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PARTNERSHIP FUND

**Critical Ecosystem Partnership Fund
Rapid Rescue for Conservation Crises
Operational Manual
14 August 2024**

Table of Contents

1. Rapid Rescue for Conservation Crises Facility	1
1.1 Facility Overview	1
1.2 Purpose of this Manual.....	1
1.3 Amendments to the R2C2 Operational Manual.....	1
1.4 R2C2 Facility Launching Process	1
2. Governance	2
2.1 Organigram.....	2
2.2 R2C2 Structure	2
2.3 Funding Partners	2
2.4 Rapid Review Committee Terms of Reference	3
2.5 CEPF Secretariat: Role and Responsibilities	3
2.6 Donor Reporting Procedures.....	4
3. Project Cycle Management (PCM)	4
3.1 Project Cycle Overview	4
3.2 Application Solicitation Process.....	5
3.3 Letter of Inquiry	5
3.4 Project Proposal.....	7
3.5 Grant Review and Decision-Making Process	7
3.6 Activation and Payments.....	8
3.7 Reporting and Monitoring.....	8
3.8 Amendments	8
3.9 Grant Closeout.....	9
4. Monitoring and Evaluation	9
4.1 Background.....	9
4.2 Monitoring Framework	10
5. Safeguard Policies: Environmental and Social Management Framework	12

6. Procedures for Grant Making	13
6.1 Grant Award Types	13
6.2 Implementing Partners Selection Process for Large Grants	13
6.3 Grant Management Process.....	14
6.4 Anti-Fraud and Corruption	15
6.5 Flow-Down Provisions	15
7. Financial Management.....	15
7.1 Overview of Financial Management.....	15
7.2 Procurement	17
7.3 Conflict of Interest	17
7.4 Complaint Mechanisms	18
7.5 Ethics.....	19
Annexes.....	20
Annex 1: Documents Linked into the CEPF Operational Manual.....	21
Annex 2: R2C2 Eligible Countries as of 2024, by CEPF Hotspot.....	22
Annex 3: CEPF R2C2 Facility Logframe.....	23
Annex 4: Definitions	25
Annex 5: Acronyms.....	26

1. Rapid Rescue for Conservation Crises Facility

1.1 Facility Overview

The Rapid Rescue for Conservation Crises (R2C2) facility funded by the European Union, via l'Agence Française de Développement, will address immediate conservation crises requiring an urgent response. The facility will address crises resulting from natural causes, such as wildfires, droughts, volcanic eruptions, earthquakes, cyclones and mass strandings of animals and plants. It will also address human-induced crises, such as security threats to environmental activists or national park/protected areas rangers or managers, sudden spikes in poaching or illegal, unreported and unregulated fishing, accidental or intentional pollution events, and acts of terrorism. To be eligible for support by the facility, a conservation crisis must be immediate, meaning that it must be presently occurring, not merely anticipated. It must also require an urgent response; conservation issues that can be resolved by provision of funding with a time lag greater than three months will not be eligible.

The R2C2 facility will respond to conservation crises in partner countries eligible to receive EU development aid.

The facility will be accessible to a broad range of civil society organizations (CSOs), including but not limited to international and local NGOs, academic institutions, community-based organizations, and private companies, on a not-for-profit basis. To be eligible to receive funding from the facility, CSOs must be legally registered and have a bank account in the organization's name that can receive payments by wire transfer in foreign currency.

The grantees will be requested to coordinate efforts with relevant local authorities and public services, to the extent possible.

1.2 Purpose of this Manual

The Critical Ecosystem Partnership Fund (CEPF) R2C2 Operational Manual contains the operating policies and procedures for the facility, grant application, information related to safeguard policies, the decision-making process, grant agreement, reporting forms, and provisions to avoid conflict of interest, among other procedures.

1.3 Amendments to the R2C2 Operational Manual

Any of the funding partners of the R2C2 initiative or CI, as the host of the CEPF Secretariat, may propose amendments to the Operational Manual at any time. Proposed amendments will be circulated by the CEPF Secretariat to the funding partners and CI, for a two-week, no-objection approval.

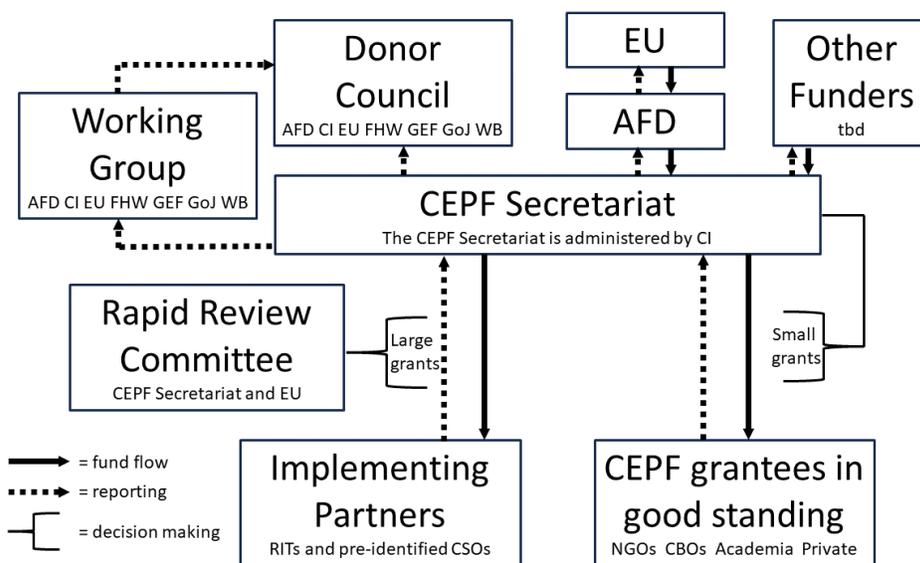
1.4 R2C2 Facility Launching Process

The facility is launched as of December 2024. For the initial 12-month period, applications will be restricted to countries in the 10 Biodiversity Hotspots where CEPF

has active investments, before opening to all eligible countries. This is intended to result in a manageable volume of applications, while the policies and processes of the facility are fine-tuned, and implementing partners are identified and screened.

