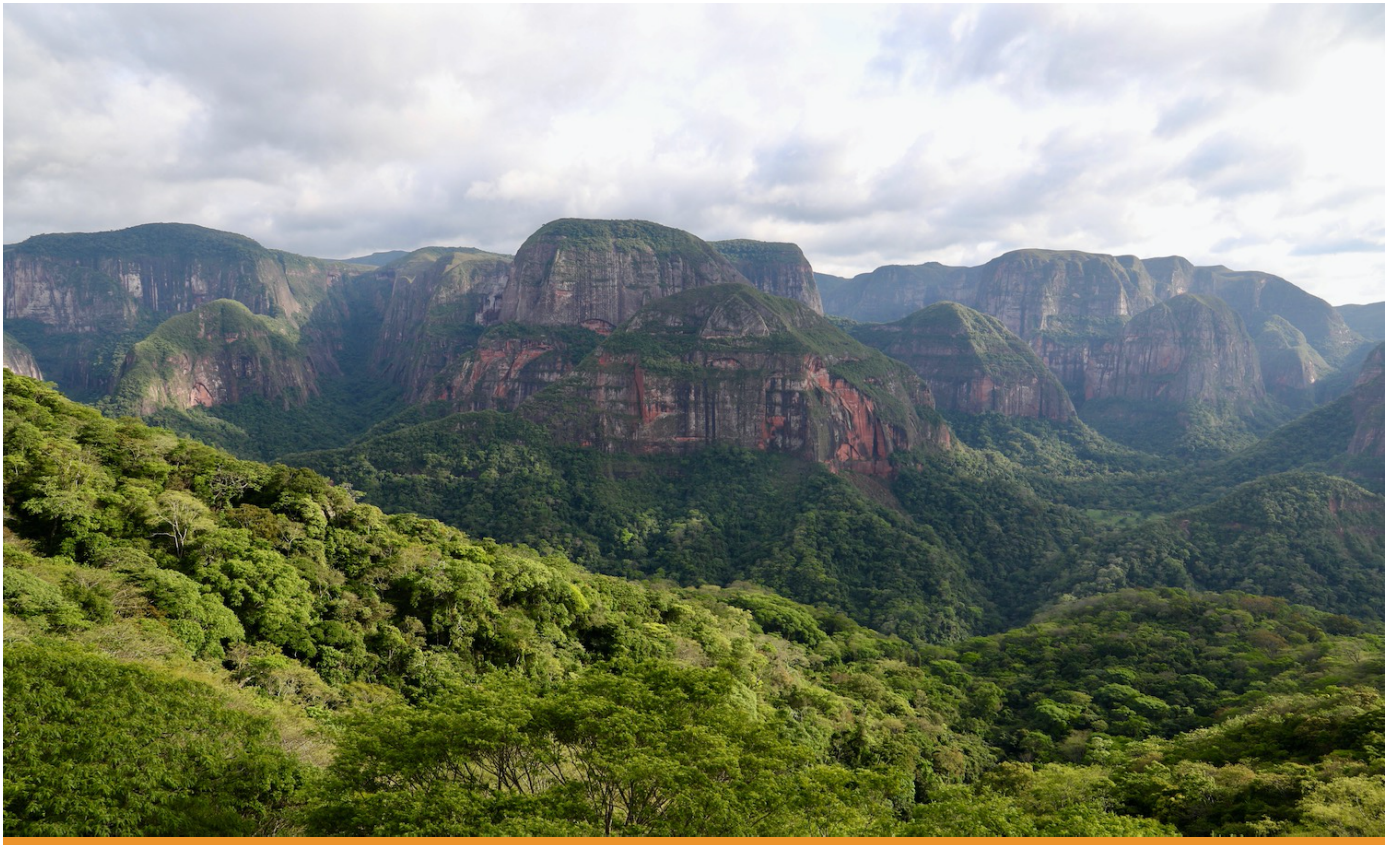
LONG-TERM VISION FOR THE TROPICAL ANDES BIODIVERSITY HOTSPOT



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Long-Term Vision for Graduation of the Tropical Andes Biodiversity Hotspot

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1. EXECUTIVE SUMMARY

The Tropical Andes is one of the most biodiverse regions on the planet with, at the latest count, 474 Key Biodiversity Areas and 1,451 Red-Listed species. In recognition of its global importance and the scale of the threats being faced - as well as the opportunities presented by a long tradition of civil society engagement with social and environmental issues - the Critical Ecosystem Partnership Fund (CEPF) has been investing in the Tropical Andes Biodiversity Hotspot since 2001. CEPF is preparing its third phase of financial and technical support, 2021-2026, through the participatory updating of its five-year Investment Strategy, the Ecosystem Profile. However, CEPF does not intend to be a permanent presence in each hotspot but to define and work towards an end point at which civil society transitions from its support with sufficient capacity, access to resources and credibility that it is able to respond effectively to future conservation challenges. It is for this reason that CEPF's Global Strategic Framework calls for it to have a "transformational" impact and to develop Long-Term Visions that set out clear transition targets for civil society and the hotspot which the five-yearly investment phases can work towards.

A set of five graduation conditions, each with five graduation criteria were developed by CEPF as a framework for developing the Long-term Vision (LTV). These were developed on the basis of a series of assumptions about the kind of transformation that needs to happen for civil society to be able to transition away from the technical and financial support of CEPF. This is a significant process of transition in the Tropical Andes given that CEPF is currently the largest donor funding CSOs for biodiversity conservation in the Key Biodiversity Areas in the Hotspot. Talking Transformation Ltd. was contracted by CEPF to prepare the LTV for the Tropical Andes Hotspot. The process, conducted between September 2020 and March 2021, included review and synthesis of secondary information as well as regional and national dialogue workshops and individual interviews involving just over 100 key stakeholders. whilst using the CEPF framework to guide the stakeholder consultations in the region for the development of the LTV, the visioning process has also facilitated a review of those original assumptions that were drawn up back in 2013 and a modification of some of the graduation criteria so that they are relevant to the Andean context. It is important to note that this is also the first time for CEPF that an LTV is developed at the same time as the five-year Ecosystem Profile. Although challenging because of the overlapping nature of the two processes being undertaken by two separate consultancies at the same time and with many of the same stakeholders, this has also provided the opportunity for longer-term strategic thinking to orient the priorities and direction of travel of the shorter-term planning process. Equally, the more participatory nature of the Ecosystem Profile process and its in-depth analysis of data and results of investment over the period 2015-2019 has helped enrich and contextualise the LTV analysis.

