



**PORTFOLIO REVIEW**

**MADAGASCAR**

**MADAGASCAR AND INDIAN OCEAN ISLANDS  
BIODIVERSITY HOTSPOT**

**September 2004**

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# INTRODUCTION

## Background

The Critical Ecosystem Partnership Fund (CEPF) is a joint initiative of Conservation International, the Global Environment Facility, the Government of Japan, the MacArthur Foundation and the World Bank. It is designed to help safeguard the world's biologically richest and most threatened areas. Known as biodiversity hotspots, these areas are classified by their concentration of unique species and the degree of threat.

A fundamental purpose of CEPF is to engage civil society, such as community groups, nongovernmental organizations (NGOs) and private enterprises, in biodiversity conservation. CEPF focuses on building this civil society constituency alongside national and local governments in ways that complement existing strategies and ultimately benefit nature and people alike. CEPF aims to promote working alliances among diverse groups, combining unique capacities and eliminating duplication of effort for a comprehensive approach to conservation.

CEPF focuses on biological areas rather than political boundaries and often addresses threats to biodiversity at the scale of landscapes known as biodiversity conservation corridors. Corridors are determined as part of a process to identify globally threatened and geographically concentrated species, the sites most critical for their survival and the matrix of biodiversity-friendly land use around these sites necessary to allow the maintenance of natural ecological processes. This integrated design, anchored by key biodiversity areas but enabling multiple compatible land uses, enables a proactive response to existing and emerging threats to biodiversity while generating socioeconomic benefits and limiting opportunity costs. The species, site and corridor outcomes are meant to guide overall effort by the wider conservation and donor communities.

As part of the preparation prior to investment in each hotspot, CEPF also determines its unique niche to ensure maximum conservation outcomes per dollar spent. The CEPF niche is the result of a stakeholder-driven prioritization process that factors in socioeconomic features, threats and current investments alongside the biodiversity science used to determine the outcomes. This niche and specific strategic directions are articulated in an ecosystem profile for each region. The profile, approved by the CEPF Donor Council, is intended to guide both civil society partners in applying to CEPF for grants and CEPF decisionmaking that takes place in concert with a range of coordination partners and expert reviewers.

The Madagascar and Indian Ocean Islands hotspot is one of 13 hotspots where CEPF provides grants to civil society partners to date. It is home to 10 endemic plant families and between 10,000-12,000 plant species, of which more than 80 percent are endemic. Of all the plant species found in the Afro-tropical region, 25 percent of them are found in Madagascar. The island is also the world's top priority for primate conservation, with all 36 of its primate species unique to the hotspot. In addition, there are 300 species of reptiles, of which 274 are endemic. Almost all of the amphibians are unique to the

hotspot, with 178 of 180 species being endemic. There are five endemic families of birds, 37 endemic genera and 115 endemic species.

Madagascar's impressive biodiversity is highly threatened. At current rates of forest destruction, all of Madagascar's forests, apart from a few isolated patches, are at risk of disappearing within 40–60 years. By far the largest amount of remaining habitat and most significant national system of protected areas within the hotspot can be found on the island of Madagascar, the focal area for CEPF investments.

## **CEPF Monitoring Approach**

During its initial operations, CEPF focused its monitoring on project development and implementation, and on tracking progress at the initiative level. However, as the first three CEPF ecosystem profiles approved for 5 years of investment have reached a midpoint in their funding lifespan, enhancement and expansion of monitoring to the ecosystem portfolio level is critical. This portfolio review for Madagascar—one of the first three hotspots authorized for CEPF investment in December 2000—is the result of that strategic expansion.

At the project level, CEPF grantees are required to regularly assess and track technical progress against specific project outputs agreed in their approved proposals. Grantees are also required to submit regular financial reports. Grantees and CEPF grant directors alike use these tools to monitor project-level progress and to identify and address any potential issues that may signal the need for project modification or trigger discussions about additional opportunities.

Initiative-level monitoring has evolved largely to meet the needs of the CEPF management team and donor partners. It results in regular detailed and summary financial reports; quarterly reports to the donor partners that include those reports alongside program highlights, a graphic illustration of progress to date and a list of approved grants; and a dynamic Web site ([www.cepf.net](http://www.cepf.net)). Monitoring at this level enables CEPF to gauge and illustrate overall progress, evaluate trends across hotspots, ensure effective financial planning and assess information needs for the initiative as a whole.

The portfolio reviews complement and expand these efforts. The reviews include an assessment of each regional grant portfolio under development around the midpoint of its 5-year funding cycle. The midpoint of the planned investment period is an opportune time to review performance and assess progress toward objectives, allowing CEPF to address gaps and respond to changing circumstances within a given region as well as to share lessons learned with partners in the region, other regions and the broader conservation community.

The portfolio review includes all approved projects in the portfolio. These projects are reviewed first as a desk study, including an examination of original approved project designs, technical and financial reports received and any other deliverables submitted to date. A questionnaire is also sent to grantees to inform them about the review and to

solicit their assistance on questions related to program implementation, their relationship with CEPF, and awareness and understanding of the CEPF strategy.

The monitoring and evaluation team, which includes CEPF staff and an independent evaluator to enrich the review and resulting analysis, also meets with the relevant CEPF grant director and other key people. The team then travels to the region to interview project staff and visit select sites. For an overview of the CEPF monitoring approach see Appendix A. The questionnaire sent to grantees can be found in Appendix B.

Madagascar was the first CEPF-funded region to be visited by a portfolio review team. The team included CEPF staff and Martin Jenkins, an independent consultant with more than 20 years of experience in the field of international conservation and sustainable use of natural resources. Jenkins has worked with a range of institutions, including the United Nations Environment Programme, the Food and Agriculture Organization, the Global Environment Facility, the World Bank and a number of international NGOs.

The preparation process for the review occurred at the end of March and the beginning of April 2003, and an initial field visit was conducted April 6–19, 2003. Six CEPF grantees were visited and their projects reviewed as a representative sample of the portfolio. However, this first experience subsequently led to major changes in the review process. During data analysis and writing, the team concluded that the review would benefit from a more detailed look at the entire portfolio of projects and the inclusion of an external reviewer to provide an external perspective. The team also sought to capture the importance of some significant changes that took place in Madagascar after the first field visit, among them a resurgent commitment to conservation as exemplified by President Marc Ravalomanana's pronouncements at the 5<sup>th</sup> IUCN World Parks Congress in September 2003 and the creation by Conservation International (CI) of a new Center for Biodiversity Conservation in Madagascar.

A second field visit was conducted Feb. 4-14, 2004. The review team met with an expanded group of grantees as well as CEPF donor partner and government representatives in the region (see Appendix C for the list of institutions contacted). Findings from both field visits have been incorporated into this document.

Specific objectives of the portfolio review include:

- Understand any change in on-the-ground conservation dynamics and the role CEPF plays in them;
- Assess the contribution of CEPF-supported projects toward expected impacts and corridor conservation goals as articulated in the ecosystem profile;
- Assess the efficiency and effectiveness of CEPF in processing and monitoring grants;
- Identify gaps and critical needs for achieving strategic objectives;
- Derive key lessons learned and determine recommendations for improvements; and
- Refine the portfolio review methodology.

## **MADAGASCAR CONSERVATION CONTEXT**

The institutional and legislative framework for natural resource management and conservation in Madagascar stills owes much to the French colonial era. In particular, the protected areas network is still largely centered on the network of nature reserves established in 1927, albeit with numerous more recent additions and modifications.

Madagascar gained its independence from France in 1960. During the 1970s and 1980s, the country experienced a Marxist-inspired regime and became largely isolated from the West. Attempts to impose central planning of the economy, particularly with respect to agricultural production led to declines in productivity and economic output in general. Institutional structures deteriorated, leading to the virtual collapse of many areas of government, including natural resource management efforts. Isolation from the West was not complete, however. In 1979, WWF established official representation in Madagascar, through a personal friend of then President Admiral Didier Ratsiraka. This connection enabled WWF to obtain diplomatic status in Madagascar, a position it still holds. During the latter half of the 1980s the government started to reverse its isolationist policies and to open the country to overseas involvement and investment, in part under International Monetary Fund structural adjustment programs.

During this period, the global conservation community, particularly IUCN-The World Conservation Union and WWF, began to draw the attention of donors (notably the World Bank) to the importance of Madagascar's biological diversity. This resulted in a meeting in 1985 in Antananarivo attended by the World Bank, other donors and representatives of the global conservation community. The meeting became one of the first occasions during which major donors acknowledged the importance of incorporating biodiversity and natural resource management concerns into development plans for Madagascar.

### **The Conservation Community in Madagascar**

Since the 1980s, the international NGO community has continued to grow and a substantial group of NGO conservation actors is now active in Madagascar. Several national and local NGOs have also emerged. The conservation community in Madagascar revolves around these institutions and, more importantly, a core of linked individuals whose institutional and personal affiliations may shift over time. There is, of course, some turnover of people, but most of those who have a notable impact have been involved in conservation in Madagascar for a substantial period. There is a significant expatriate influence on the conservation community, and there are very few Malagasy environmental organizations above the very local level that do not have expatriate input. Despite this, organizations in Madagascar tend to be locally staffed and managed, including local NGOs and locally based programs of international organizations.

Despite a proliferation of government and parastatal structures dealing with environment and conservation, it is far from clear that there is any wide or deep-seated sense of ownership within Madagascar for the concept of biodiversity conservation *per se*. This applies at all levels, from local to national. Although sound environmental management is increasingly understood as a benefit to development, the direct relationship between biodiversity conservation and environmental management is often not understood.

Consequently conservation remains in essence expatriate-driven, both in terms of funding and implementation. There are highly competent and motivated Malagasy individuals involved, however they are still few and pervasively overstretched. Without continuing external support for the foreseeable future, locally driven conservation efforts will continue to be insufficient to meet the huge needs that exist.

The scarcity of fully functional Malagasy environmental NGOs relates to both economic and social factors. The middle class, which would be most likely to enter the field of conservation, is extremely small, and will remain so for some time. The social system has complex and deep-seated familial and other social networks that impose obligations and encourage behavior contrary to the development of mission-driven NGOs along the western model. Those that do become involved in civil society actions (for example the thriving church sector) are, like the government, more often focused on conventional development concerns such as poverty alleviation, health and education. Although small-scale community associations have been created, these appear frequently to be groups of people employed and trained under environment and development projects that maintain a relationship with each other after the project, rather than becoming a formal NGO.

The essential lack of “buy-in,” coupled with the entirely understandable skepticism and suspicion with which foreign interests in Madagascar have traditionally been viewed, explains much about the environment within which donors, the few local NGOs and international NGOs operate. The latter are often viewed (and not just by the Malagasy) as prone to behave as either “rent-seekers” or as outsiders attempting to impose an alien set of values on the country. Although there is widely acknowledged to be a greater openness and willingness to engage with such interests on the part of the new government, it would be unwise to assume that attitudes have fundamentally shifted.

## **PEs I and II**

As a result of the 1985 meeting and follow-up over the next few years, in 1989 the Government of Madagascar created a 15-year investment program known as the National Environmental Action Plan (Plan d'Action Environnementale). This plan was legalized through the adoption of the National Environmental Charter and the National Environment Policy in late 1990.

Through this plan, the country aims to ensure that “natural resources are conserved and wisely utilized in support of sustainable economic development and a better quality of life.” The plan has three implementation phases (PE I, II and III), each with its own set of objectives. PE I launched in 1991 with the aim of nurturing policy and regulatory reform and creating the basic institutional framework for protected area management and for ecologically compatible development. PE II, implemented from 1997 to 2002, focused on expanding the field coverage of conservation activities, strengthening institutional capacities and developing the policy framework to improve conditions for sustainability. Of the institutions created under PE I, the most important for biodiversity conservation is undoubtedly the National Association for the Management of Protected Areas (Association Nationale pour la Gestion des Aires Protégées – ANGAP). USAID fostered the establishment of ANGAP to remove at least some control of protected area

management from the Ministry of Water and Forests. Perceived difficulties in reforming the ministry, which was viewed as ineffective and focused on exploiting forest resources rather than conserving them, served as the impetus for this action.

The establishment of ANGAP proved successful at least in the way in which it became viewed as considerably more professional and effective than the Ministry of Water and Forests, in large measure because it has the freedom to employ and dismiss selectively and to pay reasonable salaries. However, it is at present almost wholly dependent on donor support and will continue to be so for the foreseeable future. Moreover, its mandate in protected area management has been constrained because ownership of the forest estate, including the protected area network, still rests with the government and the ministry from which it evolved still has responsibility for enforcement of regulations. As is the case with many institutions in Madagascar and elsewhere, the ability of this ministry to function efficiently is also very much dependent on the competence of a few senior staff members.

