



**Summary of investment strategy, eligibility
criteria and application process**

Polynesia-Micronesia Biodiversity Hotspot

February 2011

1. SUMMARY OF INVESTMENT STRATEGY IN POLYNESIA-MICRONESIA

The Critical Ecosystem Partnership Fund (CEPF) investment in the Polynesia-Micronesia biodiversity hotspot is a five-year investment program (2008-2013) that will be managed through a partnership of CEPF and Conservation International's Pacific Islands Program based in Apia, Samoa. The Pacific Islands Program will act as the Regional Implementation Team for CEPF in the region.

CEPF was established to safeguard the world's biodiversity hotspots. CEPF is a joint initiative of l'Agence Française de Développement, Conservation International, the Global Environment Facility, the Government of Japan, the John D. and Catherine T. MacArthur Foundation and the World Bank. A fundamental purpose is to ensure that civil society, such as nongovernmental organizations (NGOs), community groups, and private sector partners, is engaged in efforts to conserve biodiversity in the hotspots.

CEPF investment will be guided by a document called an Ecosystem Profile which was developed by Conservation International in collaboration with a large number of stakeholders in the hotspot. The purpose of the ecosystem profile is to provide an overview of biodiversity values, conservation targets or "outcomes" and causes of biodiversity loss coupled with an assessment of existing and planned conservation activities in the Polynesia-Micronesia Hotspot. This information is then used to identify the niche where CEPF investment can provide the greatest incremental value for conservation. The ecosystem profile recommends broad strategic funding directions that can be implemented by civil society to contribute to the conservation of biodiversity in the hotspot. Applicants propose specific projects consistent with these broad directions and criteria. The ecosystem profile does not define the specific activities that prospective implementers may propose in the region, but outlines the strategy that will guide those activities.

The Polynesia-Micronesia Hotspot includes all the islands of Micronesia, tropical Polynesia, and Fiji. Included in this enormous expanse of ocean are more than 4,500 islands, representing 11 countries, eight territories and one U.S. state (Hawaii). Despite its large marine coverage, 4 times larger than the United States, it is one of the smallest hotspots in terms of terrestrial land area, covering only 46,315 square kilometers or about the size of Switzerland. The total population of the hotspot is approximately 3,235,250 but 65 percent of the population is found in Hawaii and Fiji. Not all countries and territories in the hotspot are eligible for CEPF funds; only countries that are World Bank members and signatories to the Convention on Biological Diversity are eligible. Thus six countries and territories in the hotspot, including Nauru; the U.S. state of Hawaii; the U.S. territories of American Samoa and Guam; the Commonwealth of the Northern Mariana Islands, and Tuvalu are ineligible. While this ecosystem profile includes data and analysis from all 20 countries and territories in the hotspot, conservation outcomes and strategic directions only refer to the 14 eligible countries and territories. However, it is hoped that this profile will be used to leverage additional investments to conserve threatened species and sites in countries and territories not eligible for CEPF investment.

The geographic complexity and isolated nature of Pacific islands have led to the development of extremely high levels of endemism in this hotspot. The various mechanisms of island biogeography and evolution have been able to work particularly clearly in the Pacific free of continental influences. However, the extreme vulnerability of island ecosystems and species to impacts such as habitat destruction and invasive species has resulted in the flora and fauna of this hotspot being amongst the most endangered in the world. In fact, species extinction rates in this hotspot approach the highest in the world, especially for birds and land snails. Plant, bird, and invertebrate diversity in the hotspot are particularly high, but diversity of non-volant mammals, reptiles

and amphibians is low. Overall the hotspot is home to approximately 5,330 native vascular plant species, of which 3,074 (57 percent) are endemic, 242 breeding native bird species of which approximately 164 (68 percent) are endemic, 61 native terrestrial reptiles, of which 30 (49 percent) are endemic, 15 native mammals, all bats, 11 (73 percent) of which are endemic, and three native amphibians, all endemic. Although there are no true native freshwater fish, at least 96 marine species are found as adults in freshwater and 20 species are endemic. Knowledge of invertebrate diversity is very patchy, but for many groups that have been studied, it is high. Land snail diversity is particularly high with over 750 species in Hawaii alone and perhaps 4,000 species in the insular tropical Pacific.

The major threats to Pacific biodiversity are human induced and include invasive species, habitat alteration and loss, destructive harvest techniques, and over-exploitation of natural resources. An analysis of data on the globally threatened species in the hotspot indicates that habitat loss and invasive species are the two most serious threats. The impact of extreme natural events such as cyclones, drought, and fire may also be significant at times. The future impact of climate change and sea level rise is uncertain at this stage but could be significant, especially on the low lying islands and atolls which could disappear completely. While many of the threats to native Pacific biodiversity are similar to those in other tropical regions of the world, Pacific island biotas' are particularly vulnerable because the biota evolved in the absence of mammalian predators, grazing herbivores, and many of the diseases that evolved on larger land masses. Furthermore, the small size and isolated nature of Pacific islands results in increased vulnerability to disturbances that may be relatively minor on a larger land mass.