2. Governance

2.1 Organigram



2.2 R2C2 Structure

The CEPF Secretariat is accountable to the Donor Council, composed of representatives of each of the global donors, plus an invited Chairperson. The Donor Council is the key governance mechanism for CEPF, with authority to select hotspots for investment, allocate budgets for grant making, and approve changes to the fund's policies. Technical experts from each of the global donors form the CEPF Working Group, which reports to the Donor Council and provides technical guidance to the CEPF Secretariat. At the global level, AFD and the EU are represented on the Donor Council and Working Group. Staff from the CEPF Secretariat and the EU sit on a "Rapid Review Committee", which is delegated decision-making authority for all large grants (above US\$50,000). Decision-making authority for small grants (up to US\$50,000) is delegated to the CEPF Secretariat, with the possibility to seek advice from the funding partners, as needed.

2.3 Funding Partners

The R2C2 facility initially has one funding partner, the EU, whose funding is managed by AFD. Additional funding partners may contribute to the facility, subject to the approval of the Donor Council.

2.4 Rapid Review Committee Terms of Reference

Chaired by:

CEPF Executive Director.

Purpose:

To serve as a resource to CEPF for consultation on R2C2 matters such as maximizing the potential to leverage donor organization resources and expertise, to select R2C2 large grants for award, to select R2C2 implementing partners, and to provide input and guidance on certain operational issues.

Frequency of meetings:

As necessary.

Specific Tasks:

- Support the mission and objectives of the R2C2 facility and leverage R2C2 investment by identifying technical and financial resources for the R2C2 facility.
- Provide input and guidance on certain operational matters, such as modifications to the R2C2 Operational Manual, and other issues as necessary.
- Review and approve for award proposed R2C2 grants over \$50,000 in total value (i.e., “large grants”).
- Approve implementing partners in accordance with the procedure established in the R2C2 Operational Manual.

2.5 CEPF Secretariat: Role and Responsibilities

The CEPF Secretariat’s main purpose is to staff and manage, hold and control, and raise funding for the R2C2 facility, in a manner that complies with the Operational Manual and the terms of any donation to the Facility. The Secretariat also provides general administration and implementation of the Facility as well as financial management of cash contributions.

Specifically, the role and responsibilities of the Secretariat are to:

- Prepare the agenda of the Rapid Review Committee meetings.
- Prepare and distribute the minutes of Rapid Review Committee meetings.
- Oversee development of the project portfolio (aligned with funding availability).
- Provide financial management of the Facility, inclusive of presenting annual progress reports on the operations, expenditures under CEPF’s Annual Spending Plan, and the portfolio of projects on the CEPF website.
- Conduct all necessary due diligence, select and enter into contractual and implementation arrangements with recipients of R2C2 funding in accordance with the R2C2 Operational Manual.
- Ensure compliance of all R2C2 grants with CEPF’s Environmental and Social Management Framework.
- Monitor the impacts of the R2C2 project portfolio and incorporate it into CEPF’s Annual and Impact Report.

- Maintain the R2C2 Operational Manual.
- Represent the Facility globally and advocate for its goals.
- Engage and inform the Rapid Review Committee of significant ongoing engagements, key investments, and decisions.
- Other tasks as relevant.

More information related to CEPF is available at www.cepf.net and the current fund-wide operational manual is available at <https://www.cepf.net/resources/documents/cepf-operational-manual-2022>.

2.6 Donor Reporting Procedures

Monitoring and reporting will be carried out in accordance with the financing agreement(s) between CI and the funding partners.

3. Project Cycle Management (PCM)

3.1 Project Cycle Overview

The R2C2 project cycle overview is described below.



CEPF has a comprehensive grant application and management system that enables online access to the suite of CEPF application and reporting templates as well as key proposal and project reporting information.

The R2C2 facility will make two types of grants: “small grants” of up to US\$50,000 and “large grants” of more than US\$50,000. Both types of grants can only be made to pre-identified civil society organizations (CSOs) that have undergone screening and due diligence processes adjusted to the type of applicant and amount. Current and former CEPF grantees who are in good standing with the fund will be eligible to apply for small grants. Large grants will only be accessible to pre-identified implementing partners that have received training in the processes and policies of the facility. These implementing partners will be established conservation organizations, including current and former [Regional Implementation Teams](#) (RITs) of CEPF.

3.2 Application Solicitation Process

R2C2 applications may be submitted through multiple channels, including from CEPF partners in the field, AFD offices and EU delegations in eligible countries, and applications submitted via the CEPF website. CEPF will work with implementing partners and their networks to help identify eligible projects. CEPF will also collaborate with AFD and the EU to provide briefings for their staff based in development cooperation countries, to encourage them to bring conservation crises to the attention of the facility.

