

CEPF FINAL PROJECT COMPLETION REPORT

I. BASIC DATA

Organization Legal Name: Conservation International - Philippines

Project Title (as stated in the grant agreement): *CEPF Grant Facilitation in the Philippines*

Implementation Partners for this Project:

Project Dates (as stated in the grant agreement): August 1, 2003-September 30, 2007

Date of Report (month/year): February 2008

II. OPENING REMARKS

Provide any opening remarks that may assist in the review of this report.

The CEPF process in the Philippine hotspot began with the development of an Ecosystem Profile for the region. The Ecosystem Profile presents an overview of the Philippines in terms of its biodiversity importance, major threats to and root causes of biodiversity loss, the socioeconomic context, and a review of conservation investments. It identifies funding gaps, opportunities for investment and thus identifies the niche where CEPF investment can provide greatest incremental value.

Development of the profile built on the Philippine Biodiversity Conservation Priority-setting Program (PBCPP) convened by the Department of Environment and Natural Resources (DENR), Conservation International Philippines (CIP) and the University of the Philippines' Center for Integrative and Development Studies – Biodiversity Conservation Program (UP CIDS-BCP).

The program convened a series of regional consultation workshops to identify, assess and prioritize geographic areas that best represent biodiversity of the different centers of endemism in the country and to formulate the strategy and actions needed for conservation. At least 40 local stakeholders participated in each workshop in Luzon, Visayas and Mindanao. The program culminated in the National Workshop, wherein more than 200 local and international scientists and more than 70 institutions representing the government, NGOs, people's organizations, academic institutions, private sector and donor communities. The workshops identified 19 terrestrial and nine marine corridors as top priority areas for biodiversity conservation in the country. Additional stakeholder consultation workshops initiated by CEPF helped further refine these priorities as part of the profiling process to identify the CEPF niche and investment strategy for the Philippines. Results of these consultations, led to the identification of four strategic directions, which was likewise articulated in the Ecosystem Profile and helped guide provision of fund support in the Philippine hotspot:

1. Improve linkage between conservation investments to multiply and scale-up benefits on a corridor scale in the Sierra Madre, Palawan and Eastern Mindanao corridors.
2. Build civil society's awareness of the myriad benefits of conserving corridors of biodiversity.
3. Build capacity of civil society to advocate for better corridor and protected area management and against development harmful to conservation.
4. Establish an emergency response mechanism to help save Critically Endangered species.

Three priority regions or corridors for CEPF funding were identified:

1. The Sierra Madre Mountains of northeastern Luzon;
2. Palawan; and
3. Eastern Mindanao.

While these landscapes cover a major portion of the Philippines' biodiversity, the stakeholders recommended that CEPF also put in place a special funding mechanism for species conservation throughout the hotspot, with particular emphasis on the West Visayas (i.e. Negros, Panay and Cebu), lowland forests of Mindoro and Tawi-tawi and the Sulus.

The CEPF Donor Council approved a \$7 Million budget for the profile and the grant program began in January 2002. In 2002, CI was tasked with serving as Coordinating Unit (CU) for all three corridors, providing technical, financial and high level policy support to partners. Haribon Foundation on the other hand, received a grant to manage a small grants program directing CEPF investments for threatened species conservation outside of the three corridors. As Coordinating Unit in the Philippines, CI was primarily responsible for building a broad constituency of civil society groups working across institutional and geographic boundaries toward achieving the shared conservation goals identified in the Ecosystem Profile.

The Philippine Coordinating Unit was financed through this grant, amounting to \$449,958 over four of the five-year investment period.

Some details of this report are based on the CEPF Assessment Report, which was a result of a series of consultation workshops with grantees and partners that aim to evaluate achievements and lessons learned of the CEPF program in the Philippines. Output of the said consultation workshops were captured in the CEPF End-of-Cycle Assessment Report, which was distributed to grantees, donors and other partners.