There are a number of constraints to mounting an effective response to environmental threats in most countries in the hotspot. Except in the larger, more developed states and territories, the major constraints include a paucity of technical infrastructure and expertise, a lack of current information on the state of natural resources and biodiversity, a poor understanding of environmental issues among the general population, and poor integration of environmental issues in national development planning. An analysis of current investments and strategies in the hotspot indicates that significant implementation gaps remain in a number of areas. Terrestrial conservation efforts in general and species and site conservation efforts in particular are chronically under-funded. The taxonomic groups that have been least well supported include the flying foxes, land snails, and plants. Furthermore, while a number of national and regional conservation strategies have been developed, they need significant resources for implementation.

This ecosystem profile includes a commitment and emphasis on using conservation outcomes—targets against which the success of investments can be measured—as the scientific underpinning for determining CEPF's geographic and thematic focus for investment. Conservation outcomes can be defined at three scales – species, site, and landscape, reflecting a simplification of a complex hierarchical continuum of ecological scales. The three scales interlock geographically through the presence of species in sites and of sites in landscapes. They are also logically connected. If species are to be conserved, the sites on which they live must be protected and the landscapes or seascapes must continue to sustain the ecological services on which the sites and the species depend. Given threats to biodiversity at each of the three levels, quantifiable targets for conservation can be set in terms of extinctions avoided, sites protected and, where appropriate, biodiversity conservation corridors created or preserved. This can only be done when accurate and comprehensive data are available on the distribution of threatened species across sites. However, in the context of the archipelagic Polynesia-Micronesia Hotspot, only species and site outcomes have been defined since landscape scale outcomes are not considered appropriate.

Species outcomes in the Polynesia-Micronesia Hotspot include all those species that are globally threatened according to the 2003 IUCN Red List, the most recent Red List at the time the outcomes were defined in the profiling process. These comprise 476 globally threatened terrestrial species in all the countries and territories of the hotspot. However, almost half (232 out of 476) of the threatened species in the hotspot are in countries and territories that are ineligible for CEPF funding. The vast majority of the species in ineligible countries (214 species and almost half of all threatened species in the hotspot) are in Hawaii alone. The remaining 244 species in CEPF eligible countries define the universe of species outcomes for this hotspot. Species outcomes have been prioritized into six classes based on three major criteria: Red List Category; Taxonomic Distinctiveness (a measure of the uniqueness of a species); and need for species-focused action (i.e. a measure of whether a species needs special attention, such as the control of invasive species or harvesting).

Based on this objective analysis, 67 species belonging to priority classes one and two were selected for CEPF investment. However, it should be noted that given limitations in data availability and quality, the prioritization is an initial attempt and may change as more accurate data become available. Site outcomes were determined by identifying the sites in CEPF eligible countries that contain populations of at least one globally threatened species. Key data sources for this analysis included published scientific articles, the IUCN-World Conservation Union regional ecosystem survey, a number of Geographical Information Systems data layers, data from the World Database on Protected Areas, National Biodiversity Strategy and Action Plan reports, ecological survey data, sub-regional workshops and communications with many scientists and stakeholders. Data on restricted-range species and globally significant congregations were not available for this analysis. In total, 161 sites were identified for the hotspot, each containing at least one globally threatened species. The 161 sites are too many for one fund to handle alone. Consequently, sites were prioritized based on irreplaceability (whether the site contains taxa found in no other site); and vulnerability. Due to a lack of comprehensive threat data for each site, the threat status of a species found within the site was used as a proxy for vulnerability. A total of 60 sites were identified for CEPF support. A niche for CEPF investment has been developed based on an analysis of three major themes: species and site outcomes; major threats to endangered species; and current environmental investments together with national and regional conservation strategies.

Major findings of this analysis include the following: our knowledge of the hotspot's biodiversity is patchy, incomplete and poorly managed; terrestrial species and site conservation is currently weakly supported; conventional forms of protected area management have been largely ineffective; and invasive species are the major threat to native biotas, but tackling invasive species is relatively poorly supported. Finally, while there are many existing regional and national conservation strategies, these strategies need much stronger support for implementation.