Overall, it has proven very difficult to demonstrate concrete benefits to biodiversity conservation resulting from PEs I and II. It is unclear whether this is because no benefits resulted or whether none could be measured because no baselines were established or monitoring schemes put in place in advance. A high proportion of PE I and II activities focused on sustainable development rather than biodiversity conservation *per se*. Even where the former were believed to have had some success, it has generally proven difficult to show a direct link with the latter.

Nevertheless, PEs I and II are acknowledged for their impact on policy formulation, institution building and protected area management, although it is also agreed that effective implementation was hampered by a number of factors. The donor community has identified poor governance and enforcement, particularly in the forestry sector, as one of the most important of these. Lessons learned from the first two processes have been considered and are being integrated into the current development of PE III.

### **Priority-Setting Exercises**

As such a large proportion of Madagascar's biodiversity is endemic and rates of conversion of natural habitat are so high, it can be argued that almost any area of natural habitat remaining is globally significant. This makes setting biodiversity conservation priorities a difficult and often contentious exercise. Historically, there have been competing models, based on different analytic approaches and different interpretations of what is important and resulting, unsurprisingly, in differing sets of priorities. Initial conservation work in Madagascar generally proceeded on a pragmatic and rather *ad hoc* basis, driven by a combination of personal interest and the availability of opportunities.

In 1995, CI convened a priority-setting workshop attended by more than 100 of the world's foremost experts in the biology of Madagascar. Several significant conservation recommendations were put forward as a result of the workshop and ultimately fed into PE II. CI has also continued to use the results as priorities for new project funding and as the pillars around which it organizes its activities in Madagascar.



Nonetheless, the outputs of the 1995 workshop remained just one of a range of potentially competing approaches. A round table discussion in 2001 marked an important step forward in bringing together several of these exercises without giving any one precedence over the other. The result was a broad set of area-based priorities with which most of the important players in Madagascar appear comfortable. The realization has grown that there is a limit to the amount of analysis and priority setting needed, and that some of the earlier, more pragmatic approaches may not have been misguided. Impediments to achieving effective conservation are such that it is at least as important for site-based activities to choose an area where some likelihood of success exists, as it is to aim to work in areas of highest biodiversity priority.

The geographic priorities agreed during the 1995 priority-setting workshop also helped determine the geographic focus for CEPF investment. Since the workshops and the development of the CEPF ecosystem profile for Madagascar, CEPF began incorporating scientifically defined conservation outcomes into each profile. These outcomes include site-, species- and corridor-level targets defined through a scientific ranking process pioneered by CI's Center for Applied Biodiversity Science. While refinement of the outcomes for this region is underway, the targets determined through the priority-setting process continue to serve as outcomes for the region in the meantime. See Appendix D for a map of the priority sites.

## **Madagascar - The CEPF Ecosystem Profile**

CEPF develops a profile that identifies and articulates the investment strategy for each region authorized for CEPF funding. The ecosystem profile reflects an assessment of socioeconomic features and the underlying causes of biodiversity loss within the particular ecosystem and couples this with an inventory of current investments in the region to identify where CEPF funding would provide the greatest incremental value.

Each region's planning, preparation and profiling phase is distinct depending on any previous priority setting or planning process that has already taken place. CEPF strives to build on existing foundations, where applicable, and to design a process that will fill in any gaps. The resulting investment strategy includes specific strategic directions to guide civil society groups in applying for CEPF grants and CEPF decisionmaking.

In the case of the Madagascar and Indian Ocean Islands hotspot, the CEPF strategy targets only the island of Madagascar and within Madagascar only the geographic priorities established by the national conservation planning and implementation efforts undertaken over the past decade. The strategic investment opportunities build on initiatives such as PEs I and II and recommendations that emerged from the 1995 workshop. With this framework, development of the profile included a field visit and interviews in early 2000 to update the investment and institutional context and to determine the niche for CEPF investments. The CEPF Donor Council approved the profile in December 2000 after review by the CEPF Working Group, which is comprised of technical staff from each of the donor institutions.

The ecosystem profile sets out the following strategic directions for CEPF investment:

1. Integrate local groups and individuals in the management of protected areas and reserves.
2. Private-sector conservation initiatives.
3. Biodiversity conservation and management training.
4. Public awareness and advocacy.
5. Small grants program (Biodiversity Action Fund).
6. Creation of a participatory coordination network.

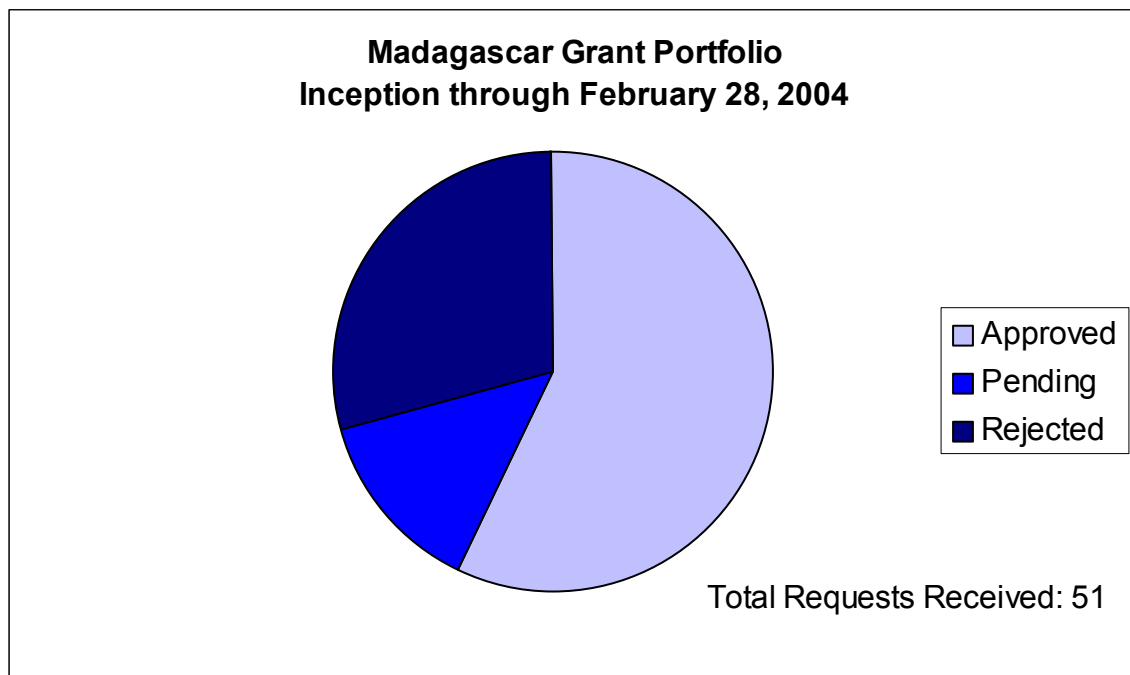
A logical framework outlines performance criteria associated with the CEPF investment goal, purpose and strategic directions for this region (Appendix E).

## CEPF GRANTMAKING IN MADAGASCAR

### Portfolio Overview

CEPF approved its first grant for this region in April 2001. As of the second portfolio review visit in February 2004, CEPF had received 51 requests for funding and had awarded 28 grants totaling \$3.69 million out of the \$4.25 million investment planned (Figure 1). This is equal to 87 percent of the available funds and leaves \$.55 million in funds for future projects. The approved grants, awarded to both local and international civil society organizations, range from \$6,070 to \$369,646, with an average amount of \$125,000 (see Appendix F for a list of approved grants). Table 1 shows the distribution of approved grants by strategic direction, remaining funds and cash disbursed.

Figure 1.



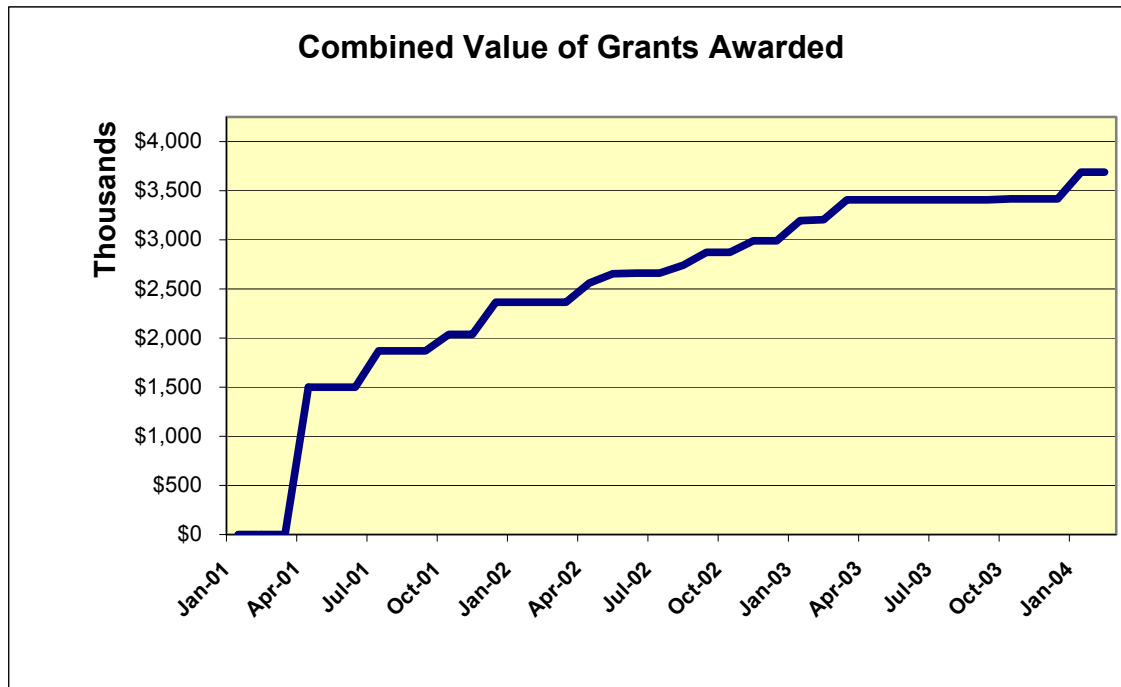
**Table 1. Grant Portfolio by Strategic Direction (As of February 28, 2004)**

Strategic Direction	Amount Awarded	# of Grants
1. Integrating local groups and individuals into the management of protected areas and reserves	\$1,677,245	9
2. Private sector conservation initiatives	484,874	4
3. Biodiversity conservation and management training programs	680,012	7
4. Public awareness and advocacy	365,876	2
5. Small Grants Program (Biodiversity Action Fund)	286,975	4
6. Creation of a participatory monitoring and coordination network	<u>198,680</u>	2
	<b>Total Grants</b>	<b>3,693,662</b>
		<b>28*</b>
<i>Remaining Funding</i>	556,338	
	<b>Total Allocation</b>	<b>\$4,250,000</b>

\* NB. Two grants support partners working together on a single project, for a total of 27 projects supported.

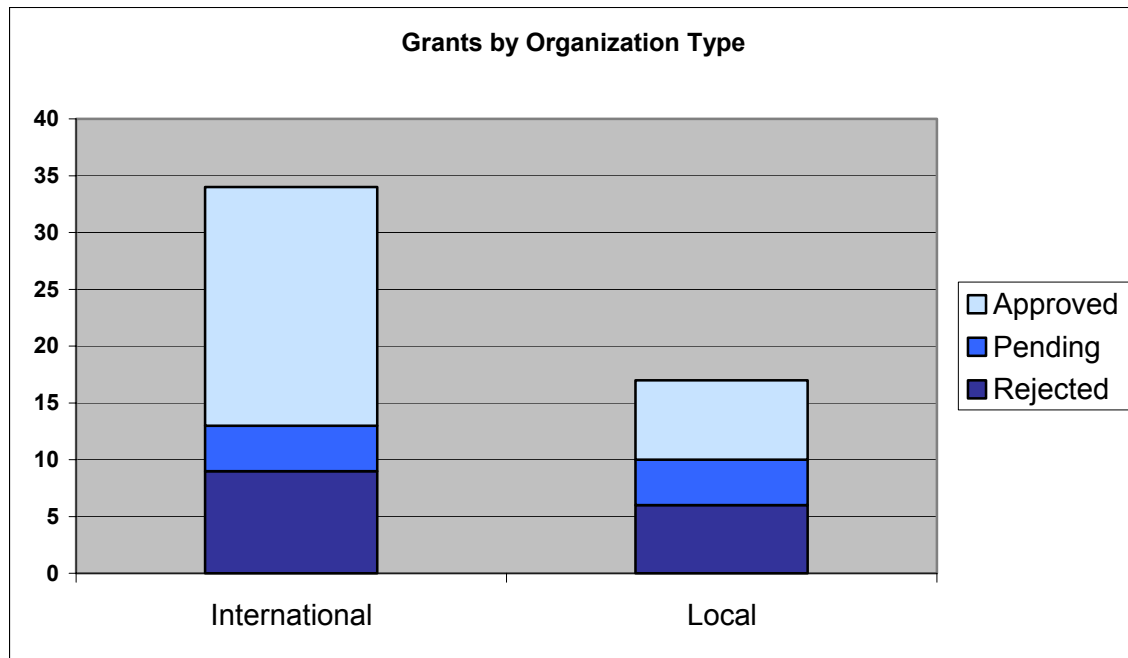
CEPF processed the majority of grants in one to four months from the time of Letter of Inquiry submission to contract. The period in between includes the development of project documents such as the Logical Framework and budget and performance trackers, as well as external review and training on the use of application tools, as needed. Figure 2 illustrates how CEPF approved the first grant in April 2001 and how the number of grants awarded and funding allocated has, as expected, increased steadily since.