3.3 Letter of Inquiry

There will be two pathways for approaching the R2C2 facility. First, any eligible applicant will be able to submit an unsolicited Letter of Inquiry (LOI), which can be submitted by email or via CEPF’s online grants management platform. Second, AFD and EU staff based in development aid countries can bring conservation crises to the attention of the facility. In such cases, the CEPF Secretariat will solicit an application from an implementing partner present in that country.

Whether solicited or unsolicited, the initial approach will be made by a simplified LOI. LOIs will be accepted in any language, with translation software being used in the case of applications not being received in one of the languages spoken by members of the CEPF Secretariat. Applications will undergo rapid but thorough technical review.

- Within three business days,
 - a response will be sent to the applicant acknowledging receipt and
 - an eligibility screening will be done
 - a response will be sent to the applicant in case the LOI is deemed not eligible
- Eligible LOIs will then be reviewed internally by one or more members of the CEPF Secretariat, drawing on their extensive experience of conservation grantmaking, as well as by at least one external reviewer familiar with the local context where the conservation crisis is taking place.

- An initial decision will be made on each eligible LOI within seven days.

The LOI is used to provide CEPF with an overview of the project concept and includes the following:

- The country/ies of the proposed project.
- A brief project description (rationale and approach).
- Key organizational qualifications (how the organization is best qualified to carry out the project).
- A description of any potential partners to be involved in the project.

Eligible Countries

The R2C2 facility will respond to conservation crises in partner countries eligible to receive EU development aid. For the first 12-months of the facility, applications will be restricted to countries in the 10 Biodiversity Hotspots where CEPF has active investments, before opening to all eligible countries. This is intended to result in a manageable volume of applications, while the policies and processes of the facility are fine-tuned, and implementing partners for Large Grants are identified and screened. See [Annex 2](#) for a list of eligible countries as of 2024. This list will be enlarged after the facility has been operational for 12 months.

Eligibility criteria

The CEPF grant decision-making process is based on the evaluation of proposals in accordance with the eligibility and selection criteria for the R2C2 facility. LOIs that target direct global environmental benefits and meet the following eligibility criteria are welcome:

- Project is located in an EU development aid country.
- Project is located in a country that is not excluded by U.S. law.
- Project responds to a conservation crisis that is (a) *immediate*, meaning that it must be presently occurring, not merely anticipated and (b) *urgent*, meaning that it can only be resolved if conservation funding is provided with a time lag of no longer than three months.
- Grant applicant is authorized under relevant national laws to receive charitable contributions.
- Government-owned enterprises or institutions are eligible only if they can establish i) that the enterprise or institution has a legal personality independent of any government agency or actor, ii) that the enterprise or institution has the authority to apply for and receive private funds in its own name and capacity, and iii) that the enterprise or institution may not assert a claim of sovereign immunity.
- Grant will not be used for the purchase of land, physical resettlement of people, or activities that have the potential to cause adverse impacts to critical habitat.
- Grant will not be used for any other activities prohibited by CEPF's environmental and social safeguard policies.

Conservation Crises: Definition and Criteria

The R2C2 facility will address immediate (i.e., presently occurring, not merely anticipated) conservation crises requiring an urgent response (i.e., that cannot be

resolved by provision of funding with a time lag greater than three months). The facility will address crises resulting from natural causes and human-induced crises:

The extreme events covered by R2C2 include but are not limited to:

1. Cyclones or other severe storms
2. Floods
3. Wildfires
4. Droughts
5. Volcanic eruptions
6. Earthquakes
7. Landslides
8. Mass strandings of animals and plants
9. Security threats to environmental activists or park/ protected areas rangers or managers
10. Sudden spikes in poaching
11. Sudden spikes in illegal, unreported and unregulated fishing
12. Accidental or intentional pollution events,
13. Acts of terrorism

3.4 Project Proposal

LOIs that look promising to CEPF are passed on to a second part of the application, Project Proposal. This form is set up to elicit a clear description of the basic elements of the project and combines risk assessment and capacity questions, milestone definition, an activity plan and budget by milestone. Milestones will include the following information: 1) a description of the product, task, deliverable or goal to be accomplished; 2) milestone acceptance criteria, (e.g. indicator of success); 3) evidence of completion, which describes the method of verification and associated documentation; and 4) the amount CEPF will pay the recipient for the milestone (expressed in the contract as Payment Indicators). Required elements of the proposal include:

- Conservation crisis that the project responds to
- Description of the project approach
- Relevant experience of the applicant
- Assessment of environmental and social risks
- Clearly defined milestones to monitor project progress
- Evidence by which attainment of milestones will be verified
- Budget

Budgets for accepted proposals will generally be required to include substantiation of costs.

3.5 Grant Review and Decision-Making Process

If an application is recommended for an award, the next steps will depend upon the size of the funding request. For small grants, final decisions will be made by the CEPF Secretariat. For large grants, applications recommended for award will be presented to a Rapid Review Committee, which will make the final decision.

3.6 Activation and Payments

Activation and Initial Payment

Once a project is selected, CEPF intends to allow pre-award costs as an initial payment according to a specific limit agreed upon at the LOI stage. Once the proposal is finalized, a Grant agreement will be signed between each partner and CI, as the administrator of the CEPF Secretariat.

