CRITICAL ECOSYSTEM PARTNERSHIP FUND

An Overview of CEPF's Portfolio in the Indo-Burma Hotspot

November 2012

Introduction

Encompassing more than 2 million square kilometers of tropical Asia, Indo-Burma is one of the most geographically diverse of Earth's 34 biodiversity hotspots. The hotspot encompasses several major mountain ranges, including the Annamite Mountains and eastern extensions of the Himalayas, as well as extensive areas of limestone karst and five of Asia's largest rivers: the Ayeyarwady, Salween, Mekong, Red and Pearl (Zhujiang). Its sweeping expanses of level lowlands embrace several fertile floodplains and deltas, and include Tonle Sap Lake, Southeast Asia's largest and most productive freshwater lake.

As a result of a high diversity of landforms and climatic zones, Indo-Burma supports a wide variety of habitats and, thus, high overall biodiversity. This diversity has been further increased by the development of areas of endemism as a result of the hotspot's geological and evolutionary history. Centers of plant and animal endemism include the Annamite Mountains and the highlands of southern China and northern Vietnam. The Indo-Burma Hotspot ranks in the top 10 hotspots for irreplaceability and in the top five for threat, with only 5 percent of its natural habitat remaining.

Indo-Burma holds more people than any other hotspot, the vast majority of who depend, for their livelihoods, on the services provided by the hotspot's natural ecosystems. Of particular importance, in a region where paddy rice and fish protein provide the staple diet of more than 330 million people, are hydrological services and provisioning of fish and other freshwater products. The issues of poverty alleviation and biodiversity conservation are inextricably linked.

In common with many of the world's biodiversity hotspots, a combination of economic development and human population growth is placing unprecedented pressures on Indo-Burma's natural capital. This is compounded by a lack of effective planning and management systems to control these pressures. The two greatest immediate threats facing the region's natural ecosystems are habitat loss and overexploitation of plant and animal species. Over the last five years, infrastructure development has emerged as a key factor underlying these threats, with major schemes to increase regional economic integration now underway, and a rapid acceleration in planning for hydropower development on the Mekong River and its major tributaries. These trends have been counteracted, although by no means offset, by amelioration in the operating climate for local civil society over the last five years, including, most notably, a decision by the Lao PDR government to allow local nongovernmental organizations (NGOs) to register and operate as independent entities, which became effective in November 2009.

Niche for CEPF Investment

Overview

CEPF investment in the Indo-Burma Hotspot is focused on the Indochina Region, comprising Cambodia, Lao PDR, Thailand, Vietnam and parts of southern China, with a total area of 1.5 million square kilometers. The part of the hotspot in northeastern India was covered by the former CEPF investment program in the Eastern Himalayas, while Myanmar (Burma) was ineligible to receive CEPF investment at the beginning of the investment phase.

The ecosystem profile and five-year investment strategy for the Indochina Region were developed in 2003, through a process of consultation and desk study coordinated by BirdLife International, in collaboration with the Bird Conservation Society of Thailand, Kadoorie Farm & Botanic Garden, and the WWF Cambodia Program, with technical support from the Center for Applied Biodiversity Science at Conservation International (CI). More than 170 stakeholders from civil society, government, and donor institutions were consulted during the preparation of the ecosystem profile.

The ecosystem profile presents an overview of the region in terms of its biodiversity conservation importance, major threats to and root causes of biodiversity loss, socioeconomic context, and current conservation investments. It provides a suite of measurable conservation outcomes, identifies funding gaps, and opportunities for investment, and thus identifies the niche where CEPF investment can provide the greatest incremental value.

Given the very significant investments already being made in biodiversity conservation by international donors and national governments, the CEPF niche was defined to target support to civil society initiatives that complement and better target these existing investments. In particular, resources were targeted at conservation efforts for freshwater biodiversity and trade-threatened species, two long-standing investment gaps, as well as for civil society efforts to mainstream biodiversity into development policy and planning.

In line with this niche, the ecosystem profile defined four strategic directions for CEPF investment:

1. Safeguard priority globally threatened species in Indochina by mitigating major threats.
2. Develop innovative, locally led approaches to site-based conservation at 28 key biodiversity areas.
3. Engage key actors in reconciling biodiversity conservation and development objectives, with a particular emphasis on the Northern Highlands Limestone and Mekong River and its major tributaries.
4. Provide strategic leadership and effective coordination of CEPF investment through a Regional Implementation Team.

To maximize impact and enable synergies among individual projects, the ecosystem profile identified 67 species, 28 Key Biodiversity Areas (KBAs) and two conservation corridors as priorities for CEPF investment. In addition, all 248 globally threatened plant species in the region were considered priorities for Red List assessment. These priorities were refined slightly, during the mid-term assessment in 2010[1], and there are currently 83 priority species, 28 priority sites and two priority corridors for investment in the Indo-Burma Hotspot.

[1] The mid-term assessment report is available on the CEPF website: http://www.cepf.net/Documents/Mid-term%20Assessment%20Report%20-%20Indo-Burma_Final%20Draft.pdf

The two conservation corridors were prioritized for investment on the basis of their high biological importance, the level of threat to their biodiversity values, and the opportunities they presented for engaging civil society in biodiversity conservation. The Northern Highlands Limestone corridor, in northern Vietnam and southern China, is particularly important for the conservation of primates, supporting the entire global population of two Critically Endangered species. The corridor is also of high importance for plant conservation, supporting high levels of endemism in groups such as orchids and conifers. The Mekong River and Major Tributaries corridor contains the region's best remaining examples of riverine ecosystems, whose values are often under-appreciated by decision makers, and which are severely under-represented within national protected area systems. As well as their intrinsic values, the riverine ecosystems of the Mekong Basin support the most productive freshwater fishery in the world, accounting for one-quarter of the world's freshwater fish catch.

The ecosystem profile for the Indo-Burma Hotspot was approved by the CEPF Donor Council on April 26, 2007, with a total budget allocation of $9.5 million. Of this amount, the profile allocates $3.95 million to Strategic Direction 1, $2.15 million to Strategic Direction 2, $2.5 million to Strategic Direction 3 and $900,000 to Strategic Direction 4. The Donor Council subsequently approved the appointment of BirdLife International as the Regional Implementation Team (RIT) in November 2007, instructing the Secretariat to finalize the work plan and budget for this important implementation partnership and, thus, clearing the way for grant making to begin.

Recognizing the severe and immediate threats facing the biodiversity of the Indo-Burma Hotspot and the significant opportunities for engaging civil society organizations in mitigating their impacts and addressing their root causes, the CEPF Donor Council selected Indo-Burma as the first region for a full reinvestment, at the end of the initial phase (2008-2013). The second phase of investment will be guided by an ecosystem profile that was updated through an extensive consultation process between May 2011 and January 2012, involving 470 stakeholders from civil society, government and donor organizations. The second phase of investment in the Indo-Burma Hotspot will be launched in mid-2013, and is not the subject of this portfolio overview, which focuses on the first five-year investment phase.

In order to bridge between the first and second investment phases and to broaden the range of local civil society organizations engaged by the CEPF grants program, in July 2012, the MacArthur Foundation made available an additional $378,000 for grant making in the region. Of these funds, $100,000 is allocated to Strategic Direction 1, $78,000 to Strategic Direction 2, $100,000 to Strategic Direction 3 and $100,000 to Strategic Direction 4. These additional resources will enable one more round of small grants to be awarded in the last quarter of 2012, all of which will be closed by the end of 2013. As they are a contribution to the first investment phase, these additional resources are considered as part of this portfolio overview, although only the $100,000 under Strategic Direction 4 have been awarded to date (in the form of an extension to the RIT grant).

Portfolio Status

The first phase of CEPF investment in the Indo-Burma Hotspot began in June 2008 and will now continue until December 2013. As noted above, the first grant was made to BirdLife International to constitute the RIT for the hotspot. At that point, only two national GEF focal points (for Cambodia and Vietnam) had endorsed the ecosystem profile. Consequently, when the first call for proposals (for large and small grants) was made in August 2008, it only covered those countries. The GEF focal point endorsements for Lao PDR and Thailand were received in November 2008 and March 2009, respectively. Consequently, these countries were covered (together with Cambodia and Vietnam) by the second and third calls, made in June 2009 and

August 2010, respectively. The fourth call for proposals (made possible by the additional resources from the MacArthur Foundation) was made in July 2012 and covered all four countries. Despite efforts to secure the GEF focal point endorsement for China, it was not received, and it was not possible to make grants within the Chinese part of the hotspot.

Contracting of grants awarded under the first three funding rounds was completed in June 2012, at which point over 99 percent of the allocated funds for the hotspot had been awarded. This document provides an overview of the CEPF investment portfolio in the Indo-Burma Hotspot as of October 1, 2012. Of the grants contracted at this point, 64 had been under implementation for over 24 months, 33 had been under implementation for between 12 and 24 months, and only one had been under implementation for less than 12 months. Moreover, 12 large grants and 41 small grants had already closed, accounting for 54 percent of the total number of grants awarded. Consequently, the results summarized here should be viewed as a reliable indication of the direction the portfolio is moving in with regard to the final results expected by the end of the investment phase.

