



PROJECT IDENTIFICATION FORM (PIF)

PROJECT TYPE: Full-sized Project
 TYPE OF TRUST FUND: GEF Trust Fund

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PART I: PROJECT INFORMATION

Project Title:	Effectively mainstreaming biodiversity conservation into government policy and private sector practice: piloting sustainability models to take the Critical Ecosystem Partnership Fund (CEPF) to scale		
Country(ies):	Global (including Bolivia Brazil, Burundi, Cambodia, China, DR Congo, Eritrea, Ethiopia, Kenya, Lao PDR, Malawi, Mozambique, Myanmar, Paraguay, Rwanda, South Sudan, Tanzania, Thailand, Uganda, Vietnam, Yemen, Zambia and Zimbabwe)	GEF Project ID: ¹	
GEF Agency(ies):	Conservation International (CI)	GEF Agency Project ID:	
Other Executing Partner(s):	Critical Ecosystem Partnership Fund (CEPF)	Submission Date:	2014-03-07
GEF Focal Area (s):	Biodiversity	Project Duration (Months)	60 months
Name of parent program (if applicable): <ul style="list-style-type: none"> • For SFM/REDD+ <input type="checkbox"/> • For SGP <input type="checkbox"/> • For PPP <input type="checkbox"/> 		Project Agency Fee (\$):	882,000

A. INDICATIVE FOCAL AREA STRATEGY FRAMEWORK²:

Focal Area Objectives	Trust Fund	Indicative Grant Amount (\$)	Indicative Co-financing (\$)
(select) BD-1	GEFTF	1,960,000	38,025,000
(select) BD-2	GEFTF	7,840,000	46,475,000
(select) (select)	(select)		
(select) (select)	(select)		
(select) (select)	(select)		
(select) (select)	(select)		
(select) (select)	(select)		
(select) (select)	(select)		
(select) (select)	(select)		
Total Project Cost		9,800,000	84,500,000

B. INDICATIVE PROJECT DESCRIPTION SUMMARY

Project Objective: To mainstream biodiversity conservation into government policy and private sector practice in three pilot biodiversity hotspots through civil society by investing in and innovating public-private partnerships and replicating approaches and innovations in other biodiversity hotspots						
Project Component	Grant Type ³	Expected Outcomes	Expected Outputs	Trust Fund	Indicative Grant Amount (\$)	Indicative Cofinancing (\$)
Component 1: Developing long-term conservation visions and financing plans for	TA	1.1 Long-term conservation visions developed for the Cerrado, Eastern	1.1.1 Targets for civil society capacity building set for 3 pilot hotspots.	GEFTF	0	3,000,000

¹ Project ID number will be assigned by GEFSEC.

² Refer to the reference attached on the [Focal Area Results Framework and LDCF/SCCF Framework](#) when completing Table A.

³ TA includes capacity building, and research and development.

biodiversity hotspots		<p>Afromontane and Indo-Burma Hotspots, with participation of civil society, government, donor and private sector actors.</p> <p>Targets: 1. 3 hotspots with clear targets for graduation from CEPF support. 2. 10 civil society, government, donor and/or private sector actors endorse the long-term visions.</p>	<p>1.1.2 Three financing plans describing the funding and projections defined for implementation of the long-term conservation visions.</p> <p>1.1.3 Sector and/or development policy targets for addressing key drivers of biodiversity loss set in three pilot hotspots.</p> <p>1.1.4 Strategies for engagement with private sector actors for mainstreaming biodiversity conservation into business practices of industries driving biodiversity loss completed for three pilot hotspots.</p>			
<p>Component 2: Ensuring the financial and institutional sustainability of multi-sector conservation programs.</p>	TA	<p>2.1 Increased capacity and credibility of conservation-focused civil societies in the Cerrado, Eastern Afromontane and Indo-Burma Hotspots.</p> <p>Targets: 1. 3 pilot hotspots show at least 20% improvement in collective civil society capacity tracking tool scores. 2. 60 CEPF grantees show at least 10% improvement in civil society tracking tool scores.</p> <p>2.2 Increased and more sustained financial flows to civil societies engaged in the conservation of biodiversity, from diverse sources, including non-traditional sources.</p>	<p>2.1.1 Regional institutional structures in place for the 3 pilot hotspots.</p> <p>2.1.2 Civil societies in the 3 pilot hotspots with sufficient organizational and technical capacity for conservation and sustainable use of biodiversity.</p> <p>2.2.1 Three regional resource mobilization strategies developed to generate additional revenue for conservation programs in the 3 pilot hotspots.</p> <p>2.2.2 At least 2 innovative models for</p>	GEFTF	2,514,706	24,675,000

		<p>Targets:</p> <p>1. Additional \$20 million in sustainable financing mechanisms supporting priorities in long-term conservation visions, including:</p> <ul style="list-style-type: none"> • \$5 million in sustainable financing mechanisms from non-traditional sources (e.g. private sector, new economic and financial instruments, etc.); • \$2 million in conservation finance generated by innovative private sector models. 	private sector conservation finance, such as biodiversity offsets, demonstrated in the pilot hotspots.			
<p>Component 3: Amplifying the impacts of CEPF investments through enhanced and innovative public and private sector partnerships.</p>	TA	<p>3.1 Integrating biodiversity conservation and sustainable use into production landscapes implemented with public and private sector actors across at least total 1,000,000 hectares in the Cerrado, Eastern Afromontane, and Indo-Burma Hotspots.</p> <p>Targets:</p> <p>1. 1 million hectares of production landscapes demonstrate effective ways of mainstreaming biodiversity.</p> <p>2. 10 protected areas with new management models featuring direct participation of civil society organizations and/or local communities show improvements in SP1 METT scores.</p> <p>3. 6 conservation corridors with enhanced ecological connectivity through incorporation of financial incentives into policy and adoption of biodiversity –friendly management</p>	<p>3.1.1 At least 6 policies, programs or plans incorporate results of policy demonstration models addressing drivers of biodiversity loss in the pilot hotspots.</p> <p>3.1.2 At least 12 biodiversity-friendly management practices incorporated into the business practices of key change agents in the agriculture, energy, mining and other sectors.</p>	GEFTF	5,789,412	<u>28,675,000</u>

		practices by private companies. 4. 20 indigenous and local communities with increased, gender-equitable access to ecosystem services.				
Component 4: Replicating success through knowledge products and tools.	TA	<p>4.1 CEPF investments in other hotspots strengthened through the adoption of successful models and tools developed in the pilot hotspots.</p> <p>Targets:</p> <p>1. 9 additional hotspots with long-term regional implementation structures.</p> <p>2. 9 additional hotspots with regional resource mobilization strategies.</p> <p>3. 2 successful policy demonstration models adopted in at least one additional hotspot.</p> <p>4. 2 management best practices adopted in at least one additional hotspot.</p> <p>4.2 Models, tools and best practices developed under the project are widely available and inform other actors developing public-private partnerships for biodiversity conservation globally.</p>	<p>4.1.1 Long-term implementation structures incorporating experiences from the pilot hotspots in place in other biodiversity hotspots where CEPF invests.</p> <p>4.1.2 Regional resource mobilization strategies incorporate lessons learned to supplement global resources and better align resources with regional funders to achieve long-term sustainability in other biodiversity hotspots where CEPF invests.</p> <p>4.1.3 At least 2 countries in other biodiversity hotspots adopt successful policy demonstration models from the pilot hotspots.</p> <p>4.1.4 At least 2 countries in other biodiversity hotspots replicate management practices for mainstreaming biodiversity through innovative partnerships of civil society and private sector.</p> <p>4.2.1 At least 6 innovative knowledge products documenting models, tools and best practices developed under the project made publicly available through the CEPF website or other</p>	GEFTF	1,005,882	17,850,000

	Targets: 1. 3 models, tools and best practices developed under the project adopted by conservation practitioners in areas outside CEPF investments.	innovative means as appropriate.			
Subtotal				9,310,000	74,200,000
Project Management Cost (PMC) ⁴			GEFTF	490,000	10,300,000
Total Project Cost				9,800,000	84,500,000

C. INDICATIVE CO-FINANCING FOR THE PROJECT BY SOURCE AND BY NAME IF AVAILABLE, (\$)

Sources of Cofinancing	Name of Cofinancier	Type of Cofinancing	Amount (\$)
Other Multilateral Agency (ies)	European Commission	Cash	23,500,000
National Government	Government of Japan	Cash	15,000,000
Other Multilateral Agency (ies)	World Bank	Cash	3,000,000
GEF Agency	Conservation International	Cash	19,700,000
Bilateral Aid Agency (ies)	French Development Agency	Cash	20,000,000
Foundation	Margaret A. Cargill Foundation	Cash	3,300,000
Total Cofinancing			84,500,000

D. INDICATIVE TRUST FUND RESOURCES (\$) REQUESTED BY AGENCY, FOCAL AREA AND COUNTRY¹

GEF Agency	Type of Trust Fund	Focal Area	Country Name/Global	Grant Amount (\$) (a)	Agency Fee (\$) (b) ²	Total (\$) c=a+b
(select)	GEFTF	Biodiversity	Global	9,800,000	882,000	10,682,000
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
(select)	(select)	(select)				0
Total Grant Resources				9,800,000	882,000	10,682,000

¹In case of a single focal area, single country, single GEF Agency project, and single trust fund project, no need to provide information for this table. PMC amount from Table B should be included proportionately to the focal area amount in this table.

²Indicate fees related to this project.

E. PROJECT PREPARATION GRANT (PPG)⁵

Please check on the appropriate box for PPG as needed for the project according to the GEF Project Grant:

- Amount Requested (\$) Agency Fee for PPG (\$)⁶
 -- 0-- --0--
- No PPG required. _____
 - (upto) \$50k for projects up to & including \$1 million _____
 - (upto)\$100k for projects up to & including \$3 million _____

⁴ To be calculated as percent of subtotal.

⁵ On an exceptional basis, PPG amount may differ upon detailed discussion and justification with the GEFSEC.

⁶ PPG fee percentage follows the percentage of the GEF Project Grant amount requested.

- (upto)\$150k for projects up to & including \$6 million _____
- (upto)\$200k for projects up to & including \$10 million 200,000 18,000
- (upto)\$300k for projects above \$10 million _____

PPG AMOUNT REQUESTED BY AGENCY(IES), FOCAL AREA(S) AND COUNTRY(IES) FOR MFA AND/OR MTF ROJECT ONLY

Trust Fund	GEF Agency	Focal Area	Country Name/ Global	(in \$)		
				PPG (a)	Agency Fee (b)	Total c = a + b
GEF TF	(select)	Biodiversity	Global	200,000	18,000	218,000
(select)	(select)	(select)				0
(select)	(select)	(select)				0
Total PPG Amount				200,000	18,000	218,000

MFA: Multi-focal area projects; MTF: Multi-Trust Fund projects.

