

Document of
The World Bank

Report No: ICR00003401

IMPLEMENTATION COMPLETION AND RESULTS REPORT
(TF-13003 TF-15491 TF-91421)

ON A

GRANT

IN THE AMOUNT OF 20.00 MILLION
(US\$ 20.00 MILLION EQUIVALENT)

TO

CONSERVATION INTERNATIONAL

FOR A

CRITICAL ECOSYSTEM PARTNERSHIP FUND 2 PROJECT

September 30, 2015

Environment and Natural Resources Global Practice

CURRENCY EQUIVALENTS

(Exchange Rate Effective December 31, 2014)

Currency Unit = United States dollar

1.00 = US\$ 1.00

US\$ 1.00 = US\$ 1.00

FISCAL YEAR

ABBREVIATIONS AND ACRONYMS

ATREE	Ashoka Trust for Research in Ecology and the Environment
AFD	Agence Française de Développement
BCIS	Biodiversity Conservation Information System
CAS	Country Assistance Strategy
CEPF	Critical Ecosystem Partnership Fund
CI	Conservation International
CPF	Country Partnership Framework
CSO	Civil society organization
DGF	Development Grant Facility
EA	Environmental assessment
FY	Fiscal Year
FSP	Full-size project
GCF	Green Climate Fund
GEF	Global Environment Facility
GEO	Global Environment Objective
IBRD	International Bank for Reconstruction and Development
IEG	(World Bank) Independent Evaluation Group
ISR	Information Status and Results Report
IUCN	International Union for the Conservation of Nature
GIS	Geographic Information System
M&E	Monitoring & Evaluation
MOP	Memorandum and Recommendation of the President
MSP	Medium-size project
NGO	Non-Governmental Organization
OM	Operational Manual
PA	Protected Area
PA-METT	Protected Area – Management Effectiveness Tracking Tool
PAD	Project appraisal document
PID	Project information document
PMP	Pest Management Plan
PSR	Project Status Report
RAF	Resource Allocation Framework
RIT	Regional Implementation Team
RP	Restructuring Paper
SGP	Small Grants Program
SIDS	Small Island Developing States
SP1, SP2, SP4	GEF Strategic Priorities 1, 2 and 4
STAP	Scientific and Technical Advisory Panel
WWF	World Wide Fund for Nature

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WORLD
Critical Ecosystem Partnership 2 (CEPF-2)

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A. Basic Information			
Country:	World	Project Name:	Critical Ecosystem Partnership Fund 2
Project ID:	P100198	L/C/TF Number(s):	TF-13003,TF-15491,TF-91421
ICR Date:	09/29/2015	ICR Type:	Core ICR
Lending Instrument:	SIL	Borrower:	CONSERVATION INTERNATIONAL
Original Total Commitment:	USD 20.00M*	Disbursed Amount:	USD 20.00M*
Revised Amount:	USD 20.00M*		
Environmental Category: C		Global Focal Area: B	
Implementing Agencies:			
Cofinanciers and Other External Partners:			

B. Key Dates				
Process	Date	Process	Original Date	Revised / Actual Date(s)
Concept Review:	03/13/2006	Effectiveness:	04/10/2008	06/06/2008
Appraisal:	06/12/2007	Restructuring(s):		05/18/2012
Approval:	12/18/2007	Mid-term Review:	06/06/2011	06/03/2011
		Closing:	12/31/2017	12/31/2017

C. Ratings Summary	
C.1 Performance Rating by ICR	
Outcomes:	Moderately Satisfactory
Risk to Global Environment Outcome	Moderate
Bank Performance:	Moderately Satisfactory
Borrower Performance:	Moderately Satisfactory

C.2 Detailed Ratings of Bank and Borrower Performance			
Bank	Ratings	Borrower	Ratings
Quality at Entry:	Moderately Satisfactory	Government:	Moderately Satisfactory
Quality of Supervision:	Moderately Satisfactory	Implementing Agency/Agencies:	Moderately Satisfactory
Overall Bank Performance:	Moderately Satisfactory	Overall Borrower Performance:	Moderately Satisfactory

* The Original Total Commitment and Disbursed and Revised Amounts refer to GEF grant financing only (TF-91421). Activities supported by Bank-administered Trust Funds for the Government of Japan (TF013003) and the European Union (TF015491) remain ongoing and are not included in this ICR.

C.3 Quality at Entry and Implementation Performance Indicators			
Implementation Performance	Indicators	QAG Assessments (if any)	Rating
Potential Problem Project at any time (Yes/No):	No	Quality at Entry (QEA):	None
Problem Project at any time (Yes/No):	No	Quality of Supervision (QSA):	None
GEO rating before Closing/Inactive status	Moderately Satisfactory		

D. Sector and Theme Codes		
	Original	Actual
Sector Code (as % of total Bank financing)		
General agriculture, fishing and forestry sector	100	100
Theme Code (as % of total Bank financing)		
Biodiversity	67	67
Participation and civic engagement	33	33

E. Bank Staff		
Positions	At ICR	At Approval
Vice President:	Paula Caballero	Katherine Sierra
Country Director:	Bilal H. Rahill	James Warren Evans
Practice Manager/Manager:	Benoit Paul Blarel	Rahul Raturi
Project Team Leader:	Valerie Hickey	Kathleen S. Mackinnon
ICR Team Leader:	Valerie Hickey	
ICR Primary Author:	Dominique Isabelle Kayser	

F. Results Framework Analysis

Global Environment Objectives (GEO) and Key Indicators(as approved)

The Project Development Objective is to strengthen the involvement and effectiveness of civil society in contributing to the conservation and management of globally important biodiversity.

The Global Environmental Objective is to achieve sustainable conservation and integrated ecosystem management in areas of globally important biodiversity, through consolidating conservation outcomes in existing CEPF regions and expanding funding to new critical ecosystems.

Revised Global Environment Objectives (as approved by original approving authority) and Key Indicators and reasons/justifications

The GEO was not revised.

(a) GEO Indicator(s)

Indicator	Baseline Value	Original Target Values (from approval documents)	Formally Revised Target Values	Actual Value Achieved at Completion or Target Years
Indicator 1 :	At least 14 critical ecosystems/hotspots with active investment programs involving civil society in conservation, including at least 9 new regions.			
Value (quantitative or Qualitative)	0	14		20
Date achieved	02/01/2008	12/31/2012		12/31/2014
Comments (incl. % achievement)	130% achievement: 20 newly launched and active investment programs established involving civil society in conservation, of which 9 in new regions.			
Indicator 2 :	At least 600 civil society actors, including NGOs in the private sector, actively participating in conservation programs guided by the CEPF ecosystem profiles.			
Value (quantitative or Qualitative)	0	600		691
Date achieved	02/01/2008	12/31/2012		12/31/2014
Comments (incl. % achievement)	113% achieved. 691 civil society partners reported as having received support to participate in conservation programs under CEPF-2.			
Indicator 3 :	At least 24 million hectares of key biodiversity areas with strengthened protection and management.			
Value (quantitative or Qualitative)	0	20	24	14.21
Date achieved	02/01/2008	12/31/2012	12/31/2014	12/31/2014
Comments (incl. % achievement)	59% achieved. The staggered implementation approach and delays in initiation of work across the hotspots contributed (see Sect. 2.2)			
Indicator 4 :	At least 1.5 million hectares of new protected areas established.			

Value (quantitative or Qualitative)	0	8	1.5	1.45
Date achieved	02/01/2008	12/31/2012	12/31/2014	12/31/2014
Comments (incl. % achievement)	97% achieved. Target expected to be fully met through initiation of activities in ninth hotspot, Wallacea. (See Sect. 2.2)			
Indicator 5 :	At least 3.5 million hectares in production landscapes managed for biodiversity conservation or sustainable use.			
Value (quantitative or Qualitative)	0	1	3.5	4.53
Date achieved	02/01/2008	12/31/2012	12/31/2014	12/31/2014
Comments (incl. % achievement)	123% achieved.			

(b) Intermediate Outcome Indicator(s)

Indicator	Baseline Value	Original Target Values (from approval documents)	Formally Revised Target Values	Actual Value Achieved at Completion or Target Years
Indicator 1 :	At least 70% of targeted key biodiversity areas with strengthened protection and management (SP1 METT).			
Value (quantitative or Qualitative)	0	70%		64%
Date achieved	02/01/2008	12/31/2012		12/31/2014
Comments (incl. % achievement)	91% achieved.			
Indicator 2 :	At least 30% of projects globally enable effective stewardship of biodiversity and ecosystem services by indigenous and local communities.			
Value (quantitative or Qualitative)	0	30%		37%
Date achieved	02/01/2008	12/31/2012		12/31/2014
Comments (incl. % achievement)	119% achieved.			
Indicator 3 :	At least 10 sustainable financing mechanisms established or strengthened with initial capital secured.			
Value (quantitative or Qualitative)	0	10		24
Date achieved	02/01/2008	12/31/2012		12/31/2014

Comments (incl. % achievement)	158% achieved.			
Indicator 4 :	At least 5 multi-regional projects contribute to the conservation of globally significant biodiversity.			
Value (quantitative or Qualitative)	0	5		
Date achieved	02/01/2008	12/31/2012		
Comments (incl. % achievement)	Indicator not tracked. CEPF initiated a new monitoring protocol funded as a multi-regional project in FY12, but had decided to focus efforts on single-region projects to strengthen local ownership (see Section 1.7)			
Indicator 5 :	At least 60% of projects outside protected areas introduce or strengthen biodiversity conservation in management practices.			
Value (quantitative or Qualitative)	0	60		75
Date achieved	02/01/2008	12/31/2012		12/31/2014
Comments (incl. % achievement)	120% achieved.			
Indicator 6 :	At least 10 public-private partnerships mainstream biodiversity in sectors, such as forestry, agriculture and tourism.			
Value (quantitative or Qualitative)	0	10		11
Date achieved	02/01/2008	12/31/2012		12/31/2014
Comments (incl. % achievement)	109% achieved.			
Indicator 7 :	At least 50% of CEPF grant funds allocated to national/local civil society groups.			
Value (quantitative or Qualitative)	0	50		50
Date achieved	02/01/2008	12/31/2012		12/31/2014
Comments (incl. % achievement)	100% achieved.			
Indicator 8 :	At least 70% of targeted communities involved in sustainable use projects show socioeconomic benefits.			
Value (quantitative or Qualitative)	0	70		95
Date achieved	02/01/2008	12/31/2012		12/31/2014
Comments (incl. % achievement)	Reported as 126% achieved. ISR, Seq. 8, acknowledged this indicator was difficult to measure, but CEPF community-level anecdotal evidence had shown benefits (jobs, education, etc.) accruing through small-scale community investments.			

Intermediate outcome indicators related to components 3 and 4 (Component 3: Monitoring and Knowledge Sharing; and Component 4: Ecosystem Profile Development and Project Execution) are not included here as the GEF financing did not support either component.

G. Ratings of Project Performance in ISRs

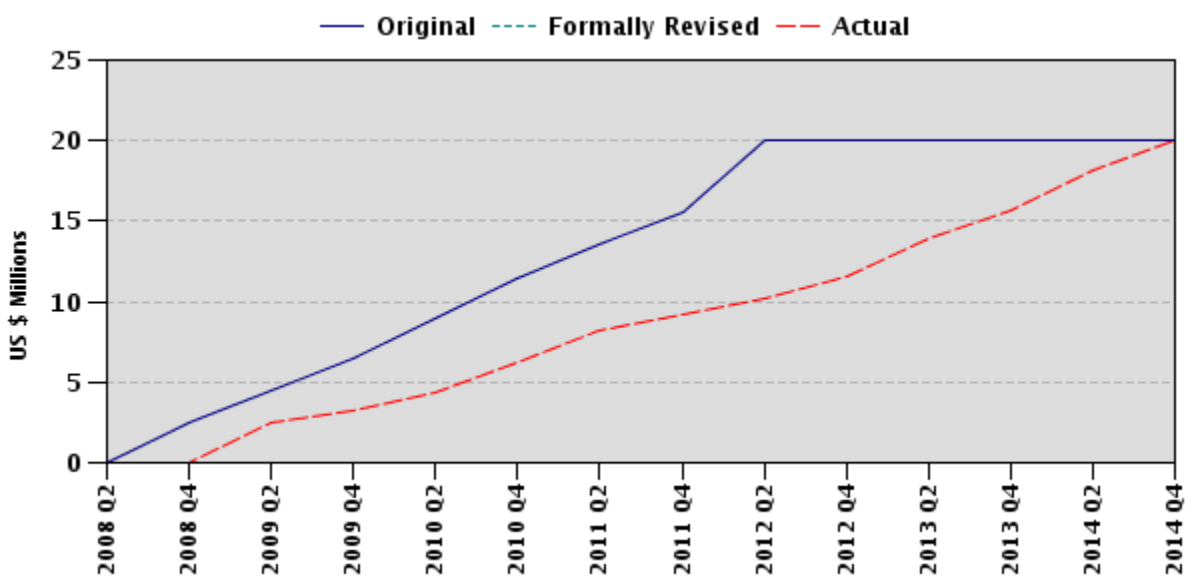
No.	Date ISR Archived	GEO	IP	Actual Disbursements (USD millions)
1	12/18/2008	Satisfactory	Satisfactory	2.50
2	06/24/2009	Satisfactory	Highly Satisfactory	3.28
3	03/25/2010	Satisfactory	Highly Satisfactory	6.16
4	06/26/2011	Moderately Satisfactory	Satisfactory	9.19
5	08/31/2011	Moderately Satisfactory	Satisfactory	9.19
6	11/11/2012	Moderately Satisfactory	Satisfactory	12.26
7	08/20/2013	Moderately Satisfactory	Satisfactory	15.66
8	10/19/2014	Moderately Satisfactory	Satisfactory	20.00
9	01/22/2015	Moderately Satisfactory	Satisfactory	20.00

H. Restructuring (if any)

Restructuring Date(s)	Board Approved GEO Change	ISR Ratings at Restructuring		Amount Disbursed at Restructuring in USD millions	Reason for Restructuring & Key Changes Made
		GEO	IP		
05/18/2012		MS	S	11.10	<p>The target values for three of the five outcome indicators were realigned as part of a May 2012 restructuring exercise (see Sect. 1.3). In addition, the project's safeguard category was changed from C to B to take into consideration pest management requirements in two hotspots, its disbursement rate was increased from 26.3 % to 50% to accelerate disbursement and, the project's closing date was extended by 24 months, to December 31, 2014 (see Sect. 1.7).</p> <p>While the Restructuring was introduced and discussed in the Project Status for Public Disclosure section of the Implementation Status and Results (ISR) Report, sequence 7, this</p>

Restructuring Date(s)	Board Approved GEO Change	ISR Ratings at Restructuring		Amount Disbursed at Restructuring in USD millions	Reason for Restructuring & Key Changes Made
		GEO	IP		
					action was not recorded in the ISR's Restructuring history, nor in subsequent ISRs.

I. Disbursement Profile



1. Project Context, Global Environment Objectives and Design

1.1 Context at Appraisal

Background. ‘Biodiversity hotspots’, recognized as the richest biological ecosystems on earth, are its most threatened. These hotspots harbor more than 75 percent of the world’s most threatened mammals, birds, and amphibians. Critical for conservation, these ecosystems are also home to millions of people highly reliant on healthy ecosystems for their livelihoods and well-being.

Conceived as a model to demonstrate the effectiveness of mobilizing innovative alliances among non-governmental organizations (NGOs), local communities and other civil society partners in support of conserving the world’s biodiversity hotspots, the Critical Ecosystem Partnership Fund (CEPF) was launched in 2000 by Conservation International (CI), the Global Environment Facility (GEF) and the World Bank to provide strategic assistance and small grants to engage NGOs, community groups and civil society partners in responding to growing threats to species and habitats on a global scale. The hotspots approach to conservation promoted by the CEPF is a highly targeted strategy for tackling the challenge of biodiversity loss at the global level. Since many hotspots cross national borders, the approach works to transcend political boundaries and fosters coordination and joint efforts across large landscapes for local and global benefits.

At appraisal, the CEPF partnership numbered six: the Agence Française de Développement (AFD), CI, the GEF, the Government of Japan, the John D. and Catherine T. MacArthur Foundation, and the World Bank. In 2012, the European Union (EU) joined the CEPF.

Although the first phase of the CEPF program (2000-2007) had proven effective¹, significant conservation needs were known to remain in the 14 hotspots already targeted under the CEPF, as well and in other critical ecosystems that had not yet benefited from the program. A recommendation for further expansion of opportunities was put forth. A second phase of the CEPF would allow for expansion and replication of successful civil society implementation models within at least 14 of the 30 hotspots² determined to be eligible for World Bank and GEF support, including in at least nine new hotspots³. In tandem, increased participation and capacity of national and local civil society groups to manage and deliver conservation initiatives in a strategic and effective manner and to integrate biodiversity conservation into development and landscape planning in regions of recognized global importance would generate further global benefits. These interventions were expected to lead to generation, adoption, adaptation, and application of lessons for improved conservation outcomes, relevant to CEPF and the broader Bank and GEF biodiversity portfolios, as well as to other small- and medium-size grant programs. The program was also expected to serve as a mechanism to direct other donor investments to the hotspots.

¹ 2006 independent evaluation (Wells) and rated satisfactory in the Implementation Completion and Results Report.

² Conservation International has pioneered defining and promoting the concept of hotspots, originally introduced by the scientist Norman Myers in 1988. To qualify as a hotspot, a region must meet two strict criteria: it must contain at least 1,500 species of vascular plants (> 0.5 percent of the world’s total) as endemics, and it has to have lost at least 70 percent of its original habitat. At appraisal, 34 biodiversity hotspots were identified, 30 of which included World Bank client countries that had ratified the Convention on Biological Diversity (CBD), the eligibility criteria necessary to receive GEF funding.