III. ACHIEVEMENT OF PROJECT PURPOSE

Project Purpose: *Civil society successfully accesses CEPF funds and implements projects that contribute to identified conservation outcomes within the Sierra Madre, Palawan, and Eastern Mindanao corridors and in habitats key to the survival of endemic species.*

Planned vs. Actual Performance

Indicator	Actual at Completion
Purpose-level:	
<i>Civil society is successfully implementing a minimum of 15 CEPF-funded projects in the three corridors by the end of 2004.</i>	CEPF Grant Facilitation Program facilitated the implementation of a total of fifty-nine (59) projects through fund support granted to thirty-two (32) organizations by September 30, 2007.
<i>CEPF grants successfully used to leverage other donors to invest additional funds in the three corridors.</i>	A total of \$5,365,465 was leveraged towards the achievement of the objectives stated in the Philippine ecosystem profile, including the recently acquired \$2.7 M grant from the Toyota Foundation for a reforestation and agroforestry project in the Peñablanca Protected Landscape and Seascape (PPLS), whose establishment as a protected area was funded by CEPF. The success of the different CEPF-funded projects in PPLS paved the way for other donors to realize the added value of contributing to conservation initiatives in the area. The figure represents a very impressive 77%

	leveraging of the \$7Million CEPF portfolio in the Philippines.
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Describe the success of the project in terms of achieving its intended impact objective and performance indicators.

CEPF funded 59 projects totaling \$7 million during the investment period. A total of thirty two (32) members of the civil society were provided funding support to implement a wide range of programs that support the four strategic directions identified in the Ecosystem Profile. CEPF funds were flexible, with factors such as absorptive capacity among the NGO community and emerging opportunities within the respective corridors playing a critical role in grant decision making. Priority was given to NGOs and communities that either work at the local level or link with local organizations in order to build conservation capacity of key stakeholders within the focal corridors.

Strategic directions one and three comprised the bulk of CEPF grantmaking with nearly 80% of total investment. The substantial allocation of resources toward these strategic directions reflects the significant opportunities for civil society groups to engage government, particularly at the municipal and provincial levels, in mainstreaming biodiversity priorities into development planning and creating or expanding new protected areas. Partnerships with Local Government Units (LGUs) resulted in several innovative co-management mechanisms and locally driven, long-term financing arrangements.

The small allocation to Strategic Direction 2 reflects less upon the importance of its thematic focus- conservation awareness – and more on the relatively significant opportunities CEPF and its partners saw to have on-the-ground impact through the other strategic directions.

The “clustering” of several projects implemented by different organizations with diverse capacities instead of funding one large grant implemented by a single organization have demonstrated incremental benefits resulting to successes in fund leveraging. This is discussed further in the lessons-learned section of this report. The partnership with the private sector as well as the local government units and water districts has likewise yielded positive results with regard to fund leveraging.

Were there any unexpected impacts (positive or negative)?

The End-of-Cycle assessment conducted revealed a number of unexpected impacts generated by the CEPF program in the Philippines. This included creating the enabling environment that helped facilitate successful implementation of CEPF-funded projects. Among these, strengthening of the role of the Local Government Units (LGUs) stood out, wherein support of the LGUs were critical in achieving maximum impact of conservation initiatives at the local level.

Another dimension in the implementation of conservation programs that was explored by CEPF was partnership with the private sector. Corporate Social Responsibility (CSR) fund allocation of private corporations was tapped to provide counterpart funding to CEPF projects. This dimension of CEPF program implementation in the Philippines also helped increase the awareness of the private sector in understanding the importance conserving biological resources in the country and equipped them with the proper tools that allowed them to allocate their CSRs in areas where it matter most. Partnership with the private sector likewise helped pave the way in establishing mechanisms that promote sustainable resource mobilization. Aside from the partnership with the private sector, CEPF support also paved the way for exploring other innovative approaches of sustainable financing for watersheds and protected areas anchored on Payment for Environmental Services (PES). This include partnership with Water Districts (WD), wherein WDs provided counterpart funding for the development of a watershed management plan and also allotted a portion of their revenues for the implementation of the plan by virtue of a resolution.

Details of the different mechanisms are discussed by Atrigenio, et.al at “*Financing Protected Areas and Watershed Management through local stakeholders Initiatives*”.