**Figure 2.**



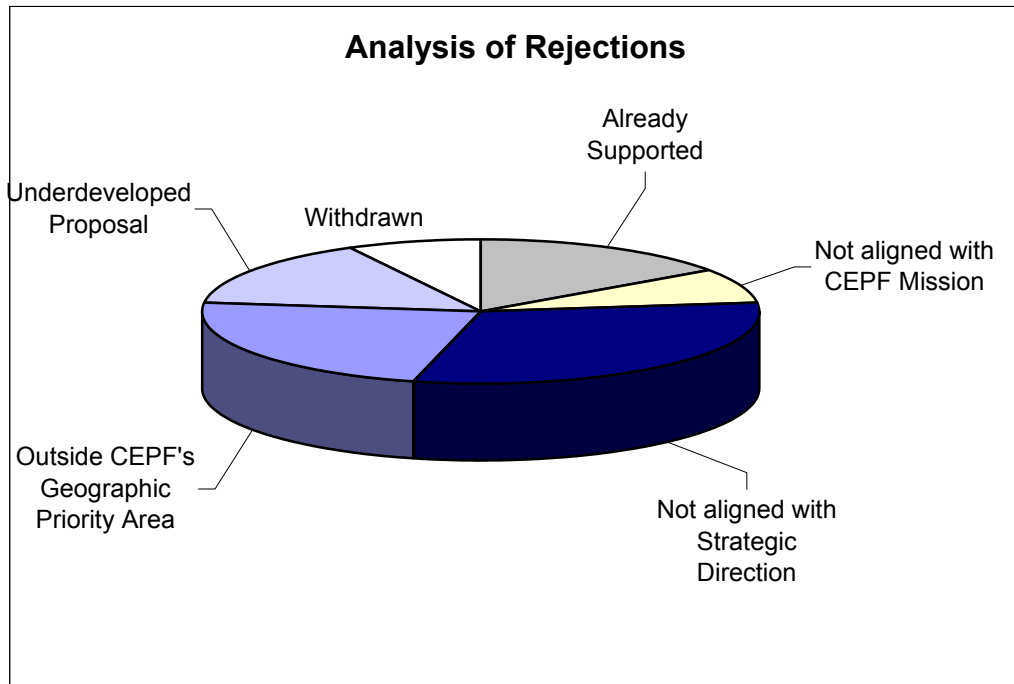
As illustrated in Figure 3, international organizations have received the largest share of CEPF grants, with national organizations receiving the second largest number of grants. Of the \$3.69 million in approved grants, CEPF awarded \$2.8 million to international organizations and \$864,284 to local organizations. For the purposes of this analysis a local organization is defined as an entity that is legally registered in Madagascar with an independent board. The distribution of grants by types of organizations has closely matched the distribution of requests for funding received.

**Figure 3.**



An analysis of rejections (Figure 4) indicates that the percentage of grants rejected by organization type is similar to the percentage of approved grants by organization type. CEPF rejected proposals for a variety of reasons, including that the proposed project was inconsistent with the CEPF thematic or geographic strategy for this hotspot, in a geographic or thematic area already receiving significant attention by CEPF or other donors, or lacked a sufficient link with conservation benefits.

Figure 4.



CEPF is well adapted to the needs of the Madagascar constituency. It has a relatively flexible, streamlined approach that itself encourages adaptation in its grantees (although this flexibility could be made more explicit). The average size of the grants disbursed, \$125,000, is well suited to obtaining results and the initiative is focused on conservation outcomes without being methodologically prescriptive. However, the review team found that the initiative's one major area of weakness, common to this portfolio and to the great majority of donors active in this field, is, arguably, in the tying of funding to a short-term project cycle, generally less than 2 years. This leads to the expectation of clear conservation outcomes in an unreasonably short time frame and puts constraints on the kinds of activities that could be undertaken. In addition, the energies of grant recipients that would be otherwise directed to implementation are often diverted to fundraising to continue the project.

### Geographic Distribution of CEPF Investments

Of the current portfolio of 27 projects (two of the grants support partners working on a single project), 12 are site-based, comprising eight out of nine grants under Strategic Direction 1 (integrating local people into protected area management), all three in Strategic Direction 2 (enhancement of private sector initiatives) and one of the two in Strategic Direction 4 (public awareness and advocacy), although this last supported production of a video intended to have wider application.

Geographically, these projects are well dispersed, covering the major biogeographic sites in Madagascar and supporting the performance targets identified in the profile's logical framework: two are in the west, covering wetlands and western deciduous forest; one is in the far south, covering spiny desert; one is in the southeast, covering transitional high-

plateau areas; three are in the far northeast, covering a range of habitats including transitional eastern forests; and five are in the rain forests of the east, with four in the Zahamena region and one in the Makira region in the northeast.

All the areas or sites of activity have been identified as priority sites for biodiversity conservation in Madagascar. Most of them are in areas with populations of highly threatened and often locally endemic species. The review team found that the portfolio is therefore balanced in addressing the sites and identified priorities within this hotspot.

## **Political Context for Implementation**

Disputed presidential elections in late 2001 led to a period of political crisis that lasted until September 2002. The new government of President Marc Ravalomanana has since declared itself to be strongly anti-corruption and has reformed the ministerial structure, most importantly in the CEPF context by combining the Ministry of Environment with the Ministry of Water and Forests, creating the Ministry of Environment, Water and Forests. Changes in personnel and some restructuring have also taken place at lower, operational levels within the Directorate General of Water and Forests. Such turnover was also a common feature under the previous government, so it is unclear how permanent and far-reaching reforms will prove to be. However, the new president has made a strong commitment to conservation and has generated a new optimism among the conservation community, as reflected in his declaration made in September 2003 at the 5<sup>th</sup> IUCN World Parks Congress held in Durban, South Africa.

President Ravalomanana declared that he intends to triple the area under protection in Madagascar from 3 to 10 percent (1.7 million to 6 million hectares) in the next 5 years to support the achievement of conservation targets set by the international community at the 7th Conference of the Parties to the Convention on Biological Diversity and the benchmarks set at the last World Parks Congress in Bali. The expansion would also bring the country in line with IUCN norms suggesting that 10 percent of land area should be set aside for biodiversity conservation. The new plan is part of Madagascar's commitment to preserve its remaining primary forest and encourage local communities to engage in sustainable land use. Through sustainable conservation and plans to turn the country into a regional leader in ecotourism, the government hopes to meet its goal of reducing poverty by 50 percent over the next 12 years. Attempting to translate this intention (dubbed the Durban Declaration) into reality has rapidly become a major focus of discussion and planning within Madagascar.

The current focus of attention in planning to implement the Durban Declaration is the concept of a "Site de Conservation." This is intended to be a zoned area in which different zones have different purposes, including managed use, so that benefits can be delivered to local people at the same time as biodiversity is conserved. Maps have been prepared identifying priority areas from a biological viewpoint for the designation of Sites de Conservation. These maps combine a range of views from different organizations on what constitutes a high-priority area and are serving as a useful consensus-building tool. However, the relationship of the Sites de Conservation to the

different IUCN protected areas categories remains unresolved at present as apparently do the institutional roles and responsibilities in establishing and managing them.

## **PROGRAM IMPACT**

Although it is premature to determine impact of the CEPF portfolio in Madagascar conclusively, some assumptions can be made based on implementation and progress to date. Furthermore, a look at what the projects have achieved to date can provide preliminary lessons learned and recommendations for moving forward.

### **Strategic Direction 1: Integration of Local Groups and Individuals in the Management of Protected Areas**

Strategic Direction 1 has the greatest number of projects and the largest investment to date, with \$1.67 million committed to support nine projects. As with the portfolio as a whole, this strategic direction is geographically well balanced and appears to respond well to conservation priorities. This strategic direction targets a widely acknowledged gap in conservation in Madagascar: the effective management of protected areas. The expectation is that by working with local communities and NGOs for improved management of protected areas and the creation of corridors, sustainability can be achieved. It is important to note that success of projects under this strategic direction may be heavily impacted by factors outside the control of a project, such as the development of new protected area categories and the management of government agencies involved with protected areas.

Through the project “The Initiation of a Natural Resource Management Program in the Area between the Loky and Manambato Rivers, Northeast Madagascar” (6/01-5/03), Association Fanamby contributed to the development of new protected areas in the Daraina region. As part of the project, three communities worked together and contributed to the development of management plans for their local area. A total of five new protected areas covering 56,000 hectares, 26,250 of which is intact forest, were under interim protection at the time of the initial visit by the review team and are expected to be gazetted in the near future. With CEPF support, Fanamby built the local communities’ capacity and generated at least \$160,000 in additional funds to support their Communal Development Plans in the Daraina region, plus an additional \$337,000 from CI’s Global Conservation Fund (GCF) for area management plans.

Association Fanamby’s successful integration of local groups in the management of protected areas can also be illustrated by its project “Central Menabe Biodiversity: Plan for Protection of Nature's Rich Endowment through Development of a Regional Management Scheme” (6/02-6/03). The project included work with local communities to develop a natural resource zoning scheme that won validation from the Regional Development Committee in March 2003. The zoning plan includes priority conservation areas of 30,000 hectares of forest habitat that are home to at least four endemic species (*Hypogeomys antimena*, *Microcebus berthae*, *Pyxis planicauda* and *Mungotictis decemlineata decemlineata*); ecological priority areas; multiple use and community-managed areas; and areas for commercial usage. In addition, Fanamby worked successfully with local communities and the National Administration to reduce illegal

logging. The project resulted in a 5-year management strategy to serve as the framework for partners engaged in the area. However, further implementation of the management strategy is currently blocked at the local political level, despite Fanamby's best efforts. This block may not be permanent, but will require continuing engagement to be overcome. Fanamby and its partners in this project also leveraged \$266,000 from GCF and another \$1.1 million from USAID to support the Central Menabe project in the Western Deciduous Forest. These new funds will support the establishment and management of a legally declared protected area for the forest of Kirindy within the Central Menabe region to be jointly managed by the Ministry of Environment, Waters and Forests and collaborating NGOs.

Similarly, the CI-Madagascar project "Zahamena Protected Area Management" (1/01-12/03) succeeded in developing and transferring management plans for Zahamena National Park in eastern Madagascar to ANGAP, along with park assets and research data, in December 2002. However, given the political situation that prevailed in much of 2002 and some limitations in the capacity of ANGAP, it is not clear that the park's management has been improved to the degree anticipated.

## **Strategic Direction 2: Enhancing Private Sector Conservation Initiatives**

CEPF committed \$484,874 to support four projects under this strategic direction. Three-quarters of the funding is for two grants in the Zahamena region; the third is for a grant in the southeast. The ecosystem profile identified several specific initiatives that could effectively be harnessed in support of enhancing private sector conservation initiatives, including nature tourism, plantation farming and carbon sequestration. Addressing private sector initiatives is widely considered among western donors to be an important mechanism for enhancing prospects for biodiversity conservation. However, it is often problematic to put into practice, particularly in countries or areas that do not have a highly developed private-enterprise culture, as is the case in rural Madagascar. Moreover, even where such activities can be successfully implemented, it is often difficult to demonstrate conservation benefits.

As part of this strategic direction, CI undertook the project "Small Scale Initiatives Support" (1/01-12/03) to build the capacity of NGOs in involving communities in conservation around the Zahamena protected area. The project focused on building the capacity of MATEZA, an NGO established in 2001 and one that has since worked with communities around the Zahamena protected area. CEPF also provided support directly to MATEZA's project "Communities and Zahamena Protected Area" (10/01-12/03) to support small-scale enterprises and management plans. The organization is now actively working together with the communities toward the effective management and protection of this area.

The CI and MATEZA projects worked with approximately two dozen local communities to pilot interventions that resulted in a reduced number of hectares under cultivation due to increased rice yields; reduced tree cutting in and around protected areas because of less



need to expand agricultural lands; and increased community-led enforcement efforts due to increased awareness of regulations and changed attitudes.

These projects have provided some alternative income sources, however the intended focus of this strategic direction has not been fully addressed.

