



Critical Ecosystem Partnership Fund

No Objection Approval Pursuant to Section 2.03(c) of the Financing Agreement

August 29, 2018

CEPF Monitoring Framework

Recommended Action Item:

The Donor Council is asked to approve on a no-objection basis the inclusion "CEPF Monitoring Framework" and its annex of indicators, into the CEPF Operational Manual. The deadline for no-objection approval is 12 September 2018.

Background:

Discussions on "CEPF Monitoring Framework" took place during the 31st Donor Council Meeting (June 2017), under agenda item 5, "Approval of the new set of indicators". The document "Revision of CEPF's Monitoring Framework" (text and annex) was reviewed and approved by the Donor Council at that meeting.

Discussed at the same meeting of the Donor Council was agenda item 6, titled "Approval of the new version of the Operational Manual." While the new version of the Operational Manual was approved, it did not contain the new text pertaining to the monitoring framework. Therefore, approval of inclusion of the CEPF Monitoring Framework into the Operational Manual is only possible after approval of the text and annex.

CEPF Monitoring Framework

The existing and continually evolving CEPF management tools include the ecosystem profiling process, and the grants management procedures and monitoring systems. These are useful in developing and promoting the strategies for profiles, managing a large and dynamic pool of grants, and tracking progress in grant making and achieving goals. These tools enable the fund to focus on achieving conservation impacts on the ground.

The CEPF Strategic Framework outlines overarching "key indicators of success":

- Number of critical ecosystems/hotspots with active investment programs involving civil society in conservation.
- Number of civil society actors, including NGOs and the private sector, that actively participate in conservation programs guided by the CEPF ecosystem profiles.
- Number of hectares of Key Biodiversity Areas (KBAs) with strengthened protection and management.
- Number of hectares of new protected areas.
- Number of hectares in production landscapes managed for biodiversity conservation or sustainable use.

The Monitoring Framework seeks to complement the broad goals of the Strategic Framework, underpin these goals with more sensitive data, and better communicate the stories of CEPF's work.

- 1. Purpose of the monitoring framework: i) to efficiently and adaptively manage the CEPF portfolio both globally and at the profile levels; ii) to capture information on impacts of CEPF investments in a systematic manner to enable more effective communication of results; and iii) to identify emerging conservation needs or those that are cross cutting/critical to the conservation success of a given investment region.
- **2. Elements of the monitoring framework:** This framework is split into two main components: program impact and portfolio management. Program impact focuses on the impacts CEPF will have as a fund and is split into four broad categories as described below. Portfolio management focuses on CEPF internal processes and the ability of CEPF to efficiently and effectively operate.
- **3. Program impact:** Each of CEPF's grants is placed into one of four categories of impact, known as the pillars of CEPF: Biodiversity, Civil Society, Human Well-being, and Enabling Conditions:

Table 1: Impact categories and associated statements of success

Biodiversity Improve the status of globally significant biodiversity in critical ecosystems within hotspots.	Human well-being Improve the well-being of people living in and dependent on critical ecosystems within hotspots.
Civil society Strengthen the capacity of civil society to be stewards and effective advocates for the conservation of globally significant biodiversity.	Enabling environment Establish the conditions needed for the conservation of globally significant biodiversity.

CEPF's first two pillars, which aim to conserve biodiversity and to build civil society capacity to achieve conservation, are closely linked. Strong civil society capacity is essential for a sustainable foundation for biodiversity conservation. Underpinning both are the third and fourth pillars. Human Well-being is directly linked to the success of biodiversity conservation efforts because healthy ecosystems are essential for people's lives and livelihoods, while ecosystems that are unhealthy or devoid of biodiversity cannot deliver the benefits that people need, such as fresh water. Enabling Conditions are critical for successful conservation, but can be altered and improved by civil society, in particular a civil society that is empowered and informed. CEPF aims to measure progress in all four of these interlinked pillars to gain a holistic understanding of impact of the fund.

Each impact category is presented below.

