

**Critical Ecosystem Partnership Fund  
41<sup>st</sup> Meeting of the CEPF Donor Council  
In-Person, Tangier, Morocco, and Virtual Meeting  
Monday 17 July 2023  
8:00 a.m. – 11:00 a.m. Eastern Standard Time (EST)  
1:00 p.m. – 4:00 p.m. Tangier Time  
2:00 p.m. – 5:00 p.m. Brussels and Paris Time  
9:00 p.m. – 12:00 a.m. (+1 day) Tokyo Time**

**Proposal to Prepare an Ecosystem Profile  
for the Mesoamerica Biodiversity Hotspot**

**Recommended Action Item:**

The Donor Council is asked to approve the use of up to US\$200,000 to prepare an ecosystem profile for the Mesoamerica Biodiversity Hotspot. Approval will lead to the CEPF Secretariat conducting a competitive process to select a team to prepare the profile for submission to the Donor Council in mid-2024.

**Background**

In accordance with the CEPF Operational Manual (section OM 4.1), “the process of drafting an ecosystem profile begins after the CEPF Donor Council approves a hotspot for investment”. The CEPF Secretariat recommends specific biodiversity hotspots based upon a set of criteria approved by the Working Group. Priorities are presented to the CEPF Donor Council for discussion and approval, based on resources available. According to the most recent application of the criteria by the CEPF Secretariat and Working Group, the top priority hotspots are Indo-Burma, Caribbean Islands, Madagascar and the Indian Ocean Islands, and Mesoamerica. CEPF has active investments in the former three hotspots but last invested in Mesoamerica in 2011.

Spanning most of Central America, the Mesoamerica Biodiversity Hotspot (Figure 1) encompasses all the subtropical and tropical ecosystems from central Mexico to the Panama Canal. This includes all of Guatemala, Belize, El Salvador, Honduras, Nicaragua and Costa Rica, as well as a third of Mexico and nearly two-thirds of Panama. The hotspot also includes several nearshore and offshore islands in both the Caribbean Sea and Pacific Ocean, which are important biologically due to the presence of endemic species and as nesting areas for seabirds. The hotspot harbors the highest montane forests in Central America, with the most extensive and best-preserved cloud forests. Over the period of 2002–2011, CEPF invested US\$14.5 million via separate portfolios in the northern and southern portions of the hotspot.

In conjunction with the U.N. Biodiversity Conference (COP-15) in Montreal in December 2022, the Government of Canada invited CEPF to submit a concept note for US\$20 million (CAD27 million) under the International Biodiversity Program (2023 to 2026). An allocation of US\$9 million was proposed for Mesoamerica, with the remainder being allocated to the Caribbean Islands and Tropical Andes Hotspots, to supplement ongoing CEPF investments there. The CEPF Secretariat submitted an initial concept note in February 2023 and a revised version in April. A decisive factor will be CEPF's ability to absorb funds and implement initiatives in a short period of time. While this will not be a problem for the two active hotspots, absorbing funds quickly in Mesoamerica will require an ecosystem profile to be in place.

**Figure 1: Mesoamerica Biodiversity Hotspot**



The previous ecosystem profiles were prepared in 2001 (for southern Mesoamerica) and 2004 (for northern Mesoamerica). The operating context for biodiversity conservation has changed greatly over the intervening two decades, meaning that a new ecosystem profile is required. This will be prepared through a participatory process that seeks to include all key stakeholders in establishing geographic and thematic priorities for CEPF investment. The Secretariat proposes starting this process now, so that, if and when resources are secured to reinvest in the Mesoamerica Hotspot, grant-making can begin promptly. The alternative would be a lag time of a minimum of one year, which would not allow for rapid absorption of funds and implementation of activities. This proposal was discussed at the 73<sup>rd</sup> meeting of the Working Group on 13 June 2023; the Working Group supported the proposal.

Considering the technical capacity of organizations in the region and the availability of key datasets (on Key Biodiversity Areas, etc.), the Secretariat anticipates that the ecosystem profile can be completed according to the following timeline:

Late July 2023	Release of request for proposals
September 2023	Contracting of profiling team
October 2023	Inception of profiling process
April 2024	Draft of profile presented to CEPF Working Group
June 2024	Final profile presented to CEPF Donor Council for approval

Simultaneously, CEPF will continue to pursue opportunities with the Government of Canada and other funders to secure resources for a full reinvestment in the Mesoamerica Hotspot, such that, when the ecosystem profile is complete, CEPF can transition directly into implementation.

In accordance with the Operational Manual, any organization or organizational member of a consortium that prepares an ecosystem profile will not be precluded from bidding on grants during the subsequent implementation period.