

Critical Ecosystem Partnership Fund

Fourteenth Meeting of the Donor Council
World Bank Headquarters, Washington, DC
10 November 2008
2 p.m. – 5 p.m. EST

Update on CEPF Fund-raising Strategy

Recommended Action Item:

The Donor Council is asked to **review** the Update on the CEPF Fund-raising Strategy and **identify** additional fund-raising prospects or approaches for the program as appropriate.

Background:

The Donor Council approved the CEPF Fundraising Strategy for fiscal years 2008-2012¹ at its Twelfth Meeting in November 2007.

The strategy sets out the overarching approach for the partnership to secure a total of \$150 million for implementation of the new CEPF 5-year Strategic Framework approved by the Donor Council in July 2007. The Fund-raising Strategy set an initial goal of \$100 million in new funds for implementation of the global program, \$82 million of which had been secured based on new commitments from l'Agence Française de Développement, Conservation International, the Global Environment Facility and the John D. and Catherine T. MacArthur Foundation. The fund-raising goal identified in the Strategy was therefore agreed as twofold, with \$18 million as a first target and an additional \$50 million as a second target.

The strategic approach focuses on three areas:

- Expanding and diversifying the CEPF donor base to increase fund-raising opportunities.
- Working together with the government of Japan and the World Bank to identify and implement potential opportunities for these donor partners to commit additional funds.
- Coordinating strategic fund-raising and marketing opportunities among the CEPF donor partners to capitalize on existing strengths, relationships and networks.

¹ CEPF Fund-raising Strategy (FY 2008-2012),
http://www.cepf.net/xp/cepf/static/pdfs/12_7_FundraisingStrategy.pdf

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The World Bank confirmed its support for the replenishment of CEPF and, in the first instance, agreed to provide \$3 million from the Development Grant Facility (DGF) during the current fiscal year for the activities of the Fund. This new funding for the program was endorsed under DGF Window Two with an expectation that with evidence of strong progress, it could be endorsed under Window One for the remainder of five years toward an overall expected contribution of \$25 million. This new support would exceed the first target to raise an additional \$18 million for the program and also would bring the World Bank's total commitment for CEPF to \$50 million. The request for FY 10 funding will be submitted in January 2009. As for the first phase of CEPF funding from the World Bank also from the DGF and as is normal practice with all DGF grants, the requesting World Bank network puts in an annual request for DGF funding. DGF grants are awarded on annual basis and grants are based on a) satisfactory evidence of performance and b) total DGF funding available against the number of nominated requests for any fiscal year.

The new World Bank commitment is an important part of the strategic approach detailed in the Fund-raising Strategy for the CEPF donor partners to work together with the government of Japan and the World Bank to identify and implement potential opportunities for these partners to commit additional funds.

As part of the Executive Director's visit to Japan in September reported on under Agenda item #5, the Executive Director held meetings with senior officials from the Japan Ministry of Finance, including Mr. Rintaro Tamaki, Director General, International Bureau, under whose division Japan's contribution to CEPF is provided, and from the Ministry of Environment. The Executive Director also participated in an informal inter-ministerial workshop organized by the Ministry of Finance to discuss biodiversity conservation and CEPF's role. The meetings offered an informal opportunity to discuss the Government of Japan's role in CEPF.

As envisioned, Conservation International (CI) continued discussions with governmental and bilateral leaders with a view to securing additional support for CEPF to bring new resources and global and cultural perspectives to the CEPF partnership. These discussions are part of the strategic approach to expand and diversify the CEPF donor base to increase fund-raising opportunities. The primary approach is to secure additional donor partners contributing \$25 million for allocation across the full range of CEPF priorities and thereby matching the minimum commitment by each of the current donor partners. A partner with this type of commitment would be represented on the Donor Council and Working Group, both of which represent important opportunities for members to further harmonize funding and programmatic approaches.

Highlights of these ongoing discussions include a visit in September by the CEPF Executive Director and other CI representatives to KfW Entwicklungsbank (the German Development Bank) to discuss collaborative funding opportunities, including CEPF. The visit follows other recent discussions with KfW building on a Memorandum of Understanding between CI and KfW advancing a strong collaboration that already exists through the Caucasus Protected Areas Fund launched with joint funding from KfW, CI's Global Conservation Fund, CEPF and other partners. KfW works on behalf of the German government, represented by the Federal Ministry for Economic Cooperation and Development (BMZ). It is committed to the primary goal of German development cooperation, which is to sustainably improve the economic and social conditions of the people in developing countries. Through the MoU, CI and KfW agreed to jointly protect global biological diversity and through these efforts contribute to improving social and economic conditions in some of the world's most threatened ecological regions. In addition to CEPF, the CI mission team also presented information on several sister funds managed by CI, including a new

funding program designed to support the start-up and implementation of forest-based carbon projects to counteract global warming and deliver biodiversity and local community benefits.

The Executive Director and other CI representatives also traveled to Norway, where they met with Norwegian government representatives to discuss the opportunity represented by CEPF to support civil society in critical areas of biodiversity conservation. The discussion included a significant focus on the government's REDD program and the threat posed by climate change.

Opportunities to coordinate strategic fund-raising and marketing opportunities among the CEPF donor partners to capitalize on existing strengths, relationships and networks will also be further explored in the near future. This could include, for example, approaching potential partners jointly or with the assistance of selected partners and the CEPF Donor Council chair.

Development of the special communications and outreach plan for 2010 in recognition of CEPF's tenth anniversary and the importance of the year to the international community (Agenda item #6) could also present important opportunities related to the Fund-raising Strategy.