The niche of CEPF in the Polynesia-Micronesia Hotspot will be to **catalyze action by civil society** to counteract threats to biodiversity, especially from invasive species, in key biodiversity areas in the Polynesia-Micronesia Hotspot. The **geographic focus** for CEPF intervention in the hotspot will be on CEPF eligible countries only. The three **primary strategic directions** are:

1. prevent, control and eradicate invasive species in key biodiversity areas;
2. strengthen the conservation status and management of 60 key biodiversity areas (KBA); and
3. build awareness and participation of local leaders and community members in the implementation of protection and recovery plans for threatened species.

A number of necessary interventions or investment priorities to achieve each strategic direction are outlined in the full ecosystem profile

<http://www.cepf.net/Documents/final.polynesiamicronesia.ep.pdf>

2. CURRENT STATUS OF CEPF INVESTMENT IN THE POLYNESIA-MICRONESIA HOTSPOT

Since its inception, the Conservation International Regional Implementation Team (RIT) has successfully completed three Calls for Proposals (CFP) in September 2008, March 2009 and March 2010, with a total grant commitment to projects of over USD\$4.1 million from a grant envelope of \$6.046 million for the five-year term of the program. To date CEPF is supporting 34 active projects in the Polynesia-Micronesia Hotspot, 22 of these projects are large grants ranging from \$50,000 to \$250,000 USD, while the remaining 12 are small grants projects with a ceiling of \$20,000 USD (see attached table). There are 13 closed projects which have been completed and all are small grants, with 14 projects (12 large grants and 2 small grants) pending approval. CEPF has supported 43 projects since its inception in May 2008.

The largest grant portfolio is in Strategic Direction One (SD-1) targeting the prevention, eradication and control of invasive species, followed by SD-3 on the protection of Critically Endangered species and SD-2 has a few projects specifically targeting Key Biodiversity Areas (KBAs). Most of the 14 eligible countries have received CEPF grants with only Niue, Wallis & Futuna, and Easter Island yet to have active projects.

3. ELIGIBILITY CRITERIA

Who can apply for a CEPF grant?

Non-Governmental Organizations, community groups, private enterprises, and other civil society applicants may apply for funding. Organizations must have their own bank account and be authorized under relevant national laws to receive charitable contributions. Government-owned enterprises or institutions are eligible only if they can demonstrate that the enterprise or institution has:

- (i) legal personality independent of any government agency or actor;
- (ii) the authority to apply for and receive private funds;
- (iii) and, may not assert a claim of sovereign immunity.

The broad entities for eligible parties describe above, with those that promote building capacity of civil society and community groups are encourage to apply. Individuals are encouraged to work with civil society organizations, and communities to develop applications, rather than apply directly.

Grants cannot be used for: (i) purchase of land, involuntary resettlement of people (including displacement of land uses), or activities that negatively affect physical cultural resources, including those important to local communities; (ii) activities adversely affecting Indigenous Peoples or where these communities have not provided their broad support to the project activities; or (iii) removal or alteration of any physical cultural property (including sites having archaeological, palaeontological, historical, religious, or unique natural values). Proposed activities must observe all other World Bank safeguard and social policies at:

- <http://go.worldbank.org/WTA1ODE7T0>

Anyone who is uncertain of their eligibility or likelihood of receiving funds from CEPF should contact the Conservation International Regional Implementation Team (RIT) at cipacific@conservation.org or jatherton@conservation.org

What type of proposals does CEPF approve?

Projects must support one of the three main strategic directions for the Polynesia-Micronesia Hotspot Areas: (1) prevent, control and eradicate invasive species in key biodiversity areas [KBA]; (2) strengthen the conservation status and management of 60 key biodiversity areas and (3) build awareness and participation of local leaders and community members in the implementation of protection and recovery plans for threatened species. The CEPF Ecosystem Profile for Polynesia-Micronesia Hotspot document is available in full at: <http://www.cepf.net/Documents/final.polynesiamicronesia.ep.pdf>

Proposals now being accepted must meet all of the following eligibility criteria:

- Project is located in one of the following countries or territories: Cook Islands, Easter Island (Chile), Federated States of Micronesia, Fiji, French Polynesia, Kiribati, Marshall Islands, Niue, Palau, Pitcairn islands, Samoa, Tonga and Tokelau or Wallis and Futuna.
- Project must support one of the three strategic directions in the ecosystem profile as detailed above;
- Grant will not be used for the purchase of land, involuntary resettlement of people, or activities that negatively affect physical cultural resources, including those important to local communities;
- Grant will not be used for activities adversely affecting Indigenous People or where these communities have not provided their board support to the project activities;
- Grants will not be used to remove or alter any physical cultural property (includes sites having archeological, paleontological, historical, religious, or unique natural values);
- Proposed activities observe World Bank safeguard and social policies
- **Note that we will not award grants for \$300,000 USD and above**