In order to understand what is meant by the overall goal where civil society has sufficient capacity and credibility to respond to emerging and future threats to conservation, the LTV for the Tropical Andes Biodiversity Hotspot has developed both a theory of change for biodiversity conservation and a theory of change for graduation which clarifies those aspects of conservation over which civil society can have an influence. The LTV covers all five graduation conditions and the accompanying 25 criteria, and for each of these it details a series of strategic lines of action. The full array of actions is enormous in scope, which is not surprising, given the importance of the area and the scale of the threats it faces. The LTV, therefore, then defines the most strategic way for CEPF to scale up the conservation impact and progress towards graduation. Of the 25 criteria, there are 13 criteria which are prioritised as essential and on which the corresponding targets must be met. It then phases the lines of action according to their strategic importance and their contribution to the TOC.

As the CEPF Global Strategic Framework 2014-2023 states, "iterative improvements would not, by themselves, enable CEPF to have a truly transformational impact on the most biologically important yet critically threatened regions of the world". This implies striking a balance between developing the capacity to bring about transformational change and tackling the numerous, urgent threats to biodiversity. With this in mind, the pathway to graduation is visualized in two stages.

The first stage, 2021-2030, concentrates on enabling national and community CSOs to build their capacities, individually and, especially, collectively through a broad range of alliances and regional networks, and to address the severe financial problems, which have debilitated the sector just when society needs them most. CEPF should help them to access and use effectively funding from new financial flows, many of them related to CC or the shift towards green development, and to develop new relationships with the business and finance sectors. Communications are also essential in this first stage, to increase public support and hence create the space and credibility needed for national and international CSOs to influence governments and industry. Reliable, timely information is also important for credibility, and critical gaps in information should be filled in this stage, with the emphasis on monitoring areas at risk, to enable preventive action or timely response. In parallel with these strategic actions, work must continue to address immediate, critical threats to biodiversity, but doing so, wherever possible, in ways that contribute to the bigger transformational ambition. Thus, collaborating to influence the environmental performance of key industries combines urgent need with strategic value. Meanwhile, with the adjustment of the traditional CEPF approach to grant-making, the portfolio of field conservation projects can include co-created, landscape-scale, multi-actor projects involving biodiversity and ecosystem-friendly (BES-friendly) productive activities by communities and businesses. The rebalancing of the role of the Regional Implementation Team is also necessary, both to implement the first stage of the program and to progress towards graduation in terms of national and regional coordination.

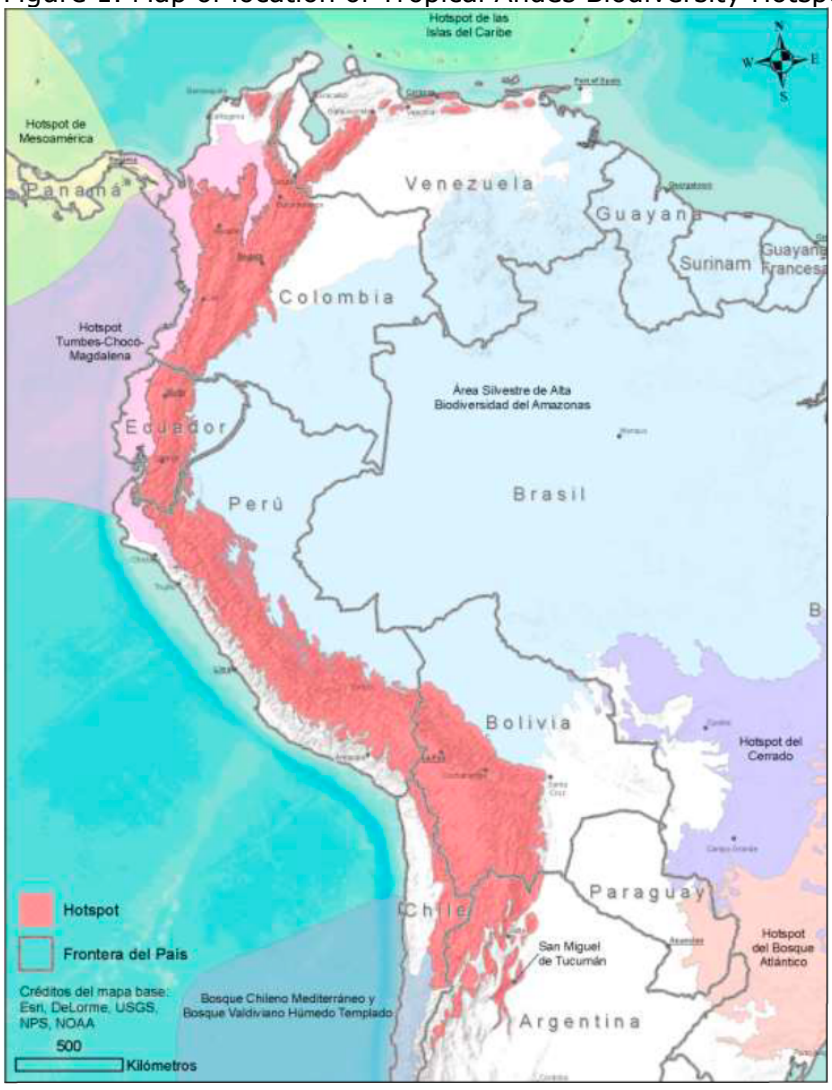
In the second stage of the pathway to graduation, 2031-2040, CEPF should use the increased capacities, funding, resilience, relationships and public support to scale up work on the broader challenges of government policies and their implementation, strengthening governance, reducing big industrial footprints, improving timely action on climate impacts and other emerging threats, and ensuring that CSOs themselves have the credibility, broad-based support and organizational resilience to endure and adapt to the ever-changing context for conservation. The second stage is also the time to consolidate and make sustainable the array of mechanisms for regional coordination and facilitation, evolving from the role of the Regional Implementation Team. This is an ambitious programme. Fortunately, there are positive feedback loops in the TOC, so that if the first stage of the path to graduation is successful and if international financial flows (public and private sector) for BES do materialize, then the capacities and resources should be in place to scale up the CSO program of work, supported by CEPF and partners. Ultimately, the ability to adapt, and to retain the biodiversity and ecosystem services on which resilience depends, is essential for the hotspot - and resilience and adaptability are the watchwords for the conservation CSOs too.

2. BACKGROUND CONTEXT

2.1 Background about the Tropical Andes Hotspot

The biodiversity hotspot of the Tropical Andes covers large extensions of the countries of Ecuador, Colombia, Bolivia and Peru and, to a lesser extent, Venezuela, Chile and Argentina, totaling an area of 1.58 million km^2. It is adjacent to the biodiverse and threatened Amazon region. The variety of micro-climates, intricate geography and complex geology has allowed the evolution of multiple habitats and extraordinary biological diversity, more than any other hotspot, in fact. It is estimated that the vascular plant species in the Andes represent 15% of all species known globally, and that 25%-50% of all vascular plants in the Tropical Andes Hotspot are endemic to the region. However, this array of mountains, valleys and plateaus also has one of the highest numbers of threatened species in the world. Coupled with this rich biodiversity are extensive ecosystem services contributing to local and national economies of the four countries, and providing global benefits beyond, for example through international rivers, migratory flyways for birds and carbon sinks. Water from the Andes is the major domestic, agricultural and industrial water source for not only the highlands but also extensive parts of the adjacent lowlands and the arid coastal plains of northern Peru beyond the extent of the hotspot.