PART II: PROJECT JUSTIFICATION⁷

A. PROJECT OVERVIEW

A.1. PROJECT DESCRIPTION. BRIEFLY DESCRIBE THE PROJECT, INCLUDING ; 1) THE GLOBAL ENVIRONMENTAL PROBLEMS, ROOT CAUSES AND BARRIERS THAT NEED TO BE ADDRESSED; 2) THE BASELINE SCENARIO AND ANY ASSOCIATED BASELINE PROJECTS, 3) THE PROPOSED ALTERNATIVE SCENARIO, WITH A BRIEF DESCRIPTION OF EXPECTED OUTCOMES AND COMPONENTS OF THE PROJECT, 4) INCREMENTAL/ADDITIONAL COST REASONING AND EXPECTED CONTRIBUTIONS FROM THE BASELINE , THE GEFTF, LDCE/SCCF AND CO-FINANCING; 5) GLOBAL ENVIRONMENTAL BENEFITS (GEFTF, NPIF) AND/OR ADAPTATION BENEFITS (LDCE/SCCF); 6) INNOVATIVENESS, SUSTAINABILITY AND POTENTIAL FOR SCALING UP

A. PROJECT OVERVIEW

A.1. Project description

A.1.1.1. The crisis of biodiversity loss continues to deepen, with a rate of extinction that is as much as 1,000 times higher than it would be without anthropogenic influence. Since the release of the Millennium Ecosystem Assessment (MEA) in 2005, a global consensus has emerged on the importance of critical ecosystems in delivering services essential to humanity, such as climate change mitigation and adaptation. Nevertheless, environmental degradation and the loss of biodiversity continue. Sixty percent of the global ecosystem services have been degraded in the last 50 years (MEA, 2005). Meanwhile, the economies of the world continue to grow and, with them, the rate of consumption, increasing anthropogenic pressures on ecosystems and jeopardizing the provision of key goods and services. The EIA Annual Energy Outlook of 2009 projected the nominal GDP to double by 2030 to US \$140 trillion, imposing yet additional and dramatic threats to the environment of the planet. The roles that governments and private sector play in deciding the development models that aim to achieve greater economic growth too often dismiss the key elements of sustainability and compromise the ability of critical ecosystems to provide goods and services that will allow humanity to continue to survive.

A.1.1.2. The Convention on Biological Diversity (CBD) adopted a revised and updated Strategic Plan for Biodiversity for 2011-2020. The Strategic Plan consists of 20 new biodiversity targets for 2020, termed the “Aichi Biodiversity Targets” grouped under five strategic goals, of which the most fundamental is Strategic Goal A: “Address the underlying causes of biodiversity loss by mainstreaming biodiversity across government and society.” The role of government and private sector in the achievement of the Aichi Targets is critical. Mainstreaming biodiversity considerations into decision making is of critical importance and urgency. However, levels of capacity and awareness are insufficient to effectively integrate the conservation and sustainable use of biodiversity into policy and business practices.

A.1.1.3. Civil society organizations play an under-utilized and under-valued role in advising and influencing both governments and private sector decision-makers. Local, regional, national and international groups can play a variety of roles and can be extremely effective at: (i) bringing global experience and good practice to local contexts; (ii) transferring skills and knowledge to government conservation agencies and the private sector, leading to better policy and business practices; (iii) catalyzing innovation, testing new approaches and responding to emerging challenges and opportunities; (iv) brokering partnerships among traditional and non-traditional conservation actors; and (v) ensuring that conservation programs are beneficial to local people, such as by protecting vital ecosystem services and providing sustainable livelihood options.

A.1.1.4. While hard to quantify, global biodiversity conservation expenditures have been estimated at roughly \$21 billion annually from 2001-2008 (Waldron et al., 2013). A recent study by McCarthy et al.

⁷ Part II should not be longer than 5 pages.

(2012) estimated the annual cost of reducing the extinction risk of all globally threatened species at \$3.4 to \$4.8 billion, while protecting and effectively managing all terrestrial sites of global conservation significance would cost more than \$76 billion per year. Global discussions at the Conference of the Parties to the CBD in Hyderabad, India, in 2012 reached consensus on the urgent need for more and better-managed funds to achieve the Aichi Targets with a commitment to “double total biodiversity-related international financial resource flows to developing countries by 2015 and at least maintain this level until 2020.” Global biodiversity funding—especially in poorer countries—will need to increase by at least an order of magnitude in the near future if the Aichi Targets are to be met.

A.1.1.5. The need to mobilize resources for biodiversity conservation is clear. Donors are already engaged, with host-country government counterparts as the recipients of the majority of funds, while the private sector is able to raise money on its own to engage in conservation. On the other hand, civil society, despite its indispensable role in achieving conservation goals, is the least funded sector.

A.1.1.6. In 2000, the GEF, the World Bank and Conservation International created the Critical Ecosystem Partnership Fund (CEPF) as a mechanism to enable civil society organizations to conserve the most critical ecosystems in biodiversity hotspots. As of 2013, CEPF had granted more than \$163 million in 23 hotspots in more than 60 countries and territories, reaching out to over 1,800 grantees and influencing the management of more than 30 million hectares within Key Biodiversity Areas. By 2013, the number of global donor partners increased to seven, with the Government of Japan, the John D. and Catherine T. MacArthur Foundation, the French Development Agency and the European Union joining. Over the past 13 years, CEPF has become an established grant-making facility, positioning itself as one of the very few, if not the only, global fund exclusively targeting civil society to conserve biodiversity in hotspots. Independent evaluations have concluded that CEPF is a key, and largely irreplaceable, source of global funding and other support to civil society organizations engaged in biodiversity conservation. The 2010 independent evaluation of CEPF stated that “*CEPF has grown into a well-targeted and effective program that is saving thousands of species and their habitats around the world. People are deriving substantial benefit from its many projects balancing livelihoods with sustaining environments. More action like what CEPF has delivered over the last decade is needed to begin to slow the juggernaut of biodiversity loss. CEPF is now a tested and efficient vehicle to translate funding at scale into meaningful conservation on the ground.*” (Olson, 2010).

A.1.1.7. CEPF’s work with civil society has demonstrated that mentoring and organizational support can help civil society organizations become credible and trusted partners in sustainable development, affecting national-level conservation institutions and building local-regional-global networks where skills, funding and vision can be shared. This, in turn, lays the foundation for innovation and sustainability in both conservation and poverty alleviation. The 2010 independent evaluation stated that over the past decade, *CEPF has demonstrated that investing in civil society works well for conservation, and given the magnitude and urgency of the biodiversity crisis, expanding and strengthening CEPF makes good sense.* (Olson 2010). Experience since the introduction of first RAF and now STAR shows that, more than ever, a mechanism is needed to ensure that civil society can benefit from GEF resources at a scale that is appropriate to harness its unique capabilities and complement the STAR-allocated resources that are largely focused on country level initiatives. The 2010 evaluation found that *The most significant contribution of CEPF has been to provide much needed conservation attention to many of the highest priority biodiversity regions around the world that, for one reason or another, had not received adequate attention from national governments nor galvanized the sustained interest of the international conservation community* (Olson, 2010). CEPF has proven a cost-effective and highly successful mechanism for supporting civil society at a time when funding for civil society to engage in biodiversity conservation is diminishing and the need to catalyze solutions to sustainable development challenges is greater than ever. Further, CEPF’s approach to biodiversity conservation in a transboundary and landscape fashion greatly complements the initiatives taken by the country governments funded through STAR allocations allowing to take lessons and impact to the regional and global scales. As noted in the 2011 GEF mid-term evaluation ran by the World Bank, 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 convergence of these factors not only reinforces the rationale for CEPF itself, but strongly suggests a need to expand the reach and capacities that the fund has developed in terms of both duration and scale.

A.1.1.8. The strategy for the third phase of CEPF presented to the Donor Council in January 2014 proposed a scaled-up and strengthened fund that could have a transformational impact, building on 13 years of experience operating in CEPF’s unique niche—empowering local actors to address global conservation priorities cost-effectively. The aim is to take CEPF to a scale at which it can provide the resources and depth of engagement needed to shift the momentum in global efforts to conserve biodiversity and transform the role of civil societies, making them more effective advisers and influencers of decision-making. The strategy that was approved by the Donor Council sets CEPF on a path of expansion of a transformational magnitude.

A.1.1.9. The GEF’s contribution to CEPF’s Phase II ends in December 2014. As the implementation of the third phase begins, the proposed project bridges Phases II and III, allowing CEPF to test pilots in three hotspots where mainstreaming biodiversity through government-led policies and private sector practices will result in a road map for rolling out the third-phase strategy to the other hotspots. Learning from Phase I and II and the results of the independent evaluations of 2006 and 2010, the GEF mid-term evaluation of 2011, the continuous supervision missions of the World Bank, and the early positive results of the independent evaluation led by the French Development Agency in 2013-2014, the CEPF secretariat proposed goal of the third phase to position CEPF as a financial mechanism that effectively enables civil society to be a catalytic partner to governments and private sector companies, influencing, advising and improving decision making for development. Mobilizing two to three times its current funding level, promoting longer-term commitments to the hotspots, and enabling civil society to reach levels of self-sufficiency, CEPF will scale up its current impact, resulting in greater sustainability and greener development models for the hotspots. Although, GEF Council stated that funding for mechanisms such as CEPF should generally be limited to one-time efforts and CEPF should not seek additional funding, GEF’s support through this bridge grant is critical at this juncture to set this innovative fund and successful platform on the track for achieving this goal.

A.1.2. The baseline scenario and associated baseline projects

A.1.2.1. Since its inception in 2000, CEPF has invested in 23 of the world’s 35 biodiversity hotspots. Biodiversity hotspots cover only 2.3 percent of the planet’s surface but harbor more than 90 percent of its biodiversity. The three hotspots that are the focus of this GEF project are at different stages of CEPF investment, with the Cerrado in a phase of strategy development, Eastern Afrotropical in an initial investment phase (2012-2017), and Indo-Burma in a second investment phase (2013-2018) following an initial phase that commenced in 2008. The three hotspots have been selected out of the pool of 12 active CEPF hotspot investments because of the opportunities they provide to pilot the mainstreaming model proposed in this project. As detailed below, the factors behind the choice of these three hotspots include the presence of industry that is open to developing and implementing new practices that would positively impact their environment, and the capacity of civil society to influence key political decisions that will decide the fate of very critical ecosystems. Within these hotspots, some countries and regions will be selected for implementation based on the presence of key industry actors (e.g. coffee, tea, mining, oil and gas) or based on the areas of development prioritized by governments and that overlap with key biodiversity areas.