³ A full list of hotspots addressed under CEPF 2, including both those under consolidation and hotspots in which new investments were made, is available in Annex 7, Table 1.

Rationale for Bank assistance. The World Bank has a long commitment to biodiversity conservation both through its lending portfolio and as an Implementing Agency of the GEF. At the time of appraisal, more than 500 biodiversity projects had been supported including protected area (PA) and enhanced sustainable natural resource management projects, with GEF projects accounting for approximately 40% of funding, and IBRD and IDA contributing 29% each to the Bank's overall biodiversity portfolio. Many were large scale, government-led operations, though the use of GEF medium-sized projects (MSPs) had enabled more direct involvement of international NGOs, as well as some national NGOs.

Ongoing commitment to the CEPF program offered the opportunity to enrich the Bank's biodiversity portfolio and its overall environment strategy by engaging strategically in projects combining small, targeted conservation initiatives to promote environmental sustainability with community development and livelihood opportunities, and by working with a wide range of local civil society actors to leverage small CEPF grants through strategic investment planning⁴. Through the CEPF partnership, the comparative strengths of the Bank would complement those of the bilateral agency, conservation NGO and private foundation partners within a common approach to build a sustainable biodiversity fund.

1.2 Original Global Environment Objectives (GEO) and Key Indicators (as approved)

PDO: The Project Development Objective, as stated in the Project Appraisal Document (PAD), read: *to strengthen the involvement and effectiveness of civil society in contributing to the conservation and management of globally important biodiversity.*

The Objective of the Fund, as presented in Article 1 of the Financing Agreement, was more detailed, highlighting the eligibility of countries, and differed in its treatment of beneficiaries, as follows: *to continue to provide strategic assistance to non-governmental and private sector organizations for the protection of vital ecosystems listed in Schedule I (contained the full list of global biodiversity hotspots, of which 30 were determined to be eligible for WB and GEF support), in IBRD member countries that have ratified the Convention on Biological Diversity.*

GEO: The Global Environmental Objective, as stated in the PAD, read: *to achieve sustainable conservation and integrated ecosystem management in areas of globally important biodiversity, through consolidating conservation outcomes in existing CEPF regions and expanding funding to new critical ecosystems.*

Key Indicators: The original Key Indicators reflect those captured in the ICR Data Sheet, with the exception that target values for three of the five indicators were realigned as part of a 2012 restructuring (see Sect. 1.3).

1.3 Revised GEO (as approved by original approving authority) and Key Indicators, and reasons/justification

GEO: The GEO was not revised.

⁴ The World Bank contributed to the implementation of CEPF-2 through various sources of funding including, a GEF grant (TF-91421), through the Bank's Development Grant Facility (DGF), as well as through Bank-administered Trust Funds for the Government of Japan (TF013003) and the European Union (TF015491). This ICR focuses strictly on aspects of the CEPF-2 Program that received GEF grant funding as other funding streams remain ongoing and will be assessed upon their completion.

Key Indicators: The target values for Outcome Indicators three, four and five were realigned as part of the project’s June 2012 restructuring, as indicated in Table 1, below.

At mid-term review, it was determined that the potential for Indicator Four to achieve its target of establishing 8 million hectares (ha) of new protected areas (PAs) across the nine new hotspots was unrealistic, given that both opportunities for gazetting new PAs and areas available to be gazetted as PAs in the eight new active hotspots were very limited. A reduction in scope was therefore, required. The reduction in the target for new PAs was offset by raising the targets for the outcome indicators related to strengthened protection of key biodiversity areas (KBAs), as well as those for production landscapes managed for biodiversity conservation or sustainable use (Indicators Three and Five). The total objective of 29 million hectares of improved protection that had been proposed under these three indicators was not affected by the realignment.

Table 1. Outcome indicators revision, 2012

Original Outcome Level Results Indicators	Revised target values, in hectares
Indicator Three: At least 20 million hectares of key biodiversity areas with strengthened protection and management.	<i>Increased to 24 million ha</i>
Indicator Four: At least 8 million hectares of new protected areas established.	<i>Decreased to 1.5 million ha</i>
Indicator Five: At least 1 million hectares in production landscapes managed for biodiversity conservation or sustainable use.	<i>Increased to 3.5 million ha</i>

Intermediate Outcome Indicators: Intermediate outcome indicators related to components 3 and 4 (Component 3: Monitoring and Knowledge Sharing; and Component 4: Ecosystem Profile Development and Project Execution) are not included here as the GEF financing did not support either component. Nonetheless, each indicator under both components was substantially met and was tracked during supervision.

The intermediate outcome indicator that targeted ‘at least 5 multi-regional projects contribute to the conservation of globally significant biodiversity’, tied to Project Component 1 funded by the GEF⁵, was not monitored in the Project’s implementation status reports (ISRs), nor was it formally revised or removed. The only explanation found in supervision documents stated that the indicator was initially to be tracked by a CEPF-initiated monitoring protocol through a multi-regional project, but that ultimately focus shifted to single region projects given the potential for greater local impact and as a result, no monitoring of the indicator was undertaken.

It is worth noting that two different intermediate outcome indicators – ‘100% of CEPF regions possess baseline data for conservation target monitoring, and report against approved logical frameworks’ and ‘Overall program, including financial management, effectively monitored and in compliance with CEPF Operational Manual’ - related respectively to Project Components 3 and 4 which were not GEF-funded, were monitored throughout implementation in the ISRs.

⁵ Project Component 1: Strengthening protection and management of globally significant biodiversity; PAD, Annex 4

These inconsistencies are amongst a number of weaknesses identified in the overall M&E Project framework, further discussed in Sections 2.1 and 2.3. At a minimum, it could be expected that the issues related to the intermediate outcome indicators would have been discussed during preparation of the Project's restructuring paper, yet this document is silent in this respect.

1.4 Main Beneficiaries

Grantees: The CEPF 2 project provided support to 691 civil society partners, 55% of which to local organizations, across 20 of the possible 30 eligible hotspots⁶, both new and consolidation, covering 81 countries and territories. In the new hotspots alone, a total of 711 grants – 345 large (>\$20,000) and 366 small (<\$20,000) - were awarded. A broad range of civil society partners benefited from investments including, inter alia, community associations, indigenous groups, agricultural cooperatives, private sector organizations, as well as national and international NGOs. Benefits, such as reputation-building and ‘voice’, accrued thanks to the development of effectively funded civil society partners, whose targeted involvement in hotspot biodiversity conservation have influenced decisions that affect their ecosystems and livelihoods into the future. Empowered by CEPF support, grantees, as well as sub-grantees, have contributed to longer-term strategic planning, delivered improved biodiversity conservation, enhanced the provision of healthy ecosystem services to communities interacting with the hotspots, and promoted greater alignment of conservation goals with public policy and private sector business practices.

Local communities living within the hotspots: CEPF grants generated an important significant multiplier effect across hotspots through the intermediary of grantees by building the capacity of myriad local and national stakeholders through exchange of knowledge and expertise, through interaction across networks and partnerships facilitated by CEPF, as well as through initiatives aimed at scaling-up or replicating successful endeavors.

GEF Focal Points and Local Government Officials: The capacity of GEF focal points and local government officials increased by participating in profiling workshops, in many cases joining the hotspot technical advisory committees for investment, and being involved in project review processes once investment was approved.

Regional Implementation Teams (RITs): The RITs benefited from capacity that was built through the strengthened coordination and implementation roles they assumed within the new investment hotspots. This involved focused provision of coordination and support to various civil society partners, as well as an enhanced role in facilitating interaction between civil society representatives, key government and private sector partners. All told, this offered RITs the potential to enhance their standing as stewards of the long-term strategic planning goals for each hotspot.

CEPF Secretariat: The Secretariat benefited from the enhanced CEPF 2 implementation structure, whose improved delivery model, focused on efficiency of operations, and its insistence on more effective monitoring and impact reporting, facilitated learning, adaptive management and amplification of demonstration models.

1.5 Original Components

As originally approved and expressed in the Project Appraisal Document (PAD), the Project was designed around four complementary components, of which GEF grant funding would be used exclusively to support sub-projects under components 1 and 2. Financing from other donors would support all four components.

⁶ Support was provided across a total of 20 of the possible 30 eligible hotspots. As reported in the PAD (Sect. 3, para. 20), ecosystems for investment were selected based on biodiversity status and threats, conservation needs, social and political environment, and current or planned investment by other donors.

The project focus was on critical ecosystems in, at a minimum, 14 biodiversity hotspots across World Bank client countries that had ratified the Convention on Biological Diversity (CBD). Following on the first phase CEPF process, new investment in approved hotspots would be staggered to ensure availability of adequate funding and implementation capacity. Total hotspot investment levels would vary and depend on need and local capacity. In all hotspots, the selection and disbursement of grants would be guided by approved ecosystem profiles, themselves based on stakeholder-driven prioritization processes that create shared strategies from the outset. The components supported by the GEF grant focused on expansion to new hotspots, not on the consolidation of those where work had been initiated under the first phase.

Component 1: *Strengthening protection and management of globally significant biodiversity.* Sixty-six percent of the GEF grant (US \$13.22 million) was set aside to finance civil society participation in addressing threats to biodiversity across broad land use landscapes in hotspot key biodiversity areas (KBAs). Efforts would also focus on improving the management and stewardship of biologically-rich lands including, biological corridors and high value conservation sites in production landscapes through conservation planning, support to communities, indigenous groups and other partners, and piloting of innovative financial mechanisms, as possible.

Component 2: *Increasing local and national capacity to integrate biodiversity conservation into development and landscape planning.* Component 2 (GEF \$6.78 million) sought to empower civil society actors to take active part in, and influence, decisions affecting communities, their livelihoods and ultimately, the global environment, with a view to mobilizing civil society to play a more effective role in reconciling ecosystem conservation with sustainable development on different scales and across complex jurisdictional boundaries. Support would be extended to integrate biodiversity conservation in production landscapes and sectors by enabling civil society groups to plan, implement, and influence biodiversity outcomes as effective partners in sustainable development.

Component 3: *Monitoring and knowledge sharing.* Not funded by the GEF grant, the component supported monitoring and evaluation of individual projects and programs with the aim of deriving and sharing lessons learned within and across hotspots. Impact of the design and implementation of this component on the GEF grant-funded component is discussed in Section 2.3.

Component 4: *Ecosystem profile development and project execution.* Not funded by the GEF grant, this component supported three streams of work key to implementation of Components 1 and 2: the development of ecosystem profiles; the role of Regional Implementation Teams (RITs) as providers of extension services and in grant-making; and, the management and administration of the CEPF global program.

1.6 Revised Components

The project components were not revised.

1.7 Other significant changes

The project was restructured once, in June 2012. In addition to revisions to three of the project's five key indicators, discussed in Section 1.3, the Restructuring Paper (RP) also proposed changing the project's safeguard category from C to B, changing the project disbursement rate from 26.3 % to 50% to accelerate disbursement and, extending the project's closing date by 24 months, to December 31, 2014. *It is noted that formal acknowledgement of the restructuring was not incorporated into the Information Status and Results (ISR) reporting cycle, and neither was the change in safeguard category.*

Safeguards. The Project originally triggered four safeguards: OP 4.01 (Environmental Assessment), OP 4.36 (Forests), OP 4.10 (Indigenous Peoples) and OP 4.12 (Involuntary Resettlement). A fifth safeguard policy, OP 4.09 (Pest Management), was triggered with the identification of the Pacific Islands, the Caribbean and the East-Melanesian Islands as priority new hotspots for investment, given that pest management approaches, including the use of chemical pesticides and rodenticides, are necessary within an integrated pest management approach to eradicating invasive species on islands. A Pest Management Plan (PMP) was prepared.

Disbursement. During the mid-term review mission in June 2011, it was determined that disbursements had suffered a 17 month delay due to the limited disbursement ratio for sub-grants (26%) financed by the GEF grant. To accelerate disbursement, the disbursement ratio for sub-grants - the project's sole disbursement category - was increased 50%. No reallocation was made between categories.

Closing date. In light of the time required to secure endorsement of hotspot ecosystem profiles from each country's GEF Operational Focal Point, which on average took 19 months, and the slow disbursement ratio for sub-grants, the Project's original closing date of December 31, 2012 was extended by 24 months, to December 31, 2014 to enable the project to meet its GEO.

2. Key Factors Affecting Implementation and Outcomes

2.1 Project Preparation, Design and Quality at Entry

Lessons Learned from of Earlier Operations. The Project's design and operational approach was heavily influenced by the experiences and lessons gained during the first phase of the CEPF. Recommendations emanating from the 2006 independent evaluation (Wells, 2006) to expand the global program into new ecosystems and hotspots, also informed the Project design, as did findings of the World Bank's Independent Evaluation Group's (IEG) Global Program Review (IEG 2007)⁷.

In line with its first phase, the project was designed as a co-financed operation involved multiple donors, some of whose funding remains in use. Decisions regarding new ecosystem investments continued to be informed and guided by a series of specific criteria: biodiversity status and threats, conservation needs, social and political environment, and current or planned investment by other donors. Furthermore, the decision to limit activities to a specified number of critical ecosystems allowed the Project to focus investments in areas that held the potential to yield the most significant conservation outcomes. In the same vein, total investment levels by hotspot were predicated on assessed need and local capacity, as captured in the ecosystem profiles. The process of entry of the nine new investment hotspots continued to be deliberately staggered, with a view to ensure availability of adequate funding and effective implementation capacity per hotspot⁸. CEPF-2 also supported targeted consolidation investment in eleven other hotspots where work had been initiated under phase 1, with financing drawn from other donors outside the Project.

⁷ Principal lessons learned from the first phase of CEPF that informed the design of CEPF 2 included: The need for greater inclusiveness and transparency in decision-making; Expansion of the roles and responsibilities of the Regional Implementation Teams (RITs); Need for strengthening monitoring; Enhanced capture of socioeconomic and capacity benefits generated at the ecosystem level through the project's monitoring and evaluation frameworks; and, Development of a CEPF-World Bank joint work program to assess the impact and value of small grants programs in linking development activities to conservation outcomes [PAD, Sect. B, Part 4, Paras 36-40].

⁸ Consideration of various alternatives regarding hotspots to be included in the Project is discussed in the PAD, Sect. B, Part 5, Paras 41-43.

Structural efficiency honed. In order to further devolve responsibility for grant-making decisions, capacity-building of local partners and monitoring of individual projects to the hotspot level, as called for by the independent evaluation, the roles and responsibilities of the RITs were expanded while strategic oversight, including reporting and safeguard standards, remained under the purview of the CEPF Secretariat. To ensure transparency, RIT selection was to be awarded on a competitive basis, based on approval by the CEPF Donor Council. Annex 9 provides an overview of the CEPF governance and implementation structure.

Adequacy of participatory processes. Ecosystem profiling continued to be recognized as the primary tool for prioritizing conservation needs and planning investment strategies across the hotspots. Explicit efforts were made to inform all civil society stakeholders including, indigenous and local communities and the private sector, about the process and related opportunities to access grants in future. Although ecosystem profile development was not covered by the GEF grant, this work was key in developing the baseline that would guide the level of investment required under Components 1 and 2 to support strengthening biodiversity protection and management and increasing capacity to integrate biodiversity considerations into development planning. The investment strategy for each ecosystem profile was founded on a stakeholder-driven prioritizing process that focused on identifying conservation targets, major threats, socioeconomic factors, and current conservation investments.

Risk Mitigation. The Project's 'moderate' risk rating was reasonable given the mitigation measures proposed. A Quality Enhancement Review (QER) at entry meeting held on April 3, 2007 unanimously agreed that the project was highly relevant, and supported proceeding with its preparation and appraisal. Higher-level, hotspot risks identified included the potential of funding shortfalls, complications associated with economic and governance conditions, regional conflicts, difficulties engaging all hotspot stakeholders, and insufficiency of local capacity. Phase I experience suggested that the partnership commitment to the CEPF would generate the additional co-financing expected, while the hotspot ecosystem profiling process was designed to screen for and manage such risks.

The QER also identified potential implementation-related risks regarding conflict of interest surrounding CI's roles as donor, Secretariat host, and potential RIT and grant recipient. The Project's strong institutional arrangements, built from experience during phase I and including an engaged high-level Donor Council and CEPF Working Group, were instrumental in addressing this issue. The QER also expressed the need to strengthen the role of the RITs and to define stronger operational linkages and coordination between CEPF operations with those of the Bank and of other donors. To mitigate risk, a policy was adopted that any organization assuming the role of RIT would not be permitted to receive and implement grants within that hotspot. To address potential lack of interest and/or capacity on the part of local organizations to serve as RITs, criteria was adopted that dictated that the choice of ecosystem would also include consideration of civil society capacity in a first instance, and/or presence of capable international non-governmental organizations (NGOs) as a second option. Similarly, concern regarding potential slow uptake or inappropriate use of grant funds due to limited capacity and/or inexperience on the part of local organizations would be mitigated through the enhanced FM monitoring function allocated to RITs. CEPF experience and the Project's Operational Manual (OP), with its emphasis on financial management and procurement arrangements for the CEPF Secretariat, RITs and hotspot grantees, as well as adequate internal control mechanisms, placed risk in a manageable context.