Figure 1. Map of location of Tropical Andes Biodiversity Hotspot



CEPF began its program in the Tropical Andes Hotspot in 2001 and is currently preparing its third phase of financial and technical support, through the participatory development of an updated investment strategy, the Ecosystem Profile 2021-2026. CEPF has a regional implementation team (RIT) which works on the ground directly with CEPF's grantees, providing strategic leadership and capacity building to implement the strategy. Their local expertise is critical to the success of the programme. For the period 2015-2020 the RIT comprises a consortium of three organizations: Fondo Patrimonio Natural of Colombia, Profonanpe of Perú and the Fundación Futuro Latinoamericano (FFLA) of Ecuador. CEPF investment during this period totals US$9.5 million, covering the four countries of Colombia, Ecuador, Peru and Bolivia. Prior to reinvestment, an evaluation is being undertaken of the performance of the current RIT.

2.2 Distinctive features of the Tropical Andes Hotspot relevant to the Long-Term Vision

In comparison with other Hotspots with CEPF Long-Term Visions, the Tropical Andes Hotspot has several distinctive features that favor and facilitate a coherent hotspot-wide strategy.

The Tropical Andes are the largest tropical mountain range worldwide with extremely high levels of tropical alpine biodiversity as a result of it both being a continuous topographical unit and having areas of high-altitude habitat fragmentation. It is home to multiple ecologically connected landscapes, such as Vilcabamba-Amboró, Cóndor-Cutukú and Chocó-Manabí.

The inhabitants of the Andean countries are heirs to a common past and share a common official language and cultural similarities. At the same time, each country contains rich linguistic and cultural diversity. Bolivia, Ecuador and Peru have the highest concentrations of indigenous peoples in the American continent, particularly in rural areas: 77% of the Bolivian rural population is indigenous, and 14 % of Ecuador's rural population. Meanwhile, Colombia has the second highest number of people of African descent after Brazil. The post-colonial period led to a process of mixing of the races (mestizaje) which also characterises the contemporary Andean population. The demographic patterns are similar as these countries have doubled their population over the last 50 years. Rapid urbanisation has affected the distribution of the population with more than two thirds of the Andean population concentrated in cities.

There are also similarities in socio-economic terms whereby all countries have reduced overall levels of poverty and significantly improved their Human Development Index over the past 30 years. All four countries have achieved middle-income status with Bolivia being the only one not to have reached upper middle-income status by 2020. Economic development has been driven in all countries by the export of raw material, in particular oil, gas, gold, copper and coffee. The EU has a trade agreement with Colombia, Peru and Ecuador.[1] Nevertheless, the Andean region continues to have one of the highest levels of inequality in the world both in terms of income and access to basic services, with an increasing proportion of women among the poor. This has been exacerbated by the social and economic impacts of COVID-19.

Unlike other Hotspots that have a Long-Term Vision, the Andean countries have a strong tradition of organised civil society and indigenous groups being involved in environmental conservation and livelihood development. Their constitutions recognize the role of civil society organizations in political life. Nevertheless, women have traditionally had less

[1] https://ec.europa.eu/trade/policy/countries-and-regions/regions/andean-community/index_en.htm

opportunities than men to act as official representatives of local organisations, given that these positions often depend on being the legally entitled land or asset holder.

The countries in the hotspot share similar conservation challenges such as mining, deforestation and the advance of the agricultural frontier. Changes are happening quickly and they have all seen an increase in the threat levels of conservation challenges since the Ecosystem Profile of 2015, particularly with regards to the impacts of climate change (CC), urbanisation and the illegal wildlife trade.

2.3 Key Updates since the 2015 Ecosystem Profile

The 2015 Ecosystem Profile (EP) provides a wide-ranging assessment of the context for the Hotspot and the current drafting of the EP 2021-2026 has helped update the analysis. Most of the early assessment is still valid, but it is worth highlighting seven areas where there has been significant change:

i) The global Coronavirus pandemic has caused both a public health and an economic crisis. In 2020 the Latin American and Caribbean region's trade notched up its worst performance since the global financial crisis of 2009[2] – and was one of the hardest hit regions at international level – mainly due to the abrupt drop in global demand. The Andean Community saw the largest average drop in export value (-23%), owing to the high proportion of energy and mining products in its export basket (63% on average in 2018–2019). Between January and May 2020, the value of regional exports of minerals and hydrocarbons and of manufactured goods plummeted by 25.8% and 18.5% respectively, compared to the same period in 2019. Only the prices of gold and iron ore increased in the first half of the year. The gold price rose mainly because of its status as a store of value. Trade in services also went down, particularly with the collapse of tourism, whereas there was a slight increase in the trade in goods due to the rise in agricultural products and food commodities. Overall, exports went down by 32% to the USA, 4% to China and 28% to the rest of South America. Given the structure of exports to these markets — mainly manufactured goods to the United States and the region, and commodities to China— the net effect will lead to a loss of industrial capacity and accentuate a return to the dependence of the regional export basket on the primary sector i.e., the production and exportation of raw natural materials without the added value of materials being processed or industrialised in-country. The medium-term financial projections are worrying and present a huge challenge for governments to address not only the pre-existing inequalities that characterize the Andean countries but also to put in place ambitious and sustainable recovery programmes. This is further exacerbated due to the lack of fiscal space within national budgets and reduced access to external finance as a result of weakening credit status.

ii) The latest Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Service (IPBES) report on pandemics concludes that the underlying causes of pandemics are the same global environmental changes that drive biodiversity loss and CC. These include land-use change, agricultural expansion and intensification, and wildlife trade and consumption. An estimated 1.7 million currently undiscovered viruses are thought to exist in mammal and avian hosts. Of these, 631,000-827,000 could have the ability to infect humans.[3] Thus, there is a strong likelihood of further

[2] ECLAC (Economic Commission for Latin America and the Caribbean) (2020), "The effects of COVID-19 on international trade and logistics", *COVID-19 Special Report*, No. 6, Santiago, July.