As of October 1, 2012, a total of 98 grants had been contracted, with a total value of $9.4 million, equivalent to 99 percent of the total budget allocation for the Indo-Burma Hotspot (Charts 1 to 4). Excluding the RIT grant, 42 large grants (>$20,000) have been awarded, ranging in size from $30,702 to $699,125, with a mean of $180,687. Twenty-two large grants have been awarded under Strategic Direction 1, totaling $3,394,143, seven have been awarded under Strategic Direction 2, totaling $2,058,281, and 15 have been awarded under Strategic Direction 3, totaling $2,136,417. Thirty-one of these grants, averaging $204,576, have been made to international organizations, while 11 grants, averaging $113,361, have been made to local organizations.

The remaining 55 grants that have been contracted to date are all small grants (≤$20,000). These range in size from $1,820 to $20,000, with a mean of $16,982. Forty-four small grants, totaling $776,316, have been made under Strategic Direction 1, two grants, totaling $24,021 have been made under Strategic Direction 2, and nine grants, totaling $133,674, have been made under Strategic Direction 3. Thirty-eight small grants, with an average size of $17,261, were awarded to international organizations, while 17, averaging $16,359, were awarded to local organizations.

Overall, as of October 1, 2012, CEPF has committed $4,170,459 under Strategic Direction 1, equivalent to 106 percent of the original allocation[2] for this strategic direction. Under Strategic Direction 2, $2,082,302 has been committed, equivalent to 97 percent of the original allocation. Under Strategic Direction 3, $2,270,091, equivalent to 91 percent of the original allocation, has been committed.

Of the original allocation of $9.5 million, only $77,219 remains uncommitted. These funds, plus any unspent funds de-obligated from existing grants, will be used to cover the costs of the final assessment workshop, bank charges incurred under the small grants mechanism, and a few additional small grants under the fourth funding round.

Coordinating CEPF Grant Making

BirdLife International serves as the RIT for the Indo-Burma Hotspot. The RIT has five staff, three of whom work on the project full time, and two of whom (the RIT Manager and the Project Officer for Cambodia) work part time. The RIT Manager, Jonathan Eames, is responsible for managing the RIT, and, in close consultation with the CEPF Grant Director, overseeing the development of the CEPF investment portfolio in the region. The RIT Manager is assisted by two

[2] i.e. the allocation before the additional resources from the MacArthur Foundation were added.

Project Officers, Sum Phearun and Nguyen Hoang Long, who are responsible for assisting local civil society organizations develop proposals, coordinating technical review of proposals, and monitoring performance of active grants and compliance with financial and safeguard policies. The Administrator, Tran Thi Thanh Huong, is responsible for office administration and external communications. Finally, the Finance Officer, Pham Thi Bich Hai is responsible for financial management and reporting, and preparing Financial Risk Assessments and grant agreements for small grants. The RIT staff are based at the BirdLife office in Hanoi, Vietnam, except Sum Phearun, who is based at the BirdLife office in Phnom Penh, Cambodia.

Since the establishment of the RIT in July 2008, there has been some turnover in staff. The original (full-time) RIT Manager, John Pilgrim, left in March 2010, less than two years into implementation, in order to pursue a career outside of the region. The original intention was to recruit another full-time staff member to replace him. However, after an open recruitment process did not identify a suitable candidate, it was decided that the role would be performed by the BirdLife Indochina Program Manager on a part-time basis. Given that two funding rounds had already been completed by that stage, and the emphasis of the RIT was shifting from grant making to grant monitoring, the workload for the RIT Manager position reduced, and BirdLife was able to manage the transition without any significant loss of efficiency. There have been some other changes in staff, most notably with regard to the Cambodian Project Officer position, but, in each case, suitable replacements have been recruited swiftly.

Despite these changes in personnel, the RIT has benefited from clear systems for grant making, management and monitoring, and clear and regular communications with the CEPF Secretariat. BirdLife has established locally appropriate structures to promote transparency and ensure synergies between CEPF investments and those of other key donors in each country, specifically Technical Review Groups (responsibly for peer review of grant applications) and National Advisory Groups (responsible for strategic advice on grant making and development of the grant portfolio). BirdLife has also introduced the necessary processes to ensure sound financial management of the RIT grant, financial and programmatic risk assessment of individual grants, and compliance with social and environmental safeguard policies.

Performance Assessment

During the initial period of CEPF implementation in the Indo-Burma Hotspot, the RIT had to overcome a number of challenges inherent in being one of the first investment regions under the second phase of CEPF (during which the standardized RIT model was adopted for the first time), most notably the lack of precedent for many of the new processes and policies introduced by CEPF. The RIT also had to face the expected challenge of ensuring that CEPF's goal of engaging civil society in biodiversity conservation was met in a region where local civil society operates under very challenging conditions.

In this context, it is unsurprising that the majority of grants have been awarded to international organizations. Excluding the RIT grant, these have received 71 percent of grants and 82 percent of funds awarded. As a general pattern, international groups have greater capacity to submit funding proposals of the requisite technical quality, greater capacity to implemented more and larger projects (and, hence, absorb more funding), and a strategic focus on the conservation of species, habitats and/or landscapes, which forms the basis of the CEPF investment strategy in the region. Nevertheless, the last decade has seen a significant increase in the number and capacity of local civil society groups working in biodiversity conservation and related fields, in at least three of the hotspot countries where CEPF is investing (the trend in local civil society development in Thailand is less clear, with the programs of some previously high profile groups having declined in recent years). CEPF and the RIT have identified and provided targeted support to a number of

local civil society groups with considerable prospects to develop as conservation champions at local or national levels. However, this support has been maintained at levels consistent with the overall programs of these organizations, in order not to encourage dependency on a single funding source.

Comparing the portfolios under the three strategic directions, it is apparent that Strategic Direction 1 (species-focused conservation) provides fewer opportunities to engage local civil society groups than the other two. Under Strategic Direction 1, local civil society groups have received only 23 percent of grants, compared with 43 and 46 percent of grants under Strategic Directions 2 (site-based conservation) and 3 (mainstreaming biodiversity into development sectors), respectively. The main reason for these differences is that most of the investment priorities under Strategic Direction 1 require technical capacity with regard to conservation biology, which only a limited number of local civil society groups can currently demonstrate. Although the last decade has witnessed the emergence of a new generation of local conservation biologists, facilitated by dedicated academic courses and greater opportunities to gain field experience in the context of donor-funded projects, many of the most skilled and experienced continue to work for international organizations. For this reason, international organizations are likely to continue to play a leading role in species-focused conservation efforts for some time to come. Having said that, CEPF resources are being used to support the emergence of several local organizations focused on species conservation, such as Laos Biodiversity Association, Lao Wildlife Conservation Association, and the Sam Veasna Center for Wildlife Conservation in Cambodia.

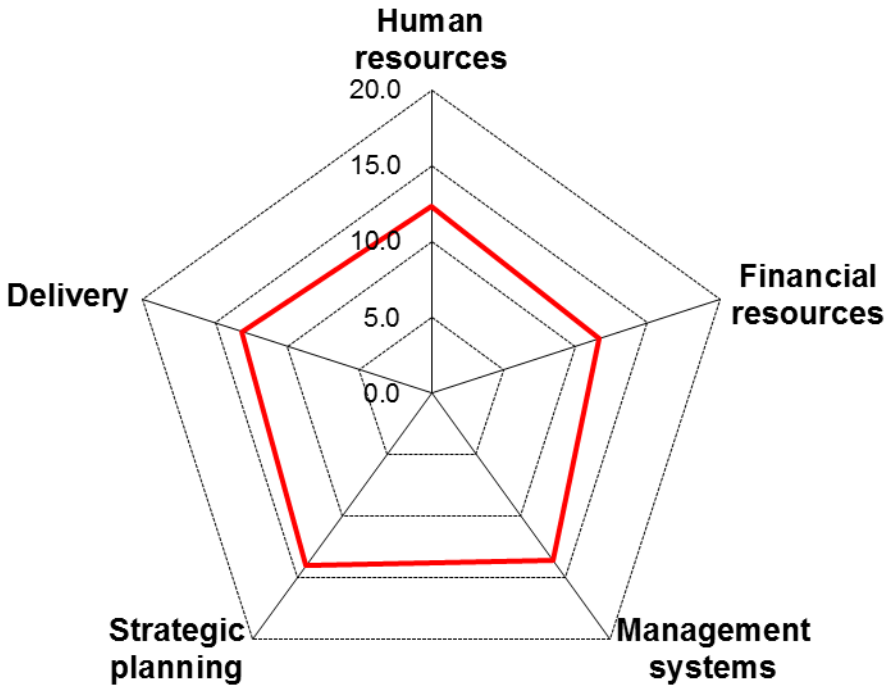
Regarding the other strategic directions, both site-based conservation (which encompasses a range of informal, community-based approaches to conservation) and biodiversity mainstreaming overlap with the missions of a greater number of conservation-oriented local civil society organizations, and provide greater opportunities for organizations without a principal focus on biodiversity (such as rights-based and livelihoods-based groups) to contribute to the goals of the CEPF investment strategy. For this reason, it is unsurprising that there is a more even spread of grants between international and local organizations under these strategic directions. In order to encourage a more even sharing of resources under the fourth funding round, a cap has been placed on the number of grants that can be awarded to international organizations.

