

**Critical Ecosystem Partnership Fund
41st 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**

Minutes

1. Presentation and Discussion of the Executive Director's Report

- a) Action Points Review (CEPF/DC41/3/a)
 - a. The Secretariat will report at the next Donor Council meeting on developing a task force to determine how to position CEPF as a key financing mechanism.
- b) Partnership Highlights (CEPF/DC41/3/b)
 - a. Following a summary of upcoming potential contributions from global and prospective donors by the Secretariat, Donor Council members briefed the council on potential new funding. Additionally, the Agence française de développement (AFD) mentioned that in summer 2022, France passed a new law that allows AFD to channel funds to civil society organizations based in the South directly if their country authorizes this. It means that there could be opportunities for parallel or co-financing of CEPF beneficiaries. AFD channels about €460M to civil society organizations (CSO) per year. €180M is channeled to Southern-based CSOs, of which about 15-20% are labeled for biodiversity. This represents an interesting opportunity for CEPF.
- c) Upcoming international events (COP 16 and COP28) (CEPF/DC41/3/c)
 - a. The Donor Council members commented that the Convention on Biological Diversity (CBD) represents an important opportunity for CEPF as it is an important source of funding for biodiversity conservation. To raise its profile, and in preparation for its participation to the CBD, CEPF should work through recipient organizations at the country level, as in many countries, governments are well aware of CEPF's work in their country. The distribution of resources, as shown in the CEPF Donor Contributions, 2001-2023, slide, is an excellent way to present to the

CBD, the resources mobilized by CEPF from very different sources.

- b. The Government of Japan (GoJ), commended AFD and the European Union (EU) for their general support with the GCF fund investment, especially with the large scale of funds being handled. More information was requested on future outreach plans for potential donors; as well as on the contributions from Japan in the Caribbean Islands biodiversity hotspot, and its current status. Discussion also focused on how CEPF deals with currency depreciation and currency exchange rates issue – The Secretariat clarified that overall, the implementation of the project in the Caribbean Islands has been going well: a report on the implementation Support Commission concluded that it was satisfied with all elements regarding financial, gender, and environmental social risks management. 20 projects have already been awarded, in all eligible countries except for Haiti, where security issues remain. However, a call for proposals may take place in the next few months for Haiti as agreed during the mission with the World Bank which supports some funding being made available to CSOs in Haiti. It will have to be done carefully with security issues in mind. Regarding currency exchange rates, it was mentioned that CEPF, while mostly managing funds in both US dollars and Euros, keeps close watch on those denominations fluctuations as to not overcommit funds but also to minimize any losses.

d) FY23 Q2 & Q3 Approved Grants (CEPF/DC41/3/d)

e) Financial Narrative (CEPF/DC41/3/e)

f) Financial Report (CEPF/DC41/3/f)

2. Results of the 2022 CEPF Impact Report (CEPF/DC41/4)

Donor Council members expressed appreciation for the work that CEPF has undergone on protected areas but mentioned that the sustainability element of protected areas is something important as it goes beyond the concept of improved management. One way to get to sustainability for protected areas is through synergies with conservation trust funds and other initiatives.

It was also noted that CEPF is in a unique position to evaluate at national, regional or global level, trends in the health and development of CSOs, especially grassroots organizations, and a question was raised as to whether CEPF would be able to report on such trends. The Secretariat mentioned that this is sometimes addressed in midterm assessments or in final assessments in both quantitative and qualitative terms, and that the Secretariat could do such analysis, but within its limited means which are already stretched to capacity.

3. Conservation Achievements of the Investment in the Madagascar and the Indian Ocean Islands (MADIO) Biodiversity Hotspot (CEPF/DC41/5)

The donors inquired about how the application success rate in MADIO hotspot compares with other hotspots. The Secretariat clarified that MADIO was probably the lowest success rate that CEPF has had globally. Success rates in other hotspots can be as high as 30% down to the lowest at 10%. The former grant director for this hotspot commented too,

that other countries in the MADIO hotspot had a higher level of success, but that Madagascar was quite low because most often lots of applications were received but not for the priority sites as highlighted in the Ecosystem Profile: Lots of development organizations exist in Madagascar and they just apply to as many calls for proposals as possible, without paying attention to the eligibility requirements.

