

Critical Ecosystem Partnership Fund

Sixth Meeting of the Donor Council
World Bank Headquarters, Washington, DC
31 March 2004

Maximizing CEPF Leverage in the Hotspots

Recommended Action Item:

This agenda item is tabled for discussion at the request of Mr. Jonathan Fanton, MacArthur Foundation. The background documentation is prepared to facilitate discussion among members of the Donor Council and is not an expression of any particular view of the CEPF Management Team on this subject. The Donor Council is asked to **review** the documentation provided and make any decision it finds appropriate.

Background:

From the outset, a key objective of the partnership behind CEPF has been for the fund to be more than just a grants program. Our vision for CEPF has been a strategically driven, high leverage, politically sophisticated initiative. To this end, Council member Jonathan Fanton has suggested that the CEPF Management Team begin bringing major issues that provide opportunity to maximize CEPF's leverage in the hotspots to the attention of the Donor Council, so as to mobilize the full institutional attention of all Council members.

Through consultation with CEPF's local coordination function in each hotspot, we have identified a number of issues that are generally of such size, scope and political complexity that they have the potential to undermine conservation impact, regardless of how successful CEPF is at building a strategic portfolio of projects on the ground. At the same time, these issues have potential of being major opportunities if an appropriate entry point for engagement can be found. The issues cover a variety of different opportunities ranging from major infrastructure developments to civil unrest and peace brokering. In some instances it is not clear what role the institutions behind CEPF might play, although broad institutional monitoring of the impact of such large-scale threats would be of great value. In other instances it seems clear that a concerted institutional effort that draws on the Donor Council's significant capacity to influence has the potential to maximize CEPF's leverage in the hotspots.

The following two criteria were used to identify the kinds of opportunities that might usefully be discussed in the Donor Council:

- Potential to undermine CEPF and other donor investments for biodiversity conservation in the hotspots; and
- Need for broad strategic action beyond the scope of CEPF's portfolio design and projects.

From there an illustrative example was analyzed, background documentation prepared, and recommendations identified that would draw on the individual and collective influence of the Donor Council. However, at this point, and until further guidance is provided by the Donor Council, the documents are meant to stimulate discussion among the Council members, and to assist in building consensus on the most effective way for CEPF to capitalize on the institutional access, influence and convening power of the members of the Donor Council. If it is decided to move forward and make this issue a recurrent item on the Donor Council's agenda, it is anticipated that the Working Group would play an active role in the development of future recommendations to be considered by the Council.