Milestone-based Payments

Subsequent payments will be made upon completion of milestones as defined in the proposal and supported by evidence of completion. The CEPF Grants Manager must complete and sign the milestone verification in CI's Award Checklist and the documentation must be uploaded to CEPF's online grants management system.

Final Payment

The final payment may be made upon receipt and approval of reports and deliverables required per the terms of the grant agreement.

3.7 Reporting and Monitoring

R2C2 grants are managed by monitoring the grantee's completion of milestones, discussing implementation issues with the grantee and local partners, conducting site visits to selected grantees, and ensuring adequate follow-up to any issues that arise.

Completion of Milestones Evidence

R2C2 grantees will submit evidence of milestone completion throughout the life of the grant. CEPF staff will verify the specific outputs that comprise milestone completion. Such outputs might include photographs/videos, reports, maps, satellite images, equipment receipts, meeting/conference agendas and/or participant lists, and/or training materials and presentations.

Site Visits

CEPF will conduct site visits to selected grants, with priority given to those that represent elevated risk due to their grant size, their triggering of environmental or social safeguards, or other factors specific to the grants in question. Site visits help CEPF to confirm progress with activities and impacts to date reported through technical reports, and compliance with safeguards. CEPF staff can assess the grantee's capacity to continue implementation as planned and review or identify any potential constraints to success. Formal site visits result in a written summary of the visit containing recommendations, concerns, and follow-up steps, as appropriate.

3.8 Amendments

While amendments are not recommended in the circumstance of rapid response, CEPF recognizes that unforeseen circumstances can arise. As a result, any changes to the following areas of the award will require an amendment to the Agreement:

- Change in Milestone objectives or deliverables.
- Change in individual Milestone Budget

- Change in period of performance.

3.9 Grant Closeout

At project completion, all grantees will be required to submit a Final Completion and Impact Report within two months after the project end date. Grants will be closed upon verification that all deliverables have been completed, all required milestones have been reviewed and approved and that the total grant amount has been reconciled. Reconciliation includes verification that all advances have been accounted for. At this stage, CEPF will officially notify the grantee in a close-out letter that the grant is complete, and all milestones are approved. If applicable, a final payment or refund request will be processed at this time. Any unused funds received by the grantees should be refunded to the CEPF bank account and subtracted from the reported eligible expenditures. These funds are then available for other grants.

4. Monitoring and Evaluation

4.1 Background

Monitoring and evaluation is a collaborative process of learning and demands responsibility on the part of all team members. CEPF maintains a set of broad principles when addressing monitoring and evaluation:

- **Participation** – Opening up the design process to include those most directly affected and gaining agreement to carry out monitoring and evaluation together.
- **Negotiation** – Reach agreement on what will be monitored and evaluated, how data will be collected, who will do the collection and analysis, how frequently this will be done and in what format, how findings will be disseminated among those involved, and finally, what actions will be taken as a result.
- **Learning** – This becomes the basis for subsequent improvements and corrective action.
- **Flexibility** – This is critical given the variety of stakeholders involved, the changing external environment, and the need to make performance improvements along the way.

CEPF monitoring and evaluation emphasizes a participatory approach, which also contributes to an active learning system.

Project preparation

At this stage, a project should define performance indicators and milestones that are important to future monitoring and evaluation efforts. These are presented in the LOI and further elaborated in the full proposal.

Project implementation

During implementation, the emphasis is on monitoring progress towards the milestones agreed during project preparation. Grantees will report on progress

towards these milestones, and provide evidence in the form of tangible outputs, such as reports, photos or videos. The CEPF Secretariat will determine whether the milestones have been met through desk review of the evidence submitted by grantees, verified through site visits to a sample of grantees.

Project completion

At project completion, grantees report upon the impact the project has had against CEPF's global indicators and the indicators of the R2C2 facility and reflect on lessons to be learned for future projects. This is done in the form of a Final Completion and Impact Report, which is posted on www.cepf.net. Each grant is then evaluated by the CEPF Secretariat. The evaluation process re-visits the original project design and looks at planned versus actual performance. Particular attention is given to evaluating whether grants satisfactorily address the immediate conservation need(s) identified in the proposal, and whether grantees secure funding for conservation actions during the recovery phase to the conservation crisis.

CEPF will track project information during the preparation, implementation and completion stages for all projects supported using the online grant-management platform. This platform enables CEPF to view information on each individual project as well as to maintain an up-to-date understanding of how the R2C2 facility as a whole is functioning: what overall impacts are being achieved, what elements of the facility need adjustment, and what further support may be needed. The result will be continued programmatic direction, efficiency, effectiveness, overall impact, and the dissemination of results and important lessons being learned in the field.

4.2 Monitoring Framework

Monitoring is at three levels: grant, R2C2 Facility and global. At the grant level, grantees report on progress towards agreed milestones, as described in [Section 3.7](#). At the Facility level, the CEPF Secretariat collates information from the online grant-management platform and the evaluations of individual grants to report on the Facility-level indicators, as set out in the R2C2 results framework ([Annex 3](#)). At the global level, grantees are required to report on those indicators from CEPF's global monitoring framework that their projects contribute to.

CEPF's global monitoring framework seeks to: (i) efficiently and adaptively manage the CEPF portfolio at both global and portfolio levels; (ii) capture information on impacts of CEPF investments in a systematic manner to enable more effective communication of results; and (iii) identify emerging conservation needs or those that are cross cutting/critical to the conservation success of a given investment region.