Deficiencies in the Design of the Monitoring & Evaluation Framework. The GEO and intermediate outcome indicators are too broad. Overall, they read as output and process-oriented as opposed to outcome-oriented. For example, no definition of what an 'active investment program' (GEO Indicator #1) involves is embedded in the indicator, rendering it difficult to determine how Project participants may be better off after the investment. Even the designation of new protected areas as an outcome generates

debate in conservation literature. As a whole, the framework does not capture all the elements of the PDO and GEO and is therefore, weak in supporting demonstrable efficiency and impact.

In addition, the GEO, as approved, speaks to ‘consolidating conservation outcomes in existing CEPF regions’, while the GEF grant funding approved sought only to facilitate the expansion of the Program to nine new hotspots.

2.2 Implementation

Implementation, like the Project’s design, was strongly informed by experience gained during the CEPF’s first phase and influenced by the evaluations that were carried out in 2006, 2010, 2011 and 2014 (see Sect. 2.3). Ongoing adaptive management across the full CEPF governance and implementation structure defines progress and impacts achieved.

Ecosystem Profiling – Supporting Sustainability. The ecosystem profile created for every hotspot is one of the unique features of the CEPF. Although ecosystem profiling was not covered by the GEF grant, as aforementioned this work was key in developing the strategic baselines to guide determination of appropriate investment levels to maximize the impact of the work under Components 1 and 2. Although originally designed as an instrument strictly for CEPF use, the profiles’ engagement of civil society stakeholders in building robust hotspot ecosystem conservation investment strategies have proven instrumental for other partners, who noted that they are excellent tools for building networks and parallel funding streams in investment regions. The Mediterranean Basin hotspot ecosystem profile was adopted by the Mava Foundation and the Prince Albert II of Monaco Foundation, while the John D. and Catherine T. MacArthur Foundation, the McKnight Foundation, and the Margaret A. Cargill Foundation adopted the Indo-Burma hotspot profile for their work in that region. The opportunity that the ecosystem profiles offer to work off a common approach, deliberated and agreed upon from the ground up, has helped crowd in further investments and expand the potential for success and sustainability.

Regional Implementation – Adapting to Context. The PAD’s institutional and implementation arrangements called for RITs to be comprised of locally-based civil society groups. In practice however, the selection of RITs was somewhat skewed in favor of locally-based international NGOs as opposed to local organizations (Table 2). The competitive, criteria-based selection process used to ensure transparency in soliciting best candidates also limited the number of applicants that could be considered due to elimination of low quality submissions and low capacity candidates. It was easier to identify qualified local candidates to lead implementation of single-country ecosystem profile contexts, such as in India’s Western Ghats hotspot, than in hotspots encompassing multiple countries and jurisdictions, as is the case in Indo Burma. The CEPF adapted to the challenge by instituting a learning-by-doing consortium model wherein experienced, locally-based international NGOs lead a RIT in partnership with locally-based CSOs, as in the Eastern Afromontane, Mediterranean Basin and Indo Burma hotspots.

Table 2. CEPF 2 Regional Implementation Teams, by Hotspot

HOTSPOT	RIT	YEAR APPOINTED
Polynesia_Micronesia	Conservation International Pacific Islands Program (CI-PIP)	2008
Western Ghats	Ashoka Trust for Research in Ecology and the Environment (ATREE)	2008
Indo Burma I (Indochina)	Birdlife International	2008
Indo Burma Reinvestment *	<i>International Union for the Conservation of Nature (IUCN) + Myanmar Environment Rehabilitation Conservation Network (MERN) + Kadoorie Botanical Farm & Garden</i>	2013
Maputaland-Pondaland-Albany	Wildlands Conservation Trust	2010
Caribbean Islands	Caribbean Natural Resources Institute (CANARI)	2010

Mediterranean Basin	Birdlife International + DOPPS/Birdlife Slovenia + Ligue pour la protection des oiseaux (LPO)	2011
Eastern Afromontane	Birdlife International + Ethiopian Wilderness Natural Heritage Society (EWNHS) + IUCN (southern part of hotspot)	2012
Eastern Melanesia Islands	International Union for the Conservation of Nature (IUCN) Oceania	2013
Wallacea	Burung Indonesia	2014

* Work in the vast IndoBurma hotspot was extended with the approval of the Donor Council and in the transition to additional funding, the role of RIT shifted to IUCN, supported by two local organizations.

Effective Structural Framework to Support Adaptive Management. CEPF 2 continued the learning by experience approach that had been instituted during its first phase, supported by the program's effective governance and management structures. The Donor Council, representing each of the CEPF donors, met in its supervisory capacity to consider approval of ecosystem profiles and selection of RITs, and to review progress, twelve times over the Project's seven-year timespan. Interim no-objection requests were approved to keep implementation flowing. The Council was well supported by the CEPF's Technical Working Group composed of CEPF management and donor partners' technical staff. This body provided important guidance in support of adaptive management, which enabled the program to chart new opportunities, adapt where change was required, and replicate or scale-up successful initiatives.

Coherence of Hotspot Grant Programming. In keeping with the approach adopted during the first phase to mitigate the potential for lack of coherence across the small grants portfolios at the hotspot levels, CEPF 2 worked to ground each hotspot portfolio with larger projects (>\$20,000), in general implemented by more experienced grantees, complemented by a selection of smaller grants. The approach was designed to manage across broadly different hotspot circumstances with the aim of delivering results against a coherent core program, while also encouraging innovation and experimentation. The aggregate impact of the many small grants on hotspot portfolio-level coherence and investment impact was found to be somewhat weak prior to CEPF 2 implementation. In response, a new Monitoring Framework was adopted in 2012 which tracks 23 indicators across four environmental and socio-economic categories, and is now yielding detailed aggregate level hotspot portfolio data that, it is expected, will help identify need for future hotspot consolidation work and capitalize the program.

Partnership Building: Success and Missed Opportunity. The Project's interventions were expected to amplify lessons to improve conservation outcomes that would be of relevance to broader biodiversity portfolios of institutions like the Bank, as well as to serve as a mechanism to direct other donor investments to the hotspots. With respect to the latter, CEPF 2 generated success by attracting investment from the European Union and additional foundation donors. Furthermore, in the Mediterranean Basin and Maputaland-Pondaland-Albany hotspots CEPF has had some success working in concert with other NGO and GEF-funded initiatives. Such strategic outreach and partnership-building has however, not been the norm with the Bank.

Despite the repeated reminders that were made during supervision missions to try to jump start a dialogue between CEPF and Bank field staff, the potential to mine linkages with ongoing Bank biodiversity operations across the CEPF sphere of activity has been rather weak. CEPF 2 examples can be counted on one hand: in Maputaland, CEPF has funded a number of CSOs to complement Bank-supported initiatives, and in Wallacea, where hotspot investment began as the Project closed, technical staff from the Bank's Indonesia office were consulted by the CEPF team during the ecosystem profiling process to ensure that experience from the Bank's coral reef management work effectively informed the profiling exercise. Overall however, the Bank's regional staff who engaged in the Project focused principally on CEPF 2 safeguards compliance as opposed to working with the program at a strategic interface on programming for broader impact at the hotspot level, including exploring opportunities to collaborate across hotspots to amplify conservation and civil society initiatives. This is an opportunity missed that could have helped

lay foundations for longer-term sustainable consolidation, expansion and visioning in biodiversity hotspots in future, as the program moves into its third phase (see Sect. 2.5).

Expanding the CEPF Monitoring Framework. As recommended by the 2006 independent review, the Project evolved its data and impact requirements by moving beyond initial indicators and standard Bank biodiversity indicators with the introduction of a new Monitoring Framework, approved by the Donor Council in June 2012. The framework, structured around 4 categories – biodiversity, human well-being, enabling conditions and civil society capacity – is composed of 23 indicators designed to more clearly, and accurately, measure the impact of CEPF investments. This framework has facilitated the production of more robust aggregate level, global data analysis. In addition, a Civil Society Organizational Capacity Tracking Tool was designed to assess the organizational capacity of civil society organizations involved with the CEPF including, environmental NGOs, community-based organizations and academic institutions. The tool is applied in all hotspots and measures the capacity of individual CSOs to effectively plan, implement and evaluate actions for biodiversity conservation. Given the timing of the Monitoring Framework’s release, its development could have provided an opportunity to inform assessment of the Project’s M&E Framework. Since the Project was undergoing restructuring, the Project’s indicators could have been streamlined to align with those in the CEPF Monitoring Framework, thereby contributing to a broader aggregate analysis of change.

2.3 Monitoring and Evaluation (M&E) Design, Implementation and Utilization

Design. Monitoring and evaluation was to be undertaken at three levels: at program, hotspot ecosystem and program levels, by the CEPF Secretariat, RITS and CEPF Grant Directors and grantees respectively, with the aim of deriving and sharing lessons learned within and across hotspots. Previous CEPF experience with monitoring and knowledge-sharing was to be scaled up under CEPF-2 to further strengthen capacity for adaptive management by CEPF partners and the broader conservation community. Explicit mechanisms were also to be put in place to ensure greater involvement of Bank regional staff in project operations, including supervision.

The Program level Results Framework was maintained. At the hotspot level, ecosystems profiles set baselines, conservations targets and indicators. RITs and other local partners would lead monitoring at this level in order to further strengthen local ownership and capacity to expand and formalize information sharing and learning opportunities across the hotspot, and encourage follow-on and/or scale-up actions. Individual projects would rely on the GEF’s biodiversity tracking tools including, the PA management effectiveness and biodiversity impact assessment tools. Specific activities to strengthen outcomes monitoring and to document, disseminate and replicate lessons learned and good practice.

As outlined in Section 2.1, the Project’s Results Framework was heavily output and process-oriented, not outcome-oriented. As a result, the Results Framework does not provide indication of how to aggregate impact in support of the PDO (social level) and GEO (sustainable conservation and ecosystem management).

Implementation. The Project’s results framework was modified through restructuring during implementation. Three key indicators were revised with a view to ensuring achievement of the Project’s PDO and GEO. The Project’s overall target of 29m hectares was maintained, but its breakdown changed, with improved management of key biodiversity areas and production landscapes increasing, and the total area of new protected areas decreasing. As outlined in Sect. 1.3, two intermediate outcome indicator under Components 1 and 2 were not monitored by the Bank team in the implementation status reports (ISRs), nor were they formally revised or removed during restructuring. Two other intermediate indicators related to Project components 3 and 4 were however, tracked by the Bank team.

A new and expanded Monitoring and Results Framework, introduced by the CEPF based on recommendations made during evaluation and comprised of 23 indicators covering four categories - biodiversity, human well-being, enabling conditions and civil society capacity - was approved by the Donor Council in June, 2012. The framework allows the CEPF Secretariat to more closely assess the impact of investments at the project, ecosystem and program levels, as well as integrate lessons learned into future programming. Results are reported on annually.

All CEPF grant recipients are required to complete a final project report, whose formats vary depending on the nature of the grant, that detail the investment's results and lessons learned. Reports are posted on the CEPF website as a resource to encourage knowledge exchange amongst other grantees working in the hotspot, as well as in others. Participatory assessments were also conducted in each of the hotspots.

Utilization. Following on a request of the Donor Council, an independent mid-term evaluation was carried out during in 2010. The evaluation yielded positive results and cited that, "focusing conservation attention in extinction-prone areas constitutes a unique and cost-effective approach for saving global biodiversity." That same year CI's Science and Knowledge Division carried out an assessment of CEPF's contribution to the Convention on Biological Diversity's 2010 targets, the results of which were presented during the Conference of the Parties of the Convention on Biological Diversity in Nagoya.

The Bank team conducted a mid-term review in 2011, which resulted in the restructuring approved in 2012 that reassessed indicators in support of the GEO, extended the Project closing date, introduced additional safeguards requirements and revised the GEF grant's disbursement to hasten overall Project disbursement.

2.4 Safeguard and Fiduciary Compliance

Safeguards

The Project originally triggered four safeguards: Environmental Assessment (OP 4.01), Forests (OP 4.36), Indigenous Peoples (OP 4.10) and Involuntary Resettlement (OP 4.12). It was categorized as a Category 'C', given that its focus on priority conservation objectives and components offered positive environmental impacts at both the local and global levels. To ensure compliance with the Bank's safeguards policies, the OM clearly outlined the requirements that all individual CEPF projects be screened for safeguards, such that appropriate mitigation measures could be introduced, if and as necessary. CEPF staff participated in a safeguards training course provided by the Bank in May 2008. Each RIT also received targeted safeguards training. In the Indo-Burma and Western Ghats hotspots, training was provided by Hanoi and Delhi-based Bank staff respectively. In the Polynesia-Micronesia hotspot, safeguards training provided by the CEPF Secretariat was supplemented with additional training by regional World Bank safeguards experts when on mission in the region.

Specific measures on social safeguards were incorporated into the OM to address potential impacts on local communities and Indigenous Peoples. An Indigenous Peoples Planning Framework and a Process Framework for Involuntary Restrictions were prepared and made widely available. The completion of the Polynesia-Micronesia, Caribbean Islands, and Eastern Melanesia Islands hotspots ecosystem profiles triggered the pest management safeguard (OP 4.09), given that pest management approaches, including the use of chemical pesticides and rodenticides, play an integral role in the application of integrated pest managements approaches to eradicating invasive species in island contexts. The Project was re-categorized to a Category B as part of the 2012 restructuring, although this was not formally changed within the Bank's system. A Pest Management Plan (PMP) was developed to guide the CEPF Secretariat and RITs as to when pesticide use was appropriate, how to assess local capacity to implement appropriate

safeguard actions and guide and clear grantees PMP preparation. In tandem, the PMP served as a guide to grantees regarding best practices for purchase, storage, application and disposal of pesticides.

In 2013, the Bank team provided safeguards refresher training for all CEPF Grant Directors and RITs on the margins of a RIT Exchange meeting hosted in Virginia to address certain procedural shortcomings that had come to the attention of the Bank team, specifically with regard to Involuntary Resettlement (OP 4.12) and to emphasize the need to pay particular attention to the health and safety of workers and waste management within the implementation of CEPF grants. And to ensure that RITs are fully prepared to for identify and effectively supervise safeguard activities in individual grants, the Bank team worked with the CEPF Secretariat to build detailed safeguards requirements into each RIT's TORs and, upon their selection, provided each RIT with on safeguards identification and supervision training. RIT approaches and grantee experiences from the Indo-Burma hotspot, where safeguards policies had been particularly well implemented, were integrated into the training.

Fiduciary

Financial Management. The first phase of CEPF put in place financial management systems that met the Bank's financial management requirements including, financial and programmatic risk assessment capabilities. Nevertheless, an updated assessment was conducted by the Bank in order to confirm the ongoing adequacy of financial management, in compliance with OP/BP 10.02. To ensure that all members of the CEPF structure were fully trained on fiduciary obligations, RITs received in-depth training on the Operational Manual within 90 days of appointment.

The Bank conducted in-depth financial supervision missions of the CEPF 2 Project on a regular basis and did not find any issues. Audit reports were unqualified. Control procedures over the grant cycle were reviewed as consistently strong, and CEPF's FM and accounting system was assessed as understandable, relevant and timely information.

Procurement. Here too, CEPF was already following Bank procurement procedures, following on from the program's first phase. The Project's Operational Manual clearly set out guidance and templates for grant agreements and reporting, as well as for procurement provisions. No inconsistencies were observed.

2.5 Post-completion Operation/Next Phase

Post-completion of the GEF grant, the World Bank remains involved in CEPF 2 given the ongoing activities under the final DGF grant, as well as implementation of the EU grant managed by the Bank.

The CEPF Donor Council approved a third phase for the Fund in 2014. Its target is to expand into a US \$750 million global program that will sustain longer-term visions for the world's hotspots, secure regional stewardship of these visions, and cement CEPF monitoring, operations and communications. The CEPF has secured ongoing financing of US \$10 million from the GEF through CI, now one of the recently accredited GEF Project Agencies. The World Bank will not reinvest in this phase since that capacity built through previous phases has supported CI's GEF accreditation bid and the CEPF Secretariat's ability to execute phase III directly, and given that the potential for higher level investment synergies through CEPF-World Bank partnership proved to be limited.

3. Assessment of Outcomes

3.1 Relevance of Objectives, Design and Implementation

Relevance of objectives, design and implementation is determined substantial.

The CEPF 2 Project's objectives, and its results, are of relevance to the Bank's Environment Strategy 2012-2022, which was developed through consultation with developing country partners, including civil society organizations. The CEPF model of working at the local level through the intermediary of civil society organizations is a sound biodiversity conservation approach that helps build environmental and socio-economic sustainability through capacity-building, education and network-building. This approach has informed Bank work in biodiversity conservation in the past, and continues to do so.

The Project's objectives are also of relevance to Bank's engagement with civil society, which is predicated, amongst other things, on ensuring that civil society's voices can be heard by governments, that their views are factored into decision-making, and that they are offered the opportunity to participate in working to develop solutions to local problems.

3.2 Achievement of Global Environmental Objectives

Achievement of Global Environmental Objectives was found to be substantial.

In support of the PDO and GEO, nearly \$80 million has been approved to fund 691 CSOs. A CEPF Civil Society Tracking Tool was instituted to monitor progress in capacity wherein grantees record a baseline score at sub-grant project inception and score themselves at project completion. CEPF's first global assessment of change in capacity, conducted in November 2013, noted that 12.8% of self-reporting grantees across the portfolio who had completed both a baseline and completion rating registered an increase in capacity.