Impact category 1: Biodiversity

Objective: Improve the status of globally significant biodiversity in critical ecosystems within hotspots. **Description:** Measuring the status and trends in biodiversity can take many forms. CEPF has chosen to measure progress toward this impact category via indicators focusing on species and sites.

Species: represent the smallest recognizable and (in most cases) replicable unit of biodiversity and also underpin CEPF's ecosystem profiling framework. CEPF investment strategies are built "from the species up"; threatened species inform the selection of important sites (KBAs¹), which, in turn, inform the definition of conservation corridors. Together, these "conservation outcomes" at species, site and corridor scales guide conservation investments within a hotspot. CEPF monitors its contribution to species conservation by recording the number of globally threatened species that benefit from CEPF-supported conservation action.

Sites: represent spatial units managed for the purpose of biodiversity conservation (whether this is a primary or secondary purpose). These include KBAs, protected areas, and production landscapes. Examples of management activities may include protected area management, community conservation agreements and biodiversity-friendly agriculture, among others.

CEPF monitors its contribution to site conservation through structured self-reporting by grantees at the end of their projects, verified by spot checks by the CEPF Secretariat and its Regional Implementation Teams (RITs). The following indicators are used:

- Number of hectares of KBAs with improved management.
- Number of hectares of protected areas created and/or expanded.
- Number of hectares of production landscapes with strengthened management of biodiversity.
- Number of protected areas with improved management (using the Management Effectiveness Tracking Tool).
- Number of globally threatened species benefiting from conservation action.

Impact category 2: Human well-being

Objective: Improve the well-being of people living in and dependent on critical ecosystems within hotspots.

Description: Conservation and human well-being have a complex, bi-directional relationship. Conservation success depends on the willing participation of human societies – from the local to the

¹ KBAs, or Key Biodiversity Areas, are sites of importance for the global persistence of biodiversity. They are identified for biodiversity elements for which specific sites contribute significantly to their global persistence, such as globally threatened species or ecosystems. The identification of KBAs uses multiple criteria and sub-criteria, each with associated quantitative thresholds (IUCN, 2016, *A Global Standard for the Identification of Key Biodiversity Areas*. Available at http://www.keybiodiversityareas.org/what-are-kbas).

global level. Conversely, human communities need nature to thrive, depending on the valuable services such as fresh water and disaster mitigation that natural ecosystems provide. CEPF embraces this complex relationship and invests to ensure compatibility between and improvement in ecosystems and the communities that depend on them. CEPF uses two categories of metric to monitor its impacts on human well-being at the global scale: 1) beneficiaries; and 2) climate.

Beneficiaries: comprise those people and communities that receive cash and non-cash benefits from activities undertaken through CEPF investments. Because a large number of beneficiaries receive non-cash benefits in the form of structured training, this category is measured separately from other non-cash benefits, such as improved land tenure and increased access to clean water. CEPF monitors the beneficiaries of its investments through structured self-reporting by grantees at the end of their projects, verified by spot checks by the CEPF Secretariat and RITs. The following three indicators are used:

- Number of people receiving structured training.
- Number of people receiving non-cash benefits other than structured training (e.g. increased access
 to clean water, increased food security, increased access to energy, increased access to public
 services, increased resilience to climate change, improved land tenure, improved recognition of
 traditional knowledge, improved representation and decision-making in governance forums,
 improved delivery of ecosystem services, etc.).
- Number of people receiving cash benefits (e.g. increased income from employment, increased income from livelihood activities, financial incentives for conservation, etc.).

Climate: Climate change is expected to increasingly drive biodiversity loss. Already, species are moving to new habitats and altering life cycles to adapt to changes in their environments. Meanwhile, the loss of biodiversity and destruction or degradation of natural areas undermine the health of ecosystems that are vital for climate change mitigation and adaptation. Natural ecosystems can help people — particularly the poor in rural and urban areas — adapt to changes in climate. Sustainably managed rivers, aquifers and floodplains can help ensure water supplies and regulate flooding. Healthy coastal ecosystems, such as mangroves and wetlands, temper the impact of storms. Thriving grasslands counter drought and flooding. Tropical forests provide wild reserves of food and income during failed harvests. The oceans absorb heat and CO₂ from the atmosphere, helping to stabilize the climate.