Cerrado biodiversity hotspot

A.1.2.2. Cerrado’s global biodiversity significance: The Cerrado region of Brazil, comprising 2 million square kilometers—21 percent of the country—is the most extensive woodland-savanna in South America. With a pronounced dry season, it supports a unique array of drought- and fire- adapted plant species and surprising numbers of endemic bird species. Approximately 20 percent of the original vegetation remains, but only five percent of the land area is formally protected. There are 4,400 endemic plant species and 16 endemic and threatened species of birds, mammals, and amphibians. The Cerrado is the only hotspot that consists largely of savanna, woodland/savanna and dry forest ecosystems. Considered the “breadbasket” of Brazil, the area is under immense threat from industrial agriculture and

cattle production. With the threats to biodiversity stemming primarily from the impact of the industrial agricultural production of soybeans and cattle, this area is a perfect fit for the current proposed project, allowing CEPF to explore with its partners innovative partnerships with private sector companies in these two sectors and identify opportunities for mainstreaming biodiversity conservation through their practices. Further, the Brazilian Government has been discussing laws and regulations that would provide a stronger framework for conserving key areas of the Cerrado and avoiding further destruction, particularly in private lands. With this potential, mainstreaming biodiversity conservation through the passage and application of these laws becomes key for the survival and the potential recovery of the Cerrado.

A.1.2.3. Cerrado biodiversity challenges: The Cerrado is ranked as the most biologically rich savanna in the world, yet less than 3 percent of the hotspot's land area is under formal protection, and the deforestation rate is twice that of the Amazon. A vast area covering 203 million hectares, the Cerrado hosts 5 percent of all the species that currently exist in the world, and three in every 10 of all Brazilian species. However, only about 21 percent of the hotspot's original vegetation remains intact. The region is home to 28 million people and produces 70 percent of the country's agricultural output. Between population pressure and the demands of economic growth, biodiversity in the region is under enormous threat. The region also faces a challenge similar to that faced throughout Brazil, one of incorporating the legitimate claims of indigenous people into the region's development agenda.

A.1.2.4. Cerrado baseline initiatives that CEPF project will build on: Baseline projects are relatively few. They include: the \$13 million GEF Sustainable Cerrado Initiative; a program to establish Private Natural Heritage Reserves (supported with \$750,000 in GEF funding until 2006); and the GEF Small Grants Programme (\$8 million to 317 projects since 1994). The proposed GEF project builds on and complements these earlier initiatives. The Sustainable Cerrado Initiative provides a great foundation by promoting cooperation among states and institutions under a common framework. The proposed project will build on this cooperation process to develop key policy demonstration models that can improve the mainstreaming of biodiversity in the Cerrado. Similarly, the GEF Small Grants Programme will provide a strong foundation for engaging and building a stronger community of civil society organizations, as the stewards of the long-term vision for the Cerrado. The major international conservation NGOs are present in the Cerrado, as are around 10 large Brazilian NGOs. Conservation International, The Nature Conservancy and WWF have all done important groundwork in identifying Key Biodiversity Areas and developing preliminary conservation plans. The proposed project will help turn those plans into the basis for private sector engagement, mainstreaming of conservation into policy, and building civil society capacity to act as a partner in the region's development. This will involve consideration of the different impact that policies may have on women versus men, as well as respecting and protecting the lands and values of Indigenous Peoples.

A.1.2.5. Cerrado existing gaps: Gaps are numerous in the context of huge economic development pressures in the region. CEPF has not yet conducted an ecosystem profile in the region, but the results of this are expected to reflect the key outcomes of this proposal, particularly engagement with the private sector to influence how it manages the productive landscape. In other words, the major gap is this lack of constructive engagement with the private sector. Notably, the private sector has not typically engaged indigenous people or considered the impacts of its work in terms of gender.

Eastern Afromontane biodiversity hotpost

A.1.2.6. Eastern Afromontane biodiversity significance: The Eastern Afromontane biodiversity hotspot comprises a discontinuous and divided chain of roughly four ranges of mountains spreading from Saudi Arabia and Yemen down to Mozambique and Zimbabwe. Of the 10,856 species identified in the Eastern Afromontane Hotspot, almost a third are endemic. The hotspot covers approximately 1 million square kilometers, but only 10 percent of the native vegetation remains, and only 15 percent is formally protected. There are 48 endemic threatened mammal species and 35 endemic threatened bird species. The area is under huge threat from the national economic development imperatives for the rural, agrarian poor living in the region.

A.1.2.7. Eastern Afromontane biodiversity challenges: The Eastern Afromontane Hotspot, which stretches over a curving arc of widely scattered but biogeographically similar mountains from the Arabian Peninsula to southern Africa, covering 15 countries, is estimated to contain more than 2,350 endemic plants, with only 10.5 percent of the original vegetation remaining relatively intact, and only about 15 percent of the total area under some level of official protection. The hotspot includes some of the poorest countries on the planet, several of which have a recent history of civil strife, and issues of governance are widespread. Despite such problems, the overall economic trajectory for most countries in the hotspot is positive, and large-scale development initiatives are planned, necessitating an approach that engages with the development community. In particular the expansion of the agroindustry in countries like Ethiopia, Rwanda and Uganda, and the new development of hydrocarbons in the Albertine Rift, constitute key criteria for the selection of this region for this project. There are numerous opportunities to develop partnerships between civil society organizations, local communities and private sector companies in the oil and gas industry in the Albertine Rift countries as well as the coffee industry in Ethiopia. Mainstreaming biodiversity through policies that promote a more sound development of the agricultural sector in Ethiopia as well as demanding best practices from the oil and gas companies are of the highest importance.

A.1.2.8. Eastern Afromontane baseline initiatives to address these challenges: More than \$946 million in donor funding for environmental and related issues was invested in the Eastern Afromontane Hotspot between 2007 and 2011. The GEF was a major source of investment, supporting 41 medium and full-sized projects in the hotspot since 2007, with a combined investment of \$157 million. CEPF investment since 2012 totals \$4.3 million. Important progress has been achieved on protected areas, climate change baselines, international waters, land degradation, migratory birds, ecosystem services, transboundary sites and combating alien species. To date, however, there has been little substantive progress with engaging key private sector actors in sectors driving biodiversity loss. Looking forwards, the proposed project will complement these baseline initiatives by taking advantage of the positive signals given by large-scale energy, mining and agriculture operators in countries like Ethiopia, Uganda, Tanzania and Mozambique that “green business practices” will be more profitable in the long term. Further, throughout the priority sites in the region, CEPF will build upon the knowledge of indigenous groups and consider the different impacts on gender while designing grant projects. The timing is right to test key initiatives that take these positive signals into action.

A.1.2.9. Eastern Afromontane existing gaps: Gaps are numerous in the context of such a broad and disparate region. Among these are the lack of a conservation vision for the montane sites across the 15 countries and limited conservation planning for these sites even within a national context. This reflects the fact that many of these sites are relatively remote, or knowledge on the value of these sites is limited. Per this proposal, we will promote a long-term vision for the region and better management of priority sites, in part through improved data and planning from community partners. Additionally, mainstreaming biodiversity into policy and business practice has been constantly brought up in stakeholder consultations and the analysis of the ecosystem profile, which showed that the major “threat” is the very imperative for economic development and poverty alleviation for the rural poor—in the same places where biodiversity has found refuge. This project would allow CEPF to devote the resources needed to make a more significant and lasting impact working with business and government agencies and taking the great results from earlier projects into scale through this GEF proposed initiative. CEPF will expand upon opportunities to engage the private sector as partners in conservation, similar to what we have started in the Mt. Mabu KBA in Mozambique. The mountain holds indigenous forest, but sits atop the defunct Cha Madal tea estate. The estate has been purchased by Mozambique Holdings, which represents both an opportunity and a threat. The new owner could revive the estate and provide much needed economic development and employment to local people. At the same time, an influx of people seeking economic opportunities into the area could lead to increased pressures on the natural resources and the Mount Mabu forest itself. CEPF has made grants to better understand the biodiversity in the forest and the flow of water from the mountain to the estate, to strengthen local communities so that they are equal partners in relation to Mozambique Holdings, and to engage Mozambique Holdings such that the company sees the forest and community as an asset critical for the estate's long-term profitability. New phases of

engagement will include closer and more direct work with Mozambique Holdings to develop best practices in the state of Mt. Mabu developing a model to be replicated elsewhere in Mozambique.

Indo-Burma biodiversity hotspot

A.1.2.10. Biodiversity significance: The Indo-Burma hotspot is ranked in the top 10 hotspots for irreplaceability and in the top five for threat, with only 5 percent of its natural habitat remaining and with more people than any other hotspot. It spans nearly 6,000 meters in elevation, from the summit of Hkakaborazi in Myanmar, SE Asia's highest mountain, down to coastline along the Bay of Bengal, Andaman Sea, Gulf of Thailand and South China Sea. The hotspot encompasses numerous mountain ranges and several of Asia's largest rivers. Indo-Burma's sweeping expanses of lowlands embrace several fertile floodplains and deltas and include the Great Tonle Sap Lake, Southeast Asia's largest and most productive freshwater lake. It has extraordinarily high plant species richness with an estimated 15,000 to 25,000 species of vascular plant, and about half of its angiosperms and gymnosperms being endemic to the hotspot. It hosts more than 400 mammal species, 1,200 bird species and extraordinary numbers of freshwater fish—for example, the at least 850 species supported by the Lower Mekong. Reptiles number more than 500 species, of which more than a quarter are endemic, and of the more than 300 amphibian species known so far to occur in the hotspot, around half are endemic. A significant proportion of the plant and vertebrate species in Indo-Burma has been assessed as globally threatened.

A.1.2.11. Indo-Burma biodiversity challenges: Indo-Burma is the most populous of all the biodiversity hotspots, with a total population of at least 331 million people. Although the hotspot contains some of the world's largest cities, the population is still predominately rural. A large part of this rural population depends on agriculture for their livelihoods, which has direct impacts on biodiversity through use of agrichemicals and the conversion of forests, grasslands and wetlands to agriculture. In addition, millions of people remain dependent on wild fisheries for their basic needs and income. Particularly significant in this respect is the Mekong Basin, which supports the world's largest inland freshwater fishery. Stakeholders in the region ranked hunting and illegal trade of wildlife as the number one threat to biodiversity in the hotspot, followed by conversion of natural habitats to agro-industrial plantations of rubber, oil palm, tea and other commodities, and proliferation of hydropower dams, especially a proposed cascade of eight large dams along the lower Mekong River. The opportunities for this project to develop innovative models for mainstreaming biodiversity into policy and business practices are clear. Also, the project will promote the development of innovative partnerships with agricultural sector companies in the rubber, oil palm and tea sectors. On the policy front, impact of the hydropower sector in the Mekong River system has been widely analyzed. However, effective mainstreaming models to promote sound energy development policies are missing and are a key opportunity for this project.