One of the major contributions of the CEPF Program in Philippines was fostering innovative approaches and flexible strategies in biodiversity conservation consistent with national priorities. The Key Biodiversity Areas (KBAs) took the Philippine Biodiversity Conservation Priority-setting Program (PBCPP) results a step further in identifying priority areas for conservation in the Philippines. The KBA initiative validated the PBCPP output by providing necessary information on identified priority sites through published literature. To date, a total of 128 KBAs are identified, with 51 candidate KBAs pending availability of verifiable information. This information became the basis for Executive Order 578, issued by no-less than the President of the Philippines, Gloria Macapagal-Arroyo. The Executive Order stated in Section 3, that “the DENR shall develop and promulgate rules and regulations for the establishment of critical habitats within Key Biodiversity Areas, which are known to harbor habitats and ecosystems critical for the survival of threatened, restricted range and congregatory species and provide the guidelines for their management and protection”. EO 578 may very well prove to be one of the major highlights of the CEPF program in the Philippines with regard to promoting strong partnerships with the government, specifically with the Department of Environment and Natural Resources, which is the government institution mandated to conserve and protect biological resources in the country.

IV. PROJECT OUTPUTS

Project Outputs:

1. CEPF grants successfully solicited, mentored, awarded, monitored, and leveraged in the three priority corridors in the Philippines.
2. CEPF grantees and other members of civil society are trained in appropriate project design and management skills, to design projects, report on project results and and share lessons learned with CEPF and other relevant parties (as agreed with CEPF).
3. CEPF Grant Manager ensures that all CEPF-related activities communicated to and coordinated with CEPF Asia Grant Director.
4. CEPF Grant Manager facilitates monitoring & evaluation components to enable CEPF to assess impact of its funding in the field.
5. Evaluate and report on the impact of CEPF's portfolio in terms of achieving its goal of ensuring that civil society is engaged in conserving the Philippines hotspot.

Planned vs. Actual Performance

Indicator	Actual at Completion
Output 1: CEPF grants successfully solicited, mentored, awarded, monitored, and leveraged in the three priority corridors in the Philippines.	
<i>Grant Manager travels to each of the three regions (Sierra Madre, Palawan, and Eastern Mindanao) a minimum of once per quarter to meet with civil societies and assist them with all aspects of grant application and implementation throughout the life of the project.</i>	Regional and national consultations were conducted during the initial stages of CEPF operation in the Philippines wherein proposals were solicited from the civil society. Throughout the life of the project, regional meetings were likewise conducted to generate more proposals and assist potential grantees in proposal development.
<i>Grant Manager solicits and assists in the submissions of a minimum of 15 full CEPF grant applications from the three focal areas by Month 12.</i>	A total of 141 proposals were received throughout the 5-year investment period of CEPF in the Philippines. Of these, 59 were accepted and funded. Resource allocation by geographic priority area reflected that 16 of these grants were awarded to

