

Response to Donor Council Comments on the Cerrado Long-Term Vision No-objection approval #72

This document reflects the comments made by Donor Council members following the request for a non-objection approval of the Long-Term Vision for the Cerrado Biodiversity Hotspot. Comments have been grouped by topic.

Donor Council Comment	CEPF Secretariat Response
Geographic scope	
1- The representation of the new geographical scope of CEPF support is not very clear in figure 8. The meaning of the legend and the legibility of the map should be upgraded.	<p>The revised maps now appear on pages 44 and 45 in Section 2.2 of the long-term vision.</p> <p>Figure 8a now presents the geographic scope along with the corridors, main cities, the states and the three main rivers with their main tributaries. The names of the corridors are presented as a numbered legend on the side of the map.</p> <p>Figure 8b presents the same geographic scope but this time with the 469 KBAs encompassed within it. The states' borders are still represented as well.</p> <p>Figure 8c presents both large and small grant recipients of the first investment phase whose projects fall within the recommended geographical scope. Again, the states' borders are still represented.</p>
2- Figure 9, as aerial photo of irrigated plots, does not allow for a better understanding of this scope.	<p>A new map now appears on page 46 in Section 2.2 of the long-term vision.</p> <p>Figure 9a presents a zoomed-in view of one of the irrigation districts along a tributary of the Paranaíba river in the RIDE DF – Paranaíba – Abaeté corridor within the geographical scope for CEPF investment under the long-term vision.</p> <p>Figure 9b presents the previous satellite photo of irrigated plots in the same corridor as an illustration of the scale.</p>

CEPF niche	
<p>3- For niche 1, consider “water resource management” not only for the “maintenance of aquatic ecosystems”. The logic of focusing on forests and other terrestrial ecosystems that are critical for water balance for human needs is broader than just conservation of aquatic ecosystems. It was well explained during the working group, it is maybe a question of formulation in some parts of this document.</p>	<p>Under Section 2.3 on page 49, niche 1 was reformulated to highlight the different focuses proposed under the main heading of water resources management, as follow: “a stronger emphasis on water resources management with a focus on (i) entire agricultural supply chains allowing increased leverage on producers to adopt best management practices; (ii) the maintenance of aquatic and terrestrial ecosystems critical for water stability and human needs; (iii) good and transparent water governance; (iv) climate change adaptation strategies for water; and (v) new financial models to promote nature-based solutions”.</p> <p>It is under this niche that work on entire supply chains is proposed, and for which increased leverage on producers to adopt best management practices is hoped.</p> <p>The maintenance of ecosystems now specifies both aquatic and terrestrial, which are crucial for water stability and human needs.</p> <p>As now specified under the Proposed Changes to Strategic Direction 1 on page 50:</p> <ul style="list-style-type: none"> - Regarding both the climate change adaptations for water and new financial models to promote nature-based solutions, the coffee project is again a good illustration of the type of projects which could be supported. This project is developing a list of climate-smart indicators that should serve as verifiable parameters for the sustainable coffee fund. The model of this fund is based in the Agri3 Fund which aims to mobilize USD 1 billion by providing credit enhancement tools and technical assistance to enable a transition to more sustainable practices in agricultural value chains and avert deforestation. This sustainable coffee fund is being developed with several partners (including RaboBank) identified during the execution of current investment phase. - Regarding improved water governance, as an illustration, CEPF is supporting the development and expansion of Areas of Permanent Preservation (APPs), which function in

	<p>the preservation of water resources. This work includes mapping, via citizen science, of bad watershed management practices (e.g. open sewage, deforestation of riparian forest, clandestine waste disposal, events of gully erosion). This information is made available to the Public Attorney’s office and for the watershed committees to act on. This tool is now being adapted for use in the coffee project in Patrocínio municipality to include the monitoring of best management practices in the coffee sector. This could improve monitoring, reporting and verification schemes immensely and further contribute to transparent water governance by the Cerrado Water Consortium.</p>
<p>4- For niche 2, the focus on “sustainable SMEs” only to provide conservation-based income to traditional people seems too restrictive. As discussed, the need to work with agricultural SMEs to reduce their impact on species and ecosystems is also important; and CEPF’s intervention should also allow involving the whole supply chain, as it can increase the leverage on producers to adapt their production methods.</p>	<p>Under Section 2.3 on page 49, niche 2 was edited to include reference to supply chains, as follows: “a considerable investment on sustainable SMEs and supply chains to give the traditional people and indigenous populations income generation opportunities associated with conservation and low impacts on species and ecosystems”.</p> <p>While the inclusion of supply chains was already part of the description provided under the Proposed Changes to Strategic Direction 3 on page 53, it is now also clearly captured in the title of Strategic Direction 3 proposed for CEPF investment under the long-term vision.</p> <p>The description of this Strategic Direction 3 now specifies that projects that will be supported shall consider both NTFPs and agroforestry supply chains, from harvesters/producers to consumers. The professionalization of those enterprises should be promoted by supporting work not only on impact investment and marketing plans but also on certification, fairs and international events to bring visibility to the Cerrado products and best practices.</p> <p>The work on the bigger agricultural supply chains is included under niche 1 and Strategic Direction 1, where it is hoped that the promotion of water-related considerations throughout the chains will influence producers to adopt best management practices.</p> <p>Under niche 2, the target will mainly be a large group of mostly disadvantaged people, including smallholders, traditional communities, and indigenous populations. In the Matopiba region alone, up to 1,244 communities were mapped with the Tô no Mapa application developed by a CEPF</p>