### **Strategic Direction 3: Biodiversity Conservation and Management Training Programs**

CEPF committed \$680,012 to support six projects under this strategic direction, which is intended to address the need for technical and management capacity building. Specific capacity-building needs identified in the ecosystem profile include support for programs at national universities, support for opportunities for Malagasy students to study abroad, and in-country management and advocacy training for conservation professionals. The two largest projects supported (“Mapping the Vegetation of Madagascar” and “Assessment of Priority Areas for Plant Conservation in Madagascar”), which together account for just over \$400,000, target research and technical capacity building.

The Missouri Botanical Garden (MBG) project, “Assessment of Priority Areas for Plant Conservation in Madagascar” (1/02-12/04), is being implemented through local staff and students. They have identified patterns in the geographic distribution and ecological range of the nation’s plant species—a move that will ultimately enable identification of priority areas for plant conservation and a more detailed evaluation of the effectiveness of the existing protected area system. As part of the project, MBG undertook a preliminary analysis of 93 plants in the nation’s endemic plant families that contributed to the identification of two priority sites for plant conservation: the seemingly barren rocky massifs of Ibity and Itremo to the south of Antananarivo, which together are home to at least 500 species of plants. In collaboration with CI’s Center for Applied Biodiversity Science (CABS), MBG is developing maps that will form the basis of management plans for these two priority sites. MGB’s Madagascar Research and Conservation Program also launched *Ravintsara*, a newsletter with diverse content written by staff at partner institutions, in 2002. The distribution of *Ravintsara* to different partners has given local botanists the opportunity to share experiences and knowledge.

The partnership project “Mapping the Vegetation of Madagascar” (1/03-12/05) will ultimately result in the most thoroughly ground-truthed vegetation maps for Madagascar to date. Jointly managed by the Royal Botanic Gardens, Kew, CI-CABS and the Missouri Botanical Garden, the project has already made significant impacts. Together, the organizations launched a new Web site ([www.madagascar-vegetation.org/gis/projects/mad\\_veg/default.html](http://www.madagascar-vegetation.org/gis/projects/mad_veg/default.html)) that allows public access to information as it is compiled, such as workshop documentation, a field data form, metadata for MODIS data, and Landsat methodology. The project team is working with local researchers to produce the GIS data and maps, providing training and technical assistance where needed and building local capacity. Through a series of workshops, project members incorporate detailed consultations with the conservation community to ensure that the final products are of maximum relevance and utility to conservation planners and managers.

Both of these projects will contribute to the goal of tripling the protected areas in Madagascar by helping to identify priority areas for action, particularly as priority setting and conservation planning in the country have previously focused almost exclusively on animal conservation. Where botanical data has been applied previously, it has been based on outdated data from the 1970s. As such, the two projects are the first to address the critical need to apply botanical data to the overall conservation effort. These projects are also enhancing local technical skills and building the local scientific pool.

Building local capacity at any level is a benefit to the conservation community, however the gap that has been largely unaddressed is the capacity of trained implementers, managers and future Malagasy conservation leaders. The project “WWF-Ecology Training Program” (9/01-8/04) comes closer to achieving that goal. CEPF funding for this locally based program, a partnership program between WWF and Malagasy universities, is supporting three students to finish their doctorate degrees and at least 25 others to participate in special field schools, therefore contributing to addressing the void of qualified Malagasy professionals in the field of conservation.

Another project, “Management Training” (1/01-12/03), provided IT, GIS, English, finance and administration, and project cycle management training for CI-Madagascar staff, thus increasing the number of highly trained local management staff and making this locally staffed international NGO more able to independently attract new donors and implement strategic projects.

#### **Strategic Direction 4: Public Awareness and Advocacy**

CEPF committed \$365,876 to support two projects under this strategic direction. The goal of this strategic direction is to increase public involvement in and support of conservation, to encourage sound legislative frameworks and to support the integration of conservation and the need for economic development.

Assessing impacts of public awareness and strategy campaigns is generally problematic, however the production of a video by CI in collaboration with Association Fanamby from the smaller project supported under this direction, “Hope in Daraina” (10/02-9/03), certainly helped to raise the profile of Daraina among government and civil society and helped lead to the declaration of Daraina as a Site de Conservacion. The increased awareness, coupled with the results from Fanamby’s Daraina project supported under Strategic Direction 1, also contributed to the specific mention of Daraina in the President’s public declaration at the World Parks Congress to triple the size of protected areas in the country.

CI-Madagascar is implementing the project “Biodiversity Advocacy in Madagascar” (1/01-12/04) to conduct focused policy advocacy related to PE III and the Durban Declaration. As part of the project, CEPF is actively supporting activities of CI’s executive director in Madagascar to participate in the policy realm. The Environment Donor Group has chosen him to chair its long-term financing committee with a focus on capitalizing a biodiversity trust fund. This trust fund allows CI to provide funding directly to ANGAP for the management of the protected area estate. A commitment of \$1 million

from GCF to capitalize the fund has helped attract a further \$24 million from other sources. The trust fund is expected to become effective in July 2004, pending resolution of legal issues. In addition, CEPF support to CI in its public advocacy role has directly contributed to USAID selecting CI as the lead agency for its \$6 million funding for Madagascar. As of this writing the contract between USAID and CI was awaiting signature by both parties.

The technical director in CI's new Center for Biodiversity Conservation (CBC) in Madagascar, in his role as secretary to the Palissandre Group, has ensured that CI and CEPF conservation priorities are discussed in the context of the implementation of the Durban Declaration. The project is helping to determine Sites de Conservacion, zoning plans for Madagascar forests and the reorientation of government forestry policy. These are all designed to lead to a more effective implementation of the commitment made in Durban to triple the land under protected area status.

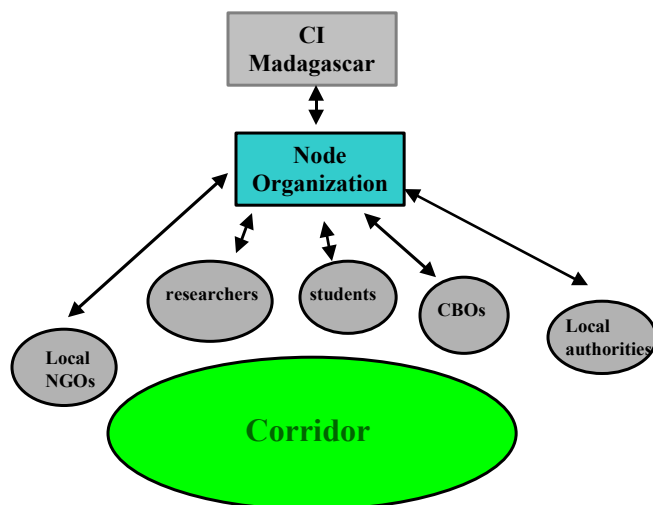
Also as part of the Biodiversity Advocacy project, CI contributed to an economic valuation study concluding that the creation of a national protected areas system in Madagascar through development of ecotourism and other environmental services is economically sustainable for the country with important implications for prioritizing investments in protected areas.

### **Strategic Direction 5: Small Grants Program**

CEPF committed \$286,975 to support four projects under this strategic direction. When the ecosystem profile was developed, the inclusion of a small grants mechanism was a cornerstone of capacity-building plans, the intention being that this mechanism would be managed locally to target small local organizations. Initial efforts to structure a small grants program faced a number of difficulties, including that the originally envisioned structure presented issues relating to cost and management, implementation in a large area with differing needs and the ability to be appropriately proactive due to the broad geographic distribution of the target audience. Also at issue was the capacity of small organizations to apply for and implement grants and the challenge to the CEPF management structure to effectively deal with this.

Early in 2004, however, CEPF approved a grant for implementation of the small grants mechanism, the design of which drew upon lessons learned from the early issues. The 3-year project, "Madagascar Small Grants Project" (1/04-12/06), includes a decentralized nodal mechanism to address some of these problems and better suit the needs of beneficiaries. CI-Madagascar, the project executant, will award subgrants to regional institutions as nodes in priority areas that will in turn identify potential local subgrantees. The nodes will work with subgrantees to develop small grants, and provide basic training in contract and financial management.

**Figure 5. Madagascar Small Grants Project Nodal Structure**



By developing strong linkages between the nodes, valuable experiences will be captured, both positive and negative, and lessons learned from this innovative mechanism can be shared in other areas of the hotspot as well as with partners in other hotspots.

### **Strategic Direction 6: Creation of a Participatory Monitoring and Coordination Network**

CEPF approved two grants totalling \$198,680 under this strategic direction. The importance of biodiversity conservation coordination and monitoring, both of biodiversity itself and the range of implementation activities, has been a topic of extensive discussion during the past 15 years. It is not surprising that this was identified as a strategic direction in the ecosystem profile for CEPF.

Initially this strategic direction was designed to include a coordination mechanism that would, among other things, be the on-the-ground mechanism for communicating and monitoring the CEPF portfolio. However, the lead NGOs that submitted a proposal under this direction did not form a team that included local NGOs and their design aimed to coordinate only CEPF projects in the region rather than creating an overall coordination mechanism for wider conservation efforts in Madagascar. There was also disagreement on the level of decision-making authority that the coordination mechanism would have, an issue largely determined by CEPF financial and operational procedures agreed with the CEPF Donor Council. CEPF and the proponents were unable to agree on modifications to the proposal and so it did not move forward.

The way the conservation and natural resource management community operates in Madagascar may help to explain not only why attempts to establish a separate

coordination and monitoring mechanism have not been particularly successful, but also why such a mechanism may not be strictly necessary, at least not in any formal incarnation. The main reason for this is that the conservation community is a small and closely intertwined one. As a result it is not difficult to find out what other actors are implementing or producing. Moreover, a coordination mechanism for the major donors under PAEIII already exists, as do other groups and networks (e.g. the group Palissandre to coordinate implementation of the Durban Declaration), some formal, others less so.

The TRAFFIC International project “Increasing Knowledge-Decreasing Detriment: Improving the Monitoring and Management of Madagascar’s Wildlife Trade” (3/02-12/03) supported under this strategic direction took a different approach to the issue of coordination and monitoring. It focused on one area of concern for biodiversity conservation and brought together a range of stakeholders around it. The project undoubtedly catalyzed communication between the different actors involved and established the basis for a coordinated system of wildlife monitoring, mediated chiefly through the Animal and Plant Biology departments of the University of Antananarivo. One lesson from this is that it may be easier to improve coordination and cooperation for monitoring and other activities when there is a specific identified problem or need, as in this case. However, as is not unusual, further activities in this regard, have effectively stalled with the completion of the project. Continuing external input will clearly be needed if implementation is to continue.

An additional grant has been approved for the Wildlife Conservation Society (WCS) as part of this strategic direction since the site visit and the closing date for analysis as part of this report. As part of the project, “Madagascar Biodiversity Network (REBIOMA),” WCS will provide access to conservation tools and biodiversity data necessary to set conservation targets and to move toward standards for defining conservation outcomes. This project will include a diverse partnership of data providers and users, and is being co-financed by the Madagascar CBC. It will close some of the gaps between the frequent but informal communication that exists in the conservation community and concrete measurements of conservation targets.

### **Capacity Building: Cross Strategic Focus**

Technical and management capacity building, as well as institutional capacity building, have been repeatedly emphasized as a major priority in Madagascar. This is entirely consistent with CEPF’s emphasis on building civil society through awarding grants aimed at longer-term impacts of species and areas protected. The review team has illustrated some ways in which CEPF is addressing this need under the umbrella of each strategic direction. However, this topic warrants additional attention, in part because a number of CEPF-supported initiatives build capacity as a byproduct of other activities.

Support to CI for the creation and development of MATEZA is a good example of strengthened civil society as a result of CEPF funding. Since its launch, MATEZA has grown to employ about 20 staff. In addition to being awarded a CEPF grant in its own right, the organization has received approximately \$200,000 in funding from a number of sources including USAID and Tany Meva. It has developed partnerships with ANGAP,

the Ministry of Environment, Water and Forests and other NGOs, making this new organization an active participant in the conservation alliance network of Madagascar.

A second example is the growth and success experienced by Fanamby as a result of CEPF support. At the beginning of CEPF operations in Madagascar, Fanamby was a small NGO, with a staff of 10 and an annual budget of \$86,000. Since receiving its first grant from CEPF, Fanamby has grown to encompass a staff of 42 and an annual operating budget of about \$750,000. Its original portfolio of projects included only two sites, but at the time of the evaluation, its portfolio had increased to three sites, all major conservation priorities within the national conservation strategy. It is also participating together with CI, WWF and WCS in overall strategy discussions and in the policy efforts with the new government. Since CEPF began investing in civil society conservation efforts in Madagascar in 2001, Fanamby has increased its role in the Madagascar conservation community and is considered the preeminent Malagasy conservation NGO.