	<p>members of the civil society from the Sierra Madre Corridor, nine (9) from Palawan, and thirteen (13) from the Eastern Mindanao Corridor. The remaining went to hotspot-wide (national) and multi-regional initiatives with fourteen (14) and seven (7), respectively.</p>
<p><i>Grant Manager makes at least 5 presentations of CEPF and CEPF funded projects to other donors funding conservation in the Philippines and requests donor support for those projects by Month 12.</i></p>	<p>Presentations were made with different potential donors to discuss counterpart funding and possible sustainable financing mechanisms for CEPF-funded projects. Among those approached was the private sector, wherein CEPF provided input on their respective Corporate Social Responsibility (CSR) initiatives. A partnership was established with the First Philippine Conservation, Inc. (FPCI) and the Environment Cluster of the United Nation's Millennium Development Goals (MDGs) initiative, facilitated by the Philippine Business for Social Progress (PBSP). Through this partnership, member corporations of the MDG's Environment like Unilever, Nestle and Johnson & Johnson among others, provided counterpart funding to the Mt. Irid-Angilo protected area initiative by supporting the livelihood component of the project.</p> <p>Sustainable financing was also explored with Water Districts in different Key Biodiversity Areas (KBAs) in the Eastern Mindanao and Sierra Madre Corridors. The mechanism as well as successes of this initiative is presented in detail in a separate document included in the Sustainable Financing Document by Atrigenio, et. al.</p>
<p>Output 2: CEPF grantees and other members of civil society are trained in appropriate project design and management skills, to design projects, report on project results and share lessons learned with CEPF and other relevant parties (as agreed with CEPF).</p>	
<p><i>Grant Manager coordinates his activities with those of lead organizations in each of the three focal areas, contacting them in person a minimum of once per quarter throughout the life of the project.</i></p>	<p>Regular site visits were conducted by both the CEPF Grant Manager and Grant Coordinator to provide hands-on assistance to the grantees on the programmatic and technical, as well as financial aspects of project implementation.</p>
<p><i>At least 3 CEPF project design / management training programs are conducted by Month 12.</i></p>	<p>Training programs conducted include: Proposal development workshops; Finance management trainings; and NIPAS workshops (PA establishment process).</p>
<p><i>Lessons sharing conference of CEPF grantees held by Month 12.</i></p>	<p>A series of consultations, culminated by the End-of-Cycle Assessment Consultation Workshops in Cebu and Manila was conducted to facilitated sharing of achievements and lessons-learned between the grantees and other partners. Results of these consultation workshops are presented in the CEPF End-of-Cycle Assessment Report circulated to the grantees, donors and other stakeholders.</p>
<p><i>Grant Manager reports on at least a monthly basis with the Executive Director of CI-Philippines to inform him of CEPF-funded projects and opportunities for CI-P to assist or work with CEPF grantees working in Philippines.</i></p>	<p>Updates and exchanges between the CEPF team and CI Philippines's Country Executive Director is facilitated through monthly reports submitted to the CED as well as the Senior Management Team Meetings wherein relevant issues with regard to CEPF implementation in the Philippines is discussed.</p>
<p>Output 3: CEPF Grant Manager ensures that all</p>	

CEPF-related activities communicated to and coordinated with CEPF Asia Grant Director.	
<i>Grant Manager communicates by telephone and email on at least weekly basis with the Asia Grant Director throughout the life of the project.</i>	Regular communication between the CEPF Philippine Coordinating Unit and the Asia Grant Director is facilitated through phone calls and email updates.
<i>Grant Manager submits monthly written report on his activities to Asia Grant Director throughout the life of the project.</i>	No formal monthly reports were submitted, but regular updates were provided throughout the life of the project through other modes of communication.
<i>Grant Manager writes at least one article about Philippines grantees and their projects a quarter throughout the life of the project for CEPF's electronic newsletter and other relevant CEPF publications.</i>	Accomplishments of CEPF grantees in the Philippines were regularly featured in the CEPF e-news. Other forms of media mileage include news articles featured in local and national newspapers in the Philippines, which were filed and sent to the Asia Grant Director.
<i>Total 2 trips annually taken to Sumatera, China and DC to provide venue for progress update among CEPF Coordination Mechanism.</i>	Grant Manager is part of the Philippine Senior Management Team delegation to the CI Annual Planning Meetings wherein opportunities to meet with other members of the CEPF team were maximized. The Philippine Coordinating Unit also attended the 2005 WB-Regional Meeting held in Medan, Indonesia wherein different issues on the CEPF investment globally were tackled and opportunities for Phase 2 were first discussed.
Output 4: CEPF Grant Manager facilitates monitoring & evaluation components to enable CEPF to assess impact of its funding in the field.	
<i>Grant Manager refines M&E tool development and implementation.</i>	A formal monitoring and evaluation tool was not developed and implemented. Instead, this was undertaken through periodic review and evaluation of the programmatic and financial reports submitted by the grantees throughout the life of the projects. A close monitoring of each of the grants was undertaken that necessitated regular site visits to each of the corridors as the need arises, to assist them in different aspects of project implementation.
Output 5: Evaluate and report on the impact of CEPF's portfolio in terms of achieving its goal of ensuring that civil society is engaged in conserving the Philippines hotspot.	
<i>CEPF Philippines core team facilitates series of workshops in the three corridors with CEPF grant recipients, in order to generate information on the impact of CEPF grants by November 2006.</i>	The CEPF End-of-Cycle Assessment became the venue to identify impact and lessons-learned of the first round of CEPF operations in the Philippine Hotspot. The core team included the CEPF Asia Grant Director, Christopher Holtz; CEPF Philippine Coordinating Unit composed of Michael Atrigenio (Grant Manager) and Nancy Ibuna (Grant Coordinator); and two independent advisors: Myrissa Tabao, Regional Operations Manager for the Visayas from the Foundation for the Philippine Environment (FPE) and Gilbert Braganza, formerly an Operations Officer of the World Bank Manila. As part of the assessment process, the team held several consultation meetings with grantees and other partners, including a two-day workshop in Cebu City from 27-28 November, and a final Stakeholders' Workshop in Manila on 22 January 2007.
<i>CEPF Philippines core team to develop "Impact Statement" which consolidates data gathered and contains comprehensive</i>	In the assessment report, the core team concluded that CEPF's impact in the Philippines was significant. Progress was made toward almost all of