All CEPF grantees contribute to one of four categories of impact, known as the pillars of CEPF: Biodiversity; Civil Society; Human Well-being; and Enabling Conditions:

Impact pillars and associated statements of success

<p>1. Biodiversity Improve the status of globally significant biodiversity in critical ecosystems within hotspots.</p>	<p>2. Human well-being Improve the well-being of people living in and dependent on critical ecosystems within hotspots.</p>
<p>3. Civil Society Strengthen the capacity of civil society to be stewards and effective advocates for the conservation of globally significant biodiversity.</p>	<p>4. Enabling Conditions Establish the conditions needed for the conservation of globally significant biodiversity.</p>

The biodiversity pillar is the central focus of CEPF and is supported by and linked to the other pillars. Civil society organizations that are empowered to increase and apply their knowledge and skills are essential to sustainable biodiversity conservation. 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. Enabling conditions, such as sustainable financing and strong laws and policies, are critical for successful conservation.

CEPF measures its global impact in all four of these interlinked pillars, via 17 indicators. The pillars, and their associated indicators, are listed below.

Pillar 1: Biodiversity

- 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 hectares of terrestrial forest, terrestrial non-forest, freshwater and coastal marine areas brought under restoration.
- Number of protected areas with improved management (using the Management Effectiveness Tracking Tool).
- Number of globally threatened species benefiting from conservation action.

Pillar 2: Human well-being

- 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.).

- Number of projects promoting nature-based solutions to combat climate change.
- Amount of CO₂ sequestered in CEPF-supported natural habitats.

Pillar 3: Enabling conditions

- Number of laws, regulations and policies with conservation provisions that have been enacted or amended.
- Number of companies that adopt biodiversity-friendly practices.
- Number of sustainable financing mechanisms that are delivering funds for conservation.

Pillar 4: Civil society

- 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 the Kunming-Montreal Global Biodiversity 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.

5. Safeguard Policies: Environmental and Social Management Framework

Recognizing the potential for adverse impacts, and mindful of its over-riding responsibility to do no harm to people or the environment, CEPF manages environmental and social risks arising from its grant making. The process for managing these risks throughout the project cycle is established by the Environmental and Social Management Framework (ESMF). The ESMF also helps ensure that CEPF grants have more sustainable, efficient, and equitable conservation outcomes, through enhancing project design and delivery while prioritizing the rights of target populations.

The Safeguards Policies and Environmental and Social Management Framework can be found on CEPF website:

<https://www.cepf.net/grants/before-you-apply/safeguards>

6. Procedures for Grant Making

6.1 Grant Award Types

Small Grants

For small grants up to \$50,000, the Grants and Contracts Unit within CI's Finance Division will undertake an expedited due diligence process, including security screening (to reduce risk and ensure compliance with heightened screening requirements of various anti-money laundering ("AML") and counter-terrorist financing ("CTF") legislation and AML/CTF related donor obligations) and budgetary review, in parallel to the technical review. Because the facility will support current and former CEPF grantees, which have already undergone due diligence, this process is expected to be completed in a maximum of one week. Grant agreements will then be signed with successful small grantees by CI, as the administrator of CEPF.

Large Grants

For large grants, greater than \$50,000, CEPF will identify implementing partners, which will include current and former RITs and other established conservation organizations with programs in development aid countries. Each partner will undergo a regular due diligence process, which is updated on a yearly basis. This will allow for a smoother experience and more efficient grant making. In addition, during the first year of being selected as an implementing partner, each partner will receive training in the systems and policies of the R2C2 facility. Should their grant be selected, grant agreements will be signed between the implementing partner and CI, as the administrator of the CEPF Secretariat, and an initial advance payment will be released as rapidly as possible. Pre-identifying and pre-screening implementing partners will enable rapid response to eligible conservation crises as they are identified.

6.2 Implementing Partners Selection Process for Large Grants

Implementing partners are chosen on a transparent and competitive basis.

A call for expressions of interest is distributed widely by the CEPF Secretariat. This includes direct distribution to all current and former RITs, publicizing the request for proposals on the CEPF global website and in the CEPF e-newsletter, and encouraging CEPF donor partners to distribute the announcement through their networks.

All organizations that submit an expression of interest are invited to join a conference call, at which the CEPF Secretariat further explains the selection process, and the role of the implementing partner. Subsequently, these organizations are sent a request for proposals, which details the opportunity, and includes instructions for preparation of a proposal, criteria for evaluation, and the closing date for receipt of proposals by the CEPF Secretariat.

Applicants are required to submit a proposal in the format defined in the request for proposals. Proposals should include a description of the organization's capabilities and relevant experience.

To ensure greater objectivity and transparency in the selection of implementing partners, the Secretariat analyzes and ranks the applications using a set of evaluation criteria included in the request for proposals (see Table 6.1.A).

The Secretariat presents the applications and its analysis to the Rapid Review Committee, for two-week, no-objection approval.