In support of the GEO, consolidation, though not funded by the GEF grant, has been driven by additional investment or through graduation. Nine new regions received investments, including from the GEF grant, during CEPF 2, and progress is said to have been made towards the strategic conservation and integrated ecosystem management of globally important biodiversity, particularly by engaging civil society and the private sector in protected area management, as well as in mainstreaming attention to biodiversity in the production landscape, and by developing policies and practices to improve biodiversity management outcomes. The sustainability of conservation efforts remains an ongoing challenge in most regions due to the permanent nature of many of the threats faced. Nevertheless, given that CEPF investments have generated improvements in civil society capacity across each hotspot, it is expected that this will support the ongoing fight against deforestation, degradation and extinction.

The CEPF has been successful at marketing a 'brand' and leveraging partnership and additional resources, such as attracting new donors to align their investments with the ecosystem profiles of a number of regions. The CEPF functions as an effective small grants facility that, through effective adaptive management has put in place systematic implementation support protocols, technical and quality review processes, and disbursement methods.

The CEPF was successful in implementing its expansion plan across the nine new hotspots outlined at project concept. The deficit in achieving two of the outcome indicators, as revised, stems from the fact that a number of the new hotspots were only approved to proceed with grant-making within a year to 18 months of Project completion. As a result, the grants at work had not yet delivered results and hectares.

Given the track record demonstrated by its grant-making, the CEPF Secretariat expressed confidence that the hotspots approved for investment would deliver the full hectare achievements projected (see Table 3).

Table 3. Results Achieved Against Outcome Level Indicators

Original Outcome Level Results Indicators	Revised target values, in hectares	Achievements/ Progress at Completion (December 31, 2014)
Indicator One: At least 14 critical ecosystems/hotspots with active investment programs involving civil society in conservation, including at least 9 new regions.	Unchanged.	Support provided to 20 critical ecosystems/hotspots (11 through targeted consolidation not covered by the GEF grant). Newly launched and active investment programs involving civil society in conservation in 9 new regions: <ul style="list-style-type: none"> • Indo-Burma (\$9.6 million) • Polynesia-Micronesia (\$7 million) • Western Ghats (\$6.07 million) • Caribbean Islands (\$6.9 million) • Maputaland-Pondoland-Albany (\$6.65 million) • Mediterranean Basin (\$11 million) • Eastern Afromontane (\$9.8 million) • East Melanesian Islands (\$9 million) • Wallacea (\$6 million).
Indicator Two: At least 600 civil society actors, including NGOs and the private sector, actively participate in conservation programs guided by the CEPF ecosystem profiles.	Unchanged	691 civil society organizations received grants to participate in conservation programs guided by CEPF ecosystem profiles.
Indicator Three: At least 20 million hectares of key biodiversity areas with strengthened protection and management.	<i>Increased to 24 million ha</i>	14,211,118 hectares of key biodiversity areas under strengthened protection and management at completion of GEF grant.
Indicator Four: At least 8 million hectares of new protected areas established.	<i>Decreased to 1.5 million ha</i>	1,448,860 hectares of new protected areas created at Project completion.
Indicator Five: At least 1 million hectares in production landscapes managed for biodiversity conservation or sustainable use.	<i>Increased to 3.5 million ha</i>	4,531,206 hectares of production landscapes being managed for biodiversity conservation or sustainable use with support from CEPF.

3.3 Efficiency

Efficiency is rated as modest.

Determination of a baseline cost for the Project's total biodiversity investments at entry was not possible, given that the full suite of target hotspots remained to be identified. Nevertheless, with each ecosystem profile undertaken, a cost analysis was conducted as an integral part of the process. CEPF 2 built upon the modality initiated during its first phase, channeling small grants to civil society stakeholders in a cost-

effective manner to better engage them in hotspot conservation planning and implementation that complemented national priorities and initiatives.

As per the terms of the GEF funding approval, the \$20 million in GEF grant funding was allocated to investment in ecosystem operations for subprojects. Other donor financing covered costs associated with ecosystem profile preparation, management and operations, and monitoring (see Annex 1, Table 2 for cost breakdown). Grants were awarded on a competitive basis to proposals that fit strategically within each approved ecosystem profile, as approved by the CEPF Donor Council, and were implemented in accordance with criteria and guidelines laid out in the Operational Manual. Grants less than US \$20,000 were approved by the hotspot RIT; those greater were approved by the Secretariat. All approved grant proposals and final reports were made public through posting on the CEPF website.

As reported by the CEPF Secretariat, since its inception more than \$346 million has been leveraged for conservation purposes, more than 80 civil society networks and partnerships have been created, and more than \$175 million has been granted to civil society groups across 89 countries. In its second phase, of the revenue raised (see Annex 1, Table 1), more than 50% of grants were reported to have been awarded to local organizations. CEPF-2 cites 1,318 communities as having benefited from program grants, and at least 115 sub-grants awarded as having been devoted to improving livelihoods.

While there is no doubt veracity in these claims, their validation is problematic. Data is self-reported by grantees, evidence is not standardized and no independent evaluation of the Project's contribution to improving livelihoods or achieving sustainable conservation and integrated ecosystem management in global biodiversity hotspots is available.

3.4 Justification of Overall Outcome Rating

Rating: Moderately Satisfactory

The Project PDO and GEO continue to be of relevance to achieving critical sustainable conservation and integrated ecosystem management in areas of globally important biodiversity, and to strengthening the involvement and effectiveness of civil society with respect to the former. Important progress has been made in securing the strategic conservation and integrated ecosystem management of globally important biodiversity in the world's most threatened areas, particularly through engagement of civil society and the private sector in protected area management, in mainstreaming biodiversity in production landscapes, and by developing policies and practices to improve biodiversity management outcomes.

The approach promoted by the CEPF is relevant to the work the Bank undertakes with clients countries in support of sustainable conservation of biodiversity, as well as with respect to civil society engagement. The Bank's 2011 MTR found that, "The CEPF has been successful at identifying and supporting a regional, rather than a national, approach to achieving conservation outcomes and engages a wide range of private, non-governmental and community institutions to support nations in addressing conservation needs through coordinated regional efforts."

The CEPF has demonstrated efficiency, with more than \$346 million leveraged for conservation purposes since its beginnings in 2000. It has played an important role in crowding in civil society stakeholders and donors, generating more than 80 civil society networks and partnerships over 14 years. More than 50% of the grants it has awarded have gone to local organizations. During CEPF 2, the total amount of revenue raised has surpassed the projected amount of \$100 million. However, the inability to demonstrate actual aggregate outcomes for the Project inputs provided, linked to short-comings in the Project's monitoring and evaluation frameworks, is a deficiency in overall efficiency.

3.5 Overarching Themes, Other Outcomes and Impacts

(a) Poverty Impacts, Gender Aspects, and Social Development

Poverty Impacts. As reported in the CEPF Implementation Completion and Results Report (see Annex 7), adoption of the new monitoring framework, which includes a Civil Society Tracking Tool (CSTT), allowed the CEPF to begin systematically recording data regarding its community-level beneficiaries. Diverse benefits recorded include, improved livelihoods based on ecotourism and/or sustainable resource management practices, as well as socio-economic benefits that accrued around better food security, access to fresh water, and improved access to energy, health and education.

In the Indo-Burma hotspot for example, various cash and non-cash incentives have encouraged conservation on the part of local communities. One particularly ambitious sub-project, implemented by a locally-based international NGO in collaboration with two local organizations, piloted and scaled up a number of incentive-based approaches to conserving large water birds and their habitats using an ‘ibis-rice’ eco-labelling program which pays a premium to producers who abide by conservation agreements developed through participatory process that improve land tenure and sustainable management of forest resources. The annual income of 349 families from 11 villages increased as a result.

Gender. Gender considerations were introduced into CEPF’s program through provision of gender training for all CEPF Secretariat staff and all RITs, as well as incorporating gender into grantee reporting packages. At project completion, CEPF indicated that a strategy that fully integrates gender considerations into all stages of the project cycle management is under development.

(b) Institutional Change/Strengthening

Similar to the experience noted under the first phase of the program, the capacity building imparted by the CEPF to civil society organizations has been one of the hallmarks of the program. Institutional strengthening has occurred against a full project cycle framework, from initial participation in the ecosystem profiling stage and its strategic investment analysis, to grant proposal development and project design processes, through to actual implementation. This has strongly reinforced the capacity of grantees, many of whom may not have had access to funding and for whom the CEPF support has honed skills that can serve in future to source additional financing support.

Also in keeping with the findings of the first phase of CEPF, the program has served as a convener at the hotspot level, allowing civil society stakeholders to forge important alliances and partnerships with each other, with governments, as well as with other donors.

CI’s institutional development has also been influenced by participation in a multi-donor partnership. It has now been accredited as a Project Agency of the GEF, which offers it direct access to GEF grants. The GEF grant approved for the third phase of the CEPF is implemented by CI.

(c) Other Unintended Outcomes and Impacts

CEPF indicates that as a result of restoration of degraded ecosystems, the program has secured a total of 1.2 billion tons of carbon globally, which translates into 120.5 tons of carbon per Project hectare.

3.6 Summary of Findings of Beneficiary Survey and/or Stakeholder Workshops

Not applicable.

4. Assessment of Risk to Development Outcome

Rating: Moderate

The risk to development outcomes is rated as moderate, consistent with the risk identified at entry and in keeping with the ratings issued throughout the period of supervision. Although impacts generated through biodiversity conservation initiatives are long-term in nature and thus, not fully evident within a limited implementation time frame, specific outcome risk was managed satisfactorily. More broadly, the approval of a third phase of CEPF by the Donor Council in 2014 will continue the work underway to secure the sustainability of impacts.

A risk profile was prepared for each hotspot during preparation of its ecosystem profile and investment strategy. The Project faced conflict-related risk concerns in the Eastern Afromontane and the Mediterranean Basin that hindered the ability of civil society to participate in the program and impeded CEPF's ability to invest in certain countries. The impact of these risks was mitigated by work across the remainder of the hotspots proceeding as planned and contributing to achievement of the Project objectives.

To ensure that the program attracted broad interest from capable local organizations to serve as RITs, civil society stakeholders were engaged from the outset in the ecosystem profiling process of each hotspot, allowing CEPF staff to gauge the level of institutional capacity within each cohort. Where capacity was deemed in need of development, local civil society organizations were paired with more seasoned, internationally-based organizations in joint RIT capacities to mitigate risk while building local capacity and monitoring performance.

5. Assessment of Bank and Borrower Performance

5.1 Bank

(a) Bank Performance in Ensuring Quality at Entry

Rating: Satisfactory

The Bank team performed well with respect to ensuring quality at entry. The Project's design built upon the results of the CEPF's first phase, including recommendations made by the 2006 evaluation. The Project's oversight framework, centered on the Donor Council and its Technical Working Group, were robust and accountable. This ensured that despite the lack of certain design details at entry, given the staggered approach to hotspot identification, all key-decision-making during implementation would be well informed. Implementation structure was also well designed, with a view to better engaging local civil society actors. The introduction of the RITs as leading the grant portfolio at the hotspot level was a means by which to better manage strategic implementation across the ecosystem while building a broad constituency of civil society groups to work across geographic and institutional boundaries with the aim of shared conservation goals. The criteria for serving as RIT were well defined, and their responsibilities were standardized and expanded in order to devolve responsibilities that had under the first phase been centralized within CEPF. All operational guidance and criteria to support implementation was clearly spelled out in the Project's Operational Manual.

To encourage integration of CEPF efforts into broader World Bank country assistance strategies, the PAD identified a series of ongoing and planned World Bank global, regional and national projects, as well as other donor interventions that were felt to strongly complement CEPF-2 objectives in the first three hotspots of Indo Burma, Polynesia-Micronesia and Western Ghats.

(b) Quality of Supervision

Rating: Moderately Satisfactory

The quality of supervision was moderately satisfactory. The task team leadership of the Project changed three times during supervision.

As a member of the Donor Council and the Technical Advisory Group, the Bank team was able to contribute constructively to the ongoing design of the Project's staggered nature, as well as to respond to the adaptive management needs that were faced.

Another important contribution centered on the Bank's provision of comprehensive safeguards training to the CEPF Secretariat and RITs to ensure their compliance with the Bank's Safeguard Policies. In several regions, this training was conducted by regional colleagues. FM supervision was also conducted on a regular basis.

Supervision missions to assess progress and provide input to overall project activities were called for semiannually, including explicit mechanisms to ensure greater Bank involvement in hotspot-level project operations through supervision by Bank regional staff. In practice however, fewer supervision missions were conducted than called for and only twice was mention found of Bank regional staff being involved. Field supervision was called for in up to four hotspots every year however, given the global scope of the project, its limited management fees, and the staggered nature of the 'onboarding' of hotspots, this was not practical. Field visits to the new hotspots began at MTR in 2011, with five visited in total during implementation.

Supervision fell short however, with regard to the Project's aim of fostering strategic links with other relevant Bank operations in the regions, which was a carry-over issue from the CEPF's first phase. Although input on Bank programs was contributed to each new ecosystem profiling exercise, and Project Aide Memoires repeatedly encouraged the CEPF Secretariat to reach out to work with Bank regional staff to encourage integration of CEPF efforts into broader World Bank country assistance strategies, very little progress was noted (see Sect. 2.2). This is considered a moderate shortcoming given that the potential for innovative donor partnership was a key justification for the Bank's involvement in CEPF 2. Indeed, to rectify these very same shortcomings that had been raised during the first phase of the CEPF, the Bank's Development Grant Facility (DGF) and Environment Department had sponsored regional workshops to expose CEPF and Bank staff to each other's work, explore linkages and improve collaboration. No such efforts was made during implementation of CEPF 2.

(c) Justification of Rating for Overall Bank Performance

Rating: Moderately Satisfactory

The Bank's performance is rated as overall moderately satisfactory. In terms of ensuring quality at entry, given that the project was being designed as the first phase was coming to completion, it was informed by both first-hand experience and the findings of independent evaluation. However, moderate shortcomings were identified with regard to the development of Project indicators, as well as in deficiencies noted in the Project's M&E framework.

Moderate shortcomings were noted during supervision. Despite the robust support provided with respect to ensuring compliance with safeguards policies, and the overall acceptable level of supervision and guidance provided by the Bank team, particularly in the last three years of supervision, the Bank team fell short on working to maximize opportunities for synergies between CEPF and Bank operations. Ultimately, this limited the Bank's involvement in the Project to principally quality and compliance assurance, rather than building off its comparative advantage at the strategic interface of programming. The potential was no doubt hampered by the perception of being 'unfunded' support on the part of the Bank, given the small

grants and global scope nature of the Project's programming, compounded by limited amounts of administrative budget.

5.2 Borrower

(a) Government Performance

Rating: n/a

Given the global nature of the CEPF, no direct government performance is assessed however, it is worth noting that biodiversity hotspots became 'CEPF investment ready' only upon receipt of endorsement of their ecosystem profiles from relevant GEF national focal points representing all countries involved.

(b) Implementing Agency or Agencies Performance

Rating: Moderately Satisfactory

For the bulk of the Project's implementation, the ISR rating with regard to progress in meeting the GEO was moderately satisfactory, whereas implementation progress was rated more steadily satisfactory. Overall, the performance of the Implementing Agencies, which include CI, the CEPF Secretariat and the RITs, is rated moderately satisfactory.

Conservation International. In response to the risk concern regarding conflict of interest, CI's involvement in CEPF operations was closely monitored to ensure full transparency. In the spirit of the evolution of the Program, CI's selection as lead partner in profiling, as RIT, or as a grantee was circumscribed and subject to approval from the CEPF Working Group. During CEPF-2, CI received 8% of implementation grants. CI's Board of Directors continued to assume fiduciary responsibility for the program.

CEPF Secretariat. The Secretariat provided oversight and reporting for the program writ large, as well as overarching strategic and financial management including, fundraising, donor coordination, global information management and outreach, and development and implementation of a program-wide replication and dissemination strategy. Under the supervision of the regional Grant Directors supervised ecosystem profiling processes, trained RITs, oversaw overall ecosystem portfolio development and grant-making, ensured compliance on safeguards issues, and monitoring and reporting. CEPF demonstrated ongoing willingness to embrace a learning-by-doing approach to implementation, and to engage in adaptive management.

A shortcoming noted during supervision was resistance on the part of the Secretariat to World Bank supervision suggestions. One example pertained to Bank suggestions on how the program portfolio might be strengthened by focusing on intra- and inter-regional lessons. Similarly, efforts by the Bank team to raise perceived project weaknesses were not taken on board, nor was the suggestion that delegation of decision-making be further devolved to the RITs. RITs receive no more than 20% of each regional investment portfolio to administer the grants program on behalf of the Secretariat and build networks among the grantees. It was the Bank team's view that the Secretariat was slow to fully empower the RITs, resulting in duplication of review and clearance procedures and impeding, to a certain degree, capacity-building.

RITs. The RITs were successful in leading implementation of the ecosystem profiles. More than 50% of the CEPF 2 portfolio was approved at the RIT level. Relations with hotspot partners including, grantees, government representatives, and private sector interests appear positive. Grant-level results are systematically documented, through project reports.

In general, Project results are captured through project final reports and along with feature stories and lessons learned, are made available on the CEPF website. The wealth of information that emanates from the grant-level is vast and captured in a standardized manner. So too are program-level evaluations of the CEPF. Much emphasis has also been devoted to enhancing CEPF's capacity to monitor aggregate outcomes at the global level, particularly in the later stages of the Project's implementation. However, systematic, standardized compilation of lessons learned with respect to how CEPF investments have impacted conservation outcomes and influenced follow-on investment leveraging at the hotspot level remains weak, with the Western Ghats 'Five Year Assessment of the CEPF Investment' standing out as an exception and an excellent example of aggregate level reporting for a hotspot.

(c) Justification of Rating for Overall Borrower Performance

Rating: Moderately Satisfactory.