<p><i>assessment of CEPF's impact in biodiversity conservation in the Philippine hotspot by December 2007.</i></p>	<p>the targets articulated in the CEPF investment strategy, and targets were generally exceeded. However in a few cases, targets were not met, as described in the logical framework. For example, habitat for the Philippine Cockatoo (<i>Cacatua haematuropygia</i>) was protected, but all efforts focused on a different priority site than the one identified in the strategy, as conservation in the alternative site were more likely to yield successes.</p> <p>Major results include expanding the protected area network, catalyzing policy action to strengthen natural resource management at the local and national levels; supporting new and strengthening existing institutions to enhance good governance and transparency in decision making involving natural resources; bolstering civil society capacity both individual and as networks of Non-Governmental Organizations; and increasing scientific knowledge regarding the status of biodiversity in the Philippines.</p>
<p><i>Conduct final CEPF stakeholders' meeting to disseminate Impact Statement and gather additional information on lessons-learned for the entire CEPF portfolio in the country in January 2007</i></p>	<p>During the Final Stakeholders' Workshop in Manila, grantees and other partners reviewed the accomplishments of the CEPF investment in the Philippines, with particular emphasis on the program's impact, lessons learned, and sustainability. Key findings are reflected in the CEPF End-of-Cycle Report</p>
<p><i>Develop and distribute final products to CEPF Donor Council, grantees and other partner organizations.</i></p>	<p>The CEPF End-of-Cycle report was distributed to the grantees, donors and other partners who were instrumental in achieving the milestones set forth by the projet.</p>

Describe the success of the project in terms of delivering the intended outputs.

All intended outputs were achieved as of the September 30, 2007 terminal date. Currently, only one grant remain active – The Mamboogook Project of the Philippine Eagle Foundation – which was granted a no-cost extension until June 30, 2008. The grant application process was in accordance with agreed conditions set by the donor council and project monitoring and evaluation was carried out satisfactorily. There were a few “problematic” grants/grantees but these were handled well, together with support from HQ.

Achievements of the CEPF investment in the Philippines yielded species, site, corridor, as well as national-level conservation gains.

On species conservation, while Haribon's Threatened Species Program (TSP) was designed as a species-focused initiative operating outside of the three corridors, other CEPF projects also benefited globally threatened species. These include the Philippine Eagle, Philippine cockatoo and the Philippine crocodile – all critically endangered under the IUCN Red List. In addition, partnership with the private sector also yielded positive results on species conservation. CEMEX funded CIP's Adopt-A-Species program, which targets the development of a mechanism that will enable public and private institutions do their share of conserving globally threatened species.

For site outcomes, the CEPF portfolio contributed to a 330,000-hectare expansion of the protected areas network in the Sierra Madre, Palawan and Eastern Mindanao. These new or expanded protected areas include:

1. Peñablanca Protected Landscape and Seascape (113,972 hectares expansion from 4,136 has to 118,108 has)

2. Quirino Protected Landscape (206,875 has)
3. Dumarán (60 has)
4. Crocodile Wildlife Sanctuary established in San Mariano, Isabela (32 has)
5. Mati Philippine Eagle Sanctuary (7,000 has)
6. Municipal Reserve in the Municipality of Rizal, Palawan to protect crucial feeding, nesting and roosting grounds of the Critically Endangered Philippine Cockatoo, Blue-naped Parrot, and Hill myna (1,954 has)

An additional 719,000 hectares is likely to be newly protected towards end of 2008 as grantees pledged to continue what CEPF has started and carried on remaining tasks towards declaration of new or expanded protected areas, including:

1. Mt. Mantalingahan Protected Landscape (129,000 has)
2. Mt. Hamiguitan Protected Area expansion (31,808 has)
3. Mt. Hilong-hilong Protected Landscape (85,000 has)
4. Mt. Irid-Angilo Protected Landscape and Seascape (200,914 has)
5. Northeastern Cagayan Protected Landscape and Seascape (230,000 has)
6. Philippine Eagle Critical Habitats (under the Wildlife Act) declared in six municipalities (approx. 7,000 each) in Eastern Mindanao.