Table 6.2.A: Evaluation criteria for implementing partner proposals

1	Organizational Experience: Technical	Points: 50
1.1	Is the organization's mission statement congruent with the objectives and priorities of the R2C2 facility?	
1.2	Does the organization present experience responding to conservation crises of the kind addressed by the R2C2 facility?	
1.3	Does the organization have an existing conservation program in one or more development cooperation countries, demonstrated by its duration and record of support by other donors?	
2	Organizational Experience: Management	Points: 50
2.1	Does the organization demonstrate experience managing projects of similar size, scale, and complexity as a typical large grant under the R2C2 facility (\$250,000 over 18 months)?	
2.2	Does the organization have a monitoring and evaluation system or methodology that it uses to manage its projects?	
2.3	Does the applicant have a proven financial and administrative system?	
	Total	100 Points

6.3 Grant Management Process

Upon receipt of the proposal, the CEPF Grants Manager:

- Reviews the proposal and budget and completes the CI Award Checklist.
- Confirms that the detailed budget and associated milestones and payment arrangements are finalized.
- Sets up and/or updates the grant record in the online grants management system.
- Sets up and/or updates the Vendor Master File in CI's accounting system.
- Processes the applicant's Security Screening form in the online grants management system.
- Drafts the grant agreement.
- Secures the required internal approvals.
- Coordinates signature and countersignature of the grant agreement.
- Uploads the fully executed agreement to the online grants management system.

The grant commitment will be booked, the grantee may begin work, and payments can be made as outlined in the agreement.

6.4 Anti-Fraud and Corruption

CEPF complies with [Conservation International's Anti-Fraud Policy](#) to safeguard the reputation and financial viability of CI through improved management of fraud risk. It sets out explicit steps to be taken in response to reported or suspected fraud, as well as measures that will be taken to prevent or minimize the risk of fraud.

It is an integral part of CI's internal control policy framework and should be read and applied in conjunction with CI's Code of Ethics.

6.5 Flow-Down Provisions

R2C2 grant agreement encompasses a comprehensive set of standard terms designed to ensure robust management of grant funds. Leveraging CI's extensive experience, it has established effective processes to appropriately manage project progress and mitigate risks.

To the extent possible, the facility's standard provisions will be adopted by current and future donors to maintain consistency and ensure optimal grant administration.

7. Financial Management

This section is a summary of grant-level financial management. More detailed procedures for financial management of individual grants are further explained in Section 6 (Procedures for Grant Making).

7.1 Overview of Financial Management

Conservation International (CI) oversees internal control and financial management of CEPF in accordance with CI's financial policies and procedures. The Finance Department at CI's headquarters manages CI's global financial operations. The Finance Department oversees the budget, daily accounting activities, government compliance, and field office accounting.

Each CI division has one or more financial staff that works closely with the headquarters office Finance Department. The Senior Director of Finance for the Conservation Finance Division oversees the financial and information management function for the division, which includes financial planning and modeling, preparation of financial statements and other donor reports, managing CEPF external financial audits, budget/spending plan and revenue and cash management, and financial performance reporting for CEPF. In addition, this position is the liaison between CEPF and CI Finance and between CEPF and the financial staff of the donor partners.

Financial Systems

CI uses accounting and human resources software for both its headquarters and field offices. CI field offices maintain their financial records in the online system, submitting files monthly for review and consolidation, and allowing users with the appropriate authority to access financial information globally. CI's Chart of Accounts

includes the ability to segregate projects by funding source, cost center, activity, sub-activity, and contract number. CI has established a coding structure within its general ledger to track CEPF funds.

CI uses a customized web-based system for its grants management. The system is used by CEPF staff to manage portfolios of grants. The system enables CEPF to track the full lifecycle of a grant, including all LOIs and rejections, proposal review, project implementation and progress tracking, and project closeout. In addition to storing data and documents, the system has built-in validations to ensure the appropriate review thresholds are applied and sends alerts and reminders to users when action is required.

Audit

Records associated with financial transactions are kept at CI headquarters and in the field offices according to CI's Record Maintenance Policy, which requires complete documentation to be maintained for no less than seven full years after the transaction for which the document supports. Each fiscal year, CI has an external audit by independent auditors of its records, accounts, and financial statements (statements of financial position, statement of activities, statement of cash-flow and related statements), including those for CEPF, in accordance with appropriate auditing principles consistently applied.

CEPF may conduct separate project-specific audits of specific donor funds provided to CEPF as required in financing agreements with its donors.

CI has an internal audit function which reports to the Audit Committee of CI's Board of Directors. The Audit Committee approved the internal audit function and internal audit plan at its meeting in March 2007. Internal auditors, or consultants acceptable to the Donor Council, may also conduct a specific CEPF program audit. Relevant observations from the internal audit will be communicated to the CEPF Donor Council.

Bank Account(s)

CI maintains CEPF funds in its pooled operating account unless donor requirements state the need for a segregated USD-denominated bank account. All interest earned on a segregated bank account is used solely for CEPF. In either case, award amounts, cash receipts, and project expenditures are tracked by a ledger account specific to the donor source in CI's accounting system. The timing and amount of each donor contribution may vary according to the individual bilateral agreements.

Funds to external grantees are disbursed directly from the pooled CI operating account, unless otherwise required by a donor.

CEPF funds may be invested subject to Donor Council approval.

Donor Reporting

Financial statements will be prepared on a quarterly and annual basis and provided to the CEPF Donor Council. In addition, supplemental reporting will be provided to the donors, where additional requirements are specified in their individual funding

agreements. The standard financial reports include the Quarterly Financial Report, the Annual Spending Plan, and Annual Report.

The annual budget ("Annual Spending Plan") is due no later than April 30 of each year, for review and approval by the Donor Council, describing the funding levels of the proposed spending categories for the Fund during the next fiscal year which starts on the 1st of July for CI.

Reporting specific to the R2C2 project is detailed in [Section 2.6](#) of this manual.

