

Critical Ecosystem Partnership Fund
No Objection Approval Pursuant to Section 2.03(c) of the Financing Agreement

9 June 2022

Selection of IUCN-NL as the Regional Implementation Team for the Madagascar and the Indian Ocean Islands Biodiversity Hotspot

1. Recommended Action Items

Pursuant to Section 2.03(c) of the Financing Agreement, the Donor Council is asked to approve on a no-objection basis:

The selection of IUCN-NL as the Regional Implementation Team (RIT) for the Madagascar and Indian Ocean Islands Biodiversity Hotspot.

The deadline for no-objection approval is **23 June 2022**.

2. Background

The process for RIT selection requires that selection in a hotspot with an incumbent RIT be informed by the results of an independent evaluation of lessons learned in relation to the RIT. To this end, an independent evaluation of lessons learned during the previous phase of CEPF investment in the Madagascar and Indian Ocean Islands (2015-2022) was undertaken between September 2021 and January 2022, by a team of two consultants led by Emerald Networks. On March 30, 2022, the CEPF Working Group met to review the results of the independent evaluation. It was agreed that, despite the generally good performance of the RIT, there were opportunities to learn from its experience and strengthen performance in certain areas for the next phase, especially regarding management and oversight of the three smaller island countries. Moreover, the Working Group recognized that a competitive recruitment of the RIT was a requirement of the GCF program funding the new phase of investment in the hotspot.

The CEPF Secretariat issued a competitive call for Expression of Interests (EOIs) on November 17, 2021. Fourteen organizations submitted EOIs by the closing date on December 15, 2021, and all of them were eligible. On January 17, 2022, the CEPF Secretariat issued a competitive Request for Proposals (RfP) which closed on March 17, 2022. Seven proposals were received which were reviewed and ranked by the evaluation committee. On April 27, 2022, at its 69th meeting, following review of the three proposals shortlisted, the Working Group approved the assessment and recommendation of the RIT selection process presented by the CEPF Secretariat. Based on the assessment by the CEPF Secretariat, followed by questions sent to applicants submitting the three highest ranked

proposals, the CEPF evaluation committee established a ranking, noting however that there was no ideal candidate and there were significant concerns about each of the three finalists. As such, for each of this candidacy to be further considered a set of conditions would need to be negotiated and met.

The negotiations with the candidates were conducted in order of ranking starting with ONF International (ONFI). Following discussions with ONFI around key points (staffing plan for the islands, establishment of national office in Madagascar and budgeting issues), the evaluation committee rejected the application due to the many uncertainties and factors of risks related to the above issues. On May 20, 2022, the evaluation committee started negotiations with IUCN NL Consortium, ranked in second position. IUCN NL responded officially on May 31, 2022 (please see document attached) and effectively alleviated the concerns of the evaluation committee, which related to the choice of the partner organization in Mauritius, the lack of a RIT leader presence in country and insufficient level of effort, as well as a lack of cohesion in the technical approach.

3. Next Steps

With the Donor Council's no-objection approval, the CEPF Secretariat will award a grant to IUCN NL to serve as the RIT for the new phase of CEPF investment Madagascar and Indian Ocean Islands Biodiversity Hotspot. It is anticipated that the RIT grant agreement will be signed in late June 2022, with a 1 July 2022 start date.