Despite the inherent constraints imposed by differences in capacity and institutional mission between international and local groups, the RIT has been proactive in making CEPF funding accessible to local civil society organizations, including by searching for local groups working in and around CEPF priority sites, organizing introductory meetings for potential grantees at the provincial level, and holding face-to-face meetings with local groups to provide guidance on project design and proposal writing. In addition, the stakeholder consultations held as part of the process to update the ecosystem profile provided a valuable opportunity to reach out to a greater number of local organizations. The impact of this exercise is reflected in the response to the fourth call for proposals, made in July 2012, under which 23 of the 48 applicant organizations had never applied for CEPF grants before.

In order to monitor changes in their organizational capacity, all local civil society organizations receiving funding from CEPF (either directly as grantees or indirectly as sub-grantees under grants to other organizations) are requested to complete a self-assessment tool, termed the Civil Society Organizational Capacity Tracking Tool, at the beginning and end of the period of CEPF support. As of October 1, 2012, 22 local groups had completed baseline self-assessments using this tool. The dimensions of capacity along which these groups identified the greatest capacity constraints were financial resources and human resources (Figure 1), indicating that these are

areas where CEPF and other donors interested in build a strong, active and local conservation movement in the hotspot should focus capacity building efforts in future. Only five organizations have so far completed end-of-project assessments. These final assessments, plus a handful of mid-term tools, reveal improvements in capacity in all cases but one, with the largest improvements being with regard to human resources.

Figure 1. Baseline Civil Society Organizational Capacity Tracking Tool Scores for Local Civil Society Groups Receiving CEPF Funding in the Indo-Burma Hotspot



As well as facilitating access to CEPF funds by local civil society organizations, the RIT has added significant value to CEPF implementation in the Indo-Burma Hotspot by guiding the development of a balanced, integrated portfolio. The approach adopted by the RIT, in consultation with the CEPF Grant Director, was to anchor the portfolio on a series of "cornerstone" projects, covering the key geographic and thematic priorities, around which a series of smaller projects was built.

Four cornerstone grants were awarded under Strategic Direction 1, spearheading Red List assessments or conservation actions for groups of species: a regional freshwater biodiversity initiative led by IUCN; a regional assessment of globally threatened plants coordinated by Missouri Botanical Garden (MBG); a regional initiative to address the conservation of threatened tortoises and freshwater turtles led by Cleveland Zoological Society; and a program of innovative, community-based efforts to conserve threatened large waterbirds led by the Wildlife Conservation Society (WCS). Two cornerstone grants were awarded under Strategic Direction 2, one in each of the priority corridors: an initiative to strengthened site-based conservation efforts for threatened primate and tree species in the Northern Highlands Limestone corridor led by Fauna & Flora International; and a WWF-led initiative to protect the Mekong Central Section, the most important representative example of the riverine habitats of the Mekong and Major Tributaries corridor. Similarly, two cornerstone grants, one for each priority corridor, were awarded under Strategic Direction 3: an initiative to reconcile conservation and development

objectives in the Northern Highlands Limestone corridor led by IUCN; and an alliance of civil society groups to preserve the biodiversity and ecosystem service values of the Mekong River, coordinated by International Rivers. The average size of a cornerstone grant was $407,386. As the largest and most strategically important grants in the portfolio, these have received a greater level of oversight and more frequent site visits from the CEPF Secretariat and RIT.

All eight cornerstone grants adopted a partnership model of one form or another. For instance, the WWF-led project to protect the Mekong Central Section was complemented by two large grants to local civil society organizations (Cambodian Rural Development Team; and Community Economic Development) to promote alternative livelihood activities, sustainable natural resource management and indigenous land rights in communities in the project area. Alternatively, the WCS-led project on large waterbird conservation used sub-grants to engage three local civil society organizations (the Cambodian Center for Study and Development in Agriculture, the Sam Veasna Center, and Sansom Mlup Prey) to lead on specific components, while providing hands-on support and capacity strengthening. Other projects, such as the IUCN and MBG-led Red List assessments, engaged wide networks of expert assessors on a consultancy basis.

When forging alliances for cornerstone grants and other initiatives adopting a partnership model, the RIT experimented with the use of small grants (averaging $9,597) as planning grants. These proved valuable in ensuring synergies and avoiding overlaps between CEPF grants and investments by other donors, and forming equitable partnerships between international and local civil society groups, with opportunities for skill transfer and mentoring. In any future phase of CEPF investment in the hotspot, more extensive use should be made of these planning grants.

Another achievement of the RIT has been leveraging co-financing toward individual grants in the CEPF portfolio. As a result of meetings and discussion with applicants and donors, $7,012,001 in co-financing (counterpart funding and in-kind contributions) has been leveraged towards CEPF projects in the Indo-Burma Hotspot, comprising $1,117,355 towards small grants and $5,894,646 towards large grants. Excluding the RIT grant, this represents an almost 1:1 match with CEPF investment. Given that there is no requirement for grantees to demonstrate matched funding, this is a significant achievement, which far outstrips the target of $2 million set by the RIT at the start of the investment period.

In addition to encouraging and assisting individual grantees to leverage co-financing, the RIT has actively supported the CEPF Secretariat in its efforts to secure portfolio-level financing. During the preparations for the CEPF investment phase, it was envisioned that bilateral donors, particularly the Danish and Dutch governments, would represent the best opportunities for expanding the pool of resources available to civil society organizations in the hotspot. However, due to an overall decrease in bilateral funding for biodiversity and a trend towards direct budgetary support to government, these opportunities proved more difficult to realize than had been envisioned. Fortunately, however, new opportunities were created through increases in support to the region from private foundations.

During 2011, with support from three foundations (MacArthur, Margaret A. Cargill, and McKnight), CEPF updated the ecosystem profile for the Indo-Burma Hotspot, as a guide to potential future grant making by CEPF and these foundations, under the framework of a joint strategy with broad stakeholder ownership. The updating process involved inputs from over 470 stakeholders from local and international civil society, governments and donors across six countries. Local coordination for the process was led by BirdLife, with assistance from the CI-China Program, Kadoorie Farm and Botanic Garden, the Samdhana Institute, and the Yunnan Green Environment Development Foundation.

The updated ecosystem profile presents an overarching investment strategy for funders interested in engaging civil society organizations in biodiversity conservation and facilitating their development. The investment strategy contains 11 strategic directions, of which CEPF funding will be targeted to only six. Many of the investment priorities under the other strategic directions will be addressed by parallel investments by the three foundations, resulting in an overall investment in the hotspot over the next decade of around $30 million, thereby leveraging the CEPF investment several times over. More directly, CEPF has received additional resources from the MacArthur Foundation for a fourth round of small grants in the Indo-Burma Hotspot, to provide a bridge in support to civil society groups between the first and second phases of CEPF investment, while CEPF has been invited to apply to the Margaret A. Cargill Foundation for additional resources that will enhance its grant making to civil society organizations in the Lower Mekong Basin.

Overall, the area of performance with the greatest room for improvement has been the timeliness of technical review and contracting of grant applications. The RIT set itself a target of coordinating external technical reviews of all applications within six weeks of submission, by at least three experts in the case of large grants, and at least two in the case of small grants. Under the first call for proposals, only 19 of the 47 eligible large-grant applications (40 percent) had been reviewed by at least three experts within six weeks of submission, although the statistics for small grants were better, with 24 of the 26 eligible small grant applications (92 percent) having been reviewed by the requisite number of reviewers within six weeks. The reasons for these delays in completing the reviews of large grant Letters of Inquiry (LoIs) are common to all RITs, and relate to the challenges of working with volunteer reviewers and identifying reviewers with relevant technical expertise for all proposals.

The grant-making process was examined in detail during a CEPF Supervision Mission in April 2009, and several recommendations for improving efficiency were adopted. Nevertheless, during the second funding round, there was no significant improvement with regard to large grants, with 12 out of 27 eligible applications (44 percent) being reviewed on schedule, and a deterioration with regard to small grants, with 31 out of 47 eligible applications (66 percent) being reviewed on schedule. The RIT attributed this decline in performance to the sheer number of small grant applications received (almost double that under the first round) and reviewer ‘fatigue’.

Under the third funding round, the efficiency of the technical review process was back up to a level comparable with that of the first round, with 10 out of 22 eligible large grant applications (45 percent) and 25 out of 29 eligible small grant applications (86 percent) reviewed by the requisite number of reviewers within six weeks. For the fourth funding round, all 55 eligible small grant applications (100 percent) were reviewed by the requisite number of reviewers within six weeks, indicating that either the RIT had perfected the review process or the worst effects of reviewer ‘fatigue’ had worn off in the two years since the preceding call. Nevertheless, the target of completing all external technical reviews within six weeks may have been over-ambitious, and a less stringent target should perhaps be set for the second investment phase.