A.1.2.12. Indo-Burma baseline initiatives to address these challenges: There are multiple ongoing projects in the region. Highlights include the \$9.6 million KfW-supported Carbon and Biodiversity Project, the \$8 million USAID-supported Asia Regional Response to Endangered Species Trafficking project, and the \$1.9 million USAID-supported Dam Reoperation in the Mekong/Lancang River Basin in Southeast Asia project. Despite some achievements with site-level conservation management and increased enforcement response to wildlife crime, there remain major gaps in baseline investment, particularly with regard to mainstreaming biodiversity into the mining, energy and plantation agriculture sectors, which the proposed project can take advantage of. Moreover, while the Indo-Burma Hotspot has been the focus of significant conservation investment, a large majority has been directed to government-led initiatives, and limited access to funding has been a constraint on the emergence of an effective, credible civil society conservation communities: something that the proposed project will address.

A.1.2.13. Indo-Burma evaluation of achievements to date: In March 2013, CEPF conducted a participatory assessment of the results of the first five years of CEPF investment in the region. The 126 grants awarded over this period were able to: secure core populations of 32 globally threatened species; strengthen the management of Key Biodiversity Areas covering over 2.3 million hectares; establish five new protected areas to fill key gaps in coverage; integrate biodiversity-friendly management practices into production landscapes in the fisheries, forestry and agriculture sectors; and deliver tangible livelihood

benefits to 186 rural communities. The five-year investment program saw the emergence of a broader, more active and more confident conservation community in the region, and the demonstration of various innovative conservation approaches, although the scale and intensity of threats to biodiversity increased over the same period. The challenges going forward are to take these approaches to scale, mainstream them into policy and business practices, and expand the strong foundation of capacity and partnerships among civil society organizations that has emerged in the region.

A.1.2.14. Indo-Burma key initiatives that CEPF project will build on: CEPF will build on positive political trends in the region, notably with China, Myanmar and Vietnam, that are allowing for modest civil society engagement in the policy process, which, in the context of the region, is a major step forward. Further, there are opportunities to work with major private sector buyers to influence consumer behavior toward products that do not rely on the illegal trade in wildlife. There will also be opportunities to explore indigenous practices in wildlife management and the different roles of men and women in the fisheries sector. Specific examples of the types of models for public and private sector partnerships that the project will build include: promoting sustainable practices within the cement industry in Myanmar and Vietnam to minimize biodiversity loss within limestone karst ecosystems; integrating biodiversity conservation into policy regulating inland fisheries in Cambodia, thereby protecting threatened species and facilitating establishment of fish conservation zones; mainstreaming biodiversity into policy and industry best practice in the mining sectors of Lao PDR, Myanmar and Vietnam, particularly by promoting adoption of the mitigation hierarchy of avoid, minimize, restore then offset; promoting adoption of payment for ecosystem services models developed at local levels in China into national policy on ecological compensation; and amplification of models for direct participation of civil society organizations and local communities in management of protected areas in China, Myanmar and Vietnam, through adoption into sub-national and national policy.

A.1.2.15. Indo-Burma existing gaps: The assessment identified lack of enforcement of illegal trade in wildlife and lack of community engagement in conservation planning and management as major gaps. Attempts to mainstream biodiversity conservation into public policy and business practices were found to have been limited in scale and impact. Per this proposal, engagement of government counterparts, building of local capacity and use of demonstration projects to showcase new approaches will address these gaps.

A.1.3. The proposed alternative scenario with the proposed project, with a brief description of the expected outcomes and components of the project:

A.1.3.1. Although CEPF is beginning to deliver on its third phase strategy, the development of innovative models for effectively mainstreaming biodiversity conservation into government policies and private sector practices is still an area that needs dedicated support and attention in order to be rolled out effectively to all hotspots where CEPF invests. The proposed project, *Effectively mainstreaming biodiversity conservation into government policy and private sector practice: piloting sustainability models to take the Critical Ecosystem Partnership Fund (CEPF) to scale*, would allow CEPF to jumpstart the development of innovative models for effective mainstreaming through public policy and business practices in a way that contributes critically to the transformation of CEPF, an institution that already delivers long-lasting conservation impact, into a global leader in reversing biodiversity loss.

A.1.3.2. The objective of the project is to effectively mainstream biodiversity conservation into government policy and private sector practice in selected biodiversity hotspots, through civil society, by investing in and innovating public-private partnerships and replicating them in other hotspots. Four components, which complement the implementation of the third phase strategy, outline work that will catalyze the emergence of CEPF as an agent of transformational change for biodiversity and civil society.

Component 1: Developing long-term conservation vision and financing plans for biodiversity hotspots

A.1.3.3. This component proposes to conduct multi-sectoral participatory processes that define targets for civil society capacity and funding needs, and for public policy and private sector mainstreaming, ultimately defining the scale and duration of investment required by CEPF in pilot biodiversity hotspots.

Long-term conservation visions will be developed with participation of civil society, indigenous peoples, women's groups, government, donor and private sector actors, for three pilot biodiversity hotspots: the Cerrado; Eastern Afrotropical; and Indo-Burma. These visions will set clear targets for civil societies to achieve levels of capacity and credibility that ensure they remain effective agents of change after CEPF support ends. The long-term conservation visions will be used to guide grant making, capacity building and other forms of strategic support.

A.1.3.4. As part of the vision-setting process, funding needs for the implementation of these long-term conservation visions will be defined, in consultation with other donors and informed by an assessment of sustainable financing mechanisms. The visions will also define sector and development policy targets for addressing drivers of biodiversity loss in the three pilot hotspots, in close consultation with government, civil society, indigenous peoples, women's groups and donor actors. The visions will also define strategies for engagement with private sector actors to mainstream biodiversity conservation into business practices, identifying key sectors, agents of change and types of partnership in the production of key commodities such as tea, coffee, soy beans, palm oil, cattle, oil, gas and others. In these ways, the project will represent a marked improvement over CEPF's investment strategies under the Business As Usual (BAU) scenario, by extending the five-year goals defined in the ecosystem profiles (CEPF's strategy documents) to 15 years, providing greater depth of analysis on policy issues, and creating greater linkages with private sector actors, defining a roadmap for sustainability both at the institutional and financial levels. This also responds to recommendations made in the independent evaluation by David Olson, which suggested that the length of investment in each hotspot be extended.

Component 2: Ensuring the financial and institutional sustainability of multi-sector conservation programs

A.1.3.5. This component aims to enable conservation-focused civil society sectors in biodiversity hotspots to achieve levels of capacity, credibility and resourcing that ensure they remain effective agents of change not dependent on continued CEPF support. This will guarantee they have both the capacities and access to resources necessary to respond to emerging threats to biodiversity conservation, continue to demonstrate effective conservation models, and become trusted advisors to government and private sector actors. By securing the long-term viability of civil societies as catalysts for effective management of biodiversity in the hotspots, the project will be a major improvement over the BAU scenario, under which improvements in civil society capacity and resource availability have frequently diminished following the cessation of CEPF support, and only two hotspots are considered to have graduated.

A.1.3.6. To achieve this, appropriate regional implementation structures will be put in place for the three pilot biodiversity hotspots, hosted by civil society organizations or partnerships, as longstanding stewards of the long-term conservation visions developed under Component 1. These stable, long-lasting institutional structures will actively coordinate and support fellow civil society organizations, by building their capacity, supporting resource mobilization, and connecting them with public and private sector partners. As a result, local and national civil society organizations in the pilot biodiversity hotspots will collectively possess sufficient organizational and technical capacity to be effective advocates for, and agents of, conservation and sustainable use of biodiversity, while being trusted partners of public and private sector actors, influencing decision making in favor of sustainable societies and economies. Under the BAU scenario, CEPF establishes "Regional Implementation Teams" to coordinate grant making and provide support to applicants and grantees in the hotspots where it invests. However, unlike the regional implementation structures that will be established under the project, these teams are not designed to persist beyond the period of CEPF support, and have a limited mandate to build capacity of civil society, mobilize additional resources and facilitate the adoption of results by government and private sector.

A.1.3.7. Similarly, regional resource mobilization strategies that improve the understanding of regional donor opportunities, potential gains in efficiency in existing programs, and the potential of economic and financial instruments (e.g., taxes, fees, payments for ecosystem services, bonds, offsets, etc.) to generate additional revenue for conservation programs will be developed and implemented in the three pilot biodiversity hotspots. The implementation of these strategies will leverage at least \$20 million in funding

to support priorities in the long-term conservation visions. The bulk of these resources will be leveraged from existing conservation donors (e.g., the Brazilian Development Bank, the Margaret A. Cargill Foundation, the Thailand Environmental Fund and the Yunnan Green Environment Development Fund) but at least \$5 million will be mobilized from non-traditional sources of conservation funding (e.g., public utility companies, state lotteries or donors with a development focus). In addition, at least two innovative models for private sector conservation finance, such as biodiversity offsets or green bonds, will be demonstrated through grants to civil society organizations in the pilot biodiversity hotspots, mobilizing at least \$2 million. This will represent a departure from the BAU scenario, under which CEPF investments rarely leverage significant funding at the portfolio level, and only from existing conservation donors, bringing in additional and non-traditional funding sources to the mix.

Component 3: Amplifying the impacts of CEPF investments through enhanced and innovative public and private sector partnerships

A.1.3.8. This component aims to implement models to more effectively mainstream biodiversity conservation into public policy and private sector practices in selected biodiversity hotspots. This will be at the heart of the transformation of CEPF, and a major improvement over the BAU scenario, under which CEPF projects have demonstrated numerous innovative conservation approaches with wider relevance, but there have been no strategies or models to systematically promote the uptake of these approaches by government or private sector. As a consequence, amplification of results, where they have occurred, has been opportunistic and limited.