CEPF monitors its contribution to combating climate change through self-reporting by grantees at the end of their projects, coupled with analysis of GIS data and carbon maps to calculate the amount of carbon stored at CEPF-supported natural habitats. The following two indicators are used:

- Number of projects promoting nature-based solutions to combat climate change.
- Amount of CO2e sequestered in CEPF-supported natural habitats.

Impact category 3: Enabling conditions

Objective: Establish the conditions needed for the conservation of globally significant biodiversity. **Description:** CEPF operates under the premise that conservation actions in isolation are far less likely to succeed than those undertaken in an enabling environment. Three broad enabling conditions provide the framework for monitoring impacts at the global level under this impact category: ensuring that public policies are in place that promote (or do not inhibit) conservation action; ensuring sufficient capital and flow of financial resources for conservation; and promotion of biodiversity-friendly practices in the private sector.

Regulatory environment: In order for conservation interventions to proceed and be successful, the underlying legal and policy frameworks must be in place. This includes the legislative and regulatory framework for civil society to participate in conservation actions, as well as the inclusion of biodiversity conservation and sustainable use goals and provisions within sectoral development policies and plans.

CEPF has directed funding toward both of these aspects of the regulatory environment, but the most common need identified in ecosystem profiles has been for the latter (because most countries already have regulations in place that allow civil society to emerge and engage in conservation). CEPF monitors progress toward an enhanced regulatory environment by recording the number of laws, regulations and policies with conservation provisions that have been enacted or amended.

Long-term financing: One of the greatest barriers to effective conservation is the lack of financial resources to implement management that leads to conservation success. CEPF targets a portion of its investments to ensuring financial sustainability of civil society and conservation activities in the long term. This entails not only establishing long-term financing vehicles (e.g., conservation trust funds, debt-for-nature swaps and payment for ecosystem services mechanisms) but also supporting them to ensure that they function well and deliver financially. CEPF monitors progress towards enhanced long-term financing by tracking the number of sustainable financing mechanisms that are delivering funds for conservation.

Private sector practices: There is a great need to identify and promote biodiversity-friendly management practices in economic sectors that have significant impacts on biodiversity, such as agriculture, forestry, fisheries, etc. Identification of those practices that are successful and replicable is the first step, from which promoting their uptake follows. CEPF monitors progress towards improved private sector practices by counting the number of companies that adopt biodiversity practices.

For each of the three indicators of enabling conditions, CEPF will monitor impacts at the global scale through aggregating data generated by structured self-reporting from grantees, verified by spot checks by the CEPF Secretariat and RITs.

Impact category 4: Civil society

Objective: Strengthen the capacity of civil society to be operationally effective as stewards and effective advocates for the conservation of globally significant biodiversity.

Description: CEPF is premised on the assumption that a capable and functioning civil society is necessary for sustained conservation progress. CEPF takes a wide perspective of civil society that encompasses more than traditional definitions. CEPF works with a wide range of nongovernmental actors in seeking to improve the organizational capacity of institutions to deliver conservation success. CEPF assesses this impact category at the scale of the individual organization by looking at the institutional capacity of civil society organizations to undertake conservation actions, as well as looking at the network scale, recognizing the strength of self-reinforcing networks and alliances to leverage complementary capacities and respond to complex conservation challenges that no single organization can address working alone.

CEPF monitors its contribution to strengthening civil society impact through structured self-reporting by grantees, verified by spot checks by the CEPF Secretariat and RITs. The following three indicators are used:

- Number of CEPF grantees with improved organizational capacity (using the Civil Society Tracking Tool).
- Number of CEPF grantees with improved understanding of and commitment to gender issues (using the Gender Tracking Tool).
- Number of networks and partnerships that have been created and/or strengthened.