Excluding the RIT grant, the average length of the large grant application process, from LoI submission to contracting, was 8.8 months. Breaking the process down into three stages, the time between LoI submission and sending of a response letter inviting a full proposal (i.e. the LoI review stage) ranged from 0.2 to 11.0 months, with a mean of 2.8 months. The time between sending the response letter and submission of the full proposal (i.e. the proposal preparation stage) ranged from 0.9 to 6.2 months, with a mean of 2.3 months. The time between submission of the full proposal and signing of the grant agreement (i.e. the proposal review and contracting stage) ranged from 1.2 to 7.9 months, with a mean of 3.7 months.

The significant variation in the speed of the grant-making process was largely accounted for by two factors. First, as discussed earlier, obtaining the requisite number of external technical reviews was an uncertain process, somewhat outside of the control of the RIT. Second, the length of the proposal preparation stage was dependent on the speed of the applicant in preparing the full proposal, while the length of the proposal review and contracting stage was largely dependent on the speed of the applicant in responding to CEPF Secretariat comments on the proposal and submitting necessary supporting documents, such as social safeguard documents, anti-terrorism screening forms, financial questionnaires, etc. During the second and third funding round, the CEPF Secretariat imposed stricter deadlines for submission of full proposals (six weeks) and resubmission of proposals after addressing comments (two weeks). This was reflected in the differences in length of the grant-making process among the three funding rounds. The length of the process in the first round averaged 11.2 months; the length in the second round averaged 7.5 months; and the length in the third round averaged 6.6 months. For planning for future CEPF large grant making in Indo-Burma and other hotspots, the average time for the second and third rounds (seven months from LoI submission to contracting) seems a realistic target to aim for.

The grant-making process for small grants is shorter than that for large grants, insofar as there is no full proposal stage. The average time from proposal submission to signing of the grant agreement was 5.6 months. Of the 55 small grants awarded to date, 49 were contracted within eight months. Of the six grants that took longer than this to contract: four were to small local organizations, which required considerable hands-on support to complete various requirements of the application process; one was to an international organization but was placed on hold in order to coordinate with other, related grants; and one was to an international organization but was delayed due to the untimely death of the principal investigator. The length of the small-grant-making process remained fairly constant across the three funding rounds. For the first round it was 4.9 months and for the second and third rounds it was 5.9 months. For the fourth round, assuming that all grants are contracted by the end of November 2012, the average length of the process will be 3.2 months. However, it should be noted that the more rapid process in the fourth round is partly attributable to the RIT not having any large grant applications to process during the same period. For future CEPF small grant making in the hotspot, the average time for the second and third rounds (six months from proposal submission to contracting) seems a realistic target to aim for.

Portfolio Investment Highlights by Strategic Direction

As discussed previously, only a little over half of the grants awarded under the first three funding rounds had closed by October 1, 2012. Hence, the results presented here are, to a significant extent, preliminary. Nevertheless, important results have been achieved by a growing number of grants, and the aggregated results of the grant portfolio are having a measurable impact on the overall direction of conservation efforts in the Indo-Burma Hotspot. A mid-term assessment of the impacts of CEPF investment in the hotspot was conducted during the second half of 2010, and the results are published on-line. This section does not attempt to repeat this analysis but only to provide an update on progress since then.

Strategic Direction 1

CEPF investment under this strategic direction aims to safeguard priority globally threatened species by mitigating major threats. This strategic direction is intended to address the insidious threat of over-exploitation of wildlife, which threatens to undermine all conservation efforts in the region. To this end, CEPF is supporting efforts to identify and secure core populations of globally threatened species from overexploitation and illegal trade (Investment Priority 1.1). On the demand side, CEPF is investing in public awareness campaigns to reduce consumer demand for globally threatened species and their products (Investment Priority 1.2). This strategic direction is

also intended to fill long-standing information gaps about the status of key species and, thereby, guide site and habitat conservation efforts and support efforts to mainstream biodiversity into development sectors, particularly energy, transport and agriculture. To this end, CEPF is supporting efforts to investigate the status and distribution of globally threatened plant species, and apply the results to planning, management, and outreach (Investment Priority 1.3), and to assess the global threat status of selected freshwater taxa and integrate the results into planning processes for the conservation of wetland biodiversity and development plans in the Mekong River and its major tributaries (Investment Priority 1.4). In addition, CEPF is funding research on 12 little-known species believed to be highly threatened (Investment Priority 1.5), and supporting the publication of local-language outreach and reference materials on globally threatened species (Investment Priority 1.6).

Under Investment Priority 1.1, CEPF grants have secured 28 core populations of 20 animal species, equivalent to 24 percent of the updated list of 83 priority species adopted following the mid-term assessment. In Cambodia, core populations of several turtle species have benefited from community patrolling and snare removal activities, including yellow-headed temple turtle (*Hieremys annandalii*) at Tatai Krom and Asiatic softshell turtle (*Amyda cartilaginea*) and impressed tortoise (*Manouria impressa*) in the Cardamom Mountains. In addition, a core population of Asian giant softshell turtle (*Pelochelys cantorii*) in the Mekong Central Section has been secured through initiation of nest protection and head-starting activities. At the same site, core populations of white-shouldered ibis (*Pseudibis davisoni*) and lesser adjutant (*Leptoptilos javanicus*) have been secured through initiation of nest protection activities, while a core population of Irrawaddy dolphin (*Orcaella brevirostris*) has been secured through the designation of Mekong Irrawaddy Dolphin Protection and Management Area. In the Northern Plains of Cambodia, core populations of giant ibis (*Thaumatibis gigantea*), white-shouldered ibis, lesser adjutant, greater adjutant (*L. dubius*), sarus crane (*Grus antigone*) and white-rumped vulture (*Gyps bengalensis*) are recovering following initiation of nest protection and (in the case of the vulture) supplementary feeding. Elsewhere, in the Mekong Delta region of Cambodia, two more core populations of sarus crane, at Boeung Prek Lapouv and Kampong Trach, have been secured through community outreach and enforcement patrolling.

In Lao PDR, the country's largest remaining population of Eld's deer (*Rucervus eldii*) has been secured at the Eld's Deer Sanctuary through establishment of protection teams and integration of the protected area into local spatial plans. Also, a core population of the flagship mammal species of the hotspot, saola (*Pseudoryx nghetinhensis*), has been secured at Phou Sithone Endangered Species Conservation Area through initiation of anti-poaching measures and protected area establishment.

Similar measures have helped secure three core populations of saola in Vietnam, at Saola (Quang Nam) and Saola (Thua Thien Hue) Nature Reserves, Bach Ma National Park extension. Elsewhere in Vietnam, core populations of black crested gibbon (*Nomascus concolor*), cao vit crested gibbon (*N. nasutus*), Tonkin snub-nosed monkey (*Rhinopithecus avunculus*) and François's leaf monkey (*Trachypithecus francoisi*) at Che Tao, Khau Ca, Lam Binh (Sinh Long), Trung Khanh and Tung Vai KBAs have been secured through patrolling by protection teams and development of species conservation action plans. A core population of another threatened primate, red-shanked douc (*Pygathris nemaeus*), has been secured at Son Tra Nature Reserve through establishment of a protection team and training of tour guides in low impact tourism. One more threatened primate to have benefited from CEPF support is the endemic subspecies of white-headed leaf monkey (*Trachypithecus poliocephalus poliocephalus*), whose only known population at Cat Ba National Park has been secured through intensified patrolling and capacity strengthening for enforcement staff.

Also in Vietnam, a core population of white-eared night-heron (*Gorsachius magnificus*) in the Ba Be-Na Hang forest complex has been secured through the initiation of nest protection activities. Also, a core population of East Asian giant softshell turtle (*Rafaetus swinhoei*) at Dong Mo Lake[3] has been secured through community outreach activities. Work is currently underway to secure core populations of many other priority species, and it should be possible to report more positive developments in the next annual portfolio review.

The key results to date under Investment Priority 1.2 have been in Vietnam, where four public awareness campaigns have been conducted to reduce consumer demand for wildlife and enlist support for combating the illegal wildlife trade. In Quang Ninh province, WCS has implemented a series of technical trainings and workshops to build awareness and capacity of local authorities to reduce the illegal cross-border trade of wildlife from Vietnam to China. Similar trainings have been conducted by WCS in Ha Tinh province, aimed at reducing the illegal trade of wildlife from Lao PDR to Vietnam, within the framework of a Fauna & Flora International (FFI) project. These training have been supported by journalist workshops, conducted by local NGO Center for People and Nature Reconciliation (PanNature), to increase accurate media coverage of illegal cross-border wildlife trade and strengthen public support for the implementation of wildlife protection laws.

Elsewhere in Vietnam, PanNature has published dozens of news stories on diverse environmental and conservation issues in the Northern Highland Limestone corridor, through an on-line portal, contributing to the reduction of consumer demand for priority species and their products. Another local NGO, Education for Nature-Vietnam (ENV), has built a network of volunteers to monitor establishments known to have illegally traded wildlife, thereby strengthening public participation in tackling illegal wildlife Trade in Vietnam; the number of volunteers currently stands at 3,211, covering 32 cities and provinces nationwide.