A project that productively linked conservation action to capacity building is the BirdLife project “Building a National Constituency for Bird and Biodiversity Conservation in Madagascar” (7/02-12/03). This project built the capacity of the local NGO Asity to eventually become part of the BirdLife network in collaboration with the BirdLife International Madagascar Programme (BIMP). The organizations have made early steps toward combining and through further work with BirdLife are expected to become eligible as potential partners for BirdLife in Madagascar. This partnership also led to conservation achievements such as the successful wetlands project in Mahavavy-Kinkony Important Bird Area and participation in national conservation forums such as the Palissandre Group.

CEPF has supported a variety of levels of capacity building with a clear emphasis on institutional and scientific capacity building. Although it has increased the number of qualified conservation professionals and contributed to the growth of the local conservation NGO community, several shortcomings need to be highlighted. One is that without a broader community of conservation organizations it will be difficult for those trained by CEPF to fully engage in conservation within civil society, where opportunities are scarce. The number of organizations that currently exist is not sufficient to employ the number of trained professionals from a significant increase in the number of training programs, and these professionals are often not enticed by jobs available with the government. Government jobs do not offer competitive salaries and isolated field postings with parastatals such as ANGAP are not appealing to enough trained staff.

## **PROJECT DEVELOPMENT, IMPLEMENTATION AND MANAGEMENT**

### **Project Submissions**

Most grantees reported that they had heard about CEPF through partners and friends in the conservation community. Prior to the visit to Madagascar as part of this review, the review team speculated that this might have affected the make-up and design of the

portfolio, which is heavily weighted to international NGOs. However, after discussions with conservation players and grantees in Madagascar, it is clear that the absence of a strong national presence in the portfolio is a reflection of the very small number of potential mid-level national grantees, as already discussed.

### **Project Design Phase**

During the first 2 years of CEPF funding, CEPF team members made two visits to Madagascar to train grantees in project design and management tools. Additional guidance has been provided by CEPF as needed or requested. A number of grantees commented that they benefited from and appreciated the assistance provided by CEPF during the project design stage. Grantees indicated that CEPF was responsive and provided important guidance on the application, including helping to develop logical frameworks and providing critical project comments.

### **Project Monitoring and Reporting**

Linked to the objective of increasing local capacity, CEPF developed an application and reporting system that was intended to serve as an effective project management tool rather than simply a series of reporting procedures for the donor. The midterm review allowed an opportunity to gather feedback on these tools from the grantees' perspective. There had been concerns early on that grantees would not have the capacity to complete the applications well or use the reporting formats as active management tools. Feedback on the project design and reporting tools has generally been positive.

Grantees, particularly the local NGOs, reported using their CEPF project design and progress reports as project management tools, demonstrating the level of capacity at which these organizations are now functioning. In several cases, the CEPF quarterly reports were used by entire project teams to track progress, make adjustments, and capture key results. This can involve bringing over a dozen team members together each quarter from the field (up to a four-day journey for some) to review project plans. While this might seem burdensome, team members expressed how valuable it has been to come together, share experiences, and take new lessons-learned back out to their sites. Particularly for the young, local NGOs it is clear that their capacity in project management has increased and they are now capable users of tools such as the Logical Framework, managing work plans and budgets, and tracking performance.

The overall feedback on the application and reporting formats of CEPF were positive, although grantees made some noteworthy observations and recommendations. All of the grantees noted that they would prefer a more complete reporting form to allow them to provide more detail on their experience with their projects. They feel that by staying strictly within the bounds of the required reporting format, they do not have the opportunity to report to the level of detail they would like.

In addition to a more detailed reporting format, the grantees were clear in their request for more feedback from CEPF on the reports submitted. Many grantees stated that they had received little, if any, feedback on the reports they submitted and that this has a negative effect on team members' confidence.

It also became clear during the review that there are gaps in the cohesion of the portfolio that are may be attributable to the lack of CEPF presence on the ground. Several grantees suggested that more frequent CEPF presence in the field might enhance results and coordination. It is important to note that for a period of approximately seven months it was not possible for CEPF staff to travel to Madagascar for security reasons.

While CEPF staff visited the region three times during the 28 months of CEPF funding prior to the evaluation, many grantees felt that CEPF staff should visit more frequently to see results in the field. They believed that such visits would build confidence in the project and commitment among the team and allow them to seek advice on important project adjustments. While many grantees are flexible and independently make smart adjustments during implementation, they believed their confidence would be increased if they could discuss these issues directly with CEPF at the site. This would allow them to demonstrate what the specific issues are as well as provide CEPF with an overall context that may be more difficult to convey in writing. This may also be partially a result of the constricted use of reporting tools since grantees may not routinely provide supplemental information that would allow CEPF to make an informed decision on a request for project modification.

### **Implementation and Political Unrest**

Though there was comparatively little violence associated with the change of government in 2001, economic activity was severely affected and unemployment spiked, with significant impacts for the implementation of a number of CEPF projects. Given the changing political circumstances in Madagascar during much of the CEPF funding period, organizations have had to adjust strategies, make quick decisions and be flexible during implementation. Based on site visits and interviews during the review, it appears that the grantees interviewed have shown an impressive ability to deal with an always-changing playing field.

During the period of political unrest, many grantees warned of delays and/or reduced project benefits because they could not get to project sites, supplies were scarce and staff was unable to work. Consequently, the review team expected to see this as a recurring theme in the project reviews, reports and site visits. The period of unrest did affect nearly all projects, but delays and reductions in delivery were fewer than anticipated. Rather than eliminating elements of their projects, they adjusted their work plans, carried out the activities that were possible, and re-adjusted their plans again as the situation improved. There was only one project in the portfolio, implemented by TRAFFIC, that had to be put on hold, and even that project was only delayed by six months. The project was dependent upon working with the CITES authorities identified by the Madagascar government, however the new government was not internationally recognized until some time after the elections took place.

Grantees were proactive and largely independent in their project management during this time, however they actively communicated with CEPF on the status of their project and which deliverables were likely to be delayed. During this period a number of international donors active in Madagascar suspended funding due to the uncertainty of



the situation on the ground. CEPF, constructed as a flexible funding mechanism, chose not to suspend funding and allowed grantees to continue the work that they could. The decision to remain involved and flexible meant that there were few negative impacts on the anticipated results of the portfolio caused by the period of unrest.

### **Disbursement**

According to most grantees, CEPF disbursed project payments in a timely fashion. This includes both initial and subsequent payments. Grantees initially had problems with the cash flow method of payment as this necessitates quarterly projections based on work plans. This sometimes resulted in grantees requiring additional guidance from CEPF, which prolonged the cash disbursement process. However, after a period of adjustment this method of disbursement appears to have led to better planning and more realistic estimates of cash needed.

## **STRATEGY COORDINATION AND COMMUNICATIONS**

### **Coordination**

The PE process has served as a general framework for the Madagascar conservation community. Although the first two phases were centrally managed and executed without benchmarks and baselines, they did develop a foundation of communication and cooperation. The third phase, PE III, is an open, collaborative process focused on developing a national framework. This framework draws on the knowledge and funding of major conservation and development agencies, both Malagasy and international, yet allows them to operate flexibly within their own mandates.

CEPF developed its ecosystem profile for Madagascar and allocated resources largely prior to the development of PE III and the formation of the Environmental Donor Group, which serves as an important focal point for environmental funding in PE III. CEPF was therefore not actively involved in an important stage in development of conservation plans for the country. In addition, during the early stages of implementation there was relatively little interaction with local representatives of other major environmental donors, including GEF and the World Bank, both of which are CEPF partners. Locally based representatives of the World Bank and USAID were aware that CEPF existed but had only limited knowledge and understanding of the initiative.

During interviews, existing conservation players also mentioned the need for increased transparency in the way in which CEPF makes decisions. While CEPF often engages external experts and partners to review project proposals and help ensure sound decisions, there is no formal review mechanism in this region and the existing informal mechanism for review was not clearly understood.

### **CEPF and National Conservation Initiatives**

As discussed, a series of national level priority-setting processes and actions plans has taken place in Madagascar that fed the development of the CEPF strategy. There is a renewed commitment to conservation in Madagascar that is driving a number of dynamic

processes—many of them at the national level—outside of the direct realm of CEPF projects. Engaging in these processes would be a great opportunity for CEPF to leverage the work that has already been supported as well as to contribute to larger ongoing initiatives.

The framework for donor support for environmental activities in Madagascar over the next 5 years (2004-2009) is supporting the implementation of the Plan d’Action Environnementale through PE III. Currently, the total funding for PE III is envisaged at around \$180 million over 5 years, with major contributions expected as follows:

World Bank IDA	\$40 million
Government of Madagascar benefits from debt conversion and park revenues	\$10.5 million
GEF/World Bank	\$9 million
GEF/UNDP	\$4 million
USAID	\$34.6 million
KFW	\$22.4 million
UNDP (non-GEF)	\$2.3 million
France (except Min. of Foreign affairs)	\$20.1 million
NGO contribution	\$17.8 million

These figures are approximate and subject to change, but represent good indications of the magnitude of likely overall support. Although the overall sums identified for implementation of PE III are large, the mandate of the program is enormous. A significant focus will be community-level activities that CEPF is well placed to strengthen and contribute to through its focus on and existing investments engaging Malagasy civil society in conservation. It should be noted that the proposed NGO contribution already includes the CEPF allocation for Madagascar through 2006. How these allocations will fit into the PE III framework has not been decided and, as a result, CEPF’s most effective contribution to this framework is not yet clear.

Major activities under PE II were largely controlled centrally, with funds channeled through specified executing agencies (most importantly the Office Nationale de l’Environnement). This was not considered particularly successful. Implementation of PE III is to be approached in a different way. The different actors in PE III (donors, implementers and the government of Madagascar) have agreed to a results framework, with associated outcomes and indicators. Coordination should be achieved in part through ensuring that all activities undertaken in PE III can be mapped directly onto this framework.

A Project Implementation Support Unit will be created for oversight of funding channeled through the Malagasy government in response to a 2003 World Bank assessment, which identified serious weaknesses in public sector budgeting, accounting systems, reporting and auditing. In addition, the donors (including the larger international conservation NGOs) form an Environmental Donor Group, which coordinates donor activities in the environmental sector. A task force has been established to steer further

development of PE III, coordinated by the chair of the Environment Donor Group and the Environment, Water and Forests minister.

PE III serves as the umbrella for all conservation and other environmental activities in Madagascar for the next 5 years. A significant amount of the funding (most notably the World Bank IDA) will be channeled through the government of Madagascar. Much of the funding from other donors is already tied or committed (e.g. much of the USAID allocation will be channeled through commercial consulting companies and much of the GEF/UNDP funding will probably be channeled through a single parastatal). The NGO funding (which, as noted above, includes a CEPF component) has a vital role to play in reaching civil society in a flexible and responsive way. Indeed, the implementation of PE I and PE II indicates that this funding is likely to be proportionately more effective in achieving tangible results than the much larger sums directed through the government.

### **CBC Development**

The creation and implementation of the CBC model in the hotspot represents a significant and strategic step forward in the process of scaling up the impact of CEPF investments, as well as other donor initiatives. This CI initiative, funded by the Gordon and Betty Moore Foundation, will invest \$7.5 million to develop a CBC in Madagascar that will focus on changing the scale of conservation by increasing technical capacity and alliance building. The design and implementation of the CBC aims to achieve species, site and corridor outcomes that improve related policy, increase capacity and increase land under conservation management. CI will award 30 percent of the CBC funding as grants to partners working in the region. CI is expected to have a significant influence on PE III activities in the period 2002-2007, chiefly through CBC funding of activities. In addition, the CBC will contribute to the measurement of program-wide biodiversity impact indicators that have recently been developed.

CBC funding in Madagascar will complement and extends CEPF funding, both geographically and thematically. CEPF priority areas have been incorporated into the CBC priorities, and both funding mechanisms involve grants to civil society groups active in biodiversity conservation. CEPF is currently working with the CBC Grants Management Unit to establish effective ways to combine decision-making, outreach and monitoring and evaluation activities. Although CBC staff already participate in reviewing grant proposals to CEPF, CEPF and the CBC are also exploring opportunities for more extensive and formal coordination.

The enhanced coordination could help fully realize the following:

- Strategic funding decisions focused on the achievement of conservation outcomes;
- Coordinated monitoring of CEPF & CBC projects;
- Linking CEPF- and CBC-funded activities;
- Linking CEPF projects to a more comprehensive conservation strategy;
- Potentially bringing grantees of both CEPF & the CBC together to share lessons learned and to synchronize conservation strategy; and
- Leveraging new resources for conservation in Madagascar.

These and other synergies are being explored and are of particular importance as CEPF moves into the latter stages of funding in this hotspot. The CBC provides an opportunity for sustainability of a number of CEPF activities currently underway.

