brazil. Their purpose is to develop a network of researchers in the region with an emphasis on studying forest fragmentation.

Instituto para la Conservación e Investigación de la Biodiversidad contributes to the development of biodiversity knowledge and environmental conservation aimed at achieving sustainable development in Bolivia.

Instituto Machu Picchu is a Peruvian nonprofit association dedicated to the conservation of natural and cultural resources in the Machu Picchu Sanctuary and Cusco region. IMAPI's goal is to promote and help execute projects related to the sustainable development of tourism, agriculture, cottage industries, education and scientific research projects. www.imapi.org.pe

International Center for Journalists (ICFJ) was established in 1984 to improve the quality of journalism in nations where there is little or no tradition of independent journalism. ICFJ has conducted hundreds of training and educational programs for

some 15,000 journalists and managers in more than 170 countries. www.icfj.org

International Rhino Foundation supports and operates rhino conservation and research programs, both in nature and in captivity, with particular emphasis on intensive management and protection. www.rhinos-irf.org

IUCN-The World Conservation Union brings together states, government agencies and a diverse range of nongovernmental organizations in a unique world partnership: more than 980 members in all, spread across some 140 countries. <http://iucn.org>

Kuapa Kokoo Farmers Union is a cocoa farmers cooperative with a mission to empower its farmer members, increase their income level and raise their standard of living. www.kuapakokoo.com

L'Homme et l'Environnement is an NGO based in Madagascar that works to promote conservation through development. Its main goal is to provide local communities with environmentally and economically sustainable alternative resource management options. www.mate.mg

La Federación Nacional de Cafeteros de Colombia is responsible for formulating and carrying out coffee policies. It includes 250,000 members representing 80 percent of coffee growers and 95 percent of Colombian coffee production. www.cafedecolombia.com

Living Earth Foundation is an international, nonprofit organization running programs in more than 11 countries from Brazil to Bulgaria, Uganda to Ukraine. www.livingearth.org.uk

MATEZA engages in programs that have both direct and indirect impacts on biodiversity conservation for a healthier environment and rural economy in Madagascar.

Missouri Botanical Garden aims to discover and share knowledge about plants and their environment, in order to preserve and enrich life. The Re-

search Division sends expeditions to investigate ecosystems in over 30 countries around the globe. www.mobot.org

Museum of Natural History, University of Louisiana at Monroe is primarily a research facility that offers preserved specimens for studies of ecology and evolution. Scientists and students borrow or exchange specimens for research purposes or request information about species distributions. www.ulm.edu/~pezold/welcome.htm

National Botanical Institute, South Africa is an autonomous, statutory organization formed by the amalgamation of the National Botanic Gardens and the Botanical Research Institute in 1989. The institute runs environmental education programs and maintains databases and libraries specializing in information on the plant life of southern Africa. www.nbi.ac.za



Palawan Conservation Corps mobilizes out-of-school youth to fulfill the goal of preserving Palawan's natural resources and indigenous culture. It is the first program of its kind established in Southeast Asia.

PeaceWork seeks to restore and preserve the quality of the Indonesian natural environment, society and culture through participatory natural resource conflict resolution.

The Percy FitzPatrick Institute of African Ornithology at the University of Cape Town, South Africa, promotes and undertakes scientific studies of birds to help maintain biological diversity and the sustained use of biological resources.
<http://web.uct.ac.za/depts/fitzpatrick>

The Peregrine Fund conserves nature by restoring species in jeopardy, conserving habitat, educating students, training conservationists, providing factual information to the public and accomplishing good science. www.peregrinefund.org

The Philippine Eagle Foundation is committed to promoting the survival of the Philippine eagle, the biodiversity it represents and the sustainable use of forest resources for future generations to enjoy. www.philippineagle.org

Productividad Biosfera y Medio Ambiente is a private social development institution with activities in the Cochabamba and Holy Cross areas of Bolivia. www.probioma.es.vg

RARE Center for Tropical Conservation protects wildlands of globally significant biological diversity by empowering local people to benefit from their preservation. www.rarecenter.org

Rainforest Alliance protects ecosystems and the people and wildlife that live within them by implementing better business practices for biodiversity conservation and sustainability. www.rainforestalliance.org

The Rainforest Foundation is dedicated to preserving the rights of indigenous and traditional peoples of the rain forest by creating and supporting projects in collaboration with partner organizations and grassroots groups. www.rainforestfoundation.org

Riau Mandiri seeks to empower community groups to defend, demand and convey their aspirations in the fields of the living environment and human rights.