With regard to Investment Priority 1.3, Red List assessments of 511 species of terrestrial plants have been completed, and the results submitted to the IUCN Species Programme. The assessments of 263 of these species have already been published on the IUCN Red List website; all other assessments are still being reviewed for completeness, accuracy, and consistency. This initiative, coordinated by Missouri Botanical Garden, has been successful in building a network of experts in plant taxonomy and conservation, who will form the basis of a regional Red List authority for plants, helping to expand and keep up to date the assessments conducted under the project.

Similarly, under Investment Priority 1.4, Red List assessments have been completed for four freshwater groups, comprising 1,178 species of fish, 430 species of mollusk, 473 species of odonate and 252 species of aquatic plants. The results of this assessment, which was coordinated by the IUCN Species Programme, have been widely disseminated in hard-copy and on-line formats, and will be used to integrate the values of aquatic biodiversity into development planning, particularly in the energy sector.

Under Investment Priority 1.5, research is underway or completed for nine of the 12 priority species for which there is a need for greatly improved information. New information has been generated on five of these species: otter civet (*Cynogale bennettii*); spoon-billed sandpiper (*Eurynorhynchus pygmeus*); white-eared night-heron; Vietnamese pond turtle (*Mauremys annamesis*); and East Asian giant softshell. In the latter three cases, this information is being used

[3] This 'population' constitutes one of only four individuals of this species known to survive in the world.

to guide targeted conservation efforts for recently discovered populations of the species. Of the 12 priority species targeted by Investment Priority 1.5, recent research has shown that two are not valid taxa; this reduces the number of species eligible for support under this investment priority.

Under Investment Priority 1.6, very few grant applications have been received to produce local-language reference materials. This was identified as a priority during the consultations that led to the preparation of the ecosystem profile in 2003 but the need appears to have been at least partly addressed in the interim, through initiatives such as the World Bank East Asia Local Language Field Guides Project. Nevertheless, CEPF has supported several projects to prepare local-language outreach materials related to globally threatened species. These include: 2,820 copies of posters and postcards on conservation of Tonkin snub-nosed monkey and François's leaf monkey, for communities in the Northern Highlands Limestone corridor; 1,600 'toolboxes' on human-elephant conflict for communities in Mondulkiri province, Cambodia; 100 copies of a poster on the aquatic biodiversity of the Nang River; and 1,500 leaflets on methods and results of participatory research into aquatic species, both for communities in the Northern Highlands Limestone corridor.

Strategic Direction 2

CEPF investment under this strategic direction aims to develop innovative, locally led approaches to site-based conservation at 28 key biodiversity areas located within the two priority corridors. To this end, CEPF is supporting efforts to establish innovative stakeholder-based conservation management and caretaking initiatives at these sites, as models for replication elsewhere in the region (Investment Priority 2.1). CEPF is also supporting the development of standards and programs that address the overexploitation of biodiversity and pilot them at selected sites (Investment Priority 2.2).

Under Investment Priority 2.1, local stakeholder-based conservation management and caretaking initiatives are underway at 12 of the 28 priority sites (43%). In the Mekong River and Major Tributaries corridor, community fisheries management has been established in several villages within Mekong from Kratie to Lao PDR, Upper Lao Mekong and Upper Xe Khaman KBAs, including the establishment of fish conservation zones. In the same corridor, nest protection schemes for threatened bird and turtle species have been introduced to the Mekong from Kratie to Lao PDR and Sekong River KBAs.

A similar scheme has been introduced to protect nests of white-eared night heron at Ba Be and Ban Thi-Xuan Lac KBAs in the Northern Highlands Limestone corridor. Elsewhere in this corridor, community patrolling is in place to protect the key biodiversity values of Khau Ca, Lam Binh (Sinh Long), Tung Vai and Trung Khanh KBAs, while a community co-management model has been introduced for fisheries in Na Hang Reservoir, which forms the border between Ban Bung and Tat Ke KBAs.

Under Investment Priority 2.2, a project is underway to pilot the FairWild standard for sustainable and equitable harvest of wild medicinal and aromatic plants at Ban Thi-Xuan Lac KBA. This regional standard to address overexploitation of biodiversity has not yet been introduced at the site but local plant collectors from seven villages have obtained legal licenses for their activities, which required targeted training in sustainable harvesting skills, improved plant product processing techniques, and education on medicinal resources within the KBA.

CEPF investments in site-based conservation are not limited to the 28 priority sites, because many initiatives to secure core populations of priority species, funded under Strategic Direction 1,

also involve site-based interventions. Overall, a total of 2,105,874 hectares across 28 KBAs has received strengthened protection and management as a result of CEPF funding:

- A Luoi-Nam Dong (16,248 hectares within Bach Ma National Park extension; 12,106 hectares within Saola (Thua Thien Hue) Nature Reserve).
- Ang Trapeang Thmor (12,659 hectares).
- Ba Be (10,048 hectares).
- Ban Thi-Xuan Lac (1,700 hectares within Nam Xuan Lac Species and Habitat Conservation Area).
- Boeung Prek Lapouv (9,276 hectares).
- Cat Ba (2,060 hectares within Cat Ba Langur Sanctuary and Ang Vem).
- Central Cambodia Lowlands (150 hectares within Prey Long forest).
- Central Cardamoms (402,000 hectares).
- Che Tao (21,000 hectares within Mu Cang Chai Species and Habitat Conservation Area; 5,000 hectares within Muong La district).
- Chhep (189,986 hectares within Preah Vihear Protected Forest).
- Chonabuly (93,000 hectares within Eld's Deer Sanctuary).
- Eastern Bolikhamxay Mountains (14,136 hectares within Phou Sithone Endangered Species Conservation Area).
- Kampong Trach (1,108 hectares within Anlung Pring Management and Conservation Area).
- Khau Ca (2,000 hectares).
- Mekong from Kratie to Lao PDR (615 hectares within Mekong Irrawaddy Dolphin Protection and Management Area, 460 hectares within community fish sanctuaries, 1,773 hectares within community forests, and 2,949 hectares of land under community title).
- Nakai-Nam Theun (371,000 hectares).
- Nam Et and Phou Louey (559,500 hectares).
- Northern Hien (15,822 hectares within Saola (Quang Nam) Nature Reserve).
- Prek Toal (39,873 hectares).
- Snoul/Keo Seima/O Reang (120 hectares within Keo Seima Protected Forest).
- Srepok River (310 hectares of community-managed forests and 26 hectares of conservation ponds).
- Stung-Chikreng-Kampong Svay (4,636 hectares within Chikraeng and 2,812 hectares within Stoung Bengal Florican Conservation Areas).
- Stung Sen-Santuk-Baray (7,314 hectares within Baray, 2,569 hectares within Chong Doung).
- Trung Khanh (2,000 hectares within Cao Vit Gibbon Species and Habitat Conservation Area).
- Tung Vai (5,000 hectares).
- Upper Lao Mekong (33 hectares within nine community-managed fish conservation zones).
- Upper Stung Sen Catchment (240,585 hectares within Kulen Promtep Wildlife Sanctuary).
- Vu Quang (56,000 hectares).

In addition, protected areas totaling 34,044 hectares have been established with support from CEPF grants. These include several conventional, government-managed protected areas: Anlung Pring Management and Conservation Area (1,108 hectares) and Mekong Irrawaddy Dolphin Protection and Management Area (615 hectares) in Cambodia; Phou Si Thon Endangered Species Conservation Area in Lao PDR (14,136 hectares); and Saola (Quang Nam) Nature Reserve in Vietnam (15,822 hectares). They also include a larger number of community-managed protected areas, which are usually smaller in extent: community forest along the Central Section of the Mekong River (1,773 hectares); Anlong Kambor (170 hectares), Preah Sakhon (150 hectares) and Anlong Kol 46 (140 hectares) Fish Sanctuaries in Cambodia; 24 fish conservation zones in the

Sekong Basin of Lao PDR (totaling 97 hectares); and nine fish conservation zones along the upper Mekong River between Lao PDR and Thailand (totaling 33 hectares).

Strategic Direction 3

CEPF investment under this strategic direction is aimed at engaging key actors in reconciling biodiversity conservation and development objectives, with a particular emphasis on the two priority corridors. To this end, CEPF is supporting civil society efforts to analyze development policies, plans and programs, evaluate their impact on biodiversity and ecosystem services, and propose alternative development scenarios and appropriate mitigating measures (Investment Priority 3.1). CEPF is also supporting initiatives that leverage support for biodiversity conservation from development projects and programs (Investment Priority 3.2). Finally, CEPF is funding targeted outreach and awareness raising for decision-makers, journalists and lawyers (Investment Priority 3.3).

Under Investment Priority 3.1, CEPF grantees have so far analyzed three development plans (all in the hydropower sector), evaluated their impacts on biodiversity and ecosystem services, and proposed alternative development scenarios. First, a set of guidance materials on mainstreaming biodiversity issues into implementation of the national hydropower development plan for Vietnam has been produced and disseminated. Second, the impacts of hydropower development plans for the Sekong, Sesan and Srepok Rivers in Cambodia have been analyzed, and the findings disseminated among affected communities and the relevant authorities. Third, the impacts of hydropower development plans for the mainstream of the Mekong River have been analyzed, the results widely disseminated, and alternative development scenarios promoted with decision makers in government and private sector.