## **Communication and Outreach**

As explained in the discussion of Strategic Direction 6, CEPF staff members made significant attempts, including an extended trip to Madagascar, to develop an in-country coordination mechanism prior to the full-scale initiation of funding. Had such a mechanism been put in place, CEPF might have been in a better position to target the strategy toward key stakeholders, in particular local civil society organizations. A coordinated communication effort with strategic partners might have generated additional proposals with greater visibility and synergies with the broader conservation community. Overall, CEPF has not had significant visibility within Madagascar, either in its support for its range of projects or as an initiative targeting civil society-based conservation.

Many CEPF grants had partnerships built into the design and as a consequence there has often been good collaboration at the project level. In addition, as mentioned above, the Madagascar conservation community is tightly woven, so informal networks are used for advice and implementation questions. However, there does not appear to have been a great deal of cross-project interaction or portfolio-wide strategic discussions. Several grantees observed that they would like to have CEPF play a larger role in facilitating the exchange of information and the coordination of projects within the CEPF portfolio as well as other projects and funding opportunities in Madagascar.

## **CONCLUSIONS AND RECOMMENDATIONS**

This portfolio review has documented examples illustrating how CEPF investments in Madagascar are generating, and will continue to generate, positive impacts for biodiversity conservation. CEPF and its partners can be encouraged by these gains, though the review team recognizes the fragile nature of many of these results.

However, in Madagascar, as in other regions where CEPF invests, accomplishments need to be better documented, lessons, both positive and negative, need to be shared with relevant partners, resources and expertise must be strategically shared and opportunistic and creative problem solving should be rewarded. With this in mind the review team has drawn a number of conclusions related to the implementation of the CEPF portfolio of projects and offers recommendations for future implementation.

### **How effective are CEPF processes and tools?**

Grantees often perceive project reports to be a contractual requirement and not much more. Some grantees reported that the absence of feedback from CEPF was a sign that no issues had to be addressed, while others expressed a desire for a response to confirm that CEPF was satisfied with their performance. A lack of a response created a certain amount of uncertainty among their staff. Many of the grantees make great efforts to bring their teams together to prepare reports, document their achievements and to discuss necessary adjustments. The results of these efforts become part of their reports to CEPF and they expect and need feedback at some level. This is important from a project management

perspective and a morale perspective. In addition some grantees feel constrained by the standardized format of the technical progress report and are not providing valuable context or background information.

Recommendation: CEPF should provide regular feedback to grantees on their progress reports. Feedback should include substantive comments and support adjustments as needed. CEPF is already discussing ways to streamline the review process and provide feedback when needed.

Recommendation: Grantees should be encouraged to provide supplementary information outside the standard reporting format.

### **How well is CEPF currently meeting conservation needs in Madagascar?**

For the most part, CEPF has successfully targeted those needs that were identified in the ecosystem profile as priorities for the region. Until recently the need for a small grants mechanism had not been met, however CEPF has creatively overcome the associated challenges and is now in the early stages of implementation of a small grants mechanism. This delay has inhibited the initiative's reach to local community groups that are not well organized, formal NGOs, but that could contribute to biodiversity conservation. The design of the small grants mechanism is expected to help in the outreach and technical assistance necessary to reach these groups.

CEPF began implementation in the region prior to the completion of an economic analysis necessary to fully address the needs for private sector engagement in conservation. This has limited the program's ability to confidently target appropriate interventions under this strategic direction. An Agence Francaise de Developpement (AFD) study released at the World Parks Congress in 2003 represents one of the first attempts to systematically assess the economic benefits of conservation. The document, "Comment financer durablement les aires protégées à Madagascar ? Apport de l'analyse économique" by Jean-Christophe Carret of the World Bank and Denis Loyer of AFD, could help in prioritizing investments in the private sector in the region to ensure maximum conservation benefits.

Recommendation: Working with partners, CEPF should collaborate to ensure that the economic benefits of small-scale initiatives, particularly around protected areas, are realized and that their impact on biodiversity conservation is monitored.

CEPF's focus on capacity building has resulted in an increased number of trained scientists and professionals, as well as at least two institutions with strengthened management and implementation abilities. Although this investment has beneficially expanded the conservation community in Madagascar, there are some unique challenges to this model. Despite the increased capacity, limited institutional capacity often requires huge and lengthy investments to change, which means that there is a limited ability for organizations to absorb newly capacitated professionals. The work that CEPF-supported civil society organizations have done together with the communities around protected areas, particularly Zahamena and Daraina, has had a significant impact on the ability of

communities to contribute to the preservation of these areas. Given the Malagasy government's commitment to increase the protected areas in Madagascar from 3 to 10 percent, these communities will have an increased role to play in coming years.

Recommendation: Additional investments in training individuals should seek to bring these individuals together with institutions, thus simultaneously increasing professional and institutional capacity for conservation.

Recommendation: Capacity building remains an important priority in Madagascar and for CEPF. Investments in capacity building to allow communities surrounding protected areas to actively participate in planning and management should be an increasingly critical focal area.

The review team noted the national- and project-level impact of the political instability that occurred in 2002. Because of CEPF's flexibility and commitment to civil society, this instability did not result in any break in CEPF funding for Madagascar. CEPF continued to support those activities that were underway and granted extensions where necessary. This maintained continuity in CEPF projects and an overall confidence in CEPF's commitment to conservation in Madagascar.

Recommendation: CEPF should use the experience in Madagascar during the period of conflict as support for decisions in other hotspots during similar periods of conflict. Although situations will vary from location to location, if at all possible it is beneficial to the grantee and the program to sustain funding during periods of conflict.

### **Is CEPF missing an important part of the potential grantee constituency?**

Although many of those interviewed felt that this might be the case, none could identify a major missing constituency for CEPF funds with the exception of the smaller, informal groups that would logically fall under a small grants program. Indeed, the review demonstrated that CEPF has spread its grants widely across the potential recipient community. However, this seemingly erroneous perception indicates that CEPF could broaden its efforts to identify non-traditional conservation allies and should be deliberate in promoting a greater understanding of its grant-making process through a formalized review mechanism and increased communication with other conservation partners.

Recommendation: CEPF should closely follow the implementation of the small grants program to assess whether it is indeed identifying and targeting a segment of society that can make a contribution to local biodiversity conservation. Likewise, the experience in setting up this mechanism and working with local organizations to implement their projects needs to be carefully documented and broadly disseminated.

Recommendation: CEPF should produce a document that outlines the proposal review and decision-making process, criteria and potential reviewers to increase transparency and understanding of its processes.

### **Is there a need for separate CEPF coordination mechanism in country?**

In view of the close knit nature of the conservation community in Madagascar and the way in which many CEPF-supported organizations are working with each other on projects through other funding initiatives such as the Plan d'Action Environnementale and, more recently, the CBC, there is unlikely to be much value added from establishing a separate CEPF coordination mechanism at this time. However, CEPF could play a vital role in promoting further sharing of information and collaboration between its grant recipients and others working in the hotspot.

Recommendation: An annual or biannual meeting should be held for CEPF grantees in Madagascar to report on results, share experiences, offer and receive advice and make more general recommendations on the CEPF process. This could serve a valuable role not only in capturing best practices but also in building a constituency and a network in a way that would not duplicate existing efforts, and could increase the visibility and transparency of the CEPF funding strategy.

Although the PE process provides an umbrella under which the specific contributions of environmental actors are organized, many of these actors also operate within their own networks of partners and institutional priorities. In addition, many institutions may support conservation efforts that fall outside of the scope of this framework. Understanding the complex interaction among these institutions is important to identify targets of opportunity for CEPF investment and for promoting the opportunities provided by CEPF.

Recommendation: Based on the review of impacts, a standardized method of tracking project investments and impacts should be developed that would lead to shared knowledge among the conservation community. As the Plan d'Action Environnementale already provides a national framework and has set up the Environmental Donor Group to coordinate investments, CEPF should tap into this group to explore windows of opportunity for agile and targeted investments.

Because there is no locally based coordination mechanism for CEPF implementation, the need for CEPF staff visits to maintain fluid communication and coordination took on greater importance. As noted, CEPF grantees felt a sense of disconnection from the initiative and expressed a desire for more frequent field visits by CEPF staff.

Recommendation: CEPF should visit funding regions without locally based coordination mechanisms on a more regular basis. The review team recognizes that the frequency and timing of such visits may depend on the number of active regions managed by the grant director. However, regular, structured and well-documented field updates are indispensable for assessing rapidly evolving field conditions and in building relationships with grantee partners. This recommendation should also be addressed for other CEPF regions where a formal, locally based coordination mechanism has not been put in place.

### **How should strategic directions for CEPF be further refined?**

Given the current conditions in Madagascar, it is questionable whether CEPF should attempt to establish itself as a high-profile priority-setting institution in the country or as an actor attempting to play a major role in determining strategic directions for conservation within the country. There is a strong sense in Madagascar that there are already enough players involved in this, two of which (CI and World Bank) are CEPF donor partners.

Recommendation: CEPF should focus on ensuring that its strategic directions can be mapped, like those of other donors, onto the results framework adopted for PE III. Where relevant (particularly under Strategic Direction 1) it should also consider using the investment gap analysis and priority-setting carried out by ANGAP regarding existing protected areas to guide further investment decisions.

### **Is CEPF having a catalytic effect in the region?**

CEPF has successfully catalyzed additional resources and institutional commitments for Madagascar at both a project and initiative level. This review has illustrated a number of specific project-level examples in the discussion of impact by strategic direction. Although CEPF has not required reporting on leveraging by project, through discussions with its partners on the ground the review team was able to maintain a credible estimate of the initiative's leveraging impact.

Recommendation: CEPF should work with its partners and grantees to more systematically track and capture leveraging amounts.

At the initiative level, CEPF has collaborated with important conservation planning processes, such as priority setting, PE III and the creation of the CBC. This collaboration has ensured that CEPF is continuing to work within a relevant conservation framework as well as combining resources to achieve shared conservation objectives. The existence of a targeted international funding mechanism such as CEPF could also be said to encourage other large international donors to invest in the region, both by highlighting the biological importance of the region and by laying the groundwork for effective community-based conservation.

Recommendation: CEPF should continue to capitalize on the opportunities for synergy and sustainability that the creation of the CBC brings through formalizing mechanisms of proposal review, project coordination and monitoring to improve CEPF presence and coordination in the field. CEPF should also work together with partners to ensure that its investments are incorporated into any planned project mapping at a national level.

### **Has this review contributed to the refinement of the CEPF review methodology?**

Through conducting the review and valuable feedback from CEPF staff in Washington and in the field, several key refinements have been incorporated into the review methodology. The most important changes included:



- Analysis of all projects in the CEPF portfolio rather than a select sample. The review team concluded that an assessment of all projects, while logistically more complicated, would generate more reliable information that could be aggregated at the level of the portfolio and strengthen its conclusions regarding the overall strategy in the region.
- Incorporation of an external reviewer on the team to enrich the review process and the resulting analysis. An external perspective increases the credibility of the review and promotes a broader dialogue amongst team members regarding observations and interpretations. An external reviewer has also been incorporated into the two other portfolio reviews undertaken to date.

Recommendation: CEPF should ensure that the review methodology continues to incorporate these valuable approaches but remains dynamic and flexible enough to capture the unique challenges and opportunities in each region and to effectively respond to the needs of CEPF and its partners.