7.2 Procurement

CEPF complies with CI's procurement policy and any additional donor requirements as agreed to with donors in conformity with [Section 6.4](#).

Additional information on Procurement may be shared upon request.

7.3 Conflict of Interest

CI is committed to ensuring that its transactions, engagements, and relationships are transparent and do not inappropriately benefit interested persons and organizations.

As the administrator of CEPF, CI aims to ensure the same high standards are applied to all CEPF operations and funding decisions. CI's Conflict of Interest policy, relative to CI employees, states:

"All CI employees are required to complete and sign annual conflicts of interest disclosure forms. These forms are provided to employees at the start of each fiscal year by the General Counsel's Office (GCO).

In addition to these annual disclosures, if a proposed transaction arises in which an employee has, or believes s/he may have, a conflict of interest, the employee is required to make an immediate disclosure to the GCO and his/her immediate supervisor, using the conflicts of interest disclosure form available on CI's Intranet. This disclosure must be done prior to any consideration or execution of the proposed transaction by CI.

The employee shall not participate in the deliberations on the matter but shall disclose any material facts related to the proposed transaction. Upon a determination by the GCO that a conflict of interest exists, the GCO, working with the supervisor or division head, may request that appropriate actions be taken to resolve the matter. The GCO shall maintain a record of the existence and resolution of the conflict of interest. In some cases, these conflicts may be reported in public filings. If the matter cannot be resolved in a satisfactory manner, but the employee, his/her supervisor and/or the

respective division head are of the opinion that the transaction is nonetheless beneficial to the overall interests of CI, the respective division head and the GCO shall bring the matter to the attention of the Chief Executive Officer who shall make the final determination whether to pursue the transaction provided, however, that if the employee is also an officer or in a position to exert substantial influence over the affairs of the organization, then the matter is referred to the Compensation Sub-Committee of CI's Board of Directors in accordance with its procedures for addressing conflicts of interest."

Proposed mitigation measures for any conflict of interest that pertains to CEPF's Executive Director will be submitted to the CEPF Working Group for consideration, and decision-making for the conflicted transaction will be elevated outside of the Executive Director's chain of command.

CEPF has transparent and globally consistent eligibility criteria and decision-making processes that are approved by the CEPF Donor Council and widely publicized. CEPF grantees must adhere to environmental and social safeguard policies, as detailed in the [CEPF Environmental and Social Management Framework](#).

All grant recipients also agree to adhere to specific ethical standards pertaining to the use of CEPF funds, as detailed in the grant agreements.

To avoid conflict of interest at the hotspot level, the organizations that comprise the Regional Implementation Team (whether international or local civil society groups) will not be eligible for additional grants in that hotspot. A general exception is made for grants under the R2C2 facility, where the Regional Implementation Team is selected as an Implementing Partner. In addition, applications from formal affiliates of those organizations that have an independent operating board of directors will be accepted, but subject to additional external review.

CI may apply for CEPF grants, including R2C2 grants. At least one external review must be conducted for all applications from Conservation International. If a grant is proposed for award to CI, the CEPF Secretariat submits proposal and justification to the CEPF Working Group for approval on a two-week, no-objection basis. If the grant is approved for award, an internal grant agreement template is issued and signed by CI and CEPF.

7.4 Complaint Mechanisms

CEPF provides a written explanation to all applicants whose proposals are unsuccessful as part of its focus on building civil society capacity. Applicants are encouraged to contact the CEPF Secretariat if they have additional questions about

the decision. If the applicant is not satisfied with the response, a complaint may be submitted to the CI Ethics Hotline at www.ci.ethicspoint.com or via phone to a local dial-in number displayed at www.ci.ethicspoint.com. Any complaints submitted to the CI Ethics Hotline will be investigated promptly and treated as confidential to the extent possible. CEPF will not retaliate against any person or organization that submits such complaints in good faith.

CEPF has also established specific procedures to enable local communities and other stakeholders to raise a grievance at all times to applicants, grantees, RITs, and the CEPF Secretariat related to the implementation of safeguards. These are detailed in the [CEPF Environmental and Social Management Framework](#).

7.5 Ethics

CEPF complies with CI's Ethics Policy as described [here](#). The Ethics Policy applies to the CEPF Secretariat, RITs, and CEPF grantees and is included as an annex to the Grant Agreement.

Any violations of the Code of Ethics should be reported to Conservation International via its Ethics Hotline at www.ci.ethicspoint.com.

Annexes

Annex 1: Documents Linked into the CEPF Operational Manual

- CI Procurement Policies*
- [CEPF Safeguard Policies: Environmental and Social Management Framework](#)
- R2C2 Letter of Inquiry (LOI) Template**
- R2C2 Proposal Template**
- Security Screening Request Form**
- R2C2 Grant Agreement*
- Internal Grant Agreement*
- R2C2 Final Completion and Impact Report**

* Available upon request.