	<p>grantee aiming at mapping “invisible communities”, who are guardians of the remaining Cerrado. However, they have no to little access to market and information. This prevents them from aggregating more income from the sustainable use of non-timber forest products of the Cerrado. For example, there is a price difference of up to 400% for the baru nuts picked in the Cerrado compared to their selling price in Los Angeles. Working with SMEs together with the indigenous and traditional populations would strengthen considerably their possibilities to protect the remaining Cerrado and prevent rural exodus.</p>
<p>Streamlining of the LTV</p>	
<p>5- The formulation of the document could be reviewed, to make it clearer, sharper and more to the point (for example taking out some of the examples or some very generic considerations), to strengthen the causal chains and check the consistency between certain statements for example.</p> <p>It would be useful to have more evidence for key messages, so that each key recommendation is data-based and builds out of a particular set of evidence.</p>	<p>The long-term vision was reviewed, and many edits were made throughout the document to remove superfluous examples, unsupported statements and generic considerations. Consequently, the following sections were deleted:</p> <ul style="list-style-type: none"> - 1.6 How Investment Can Impact - 1.9 Fundraising Situation <p>To strengthen the causal chains and data-based recommendations, references to the contextual information (Section 1) were added in various places under sections 2.1 (Experts & Graduation Conditions), 2.2 (Geographic Considerations), and 2.3 (Thematic Considerations).</p>

<p>6- The report suggests a 50% coverage of protected areas in the Cerrado (IUCN types II-VI), but that private protected areas are too expensive.</p>	<p>The paragraph related to this statement was reformulated under Section 1.5 on page 14.</p> <p>The new formulation clarifies that the creation of public protected areas is very costly in cases that imply land purchase and expropriation and that alternatives can arise from private landowners agreeing to create Private Natural Heritage Reserves (RPPNs in Portuguese). The RPPNs are part of the group of sustainable use conservation units. In September 2019, there were 248 of them in the Cerrado (166 recognized by the federal government and 82 recognized by state governments), corresponding to 16.1% of all RPPNs in Brazil, covering a total area of 169,607 ha, which corresponds to approximately 1 percent of the total area under protection in the Cerrado.</p> <p>Please note that CEPF is currently supporting FUNATURA to promote the creation of 70 additional RPPNs in the Cerrado. This project is expected to end in September 2021.</p>
<p>7- The data should be the most up to date available (e.g. there is a statement that deforestation is expected to peak in 2020 – did it?).</p>	<p>Data were updated on the following sections of the long-term vision; references to recent literature were added, to support certain statements and recommendations:</p> <ul style="list-style-type: none"> - The most recent figures on CEPF grant making in the Cerrado are now presented in Section 1.2 on page 7, as follows: “As of June 2021, 63 grants have been awarded for a total of US\$7.8 million. The portfolio includes 33 large grants for a total of US\$7.0 million and 30 small grants for a total of US\$0.9 million.” - Deforestation did peak in 2020, compared to 2019, as projected. The relevant figures in Section 1.5 on page 12 have been updated as follows: “Deforestation in the Cerrado totaled 734,010 hectares in 2020, an increase of 13.2 percent versus 2019 (Chain Reaction Research, 2021). This survey also established that deforestation on private lands accounted for 66.7 percent, while public lands made up 19.2 percent, and the remainder occurred on lands that hold no legal designation.” - To illustrate the current deficit in legal reserves (LRs) and areas of permanent preservation (APPs) in the Cerrado, the results of a more recent survey are presented in Section 1.5 on page 14: “A recent research mentioned in an article (Mongabay, 2021), focusing on 2,600

kilometers on either side of Brazil’s Araguaia and Tocantins rivers, in the Amazon and Cerrado biomes, identified 24,000 rural properties, of which 13,148 have an environmental deficit in LR’s and APPs totaling 1 million hectares.”