Under Investment Priority 3.2, there have been no specific results with regard to leveraging support for biodiversity conservation from development projects and programs. Few CEPF grantees are explicitly targeting this investment priority, perhaps due to limited opportunities in the geographies they are working. More broadly, however, there have been some preliminary results with regard to mainstreaming biodiversity objectives into production landscapes. Grantees report a total of 36,129 hectares in production landscapes with improved management for biodiversity conservation:

- 11,500 hectares of unprotected forest within Che Tao, Khau Ca and Tung Vai KBA covered by community protection teams.
- 15,000 hectares of flooded forest in three communes around Tonle Sap Lake covered by conservation agreements.
- 6,147 hectares in five community forests for which conservation of Bengal Florican and other threatened bird species has been integrated into their management plans.
- 150 hectares of Prey Long forest with improved management practices for mitigating human-elephant conflict.
- 2,949 hectares of unprotected land in the Mekong Central Section formally granted to local communities, thereby imparting protection against agro-industry plantations.
- 283 hectares of forest along the Srepok River under conservation management by local communities.
- 100 hectares of agricultural land around Kampong Trach KBA.

Finally, under Investment Priority 3.3, targeted outreach, training or awareness raising has been provided to at least 658 decision makers, journalists and lawyers, with a particular focus on two major conservation issues facing the hotspot: the illegal wildlife trade; and hydropower development on the mainstream of the Mekong River. In Vietnam, training workshops and field

investigation missions have been organized for at least 341 journalists, looking at a range of development issues, including mining in the Northern Highlands Limestone corridor and hydropower development in the Mekong and Major Tributaries corridor. Also in Vietnam, a workshop on the drivers and implications of Mekong mainstream dam development was held for 50 participants in southern Vietnam, a training course on potential impacts of and responses to development strategies in the Mekong river system was organized for 54 participants in the Mekong Delta, and nine government officials from Tuyen Quang and Bac Kan provinces were trained in use of GIS as a tool to incorporate biodiversity into development. In Thailand, a study tour was organized for 14 journalists to a stretch of the Mekong River threatened by dam development. Also, a public forum on development of the Mekong River was held in Bangkok, and attended by over 190 representatives from civil society, academia, media and government.

Collaboration with CEPF Donors

In Cambodia, Lao PDR and Vietnam (where the bulk of CEPF grant making has taken place), the RIT has constituted National Advisory Groups (NAGs), comprising representatives of government, donor agencies, NGOs and academia. The NAGs oversee the development of the CEPF portfolio in each country and provide strategic guidance to the RIT. Regional staff from AFD, CI, JICA and the World Bank have been invited to sit on the NAGs, while the GEF is represented in the form of the National Operational Focal Point and the GEF Small Grants Program Coordinator in each country. NAG meetings provide an opportunity for coordination with CEPF donors. Already, a number of opportunities for collaboration have arisen out of these meetings.

The mid-term assessment and the process to update the ecosystem profile both provided additional opportunities to engage regional staff of CEPF donors, inform them of progress with the CEPF portfolio, and identify potential synergies. Representatives of all six of CEPF's donors participated in one or both of these exercises. One specific opportunity that arose was to align future CEPF investments in the Indo-Burma Hotspot with investments by the MacArthur Foundation's Conservation and Sustainable Development Program in the Lower Mekong Basin.

The large grant to the IUCN Species Program for freshwater Red List assessments neatly complements a similar project by IUCN that was funded by the MacArthur Foundation in the Eastern Himalayas. Further, three large grants to WCS complement existing GEF funding. In Cambodia, WCS is making use of additional funding from CEPF to enhance participation and capacity of civil society organizations in increasing financial sustainability of outputs under a GEF full-sized project managed by UNDP. In Lao PDR, WCS is making use of additional funding from CEPF to include tiger (*Panthera tigris*) conservation activities into a GEF medium-sized project managed by the World Bank on sustainable financing for protected areas. Finally, in Vietnam, WCS is using CEPF funding to expand the scope of a regional GEF project managed by the World Bank addressing trade in tiger and its prey species.

Conclusion

Thanks to a clear, relevant investment strategy with wide ownership among civil society, effective stewardship of the strategy by the RIT, high quality applications from international and local civil society groups, and generous inputs of time from NAG and Technical Review Group members, a balanced, well integrated and high impact portfolio of CEPF grants has been developed in the Indo-Burma Hotspot, which is beginning to realize the vision set out in the ecosystem profile.

Throughout, the RIT has performed effectively and maintained close coordination with the CEPF Secretariat. This has allowed efficient grant making, ensured compliance with CEPF's financial

and social safeguard policies, and provided a good practice model for CEPF implementation in other investment regions.

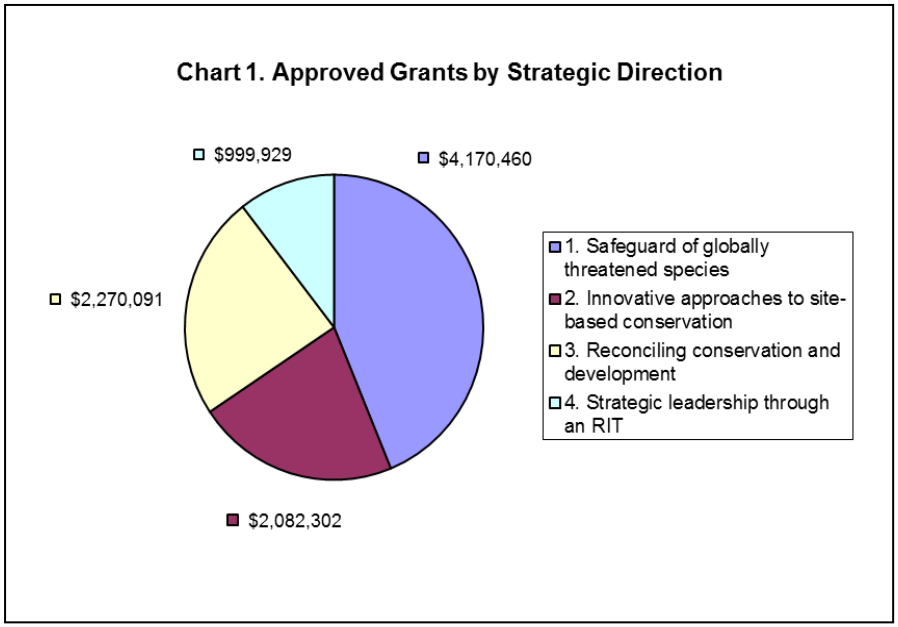
Implementation of the individual grants in the portfolio is at various stages, with around half of awarded grants (mostly small grants) having already closed. CEPF grants are beginning to deliver results in relation to almost all parts of the investment strategy, especially regarding species and site conservation (Strategic Directions 1 and 2). Tangible results with regard to mainstreaming biodiversity into development planning (Strategic Direction 3) are taking longer to emerge, because of the challenges in influencing top-down, non-participatory development processes. There are some encouraging signs that the collective efforts of civil society groups (inside and outside the CEPF portfolio) are beginning to influence policy and practice with regard to the strongest development pressures on biodiversity (currently hydropower dam development in the Mekong catchment, mining and agro-industrial land concessions). However, it is very difficult to attribute any given observed change to a specific grant. Besides, despite the influence that has been observed, the overall picture remains very challenging, from the perspective of civil society groups working for environmental sustainability and social justice.

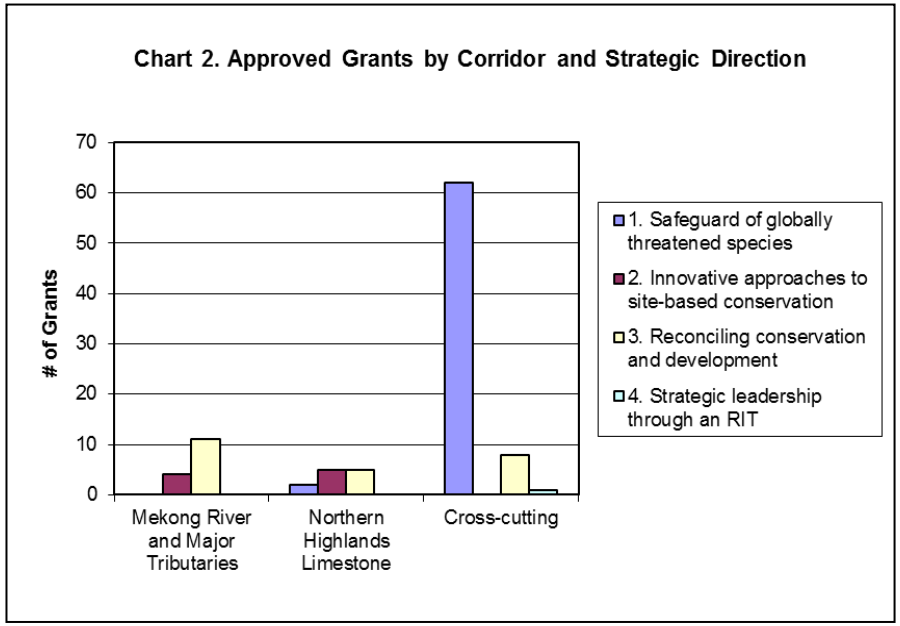
CEPF and the RIT have been monitoring changes in the organizational capacity of individual grantees. Although the available data are limited to a small number of organizations for which CEPF support has ended, the initial indications are that CEPF grantees are generally seeing their capacity increase, sometimes significantly. In addition, the RIT has been successful in facilitating information exchange among grantees and more formal alliances. A number of grantees have formed active links to address common objectives; in some cases, these alliances have been forged through targeted planning grants.