Royal Botanic Gardens Kew aims to enable better management of the Earth's environment by increasing knowledge and understanding of the plant and fungal kingdoms—the basis of life on earth. www.kew.org

Save My Future Foundation aims to facilitate and promote participatory community-based sustainable natural resource management and development in Liberia. www.samfu.org

Sekretariat Kerjasama Pelestarian Hutan Indonesia formed through a consensus of 14 NGOs during a workshop on forest conservation in Lembang, West Java, in 1982 to conduct campaigns on forest conservation in Indonesia. www.skephi.com

Selva Reps S.A.C. (Rainforest Expeditions) is a Peruvian ecotourism company, Rainforest Expeditions, founded in 1992, to provide authentic educational experiences that support the conservation of the areas where it operates. www.perunature.com

Sociedad Peruana de Derecho Ambiental is a private Peruvian organization that believes in the capacity of societies to be developed in sustainable ways and, consequently, in the need to conserve the environment as an essential component of efforts to improve the quality of life. www.spda.org.pe

Society for the Conservation of Nature of Liberia promotes the wise use of natural resources; creates public awareness of economic, environmental and aesthetic values of natural resources; and encourages scholarly work in the field of Liberian natural history.

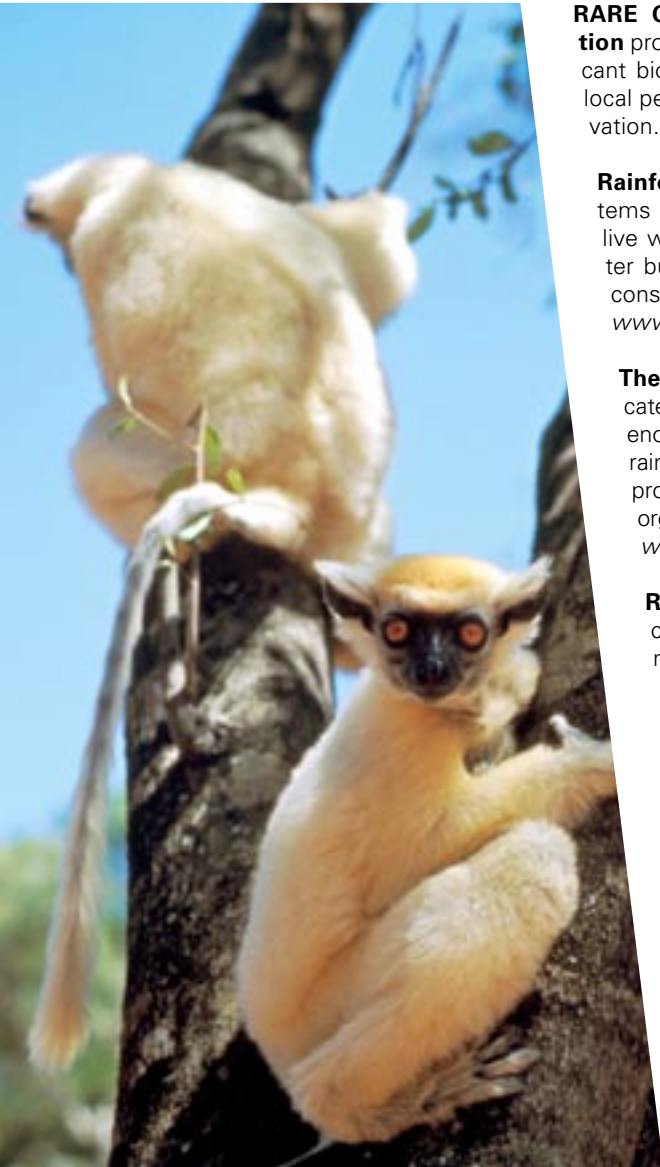
SOS Mata Atlântica is an NGO in Brazil that seeks to conserve the remaining Atlantic Forest and the rich cultural identity of the communities that inhabit the region. www.sosmatatlantica.org.br