# APPENDICES

## Appendix A. Overview of the CEPF Monitoring Approach

<p>CEPF Monitoring System</p>	<p>In accordance with the Memorandum of Understanding between CEPF and its donor partners, CEPF has instituted a three-pronged monitoring approach that focuses on delivering impacts at the <b>(i) initiative-wide level, (ii) ecosystem or programmatic level and (iii) the individual project level</b>. These three levels are integrated to build linkages between projects, programs and the overall strategy.</p> <p><b>Initiative Wide (Fund Wide):</b> Each year, CEPF defines an agenda and work plan that will ensure that CEPF’s annual conservation investment authority in the number of approved hotspots (currently 13 hotspots) is contributing to delivering targeted conservation outcomes: extinctions avoided, areas protected and corridors consolidated. This work plan is designed to ensure that CEPF is equipped with the necessary inputs to carry out its mandate in a systematic and strategic manner, including financing, growth plan, implementation tools and monitoring protocols, and the requisite political and institutional support. The most recent annual work plan (FY03) includes the following general objectives:</p> <p><b>CEPF investments in existing hotspots expanded</b></p> <ol style="list-style-type: none"> <li>1. Close \$25 million commitment with one new partner.</li> <li>2. Finalize all donor commitments and reporting to ensure that all five partners contribute the required \$5 million annually.</li> </ol> <p><b>CEPF investments targeted in new hotspots</b></p> <ol style="list-style-type: none"> <li>1. Support and invest to develop conservation outcomes in the preparation hotspots authorized by the Council.</li> <li>2. Support and invest in partners to develop ecosystem profiles in the authorized hotspots.</li> <li>3. Create and operationalize coordination units, in new regions, as appropriate.</li> </ol> <p><b>Strategic implementation of CEPF regional portfolios</b></p> <ol style="list-style-type: none"> <li>1. Develop a set of standardized modules, tools and training systems.</li> <li>2. Evaluation, monitoring and compliance reports (midterm assessments) produced for a specific set of hotspots.</li> <li>3. Support CI’s outcome monitoring program, and integrate CEPF more closely into the process, as appropriate and feasible.</li> <li>4. Operationalize grantmaking in the relevant new hotspots/ecosystems..</li> <li>5. Continue and improve grantmaking and monitoring in all active hotspots.</li> </ol> <p><b>Effective financial and programmatic monitoring of CEPF grant portfolio supported</b></p> <ol style="list-style-type: none"> <li>1. Annual audit completed.</li> <li>2. Evaluation, monitoring and compliance reports (midterm assessments) produced for relevant hotspots.</li> <li>3. Grant Tracker captures monitoring and performance statistics.</li> <li>4. Performance measures refined, evaluated and utilized.</li> <li>5. Production of PMR and other donor reporting requirements completed quarterly and annually.</li> <li>6. Improved financial reporting provided to the CEPF Working Group..</li> <li>7. CEPF information system works effectively for both grantees and grantmakers and generates useful initiative wide tools.</li> </ol> <p><b>Awareness and participation in CEPF increased</b></p> <ol style="list-style-type: none"> <li>1. Host CEPF Working Group Meetings and Council Meetings, as appropriate.</li> <li>2. Web site sections and informational tools developed for relevant new regions.</li> <li>3. Global communications strategy developed and implemented.</li> </ol>
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**Ecosystem or Programmatic Level:** Ecosystem profiles for each grant funding region are developed based on participatory stakeholder consultation, literature review and assessment and definition of conservation outcomes in order to highlight key conservation priorities within an ecosystem and determine where CEPF efforts should be focused. Each ecosystem profile includes a discussion of the CEPF niche for investment, and a series of strategic directions and more specific investment priorities that guide CEPF in its decisions about funding project proposals. These strategic directions and investment priorities are based on a comprehensive analysis of the biological conditions in the region, the threats present, the current investments in conservation, and the institutional capacity to implement conservation activities, and which form part of the profile. Additionally, the ecosystem profile process defines a set of conservation outcomes to which the investments are oriented. Final results of these processes are represented in an ecosystem-level logical framework (LogFrame) in which outcomes are stated as goals to be achieved within the CEPF funding lifetime (see Appendix F for the logical framework for Madagascar). A description of the institutional set of Conservation Outcomes is provided under Midterm Review below.

**Project Level:** CEPF builds strategic project portfolios around these strategic directions and investment priorities. Investment priorities were developed since Cycle 2. CEPF stipulates that each project eligible for funding articulate how it fits into the ecosystem-wide strategy in the ecosystem profile. This includes choosing a strategic direction under which the proposed project would be supported. These strategic directions are articulated in the ecosystem profile and represent the key criteria used to ensure a link to CEPF's overall institutional strategy. Each project must use a project LogFrame to address how the goals and purpose of the project relates to aspects outlined within established ecosystem-level strategic directions, investment priorities and outcomes. This LogFrame is a performance-tracking tool that aids the grantee in setting quarterly targets for each indicator of project outputs. In this sense, synergy between the initiative, ecosystem and individual project is explicitly addressed.

**Midterm Portfolio Review:** As each funding region approaches the midpoint in its funding life, CEPF has instituted a midterm portfolio review process to gauge portfolio-level progress and impacts, and to synthesize experiences and derive lessons learned to more effectively direct resources throughout the grant portfolio. This midterm reviews seek to:

- Understand any change in on-the-ground conservation dynamics and the role CEPF plays in them;
- Assess the contribution of CEPF-supported projects toward expected impacts and corridor conservation goals as articulated in the ecosystem profile;
- Assess the efficiency and effectiveness of CEPF in processing and monitoring grants;
- Identify gaps and critical needs for achieving strategic objectives;
- Derive key lessons learned and determine recommendations for improvements; and
- Refine the portfolio review methodology.

Conservation outcomes or targets represent the quantifiable set of conservation goals that list species and land areas that are indispensable for the ultimate goal of biodiversity conservation. CI's Outcome Monitoring Taskforce is currently refining the conservation outcomes, along with their measurement protocols and frameworks for interpretation. For each funding region, CEPF does not take responsibility for the full set of conservation outcomes, but for a subset that becomes articulated as CEPF's niche for the region. These outcomes are broken down into three primary categories:

**1. Species Protected (Extinctions Avoided)**

Number of threatened species reduced  
Intact biotic assemblages maintained

**2. Area Protected**

Improved management of key protected areas  
Maintenance of original habitat cover in key areas

**3. Corridors Created**

Reduction in fragmentation  
Habitat maintained for corridor level species

**\* The outcome monitoring process is ongoing, and the indicators under each Outcome are currently considered draft indicators subject to review.**

CEPF plans to conduct three to four midterm reviews each year.

\* This document, like the CEPF monitoring and evaluation approach itself, is subject to change as opportunities arise that may require modifications or enhancements.

**Appendix B. Portfolio Review Questionnaire Sent to Grant Recipients in the Region**

**CEPF Midterm Evaluation Survey**

*In an effort to place CEPF funded projects within the broader Madagascar conservation context, we are asking all CEPF grantees to fill out this survey. Any explanatory text that you include will be very helpful in the final analysis and inclusion into the midterm review, and we appreciate your candidness. Please note that you may find that not every question is relevant to you at this stage in your project – please feel free to skip any that do not apply and answer those that do.*

Grantee:  
 Project Title:  
 Grant Amount:

**Project Development:**

1. How did you become aware of the availability of CEPF funding?
2. How did you initiate the CEPF application process (Letter of Inquiry, Proposal, other) and with whom (CEPF Grant Director, Conservation International office, Other- please specify)?
3. Were the guidelines of the application process clear?

Very clear	1	2	3	4	5	Not at all clear

Comments:

4. Did you consult the ecosystem profile for your region while preparing your proposal?  
Please describe:
5. Was there interaction between your organization and CEPF in the development of all of the elements of the project proposal?

Extensive interaction	1	2	3	4	5	Little or no interaction

Comments on specific elements of the interaction:

6. Did the length of the contracting process (from proposal submission to contract signature) take the amount of time that you had anticipated?

More Time	1	2	3	4	5	Less Time

Please comment on any specific problems encountered:

**Project Implementation:**

7. Were the guidelines for financial and programmatic reporting clear?

Very clear	1	2	3	4	5	Not at all clear

Comments:

8. Have the financial and programmatic reports been helpful in the management of your project?

Extremely helpful	1	2	3	4	5	Not at all helpful

Comments:

9. Describe any impacts achieved to date that have not been adequately captured in your reports to CEPF.

10. Have you made any adjustments to your original project design? If so, how were these adjustments perceived by CEPF?

11. Has the feedback you have received from CEPF on the reports met your expectations?

Exceeded	1	2	3	4	5	Not met

Comments:

12. Has the feedback you have received from CEPF on the reports been beneficial to the management of the project?

Very beneficial	1	2	3	4	5	Not beneficial

Comments:

13. Have you accessed any of the following CEPF communications tools?

- CEPF Annual Report: yes/no. If yes, please indicate how the annual report raised your awareness of CEPF progress and results on a scale of 1-5.

Extremely	1	2	3	4	5	Not at all

- CEPF Web site: yes/no. If yes, please indicate how the Web site has enabled you to keep informed of CEPF goals, activities and opportunities on a scale of 1-5.

Extremely	1	2	3	4	5	Not at all

- CEPF monthly electronic newsletter: yes/no. If yes, please indicate how the newsletter has raised your awareness of CEPF-related goals, activities and opportunities on a scale of 1-5.

Extremely	1	2	3	4	5	Not at all

Please comment on any modifications or additional tools that would be useful to you:

14. Has the overall level of interaction with CEPF during the life of your project met your expectations?

Exceeded	1	2	3	4	5	Not met

Comments:

15. Describe any external factors that have impacted your project either positively or negatively?
16. Were the additional funds anticipated in the project proposal obtained? If no, why not?
17. As a result of your CEPF funded project have you been able to leverage additional funds? If so please describe.

*Project co-financing (Other donors contribute to the direct costs of a CEPF project.):*

\_\_\_\_\_yes Describe: \_\_\_\_\_  
 \_\_\_\_\_no

*Complementary funding (Other donors contribute to partner organizations that are working on a project linked with a CEPF project.):*

\_\_\_\_\_yes Describe: \_\_\_\_\_  
 \_\_\_\_\_no

*Grantee and Partner leveraging (Other donors contribute to your organization or a partner organization as a direct result of successes with a CEPF project.):*

yes Describe: \_\_\_\_\_  
 no

*Regional/Portfolio leveraging (Other donors make large investments in a region because of CEPF investment or successes.):*

yes Describe: \_\_\_\_\_  
 no

**Regional Strategy:**

18. Was the link between your project and the Strategic Direction under which it was approved clear to you when your project was approved?
19. Has your understanding of how your project relates with CEPF strategic directions changed during the course of implementation?
20. Was the ecosystem profile useful during implementation of your project?
21. Have you partnered and/or collaborated with other organizations on your project? Please describe.
22. Are you aware of other CEPF funded projects? Has your project benefited from interaction with other CEPF grantees and/or projects?
23. Do you feel there is a coordination of CEPF funded activities to achieve the strategic directions?
24. Do you feel CEPF's funding approach in Madagascar is an innovative way of achieving conservation objectives?
25. Do you think that the CEPF conservation strategy in Madagascar is sustainable beyond the CEPF investments?

Thank you very much for your assistance with this survey. Please feel free to contact Sarah Douglass at [s.douglass@conservation.org](mailto:s.douglass@conservation.org) if you have any questions.

Sincerely,

CEPF Monitoring and Evaluation Team

### **Appendix C. List of Institutions Contacted During the Portfolio Review**

Association Nationale pour la Gestion des Aires Proteges (ANGAP)  
Association Fanamby  
BirdLife International  
Conservation International  
Durrell Wildlife Trust  
L'Homme et l'Environnement  
MATEZA  
Missouri Botanical Garden  
The Peregrine Fund  
Royal Botanic Gardens, Kew  
USAID  
WWF-Ecology Training Program  
Wildlife Conservation Society  
The World Bank



Appendix D. Map of Priority Areas for Conservation in Madagascar



## Appendix E. CEPF Logical Framework for Madagascar

Narrative Summary	Performance Indicators
<p><b>CEPF Investment Goal:</b></p> <p>Increased size and improved management of critical habitats under conservation in Madagascar.</p>	<p style="text-align: center;"><b>Area Protected / Extinctions avoided Indicators at 5 Years</b></p> <p><i>Species Protected (Extinctions Avoided)</i></p> <p>1.1 All endemic threatened terrestrial species in the region have viable populations in stable habitat, and are under long-term conservation management.</p> <p><i>Area Protected</i></p> <p>1.2 By 2010, areas protected (e.g. national parks and reserves managed by ANGAP, biodiversity reserve forests managed by the Department of Forests, private reserves, and protected areas managed by provincial governments) will increase from 1.7 million to 3 million hectares.</p> <p>1.3 Consolidation and effective conservation management of 250,000 hectares in existing or new protected areas in the corridor Zahamena-Mantadia with appropriate linkages by managed forests.</p> <p>1.4 The Zahamena Protected Area (RNI - strict nature reserve - and National Park) is under secure protection and effective, sustainable management.</p> <p>1.5 The Daraina Complex (40,000 ha) is under secure protection and effective, sustainable management.</p> <p>1.6 The Menabe forest (50,000 ha) is under secure protection and effective, sustainable management.</p> <p>1.7 The Mahavavy-Kinkony Wetland/ Forest complex (260,000ha) is under secure protection and effective, sustainable management.</p> <p><i>Corridors Created</i></p> <p>1.8 The Ranomafana-Andringitra corridor is managed so as to maintain biodiversity habitats on 250,000 ha and appropriate linkages between them.</p> <p>1.9 The "Makira" corridor is managed to maintain biodiversity habitats on 100,000 ha and appropriate linkages between existing or new PAs (Makira, Masoala, Ambatovaky) are established.</p>