Further, a question was raised about whether the difficulties encountered by the Regional Implementation Team (RIT) outside of Madagascar challenge the regional scope of the ecosystem profile, or at least of the investment plan and if it is worth for CEPF to work outside of Madagascar. The Secretariat clarified that, at the time, it wanted to work with a local entity as the RIT, but the organization selected had in fact never wanted to extend beyond Madagascar boundaries for various reasons, and that despite CEPF encouragement and support, they had never established themselves outside of Madagascar. The arrangement with the current RIT is completely different: Each island has a strong local partner which has the capacity and outreach skills, and they can engage with civil society actors in their respective country. Challenges seem to have been overcome with this new arrangement.

4. Proposed Changes to the CEPF Global Monitoring Framework to Incorporate Indicators Related to Climate Adaptation (CEPF/DC41/6)

Following the Donor Council member discussions, it was agreed that CEPF, would:

- Keep the indicator on the *number of projects promoting nature-based solutions to combat climate change*.
- Revisit with the Working Group members, the indicator *Amount of CO₂e (carbon dioxide equivalent, a standard measure of greenhouse gas emissions) sequestered in CEPF-supported natural habitats*, as to draw from the members' experience to point to existing methodologies that CEPF could use and test. The Secretariat would then come back to the Donor Council based on that experience.
- Revisit with the Working Group members, the indicator on *Greenhouse gas (GHG) emissions reduces, avoided or removed/sequestered*, for more guidance on methodology.
- Only keep the indicator on *Direct and indirect beneficiaries reached (Unit: number of individuals) (Disaggregation: sex; and results area) (i) adopting improved and/or new climate-resilient livelihood options; (ii) with improved food security; (iii) with more climate-resilient water security*.
- Not adopt the indicator on *Value of physical assets made more resilient to the effects of climate change and/or more able to reduce GHG emissions (Unit: value of physical assets in USD) (Disaggregation: type of physical assets; and results area)*.
- Adopt the indicator on *Hectares of terrestrial forest, terrestrial non-forest, freshwater and coastal marine areas brought under restoration*; and continue to report on the three existing CEPF global indicators pertaining to hectares.

5. Alignment of the CEPF Global Monitoring Framework with the Kunming-Montreal Global Biodiversity Framework (CEPF/DC41/7)

Following the presentation of the topic and after discussions, the Donor Council members agreed that CEPF would stop reporting on the Aichi Targets. Members also agreed with the proposal to report on the 16 relevant indicators of the Global Biodiversity Framework;

and recommended that target 19 also be reported on.

6. Proposal to Prepare an Ecosystem Profile for the Mesoamerica Biodiversity Hotspot (CEPF/DC41/8)

Following the presentation of the topic and after discussions, the Donor Council approved the proposal to pursue the preparation of an Ecosystem Profile for the Mesoamerica Biodiversity Hotspot.

7. Potential for Increased CEPF Activities in Overseas Countries and Territories (CEPF/DC41/9)

Following the presentation of the topic and after discussions, the Donor Council members agreed that it was not CEPF's mandate to support work in European, US, Australian or New Zealand overseas countries and territories; and that CEPF's work should be fully focused on developing countries, supporting biodiversity conservation and capacity building of the civil society there. Nevertheless, specific cases could be considered if funding was specifically earmarked for such investment.

8. Any Other Business and Conclusion

A comment was made about having in-person Donor Council meetings, as it was done before the pandemic. It was also suggested that the Donor Council meetings be alternated between in-person meetings in a biodiversity hotspot and online meetings. The chairperson recommended for the Donor Council members to agree that one Donor Council meeting per year be attended online and that the other Donor Council meeting be attended in person. No decision was reached on this recommendation.