4. FOR THIS CALL FOR PROPOSALS (FEBRUARY 2011) PRIORITY WILL BE GIVEN TO PROPOSALS THAT DEMONSTRATE THE FOLLOWING CHARACTERISTICS:

General

- Existence of co-financing or the ability to leverage additional funds;
- Demonstration of coordination with other organizations to reduce duplication of effort;
- Existence of partnerships or alliances with one or more other organizations;
- Endorsement from recognized agencies or authorities, such as national environmental departments and ministries;
- Clear plans for continuation and/or replication after initial CEPF funding;
- Support indigenous and local communities in community-based or co-management activities for biodiversity conservation and actions that enhance local communities' tenure and resource use rights;
- Applicants are encouraged to provide detailed information on the sustainability component of the project in the proposal (it would be a bonus to have income generating activities promoted through local communities);

Geographic:

- Whilst all 14 countries are eligible for CEPF grants, applications from Niue, Wallis and Futuna and Easter Island are particularly encouraged to submit LOIs.

Thematic Focus:

➤ **Species Conservation:**

- Applications are encouraged that deal with conservation of highly threatened native plants, reptiles and land snails;
- Applications are encouraged for threatened species conservation (SD-3) that focus on the implementation of species recovery plans and on environmental awareness work on the ground.

➤ **Key Biodiversity Area/Sites:**

- Projects to be implemented in priority CEPF KBAs are encouraged to include local communities residing around the site to be involved and be part of the project from the beginning until the end;
- We encourage applications that secure KBA sites and improve their conservation and management especially in the following countries – French Polynesia, Fiji and Federated States of Micronesia which together have the highest number of priority KBA sites in the Polynesia-Micronesia hotspot Ecosystem Profile.

➤ **Invasive Species Management:**

- We encourage applications in invasive species (SD-1) to target on-the-ground field work demonstration on invasive species management and control.

APPLICATION PROCESS

This call for proposals is open from Tuesday February 1, 2011 and will close on Friday 11 March 2011, Samoa time.

In this call, priority will be given to filling the geographic and thematic gaps identified in this document. Please read and ensure you are familiar with the priorities identified here.

Other funding windows will be open in the remainder of the five-year investment period, ending in 2013. These calls will include specific guidance on geographic scope and application procedures.

To apply for a CEPF grant, all applicants must first submit a Letter of Inquiry. The Letter of Inquiry form is available at: <http://www.cepf.net/grants/apply/Pages/default.aspx>

Two Types of Funding Grants are Available from CEPF

i. Full-Grants or Project Proposals of more than \$20,000 USD

For grants in this category, a two-stage application process is used. The RIT will perform an initial screening based on the Letter of Inquiry (LOI). If the LOI meets the preliminary criteria outline above, the applicant will be invited to submit a full Project Proposal application (CEPF will send you the application template) and to respond to a Financial Questionnaire. The RIT will assist applicants in addressing questions regarding the logical framework approach to developing projects or the overall application form.

Once you have completed the LOI for a project over \$20,000 USD send an email to cepfgrants@conservation.org with the completed application attached. You will receive an email acknowledging receipt of the application, and the application will be forwarded to the appropriate team member. You will be contacted thereafter as to how to proceed. Questions or concerns during this process can be sent to cepfgrants@conservation.org

Timeframe for processing application to funding stage: 6 to 10 months

ii. *Small Grants of \$20,000 USD or Less*

Grants of up to and including \$20,000 USD will be awarded by the RIT under a small grants program. Decisions will be made by the RIT based on financial and programmatic reviews and discussions with applicants. The RIT Team may conduct site visits with applicants and assist with the development of their plans, including the formation of partnerships, as well as conduct an external review process. The completed LOI forms will be sufficient as proposals for all grants of this size. The RIT may require supporting documents from the applicant during the review period. The RIT will award grants of \$20,000 or less on a regular schedule, inform applicants about its decisions, and document the awards as part of its regular reporting to the CEPF Secretariat.

Once the LOI is completed, send an email to cipacific@conservation.org or jatherton@conservation.org with the completed application attached. You will receive an email acknowledging receipt of the application, and the application will be forwarded to the appropriate member of the RIT. You will be contacted thereafter as to how to proceed. Questions or concerns during the process can be sent to cipacific@conservation.org / jatherton@conservation.org

Timeframe for processing application to funding stage: 4 to 6 months

Note: It is preferable that all Letters of Inquiry are submitted in English.

Further information is available at:

[http://www.cepf.net/where we work/regions/asia_pacific/polynesia_micronesia/Pages/default.aspx](http://www.cepf.net/where_we_work/regions/asia_pacific/polynesia_micronesia/Pages/default.aspx) or <http://www.cepf.net>