CEPF corridor-scale results include the development of Corridor Strategy Frameworks for Sierra Madre, Palawan and Eastern Mindanao, which helped facilitate scaling-up of benefits of conserving biodiversity at the corridor scale. In addition, facilitation of corridor-level initiatives expanded the protected status of habitat for several area-demanding species, which includes the Philippine Eagle, as compared to isolated small-scale conservation interventions.

Finally, and in support of Output 5, an assessment was done as part concluding the 5-year investment period for the Philippines. CEPF staff, together with our donors, grantees and other partners assessed the degree to which CEPF met its objectives in the Philippine hotspot. As part of the assessment process, several consultation meetings were held with grantees and other partners to allow a broad range of stakeholder input. Participants reviewed the accomplishments, with particular emphasis on the program's impact, lessons-learned and sustainability. A final assessment report synthesized output of the consultations and articulated the degree to which CEPF met the objectives of the Ecosystem Profile.

In summary, CEPF-funded projects contributed to the following conservation outcomes:

1. Five protected areas, with a combined total area of 330,000-hectares were created or expanded. Protected Area Management Boards (PAMB) and management plans were established and are operational. An additional 719,000 hectares is likely to be newly protected towards end of 2008 as grantees pledged to continue what CEPF has started and carried on remaining tasks towards declaration of new or expanded protected areas. Management was strengthened in three existing protected areas covering nearly 448,000 hectares. More than 87% of the new and expanded protected areas (approx. 917,000 hectares) achieved or planned for gazettal will benefit the Critically Endangered Philippine Eagle (*Pithecophaga jefferyi*)
2. Presidential Executive Order 578 declared all Key Biodiversity Areas (KBAs) identified by CEPF to be established as Critical Habitats and directed DENR to promulgate guidelines for their management and protection. These includes 128 KBAs defined for 209 globally threatened and 419 endemic species of freshwater fisher, birds, mammals, amphibians and reptiles, as well as for 62 species of congregatory birds. The KBAs cover approximately 20% of total land area of the Philippines.
3. Three watersheds totaling 14,007 hectares, which serve as refuges for globally threatened species, now benefit from municipal level Payments for Ecosystem Services

(PES). CEPF grantees worked with municipal governments and local Water Districts in developing watershed management plans linked to PES mechanisms. Water District Boards in these three municipalities each committed \$10,000 annually for the implementation of the plans.

4. Biodiversity conservation has assumed a central role in the development agenda of Region 2 in Northeast Luzon. Region 2 comprises the core of the Sierra Madre Biodiversity Corridor (SMBC). The National Economic Development Authority (NEDA) incorporated the SMBC conservation priorities into the newly updated 30-year Regional Physical Framework Plan (RPF) for the Region. The Regional Development Council (RDC) adopted the SMBC Strategy and the Regional Geographic Information Network (RGIN), a consortium of public and private institutions, led by NEDA established a systematic and organized sharing of geographically referenced information and knowledge in the region. The success of RGIN in Region 2 prompted CEPF to initiate replication of the program in the CARAGA Region in Eastern Mindanao.
5. Other donors are now using the in-house capacity of CIP in External Grant Management, courtesy of their role as CEPF Coordinating Unit – now referred to as Regional Implementation Team (RIT). The RIT is now partially funded by the Walton Family Foundation (WFF), which disbursed approximately \$1,500,000 to local civil society groups, universities, and government institutions for the conservation and management of the Sulu-Sulawesi Seascape.

Were any outputs unrealized? If so, how has this affected the overall impact of the project?

No output was left unrealized.

V. SAFEGUARD POLICY ASSESSMENTS

Provide a summary of the implementation of any required action toward the environmental and social safeguard policies within the project.

