

**Critical Ecosystem Partnership Fund
45th Meeting of the CEPF Donor Council
Tuesday 25 November 2025
8:00 a.m. – 11:00 a.m. Eastern Standard Time (EST)
2:00 p.m. – 5:00 p.m. Brussels and Paris Time
10:00 p.m. – 1:00 a.m. (+1 day) Tokyo Time**

Financial Narrative

General

The detailed financial report for the three months from 1 July 2025 to 30 September 2025 is Donor Council document CEPF/DC45/3/e.

In summary:

- Total expenses are 29% of the spending plan based on grant disbursement.
 - Operational costs were 22% of the category budget.
 - Profile preparation costs were 30% of the category budget, these are costs of updating the ecosystem profiles for the East Melanesian Islands, Guinean Forests of West Africa, Indo-Burma and Mountains of Central Asia Biodiversity Hotspots.
 - Grant disbursements achieved 31% of the spending plan payments target of US\$19,565,000 for FY26.
 - Grant awards achieved 19% of the FY26 Spending Plan target of US\$22,194,000. This was due largely to grant-making in the Caribbean Islands, Madagascar and the Indian Ocean Islands and Tropical Andes biodiversity hotspots.
- The balance available for investment based on secured funds is \$0, as all funds received have been fully allocated to active and planned hotspot investments.
- CEPF is in a cash-positive situation, with cash and investments on hand of US\$13,381,143.

Revenue

- CEPF signed a grant agreement in September 2025 with Hempel Foundation for DKK 14,000,000 (US\$2,196,432 equivalent) to support investment in the Wallacea Biodiversity Hotspot.
- CEPF signed a grant agreement in September 2025 with Foundation Ademar's-Watkins Foundation for CHF 725,000 (US\$901,327 equivalent) to support investment in the Mediterranean Basin Biodiversity Hotspot.

CEPF receives awards from AFD, the European Union, Global Affairs Canada, KfW, Fondation Audemars-Watkins and Hempel Foundation in non-USD currency. During the current fiscal year, the effect of exchange rates on the awards denominated in currency other than USD was a gain of US\$2,424,934. Any gain or

loss impacts the balance available for investment to CEPF. CEPF proactively manages anticipated gains or losses due to foreign currency rates by adjusting planned activities accordingly.

Grantmaking

CEPF committed 19% of its grant-making budget for the fiscal year, making a total of US\$4,310,877 in new awards against a budget of US\$22,194,000.

Based on the grant portfolio chart, the percentage of grants approved for CI during CEPF Phases II and III is 4%. However, looking at the current fiscal year, nearly 100% of the approved grants went to non-CI organizations.

Since the start of Phase II, 38% of grants have been awarded to international organizations. However, some of these organizations are labeled as “international” solely because of their legal structure, even though the actual implementation takes place through field-based branches. This classification means that the data underreport the true percentage of local grantees; if these field-based branches were recognized as local organizations (similar to how CEPF supports clearly defined local CSOs), the percentage of local grantees would be higher. The Peregrine Fund, Inc. exemplifies this situation: although legally an international organization, it operates through a local branch in the Dominican Republic.

Payments on active grants achieved 31% of the annual target, with US\$6,128,641 in disbursements against a budget of US\$19,565,000.

Operational Costs

CEPF has spent 22% or US\$1,123,234 of the total operations and management costs against a budget of US\$5,061,332 for the year.

Preparation / Ecosystem Profiles

During the first quarter of FY26, work continued on updating the ecosystem profile for the Guinean Forests of West Africa Biodiversity Hotspot and updates commenced for the ecosystem profiles for the Cerrado, East Melanesian Islands, Indo-Burma and Mountains of Central Asia biodiversity hotspots.