[3] IPBES (2020) Workshop Report on Biodiversity and Pandemics of the Intergovernmental Platform on Biodiversity and Ecosystem Services. Daszak, P., Amuasi, J., das Neves, C. G., Hayman, D., Kuiken, T., Roche, B., Zambrana-Torrelio, C., Buss, P., Dundarova, H., Feferholtz, Y., Földvári, G., Igbinosa, E., Junglen, S., Liu, Q., Suzan, G., Uhart, M., Wannous, C., Woolaston, K., Mosig Reidl, P., O'Brien, K., Pascual, U., Stoett, P., Li, H., Ngo, H. T., IPBES secretariat, Bonn, Germany, DOI:10.5281/zenodo.4147317.

pandemics and huge cost to economies and wellbeing unless transformative change in consumption and production occurs. Increased awareness in some sectors of society of our interdependence with nature has led to much talk of a green economic recovery. However, the reality is that the great majority of stimulus packages are expected to have a negative effect on CC and Biodiversity and Ecosystem Services (BES).[4] Specific lessons from the Covid crisis which are particularly relevant for CEPF include (i) the risks of being over-dependent on tourism to finance conservation and to sustain biodiversity-friendly enterprises; (ii) the vulnerability of community and national CSOs with minimal reserves or core income; (iii) increased marginalisation of communities with inadequate internet connectivity and computer equipment; (iv) the need for resilient local agri-foods and agroecological systems to improve food security, and (v) the vulnerability of wildlife and natural resources to uncontrolled exploitation – driven by need or greed - as soon as there is economic collapse and/or disruption of enforcement.

iii) The process of urbanization has continued to advance rapidly, with more than two-thirds of the region's people living in urban environments and increasingly distanced from nature and from the BES on which they ultimately depend. The level of urbanisation in Latin America is considerably higher than the global average.

iv) The perception of CC as a threat to biodiversity in the hotspot has increased to it now being one of the top threats. Internationally, the Paris Agreement at COP 21 was followed by the USA's decision to withdraw, which was a major setback, as the USA is the world's largest historical emitter and the second-biggest current emitter after China. Other governments, sub-national entities, corporations and international CSOs have pushed ahead anyway, but the USA's position has impeded the development of global mechanisms to reward carbon storage and conservation of BES. This situation has reverted in 2021 with a newly elected U.S. government immediately rejoining the Paris Agreement, as well as China's recent declaration of a 2060 net zero carbon target.

v) The competitiveness of companies is becoming more and more dependent on their social and environmental impacts. Consequently, in the last few years, pressures on companies to disclose their carbon footprint and to protect biodiversity have increased. Climate and environmental issues are no longer only the focus of the Corporate Social Responsibility or Public Relations strategies; they are increasingly an integral part of the company's core sustainability strategy. Important numbers of private sector companies are adopting policies and practices favourable to carbon storage and BES. However, the picture is mixed. Some companies, such as the Certified B Corporations[5] and companies adopting the stakeholder capitalism or conscious capitalism principles, have a fundamental commitment to the triple bottom line of financial, social and environmental gain. For others, such as insurance and water companies, it is a matter of business risk management. Yet others may have little direct dependence on BES but see engagement with conservation as a way to strengthen their brand and become more competitive, and see carbon disclosure as a commercial opportunity for the company. Lastly, there are industries with a big environmental footprint, such as mining, hydrocarbons, industrial agriculture, infrastructure and construction, where their engagement with BES is mostly limited to the reduction of their environmental footprint. While some have adopted social and environmental goals, others do the minimum necessary to comply with legal requirements, with a bit of Corporate Social Responsibility in order to claim a "social licence to operate". There is concern that this situation has the potential to

[4] https://www.vivideconomics.com/casestudy/greenness-for-stimulus-index/.

[5] https://www.sistemab.org/en/welcome/

deteriorate as a result of the financial crash and the post-pandemic return to the dependence on the production and exportation of raw primary material.

vi) Financial institutions are increasingly considering the impact of their investments by including social, ecological, climate and governance criteria into their capital allocation decisions. The sector has developed various strategies, products, and services to manage sustainability issues such as the Equator Principles for financial institutions, the China green credit guidelines, the IFC Sustainability Standards, and the Dow Jones Sustainability index, among others. All these efforts in the financial markets are fostering and facilitating more sustainable business practices and reducing threats to biodiversity. Nature-dependent sectors are significant to the leading economies, accounting for US$2.7 trillion of China's GDP, US$2.4 trillion of the EU's GDP, and US$2.1 trillion of the GDP of the United States. As a result of the success of the Task Force on Climate-Related Financial Disclosure (TCFD) created by the Financial Stability Board in 2015, some of the world's biggest banks, investors and companies, as well as governments and regulatory bodies expressed their support for the creation of a new Task Force on Nature-Related Financial Disclosure which will be launched in second half of 2021.[6] In the interim, the Informal Working Group (IWG) has been formed and has 73 members, including the Andean Development Bank (CAF), the Brazilian development bank BNDES, the World Bank, clothing giant H&M, and the world's largest meat producer JBS, as well as some governments. There are some key challenges to the attempt to replicate the TCFD and metrics is the main one. Whilst the Paris Agreement provided the finance sector with one metric, i.e., carbon emissions, for use by the TCFD and others, it is more difficult to measure biodiversity. The expectation is that the post-2020 Biodiversity Framework will provide agreed global metrics that can then be used for nature-related risk and disclosure.

vii) For many of the 40+ indigenous groups identified in the 2015 EP as significant actors in relation to biodiversity, their situation has, if anything deteriorated. Certainly, profound problems persist: poverty, inequity, fragmented organization, low capacities, lack of access to basic services, and vulnerability to exploitative external actors. The 2020 Ecosystem Profile describes a generational crisis of identity and connection between new generations and their territories and organisational systems. The principal reasons are the effect of rural-urban migration and the lack of transmission of knowledge. The analysis also shows that there is further undermining of leadership, with reduced space for their voices to be heard on policy issues and weakened organizational stability as a result of changes in regulations and barriers to access to sources of external finance.

viii) The reduction of space for, and voice in, policy- and decision-making also applies to national and community CSOs in varying degrees in each of the countries, for example constraints on criticism of governments or barriers to constitution and registration of international CSOs. There has been a shocking increase in assassinations and violence against community leaders and environmental activists in the region, particularly in areas with extractive industries (legal and illegal). In November 2020, the Escazu Agreement was formally ratified[7] under the UN Treaties framework. It is the first legally binding regional environmental and human rights agreement designed to ensure rights to environmental information, public participation in environmental decision-making and access to justice in environmental matters. Those who stand up in defence of the environment and expose ecological destruction and human rights abuses are at particular risk.

[6] https://tnfd.info/news/leading-banks-and-companies-join-uk-french-swiss-and-peruvian-governments-in-effort-to-set-up-a-task-force-on-nature-related-financial-disclosures/

[7] https://treaties.un.org/Pages/ViewDetails.aspx?src=TREATY&mtdsg_no=XXVII-18&chapter=27&clang=_en

Therefore, the Escazu Agreement uniquely provides special protection for them across the region. It is of concern that, of the four Hotspot countries, only Bolivia and Ecuador have ratified the Accord to date.