No environmental or social safeguard policies were violated by the project.

VI. LESSONS LEARNED FROM THE PROJECT

Describe any lessons learned during the various phases of the project. Consider lessons both for future projects, as well as for CEPF's future performance.

- **Local Government Units (LGUs) are the critical public sector partner for “on-the-ground” conservation and natural resource management efforts.** The most significant partners for CEPF grantees at the site and often even at the corridor level were the municipal and provincial governments rather than the Department of Environment and Natural Resources (DENR) LGUs were granted significant authority over a broad range of issues through the Local Government Code of 1991 and other policy instruments, but the last five years saw an increased commitment to invest in natural resource management by LGUs.
- **Regional conservation strategies should carefully and explicitly consider the costs and benefits of prioritizing protected area network expansion over increasing the effectiveness of existing protected areas.** CEPF investment contributed to significant expansion of the Philippine protected areas network. Unfortunately, the national budget for protected areas remains insufficient to effectively manage the protected areas declared prior

to CEPF program, much less those created or expanded with CEPF support. CEPF grantees worked to put in place several mechanisms to direct sustainable revenue streams for management at the local level, including a commitment by CI's Global Conservation Fund (GCF) to explore options for establishing a sustainable financing instrument for Mt. Mantalingahan. Given hotspot-wide scale of the CEPF strategy however, an alternative approach might have been to support a concerted effort of involving the major conservation NGOs, DENR, and other donors, to put in place a national, long-term financing mechanism for protected areas. Nevertheless, decisions on whether to create new protected areas or strengthen effectiveness of existing PAs should be based on in-depth analysis of the need and urgency to protect a particular habitat or KBA.

- **Designing site-level portfolios or clusters with several projects of varying sizes is often more effective than one large project.** CEPF often seeks to develop a cluster of projects around a site of different sizes implemented by organizations with diverse capacities. The example of a project cluster and its enhanced portfolio is reflected at the Peñablanca Protected Landscape and Seascape (PPLS), where CI, through the anchor project worked with stakeholders from the community level to the DENR-PAWB and the Office of the President to have the protected area expanded by approximately 113,000 has. It then led the process of developing a management plan for the expanded PPLS. To support effective management of the park, CEPF made four separate but closely linked grants – one to Counterpart International to work with communities in the buffer zone on agroforestry efforts; RARE to implement an environmental education campaign; one to Miriam PEACE to develop an ecotourism management and marketing plan; and one for the Isabela State University to work the National Economic Development Authority (NEDA) Region II office to develop its spatial planning capacity and update long-term development plans to reflect conservation priorities in a Regional Geographic Information Network (RGIN). In addition, over-all impact in terms of the effectiveness and added value of engaging local capacity in PA management includes expanding our network of partnership, which underlines the major strength of CIP operations in the Philippines.
- **Locally-driven, low profile alliances and partnerships seem more likely to sustain themselves beyond CEPF funding.** CEPF always encourages grantees to work together and coordinate their activities to avoid duplication of effort and for maximum impact. In some cases, CEPF has even made funding contingent on articulating an agreed partnership framework to guide collaborative implementation. An example of this approach was the Philippine Eagle Alliance, comprising of CI, the Philippine Eagle Foundation, Haribon Foundation, World Wide Fund for Nature and BirdLife International. The purpose of forming an alliance was to coordinate the Philippine eagle conservation activities of each member and enable collective and committed funding to the alliance members based on mutually agreed framework for action. Active collaboration did occur with the Philippine Eagle Foundation taking the lead on research activities and providing training to the staff of other alliance members. Other alliance efforts however, have been less successful or not implemented in a way that reflected an alliance-based approach, and it seems unlikely that the strong partnership with active collaboration envisioned by CEPF will be sustained. In contrast, lower profile partnerships – such as those among local NGOs, municipal governments, and water district boards to better manage and sustainably finance watersheds – appear more vital and likely to last beyond the CEPF program. The important lesson learned here is that – Partnerships driven by and coalescing around a donor's resources may only remain active while the resources are available. On the other hand, alliances driven by common interests, particularly where a broad constituency shares directly in the benefits, are more likely to be sustained.

