

**Critical Ecosystem Partnership Fund
38th Meeting of the CEPF Donor Council
Virtual Meeting
Wednesday 26 May 2021
8:00 a.m. – 11:00 a.m. Eastern Standard Time (EST)**

Minutes

1. Welcome by the Chair and Introduction of Participants (CEPF/DC38/1)

See meeting document.

2. Adoption of Agenda (CEPF/DC38/2)

See meeting document.

**3. Presentation and Discussion of the Executive Director's Report
(CEPF/DC38/3)**

a) Action Points Review **(CEPF/DC38/3/a)**

See meeting document.

b) Partnership Highlights **(CEPF/DC38/3/b)**

See meeting document.

- L'Agence Française de Développement mentioned that it will support the preparation of a concept note for the Indo-Burma Biodiversity Hotspot that will be sent to the GCF during July with hopefully a return from the GCF by September or October. A feasibility study is expected to begin by the start of 2022. An update is expected by October.

c) Financial Narrative **(CEPF/DC38/3/c)**

See meeting document.

d) Financial Report **(CEPF/DC38/3/d)**

See meeting document.

The Donor Council had several questions and comments:

- What was the percentage allocated for travel before the pandemic?
 - The Secretariat's budget is usually between 15-20% of the overall cost. The actual travel portion would have to be calculated. However, the travel ban is the primary driver on such a lower burn rate in the operating cost this year. Travel represents the third largest expense after salaries and

grant awards. The grant directors typically make two supervision missions to each of their regions every year. There are also regional conferences and RIT learning exchanges. Many of those meetings were moved online. The main reason only 68% has been spent throughout the year so far is because of the lack of any travel and in-person meetings.

- As the world is still going through COVID-19, it is important to display flexibility on how CEPF is operating for 2021, on top of 2020. In reviewing details of the operational costs, it will be interesting to understand how CEPF operates under different circumstances and determine the lessons learned from the COVID period. Virtual meetings will not replace all meetings, but might remain important. As well, it might be interesting to know plans for CEPF going back to pre-COVID “normal” after learning to work remotely. Will there be a hybrid model? Will the two supervision missions remain every year? How will the secretariat function? Will capacity building for grantees change? Is there any plan to examine lessons learned and consider whether there were some efficiencies found during this period even if they had to be found for the wrong reasons?
 - The CEPF Secretariat considers those questions important but does not yet have all the answers. The Secretariat will be looking at the situation in each hotspot, as the situation in each one is different. It has been noted that the pandemic has highlighted the importance of RITs on the ground. Lots of consultations are conducted remotely, and the main objective remains reaching out to grantees as much as possible despite the circumstances. Since the beginning of the COVID-19 pandemic, the Secretariat has not been traveling to any hotspots and all activities around field visits have been conducted using virtual alternatives. Grantees have been surveyed to understand how those virtual meetings went. The positive side is that participation has increased with travel out of the equation, allowing more people from an organization to join in. On the negative side, people really miss face to face training and those interactions that happen in live settings. CEPF will continue to evaluate virtual training and have internal reflection meetings on pros and cons. But it is more than likely that a hybrid model will become the norm for the next two or three years.

e) Q3 Approved Grants **(CEPF/DC38/3/e) – 5 minutes**

See meeting document.

The Donor Council had several questions and comments:

- There seems to be an increasing involvement and collaboration of private sector companies in projects, which is positive.
 - The Secretariat noted that it has been encouraging private sector engagement with grants that are putting CSOs into partnerships with the private sector (i.e., Cerrado with the coffee sector).
- Some grants seem small (\$2,000). What is the minimum amount of a small grant and how complex is it to manage such small grants?
 - The Secretariat explained that small grants are managed by the RITs and can be as small as \$2,000. The smallest grants are usually for preparation of a larger grant. They are seed money that may lead to a larger grant.
- Many grants could lead to the collection of biodiversity data in a moment when

global biodiversity monitoring is getting increasingly important in view of the new biodiversity framework that we ought to get at the CBD COP 15 event in China. It could be possible to ensure this implementation is registered in the Global Biodiversity Information Facility (GBIF), which is funded by the EU. Would it be interesting and appropriate to discuss training for the RITs on GBIF to build capacity to contribute current biodiversity data?