3. THEORY OF CHANGE FOR BIODIVERSITY CONSERVATION

3.1 Biodiversity Conservation Theory of Change

A framework for preparation of long-term visions was adopted by CEPF's Donor Council in June 2014. A Theory of Change (TOC) for the graduation of hotspots was developed, where the goal is for CSOs to have sufficient capacity, access to resources and credibility to respond to future conservation challenges without significant ongoing external support from CEPF. In order to meet this goal, the graduation TOC has five conditions and a series of criteria. These are presented and discussed in Section 3.

To characterize just what the overall goal for graduation means in terms of CSOs being able to respond to conservation challenges, it is helpful to have, at least in general terms, a TOC for biodiversity conservation in the Tropical Andes and then to make a judgement about the roles of CSOs within that TOC. Based on regional workshops, literature and the 2015 and 2020 Ecosystem Profile analyses, we have made a preliminary diagram of a long-term biodiversity conservation TOC with lists of intermediate results, contributing to each of the high-level results. This diagram (Annex 1) includes cross-references to the criteria for graduation which are detailed in Section 3.

3.2 Observations and Assumptions Underlying the Biodiversity Conservation TOC

In the world's most biodiverse hotspot, conserving the majority of that biodiversity will require a collective effort across civil society, as well as national and local governments fulfilling adequately their responsibilities. Just managing almost 500 known sites with globally important biodiversity will require the efforts of national and local governments, CSOs, indigenous groups, other community groups and private sector. On top of that, there is the biodiversity in "productive" landscapes to manage, ecosystem services and connectivity to maintain, and the effects of global CC to be adapted to.

There is evidence that various forms of co-management for Protected Areas (PAs), involving empowered participation by CSOs, have the potential to deliver better results than management dependent primarily on government capacities: more consistent, better resourced, technically stronger, more socially just and inclusive, more transparent, resilient and sustainable.

Indigenous and Afro-descendant territories harbour a significant proportion of the Hotspot's biodiversity and, therefore, they should have corresponding importance in the TOC, despite the setbacks and pressures described in Section 1.

Because of CC, only those protected areas located within landscapes that are managed to allow the flora and fauna to adapt ecologically (including by shifting their distribution) will retain long-term their full biodiversity value i.e., connectivity and buffer zones.

Governments will continue to fluctuate in the extent to which they use evidence to inform policies and budgets, and the extent to which they consider biodiversity to be a priority. All will establish policies and strategies for CC mitigation and adaption, but some may invest little in their implementation, except to fund response to natural disasters.

The biggest barrier to conservation is more often the failure to implement any field actions, perhaps through lack of resources or commitment, than it is the implementation of conservation actions that are misguided due to the lack of a plan. In general, investment in planning should be proportionate to the resources available for implementation.
If a broad swathe of civil society is to support BES conservation in their own practices and in what they expect of their political leaders, then the constituency of supporters of conservation oriented CSOs needs to become more numerous and diverse and include both rural and urban populations. In general, there are diverse aspects of the rural-urban dynamic, which national and local governments struggle to manage and this has implications for biodiversity conservation. Migration towards cities, for economic reasons or to escape conflict and violence, tends to put pressure on peri-urban areas for housing, including protected areas. At the same time, and increasingly so during the pandemic, some wealthier urban dwellers seeking rural tranquility buy plots in natural landscapes, resulting in sub-division and fragmentation. In Colombia, this is further exacerbated, according to the Institute of Hydrology, Meteorology and Environmental Studies (IDEAM), by pasture-oriented land usurpation and grabbing, which consists of converting forests to pastures with the sole purpose of justifying land tenure, illegal logging, extensive cattle ranching, road infrastructure, and illicit crops.

Latin America has high levels of education and an array of internationally recognised environmental leaders in civil society. However, it is not alone in the ascendance of populist political leaders, who value neither nature nor scientific evidence. It is to be hoped that a new generation of political leaders, better informed and committed to addressing the challenges of climate, biodiversity and equality, will come to the fore in the coming decade. For the purposes of the TOC, we assume that this will happen, with support from other sources, but we are realistic nevertheless about the likelihood that economic and social pressures will continue to dominate decision-making, and that corruption will continue to be prevalent. According to Transparency International (2020), all four countries where CEPF invests score medium level in terms of public perception of corruption[8].

With regard to the private sector, we assume that, increasingly, companies will be at the forefront of initiatives to achieve Triple Bottom Line results and to lobby for a framework of regulations and incentives that favour CC mitigation and conservation of BES. This will be more to do with motivations around responsibility, strategy and legitimacy, than to the influence of CSOs. Currently, the private sector is driven by new market requirements, new industry standards and new business opportunities that benefit BES and tackle CC directly or indirectly. In mature and emerging market contexts, more businesses are helping their suppliers to increase their own performance. The US National Intelligence Council built a scenario in which non-state actors take the lead in solving global challenges. It called it the Non-State World of 2030. This scenario resonates with current perceptions about businesses driving the sustainability and CC agenda. Initiatives such as the Non-State Actor Zone for Climate Action has over 1700 businesses and 400 investors involved and is growing rapidly. Likewise, two companies a week are signing up to set emissions reduction targets that are in line with limiting temperature rises to below two degrees. There is appetite in the business sector for addressing the major social and environmental challenges through better practices and innovative business models[9]. This represents an enormous opportunity for ensuring that BES are well considered in development decision-making and business operations.

[8] https://elordenmundial.com/mapas/la-corrupcion-en-america-latina/
[9] https://www.wbcsd.org/Overview/About-us/Vision-2050-Refresh/Resources/Reinventing-capitalism-a-transformation-agenda

On the other hand, there will also be companies, including in the big-footprint sectors (mining, hydrocarbons, industrial agriculture, construction, infrastructure development), who will seek to maximise short-term profits by doing the minimum to comply with legal requirements (or less if there is not enforcement) and have a token social licence to operate. The trends towards increasing demand for minerals and land will put increasing pressure on natural areas. This in turn increases the need for compliance monitoring, including by communities, researchers and NGO "watch-dogs", but any conservation strategy must also address the concomitant risk of conflict and violence.

Biodiversity funding is tiny compared to investment in sectors/activities that impact biodiversity. Therefore, influencing that investment is essential, whether through CSOs or other mechanisms. The influence can be at the level of the industries or of the banks who finance their activities. A recent report estimates that development banks are endangering ecosystems worth US$1.1 trillion a year.[10] As well as redirecting this investment, there is scope for financial sustainability for CSOs to be achieved as much through gaining access to a small slice of these potentially vast financial flows as it is through expanding their base of conventional, philanthropic donors.