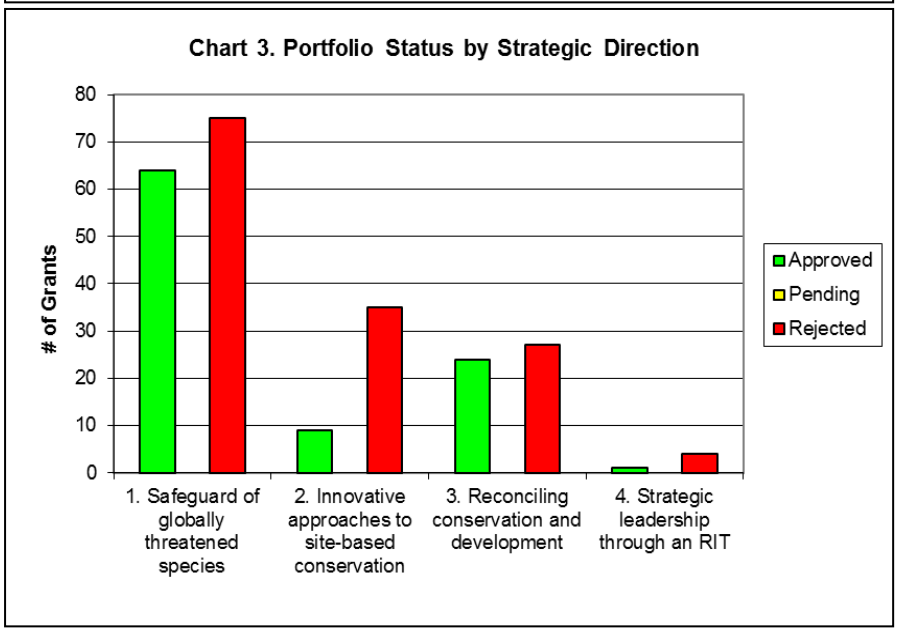
From the mid-term assessment and ecosystem profile updating exercises, it is apparent that a broad consensus exists among civil society groups active in the hotspot about the main conservation challenges facing it, the barriers to the emergence of a strong and effective local conservation movement, and opportunities for building on investments by CEPF and other donors to date. It is to be hoped that, by bringing together a wider partnership of donors around a shared investment strategy, the updated ecosystem profile will provide a platform for enhanced collaboration for conservation in the region, spanning institutional, sectoral and geographic barriers.

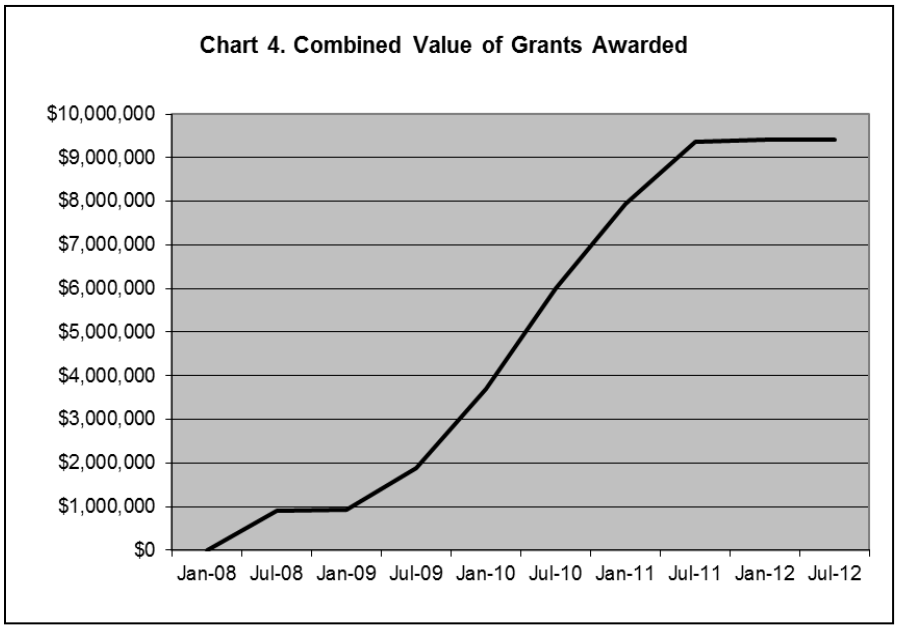
The current grant portfolio forms a solid foundation on which to build the next phase of CEPF investment in the Indo-Burma Hotspot, not only in terms of results on the ground and strengthened engagement of civil society in the conservation of globally important biodiversity but also as a rich source of lessons learned on which conservation approaches work well, where and why. During the period running up to and including the final assessment workshop in March 2013, the CEPF Secretariat and RIT will facilitate a process of reflection and experience exchange by grantees, to ensure that effective conservation approaches trialed in the first phase are consolidated and amplified going forwards.

Charts – CEPF Investment in the Indo-Burma Hotspot as of October 1, 2012









Annex 1 – Update of the Logical Framework for CEPF Investment in Indo-Burma

Objective	Targets	Progress
Engage civil society in the conservation of globally threatened biodiversity through targeted investments with maximum impact on the highest conservation priorities	NGOs and civil society actors actively participate in conservation programs guided by the ecosystem profile.	48 civil society organizations (20 local, 28 international) are directly involved in the implementation of CEPF projects, as grantees. A further eight groups (seven local, one international) are engaged as sub-grantees under large grants.
	Alliances and networks among civil society groups formed to avoid duplication of effort and maximize impact in support of the CEPF ecosystem profile.	Four alliances have been forged among grantees for the implementation of specific projects: • Regional turtle conservation. • Conservation of the Mekong Central Section. • Conservation of Stung Treng Ramsar Site. • Sarus crane conservation in the Mekong Delta. In addition, two networks have been formed among technical experts for specific Red Listing exercises: • Assessment of selected freshwater taxa. • Assessment of selected plants. Moreover, four pre-existing alliances have been strengthened: • Saola Working Group of the IUCN/SSC Bovid Specialist Group. • Save the Mekong Coalition. • Volunteer network to monitor illegal wildlife trade in Vietnam. • Network of Vietnamese journalists concerned about wildlife trade and other environmental issues.
	28 key biodiversity areas have new or strengthened protection and management.	Six of the 28 priority sites for CEPF investment have demonstrated improvements in their protection and management: Ba Be; Ban Thi-Xuan Lac; Khau Ca; Mekong from Kratie to Lao PDR; Trung Khanh; and Tung Vai. A further 10 priority sites are expected to demonstrate improvements by the end of the investment phase.
	Development plans or policies influenced to accommodate biodiversity.	24 grants have been awarded focused on mainstreaming biodiversity into development; none have yet reported influencing specific development plans or policies to accommodate biodiversity.

	Improved management for biodiversity conservation or sustainable use within production landscapes in 2 conservation corridors covering 41,547 km^2 or approximately 3 percent of the region.	Within the Northern Highlands Limestone Corridor, 5,000 hectares of unprotected forest within Tung Vai KBA and 2,000 ha within Khau Ca KBA are covered by community protection teams, leading to improved management for biodiversity conservation. Within the Mekong River and Major Tributaries Corridor, O Kok and Punta Chea villages have had their formal land title recognized for 2,949 hectares within Mekong from Kratie to Lao PDR KBA, thereby imparting protection against agro-industry plantations, elsewhere 270 hectares of unprotected forest land and 13 hectares of wetlands within Sesan River and Srepok River KBAs have benefited from strengthen conservation through the actions of local communities.
Intermediate Outcomes	**Intermediate Indicators**	**Progress**
Outcome 1: Globally threatened species in Indochina safeguarded by mitigating major threats $3,950,000	Core populations of priority species identified and secured from overexploitation and illegal trade by implementing targeted, high impact projects.	28 core populations of 20 species, equivalent to 24 percent of the priority species for CEPF investment, have been secured from overexploitation and illegal trade: • Core population of Asian giant softshell turtle in the Mekong Central Section secured through initiation of nest protection and head-starting activities. • Core population of East Asian giant softshell turtle at Dong Mo Lake secured through community outreach activities. • Core population of yellow-headed temple turtle at Tatai Krom secured through community patrolling. • Core populations of Asiatic softshell turtle and impressed tortoise in the Cardamom Mountains secured through community patrolling and snare removal. • Core populations of giant ibis, white-shouldered ibis, lesser adjutant, greater adjutant, sarus crane and white-rumped vulture in the Northern Plains are recovering following initiation of nest protection and (in the case of the vulture) supplementary feeding. • Two core populations of sarus crane, at Boeung Prek Lapouv and Kampong Trach, secured through community outreach and enforcement patrolling. • Core populations of white-shouldered ibis and lesser adjutant in the Mekong Central Section secured through initiation of nest protection. • Core population of white-eared night-heron in Ba Be-Na Hang