- The Secretariat has not been in contact with GBIF yet but worked with GBIF when it was investing in the Western Ghats. It would be interesting to have a conversation with the GBIF team and see how the CEPF data could contribute to the GBIF portal.

Action Item: The EU will help link CEPF with GBIF.

4. Conservation Achievements of the Investment in the Tropical Andes Biodiversity Hotspot (CEPF/DC38/4) – 40 minutes

See meeting document.

The Donor Council commented:

- Going forward, it is important to think about how to manage political instability and make sure sustainability is at that forefront. It is also important to look at how slowly or quickly conservation gains erode after CEPF leaves. Tropical Andes shows great numbers in terms of new protected areas, or in terms of all sorts of improvement in management of existing protected areas. It would be interesting to understand whether those conservation gains last over time when it comes to building an organization's institutional capacity?
 - Sustainability is front and center of grants and CEPF focuses on this from the first day of investment. CEPF looks at sustainability from a social perspective by engaging local communities; from a political perspective by engaging local governments; and from a capacity perspective. Capacity building is key as it empowers and gives local CSOs the capacity to gain the trust of communities and to learn how to fundraise. Working on capacity building and working locally have achieved some sustainability and long-term results.
- What were the benefits of capacity building with the local NGOs in the first phase of investment compared to the second phase? What have been the lessons learned in terms of knowledge management as CEPF invested for a second time in one of the most biodiverse areas in the planet? How do we approach such collaboration with stakeholders in terms of knowledge management and capacity building?
 - Knowledge management is something that CEPF needs to look at for the new investment phase. How do we really capture the lessons learned and share the information that we are generating beyond projects? There has been talk of using a node where knowledge could be compiled and analyzed, and the lessons learned disseminated.
- What has been the impact of not travelling to the region?
 - There have been strict lockdowns in most countries, and no one has been allowed into local communities. However, communication has been maintained via meetings through Skype, Zoom or WhatsApp. But it has been difficult to directly reach out to local communities. Because of some difficulties with internet connection, CEPF has been providing support on

that.

- Venezuela was not eligible in this second investment. Was it part of the first investment? Does CEPF have contacts with Venezuela as it is a prominent place for conservation?
 - CEPF has not worked in Venezuela because the pre-conditions are difficult. But Venezuelan CSOs could be included at least in capacity building and in regional initiatives. The GEF SGP is locally implemented and could provide help in approaching Venezuela one way or another.
- The notion of assessing the impact of CEPF presence is an interesting idea but is it appropriate for CEPF as it is really a process in the long term? Creating a scenario of what the situation would be without CEPF and trying to assess what remains of CEPF a long time afterward might be quite complex to do and therefore we might want to be cautious about what we could assess in terms of impact.

5. Results of the 2020 CEPF Impact Report (CEPF/DC38/5) – 40 minutes

See meeting document.

The Donor Council had several comments and questions to the Secretariat:

- Will CEPF change links of its results to the Aichi Targets when hopefully there is a new global biodiversity framework following COP15?
 - The Secretariat has not talked about it at any length but, as it always wants CEPF to be relevant, it is keeping track of the goals as they change.
- How does CEPF ensure that it is not only recording protected areas (PAs), but also the improved management of PAs, which seem to only be mentioned under production landscape and KBA?
 - CEPF uses three indicators that are tracked separately. First, we capture the number of hectares of new protected areas that are created. Then we have the KBAs, where we count how many hectares have been benefiting from an improved management. For the most part, these protected areas are KBAs, so we count them separately and do not double count because we do not combine them. Finally, we have production landscapes, which are sites that are unprotected. Sometimes they are part of a KBA, but we count them separately and we are careful to ensure that there is no duplication or double counting of those figures.
- As it is always hard to know if we are having the desired impact, has CEPF had discussions on how to move forward to have some quality benchmarking to track impacts on gender differences?
 - The Gender Tracking Tool (GTT) was CEPF's first foray in dealing with gender issues. The GTT was developed to be an easy tool and to introduce grantees to gender issues. Parallel to the GTT, CEPF developed a gender toolkit that is easy to use and that has information for grantees wanting to better mainstream gender in their projects. Gender focal points in each hotspot help RITs to better mainstream gender on the ground. CEPF may start looking deeper at its impact on gender differences.
- How could CEPF, in the coming years, track impact from each donor's contribution?
 - CEPF did that exercise for AFD, which was tricky to do. But it may become easier to do as donors become more specific regarding the use of their funds. This topic could be brought to the Working Group to discuss the