The Borrower's performance is rated as overall moderately satisfactory, as a number of moderate shortcomings were noted. A continued centralized control was noted at the Secretariat-level with regard to devolution of operational management to RITs at the hotspot level, despite the fact the majority of the RITs under CEPF-2 are well-established international NGOs with extensive on-the-ground experience and networks. It seems also to have influenced the strategic working relationship between the Secretariat and the Bank team: capacity building was welcome but programming synergies were pursuing seemingly ad hoc and specific operational recommendations often went ignored. Most significantly, the willingness to engage actively with the Bank's Task Team and regional staff to maximize opportunities for synergies between CEPF and Bank operations, as called for in the PAD, was, overall, found to be lacking.

Deficiencies in the Project's M&E framework also contribute to a downgrading of the Borrower's overall performance rating, as it does for the Bank's performance.

6. Lessons Learned

Making the whole greater than the sum of its parts. Most CEPF grants across are highly site focused but lack the broader landscape vision which defines the core of CEPF's approach. Bringing hotspot grantees together through, for example, mid-term portfolio assessment workshops, offers a valuable opportunity to exchange experiences and ideas, as well as to assess results, impacts and the strategy moving forward through the lens of a landscape vision. Capturing the results of hotspot level qualitative outcomes from an aggregate perspective should be systematically undertaken and made available. The development of standardized reporting frameworks at the hotspot level, linked to the investment priorities identified in the ecosystem profiles, would complement the ecosystem profiling exercises from an ex post perspective.

Not a new lesson, but one reconfirmed. Decentralization strengthens local ownership. The experience of working through the RITs in a decentralized manner offers greater potential to strengthen local ownership of conservation efforts thanks to more direct hotspot contact and effective outreach to a wider variety of civil society actors.

Know your comparative advantage. The Bank is an incubator of innovation, which is what drew it to the global partnership for small grant-making in critical hotspots at the outset. By CEPF 2, the Bank's role was largely limited to that of a pass-through mechanism and to provision of quality and compliance assurance, while its comparative advantage at the strategic interface of conservation programming was ignored. The decision to not reinvest in CEPF phase 3 is a sound exit strategy.

If the profile fits... The ecosystem profiling model has been to be a successful convener of stakeholders in support of hotspot conservation, as well as a means by which to streamline donor funding to expand or potentially, scale-up efforts initiated using small grants financing. Linking the profiles with more strategic implementation on the ground, and focusing on issues closely linked to higher level local/regional and national sustainable development and policy objectives can generate broader, more impactful outcomes in the medium-term, which in turn can leverage interest and financing for the longer-term.

In for the long haul... sound long-term financing. This type of engagement must build on a learning process, a step-by-step approach. There is value in a long-term approach in such complex arenas. Some of the Project's aspirations were likely too ambitious, even with the comparative advantage of having the World Bank as a partner to offer opportunities to scale-up synergies and possible investment options, particularly given the short-term nature (5-year) implementation timelines for investments within each hotspot. Nurturing synergies between myriad small grants and strategic national development objectives is a longer-term endeavor. Consideration should be given to the issue of long-term financing for ongoing CEPF investments, as well as the management of KBAs more broadly. For example, many small grant

investments rely on using eco-tourism to sustain the costs of a conservation investment. Such investments should only be supported in cases where there is clear market analysis that demonstrates the potential for the operation to be self-sustaining following an initial CEPF grant. Given that the CEPF seeks to see its interventions equal more than the sum of their parts, the small grants marketplace model must be strategically managed to encourage uptake of results and lessons within longer-term sustainable investment priorities.

On a related point, CEPF hotspot investment priorities also should be clearly aligned with national/regional/local investment opportunities, something which should be feasible now that the Program has established a reputation and has entered its third phase. The efforts undertaken by the RIT Wildlands Conservation Trust in the Maputaland-Pondaland-Albany Hotspot to engage the South African National Biodiversity Institute (SANBI) and other investors, including the World Bank, in an Investors Roundtable dialogue is a prime example.

7. Comments on Issues Raised by Borrower/Implementing Agencies/Partners

(a) Borrower/implementing agencies

(b) Cofinanciers

(c) Other partners and stakeholders

(e.g. NGOs/private sector/civil society)

Annex 1. Project Costs and Financing

(a) Summary of Project Costs, CEPF 2 cumulative, as of December 2014

Expenditure Description	Budget arrangements at entry *	GEF-expenses (USD millions)	Other donors** (USD millions)	Total (USD millions)
Ecosystem Profile Preparation	2.6	0	3.5	3.5
Ecosystem Grants for Subprojects	76.66	20	53.3	73.3
RIT Operating & Monitoring Costs	8.44	0	7.7	7.7
Secretariat Operating Costs	12.3	0	15.1	15.1
Total expenses		20	79.6	99.6
Funds received from donor		20	108.8	128.8
Balance		0	29.2	29.2

* Budget arrangements at entry were based on an overall USD 100 million program.

** Other donors to CEPF-2 include the World Bank Group's Development Grant Facility (DGF), and Bank-administered Trust Funds for the Government of Japan (TF013003) and the European Union (TF015491), though results of these investments are not included in this ICR.

(b) Financing

Source of Funds	Type of Cofinancing	Appraisal Estimate (USD millions)	Actual/Latest Estimate (USD millions)	Percentage of Appraisal
Borrower: Conservation International		25.00		
Agence française de développement (AFD)		25.00		
John D. and Catherine T. MacArthur Foundation		12.00		

Annex 2. Outputs by Component

The Project’s components sought to strengthen protection and management of globally significant biodiversity, and increase local and national capacity to integrate biodiversity conservation into development and landscape planning. Ecosystem profiles were prepared for nine new biodiversity hotspots, prioritized investment based on biological importance and need. All the new regions addressed by CEPF 2 are complex, involving multiple countries and stakeholders. A total of 1,318 communities benefited from CEPF 2 support during the Project’s implementation.

Although not funded by the Project, CEPF-2 also supported targeted consolidation investment in eleven other hotspots, building on work initiated under phase 1. Funding of \$18.4 M financed a total 66 large CEPF grants (>\$20,000) to support work in the Atlantic Forest, Cape Floristic Region, Caucasus, Eastern Arc Mountains & Coastal Forests, Guinean Forests of West Africa, Madagascar & Indian Ocean Islands, Mountains of Southwest China, Southern Mesoamerica, Succulent Karoo, Tropical Andes and Tumbes-Chocó-Magdalena hotspots (more details, see Annex 7, Table 1).

Overview of Expansion: The Nine New Biodiversity Hotspots

Critical Ecosystem (Hotspot)	Conservation Significance	Threats to Biodiversity
Indo-Burma	52% (7,000 of 13,500) of plants, 17% of mammals, 5% of birds, 39% of reptiles, 54% of amphibians and 44% of freshwater fishes are endemic.	Agriculture, over-harvesting, logging, over-fishing, habitat loss, rapid population growth and unsustainable economic development.

Indo-Burma is the largest of all the world’s hotspots. Economic development and growing human population has placed significant pressure on the hotspot’s natural capital. High levels of poverty define a large percentage of the hotspot’s population, many of whom live in rural areas and rely on natural resources, namely forests, freshwater wetlands and coastal habitats, as part of their livelihood strategies. Project work focused on non-marine parts of Cambodia, Lao P.D.R., Myanmar, Thailand and Vietnam, as well as parts of southern China. Investments targeted five priority geographies: the Sino-Vietnamese Limestone, Mekong River and Major Tributaries, Tonle Sap Lake and Inundation Zone, the Hainan Mountains biodiversity conservation corridors, as well as Myanmar.

During the Project’s first investment phase in the region (2008-2013), Birdlife Indochina assumed the role of RIT. A Hotspot Advisory Group composed of representative from government agencies and key donors, including World Bank staff from the Vietnam and Lao P.D.R. offices, was established by the RIT to guide hotspot level work. Applications for calls for proposals and monitoring tools, such as the Protected Area Management Effectiveness Tracking Tool – PAMETT, were made available in local languages including, Vietnamese, Khmer and Lao. All grants were subjected to technical review by at least two experts. The RIT provided support to applicants presenting good ideas but lacking capacity to develop well-designed projects, including a number of indigenous organizations.

A coherent and balanced grants portfolio totaling 126 was developed in the hotspot, of which 43 large grants and 83 small grants, with a total value of \$9.6 million. In response to a major emerging threat, a key direction for CEPF investment moved to strengthen civil society efforts to raise awareness about the

social, environmental and economic implications of hydropower dam construction in the Mekong and Major Tributaries corridor.

Under the Indo-Burma Reinvestment (2013-2018), a total of 68 grants, valued at \$10.6 million, and roughly split between large and small, are being implemented. IUCN has assumed the role of RIT, in partnership with the supported by the Myanmar Environment Rehabilitation-conservation Network (MERN) and Kadoorie Farm & Botanic Garden (KFBG), a local NGO originally established to provide aid to poor farmers. IUCN manages delivery of the overall hotspot program and leads implementation in Cambodia, Lao PDR, Thailand and Vietnam, while KFBG leads on implementation in China’s portions of the hotspot and MERN manages implementation in Myanmar. At the time of Project completion, the MTR Assessment for the reinvestment phase had just been completed. Lessons focused on the need for stronger links between civil society and national and regional governments, on the need to enhance evidence-based biodiversity conservation into government planning as means by which to plan strategically for longer-term support for biodiversity conservation.

In Cambodia, a CEPF grantee promoted strengthened biodiversity management within community forests which integrated conservation for the endangered Bengal florican and other threatened bird species into the management plans of five community forests. In Vietnam, a CEPF grant allowed medicinal plant collectors to be trained in sustainable harvesting techniques and helped stabilize their income through acquisition of harvesting licenses and increased access to information regarding market prices. In Lao PDR, management of the Nam Et-Phou Louey National Protected Area was strengthened by training PA staff in tiger monitoring, and by preparing tiger monitoring and an implementation plan to evaluate the effectiveness of conservation interventions. Another grantee in Lao PDR addressed management of a deer sanctuary by tackling issues associated with hunting, disturbance and habitat loss.

Critical Ecosystem	Conservation Significance	Threats to Biodiversity
Polynesia-Micronesia	58% of plants, 75% of mammals, 56% of birds, 48% of reptiles, 100% of amphibians and 21% of freshwater fishes are endemic.	Invasive alien species, urbanization and commercialization, habitat degradation.

The **Polynesia-Micronesia** biodiversity hotspot is composed on 4,500 islands home to more than 3 million people across 20 countries and territories. The lands of this region are varied and include, rain and temperate forests, wetlands and savannas. The natural assets of the hotspot are among the most threatened in the world, with just 21 percent of original vegetation remaining intact. Socioeconomic changes and population growth in the region have increased dependence on cash-crop production, deforestation, over-harvesting of resources and the use of destructive harvesting techniques. These practices have significantly reduced and degraded existing habitats.

CI Oceania performed the role of RIT in the hotspot. The grant portfolio was implemented from 2008 to 2013 during which a total of 94 grants, split roughly evenly between large investments of more than \$20,000, and small grants, were awarded. The total portfolio value was \$7.0 million. The main areas of work undertaken included, building community support, ownership and capacity, improving awareness and knowledge regarding Fiji’s ecosystems and their biodiversity, developing protected areas, investing in species conservation, and controlling invasive species. At completion, the investment was credited with improving civil society’s knowledge of Fiji’s ecosystems and their unique biodiversity, and invasive species management.

In Fiji, a grant supported a partnership between the National Trust of Fiji, the Pacific Invasives Initiative, BirdLife International and the local community to eradicate goats and rats on Monuriki in the Mamanucas, creating a safe island haven for the Critically Endangered Fiji Crested Iguana and a secure nesting ground for seabirds. In Kiribati’s Phoenix Islands Protected Area, the largest and deepest UNESCO World Heritage CEPF supported the successful removal of terrestrial invasive species, including rats, cats and rabbits, from two islands, and helped improve biosecurity measures to monitor vessels in these waters to strengthen the protection of the natural habitats for globally significant seabird colonies. In addition, the Phoenix Islands Protected Area Trust Fund, established in 2011 through a CEPF grant, secured financing of \$5 million in September 2013 through an endowment designed to ensure the long-term viability and management of the PA. In French Polynesia, CEPF funding enabled the local NGO to work with the local community to create a rat- and cat-free area within which the Fatu Hiva Monarch, a bird restricted to a single island in the Marquesas, were able to successfully breed.

Critical Ecosystem	Conservation Significance	Threats to Biodiversity
Western Ghats and Sri Lanka	52% of plants, 13% of mammals, 7% of birds, 65% of reptiles, 73% of amphibians and 73% of freshwater fishes are endemic.	Fragmentation, population density, infrastructure, unsustainable agriculture, poaching.

Investment in this hotspot focuses on the **Western Ghats** of southwestern India, which stretches across an area of 180,000 square kilometers along the west coast of India, and which is one of the most densely populated of the world’s 35 global biodiversity hotspots. The region is extraordinarily rich in endemic species, particularly plants. Population pressure has severely impacted the hotspots’ forests given demands for timber and agricultural land. Today only one-third of the Western Ghats’ natural vegetation remains in pristine condition, with many remaining forests highly fragmented and facing intensified degradation. The region also performs important hydrological and watershed functions that sustain more than 360 million people.

The Ashoka Trust for Research in Ecology and the Environment (ATREE) performs the role of RIT in the Western Ghats hotspot. The grant portfolio, which has been under implementation since 2008, and will close in 2015, has awarded a total of 103 grants by Project completion, of which 44 large and 59 small. Total portfolio value is \$6.1 million. The CEPF investment portfolio has taken advantage of the strong, dynamic and widespread local civil society presence in the region. A key focus for investment has been on initiatives that promote land management practices outside of PAs that are consistent with maintenance of ecological connectivity and ecosystem function at landscape scales, such as payments for ecosystem services and eco-labeling of agricultural products.

As a result of CEPF investments, biodiversity conservation has been strengthened across more than 70,000 hectares within PAs and more than 60,000 hectares in production landscapes outside PAs. Sustainable agricultural practices have been adopted by 34 tea and coffee estates, covering more than 19,000 hectares of production, while commitments have been obtained from major international brands to source supplies from Rainforest Alliance-certified farms in the Western Ghats.

In Kerala State, the Kadar tribe hunted great hornbills and Malabar pied hornbills based on tradition. Once the hornbills were found to be endangered and hunting was pronounced illegal, tribe members were employed by the regional government to work outside the forest. CEPF investment has begun bringing some tribe members back into their traditional environment, and applying their traditional knowledge and skills to protect the birds they once hunted through community-based conservation and monitoring programs. .

Global threat assessments have been undertaken for 1,394 species in order to provide a baseline against which conservation planning and actions can be more effectively designed and better targeted. In addition, species recovery and management plans were implemented for 13 priority species, including the first successful breeding of the Critically Endangered Indian vulture (*Gyps indicus*) in captivity. A web-based portal on biodiversity and ecosystem service values of the Western Ghats was launched and is being populated by a growing community of data-holders, including a citizen-science observation interface that accumulates more than 1,000 records a month.

Critical Ecosystem	Conservation Significance	Threats to Biodiversity
Caribbean Islands	50% of plants (6,500), 46% of mammals, 27% of birds, 93% of reptiles, 100% of amphibians and 40% of freshwater fishes are endemic.	Deforestation, Agriculture (cacao, coffee, sugar cane and tobacco plantations), mining, tourism, and invasive alien species.

The Caribbean Islands hotspot is composed of 12 independent nations and the overseas territories of several countries. Its geography and climate make it great center of unique biodiversity. High population growth rates and densities, huge seasonal influx of people, increasing urbanization, and inequality and poverty have led to unsustainable demand for land and natural resources that is proving detrimental to the hotspot’s biodiversity and ecosystems. The majority of Caribbean people live close to the shoreline and as a result, coastal ecosystems, such as mangroves, beaches, and lagoons, play a number of key roles beyond being essential for biodiversity: they buffer coastal communities from the effects of storms, provide a basis for recreational and tourism industries, and serve as nursery habitat for commercial species. CEPF investment support focuses on 45 of the highest-priority KBAs, many of which are embraced by six biodiversity conservation corridors, are coastal and dependent on the health and resilience of the adjacent marine environment.

The Caribbean Natural Resources Institute (CANARI) was appointed RIT in October 2010. CANARI is supported by a Regional Advisory Committee for CEPF that comprises volunteers from across the CEPF-eligible countries who provide technical support and guidance on ongoing grants, and external technical review of the pipeline proposals. The grant portfolio, which is active from 2010–2015, has awarded a total of 75 grants by Project completion, of which 46 large and 29 small, for a total portfolio value of \$6.9 million which includes an additional \$400,000 that was approved by the Donor Council as emergency funding for post-earthquake Haiti. CANARI has established a successful stream of communication with civil society, including grantees, through the launch of a newsletter, *Capacité*, in June 2012, as well as through an active Facebook site and YouTube channel that promote the CEPF portfolio.

CEPF’s niche in the Caribbean Islands hotspot has been to build the capacity of civil society groups to serve as effective advocates and leaders for conservation and sustainable development of the hotspot’s islands. A number of civil society actors who were recognized as key advocates for environmentally sustainable development, namely mining and tourism development, have received grants to allow them to expand their biological and field experience, together with their leadership role for environmental sustainability.