The Monitoring Framework contributes to the outcomes of CEPF's Global Results Framework, as well as to the Sustainable Development Goals and Aichi Targets. These linkages are set out in Annex A, which presents the CEPF Monitoring Framework.

Capturing CEPF's qualitative impact

As a complement to the collection of data on the indicators above, CEPF will capture stories and lessons from CEPF grantees and develop products that effectively share this information. Examples of products include, but are not limited to, lessons learned papers, case studies, interviews, articles, videos, etc.

4. Results Frameworks and Global Conservation Goals:

Synergy with the Global Results Framework: The Global Results Framework contains indicators that address both impact and management performance. This monitoring framework should be viewed as supplementary to the Global Results Framework, as CEPF will continue to monitor the indicators nested within CEPF's governing documents (e.g. the Project Appraisal Document (PAD)). Further, the Global Results Framework contains intermediate targets, which are updated periodically. CEPF will continue to strive to reach all targets.

Additional Results Frameworks: Each donor's contribution to CEPF has a financing agreement, which may or may not contain additional indicators/targets that are specific to that donor's contribution. It is in these financing agreements that targets are set, both for impact and for programmatic performance. CEPF cannot set new targets within the Global Results Framework or any other supplementary results framework without sufficient financing to support the work that will allow targets to be achieved.

Contribution to the Aichi Biodiversity Targets and Sustainable Development Goals: All indicators in the Monitoring Framework correspond, to the extent possible, to relevant Aichi targets and Sustainable Development Goals. Annex A demonstrates the links between CEPF and these global goals. CEPF will, on a regular basis, report on contributions to achieving these goals.

#	Pillar	Indicator	Link to Global Results Framework	Corresponding SDG	Corresponding Aichi Target	Definition	Means of measurement	Data Source	frequency of data collection	who is responsible
1	BIODIVERSITY	Number of hectares of Key Biodiversity Areas (KBA) with improved management	Outcome 1: Globally significant biodiversity is under improved management and protection.	Goal 15 - Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt blodiversity loss	Target 11 - By 2020, at least 17 per cent of terrestrial and inland water, and 10 per cent of coastal and marine areas, especially areas of particular importance for biodiversity and ecosystem services, are conserved through effectively and equitably managed, ecologically representative and well-connected systems of protected areas and other effective areabased conservation measures, and integrated into the wider landscapes and seascapes.	To be counted, an area must be a KBA, must benefit directly from CEPF funding, and there must be a substantive and meaningful positive change in the management/ protection of the KBA. There must be a plausible attribution between CEPF grantee action and the strengthening of management in the KBA. For an area to be considered as "strengthened," it can benefit from a wide range of actions that contribute to improved management. Examples include: increased patrolling, reduced intensity of snaring, invasive species eradication, reduced incidence of fire, and introduction of sustainable agricultural/fisheries practices.	count - addition	grantee final report	end of project	grantee
2	BIODIVERSITY	Number of hectares of protected areas created and/or expanded	Outcome 1: Globally significant biodiversity is under improved management and protection.	Goal 15 - see above	Target 11 - see above	To be counted, an area must demonstrate formal legal declaration, and biodiversity conservation must be an official management goal.	count - addition	grantee final report	end of project	grantee
3	BIODIVERSITY	Number of hectares of production landscapes with strengthened management of biodiversity.	biodiversity is under	Goal 12 - Ensure sustainable consumption and production patterns. Goal 15 - see above	Target 7 - By 2020 areas under agriculture, aquaculture and forestry are managed sustainably, ensuring conservation of biodiversity.	A production landscape is an area where agriculture, forestry or natural product exploitation occur. For an area to be considered as "strengthened," it can benefit from a wide range of actions that contribute to improved management. Examples of interventions include: best practices and guidelines implemented, incentive schemes introduced, sites/products certified and sustainable harvesting regulations introduced.	count - addition	grantee final report	end of project	grantee
4	BIODIVERSITY	Number of protected areas with improved management	Outcome 1: Globally significant biodiversity is under improved management and protection.	Goal 15 - see above	Target 11 - see above	The purpose of this indicator is to track the management effectiveness of protected areas that receive CEPF investment. Effectiveness is measured with the Management Effectiveness Tracking Tool (METT).	МЕТТІ	METT I	start and end of project	grantee
5	BIODIVERSITY	Number of globally threatened species benefiting from conservation action	Outcome 1: Globally significant biodiversity is under improved management and protection.	Goal 15 - see above	Target 12 - By 2020 the extinction of known threatened species has been prevented and their conservation status, particularly of those most in decline, has been improved and sustained.	To be counted, a species must benefit from an intervention that has direct conservation benefit. Examples include: preparation or implementation of a conservation action plan; captive breeding programs, habitat protection, species monitoring, patrolling to halt wildlife trafficking, removal of invasive species.	count - addition	grantee final report	end of project	grantee