A.1.3.9. New policy demonstration models will be developed, implemented and evaluated to enable civil society partners to more effectively engage with government agencies and mainstream the results of CEPF programs into public policy, thereby addressing key biodiversity loss drivers. These models will be developed and implemented through grants and strategic capacity support to civil society organizations selected through competitive calls for proposals. Although these models will be adapted to local contexts, they will have the following common elements: (i) establishment of partnerships between civil society organizations and relevant government institutions; (ii) joint framing of policy questions, through consultative processes; (iii) design and implementation of field demonstration and, where appropriate, research activities; and (iv) dissemination of results to key decision-makers in the relevant policy and planning process (through field visits, briefing papers, etc.). At least 12 of these policy demonstration models will be implemented in the pilot biodiversity hotspots over the first three years of the project, and innovations arising from them will be amplified through incorporation into at least six national or sub-national policies, programs or plans in the last two years. Specific policy sectors, include those related to the promotion and regulation of agricultural expansion in Brazil and Ethiopia, energy development in Indo-Burma, and hydrocarbon exploration and mining in the Albertine Rift. Mainstreaming biodiversity into policies that provide financial incentives for land-use and management practices within production landscapes or that require rigorous environmental assessment during the approval process for development projects will be key to these efforts. By working in landscapes that promote planning and management of multiple uses, policy demonstration models will promote adoption of new approaches for protected area management developed with CEPF support, particularly ones that allow for direct participation of civil society organizations and/or local communities in productive landscapes. These landscapes will typically be mosaics, comprising protected areas nested within a matrix of productive land, including agriculture, mining and fisheries. Through community-based natural resource management models such as these, local and indigenous communities will benefit from increased and gender-equitable access to ecosystem services, particularly provisioning of fish, non-timber forest products and other natural resources essential for local livelihoods and food security. As a result, 1 million hectares of production landscapes will demonstrate effective ways of mainstreaming biodiversity.

A.1.3.10. In parallel, at least six new tools and approaches for effective mainstreaming of biodiversity conservation into business practices will be developed and demonstrated in partnership with public and private sector actors, through strategic capacity support and grants awarded on a competitive basis to civil society organizations active in the pilot hotspots and willing to engage with private sector companies. The focus will be on sectors that are driving biodiversity loss in these hotspots, including the agriculture, energy and mining sectors, with demonstration models targeting conservation corridors that present

opportunities to enhance ecological connectivity at the landscape scale. Specific examples include opportunities for developing innovative partnerships that explore better practices in key commodities such as the coffee and tea sectors in Ethiopia and Indo-Burma, as well as the soybean and cattle industries in the Cerrado. At least 12 biodiversity-friendly management practices demonstrated through these partnerships, such as use of native species for landscaping and restoration, protection of riparian buffers, safeguards on conversion of critical natural habitats, and establishment of wildlife corridors, will be replicated through incorporation into the business practices of key change agents in these sectors.

Component 4: Replicating success through knowledge products and tools

A.1.3.11. This component aims to document successful models and tools demonstrated in the pilot hotspots under the first three components, and place them in the public domain as knowledge products, to catalyze the transformation of CEPF in other hotspots where it is active, and facilitate wider replication of project results by other conservation actors globally. Mechanisms for dissemination of knowledge will include but not be limited to: South-South exchanges; study visits between grantees; exchanges among regional implementation structures; and audio-visual products, such as short films, webinars and websites. The use of smart and effective communication tools will allow for additional replication beyond the places where CEPF works, enabling learning by organizations that may not be current partners of CEPF. This will be a marked improvement over the BAU scenario, where dissemination of lessons learned and good practice has largely been among civil society organizations within the same hotspot, and the potential for replicating successful approaches in other hotspots or in other contexts globally remains unrealized.

A.1.3.12. By these means, the models and tools for institutional sustainability, such as long-term regional implementation structures, regional resource mobilization strategies and policy demonstration models, will be rolled out to at least nine additional hotspots, including a mix of reinvestments in hotspots where CEPF invested previously, such as the Eastern Himalayas, and first-time investments in new hotspots, such as the Mountains of Central Asia. The selection of hotspots for investment will be made by the CEPF Donor Council on the basis of such criteria as magnitude of threat to biodiversity, opportunities to integrate biodiversity conservation into plans, policies and business practices, and opportunities to develop shared strategies with other funders. There will also be wider dissemination of results, outside of the areas where CEPF invests, resulting in at least three models, tools and best practices developed under the project being adopted by conservation practitioners in other parts of the world.

A.1.4. Incremental/additional cost reasoning and expected contributions to the baseline

A.1.4.1. Absent incremental GEF funding, CEPF will continue with its current grant-making modality of working in hotspots, guided by ecosystem profiles (see section A.1.6.2), and supported by Regional Implementation Teams (see section A.1.6.3). Certainly, the new strategy for the third phase of CEPF, its ecosystem profiles and its Regional Implementation Teams support the goals of this project (particularly with regard to strategic planning, civil society capacity building, resource mobilization, biodiversity mainstreaming and communication of results), and without the incremental GEF funding, these elements will continue to evolve. However, the added value that GEF funding brings to CEPF at this moment will spearhead the change of the fund, by putting in place new models and tools that ensure a successful evolution into a mechanism that can respond at scale to the global biodiversity crisis.

A.1.4.2. In this way, the incremental funding will catalyze the emergence of CEPF as an agent of transformational change for biodiversity and civil society, and deliver the global environmental benefits outlined in section A.1.5. The tools, approaches and models developed through this project will support the rollout of CEPF's third Pphase strategy to three pilot hotspots, plus nine additional hotspots around the world, and enable this important transformation to occur more quickly and with greater potential for amplification than would otherwise be possible.

A.1.4.3. In the three pilot hotspots, incremental funding will lead to the development and implementation of long-term conservation visions and the establishment of long-term regional insitutional structures that will increase the capacity of civil society by at least 20% at the conservation community level and 10% at

the level of individual organizations. The long-term visions will incorporate resource mobilization strategies that will support the mobilization of \$20 million in new funding, including \$5 million from non-traditional sources, and \$2 million from innovative private sector models. The visions will also set policy targets addressing key drivers of biodiversity loss and guiding the development of new policy demonstration models (e.g., in agriculture, fisheries, energy, etc.). These demonstration models will be then rolled into six policies, programs or plans, amplifying effective conservation approaches and addressing key drivers of biodiversity loss. Additionally, new tools and approaches for mainstreaming biodiversity into business practices will be developed and implemented, leading to the incorporation of at least 12 biodiversity-friendly management practices by key agents in the agriculture, energy, mining and other sectors, responsible for production of energy and key commodities including soy beans, cattle, palm oil, rubber, tea and coffee.

A.1.4.4. Amplifying the results of CEPF investments through these innovative partnerships between civil society and public and private sector actors will impact the management of production landscapes covering at least 1 million hectares, by promoting a mosaic of land-uses consistent with maintenance of biodiversity at the landscape scale, including new models of protected area in at least 10 sites and financial incentives to maintain ecological connectivity within at least six conservation corridors. This will allow at least 20 local and indigenous communities to benefit from increased gender-equitable access to ecosystem services, particularly provisioning services, through demonstration and amplification of community fisheries, community forests and other community-based natural resource management models.

A.1.4.5. CEPF is a multi-donor fund. The most recent contributor at the global scale is the European Union. At the portfolio scale, CEPF has most recently received funding from the Margaret A. Cargill and MAVA Foundations. Within hotspots, grantees and RITs typically generate co-funding that matches CEPF's contribution to the portfolio on a 2:1 ratio. For this project, co-financing will be higher than an 8:1 ratio from CEPF.

A.1.5. Global environmental benefits

A.1.5.1. CEPF investments are focused in the biodiversity hotspots—Earth's most biologically important yet threatened regions—which provide essential ecosystem services to local and global populations. The project will focus on delivering biodiversity benefits by implementing new models for conservation and sustainable use of biodiversity, with a particular emphasis on production landscapes outside protected areas. These models will be amplified within three pilot hotspots through incorporation into the business practices of private sector actors with large biodiversity footprints, and replicated in other hotspots where CEPF works. At the same time, pressures from development sectors and key drivers of biodiversity loss, which threaten to undermine site-level conservation actions, will be mitigated through integration of biodiversity conservation into policies, plans and programs with government agencies and through business practices with the private sector.

A.1.5.2. The specific models for conservation and sustainable use of biodiversity that will be demonstrated and amplified under the project will be selected and developed in consultation with stakeholders, including civil society organizations, indigenous peoples groups where relevant and others during the first year of the project. The global biodiversity benefits of the project cannot be predicted with complete certainty at this point, and will be better defined during the PPG phase. That said, expected Global Environment Benefits are expected to include some or all of the following:

- 1 million hectares of productive landscapes effectively mainstreaming biodiversity conservation and sustainable use in three biodiversity hotspots.
- 10 key protected areas with new management models with direct participation of civil society organizations and/or local communities, resulting in increased management effectiveness (as measured by the Management Effectiveness Tracking Tool) and reduction of habitat loss, illegal hunting of wildlife and other threats.

- Avoided loss and/or restoration of natural habitats within at least six conservation corridors, through incorporation of financial incentives into national or sub-national policy, increasing viability of species populations and delivery of critical ecosystem services.
- Biodiversity-friendly management practices adopted by private companies producing key commodities that drive biodiversity loss within at least six conservation corridors, significantly enhancing ecological connectivity at the landscape scale.
- Reduced threats to at least 20 globally threatened species, especially landscape species that rely on production landscapes outside protected areas for some or all of their lifecycles, such as giant anteater (*Myrmecophaga tridactyla*) in the Cerrado, Ethiopian wolf (*Canis simensis*) in the Eastern Afromontane, and Bengal florican (*Houbaropsis bengalensis*) in Indo-Burma, as well as charismatic flagship species, such as maned wolf (*Chrysocyon brachyurus*), jaguar (*Panthera onca*), mountain gorilla (*Gorilla beringei beringei*) and saola (*Pseudoryx nghetinhensis*).

A.1.5.3. The project will also deliver co-benefits in other GEF Focal Areas, including climate change mitigation (by promoting management practices that enhance carbon stocks and minimize conversion of forest within production landscapes), international waters (by promoting practices that lead to reduced pollution load in the Mekong River and international lakes in the Albertine Rift Valley), land degradation (by promoting sustainable land-use practices in production landscapes), persistent organic pollutants (by promoting practices that reduce pollution of land and water) and sustainable forest management/REDD+ (by promoting sustainable forest management throughout the Eastern Afromontane Hotspot).

A.1.6. Innovativeness, sustainability and potential for scaling up

Innovation

A.1.6.1. As a financial mechanism, CEPF has demonstrated innovation on two particular fronts: a) the production of strategies—ecosystem profiles—that guide the granting in each region and are built up through wide consultation processes involving civil society, government agencies, donors, indigenous peoples, local communities and other stakeholders; and b) its regional reach through the Regional Implementation Teams.