In the Dominican Republic, a consortium of CEPF grantees have taken innovative steps to link north american chocolate companies with landowners in the Dominican Republic to tackle climate change through reforestation activities and establishment of a sustainable financing mechanism for PAs areas. Plan Vivo carbon credits provide local landowners, especially small-scale farmers, added incentive

to restore the forest through planting a mix of cacao and native wood species, as they receive payments from a revolving fund that covers the costs of planting and maintaining native species as part of the agreement made when they enter their land into the carbon offset program. By selling the Dominican Republic’s first forest carbon credits under its carbon offsets strategy, the grantees were able to establish the country’s first private protected area in 2012. In Haiti, Jean Wiener, Founder of the the Fondation pour la Protection de la Biodiversité Marine (FoProBiM) and a CEPF grantee was recently awarded one of six 2015 Goldman Environmental Prizes, the world’s largest award for grassroots environmental activists. With support from the CEPF, FoProBiM has protected more than 800 hectares of mangroves and 10 miles of sea turtle nesting beaches within Haiti’s Massif-Plaine du Nord Conservation Corridor. FoProBiM also promoted adoption of a resolution to protect Haiti’s mangrove, Adopted in 2013 by the Haitian Ministry of Environment, the resolution bans construction, fishing and hunting in mangrove forests, as well as the cutting or sale of mangrove trees.

Critical Ecosystem	Conservation Significance	Threats to Biodiversity
Maputaland-Pondoland-Albany	24% of plants, 2% of mammals, 14% of reptiles, 15% of amphibians, and 27% of freshwater fishes are endemic.	Industrial and local farming, over-grazing by livestock, timber, mining, urbanization, and invasive alien plant species.

The **Maputaland-Pondoland-Albany** hotspot (MPAH) stretches approximately 1,300 km of the Indian Ocean coast line and more than 300 km inland to the Great Escarpment, from Port Elizabeth in South African’s Eastern Cape Province, north through KwaZulu-Natal Province, and includes much of Swaziland and southern Mozambique. The MPAH is the second richest floristic region in southern Africa, and the second richest floristic region in Africa, for its size. It contains 72 KBAs and 12 conservation corridors, 1900 endemic plant species, of which 534 figure on the ICUN Red List as vulnerable, endangered or Critically Endangered. The MPAH is also home to 18 million people, many of whom live in poverty. Commercial and subsistence farming, timber production, urban development and the increasing threat of mining increasingly impact the region, causing loss and degradation of habitat, as well as degradation of marine and estuarine resources. The unsustainable use of natural resources, the spread of invasive alien species and human-wildlife conflict also place pressure on the hotspot’s biodiversity and ecosystems. CEPF’s investment strategy in the MPAH focuses on provision of support to civil society by applying innovative approaches to conservation in under-capacitated PAs, KBAs, and priority corridors, in order to encourage and enable policy changes while building resilience in the region’s ecosystems and economy to sustain biodiversity over the long term.

The South African NGO, Wildlands Conservation Trust, was selected as RIT in 2010. The RIT is supported by CESVI in Mozambique. The MPAH portfolio has an investment envelope of \$6.6 million, which is active from 2010-2015. To date, 87 grants have been awarded including, 39 large and 48 small. The RIT is supported by an advisory group that includes WWF South Africa, Wildlife and Environment Society of South Africa, the Botanical Society, the Endangered Wildlife Trust, Conservation South Africa, Birdlife South Africa and the Wilderness Foundation (the Conservation Alliance). The Alliance’s senior technical specialists and managers meet three times a year to discuss issues of common concern, including CEPF implementation progress.

In South Africa’s KwaZulu province, CEPF grantees have joined forces on rhino protection by teaming up with the privately owned Thanda Game Reserve, a provincial conservation authority and private donors to collectively fund and implement the installation of GPS tracking devices in the horns of white rhinos. This effort is designed to allow wildlife managers to track the rhinos, deter poachers, and in the

event an animal is killed, enhance the potential of catching the poachers before they escape. Through the process, wildlife managers learn more about rhinos and the natural habitats they depend on. In Mozambique, a CEPF grant is working to ensure the sustainability of the Futi Corridor PA by involving residents in education and economic activity that seeks to build prosperity while it safeguards biodiversity. From a regional perspective, the South African National Biodiversity Institute (SANBI) manages a large grant geared to collect and share lessons across the hotspot. SANBI is also coordinating Donor Roundtables that bring together donors and grantees. The first roundtable, held in Pretoria in April, 2013 regrouped UNDP, the Bank and the Development Bank of South Africa (DBSA), with the CEPF Secretariat, the RIT and several of the hotspot’s larger grantees including, Birdlife South Africa, the Botanical Society of South Africa and Conservation South Africa. The meeting provided the donors the opportunity to learn more about CEPF investment developments in the hotspot and the grantee social infrastructure that CEPF has been building in MPAH. Donors were invited to launch as dialogue on coordinating interventions across the MPAH and to consider co-financing in support of the CEPF ecosystem investment strategy.

Critical Ecosystem	Conservation Significance	Threats to Biodiversity
Mediterranean Basin	52% of plants, 11% of mammals, 5% of birds, 34% of reptiles, 34% of amphibians and 29% of freshwater fishes are endemic.	Infrastructure, urbanization, habitat fragmentation and increasing tourism.

The **Mediterranean Basin** biodiversity hotspot is the second largest hotspot in the world covering more than 2 million square kilometers and stretching from Portugal to Jordan, and from northern Italy to Cape Verde. It is the third richest hotspot in the world in terms of plant diversity. The delicate balance achieved centuries ago between the hotspot’s ecosystems and human activity, with the latter dominating the landscapes, is stressed. Many local communities depend on remaining habitats for fresh water, food and a variety of other ecosystem services. CEPF investment in the Mediterranean Basin Hotspot focuses on engaging relevant actors in conservation and development activities across the Basin’s countries to foster partnerships in priority corridors and sites with the aim of reducing impacts of development on natural resources and systems that large communities depend upon. In tandem, the portfolio is exploring opportunities to reduce shifts in land use by communities within these rich landscapes.

Doğa Derneği (BirdLife partner, Turkey), in partnership with DOPPS/Birdlife Slovenia and the Ligue pour la protection des oiseaux (LPO), assumed the role of RIT in 2011. The hotspot’s grant portfolio, valued at \$11 million, is active from 2011-2016. It has awarded a total of 73 grants to date including, 38 large and 35 small grants. CEPF investments focus on six biodiversity conservation corridors that include 50 of the highest-priority KBAs. Remaining KBAs in the hotspot, which number 218, benefit from landscape-level interventions which are critical for maintaining the integrity of ecosystem processes and services. An additional 20 KBAs in five other corridors that represent highly irreplaceable and vulnerable sites are the focus of CEPF site-level investments. In total, 15 countries will benefit from the CEPF investments.

Kuriat Island off Tunisia is very important to the loggerhead sea turtle, as its sands offer the only place in Tunisia where this endangered species buries its eggs. Sea turtle populations have been devastated by being caught in fishing nets making it especially important for hatchlings to reach the sea and mature. A CEPF investment has educated the area’s artisanal fishermen to prevent the accidental capture of adult turtles, as well as to eliminate bycatch. On Santa Luzia, an island near Cape Verde, another CEPF investment is also working to conserve loggerhead turtles. Run by the Sociedade Portuguesa para o Estudo das Aves (SPEA) - BirdLife, Portugal, and a local partner, the grant supports daily monitoring of

nesting sites a threat assessment. At-risk nests, for example, those located in flood-prone areas, are transferred to a hatchery nearby to complete their development in safety before being released.

In Lebanon, uncontrolled hunting is the largest threat to migratory birds and the practice is undermining the conservation efforts for many globally threatened and vulnerable species. CEPF has funded a large grant to promote sustainable hunting practices in the country using a community-based approach. Led by the Lebanese Environment Forum (LEF) and supported by the Society for the Protection of Nature in Lebanon (SPNL - BirdLife partner), the grant has brought together more than 100 people from civil society, hunting organizations, government and the media to endorse the concept of Responsible Hunting Areas and see them put into action.

Critical Ecosystem	Conservation Significance	Threats to Biodiversity
Eastern Afromontane	31% of plants (2,356 of 7,598), 21% of mammals, 8% of birds, 27% of reptiles, 30% of amphibians, and 69% of freshwater fished are endemic.	Agriculture, logging, fires, mining, infrastructure development, and collection of firewood and/or plants for medicinal use, hunting and disease.

The **Eastern Afromontane** hotspot forms a curving arc of more than 7,000 kilometers from Saudi Arabia to Mozambique. The KBAs it contains cover an area of more than 50 million hectares, of which only 38 percent have full legal protection and variable amounts of government funding. The priority KBAs identified for CEPF investment represent approximately 5.5 million hectares. One of the CEPF investment’s priority intentions is to leverage financial support from other donors and investors. Three strategic programming directions, determined through an intensive consultative process with stakeholders, including civil society, guide the investment. They include: mainstreaming biodiversity into wider development policies, plans and projects to deliver co-benefits associated with biodiversity conservation, improved local livelihoods and economic development in priority corridors; improving the protection and management of the KBA network throughout the hotspot by leveraging off the initial CEPF investment; and, initiating sustainable financing to support conservation of priority KBAs and corridors.

BirdLife International, together with IUCN and the Ethiopian Wildlife and Natural History Society (BirdLife -Ethiopia) form the RIT in the Eastern Afromontane hotspot (2012-2017). The grant portfolio, which is under implementation from 2012-2017, awarded 58 grants prior to Project completion, of which 33 large and 25 small grants. The total portfolio value is \$9.8 million. The CEPF investment portfolio will support civil society in applying innovative approaches to conservation in under-capacitated and underfunded protected areas, Key Biodiversity Areas (KBA) and priority corridors in the region.

A small grant to the International Gorilla Conservation Programme (IGCP) has built the fundraising capacity of 2 local network community-based organizations around mountain gorilla parks in Rwanda (the Volcanoes National Park KBA) and Uganda (Bwindi Impenetrable National Park KBA). This project began by identifying the socio-economic needs of the 4 villages around the Parks, involving villagers in participatory planning so as to take on board concerns from the village perspective. This included village ‘profiling’, problem analyses, and in identifying and prioritizing viable projects to respond to the communities’ needs. As a result of the analysis conducted, the grantees developed 12 proposals for funding and together with IGCP, raised sufficient funds to implement a number of priority follow-on projects. In Kenya, another small grant provided to the African Wildlife Foundation (AWF) trained 6 local CSOs in the Chyulu Hills KBA. Using the knowledge gained through the CEPF-funded training

project, one of these CSOs, the Amboseli Ecosystem Trust, raised \$98,000, from two sources. In Ethiopia, Fauna & Flora International (FFI) delivered a project planning and fundraising workshop for conservationists using a CEPF small grant. This is the first in a series of 3 such training sessions that will be rolled out across the hotspot.

Critical Ecosystem	Conservation Significance	Threats to Biodiversity
East Melanesian Islands	37.5% of plants (3,000 of 8,000), 45.3% of mammals, 41.4% of birds, 46% of reptiles, 90.5% of amphibians, and 5.7% of freshwater fishes are endemic.	Rapid forest clearance, logging, mining, unsustainable farming, invasive alien species.

The **East Melanesian Islands** biodiversity hotspot are witness to high levels of endemism and accelerating levels of habitat loss, caused chiefly by widespread commercial logging and mining, expansion of subsistence and plantation agriculture, population increase, and the impacts of climate change and variability. A central focus of the CEPF investment strategy in the hotspot focuses on building sustainability and capacity for local and national civil society through partnerships, networks and mentoring. Four strategic programming directions have been defined: empowering local communities to protect and manage globally significant biodiversity at priority KBAs that have been underserved by current conservation efforts; integrate biodiversity conservation into local land-use and development planning; safeguard priority globally threatened species by addressing major threats and information gaps; and, increase local, national and regional capacity to conserve biodiversity by catalyzing civil society partnerships.

The IUCN Oceania Regional Office was selected as RIT in 2012. The East Melanesian Islands hotspot portfolio has an investment envelope of \$9 million and is active over an 8 year period, from 2013-2021 based on the need to invest heavily in capacity-building. At the time of Project completion, 27 grants had been awarded, of which 18 large and 8 small grants.

In the Solomon Islands, a local NGO, Oceanswatch, has been working to map ecosystems and inventory mammal and bird diversity at Vanikoro and Nendo KBAs in Temotu province. This CEPF grant aims to empower the people of Temotu to protect their significant biodiversity by raising awareness regarding conservation issues, creating conservation committees in three communities and establishing a women's sustainable livelihoods cooperative. In Vanuatu, the Canal Studio Association is working with three communities along the Santo Mountain Chain in Espiritu Santo on a project called "Songs and Stories of Biodiversity", which focuses in raising awareness about conserving threatened species found in Vanuatu, such as the Vanuatu flying fox, the Santo Mountain starling, the Vanuatu imperial pigeon and the Santa Cruz ground dove, amongst others.

Critical Ecosystem	Conservation Significance	Threats to Biodiversity
Wallacea	15% of plants, 57% of mammals, 41% of birds, 45% of reptiles, 69% of amphibians, 20% of fishes are endemic.	Agriculture, grazing, clearing of land, illegal logging, wildlife trade, plantations and population growth.

Wallacea is a hotspot in central Indonesia and Timor-Leste in Southeast Asia that has a total land area of 33.8 million hectares. Lying at the heart of the Coral Triangle, along with its neighbor, New Guinea, the Wallacea region has more marine species than any other place on earth. Of these marine species, 252 are classified as threatened with extinction by IUCN. Many are corals, which are vulnerable to the combined effects of bleaching, sedimentation and pollution, as well as destructive fishing practices. CEPF is supporting conservation of KBAs and corridors in eight priority areas in the hotspot.

CEPF's grant-making in the hotspot is focused on addressing threats to high priority species, improving management of KBAs, supporting community-based sustainable natural resource management and protection of marine species and sites, engaging the private sector in conservation throughout the hotspot, and enhancing civil society capacity for effective conservation action.

Burung Indonesia was selected as RIT for the Wallacea Hotspot in 2014. A total grant portfolio of \$6 million has been approved by the Donor Council. The hotspot's first active grant was awarded in January 2015, just following completion of the Project. Overlap between the marine KBAs of the Wallacea hotspot and the geographies of the Bank-funded coral reef management project, COREMAP-CTI Phase II, now in its third phase, were noted prior to preparation of the hotspot's ecosystem profile. The CEPF ecosystem profile team consulted extensively with the Bank office in Jakarta, as well as its Government of Indonesia counterparts, and that collaboration is expected to continue now that the ecosystem profile investment has been launched.

Annex 3. Economic and Financial Analysis

Not applicable to the project, as noted in the PAD.

Annex 4. Bank Lending and Implementation Support/Supervision Processes

(a) Task Team members

Names	Title	Unit	Responsibility/ Specialty
Lending			
Kathleen S. Mackinnon	Lead Biodiversity Specialist	EASER - HIS	Task Team Leader
Susan S. Shen	Manager, Operations	LLIOP	Management
Supervision/ICR			
Kathleen S. Mackinnon	Lead Biodiversity Specialist	EASER - HIS	Task Team Leader
Valerie Hickey	Senior Biodiversity Specialist	GENDR	Task Team Leader and Safeguards
Ruth Tiffer-Sotomayor	Senior Environmental Specialist	GENDR	Team Member
Nina Queen Irving	Senior Program Assistant	GENDR	Team Member
Alberto Ninio	Chief Counsel	LEGEN	Legal
Behdad M. H. Nowroozi	Consultant	GENDR	n/a
Susan S. Shen	Manager, Operations	LLIOP	Management
Varun Singh	Senior Social Development Spec	GSURR	Safeguards
Claudia Sobrevila	Senior Environmental Specialist	GENDR	Team Member
Lars C. Lund	Consultant	GSURR	Safeguards
Anthony Whitten	Consultant	EASCS	Safeguards
Svend Jensby	Consultant	OPSOR	Safeguards
Madhavan Balachandran	Senior Financial Management Specialist	GGODR	Financial Management
Nurul Alam	Procurement Specialist	ECSO2	Procurement
Juliette Guantai	Program Assistant	GENDR	Team Member
Karen Azeez	n/a	SDNCM	Team Member
Julian Lee	Environment Specialist	GENDR	Team Member
Sara Thompson	Consultant	GENDR	Support
Dominique Isabelle Kayser	Operations Officer	GCCIA	ICR Author

(b) Staff Time and Cost*

Stage of Project Cycle	Staff Time and Cost (Bank Budget Only)	
	No. of staff weeks	USD Thousands (including travel and consultant costs)
Lending		
FY07	11.05	57.36
FY08	13.83	68.65
FY09	6.40	48.34
Total:	31.28	174.34
Supervision/ICR		
FY10	6.86	49.85

FY11	8.35	90.06
FY12	10.93	56.38
FY13	12.80	74.74
FY14	3.46	21.87
Total:	42.40	292.90
Grant Total:	73.68	467.24

(*) Since Project is funded by GEF, costs includes GEF funding for the whole life of the project as well as BB funding for FY14 only

Annex 5. Beneficiary Survey Results

Not applicable.

Annex 6. Stakeholder Workshop Report and Results

Not applicable.

Annex 7. Summary of Borrower's ICR and/or Comments on Draft ICR

CRITICAL ECOSYSTEM PARTNERSHIP FUND

Acronyms

CBD	Convention on Biological Diversity
CEPF	Critical Ecosystem Partnership Fund
CI	Conservation International
CITES	Convention on International Trade in Endangered Species
CMS	Convention on Migratory Species
CSTT	Civil Society Tracking Tool
GEF	Global Environment Facility
IFR	Interim un-audited Financial Report
LOI	Letter of Inquiry
NGO	Non-governmental Organization
RIT	Regional Implementation Team
TOR	Terms of Reference
UNFCCC	United Nations Framework Convention on Climate Change

This report presents an overview of the implementation and results of the Critical Ecosystem Partnership Fund (CEPF) from June 2008 through December 2014. This period covers the second phase of CEPF. The information presented is based on monitoring and evaluation at three levels: project, portfolio and program-wide. Specific information is also highlighted from independent evaluations conducted in 2010, 2011 and 2014, annual reports and portfolio overviews, as well as participatory assessments conducted in eight biodiversity hotspots.