needs of the different donors and look at developing a methodology. Correct figures per donor would allow communication on specific contributions to biodiversity conservation or to carbon sequestration or to community support, for example. Now that we do not have a pooled account, all donors have those requests. It will also be important to prevent double counting for donors that act as fiduciary agents (i.e., AFD/EU or AFD/GCF).

Action Item: The topic of individual Donor's contribution will be brought up to the Working Group to discuss the need of the different donors and develop a methodology and present it to the Donor Council.

6. Future Funding Opportunities that CEPF Could or Should Pursue (CEPF/DC38/6) – 30 minutes

See meeting document.

The Donor Council made several comments:

- It is very promising to keep linking climate finance with nature finance. Nowadays, we hear increasingly a political discourse that links climate change with biodiversity loss. There have been suggestions to organize a nature COP. So, overall, the trend of nature-based solutions is really picking up and opportunities are there, including adaptation and disaster risk reduction.
- At the World Economic Forum, more and more attention was given to biodiversity loss which signals that climate change is a major risk for businesses. Many companies are paying attention to natural capital accounting as the way for them to know about their impact and dependence on nature. One can foresee that companies will have an interest in showing that they do their share, if they can show that sustainable production offers advantages. The fashion sector is an interesting bet because sustainability is becoming fashionable, or the agricultural/food sector because the way we produce food is problematic.
- It is important to refresh contacts with China and the Ministry of the Environment, especially with the upcoming COP 15.
- The EU re-emphasized that it will not be able to finance CEPF through global programs in the future as its external programming will put more weight on regional and national programs. Budgetary lines in relation to CSOs might offer a hook. It might be worthwhile for CEPF to look at opportunities for financing at the country and multi-country levels (despite being a global fund).
- The EU has a new finance instrument called the EFSD+ (improved version of the European Fund for Sustainable Development), which includes guarantees. CEPF could check if it is eligible for such a program.
- The private sector is a particularly good partner, but it requires a little bit of rethinking of what CEPF is trying to sell, not in terms of the mission but in terms of the actual product. The private sector has an interest in investing to address the footprint of its own operations (including supply chain footprint). If CEPF shows the relevance of its work to the bottom line of a company, then it may raise its interest. Offering something that is rapidly turned around may be attractive: the private sector works on different timelines due to the needs for an effective (and fast) return on investments.
- In the context of COP 15, China has shown a desire to leave a financial mark of some sort as part of their leadership in the CBD, without taking the financing role of a "developed" country. They push for certain forms of south-south

collaboration, which might resonate very well with CEPF.

- CEPF should really show its niche and how it is working with local communities, Indigenous people, grassroots organizations including during and as a response to the pandemic. Providing resources for economic activities that relate to rebuilding the environment can be relevant to donors (no economically and socially sustainable development without a healthy planet). CEPF is one of the central funding mechanisms where we demonstrate such links through concrete activities and grant implementation.

Action Item: The EU is finalizing some guidance on tourism that they will share with CEPF.

Action Item: The Donor Council will reach out to the CEPF Executive Director with new ideas of fundraising opportunities.

7. Any Other Business – 10 minutes

The Chairperson mentioned that as per the rules of CEPF, two council meetings are expected to take place every year, it will be considered whether the second Donor Council could take place in person.