Narrative Summary	Performance Indicators
<p><b>Purpose:</b></p> <p>Malagasy civil society (scientific leaders, NGOs and private sector) collaboratively and effectively participates in the protection of biodiversity conservation.</p>	<p><b>Strengthened Civil Society:</b></p> <p>1.1 The number of national-level scientific, NGO and private sector initiatives oriented toward biodiversity conservation increases.</p> <p>1.2 Existing national NGO's and other private sector participants working in biodiversity conservation expand their staff, diversity of abilities, and total coverage.</p> <p>1.3 Increase in the number of established local NGOs, scientists and others working in biodiversity conservation.</p> <p><b>New Funds Leveraged:</b></p> <p>1.4 Increase in the overall funding of conservation activities within the Hotspot to reach a minimum level of 2 times the initial CEPF funding by the end of the CEPF funding period.</p> <p><b>Raising the Bar / Policy Elements:</b></p> <p>1.5 Government policies and private sector investment decisions better reflect environmental priorities and challenges. In particular, biodiversity conservation continues to be central focus of Phase 3 of NEAP and is fully integrated in development policies.</p> <p><b>Alliances:</b></p> <p>1.6 Conservation alliances are formed with international and national conservation NGOs, and civil society to further conservation biodiversity agenda</p>

Strategic Direction Based Outputs:	Performance Indicators
<p>1. Mechanism established for integrating local groups and individuals into the management of protected areas and reserves.</p>	<p>1.1 Financial and technical support provided to existing parks and reserve management teams.  1.2 Promotion of protected-area partnerships involving local and international NGO participation.  1.3 Specific training programs for local groups supported.  1.4 Support provided for participatory planning processes to develop corridor concept strategies (linking existing protected areas to form corridors).  1.5 Regional priority-setting and similar participatory processes supported.  1.6 Basic biological inventories of existing and newly protected areas, classified forests and forest reserves supported.</p>
<p>2. Private sector conservation initiatives funded.</p>	<p>2.1 Funding provided to initiatives such as:  - small-scale nature tourism projects linking benefits to communities  - plantation forestry models  - models of private sector engagement in biodiversity conservation  2.2 Funding provided for the research and development of appropriate carbon sequestration methods.  - feasibility studies  - demonstration projects</p>
<p>3. Biodiversity conservation and management training programs supported.</p>	<p>3.1 Support provided to training programs such as:  - training in species knowledge  - national university programs  - support for the collaborative creation of overseas training programs and scholarships</p>
<p>4. Awareness and advocacy mechanisms in place.</p>	<p>4.1 Funding provided for awareness and information campaigns:  - promotions highlighting importance of biological diversity promoting biodiversity as a national asset</p>
<p>5. Biodiversity Action Fund provided and responding to critical conservation needs and information gathering.</p>	<p>5.1 Support provided to individual and start-up NGO initiatives such as:  - small workshops  - critical travel needs  - field equipment and biodiversity publications  - individual and small scale NGO grassroots conservation initiatives  * Individual grants not to exceed \$10,000</p>
<p>6. Participatory Monitoring &amp; Coordination Network including local groups created.</p>	<p>6.1 Support provided for the creation and implementation of a coordination mechanism:  - consisting of a core alliance of organizations with significant technical capacity and strong program history in the region;  - advisory panel to include a selection of top scientists;  - participate in identification and review of potential CEPF projects; and  - active role in monitoring of CEPF projects' implementation  6.2 Establishment of electronic information management &amp; communication mechanism supported.</p>

## **Appendix F. Approved Grants in Madagascar (as of Feb. 28, 2004)**

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

#### **1. Makira Forest Area Conservation Project**

At the request of the Government of Madagascar, assist in the creation and management of a new protected area in northeastern Madagascar. The future reserve is likely to aid in the conservation of a number of critically endangered species such as the Madagascar serpent eagle and three out of 11 varieties of Malagasy lemurs. Biodiversity and socioeconomic surveys will be conducted and the information used to demarcate the future protected area. A sustainable financing mechanism will be designed and funding sources identified.

Funding: \$201,771

Grant Term: 1/03 – 12/04

Grantee: Wildlife Conservation Society

**2. Community Forest Management of the Tandroy Forests of Southern Madagascar** Undertake work in four priority communes in the Spiny Forest of southern Madagascar to ensure that a participatory regional conservation action plan is adopted by conservation stakeholders in the Androy region and that an efficient method of transfer of management of natural resources using aerial photography is developed along with an appropriate monitoring system.

Funding: \$89,798

Grant Term: 11/02 – 4/04

Grantee: Centre Ecologique Libanona

#### **3. Building a National Constituency for Bird and Biodiversity Conservation in Madagascar**

Establish a strong, independent and sustainable BirdLife network organization in Madagascar. Build the nucleus of an effective national conservation partner with enhanced staff capacity for institutional development and conservation of Important Bird Areas.

Funding: \$79,354

Grant Term: 7/02 – 9/03

Grantee: BirdLife International

#### **4. Central Menabe Biodiversity: Plan for Protection of Nature's Rich Endowment through Development of a Regional Management Scheme**

Establish a regional management scheme for the highly endangered biodiversity in the Central Menabe region. A protected areas system will be based around the strategies and priority sites defined within the scheme.

Funding: \$94,900

Grant Term: 6/02 – 6/03

Grantee: Association Fanamby

#### **5. Madagascar Community-based Wetlands Conservation Project**

Undertake community-based conservation in the wetland areas of Lake Befotaka, Lake Soamalipo and a project site in the Besalampy area. Develop wetland management strategies and plans, promoting sustainable fishing and forest use and conservation of the Madagascar fish eagle.

Funding: \$150,000

Grant Term: 10/01 – 9/04

Grantee: The Peregrine Fund

#### **6. Natural Resource Management Program Between Loky and Manambato Rivers**

Establish programs to maintain healthy ecosystems between the rivers, empower communities in natural resource management and ensure long-term conservation of the golden-crowned sifaka.

Funding: \$369,636

Grant Term: 6/01 – 5/03

Grantee: Association Fanamby

### **7. Biodiversity Knowledge Gathering**

Develop or support biodiversity studies, including inventories and studies on flagship and newly identified species. Create biodiversity research station.

Funding: \$258,770

Grant Term: 1/01 - 12/04

Grantee: Conservation International

### **8. Forested Corridors Management**

Conduct regional priority-setting workshop for the Zahamena-Moramanga Corridor and design and implement program to monitor the corridor with government and local NGO partners.

Funding: \$149,612

Grant Term: 1/01 – 12/04

Grantee: Conservation International

### **9. Zahamena Protected Area Management**

Develop, implement and transfer operation plans for Zahamena National Park to the National Association for the Management of Protected Areas (ANGAP) and involve communities in related training and ecotourism activities.

Funding: \$283,404

Grant Term: 1/01 – 12/03

Grantee: Conservation International

## **Strategic Direction 2: Enhance private sector conservation initiatives**

### **10. Assessment of the Environmental, Economic And Quality Control Issues Of Wild-Harvesting Medicinal Plants *Centella asiatica* and *Drosera madagascariensis* in Madagascar**

Conduct an assessment of plant populations, traditional use and harvesting, commercial harvesting and domestic and international markets for the two species. Identify means to improve the efficiency and sustainability of harvest by local communities and train local communities in these practices.

Funding: \$10,000

Grant Term: 10/03 – 3/04

Grantee: L'Homme et l'Environnement

### **11. Sustainable Biodiversity Conservation in Key Areas of Madagascar Through Local Populations and Private Sector Implications**

Protect endangered species and habitat in Anala and Manantantely by creating an awareness of the need for sustainable resource management among local communities and authorities, and by providing alternative income opportunities for local communities through the development of private sector initiatives.

Funding: \$132,750

Grant Term: 8/02 – 8/04

Grantee: L'Homme et l'Environnement

### **12. Communities and Zahamena Protected Area**

Contribute to the management of biodiversity in the protected area by initiating and supporting small-scale enterprises and stimulating management plans for three adjacent regions.

Funding: \$167,200

Grant Term: 9/01 – 3/04

Grantee: MATEZA

### **13. Small-Scale Initiatives Support**

Transfer implementation responsibility for involving local communities in the Zahamena Protected Area to NGOs and support local groups in involving local communities in corridor management.

Funding: \$174,924

Grant Term: 1/01 – 12/03

Grantee: Conservation International

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

#### **14. Mapping the Vegetation of Madagascar**

Participate in a collaborative project to produce an accurate and updated vegetation map of Madagascar that can be used for conservation planning and natural resource management.

Funding: \$205,610

Grant Term: 1/03 – 12/05

Grantee: Royal Botanic Gardens, Kew (\$152,500) and Conservation International (\$53,110)

#### **15. Study Tour to Washington DC for Malagasy Scholars from the University of Antananarivo**

Visiting Malagasy zoologists and field biologists will come from New Haven to DC to interact with various organizations working in the conservation domain on Madagascar (CI and WWF) and examine specimens in the Smithsonian Institution.

Funding: \$6,070

Grant Term: 7/02 – 7/02

Grantee: WWF-Ecology Training Program

#### **16. Assessment of Priority Areas for Plant Conservation in Madagascar**

Identify Madagascar's key floristic regions, set priority areas for plant conservation within these regions and offer training opportunities for Malagasy students and professionals in applied conservation research.

Funding: \$203,712

Grant Term: 1/02 – 12/04

Grantee: Missouri Botanical Garden

#### **17. Ecology Training Program**

Mentor, support and build the capacity of Malagasy students by supporting degree programs in conservation science and other activities. This project also includes undertaking biological surveys.

Funding: \$124,500

Grant Term: 9/01 – 8/04

Grantee: WWF-Madagascar

#### **18. Biodiversity Conservation Training Program**

Develop new conservation biology and natural resources management components and integrate into university biology programs, and support post-graduate field study and research.

Funding: \$63,280

Grant Term: 1/01 – 6/04

Grantee: Conservation International

#### **19. Management Training**

Design and implement professional training program for select staff to more effectively create and implement conservation programs.

Funding: \$76,840

Grant Term: 1/01 – 12/03

Grantee: Conservation International

### **Strategic Direction 4: Public awareness and advocacy**

#### **20. Hope in Daraina**

Together with Association Fanamby, produce a video about the Daraina region in northeast Madagascar in English, French and Malagasy to publicize the natural resources of the area and actions being undertaken to conserve them.

Funding: \$26,876

Grant Term: 10/02 – 9/03

Grantee: Conservation International

## **21. Biodiversity Advocacy in Madagascar**

Develop and implement process for Madagascar protected areas network to be designated by UNESCO as World Heritage sites and design and implement a communications strategy agreed by strategic partners.

Funding: \$339,000

Grant Term: 1/01 – 12/04

Grantee: Conservation International

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

## **22. Madagascar Small Grants Project**

Involve local communities, organizations and researchers in biodiversity conservation programs via allocation of small grants for biodiversity management, species conservation communication and information gathering. A complementary program of development of capacity for technical action, and project and financial management will also be implemented through regional partners. These partners or “nodes” will be contracted for the administration of micro-grants to local communities, organizations or community associations who will conduct conservation activities in sites of interest.

Funding: \$271,200

Grant Term: 1/04 – 12/06

Grantee: Conservation International

## **23. A Marketing Pilot for Community-Based Tourism in Madagascar – Designing and Implementing a Pilot that can be Replicated Countrywide**

Support the marketing of community-based tourism in Madagascar by building a Web site to market tourism in Madagascar and by training and supporting a marketing officer from the Madagascar Expedition Agency, a Malagasy-owned tourism operator that would channel tourists to two local guides associations. The project is intended to serve as a pilot project that could be replicated throughout Madagascar in the future.

Funding: \$10,000

Grant Term: 2/03 – 12/04

Grantee: EcoAfrica Environmental Consultants

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

Cover travel and full participation costs for individuals from the Atlantic Forest, Chocó-Darién-Western Ecuador, Guinean Forests of West Africa, Madagascar, the Philippines and Tropical Andes hotspots to attend the Healthy Ecosystems, Healthy People conference.

Funding: \$2,775

Grant Term: 5/02-7/02

Grantee: University of Western Ontario

*\*This is a multiregional project covering six hotspots; the total grant amount is \$27,200.*

## **25. First African Botanic Gardens Congress**

Support participation of African delegates from the Cape Floristic Region, Madagascar and Guinean Forests of West Africa hotspots at the first African Botanic Gardens Conference in November 2002 in Durban, South Africa

Funding: \$3,000

Grant Term: 11/02 – 3/03

Grantee: Durban Botanic Gardens

*\*This is a multiregional project covering three hotspots; the total grant amount is \$11,250.*

**Strategic Direction 6: Create a participatory monitoring and coordination network**

**26. Increasing Knowledge-Decreasing Detriment: Improving the Monitoring and Management of Madagascar's Wildlife Trade**

Identify priority species and groups of species in trade and gather baseline information on these species, current production systems, relevant economic variables and existing management measures. Design a monitoring and management system based on the data collected.

Funding: \$45,000

Grant Term: 3/02 – 12/03

Grantee: TRAFFIC International

**27. Knowledge Management: Information & Monitoring**

Staff and equip knowledge management program and develop and implement project cycle management.

Funding: \$153,680

Grant Term: 1/01 – 12/04

Grantee: Conservation International