Assessment of objectives, design and implementation

CEPF-2 is a unique global program designed to address biodiversity loss in Bank client countries that have ratified the Convention on Biological Diversity (CBD). CEPF-2 supports the GEF objectives of the Strategic Priorities of the Biodiversity Focal Area and specifically, supports SP 1 (Promoting Sustainability of Protected Area Networks) and SP 2 (Mainstreaming Biodiversity into Production Landscapes and Sectors), as well as SP 3 (Prevention, Control and Management of Invasive Alien Species). Further, CEPF-2 is fully consistent with, and explicitly supports, the goals and agreed work programs of the CBD, including the protected areas work program, as well as ecosystem-specific work programs in forests, mountain, marine, island and dryland habitats.

CEPF has also supported implementation of CITES via a range of projects devoted to addressing illegal wildlife trade in particular in the Indo-Burma hotspot, and the Convention on Migratory Species (CMS) through projects aimed at protecting habitat (e.g. for waterfowl in North Africa) and improving regulations pertaining to hunting (e.g. for birds in Lebanon). CEPF also supports the objectives of the UNFCCC, with numerous grants during CEPF-2 that address the drivers of deforestation and forest degradation, as well as explicit investment priorities aimed at climate-related priorities, such as supporting efforts in the Caribbean Islands hotspot to mainstream biodiversity conservation and ecosystem service values into development policies, projects and plans, with a focus on addressing major threats such as unsustainable tourism development, mining, agriculture and climate change. Moving forward, CEPF is well-placed to contribute to the Convention's upcoming protocol to be negotiated in December 2015, should capacity building be agreed by the parties to be included in the text. CEPF has immense experience gained over the past 14 years in the creation of enabling environments and in building the capacity of local institutions to address a wide range of issues relevant to conservation, including those related to climate.

CEPF is relevant at the national level as well, and through its ecosystem profiles, complements national priorities and initiatives. With preparation of an ecosystem profile and investment strategy for each biodiversity hotspot, the project responds to recognized national needs to target conservation funding more efficiently and effectively, using a unique consultative and participatory process. Each ecosystem profile is endorsed by the relevant national GEF Focal Point to ensure consistency with country biodiversity priorities.

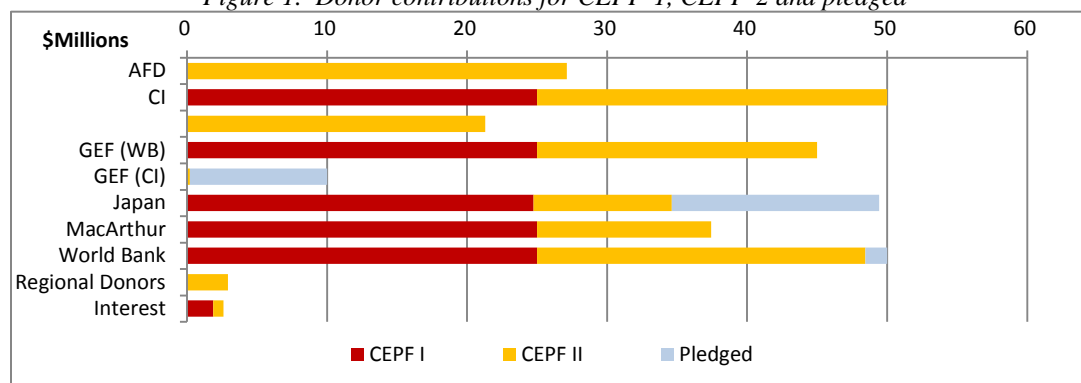
CEPF investments enhance the capacity of civil society organizations to achieve conservation and improved natural resource management, and thereby contribute to increased environmental sustainability and improved local livelihoods on the local and national levels. CEPF has sought to measure the increase in civil society capacity using its Civil Society Tracking Tool (CSTT), designed to gauge change in institutional capacity over the life of a CEPF sub-grant. Developed in 2010 and piloted initially in the Indo-Burma and Western Ghats & Sri Lanka hotspots, this tool is now in standard use across all portfolios. Grantees record a baseline score at sub-grant project inception, and score themselves again at project end. As of CEPF's first global assessment of change in capacity conducted in November 2013, 12.8% of grantees completing both a baseline and end of project CSTT had registered an increase in capacity.

Integral to the implementation of the CEPF program is the Regional Implementation Team (RIT), the on-the-ground structures charged with implementing the CEPF program in each of the hotspots. These entities have extensive responsibilities pertaining to coordination, communication, capacity building, mainstreaming biodiversity into policies and plans, managing a program of small grants (<\$20,000), coordinating a process of large grant (>\$20,000) proposal solicitation and review, monitoring and evaluation, and reporting. RITs are critical to the successful delivery of CEPF due to their local presence and staff, as well as their ability to work in local languages, proximity to grantees, and in-depth local knowledge of the key environmental and social conditions present in each hotspot.

Changes to operations

Over the course of CEPF-2 the partnership maintained its overall structure of a Donor Council, Secretariat and Working Group. The partnership expanded from five donors (CI, GEF, the World Bank, the John D. and Catherine T. MacArthur Foundation and the Government of Japan) to seven with the addition of the Agence Française de Développement (AFD) in 2007 and the European Union in 2013. Two foundation donors, the MAVA Foundation and the Margaret A. Cargill Foundation, have contributed smaller amounts to supplement allocations at the hotspot level. These donors are not members of the Donor Council, however they may participate in Working Group discussions that pertain to the hotspot their funds are supporting. The total revenue raised by CEPF from its inception to December 31, 2014 is \$270 million, of which \$143 million was raised for CEPF-2.

Figure 1. Donor contributions for CEPF-1, CEPF-2 and pledged



Two key changes have occurred during CEPF-2 responding directly to the recommendations of an independent evaluation of CEPF-1 conducted in 2006. First, CEPF has developed and adopted a new monitoring framework, approved by the Donor Council in June 2012. This monitoring framework comprises 23 indicators within four categories (biodiversity, human well-being, enabling conditions, civil society capacity) and enables CEPF to collect data to report on the impact of its grants. The framework is under implementation, with a first annual monitoring report produced in December 2013.

The second change pertains to the Regional Implementation Teams (RIT), the on-the-ground structures charged with implementing the CEPF program in each of the hotspots. Called “Coordination Units” in CEPF-1, at the start of CEPF-2 in 2008 these entities were given expanded duties to allow them to be effective stewards of their hotspot strategies, including the management of all sub-grants under \$20,000. These new Terms of Reference (TOR), while giving much more responsibility to the RIT, did require further clarification and simplification, and amplification of the programmatic role, leading to revision and approval of new TOR in 2011. In June 2014, in anticipation of an even greater role for the RIT in the future CEPF-3, these TOR were further expanded to allow the RITs to be the stewards of the long-term vision of the hotspot by increasing their role in fundraising and in engaging with the private sector and government agencies.

Assessment of the outcome against agreed objectives

During the project period the Fund established grant programs in nine new regions, and supported targeted consolidation investment in 11 other regions. Further, preparation of new ecosystem profiles is underway in one additional new region, the Cerrado, and in two regions approved for reinvestment – the Guinean Forests of West Africa and the Tropical Andes. These three profiles will be completed in 2015.

Table 1: Number and amount of large and small grants awarded by region at December 31, 2014

CEPF Phase 2 Grants	Number of Grants awarded			Spending Authority	Committed	% Committed
	Large	Small	Total	\$000	\$000	%
CEPF II Consolidation						
Atlantic Forest	4		4	2,395	2,395	100
Cape Floristic Region	9		9	1,585	1,585	100
Caucasus	4		4	998	998	100
Eastern Arc Mountains & Coastal Forests	7		7	1,759	1,759	100
Guinean Forests of West Africa	5		5	1,907	1,907	100

Madagascar & Indian Ocean Islands	5		5	1,386	1,386	100
Mountains of Southwest China	5		5	1,351	1,351	100
Southern Mesoamerica	6		6	1,636	1,636	100
Succulent Karoo	7		7	1,387	1,387	100
Tropical Andes	7		7	2,157	2,157	100
Tumbes-Chocó-Magdalena	7		7	1,846	1,846	100
CEPF II New Hotspots						
Caribbean Islands	46	29	75	6,900	6,712	97
East Melanesian Islands	18	9	27	9,000	3,384	38
Eastern Afromontane	33	25	58	9,800	5,912	60
Indo-Burma	43	83	126	9,657	9,657	100
Indo-Burma Reinvestment	36	32	68	10,621	8,047	76
Madagascar & I.O.I. (Reinvestment)	0	0	0	7,500	0	0
Maputaland-Pondoland-Albany	39	48	87	6,650	6,646	100
Mediterranean	38	35	73	11,017	9,334	85
Polynesia-Micronesia	48	46	94	7,000	6,829	98
Wallacea*	0	0	0	6,000	0	0
Western Ghats & Sri Lanka	44	59	103	6,093	6,093	100
Total Grants to Date	411	366	777	108,645	81,021	75

* Wallacea region is now active, with the first grant awarded in early January 2015.

Over the project period, investment programs were completed in two active regions, Indo-Burma, which completed an initial five-year phase and is now in a second five-year investment phase; and, Maputaland-Pondoland-Albany; as well as in seven consolidation programs. Grant-making remains active in eight regions and four consolidation programs. In total, CEPF committed \$81 million to 691 civil society partners located in 20 hotspots covering 81 countries. During CEPF-2, CI received 8% of implementation grants, amounting to \$6.2 million.

Since inception in 2000, CEPF has also:

- Secured more than 1,200 million tonnes of carbon, through forest conservation
- Created more than 80 civil society networks/partnerships
- Engaged 20 industries as partners in biodiversity conservation
- Mainstreamed conservation in more than 65 policies, plans and laws
- Granted more than \$175 million to civil society groups in 89 countries
- Leveraged more than \$346 million for conservation.

CEPF efforts also contribute to achievement of the Aichi Targets, a detailed overview of which is available on the CEPF website:

http://www.cepf.net/SiteCollectionDocuments/CBD/CEPF_CBD_AichiBrochure_C1_R3.pdf

Further, the ecosystem profiling process has presented an opportunity to engage with regional donors interested in collaborating on strategy development. For example, in Indo-Burma, prior to a second phase of investment, several donors (the Margaret A. Cargill Foundation, the MacArthur Foundation, and the McKnight Foundation) joined CEPF in participating in the profiling process. All are now using the profile to guide their own grant-making in the region, bringing in additional funds that are not included in the leveraging figure stated above.

Evaluations: Over the course of CEPF-2, the Fund underwent three evaluations:

- Independent evaluation commissioned by the CEPF to recognize its 10-year anniversary, undertaken by David Olson, Conservation Earth, 2010
- The World Bank Mid-Term Review, 2011
- AFD evaluation, 2014.

All three concluded that CEPF is a key, and largely irreplaceable, source of global funding and other support to civil society organizations engaged in biodiversity conservation.

Main Beneficiaries: Since the creation of the fund in 2000, CEPF has supported over 1,900 civil society partners, with 691 of these receiving funding during CEPF-2. During CEPF-2 these investments have occurred in 81 countries and territories in 20 hotspots, with 777 grants awarded, 55% of which are to local organizations. Grants have been awarded to a broad range of civil society partners, including small farming cooperatives, indigenous groups, community associations, private sector organizations and national and international NGOs. CEPF support has allowed these grantees to participate in biodiversity conservation in the hotspots, and to play an effective role in influencing decisions that affect their livelihoods, their future and the environment. CEPF support has also had a significant multiplier effect, with many grant recipients building the capacity of other local and national stakeholders, via initiatives aimed at scaling up or replicating their successes, and through networks and partnerships facilitated by CEPF.

Poverty: While CEPF has not tracked its contribution to poverty alleviation during the entire project period, from 2012, via its new monitoring framework, CEPF has systematically recorded the number of communities that have benefitted from CEPF investments. As of December 2014, CEPF has since inception in 2000, benefited 1,749 local communities across 23 hotspots, with 1,318 communities benefitting in CEPF-2. Benefits are diverse and include increased income due to ecotourism revenues or adoption of sustainable natural resource management practices, or socio-economic benefits such as increased food security and access to fresh water, more secure access to energy, or increased access to health and education. Further, of a total of 420 sub-grants awarded in CEPF-2, 115 contain one or more project components devoted specifically to improving livelihoods. CEPF recognizes that in the future better indicators will need to be added to the monitoring framework to measure the socio-economic impact of the program.

Gender: CEPF has taken steps to integrate gender into its program by 1) conducting gender training for all CEPF Secretariat staff; 2) including gender as a key component in training sessions for all new RITs; 3) reviewing the gender policies of all CEPF donor partners; and 4) incorporating gender into its grantee reporting package. CEPF is in the process of developing a strategy to fully integrate gender into all stages of project cycle management.

Financial Management

Due to the nature of CEPF as a pooled fund and the collaborative efforts of the Donors, CEPF did not prepare a detailed multi-year budget at the start of the second phase. The CEPF Secretariat submits an Annual Spending Plan to the Donor Council for approval – this plan covers the following fiscal year, which runs from July to June. The Annual Spending Plan includes the funding levels for grants to be awarded and disbursed for each approved region, a Preparation Budget for new Ecosystem Profiles, the Operational Budget for the Secretariat and a management fee.

CEPF uses CI's budgeting system, Clarity, which is linked and interfaced to its Financial Management system - Oracle prior to June 2014 and Agresso from July 2014. Quarterly reports are distributed to all Donor partners – these highlight performance for the fiscal year against the approved Spending Plan and

the Inception to Date results. The Secretariat provides a presentation on financials at each bi-annual Donor Council meeting.

CEPF maintains a dedicated bank account. CI is directly responsible for the monitoring, maintenance, and reconciliation of the designated account of the program. The designated account balance is fully earmarked for current and future granting. The balance fluctuates based on payments processed from the account and cash receipts from Donors. CEPF’s records, accounts and financial statements are subject to external audit annually. The most recent audit was for the fiscal year that ended on June 30, 2014. The auditors expressed an unqualified opinion and noted that no significant compliance issues came to their attention during the audit.

Disbursement: The advance method is used for disbursement of the proceeds of the GEF, Government of Japan and European Union grants into the CEPF bank account. CEPF submits quarterly Interim un-audited Financial Reports (IFR). The IFR serves as supporting documentation for disbursement. The IFR is prepared based on financial information from CI’s accounting system (Agresso and before that, Oracle) that includes signed grant agreements and cash payments to date. The IFR is submitted to the Bank 45 days after the end of the quarter, with the disbursement request submitted electronically through the Bank’s online Client Connect portal. The most recent IFR was submitted in February, 2015, for the September quarter.

As of December 31, 2014, the full \$20 million of GEF funds were disbursed and expensed. The IFR submitted to the Bank for the quarter ending December 2014 is summarized in Table 2 below.

Table 2. Summary of cumulative Phase II Financials as of December 2014 (\$000)

Expenditure Description	GEF-expenses	Other donors¹	Total
Ecosystem Profile Preparation	0	3,468	3,468
Ecosystem Grants for Subprojects	20,000	53,280	73,280
RIT Operating & Monitoring Costs	0	7,733	7,733
Secretariat Operating Costs	0	15,114	15,114
Total expenses	20,000	79,595	99,595
Funds received from donor	20,000	108,752	128,752
Balance	0	29,157	29,157

¹ Include contributions from the World Bank’s Development Grant Facility and Bank-administered Trust Funds for the Government of Japan (TF 013003) and European Commission (TF015491)

Safeguard Compliance

During CEPF-2, the project updated its Environmental and Social Management Framework (ESMF) to include compliance with the Pest Management safeguard. This entailed preparing a Pest Management Plan. To date, 134 grants have triggered a total of 163 safeguards, as follows: 17 for environmental assessment, 14 for pest management, 74 for indigenous peoples, 56 for involuntary resettlement, and 2 for physical cultural resources. All safeguard instruments are disclosed on the CEPF website (www.cepf.net). Safeguards monitoring is conducted on several levels. Grantees report every six months on implementation of the safeguards via regular performance reports. The RIT monitors implementation of the safeguards via periodic site visits to grantees. The CEPF Secretariat includes safeguards oversight as a standard topic in all bi-annual supervision missions of the RIT, and also conducts site visits to grantees, where safeguard compliance is reviewed. All new RITs receive training in safeguards compliance.

Lessons Learned

During CEPF-2 many lessons have become apparent, however, four stand out as most relevant to the Fund's approach. These are:

- Ecosystem profiles continue to be critical to CEPF's strategic approach to grant-making, ensuring that grantees share a common conservation vision and understanding of the hotspot's geographic and thematic conservation priorities, and that they develop complementary projects that often lead to rewarding partnerships that result in significant conservation impact.
- The Regional Implementation Teams are essential components in the delivery of CEPF's program on the ground, providing valuable local knowledge and technical support. During CEPF-2, the importance of the RIT has grown, leading to several expansions of their TOR, and the recognition that these entities have the potential to be the long-term stewards of the conservation movement in their respective hotspots.
- The role of civil society in delivering conservation results is undeniable. The results that have been achieved during CEPF-2 demonstrate that support to civil society is good value for money, and that civil society is a valuable partner in complementing and supporting government initiatives.
- CEPF's efforts to improve its' monitoring framework have helped to articulate the Fund's impact, and have been well-received. As the Fund grows, the imperative to produce better and more detailed monitoring information is evident.