South African Protea Producers and Exporters Association aims to develop indigenous flora and to ensure effective production and marketing so that it can contribute to job creation and prosperity in South Africa without depleting natural resources. www.sappex.org.za

TRAFFIC International oversees the global TRAFFIC Network, which aims to ensure that trade in wild plants and animals is not a threat to the conservation of nature. www.traffic.org

University of Syiah Kuala established the Konservasi Sumber Daya Lahan study program to protect natural resources in Nangroe Aceh Darussalam and supports and operates general conservation efforts with special attention to watershed and landscape management.

University of Vermont aims to create, interpret and share knowledge to prepare its students to lead productive, responsible and





creative lives, and to promote the application of relevant knowledge to benefit the state of Vermont and society as a whole. www.uvm.edu

University of Western Ontario is one of Canada's oldest universities. Through its 12 faculties and schools and three affiliated colleges, the university offers more than 50 different degree and diploma programs. www.uwo.ca

WildAid provides direct protection to wildlife in danger, through wildlife law enforcement, habitat protection, education and community outreach. www.wildaid.org

Wilderness Action Group is a voluntary organization formed by southern African delegates who attended the 3rd World Wilderness Congress in Scotland. It is dedicated to wilderness conservation in southern Africa. www.wild.org/network/wag.html

The Wilderness Foundation is the sister organization and operating base in South Africa for the Wild Foundation. It supports the protection and appropriate use of critical wilderness areas, wildland values and endangered wildlife. www.wild.org/southern_africa/wf.html

Wildlife Conservation Society saves wildlife and wild lands through careful science, international conservation, education and the management of the world's largest system of urban wildlife parks, led by the flagship Bronx Zoo in the United States. <http://wcs.org>

World Wide Fund for Nature aims to stop, and eventually reverse, the worsening degradation of the planet's natural environment, and build a future in which humans live in harmony with nature. WWF is known as World Wildlife Fund in Canada and the United States. www.panda.org

Yayasan Alam Sumatera is a market-based venture in Indonesia developed by

the Alam Sumatra Foundation. It aims to provide financial support for rain forest conservation and rain forest people by involving them in commercially sustainable activities. www.alamsumatra.or.id

Yayasan Biota Lestari is an NGO seeking to protect flora and fauna in Indonesia.

Yayasan Cipta Citra Lestri Indonesia promotes nature conservation, disseminates information and raises awareness on environmental issues to support conservation in Indonesia.

Yayasan Citra Mandiri is a Padang-based Indonesian NGO enabling Mentawaians to make sound decisions in the management of their natural resources through political, economic, social and cultural empowerment.

Yayasan Ekologi Konservasi Nanggroe Aceh is a nonprofit organization focused on the conservation and ecological study of various ecosystems in Nanggroe Aceh Darussalam and throughout Sumatra.

Yayasan Kaliptra is a forum for NGOs in Sumatra to gather ideas and opinions and create a common voice on natural resource issues.

Yayasan Perlindungan Lingkungan Hidup dan Pelestarian Alam is an NGO in North Sumatra protecting biodiversity and increasing local community participation in natural resource management.

Zoological Society of Philadelphia advances discovery, understanding and stewardship of the natural world through exhibitions and interpretation of living animals and plants. www.philadelphiazoo.org



THE WAY FORWARD

Often the best way to move forward is to reflect on the past. Have we put in place the building blocks to achieve impact at the scale needed to address threats?

A primary focus during this stage of the partnership is to take stock of far more than total grant numbers or dollars but actual progress in implementing the partners' shared strategies—the ecosystem profiles—designed to achieve concrete conservation outcomes.

This year, CEPF created a team to strengthen monitoring and evaluation, with a focus on gathering reliable documentation, designing tools and refining analytical methodologies to improve our ability to assess progress and, importantly, sharpen our approach or even change course, where necessary.