6	HUMAN WELL- BEING	Number of people receiving structured training	Biodiversity conservation is integrated into landscape and development planning as a result of increased local and national civil society capacity.	Goal 4 - Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all Goal 5 - Achieve gender equality and empower all women and girls Goal 8 - Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all		Structured training is defined as any organized or formal training opportunity such as a workshop, classroom activity, university program, formal site visit or exchange program. Note that data provided by the grantee will be sexdisaggregated. This number is not to be combined with the indicator recording beneficiaries receiving non-cash benefits - this indicator is specific to training, a key element of CEPF's work.	count - addition	grantee final report	end of project	grantee
7	HUMAN WELL- BEING	Number of people receiving cash benefits	conservation is integrated into landscape and development planning as a	Goal 8 - Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all		Cash benefits include those derived from employment, and increased income due to livelihood programs. Note that data provided by the grantee will be sex-disaggregated.	count - addition	grantee final report	end of project	grantee
8	HUMAN WELL- BEING	Number of people receiving non-cash benefits other than structured training	Biodiversity conservation is integrated into landscape and development planning as a result of increased local and national civil society capacity.	Goal 2 - End hunger, achieve food security and improved nutrition and promote sustainable agriculture. Goal 16 - Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels		Non-cash benefits are stated as: increased access to clean water; increased food security; increased access to energy; increased access to public services; increased resilience to climate change; improved land tenure; improved recognition of traditional knowledge; improved decision-making and goverance; improved access to ecosystem services.	count - addition; grantees complete a datasheet for each community that is targeted, record the # of people benefiting, and tick boxes for one or more of nine types of non-cash benefits.	grantee final report	end of project	grantee
9	HUMAN WELL- BEING	Number of projects promoting nature-based solutions to combat climate change		Goal 13 – Take urgent action to combat climate change and its impacts	Target 15 - By 2020, ecosystem resilience and the contribution of biodiversity to carbon stocks has been enhanced, through conservation and restoration, including restoration of at least 15 per cent of degraded ecosystems, thereby contributing to climate change mitigation and adaptation and to combating desertification.	Nature-based solutions to combat climate change are effective approaches that help people, particularly the poor in rural and urban areas, adapt to changes in climate, and to alleviate the negative impacts of climate change. When taken to scale these approaches will help the global community address the climate challenge. Examples include: mangrove restoration, resource management, diversifying nature-based livelihoods. Many nature-based solutions to combat climate change make a significant contribution to disaster risk reduction.	count-addition	CEPF project database; key word tags	annual	Secretariat
10	HUMAN WELL- BEING	Amount of CO2e sequestered in CEPF- supported natural habitats	Biodiversity conservation is integrated into landscape and development planning as a result of increased local and national civil society capacity.	Goal 15 - Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	Target 15 - see above	This indicator will measure carbon stored at sites benefiting from restoration or maintenance of natural habitat.	Methodology under development	GIS data	annual	Secretariat/ consultant