- In order to present the current changes to CSOs’ participations in the decision-making arena since 2019, the results of a survey from 2021 are presented in Section 1.6 on page 16, as follows: “A study published in 2021 (IMAFLOA *et al.* 2021) provides an overview of the main changes that have occurred since the beginning of 2019 in Brazilian environmental policies regarding transparency and social participation. It shows that social participation in the socio-environmental policy process has been reduced, include through the extinction of collegiate bodies aimed at including civil society in decision-making and redefinition of rules that reduce the representation of civil society and hinder its action. Of the 22 national collegiate bodies associated with socio-environmental policies surveyed in the study, four (18.2%) have been discontinued, and nine (40.9%) have been restructured, while only nine (40.9%) remained unchanged.”
- On the legislative agenda, in Section 1.8 on pages 19 and 20, Provisional Measure 910 (MP 910), which amends legislation on land regularization, is still under analysis by the National Congress as of June 2021. The Environmental Licensing Bill PL 3729/2004, however, was passed in May 2021. Updates were provided as follows: “This law exempts 13 activities, such as farming, forestry, extensive, semi-intensive and intensive small livestock farming, and wastewater and water facilities, from environmental licensing. The text stipulates that environmental licensing should only be made for investments on legally recognized land of indigenous and traditional populations. According to the Socioenvironmental Institute (ISA), 41% of indigenous lands and 84% of traditional population lands would not be considered for compensations, prevention of negative impact or evaluation. The text also removes unique criteria and parameters, leaving the states free to legislate on their own. Furthermore, it conflicts with the autonomy of municipalities, who can be ignored in cases of large enterprises.”

<p>8- A strong editing for English is strongly advised.</p>	<p>The long-term vision has been edited throughout by a native-English speaker.</p>
<p>9- Remove paragraphs that are either irrelevant or too general: for example the first paragraph in the section on Covid-19 – what’s the link to Covid-19, or to the Cerrado?</p>	<p>The reference to land tenure made under Section 1.7 on page 18 has been better explained as follows: “Therefore, one mechanism for these communities to stay outside of the reach of the COVID-19 virus has been to isolate themselves inside their territories. However, as indigenous groups locked down in villages, trespassers took advantage of their absence to grab their land (Pearshouse and Werneck, 2020). Prior to the pandemic, it was expected that public policies would recognize over 6,330 Quilombo territories distributed across 24 federal states in Brazil. To date, however, only 134 of these territories have received official recognition and are under the governance of these traditional communities.”</p> <p>The confinement imposed by COVID-19 is correlated with the increased number of land grabbing on indigenous lands during this period. Land grabbers took the opportunity that people were confined and public institutions were grounded to increase their attacks on indigenous lands. This is exactly the situation that was faced by CEPF grantee Association Quilombo Kalunga in June 2020. See the section on “Wave of Invasions” in the following article for more details: https://news.mongabay.com/2021/02/the-kalunga-digitally-map-traditional-lands-to-save-cerrado-way-of-life/</p>

Overall LTV scope of work	
<p>10- For long term visions to be more useful, their intent should be clearer (so much of this one for example continues to be about CEPF, now, and a potential future investment; that’s an important part of a long term vision, but surely it should more obviously go beyond it too).</p>	<p>As per the scope of work for the long-term vision, the long-term strategic visions should establish what the end point for CEPF investment in each hotspot should look like and determine how to get there.</p> <p>The scope of work further stipulates that the long-term vision will establish criteria for determining when the conditions for local civil society to graduate from CEPF support are met and set targets that consecutive CEPF investment phases can work toward.</p> <p>Long-term visions developed for other biodiversity hotspots have covered longer timeframes (15 years or longer), and, in some cases, recognized that it is unlikely that civil society will be able to graduate from CEPF support even within this timeframe.</p> <p>The Cerrado Biodiversity Hotspot is a rather unique case, due to the rather high capacity of its CSOs, which are much closer to being able to graduate from CEPF support than those in other hotspots. The capacities of a significant proportion of local organizations are relatively high, although many smaller organizations, in particular grassroots ones, still require dedicated support. Although, the current political context has limited the political space available to CSOs (e.g. their participation in collective participative bodies has decreased by 59% since 2019), and CSOs have limited access to financial support from the federal government, this situation is considered to be temporary, and opportunities to engage with government at municipal and state levels still exist. For these reasons, the long-term vision exercise concluded that additional financial support from CEPF would be required but only for a relatively short period of time. Consequently, the timeframe for the long-term vision was set at five years. It should also be noted that the uncertainties created by the current political climate and the COVID-19 pandemic make it very hard for anyone, including the groups of experts who were consulted as part of the long-term vision exercise, to accurately predict the needs of civil society beyond the next five years. Implementation of the long-term vision will be monitored closely and, if required, the timeframe will be revisited.</p>