Though much less than other development investment, funding for CC mitigation and adaptation will increase dramatically in the coming decade. Indeed, developed countries have already pledged US$100 billion a year globally as part of the COP16 Accord.[11] It is also assumed that there will be an increase in the finance for biodiversity, especially with the launch of the post2020 Global Biodiversity Framework. However, the level of the increase for biodiversity is less clear and it is likely that some of that will be wrapped up in the increases to CC finance. The main challenge for biodiversity conservation will be to ensure that a significant proportion of the funding flows to practical field actions by CSOs. We assume that governments will increase budgets for conservation if (i) the voting public are demanding this, and/or (ii) mechanisms have been established, through global or bilateral negotiations or private sector initiative, which provide an economic return on such investments. Such mechanisms could also underpin significant impact investment in the region and some long-term financing mechanisms.

4. THEORY OF CHANGE FOR GRADUATION OF THE HOTSPOT

4.1 TOC for Graduation

CEPF is not intended to be a permanent presence in each hotspot but to define and work towards an end point at which civil society transitions from its support with sufficient capacity, access to resources and credibility that it is able to respond effectively to future conservation challenges. This end point and the process towards it is what CEPF calls graduation. Experience to date shows that, in most hotspots, reaching a point at which civil society can transition away from CEPF support takes longer than five years, which is the typical duration of a single investment phase. To inform decision making about the duration and types of investments needed to reach a point at which it can withdraw its support with confidence, a framework for preparation of long-term visions was adopted by CEPF's Donor Council in June 2014. According to this framework, there are five conditions and a series of

[10] https://www.f4b-initiative.net/news/world%E2%80%99s-development-banks-endangering-vulnerable-ecosystems-worth-us%241.1-trillion%2Fyear

[11] COP16 Accord, which states that: "developed country Parties commit, in the con- text of meaningful mitigation actions and transparency on implementation, to a goal of mobilizing jointly USD 100 billion per year by 2020 to address the needs of developing countries".

five criteria per condition that need to be met in order for a hotspot to graduate or transition away from CEPF support. These are described in summary form in Table 1.

The theory of change refers to civil society and CSOs. The CSOs with whom CEPF works in the hotspot are diverse: national and international conservation NGOs, universities and research institutes, some small and medium businesses and associations involved in improvement of nature-based activities (coffee and chocolate production, livestock, agroecology and ecotourism), community-based organizations and indigenous and Afro-descendant communities, some of whom have territories. In the targets and lines of action for capacity-building, we have differentiated indigenous groups from other types of CSO. Individual CSOs may rise and fall and be replaced; however, the indigenous territories and their owners are here to stay. Nevertheless, the theory of change also recognizes the reality in terms of current capacity and issues of scale if mainly focussing on indigenous groups. We propose that, where appropriate, either national CSOs or second-tier organizations are the vehicles for support, i.e., those that are umbrella organisations or that facilitate networking and technical support to multiple indigenous organisations. The assumptions in the theory of change about CEPF support are as follows: national and international CSOs generally act as partners, implementers and donors in the territories or conservation areas whilst, where appropriate, indigenous, Afro-descendant, peasant farmer or inter-cultural organizations are the residents, owners or 'holders' of conservation areas and knowledge, and are beneficiaries of the resources and projects. In some cases, they can also be the direct managers of the resources.

Table 1. The five conditions for graduation

Condition 1	**Conservation priorities and best practices** Global conservation priorities (e.g., globally threatened species, KBAs, reservoirs of natural capital, etc.) and best practices for their management are identified, documented, disseminated and used by public sector, private sector, civil society and donor agencies to guide their support for conservation in the hotspot.
	Criterion 1.1 Global priorities for biodiversity conservation disseminated. *Threatened species of various taxa, and Key Biodiversity Areas (KBAs), have been identified, documented (including threats), prioritized and widely disseminated.*
	Criterion 1.2 Important areas for ecosystem services or for ecological connectivity disseminated. *Areas important for ecosystem services or ecological connectivity have been identified, characterized (including threats) and disseminated, throughout the hotspot.*
	Criterion 1.3 Plans incorporate BES conservation priorities. *BES conservation priorities are incorporated into conservation, climate, land-use and development plans and strategies at various levels (landscape, other sub-national, national and regional), so as to ensure long-term sustainability of the BES.*
	Criterion 1.4 BES conservation priorities respected in the implementation of plans. *Conservation and/or development plans, which have incorporated conservation priorities, are implemented in a manner that meets expected conservation outcomes.*
	Criterion 1.5 Management capacity and best practices maintained. *In KBAs and areas important for ecosystem services or connectivity, the responsible organizations have the necessary management capacities and a culture of adopting and institutionalizing best practices.*
Condition 2	**Civil Society Capacity** National and site-based civil society groups dedicated to conserving conservation priorities collectively possess sufficient organizational and technical capacity to be effective advocates for, and agents of, conservation and sustainable development for at least the next 10 years
	Criterion 2.1 Collective capacity of CSOs involved in conservation. *The CSO community is sufficiently broad and deep-rooted to respond to key conservation challenges and collectively possesses the technical competencies needed for conservation.*