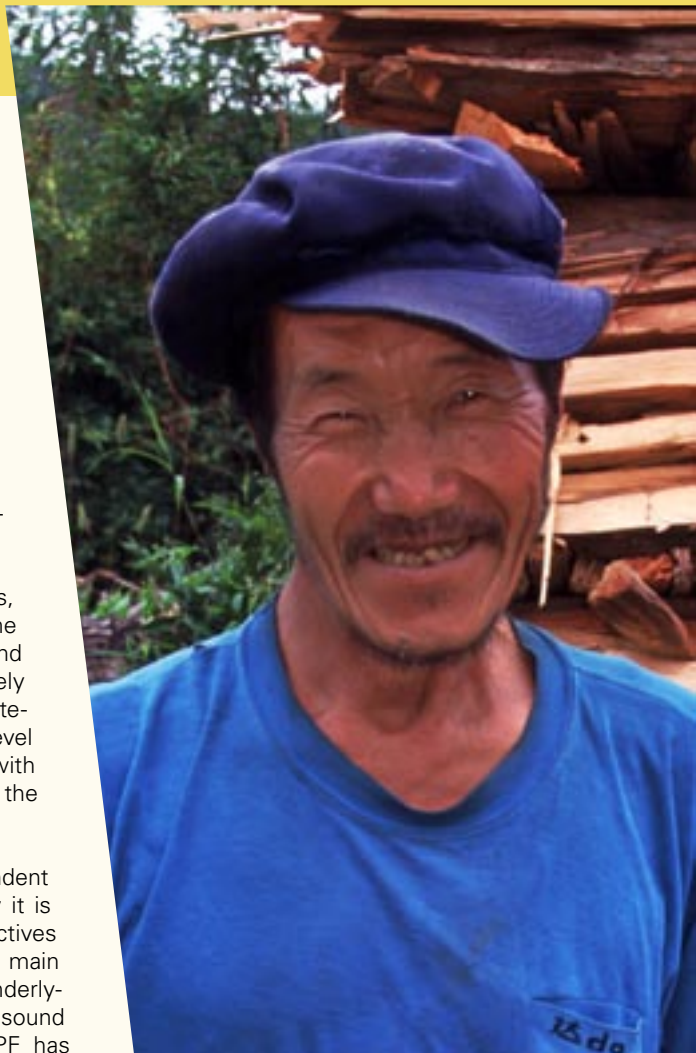
The monitoring and evaluation team will conduct reviews of each of the Fund's regional portfolios as they reach the mid-point in their five-year cycle. The task includes assessing impact and progress toward the strategic objectives, identifying any gaps and critical needs, gathering lessons learned and developing recommendations for future implementation.

These mid-term portfolio reviews, planned first for Madagascar, the Guinean Forests of West Africa and the Tropical Andes, will ultimately enable CEPF to make better strategic decisions at a programmatic level as well as share lessons learned with other CEPF-funded regions and the broader conservation community.

CEPF also underwent an independent review to evaluate how effectively it is meeting the partners' original objectives in creating the Fund. The review's main conclusion is that the partners' underlying rationale for creating CEPF is "sound and well-founded" and that CEPF has "shown that it is an effective model for meeting the objectives of the Fund's partners."

Key findings include:

- The management and oversight of the Fund has demonstrated that the partners can work well together to keep the Fund focused and operationally effective. It has demonstrated that a well-designed alliance between an NGO, multilateral development banks, a government and a private foundation can work effectively with civil society in the field of conservation.
- CEPF has learned from its experiences in each cycle of ecosystem profiling and the process has made an innovative contribution to mobilizing and strengthening civil society action for conservation.
- CEPF has carried out grant making in a way that has reached a wide variety of recipients in a timely and agile manner.



Together, these important developments in monitoring and evaluating CEPF have also emphasized the need to better capitalize on the CEPF model in the future. We need to give even greater emphasis to creating coherence and synergy between our grantees in the field as well as between our donor partners.

We are not just aiming for a simple grants mechanism. We aim for a better future, indeed a better way of life for all while at the same time conserving the biodiversity on which the long-term survival of us all depends.

As we chart the course forward, our goal is to ensure that our regional portfolios and the CEPF itself evolve dynamically, placing greater emphasis on sharing both our progress and what we have learned to stimulate discussions as well as action toward conservation outcomes among grantees in the field, governments and civil society and among the CEPF partners and the broader donor and NGO community.





www.cepf.net

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