A.1.6.2. Ecosystem profiles: CEPF’s investments within each biodiversity hotspot are clustered around Key Biodiversity Areas that have been prioritized by local stakeholders, using the most up-to-date scientific information supported by a detailed situational analysis. The ecosystem profile is not only a document; it is a process in which local stakeholders design the strategic framework of interventions to ensure the conservation of these sites. No other conservation grant-making mechanism engages local civil society so extensively in the setting of its conservation goals at the portfolio level, or works at the global level in as many hotspots as CEPF. These strategies have proven that coordinated grants can build strong synergies and achieve much more than each individual project could otherwise, not only strengthening the conservation impact, but also building networks of practitioners that strengthen the civil society communities. The 2010 independent evaluation of CEPF led by David Olson stated that “CEPF’s model of developing initial participatory conservation strategies for identified hotspots of extinction, providing immediate implementation grants together with consistent organizational guidance and interaction, maintaining a focus on sustainable financing (14 sustainable financing mechanisms were put in place, globally), and encouraging marked innovation and calculated risk-taking in investments has proved to be measurably successful over the past ten years. Further, the 2011 Mid-Term Evaluation of CEPF ran by the World Bank stated: “what makes CEPF different from other grant mechanisms for conservation is that CEPF is guided by an ecosystem profile created for every hotspot. The mission was able to appreciate, particularly in the Indo-Burma hotspot, how the ecosystem profile has been instrumental for other donors and for government planning.”

A.1.6.3. Regional Implementation Teams: The second element of innovation is the regional structures that support capacity building and monitor the granting for CEPF, the Regional Implementation Teams. CEPF operates through Regional Implementation Teams comprised of civil society partners active in the hotspots where it invests. These teams engage and support civil society grantees and coordinate and

monitor development of CEPF's grant portfolios. They play an essential role in ensuring quality design and follow-up of projects proposed to CEPF, and are directly engaged in building the capacity of civil society grantees that need strengthening and elevating. The Regional Implementation Teams have proven to be effective mechanisms for extending the reach of CEPF to more local organizations. As noted by the World Bank's Supervision Mission of 2012, CEPF has been effective at building networks in individual countries and enabling stronger connections among individual organizations.

A.1.6.4. The proposed project is innovative in the way that it is moving CEPF's model one step further to sustainability by enhancing our work in mainstreaming biodiversity into policy and private sector practice. In addition to developing models for civil society to work with governments and private sector in innovative and cross-sectoral partnerships, the project will ensure that CEPF's results are not limited to the scale of the individual field demonstration projects that it is able to support, but are amplified and replicated through systematic integration into public policy and private sector business practices through new models and partnerships. Another innovative aspect is the way in which the project will enable civil societies to emerge as capable and trusted partners of government and private sector, able to maintain the results of CEPF investment and respond to future conservation challenges without relying on indefinite support from CEPF or other international donors.

A.1.6.5. Further innovation is based on two premises: the need for longer-term visions that allow definition of more realistic time horizons for graduating civil society to a level where it is self-sufficient and can continue to support the conservation of biodiversity without CEPF support; and, the institutionalization of a lead, long-term entity(ies) to further the goals of the long-term visions within a region beyond the life of the active grant portfolio and five-year ecosystem profiles. Achieving sustainability in each region as well as graduation of civil society depends on stronger institutions that serve as stewards of the long-term visions for the hotspots, and sustainable resource mobilization that enables these institutions to continue building capacity and strengthening civil society members. CEPF has already accomplished this in two hotspots, the Atlantic Forest of Brazil and the Cape Floristic Region of South Africa.

A.1.6.6. Evolving from and informed by CEPF's ecosystem profile process, the proposed long-term visions will eventually be developed for each of the hotspots where CEPF works. CEPF will pilot the exercise in three hotspots with the support of the GEF through the currently proposed project and thus will spearhead the process proposed for the Phase III strategy of the Fund. Long-term visions will define, through a multi-sectoral participatory process, targets for civil society capacity and funding needs that determine milestones of sustainability by defining timing and resource needs to get civil society to levels of self-sufficiency and credibility, allowing civil society to continue to promote biodiversity conservation as a more effective and catalytic partner of decision-making.

Sustainability

A.1.6.7. Sustainability of the project is integral to the proposed components. The challenges for achieving sustainability rely on two key elements: a) effective mainstreaming of biodiversity in policy and private sector practices; and b) lack of appropriate resource mobilization to support the conservation of biodiversity and the actions of civil society for that goal. Building on the recommendations of the evaluations of 2010 and the Supervision Missions of the World Bank, the project precisely proposes to tackle these two elements by creating, a more favorable and enabling environment by leveling the field for civil society so they can more effectively advise, support and innovate with government agencies and private sector companies, resulting in policies and business practices that more effectively mainstream biodiversity. The development of public-private partnerships engrained in long-term visions of sustainability will allow civil society to play the role of innovator, influencer and adviser to government agencies and private sector companies, securing a more sustainable economy for the areas that harbor globally significant biodiversity and critical ecosystems.

A.1.6.8. In terms of financial resources, the project proposes to develop long-term funding plans that identify traditional and non-traditional sources of funding and proposes to test models of non-conventional funding mechanisms that can be amplified within the three pilot hotspots and exported to

other hotspots. The result of this will be greater availability of financial resources to continue to conserve critical ecosystems and ensure the provision of goods and services for human well-being.

A.1.6.9. CEPF is proposing to develop models that will be implemented initially in three hotspots—the Cerrado, Eastern Afrotropical, and Indo-Burma—and then replicated to all other hotspots where CEPF is currently active, including the Tropical Andes, Mediterranean Basin, Madagascar and the Indian Ocean Islands, Guinean Forests of West Africa, Western Ghats and Sri Lanka, and Wallacea, as well as new hotspots, such as the Mountains of Central Asia, or hotspots where CEPF may re-invest, such as the Eastern Himalayas. The purpose of institutionalizing the long-term entity is to actively promote the strategic conservation approach within the hotspot and the surrounding national environs.

Scaling Up

A.1.6.10. The proposed components serve as a bridge to take CEPF into a third phase, where it will move to a scale of transformational magnitude, enabling civil society to be a more proactive, effective and capacitated partner of government and securing long-term funding opportunities for at least 12 hotspots. The proposed components will allow CEPF to jumpstart the development and implementation of models that will effectively elevate the role of civil society organizations as key agents to secure mainstreaming of biodiversity through government policies and private sector business practices.

A.1.6.11. As part of the implementation of the third phase strategy, the CEPF Secretariat is committed to developing a business plan to define the elements of a transformational and scaled-up fund that can truly impact the global biodiversity crisis. This business plan is due to be completed by September 2015, and will assess the implications for the CEPF model of scaling up its activities and operations. Questions involving partnership, membership, governance and financing will be addressed by the business plan. The early development of the other components of the strategy, namely the long-term visions and regional implementation structures, will be facilitated by the GEF project. This is a key step, which complements the development of the business plan, by informing the scaling up of CEPF's activities in operations, for example by elucidating the scale, duration and type of support that CEPF will need to provide in each hotspot to enable civil society to reach graduation. Further, the early development of models for mainstreaming results of CEPF investment into public policy and business practice will enhance CEPF's efforts to engage government agencies and private sector actors as key members or partners of the fund. The implementation of the GEF project will, therefore, seamlessly connect the current phase of GEF investment in CEPF with the launch of the third phase of the fund, providing key inputs to the production of the business plan in 2015 but also spearheading the demonstration of models that will subsequently be rolled out across the 12 hotspots where CEPF will operate during the third phase. Additionally, the findings of the Implementation Completion Report, to be produced in early 2015, will provide key recommendations that will be folded into the production of the business plan.

A.1.6.12. Lastly, the project will leverage 8:1 the funding of the GEF with donors that will range from multi-lateral, bi-lateral, and regional public donors to private foundations and private sector entities, including:

- **The European Commission (EC).** With the International Bank for Reconstruction and Development acting as administrator, the EC committed EUR17.1 million (USD 23.5 million) to CEPF in November 2013. The term of the agreement is to December 31, 2017 and the full amount of funding will be spent by CEPF between January 1, 2014 and the end of 2017.
- **The Government of Japan (GoJ).** In June 2012 the GoJ replenished its Phase I commitment pledging to contribute \$15 million to CEPF in addition to the \$9.875 million already committed in June 2012. It is anticipated that these pledged funds will be committed to CEPF between 2014 and 2016 in annual installments.
- **The World Bank (WB).** The WB, through its Development Grant Facility, pledged to contribute \$25 million to CEPF Phase II. To the end of 2013, it had contributed \$22 million of this pledge. It is anticipated that it will contribute the remaining \$3 million in 2014, with the funds to be utilized by the end of 2015.

- Margaret A Cargill Foundation. The Margaret A Cargill Foundation committed \$1.8 million to support CEPF's investment strategy in the Mekong Basin area of the Indo-Burma biodiversity hotspot. At the end of 2013, \$1.5 million of these funds were still available for investment. Discussions have started with the Foundation for it to contribute an additional \$1.8 million to further support CEPF in this hotspot and it is anticipated that these funds will be contributed within the next two years.
- L'Agence Française de Développement (AFD). In 2007, AFD contributed EUR 19.5 million over five years to the second phase of CEPF. These funds have been successfully invested by CEPF. The Agency is currently finalizing an independent evaluation of CEPF, to be completed by May 2014. Early results of this evaluation are positive. Based on the success of its initial investment in CEPF, as supported by the independent evaluation, it is anticipated that the Agency will replenish its contribution to support the third phase of CEPF.
- Conservation International. CI is deeply committed to CEPF. Historically, CI has contributed to the CEPF trust fund at similar levels as the other donors. As a CI-GEF Project Agency and the administrator of CEPF, CI will continue to support this important endeavor. CI commits to \$23 million in investments to support CEPF at the global level and in the Afro Montane, Cerrado and Indo Burma.

A.2. Stakeholders. Identify key stakeholders (including civil society organizations, indigenous people, gender groups, and others as relevant) and describe how they will be engaged in project preparation:

A.2.1. Engagement with stakeholders is fundamental throughout all stages of investment in a hotspot. Engagement begins during preparation of an ecosystem profile and investment strategy, through a series of local, national and regional consultations. A wide range of stakeholders are involved, including national and international experts, research institutions, NGOs, government agencies, indigenous peoples, women and women's groups, community groups and private sector representatives. To date more than 3,000 stakeholders have been involved in preparing CEPF's ecosystem profiles. This phase sets the foundation for future interaction, and paves the way for the partnerships, networks and collaborations that are the hallmark of our approach. CEPF actively seeks out and supports stakeholder engagement during all phases of investment. Gender mainstreaming is something that CEPF has been continuously seeking to improve and increase. Throughout the project CEPF will ensure full and equitable representation in and benefit sharing from project activities. The project will seek to engage with all stakeholders within the community including any potentially marginalized groups. The project will engage through current leadership structures and will seek to add to or strengthen these groups when key stakeholders are underrepresented. CEPF will ensure that men, women, youth and other groups are engaged and build monitoring systems that include necessary disaggregation to track this throughout the life of the project. As part of the bridging of Phase II and III, the CEPF model will benefit from the GEF contribution to strengthen its tools and policies to more greatly mainstream gender in our activities including gender analyses where relevant. As a result of this project CEPF will update its Environmental and Social Management Framework (ESMF) to include specific measures of gender assessment and mainstreaming in our actions as well as gender indicators in CEPF's recently approved monitoring framework.