Project Design Process: (aspects of the project design that contributed to its success/failure)

The development of an Ecosystem Profile for the Philippine Hotspot was critical in establishing priorities for fund allocation through the Strategic Directions, as well as the three priority corridors that were identified. Being widely stakeholder based, the consultation process that took place prior to program implementation was critical in getting a consensus on the agreed priorities. The Ecosystem Profile likewise streamlined the review process and facilitated channeling of resources where it mattered most.

During the assessment process that was conducted, one of the recommendations was to reflect on the integrated-ness of the project's different strategic directions and how they collectively contribute to the conservation of natural resources within identified priority areas. Major challenge posed was how to elevate the CEPF initiative from project to program within the government's conservation agenda. Hence the consensus on the need to sustain gains of the CEPF project at both the local and national levels and scale up initiatives in order achieve maximum impact of the CEPF investment at the long term.

The creation of the CEPF Coordinating Unit or RIT in the Philippines established CIP's capacity on External Grants Management, which is now being utilized by other donors. This strengthened CIP's partner engagement, which is one of the core strategies of CI, and further underlines its critical role in consolidating conservation efforts in the country.

Project Execution: (aspects of the project execution that contributed to its success/failure)

The importance of having regular communication with both the Asia Coordinator and Grant Director was key in terms of carrying out grant making activities effectively in the Philippines. The staff support in HQ helped facilitate payment requests and compliance to other requirements set by the donor.

The utilization of the Grantwriter program for proposal development and reporting process helped facilitate monitoring and evaluation of the grants. The Grant Tracker, which later on was replaced by GEM likewise proved vital in the day to day operations of external grant management and should be carried on in future implementation of CEPF projects.

It should also be emphasized that it became imperative for the Philippine Coordinating Unit to work closely with the grantees from the project development process all the way to project closeouts. Although project development and finance management trainings helped improve the partners/grantees' capacity to carry out the deliverables set forth in their grant agreements, a one-to-one mentoring was deemed necessary to provide guidance on project implementation. The support provided by the different technical units of CIP to partners/grantees was also crucial in providing the much needed technical assistance in terms of spatial analysis, scientific surveys, socio-economic assessments and protected area management.

VII. ADDITIONAL FUNDING

Provide details of any additional donors who supported this project and any funding secured for the project as a result of the CEPF grant or success of the project.

Donor	Type of Funding*	Amount	Date Received	Notes
Walton Family Foundation	A	\$23,799	July 2006 to September 2007	As support of the Sulu-Sulawesi Program for RIT in managing the SSS-P's External Grant Program
		\$		

		\$		
		\$		
		\$		
		\$		
		\$		
		\$		

***Additional funding should be reported using the following categories:**

- A** *Project co-financing (Other donors contribute to the direct costs of this CEPF project)*
- B** *Complementary funding (Other donors contribute to partner organizations that are working on a project linked with this CEPF project)*
- C** *Grantee and Partner leveraging (Other donors contribute to your organization or a partner organization as a direct result of successes with this CEPF project.)*
- D** *Regional/Portfolio leveraging (Other donors make large investments in a region because of CEPF investment or successes related to this project.)*

Provide details of whether this project will continue in the future and if so, how any additional funding already secured or fundraising plans will help ensure its sustainability.

This project is expected to continue with the implementation of the CEPF Consolidation Program in the Philippines, which is currently being developed. The Consolidation Program is expected to scale-up conservation investments of the Phase 1 of CEPF operations in the Philippines, which is targeted to enhance the resilience and durability of these conservation gains by developing sustainable financing mechanisms that leverage additional resources, including Payments for Ecological Services (PES) initiatives to ensure long-term financing for KBAs/PAs, and concomitant threatened species present in these areas; and initiate policy reform that will ensure protection of site and species outcomes identified.

VIII. ADDITIONAL COMMENTS AND RECOMMENDATIONS

VIII. INFORMATION SHARING

CEPF is committed to transparent operations and to helping civil society groups share experiences, lessons learned and results. One way we do this is by making programmatic project documents available on our Web site, www.cepf.net, and by marketing these in our newsletter and other communications.

These documents are accessed frequently by other CEPF grantees, potential partners, and the wider conservation community.

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