	Criterion 2.2 Institutional capacity for CSO management *National and sub-national CSOs involved in conservation have sufficient capacity and institutional and operational structures to (i) raise funds for conservation, (ii) ensure efficient project management, (iii) develop and implement conservation strategies, and (iv) apply satisfactory gender policies internally and in their programs.*
	Criterion 2.3 Capacity of indigenous and community organizations *Organizations of indigenous, Afro-descendant and other communities, who are custodians of areas important for biodiversity and ecosystem services, possess sufficient capacity, organization and institutional and operational structures to (i) conserve and sustainably and equitably use the biodiversity of their territory, (ii) raise funds for these activities, (iii) efficiently administer funds and businesses, (iv) apply satisfactory gender policies, (v) publicly communicate their contribution to the common good, and (vi) effectively negotiate with authorities and other actors and establish alliances.*
	Criterion 2.4 CSO partnerships and relationships with other entities. *Alliances and collaborative mechanisms exist between CSOs, including conservation focused and related CSOs, who are thus able to generate and share information, communicate their messages, strengthen their security, increase their credibility and advocacy capacity, and strengthen their ability to engage with other actors, such as communities, national and local governments, the private sector and donors. In this way, they increase their collective impact.*
	Criterion 2.5 Broad credibility. *Leading CSOs in the conservation sector have gained credibility with diverse stakeholders because of characteristics valued by those stakeholders, such as: technical robustness and impartiality of information; transparency; integrity and values; endorsement by widely respected institutions and individuals.*
Condition 3	**Sustainable financing** Adequate and continual financial resources are available to address conservation of global priorities for at least the next 10 years
	Criterion 3.1 Public sector funding*. Public sector agencies, at national and sub-national levels, responsible for conservation in the hotspot have an ongoing allocation of public funds and/or revenue-generating capacity sufficient to operate effectively and use them efficiently.*
	Criterion 3.2 Incorporating biodiversity and ecosystem services targets into national and sub-national financial planning*. Finance ministries, development ministries and decentralized local governments have adopted biodiversity and ecosystem service priorities and use them as criteria for resource allocation.*
	Criterion 3.3 International conservation funds: *International climate change and biodiversity funds (without CEPF), philanthropic funds and impact investment funds, directed to the hotspot, are sufficient to address global conservation priorities and flow efficiently to the field, including to CSOs that are extensively involved in implementation.*
	Criterion 3.4 Financial health of CSOs. *CSOs dedicated to conservation obtain sufficient funds, from diversified sources, to remain (collectively) highly relevant actors for the conservation of biodiversity and ecosystem services and to be resilient in the face of economic or political shocks or other threats.*
	Criterion 3.5 Long-term mechanisms. *Financing mechanisms exist that produce continuous long-term returns and are large and diverse enough to make a significant contribution to biodiversity conservation financing in the long term (at least the next 10 years).*
Condition 4	**Enabling policy and institutional framework.** Public policies, the capacity to implement them, and private sector business practices are supportive of the conservation of globally important biodiversity
	Criterion 4.1 Favourable legal and fiscal framework. *The framework of laws, regulations, public policies, (dis)incentives for landowners or businesses, absence of perverse subsidies, and other instruments (both national and sub-national) favours conservation of BES. In addition, civil society monitors the transparency of compliance.*
	Criterion 4.2 Governance system. *Governance systems for conservation areas recognize the rights of indigenous and Afro-descendant communities and enable relevant*

	CSOs to participate effectively in the development and implementation of public policies and plans.
	Criterion 4.3 Law enforcement and security. *The authorities responsible for security and for surveillance and enforcement in conservation areas have the commitment and capacity to enforce the law and guarantee the safety of CSOs and of communities who seek to protect their natural resources.*
	Criterion 4.4 Business Practices. *Sectors with (potentially) large biodiversity footprints comply with independently verified Environmental Impact Assessment (EIA), minimization, mitigation and remediation processes. Leading companies adopt best practices.*
	Criterion 4.5 Corporate Leadership and Innovation. *Leading companies in various sectors generate their own innovations with a positive impact on BES, and drive improvements in environmental standards in their respective sectors.*
Condition 5	**Responsiveness to emerging issues.** Mechanisms exist to identify and respond to emerging conservation issues
	Criterion 5.1 BES status and threats monitored. *National and regional systems, involving government and civil society networks, are in place to monitor the status and trends of BES and threats to BES.*
	Criterion 5.2 Preparedness for Climate Change impacts on BES. *Detailed projections of how climate change will impact BES across the hotspot through to at least 2070 are available and used to develop and implement national and sub-national adaptation plans, that prioritize resilience based on ecosystems (i.e., natural infrastructure rather than engineering solutions) and conservation of BES.*
	Criterion 5.3 Technical capacity for adaptive management. *CSOs and biodiversity authorities have the technical capacity to anticipate and assess risks and respond in a timely manner to emerging problems, both foreseeable and unforeseen.*
	Criterion 5.4 Financial capacity for adaptive management. *CSOs and biodiversity authorities have access to emergency funds to prevent, prepare for or respond to imminent emergencies that pose a major threat to biodiversity.*
	Criterion 5.5 Informed and demanding public. *The general public, and a new generation of political leaders, feel connected to nature, understand the predicted problems, recognize the contribution of conservation CSOs to sustainable development, and demand that governments develop capacities for prevention, mitigation and adaptation based on nature.*

4.2 Causal Pathway and Dependencies to Reach the Targets

The five CEPF conditions for graduation can be seen as the high-level results in a TOC, of which the goal is for CSOs to have sufficient capacity, access to resources and credibility to respond to future conservation challenges without significant ongoing external support from CEPF. Each of the five conditions in the TOC for graduation have five criteria, some of which we have adapted for the Tropical Andes context (see Table 1).

In Section 3 of this report, we referred to the biodiversity conservation TOC which we have created, and which provides an over-arching context for graduation. Annex 1 demonstrates how the graduation criteria are indeed very relevant to the biodiversity conservation TOC, but it also highlights that achieving biodiversity conservation depends heavily on criteria over which CEPF and the CSOs have least control: government decisions over budget allocation (Condition 3) and the enabling legal and institutional framework (Condition 4), including governance frameworks, management capacity at multiple scales, enforcement, incentives for high-impact industries, and incentives for private sector investment in conservation. Thus, a central challenge for the LTV is to work out how CEPF can build up CSO capacity to engage effectively on these crucial criteria, while remaining rooted in the realities of biodiversity conservation on the ground in sites and landscapes.

Integrated, climate-resilient landscape management, with viable, biodiversity-friendly livelihoods and businesses, is prominent in the biodiversity conservation TOC but is less

clearly cross-referenced with the graduation criteria. On the other hand, the need for adaptability to future threats (Condition 5) features in very similar terms in both the biodiversity conservation TOC and the graduation criteria.

For each criterion we have developed a graduation target and a series of milestones. The graduation table in Annex 2 details the conditions, criteria, milestones and targets.

Additionally, we have developed a Table of Criteria Dependencies (Annex 3), which illustrates in a matrix the main dependencies between criteria: each row corresponds to a criterion and highlights the other criteria on which it depends. The inter-dependencies make the graduation TOC quite a complex system. To be able to work out the most effective way to progress towards these milestones and achieve, or exceed, graduation of the hotspot, we need to analyse each of the conditions and provide details of what CEPF can do in order to accelerate progress towards the overall goal.

4.3 Additional Observations Specific to CEPF and its Niche

With a common language, cultural similarities, similar conservation challenges (i.e., CC, mining, deforestation, agricultural encroachment, illegal wildlife trade and urbanization) and ecologically connected landscapes, there are potential benefits from regional (Hotspot) networking, sharing experiences, sharing strategies and monitoring data, and having a collective conservation voice. CEPF is well placed to facilitate and/or support such regional cooperation, as well as cooperation between conservationists within each country. Indeed, hotspot-wide workshops are already valued by participants.