A.2.2. While it would be difficult to list all stakeholders that CEPF has engaged with in the three hotspots and 23 countries covered by this project, the Cerrado is illustrative of the broad range of stakeholders that CEPF seeks to engage. Stakeholder engagement will take place initially during preparation of CEPF's ecosystem profile and investment strategy. Subsequently, engagement will take place as determined by the investment strategy, and where feasible during the implementation phase. Stakeholders will help identify Key Biodiversity Areas, develop strategies for CEPF grant-making, advise on grant-making, receive grants (if they are eligible as members of civil society), and partner with and complement grantees. In the Cerrado we will interact with four broad sets of stakeholders. The categories below represent a subset of potential stakeholders from the Brazilian Cerrado that CEPF will seek to engage with during the project.

- a. Civil society: At a regional level, we will reach many NGOs through the very active Cerrado Network, which has more than 200 members. We will also work with rural and small-farm workers via the National Confederation of Workers in Agriculture (CONTAG), the Federation of Family Farm Workers (FETRAF) and the Landless Workers Movement (MST).
- b. Women: At the sub-regional level, there are key groups or networks such as women’s palm nut splitters association (MIQCB), the Pacari medicinal plants network, the Grande Sertão Cooperative and the FrutaSã social enterprise.
- c. Indigenous peoples: Further, because indigenous groups live in the largest areas of intact Cerrado ecosystem, we will engage with the National Program for Environmental Management in Indigenous Lands (PNGATI) and the national and regional networks (ABIP and MOPIC, respectively). We highlight from the above the engagement with women’s and indigenous groups, reflective of the type of stakeholders we engage in all hotspots.
- d. Government: The list of federal, state, and municipal agency stakeholders is exhaustive, but at a minimum, includes the Ministry of Environment’s secretariats of Biodiversity and Forests, Extractive Industries, and Sustainable Rural Development, as well as the subordinate agencies IBAMA (natural resources) and ICMBio (biodiversity). The list also includes the Sustainable Cerrado Commission (CONAC ER), the ministries of Agrarian Development, Agriculture, and Science and Technology. Further engagement would happen with agencies in the states of Minas Gerais, Bahia, Distrito Federal, Goiás, Maranhão, Tocantins, Mato Grosso, and Mato Grosso do Sul.
- e. Private Sector: Stakeholders include commercial and private farmers, large-scale ranchers, cooperatives, the steel industry, and associations, such as the Brazilian Confederation of Agriculture and Livestock (CNA), the soybean association (APROSOJA), and the National Confederation of Industry (CNI). We will also work with banks that provide financing for development, including BNDES, BNB and the Bank of Brazil.
- f. Research institutions: Universities and academic institutions are traditionally a core stakeholder group for CEPF, providing input into ecosystem profiles to identify Key Biodiversity Areas, and then later, supporting grantees in the design of management interventions, and finally, supporting the monitoring of those interventions and ecosystem health. The Cerrado covers eight Brazilian states and districts, so potential stakeholders include, at a minimum, universities from Bahia (e.g., Universidade Federal da Bahia), the Distrito Federal (Universidade de Brasília and Instituto Científico de Ensino Superior e Pesquisa), Goiás (Universidade Federal de Goiás), Maranhão (Centro Universitário do Maranhão), Mato Grosso (Universidade Federal de Mato Grosso), Mato Grosso do Sul (Universidade Católica Dom Bosco), Minas Gerais (Universidade Federal de Minas Gerais), and Tocantins (Universidade Federal do Tocantins).

A.3 Risk. Indicate risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and, if possible, propose measures that address these risks to be further developed during the project design (table format acceptable):

A.3.1. Below are the main risks that might affect the performance of this project. A ranking (scale: low, medium, or high) is provided for each risk, along with the mitigation strategy to be implemented during the life of the project.

Risk	Level (low-medium-high)	Mitigation Strategy
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Lack of interest from civil society organizations	Low	The public-private partnership approach followed by this project is novel to many civil society organizations, especially local groups, many of which lack the necessary skills and tools, and some of which have philosophical reservations to working with the private sector. The project will mitigate this risk by carefully selecting target countries within the priority hotspots with existing or potential interest and capacity among civil society (informed by previous CEPF engagement and consultations with selected civil society partners during the PPG), and by providing targeted capacity building to civil society organizations to develop the necessary capacity and credibility to engage with government and private sector actors (informed by the long-term conservation visions developed in Y1).
Lack of suitable organizations to become long-term regional implementation structures	Low	CEPF current works with Regional Implementation Teams in the hotspots where it is active but these do not necessarily have the common agenda or capacity mix necessary to become long-term stewards of the long-term conservation visions and supporters of the emergence of strong local civil societies. This risk will be mitigated by conducting detailed stakeholder mapping during the PPG, and by developing a model for regional implementation structures that is sufficiently flexible to accommodate differences in institutional landscape within and among hotspots.
Resources for long-term conservation finance from non-traditional sources not available	Medium	The other key pillar of sustainability of the project will be to establish long-term conservation financing mechanisms. Traditional sources of resources for biodiversity conservation are decreasing in many countries in the pilot hotspots and are not necessarily being replaced by non-traditional sources. This risk will be mitigated by undertaking assessments of the availability of non-traditional sources of conservation resources during the PPG, and again in more detail during Y1 and Y2, and by selecting pilot countries that offer the greatest opportunities for leverage.
Political space for civil society to influence public policy constricted in pilot countries	Medium	The political space available for civil society is expanding in most countries in the pilot hotspots, enabling them to have greater influence over public policy. However, relationships between government and civil society are dynamic, and political space for civil societies can be constricted if they are perceived as moving into sensitive areas. This risk will be mitigated through careful selection of civil society partners with a track record of constructive partnership with government, and fully involving government partners in the selection of public policy targets for the project.

Opportunities for reform of particular policies do not arise during project duration or reforms take a long time	Medium	Mainstreaming biodiversity into public policies needs to be advanced according to the timeframes and processes of government, which may not necessarily match those of the project. This risk will be mitigated by giving strong weighting to time-bound opportunities for influencing policies when establishing public policy targets for the project, and by developing science-demonstration-policy models that fully engage government partners in the framing of policy questions, selection of demonstration sites, and the integration of the ensuing lessons into the policy process.
Lack of interest from private sector actors	Medium	Private sector actors active in sectors with large biodiversity footprints in the pilot hotspots comprise a mix of multinational companies, some of which have existing commitments to biodiversity conservation, and companies from emerging economies (especially Brazil and China), which may have less prior exposure to the business case for biodiversity conservation. To mitigate this risk, economic valuations, biodiversity risk assessments and certified commodity market analysis will be supported through CEPF grants to civil society partners, to help present a convincing business case to private sector actors to engage in development of biodiversity-friendly management practices.
Political instability impedes project implementation in pilot countries	Medium	All pilot hotspots contain countries with a recent history of political instability, and conflagration could prevent work in a country or, at minimum, impede civil society's engagement with government partners. CEPF has wide experience of supporting civil society in countries undergoing or emerging from political conflict, and will continue to engage in such countries, provided opportunities to deliver the project's outcomes and the security situation does not present unacceptable risks to staff or partners. If continued engagement became untenable, an alternative pilot country would be selected in the same hotspot.
Changes in institutions providing co-financing to the project could lead to their inability to do so	Low	There is a risk that some of the expected co-financing at the level of individual hotspots may not materialize, leading to more gradual implementation of the long-term strategies and reduction in the number of models implemented over the duration of the project. This risk will be mitigated by closely engaging with the co-financing institutions during the PPG to ensure their ownership, involvement and investment. In the event that the identified co-financing institutions are unable to contribute resources, alternative partners will be sought.

A.4. Coordination. Outline the coordination with other relevant GEF financed and other initiatives:

A.4.1. CEPF strives to collaborate and coordinate with GEF small grants programs in each of the countries and has been actively working with both coordination units at the country level where CEPF invests but also with UNDP to ensure synergies are developed and duplication is avoided. In addition, the project will work and coordinate activities with the current projects listed in section A.1.2.10, A.1.2.19 and A.1.2.26 as well as following GEF-financed initiatives in the targeted hotspots:

Cerrado	
Initiative	Coordination
<p>Sustainable Cerrado Initiative GEF Agencies: MMA/SBF, SEMARH/GO, SEPLAN/TO, COMPARQUES/DF. GEF Grant: \$13 million</p>	<p>The Sustainable Cerrado Initiative is an umbrella Program designed to allow executors to promote cooperation among States and/or institutions, ensure coordinated actions under a common framework, and replicate an approach to address biome-wide Cerrado conservation. It consists of grants to the Ministry of Environment, Chico Mendes Institute for Biodiversity Conservation, and states of Tocantins and Goiás. The current proposal builds on the Cerrado Initiative working on expanding its results to working on specific policy demonstration models and partnering with the soy bean and cattle private sector actors mainstreaming more effectively biodiversity.</p>
Eastern Afromontane	
Initiative	Coordination
<p>GEF UNDP, GEF World Bank, GEF IBRD, GEF UNEP \$142.9 million</p>	<p>Through the UNDP, World Bank, IBRD, and UNEP, the GEF supports 32 national projects and five regional projects that together, overlap with every country in the hotspot. These include projects on biodiversity, climate change, international waters, land degradation, ecosystem services, protected areas, migratory soaring birds, transboundary sites, primate conservation, taxonomy, and combating invasive alien species.</p> <ul style="list-style-type: none"> • Among these, a specific example of anticipated synergy is with the GEF-funded transfrontier conservation areas (TFCA) project implemented by the national protected areas authority, DNAC. Through TFCA, DNAC improves the management of national protected areas on the borders of South Africa, Zimbabwe, Zambia, Malawi, and Tanzania. By coordinating with DNAC, CEPF has made awards to civil society organizations on the Mozambique and Zimbabwe sides of the Chimanimani mountains, and to a CSO in Mozambique's Mt. Mabu region, across the border from Malawi. The CEPF grantees conduct taxonomic research – in direct collaboration with government counterparts – develop site management plans, and promote sustainable livelihood activities on those sites. The success of these CEPF grantees contributes directly to the success of the TFCA program overall. The results of the proposed project will further this collaboration taking these partnerships and developing demonstration models for management of protected areas at the landscape scale with strong participation of civil society and local and indigenous groups.
Indo-Burma	
Initiative	Coordination
<p>Greater Mekong Subregion Forests and Biodiversity Program GEF Agencies: ADB GEF grant: \$20 million (including four national sub-projects)</p>	<p>This regional program aims to improve biodiversity conservation and climate resilience across Cambodia, Lao PDR, Thailand and Vietnam, by addressing issues requiring a larger-scale, cross-border approach, and emphasizing regional dialogue and collaboration between countries.</p> <ul style="list-style-type: none"> • The CEPF Regional Implementation Team has ongoing discussion with the ADB team regarding data sharing and coordination of activities in the specific geographies in which we overlap. This includes ADB input into grantee selection, RIT input to grantees on the ADB's work, and the RIT ensuring that grantee outputs are reflected back to the ADB. The information shared will serve as spring-board for replicating the models proposed in this project throughout the countries of the hotspot