** Documents to be available on an R2C2 dedicated webpage – currently sent as attachment

Annex 2: R2C2 Eligible Countries as of 2024, by CEPF Hotspot

Caribbean

Antigua and Barbuda
The Bahamas
Dominican Republic
Haiti
Jamaica
Saint Lucia
Saint Vincent and the Grenadines

Cerrado

Brazil

Coastal Forests of East Africa

Kenya
Mozambique
Somalia
Tanzania

Guinean Forests of West Africa

Benin
Cameroon
Cote d'Ivoire
Equatorial Guinea
Ghana
Guinea
Liberia
Nigeria
Sao Tome and Principe
Sierra Leone
Togo

Madagascar and Indian Ocean Islands

Comoros
Madagascar
Mauritius
Seychelles

Mediterranean Basin

Albania
Algeria
Bosnia and Herzegovina
Cabo Verde
Egypt
Jordan
Lebanon
Libya
Montenegro
Morocco
North Macedonia
Palestine
Tunisia

Mountains of Central Asia

Afghanistan
China
Kazakhstan
Kyrgyz Republic
Tajikistan
Turkmenistan
Uzbekistan

Indo-Burma

Cambodia
China
Lao PDR
Myanmar
Thailand
Vietnam

Tropical Andes

Bolivia
Colombia
Ecuador
Peru

Wallacea

Indonesia

Annex 3: CEPF R2C2 Facility Logframe

	Intervention logic	Indicators	Baselines	Sources and means of verification
Objective	Support civil society to take urgent, short-term action to respond to conservation crises in development cooperation countries	1. At least 30 rapid grants awarded to civil society actors to respond to conservation crises during the first four years of the facility	1. 0 rapid grants	<ul style="list-style-type: none"> Annual monitoring of the 17 global indicators by CEPF Secretariat Impact and annual reports on CEPF website CEPF grants management system
Expected result 1	Conservation crises responded to efficiently and effectively	1.1 Award decisions made within two weeks of LOI receipt for at least 90% of small grants 1.2 Award decisions made within four weeks of LOI receipt for at least 90% of large grants 1.3 Grant agreements signed within two weeks of award decision for at least 90% of grants 1.4 Initial advance payment received within two weeks for at least 90% of small grants 1.5 At least 75% of grants evaluated as having satisfactorily addressed the immediate conservation need 1.6 At least 50% of grantees secure funding for conservation actions during the recovery phase	1.1: 0 small grants 1.2: 0 large grants 1.3: 0 grants 1.4: 0 small grants 1.5: 0% 1.6 0%	<ul style="list-style-type: none"> CEPF grants management system Grantee final completion and impact reports Final milestone verification reports Evaluation forms
Expected result 2	Best practices in rapid response to conservation crises communicated to key audiences	2.1 R2C2 facility featured in at least two side events at international conventions (CBD COP, UNFCCC COP, World Conservation Congress, etc.) 2.2 R2C2 implementing partners participate in at least one global knowledge exchange workshop 2.3 At least one communication product per year on the R2C2 facility disseminated on CEPF website and social media	2.1 0 side events 2.2 0 workshops 2.3 0 communication products	<ul style="list-style-type: none"> International convention programs Minutes of global knowledge exchange Web stories, short videos and other content on CEPF website and social media channels

Expected result 3	Effective project management ensures timely and on-budget delivery of all expected results	3.1 At least three implementing partners contracted and trained within first 12 months of project implementation 3.2 At least 10 large grants awarded to implementing partners 3.3 At least 20 small grants awarded to current or former CEPF grantees in the biodiversity hotspots	3.1 0 implementing partners 3.2 0 large grants 3.3 0 small grants	<ul style="list-style-type: none"> • Implementing partner grant agreements • Implementing partner training reports • CEPF grants management system
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Annex 4: Definitions

Annual Spending Plan	High level annual spending projections for the Critical Ecosystem Partnership Fund.
CEPF Secretariat	The team of conservation, finance, grant management, and communications professionals working for the Critical Ecosystem Partnership Fund.
Conservation Crises	Conservation issues that are immediate, meaning that it must be presently occurring, not merely anticipated, and that also require an urgent response, less than 3 months.
Conservation International Foundation (CI Foundation or CI)	Conservation International Foundation is non-profit public benefit corporation established under the laws of the State of California, USA and recognized as a publicly supported charity under Section 501(c)(3) of the Internal Revenue Code.
Funding Partners	Entities providing funding for the R2C2 Facility, currently including l'Agence Française de Développement and the European Union.
Hotspot	One of Earth's most biologically rich yet threatened terrestrial regions.
Implementing Partners	Current and former Regional Implementation Teams and other established conservation organizations with programs in development cooperation countries.
Large Grants	Grants more than US\$50,000.
Rapid Review Committee	Committee that serves as a resource to CEPF for consultation on R2C2 matters such as maximizing the potential to leverage donor organization resources and expertise, selecting R2C2 grants for award, selecting R2C2 implementing partners, and providing input and guidance on certain operational issues.
Regional Implementation Team	Nongovernmental organization that provides leadership for the program in each of the biodiversity hotspots in which CEPF invests.
Small grants	Grants of up to US\$50,000.

Annex 5: Acronyms

AFD	Agence Française de Développement
AML	Anti-money laundering
CBD	Convention on Biological Diversity
CEPF	Critical Ecosystem Partnership Fund
CI	Conservation International
CSO	Civil Society Organization
CTF	Counter-terrorist financing
ESMF	Environmental and Social Management Framework
EU	European Union
GCO	General Counsel's Office
GEF	Global Environment Facility
IUU Fishing	Illegal, Unreported and Unregulated fishing
KBA	Key Biodiversity Area
LOI	Letter of Inquiry
MEAL	Monitoring, Evaluation, Adaptation and Learning
PCM	Project Cycle Management
R2C2	Rapid Rescue for Conservation Crises
RIT	Regional Implementation Team
SDG	Sustainable Development Goal
UNFCCC	United Nations Framework Convention on Climate Change