11	ENABLING CONDITIONS	Number of laws, regulations, and policies with conservation provisions that have been enacted or amended	Biodiversity conservation is integrated into landscape and development planning as a result of increased local and national civil society capacity.	Goal 15 - Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss Goal 16 - Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	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.	"Laws and regulations" pertain to official rules or orders, prescribed by authority. Any law, regulation, decree or order is eligible to be included. "Policies" that are adopted or pursued by a government, including a sector or faction of government, are eligible.	count - addition	grantee final report	end of project	grantee
12	ENABLING CONDITIONS	Number of sustainable financing mechanisms delivering funds for conservation	Outcome 2: Biodiversity conservation is integrated into landscape and development planning as a result of increased local and national civil society capacity.	Goal 15 - see above	the mobilization of financial resources for effectively implementing the Strategic Plan	The purpose of this indicator is to track the number of functioning financing mechanisms created by or receiving support from CEPF. According to WWF, sustainable financing strategies or mechanisms are secured to help ensure long-term sustainable financing for project or programme conservation objectives beyond the project's or programme's lifespan. Sustainable financing aims to generate sustaining financial resources over the longer term (five or more years). Sustainable finance goes beyond traditional government or donor funding by introducing innovative market-based approaches such as debt-for-nature swaps, environmental funds, and payment for ecosystem services (PES).	count - addition; and request to grantee to report on amount of funding delivered for conservation, during the project timeframe	_	end of project	grantee
13	ENABLING CONDITIONS	Number of companies that adopt biodiversity-friendly practices		Goal 12 - Ensure sustainable consumption and production patterns	Target 1 - By 2020, at the latest, people are aware of the values of biodiversity and the steps they can take to conserve and use it sustainably.	A company is a legal entity made up of an association of people, be they natural, legal, or a mixture of both, for carrying on a commercial or industrial enterprise. Company members share a common purpose and unite in order to focus their various talents and organize their collectively available skills or resources to achieve specific, declared goals. While companies take various forms, for the purposes of CEPF, a company is defined as a for-profit business entity.	count - addition	grantee final report	end of project	grantee

14	CIVIL SOCIETY	Number of CEPF grantees with improved organizational capacity	Outcome 3: Effective monitoring and knowledge sharing.	Goal 16 - Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	The tracking tool aims to monitor civil society organisations' capacity to effectively plan, implement and evaluate actions for biodiversity conservation. The tool assumes that an organisation's capacity to plan, implement and evaluate actions for biodiversity conservation is determined by five major factors: (i) the human resources that it has available; (ii) the financial resources that it has available; (iii) its management systems, which ensure that available resources are translated into effective actions; (iv) its strategic planning, which ensures that these actions target conservation priorities; and (v) its delivery, which ensures that these actions effect change.	civil society tracking tool	civil society tracking tool	beginning and end of project	grantee
15	CIVIL SOCIETY	Number of CEPF grantees with improved understanding of and commitment to gender issues	Outcome 3: Effective monitoring and knowledge sharing.	Goal 5 - Achieve gender equality and empower all women and girls	This tracking tool is a self-assessment tool that can be used by an organization to understand if and to what extent gender considerations have been integrated into its program and operations. Gender refers to the social and cultural attributes of being a man or a woman. Gender can influence natural resource use, needs, knowledge and priorities. It can also influence power, access, control and ownership over natural resources. Consideration of gender can affect the quality of stakeholder engagement and participation, the quality of social outcomes, and the delivery of benefits to project participants. Additionally, it can affect the sustainability of conservation outcomes.	gender tracking tool	gender tracking tool	beginning and end of project	grantee
16	CIVIL SOCIETY	Number of networks and partnerships that have been created and/or strengthened	Outcome 3: Effective monitoring and knowledge sharing.	Goal 17 - Strengthen the means of implementation and revitalize the global partnership for sustainable development	Networks/ partnerships should have some lasting benefit beyond immediate project implementation. Informal networks/ partnerships are acceptable even if they do not have a Memorandum of Understanding or other type of validation. Examples of networks/ partnerships include: an alliance of fisherfolk to promote sustainable fisheries practices, a network of environmental journalists, a partnership between one or more NGOs with one or more private sector partners to improve biodiversity management on private lands, a working group focusing on reptile conservation.		grantee final report	end of project	grantee