In addition, CEPF has promoted learning via the CEPF lessons learned series which aims to allow those working in conservation to learn from the experiences of CEPF grantees. In the series, grant recipients share key lessons, challenges faced during project implementation, how their projects were affected, and the ways in which they adapted in response. Each lessons learned piece is posted on the CEPF website, promoted in the CEPF Newsletter, and shared more broadly via social media (Facebook and Twitter). CEPF encourages not only success stories, but also lessons learned from aspects of projects that did not work as planned. To date, more than 50 lessons learned have been included in the series. Although the lessons vary by project, many grantees have faced similar challenges, such as motivating local communities to participate, developing effective government engagement, and achieving sustainability to ensure the projects' long-term impact. Keys to success often include taking the time to meet with and understand the expectations of local communities, promoting positive results to communicate successes through media channels and garner public attention, and building and maintaining partnerships between public, private and community organizations.

More generally, CEPF shares the experiences of its grantees through articles and video posted on CEPF's website and shared in the newsletter, social media and in annual reports; events, project results, video shared by grantees and promoted through CEPF's Facebook, Twitter and YouTube accounts.

A few examples of lessons that showcase reoccurring challenges and keys to success include:

1. [Eat Rice, Save Birds: Engaging Cambodian Communities in Conservation Through Financial Incentives](#)

http://www.cepf.net/ourstories/lessons_learned/Pages/Eat-rice-save-birds-Engaging-Cambodian-communities-in-conservation-through-financial-incentives.aspx

2. [Using Media and Conservation Education to Enhance Public Awareness of Environmental Protection and Sustainable Livelihoods](#)

http://www.cepf.net/ourstories/lessons_learned/Pages/Using-media-and-conservation-education-to-enhance-public-awareness-of-environmental-protection-and-sustainable-livelihoods.aspx

3. [The Gouritz Initiative: Securing Biodiversity and Harnessing Social and Economic Opportunities in Key Corridors](#)

http://www.cepf.net/ourstories/lessons_learned/Pages/Lessons-Learned-in-the-Gouritz-Cluster-Biosphere-Reserve.aspx

Plans for the future

CEPF's donors are in agreement that the Fund is a critical source of global funding and support to civil society organizations engaged in biodiversity conservation and that it has yielded tremendous results. As such, in 2015, the Fund has launched a new and exciting phase that will take CEPF to a scale where it can more widely and effectively impact the biodiversity crisis. This initiative has an ambitious fundraising goal of \$750 million. Four key outcomes are expected from the new phase:

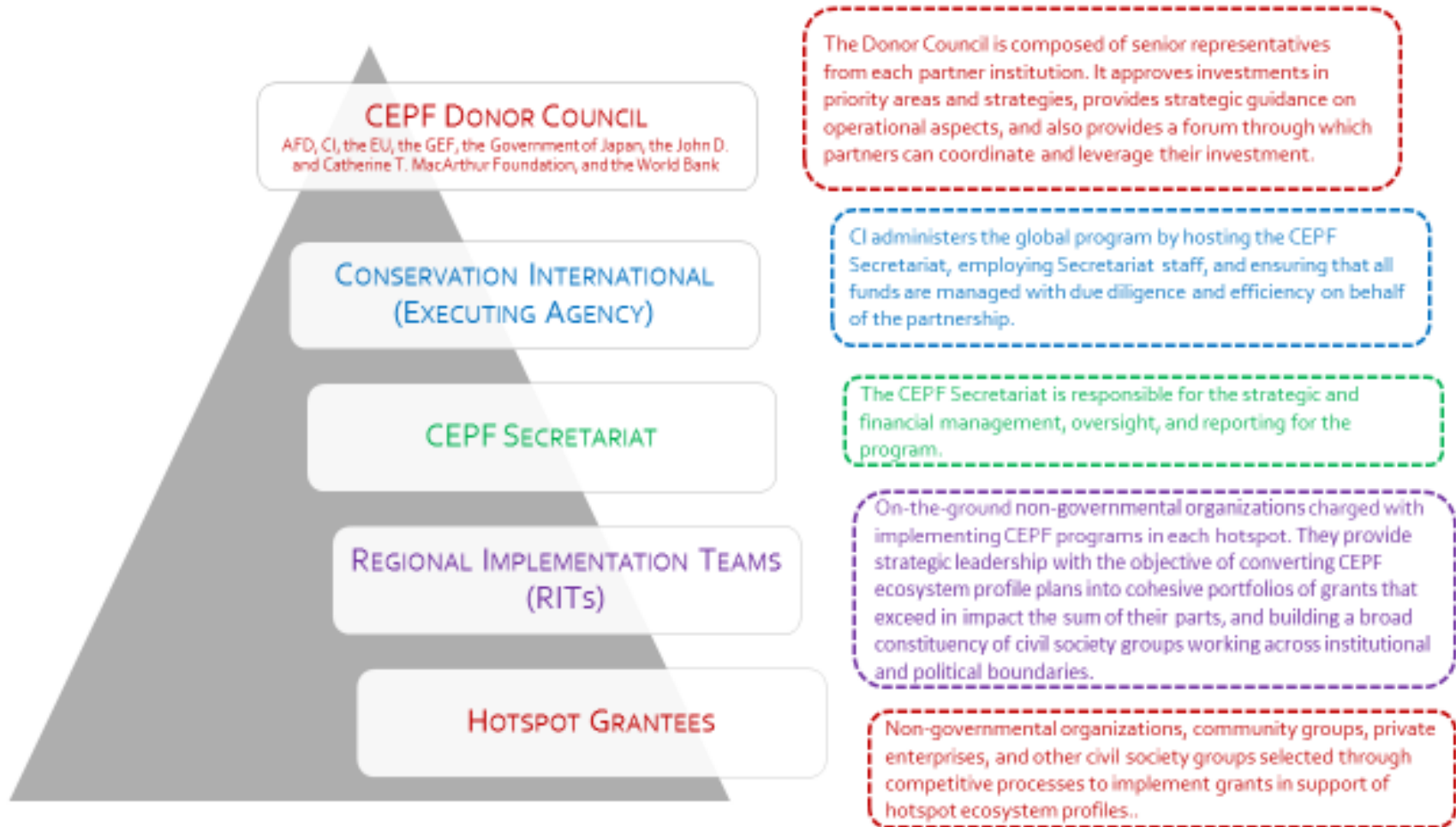
- A revamped, scaled-up and transformational CEPF, which builds on current success but is more effectively tailored to meet the challenge of the biodiversity crisis via a broadened partnership and donor base.
- Long-term strategic visions developed and implemented for at least 12 hotspots, facilitating the development of credible, effective and well-resourced civil societies, and delivering improved biodiversity conservation, enhanced provision from healthy ecosystems of services important to human well-being, and greater alignment of conservation goals with public policy and private sector business practices,
- Strengthened implementation structures for each investment hotspot, led by Regional Implementation Teams (RITs) or similar organizations, which become the permanent stewards of the long-term strategic vision for the hotspot, able to coordinate and support civil society organizations and connect them with government and private sector partners.
- An improved delivery model with more efficient operations, stronger communication products and more effective impact reporting, which facilitates learning, adaptive management and amplification of demonstration models.

These four outcomes will be achieved throughout a 10-year investment phase – CEPF-3 -- during which at least 12 biodiversity hotspots will be targeted. Progress in each hotspot will be measured against targets for "graduation", i.e. the conditions under which CEPF can withdraw from a hotspot with confidence that effective biodiversity conservation programs will continue sustainably.

Annex 8. Comments of Cofinanciers and Other Partners/Stakeholders

Not applicable.

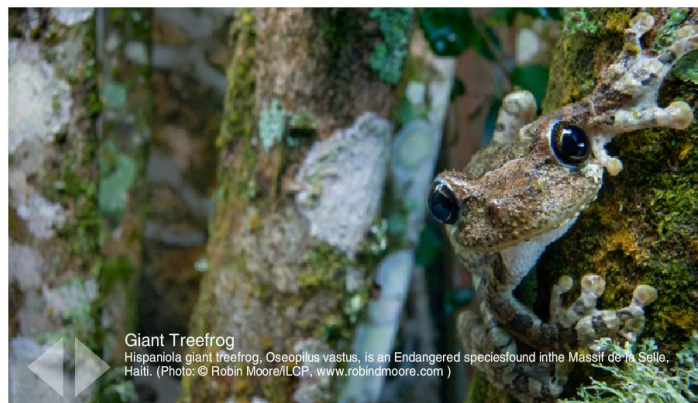
Annex 9. CEPF Governance and Implementation Structure



Annex 10 : Select Photos from the CEPF-2 New Hotspots

(all photos from CEPF website: <http://www.cepf.net/Pages/default.aspx>, except where noted)

Caribbean Islands



East Melanesian Islands



Photos: © Conservation International/photo by Antonia Cermak-Terzian (CEPF website)



Photo: Photo by Luisa Tagicakibau (CEPF website)

Eastern Afromontane



The Eastern Afromontane Hotspot stretches over a curving arc of more than 7,000 kilometers from Saudi Arabia to Mozambique. (Photo: © Robin Moore)



One of CEPF's priorities for the hotspot is to increase awareness of the economic values of ecosystem services through, but not limited to supporting and building the capacity of civil society. (Photo: © Rod Mast)



Of the 10,856 species identified in the Eastern Afromontane Hotspot, almost a third (30.6 percent) are endemic. (Photo: © Robin Moore)

Indo-Burma



Reflections
In 2008, CEPF and Birdlife International began a \$9.5 million investment into the region, covering land in Vietnam, Laos and Cambodia. (WWF Community fisheries project). (Photo: © CI/photo by Amy Gilbert)



Eld's deer patrol team
Communities in the Eld's deer sanctuary "core zone" are trained in survey techniques and paid to conduct regular patrolling to assess the species' population. CEPF, Birdlife, and WWF staff with Eld's deer patrol team. (Photo: © CI/photo by Amy Gilbert)

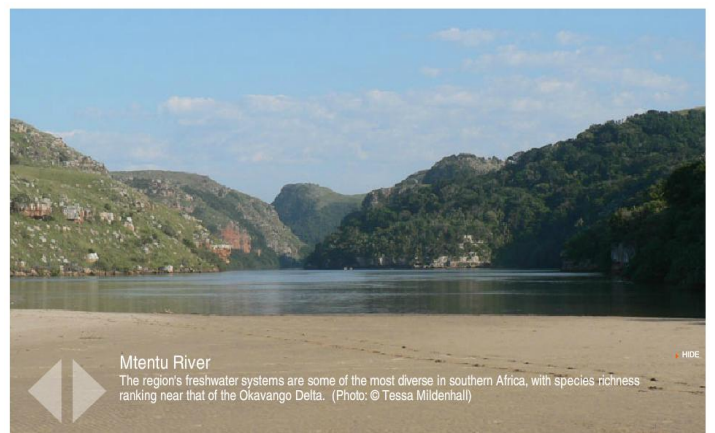


Threatened Species
The douc langur (*Pygathrix nemaeus*) is one of the 67 globally threatened animal species to benefit from CEPF investment in the hotspot. (Photo: © Anup Shah/npl/Minden Pictures)

Madagascar



Maputaland-Pondoland-Albany



Mediterranean Basin



Tunisia - Golfe de Gabes

The name of the region is derived from "Mediterraneum," meaning "sea in the middle of land." The marine portion of the Mediterranean Basin Hotspot includes 2.5 million square kilometers of sea. (Photo: © François Merlet / FLPA/Minden Pictures)



Sreburna Marshes, Bulgaria

Rainfall ranges between 100 millimeters and 3,000 millimeters, making the region suitable for a wide range of vegetation types, and it is ranked as the third richest hotspot in the world in terms of its plant diversity. (Photo: © David Hosking / FLPA/Minden Pictures)

Polynesia-Micronesia



Limited Land Area

Despite its extensive ocean coverage, the land area of the hotspot covers only 47, 239 square kilometers, about the size of Switzerland. (Photo: © CI/Photo by Haroldo Castro)



Eradicating Invasive Species

CEPP-supported activities will include preventing, controlling, and eradicating invasive species in 60 key biodiversity areas. (Photo: © CI/Photo by Haroldo Castro)



Threatened Iguana

The crested iguana (*Brachyophus vittensis*) is one of 67 globally threatened species targeted by CEPP for protection. (Photo: © Patricio Robles Gil/Agrupacion Sierra Madre)

Wallacea

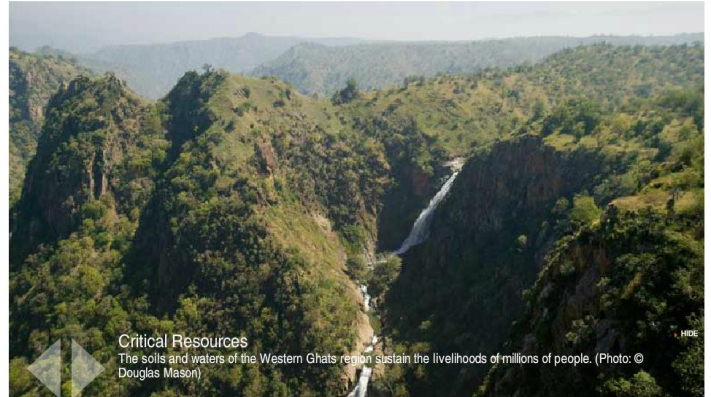


(photo: <http://www.wallacea.org/>)

Western Ghats



Honey collection
(Photo: © Keystone)



Critical Resources
The soils and waters of the Western Ghats region sustain the livelihoods of millions of people. (Photo: © Douglas Mason)



Slender Loris
There are 55 Critically Endangered and 146 Endangered species found in the hotspot, including the slender loris (*Loris tardigradus*). (Photo: © Mitsuaki Iwago/Minden Pictures)

Annex 11. List of Supporting Documents

- Memorandum to the President (draft version available in the Portal).
- Minutes of the Quality Enhancement Review Meeting for a second phase project of the Critical Ecosystem Partnership Fund PAD, Tuesday, April 3, 2007.
- CEPF2 Project Appraisal Document (PAD).
- CEPF2 Financing Agreement, January 11, 2008.
- The World Bank, Supervision Mission Aide Memoires, 2007-2015.
- The World Bank, Implementation Status Reports (ISRs) (2007-2014).
- The World Bank, Mid-Term Review, June 2011.
- Restructuring Paper, May 2012.
- CEPF Donor Council. Approved Minutes: 2005-2015.
- CEPF2 Operational Manual.
- Recipient ICR, prepared by CEPF. February 2015 (*summary of which is reproduced in Annex 7*).
- Ecosystem Profile summaries (available on the CEPF website: <http://www.cepf.net>)
- CEPF Grantees Project Final Reports (available on the CEPF website: <http://www.cepf.net/resources/publications/Pages/default.aspx>)
- CEPF and Ashoka Trust for Research in Ecology and the Environment (ATREE). Five Year Assessment of the CEPF Investment in the Western Ghats Region of the Western Ghats and Sri Lanka Biodiversity Hotspot. December 2013. (http://www.cepf.net/SiteCollectionDocuments/western_ghats/CEPF_5yrAssessmentReport2013_HiRes.pdf)
- CEPF and BirdLife International. Final Evaluation Conference for the Polynesia-Micronesia Hotspot. April 2013. (http://www.cepf.net/SiteCollectionDocuments/poly_micro/2013_FinalAssessment_PolynesiaMicronesia.pdf)
- CEPF and BirdLife International. Final Assessment of CEPF Investment in the Indo Burma Hotspot, 2008-2013: A Special Report. May 2014. (http://www.cepf.net/SiteCollectionDocuments/indo_burma/IndoBurma_FinalAssessmentReport_May2014.pdf)
- CEPF Annual Reports 2010-2013.
- Report of CEPF Monitoring Framework. November 2013
- CEPF Action + Assessment + Evolution: A Summary of Evaluations of the Critical Ecosystem Partnership Fund.
- World Bank Independent Evaluation Group (IEG). “Critical Ecosystem Partnership Fund: Global Program Review.” November 2007
- The World Bank. Implementation Complementation and Results Report (ICR). Critical Ecosystem partnership Fund (CEPF). June 18, 2007.
- Olsen, David. A Decade of Conservation by the Critical Ecosystem Partnership Fund (CEPF), 2001-2010: An Independent Evaluation of CEPF’s Global Conservation Impact. Conservation Earth. April 2010. (http://www.cepf.net/Documents/CEPF_10-YearEvaluation_April2010.pdf)
- Beucher, O., A. Lafontaine, A. Mitchell and G. Quesne. Contribution de l’AFD au Fonds de partenariat pour les écosystèmes critiques (CEPF). Agence française de développement (AFD), November 2014.

(http://www.cepf.net/SiteCollectionDocuments/donor_council/AFD_EvaluationOfCEPF_Nov2014.pdf)

- Wells, Michael P., Lisa M. Curran, and Seemin Qayum. "Report of the Independent Evaluation of the Critical Ecosystem Partnership Fund." *January 25* (2006): 2006.
- Margoluis, R., C. Stem, V. Swaminathan, M. Brown, A. Johnson, G. Placci, N. Salafsky, and I. Tilders. 2013. Results chains: a tool for conservation action design, management, and evaluation. *Ecology and Society* **18**(3): 22. (<http://dx.doi.org/10.5751/ES-05610-180322>)

Annex 10. Map