<p>Scaling Up Partnership Investments for Sustainable Development of the Large Marine Ecosystems of East Asia and their Coasts GEF Agency: World Bank GEF grant: \$44 million</p>	<p>The goal of this program is to promote sustainable development of large marine and coastal ecosystems of the East Asia and Pacific Region (including China’s Guangdong province and Vietnam within the Indo-Burma Hotspot) and improve livelihoods of local populations by promoting sustainable marine fisheries, integrated coastal zone management and ecosystem based management.</p> <ul style="list-style-type: none"> • CEPF has broad-scale capacity building efforts and is also supporting grantees that bring biodiversity knowledge to development planning processes. Each of these relatively small CEPF interventions feeds into the broader goals of this GEF project.
<p>CAMPAS Project GEF Agency: UNEP GEF grant: \$4.7 million</p>	<p>The goal of this project is to enhance management effectiveness of Cambodia’s protected area system and secure forest carbon through improving inter-sectoral collaboration, landscape connectivity and sustainable forest management, through demonstration activities in the Mondulikiri Conservation Landscape.</p> <ul style="list-style-type: none"> • CEPF is learning directly from this UNEP effort in its own grants to empower local communities to engage in conservation and management of priority Key Biodiversity Areas. The Regional Implementation Team will ensure that target groups use best practices in community-managed protected areas and develop co-management mechanisms that conform with government standards.

B. DESCRIPTION OF THE CONSISTENCY OF THE PROJECT WITH:

B.1 National strategies and plans or reports and assessments under relevant conventions, if applicable, i.e. NAPAs, NAPs, NBSAPs, national communications, TNAs, NCSAs, NIPs, PRSPs, NPFE, Biennial Update Reports, etc.:

B.1.1. At the global scale, this project is fully aligned with the goals of the CBD, its Strategic Plan for Biodiversity 2011-2020, and other multilateral environmental agreements, especially:

- a. Convention on Biological Diversity (CBD): The project is highly consistent with the participating countries’ commitments under the CBD, particularly: Article 6(b), which commits contracting parties to “integrate, as far as possible and as appropriate, the conservation and sustainable use of biological diversity into relevant sectoral or cross-sectoral plans, programmes and policies”; Article 8(a), which commits parties to “establish a system of protected areas or areas where special measures need to be taken to conserve biological diversity”; Article 8(e), which commits each party to “promote environmentally sound and sustainable development in areas adjacent to protected areas with a view to furthering protection of these areas”; Article 10.3, which commits each party to “encourage cooperation between its governmental authorities and its private sector in developing methods for sustainable use of biological resources”; and Article 11, which commits each party to “adopt economically and socially sound measures that act as incentives for the conservation and sustainable use of components of biological diversity”.
- b. CBD Strategic Plan for Biodiversity 2011-2020: The project is also highly consistent with the current Strategic Plan for Biodiversity, especially Strategic Goal A “address the underlying causes of biodiversity loss by mainstreaming biodiversity across government and society” and Strategic Goal E “enhance implementation through participatory planning, knowledge management and capacity building”. The overall project contributes to Aichi Target 19: “By 2020, knowledge, the science base and technologies relating to biodiversity, its values, functioning, status and trends, and the consequences of its loss, are improved, widely shared and transferred, and applied”. In addition, Component 3

specifically addresses Aichi Biodiversity Target 2 “By 2020, at the latest, biodiversity values have been integrated into national and local development and poverty reduction strategies and planning processes and are being incorporated into national accounting, as appropriate, and reporting systems”, and Aichi Target 7: “By 2020 areas under agriculture, aquaculture and forestry are managed sustainably, ensuring conservation of biodiversity”, while Component 2 specifically addresses Aichi Target 20: “By 2020, at the latest, the mobilization of financial resources for effectively implementing the Strategic Plan for Biodiversity 2011-2020 from all source... should increase substantially from the current levels”.

B.1.2. Within the three targeted hotspots, which combined cover 23 countries, the project is highly consistent with a range of national and regional strategies, including but not limited to National Biodiversity Strategies and Action Plans (NBSAPs). The project specifically will support the development of cross-sectoral partnerships empowering civil society to work hand in hand with government agencies, mainstreaming biodiversity in policies that are related to the production of key commodities (e.g. soy, beef, coffee, rice) and the development of sectors that are driving biodiversity loss (e.g. oil and gas). The range and depth of alignment with national priorities under international conventions is evident in several examples.

- Brazil: direct alignment with NBSAP Target 3.1 (sustainable non-timber plant products) Target 3.8 (added value for biodiversity-based products), and 7.1 (new financial resources from private sector) and Fourth National Report to the CBD, which highlights “stronger investments in the enhancement of the integration of biodiversity concerns into policies, programs and actions of the various sectors.”
- Cambodia: direct alignment with NBSAP targets on improved food security through a preserved fisheries environment, minimized loss of agricultural diversity, and reduced impacts of mining on biodiversity and Fourth National Report to the CBD, which identified insufficient mainstreaming of biodiversity conservation and sustainable use into the plans and policies of relevant sectors as a major obstacle to implementation of the convention.
- Ethiopia: direct alignment with NBSAP targets on sharing the costs and benefits of biodiversity conservation through public-private-NGO partnerships, sustainable natural resources management, policies that promote sustainable use of biodiversity, and civil society capacity building.

B.1.3. In terms of obtaining endorsement of GEF OPFs, CEPF has a process approved by the GEF CEO as a member of the CEPF Donor Council, by which it requests OPF endorsement when an ecosystem profile is approved by the Donor Council and before investing in the countries included in that strategy. Agreement was reached by the CEPF Donor Council on the process and currently the endorsement request process operates on a 60-day no-objection basis. CEPF's Secretariat meets and presents CEPF's strategy with OPFs and reaches out multiple times to ensure support of the OPF for our strategy. This same practice will apply to the current project.

B.2. GEF focal area and/or fund(s) strategies, eligibility criteria and priorities:

B.2.1. The proposed project is consistent with Objectives 1 (Outcomes 1.1 and 1.2) and 2 (Outcomes 2.1 and 2.2) of the Biodiversity focal area. With its strong focus on mainstreaming biodiversity conservation into production landscapes, through amplification of demonstration models into public policy and private sector practices, project links strongly to Objective 2. The project will improve the management of 1 million hectares of land under production by incorporating biodiversity conservation considerations into management practices. This will be achieved by supporting civil society to work hand-in-hand with government agencies to produce policy measures that better support management and conservation of

biodiversity in land-use plans and production-related policies. Further, the project will promote partnerships between civil society and the private sector to improve management of biodiversity within production landscapes related to soy and beef in the Cerrado, coffee in Ethiopia in Eastern Afromontane and rice, rubber and oil palm in Indo-Burma.

B.2.2. While the bulk of the project supports Objective 2, in relation to Objective 1, Outcomes 1.1. and 1.2, the project will support strengthening the capacity of government agencies that deal with, but are not limited to, the management of protected areas thus furthering outcome 1.1 of improving the management of new and existing protected areas. Also, strengthening the capacity of civil society to secure financial sustainability will support securing funding for protected areas that are key to the investment strategy of CEPF in the hotspots where it grants funding. A combined \$20 million in new funding, including \$5 from non-traditional sources, will allow CEPF to secure financially important areas for biodiversity conservation including protected areas. CEPF reports annually on its projects' contribution to the METT and will continue to demonstrate impact in greater effectiveness of the protected areas that the program supports.

B.3 The GEF Agency's comparative advantage for implementing this project:

B.3.1. Building on lessons learned from the World Bank who has acted as Implementing Agency for the first two phases of CEPF, and in full consultation with the World Bank, CI will assume the responsibilities of IA for preparation and implementation support to CEPF 3. CI has worked closely with the World Bank in the past two years to understand the role and implications of the IA function. Taking on this role going forward will reduce transaction costs and align implementation support and M&E functions for the successful implementation of CEPF activities, building on CI's innate strengths as listed below.

B.3.2. Conservation International is currently working and investing in 111 countries worldwide. Building upon a strong foundation of science, partnership and field demonstration, Conservation International empowers societies to sustainably care for nature on a smarter development path.

B.3.3. CI is committed to working with all governments and engaging with all sectors in society to achieve our ultimate goal of improved human well-being, particularly focusing on the essential services that nature provides: fresh water, food, health, livelihoods, and climate resilience.

B.3.4. Conservation International leverages experience in innovative finance and community-based solutions as well as our network of corporate, multilateral, civil society, national and local government partnerships to implement effective and relevant programs.

B.3.5. CI is measuring the contribution of healthy ecosystems to human well-being; assessing the implications of development decisions; putting cutting-edge, rigorously tested information in the hands of decision-makers and the public; and demonstrating through field models how economic opportunity and the stewardship of natural resources can leverage change at an international scale.


B.3.6. The underpinning of the CEPF strategy is linked to Key Biodiversity Areas (KBAs), which were in large part developed and refined by Conservation International. KBAs are seen as the gold standard for setting site level targets for biodiversity conservation outcomes. KBAs have been fundamental to the operation of the CI funding mechanisms and to engagement with CI partner organizations such as BirdLife International and IUCN, who use the same concept. They are of great importance to governments, above all in providing a basis for national protected area gap analysis, and to intergovernmental mechanisms like the Convention on Biological Diversity. KBAs provide important livelihood opportunities to local communities, through the maintenance of crucial ecosystem services, employment, recognition, economic investment, societal mobilization and civic pride, KBAs are sites holding populations of globally threatened or geographically restricted species.

PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES)

- A. **RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT (S) ON BEHALF OF THE GOVERNMENT(S):** (Please attach the [Operational Focal Point endorsement letter\(s\)](#) with this template. For SGP, use this [OFP endorsement letter](#)).

NAME	POSITION	MINISTRY	DATE (MM/dd/yyyy)

B. **GEF AGENCY(IES) CERTIFICATION**

This request has been prepared in accordance with GEF/LDCF/SCCF/NPIF policies and procedures and meets the GEF/LDCF/SCCF/NPIF criteria for project identification and preparation.					
Agency Coordinator, Agency name	Signature	DATE (MM/dd/yyyy)	Project Contact Person	Telephone	Email
Lilian Spijkerman		03/07/2014	Orissa Samaroo	7033412550	osamaroo@conservation.org