		forest complex secured through initiation of nest protection. • Core population of red-shanked douc at Son Tra Nature Reserve secured through establishment of protection team and outreach to tourism operators. • Core populations of black crested gibbon, cao vit crested gibbon, Tonkin snub-nosed monkey and François's leaf monkey at Che Tao, Khau Ca, Lam Binh (Sinh Long), Trung Khanh and Tung Vai KBAs secured through patrolling by protection teams and development of species conservation action plans. • Core population of white-headed leaf monkey at Cat Ba National Park secured through intensified patrolling and capacity strengthening for enforcement staff. • Core population of Eld's deer at Eld's Deer Sanctuary secured through establishment of protection teams and integration of protected area into local spatial plans. • Core populations of saola at Saola (Quang Nam) and Saola (Thua Thien Hue) Nature Reserves, Bach Ma National Park extension and Phou Sithone Endangered Species Conservation Area secured through initiation of anti-poaching measures and protected area establishment. • Core population of Irrawaddy dolphin secured through designation of Mekong Irrawaddy Dolphin Protection and Management Area.
	Public awareness campaigns that reinforce existing wildlife trade policies implemented and contributing to the reduction of consumer demand for priority species and their products.	Technical trainings and workshops have been held to build awareness and capacity of local authorities to reduce the illegal cross-border trade of wildlife from Lao PDR to Vietnam and from Vietnam to China. Also, news stories have been published on diverse environmental and conservation issues in the Northern Highland Limestone Corridor through an on-line portal, contributing to the reduction of consumer demand for priority species and their products. Furthermore, a network of volunteers has been built to monitor establishments known to have illegally traded wildlife, thereby strengthening public participation in tackling illegal wildlife Trade in Vietnam; the number of volunteers currently stands at 3,211, covering 32 cities and provinces nationwide.

	The status and distribution of globally threatened plant species investigated and results applied to planning, management, awareness raising and/or outreach	Red List assessments of 511 terrestrial plant species have been completed, and over half have already been published on the Red List website.
	The global threat status of selected freshwater taxa assessed and the results integrated into planning for the conservation of wetland biodiversity and development plans in the priority corridors.	Red List assessments have been completed for four freshwater groups, comprising 1,178 species of fish, 430 species of mollusk, 473 species of odonate and 252 species of aquatic plants.
	Research on priority species conducted where there is a need for greatly improved information on their status and distribution.	Research is underway or completed for nine of the 12 priority species for which there is a need for greatly improved information; new information has been generated on five of them: otter civet; spoon-billed sandpiper; white-eared night-heron; Vietnamese pond turtle; and East Asian giant softshell.
	Local-language reference materials on globally threatened species published.	Four sets of local-language materials have been published: • 2,820 copies of a poster and postcards on Tonkin snub-nosed monkey and François's leaf monkey for communities in the Northern Highlands Limestone Landscape. • 1,600 'toolboxes' on human-elephant conflict for communities in Mondulkiri province, Cambodia. • 100 posters on the aquatic biodiversity of the Nang River. • 1,500 leaflets on methods and results of participatory research into aquatic species.
Outcome 2: Innovative, locally led approaches to site-based conservation developed at 28 key biodiversity areas $2,150,000	Innovative local stakeholder-based conservation management and caretaking initiatives established.	Initiatives have been established at 12 out of 28 priority sites: • Community co-management of fisheries established at sites in Mekong from Kratie to Lao PDR, Upper Lao Mekong and Upper Xe Khaman KBAs. • Nest protection schemes for threatened bird and turtle species introduced to Ba Be, Ban Thi-Xuan Lac, Mekong from Kratie to Lao PDR and Sekong River KBAs. • Community patrolling in place to protect key biodiversity values of Khau Ca, Lam Binh (Sinh Long), Tung Vai and Trung Khanh KBAs. • Community co-managed fishery established in Na Hang Reservoir, between Ban Bung and Tat Ke KBAs.

	Regional standards and programs that address overexploitation of biodiversity are developed and piloted at selected sites.	One project is underway to pilot the FairWild standard for sustainable and equitable harvest of wild medicinal and aromatic plants at Ban Thi-Xuan Lac KBA.
	Percent of projects that enable effective stewardship of biodiversity and ecosystem services by Indigenous and local communities in focal areas.	37 percent (36 out of 98) of grants awarded are enabling effective stewardship of biodiversity and ecosystem services by local and Indigenous communities, comprising 22 large grants and 15 small grants.
	Percent of targeted communities involved in sustainable use projects that show socioeconomic benefits.	105 communities (57 in Cambodia, 31 in Lao PDR and 17 in Vietnam) have received tangible socioeconomic benefits from CEPF grants.
	Percent of targeted protected areas with strengthened protection and management.	39 percent (7 out of 18) of the protected areas targeted by CEPF grantees have so far demonstrated strengthened protection and management, as evidenced by increased SP1 METT scores over the course of the grants; one of the targeted protected areas (Cat Ba National Park) has shown a decrease in management capacity, according to SP1 METT scores.
	Percent of projects outside protected areas that integrate biodiversity conservation in management practices.	39 percent (7 out of 18) of projects working to integrate biodiversity conservation into management practices outside protected areas report tangible results in this area
Outcome 3: Key actors in reconciling biodiversity conservation and development objectives engaged, with a particular emphasis on the Northern Highlands Limestone and Mekong River and its major tributaries $2,500,000	Civil society efforts to analyze development policies, plans, and programs, evaluate their impact on biodiversity and ecosystem services and propose alternative development scenarios and appropriate mitigating measures implemented.	CEPF grantees have so far analyzed three development plans, evaluated their impacts on biodiversity and ecosystem services, and proposed alternative development scenarios: • A set of guidance materials on mainstreaming biodiversity issues into implementation of the national hydropower development plan for Vietnam has been produced and disseminated. • The impacts of hydropower development plans for the Sekong, Sesan and Srepok Rivers in Cambodia have been analyzed, and the findings disseminated among affected communities and the relevant authorities. • The impacts of hydropower development plans for the mainstream of the Mekong River have been analyzed, the results widely disseminated, and alternative development scenarios promoted with decision makers in government and private sector.

	Initiatives that leverage support for biodiversity conservation from development projects and programs. Targeted outreach and awareness raising for decision makers, journalists and lawyers conducted.	No reported progress yet. At least 658 persons have received targeted outreach, training or awareness raising: • Training workshops and field investigation missions have been organized for at least 341 journalists in Vietnam. • Nine government officials from Vietnam's Tuyen Quang and Bac Kan provinces have been trained in use of GIS as a tool to incorporate biodiversity into development planning. • A training course on potential impacts of and responses to development strategies in the Mekong river system has been organized for 54 participants from research institutions, universities and civil society organizations in the Mekong Delta. • A workshop on the drivers and implications of Mekong mainstream dam development has been held for 50 journalists, researchers and business representatives from southern Vietnam, • A trip for 14 Thai journalists was organized to a stretch of the Mekong River threatened by dam development, and a public forum on development of the Mekong River was held in Bangkok, attended by over 190 representatives from civil society, academia, media and government.
Outcome 4: A regional implementation team provides strategic leadership and effectively coordinates CEPF investment in the Indochina Region of the Indo-Burma Hotspot. $900,000	Percent of civil society groups receiving grants that demonstrate more effective capacity to plan and manage conservation projects. RIT performance in fulfilling the approved terms of reference. At least two learning exchanges and/or participatory assessments hosted and documented.	80 percent (four out of five) of local civil society groups receiving grants have demonstrated strengthened capacity at the end of the period of support, as evidenced by Civil Society Organizational Capacity Tracking Tool scores. The RIT grant has 43 deliverables, spread across nine components. As of October 1, 2012, progress towards 42 of these deliverables was either on target or ahead of target, or the deliverable was no longer relevant. A participatory assessment of progress towards the goals set out in the Ecosystem Profile for the hotspot was held in July 2010, with stakeholder consultation workshops in Hanoi, Phnom Penh and Vientiane. These assessment workshops provided an opportunity to strengthen cross-linkages among grantees, identify synergies with other donor investments, and evaluate gaps in the portfolio.

		An update of the ecosystem profile was undertaken between May 2011 and January 2012, with national stakeholder consultation workshops in Bangkok, Hanoi, Kunming, Phnom Penh, Shenzhen, Vientiane and Yangon, provincial workshops in Ban Lung, Kratie and Siem Reap, and a regional workshop in Phnom Penh. These workshops provided an opportunity to take stock of changes to the state of biodiversity in the hotspot, threats affecting it and the context for conservation and civil society engagement in it, since 2003. A total of 470 stakeholders were engaged in the process. The updated ecosystem profile was approved by the CEPF Donor Council in October 2012, as a basis for a second phase of investment in the Indo-Burma Hotspot.
Strategic Funding Summary	**Amount**	
Total Budget Amount	**$9,500,000**	