<p>11- There are also lots of lessons missing in whole: the entire set of lessons from the Forest Investment Program in the Cerrado are not referenced for example, despite working exactly at the intersection of agriculture, deforestation and biodiversity. Was the TOR to look only at academic tracts and experience directly from CEPF? If so, that should be made clear in the introduction to specify what this is, and what it isn't. Otherwise readers will come away perhaps wondering what the additionality is (especially if they go into it thinking more broadly about conservation in the Cerrado, not CEPF in the Cerrado).</p>	<p>The long-term vision is primarily a strategic document for CEPF, to help it plan the duration and nature of its engagement in a hotspot. It is aimed, therefore, at an internal rather than external audience. The document does not set out to provide a comprehensive overview of conservation in the Cerrado, and there is no specific guidance in the scope of work regarding the need to capture lessons learned from other initiatives. References are made to the need to consider the strategies of the other donors to avoid duplication, specifically:</p> <ol style="list-style-type: none"> 1. <i>Undertake a review of relevant literature, including government and donor strategies for biodiversity conservation and civil society development and key CEPF documents relevant to the hotspot, to ensure alignment of the long-term vision with other initiatives and avoid duplication of effort.</i> <p>On page 25 under Section 2, the following sentence has been added to clearly specify that the long-term vision does not set out to capture lessons learned by other donors' strategies, as follows: "While lessons from other international and national donors' strategies are not captured in this document, the strategies of several main donors in the Cerrado are considered to avoid duplication of effort and to foster complementarity."</p>
<p>12- For clarity specify "graduation" from what? CEPF? It's probably obvious but should be stated, since graduation is also used in terms of graduating from bilateral funding for example.</p>	<p>The long-term vision is indeed built on the concept of graduation from CEPF support. The concept of graduation is stated on page 25 under Section 2, as follows: "CEPF is not intended to be a permanent presence in each hotspot. Rather, it works toward an end point at which local civil society "graduates" from its support with sufficient capacity, access to resources, and credibility to respond to future conservation challenges. Experience to date shows that, in most hotspots, reaching a point at which civil society graduates from CEPF support will take more than five years, which is the most common duration of a CEPF investment phase. Consequently, CEPF is preparing long-term strategic visions, which establish what the end point for CEPF investment in each hotspot looks like and determine how to get there."</p>

Politically sensitive statements	
<p>13- The COVID-19 section seems a bit out of place – and it, and other sections, include very political statements (even if in reality they may prove correct) such as Indigenous People suffering “decades of neglect” at the hand of the state, or that food provisioning is now “an unbearable burden”, or that the current political situation is unhelpful for fundraising – not sure how these types of statements add to the vision.</p>	<p>Section 1.7 on page 18 has been edited to remove politically sensitive statements. In particular, the reference to “decades of neglect” was reformulated as follows: “Due to COVID-19, the traditional populations in the Cerrado face greater challenges often exacerbated by more limited infrastructure development and lack of land tenure security. Communication is key to halting the spread of COVID-19 within indigenous and traditional communities. Unfortunately, investments in communication infrastructure have been insufficient over the years in their territories. Epidemics of infectious diseases repeatedly hit indigenous communities, their impacts worsened by low access to health services (Pearshouse and Werneck, 2020).”The reference on page 18 on “unbearable burden” was reformulated as follows: “Simple aspects, such as food provisioning, now seem to be highly problematic in some regions due to geographic isolation and market slowdown.”</p>
<p>14- To be of most use, a long term vision should be more evidenced, and less about advocacy; and should definitely remove political statements or messages that don’t move the agenda and that are time-dependent (by its definition a long term vision should hold true across time).</p>	<p>The entire document has been edited to remove any politically sensitive statements. It should be noted, however, that the situation in Brazil and especially in the Cerrado, is very particular due to the current political context. This was a key message during the presentation of the long-term vision to the Working Group.</p>

<p>15- Remove statements like: “Public sector engagement can be considered at two levels: federal; and state/municipal. Regarding federal-level engagement, it is practically non-existent, except for anti-environmental agendas. The Ministry of Environment has been acting in favor of urban agendas and agribusiness, leaving conservation virtually aside. Its supervisory bodies are often prevented from inspecting, and the privatization of conservation units is advancing.”</p>	<p>Section 1.2 on pages 19 and 20 has been edited to remove politically sensitive statements.</p> <p>The reference to public sector engagement now reads as follows: “Public sector engagement can be considered at two levels: federal; and state/municipal. Regarding federal-level engagement, opportunities for CSOs are more limited.”</p> <p>Other edits on these pages are as follows:</p> <ul style="list-style-type: none"> - “This process resulted in 27 recommendations to inform the construction of a positive agenda for the Cerrado, indicating various policy strategies and priorities for governmental actions. Little has been seen on the implementation of these recommendations so far, however.” <p>“At the municipal level, CEPF grantees have been even more productive. CEPF’s support has focused on projects working with municipalities, because, at this administrative level, grantees encountered strong collaboration fostered by a desire for enhanced knowledge of the environmental agenda.”</p>
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