CEPF funding is very small compared to what is needed to implement a hotspot biodiversity conservation strategy or in comparison to overall funding on biodiversity conservation in the hotspot. Nevertheless, CEPF is a significant donor for channeling biodiversity conservation funding through national CSOs. According to Chapter 11 of the Ecosystem Profile 2021, during 2015-2019, US$307.3 million was channeled for activities with biodiversity conservation as a principal objective, which equals 45% of the US$676.6 million invested in initiatives with natural resources management as its principle objective. Just over 8% of the total funding for natural resources management, equaling US$57.6 million, was channeled through Andean-based CSOs. CEPF was the largest donor during this period for biodiversity funding of the Key Biodiversity Areas invested through CSOs, with an investment of US$7.5 million. While CEPF is an important source of funding for CSOs of the Andes, it remains a small percentage of total biodiversity funding in the hotspot, which, in turn, is dwarfed by investment in activities that negatively impact biodiversity.

4.4 Review of the Conditions for Graduation and the Actions Needed

This section gives a brief analysis of each graduation condition, framed in terms of the criteria, and lists actions necessary to achieve the condition, supported by possible interventions of three kinds:

- Grants to CSOs for projects;
- Non-grant actions by CEPF globally (where relevant);
- Non-grant actions undertaken, or at least coordinated, by the Regional Implementation Team; these may or may not require modest investment in addition to the main RIT contracts.

In Annex 4 we highlight some characteristics of each country that demonstrate particular need or provide specific opportunities for the suggested interventions.

Having thus considered each of the five conditions, in Section 5 of the report we will present observations and recommendations about how CEPF operates in the Tropical Andes,

including the roles of the Regional Implementation Team (RIT) and the National Advisory Committees for Project Proposal Review (CONREP).

Then, in Section 6 of the report, we will consider the Graduation TOC as a whole with the presentation of the Graduation Table with conditions and targets for graduation, priorities and milestones. This is not straightforward, because each criterion is dependent to some extent on several others.

Condition 1: Conservation Priorities and Best Practice

Reliable, timely, well-organised information is an important element of the TOC, because it not only guides management of biodiversity but also underpins the critical criteria of CSO credibility and public support, as well as informing public policy, good governance and industry practice. The biggest challenge is the sheer scale of the task of identifying, documenting and disseminating BES priorities (Criteria 1.1 and 1.2), With, so far, 474 KBAs, 29 Corridors and numerous large areas important for ecosystem services, there will be a continuous task of updating species Red Lists and the characteristics and boundaries of KBAs, connectivity areas and ecosystem service areas. The current situation is that ecosystem service areas and connectivity areas tend to be loosely defined, many KBA boundaries need correcting, and some Red Lists, such as the amphibians list, are up to date but others need updating. Dissemination of biodiversity priorities continues but the concept of KBAs seems not to be widely known amongst decision-makers, despite many years of its use by leading conservation organizations.

Uptake of the biodiversity priorities in national and sub-national conservation plans depends on quality and accessibility of the information and also on governance mechanisms and relationships with government. These requirements are even more critical when seeking to influence broader, sub-national development plans or national sectoral plans, for which CC is already somewhat significant, as are water catchment areas, as the region faces increasingly severe problems of water supply. The huge social and economic importance attached to water, together with the extensive overlap between water catchment areas and KBAs, presents an important strategic opportunity for biodiversity conservation. Ecological connectivity is also gaining significance, for example with the designation of "connectivity corridors" in Ecuador, but recognized priorities for biodiversity still tend to be equated with national protected areas, which in the case of the Tropical Andes covers only a minority of KBAs. Colombia is set to be the first Andean country to formally recognize KBA status as evidence of biological importance in development planning processes. There is evidence that KBAs are valuable at the subnational level, particularly in land-use planning where the KBA information on priority and threatened species provides often previously unknown justifications for zoning and regulation of different land uses. Thus, there is a need for increased dissemination, although government receptiveness to technical information about priority sites may remain limited until this is more widely used in land-use planning (Criterion 3.5) and where there is broader public awareness of the value of their biodiversity and demand for its conservation (Criterion 5.5).

The critical step, that makes it all worthwhile, is that the plans are implemented and the BES priorities within them respected (Criterion 1.4). However, implementation of the biodiversity measures in national conservation plans depends on financial and human resources, while other sectors may in addition require a policy directive, regulation or incentive. Such a directive is most likely to be linked to CC mitigation or resilience, with biodiversity being integrated through the adoption of the concept of ecosystem-based adaptation and "nature-based solutions" (as opposed to technological solutions or investment in treating symptoms rather than causes e.g., natural disaster response), which

requires a clear commitment and accompanying funding. Insufficient resources (Criteria 3.1, 3.2 and 1.5), steam-rolling by dominant industries or big external investments (Criterion 4.4), insufficiently empowered local stakeholders (Criterion 4.2), failure to monitor (Criteria 4.4, 5.1) and lack of public support (Criterion 5.5) can all impede implementation, especially if the management plan is the only legal instrument underpinning the protection measures. Thus, substantial progress towards Criterion 1.4 depends on various prior activities in the overall strategy. Nevertheless, the CSOs involved in planning can make a difference on any individual plan by monitoring or accompanying in some way the implementation, rather than seeing the management plan as an end-product in itself.

Criterion 1.5 addresses management capacities, especially in terms of human resources and the adoption of best practices. The latter is a continuous practice, requiring an institutional culture of learning and staying up-to-date with management methods, technologies and tools, as well as the necessary staff and income, which many protected areas currently lack. Where staff are in place, CEPF can support this criterion through support to individual training and exchange of experiences. Furthermore, such professional development has the added benefit of motivating people to implement plans. Compared to protected areas, biodiversity-rich landscapes have a wider range of actors, fewer good examples of integrated management, a wider variety of potential instruments (land use plans, watershed plans, bye laws, markets, credit schemes, ecosystem service payments etc.), and a changing governance context. This dynamic situation increases the value of landscape-scale demonstration projects, which may inform and inspire other local governments, businesses and communities.

The lines of action (in addition to the first line of action under Condition 5) are:

- **Generate and disseminate information on trends in species, KBAs and ecosystem services, and promote its use in conservation and development plans, decisions and actions. (Criteria 1.1-1.4).** (This information would be integrated into the knowledge management. system under Condition 5).
- **Demonstrate high-biodiversity landscape management, particularly through land-use planning and water catchment planning processes, and facilitate learning and exchange about governance and management practices across the hotspot. (Criterion 1.5).**
- **Reinforce management plans with legal instruments and accompany implementation of management plans. (Criterion 1.5)**

These lines of action would include:
Grants:

- Projects to improve and update knowledge of species, KBAs and ecosystem service areas, feed it into the knowledge management system, and support its dissemination and use. (Criteria 1.1-1.3).
- Landscape-scale, multi-actor projects or programs, which demonstrate ways to integrate biodiversity and connectivity in land-use planning instruments, combine biodiversity and local development goals, and provide lessons to be shared with other hotspot locations. (Criteria 1.3-1.5).
- Projects which enhance the biodiversity conservation components of existing plans and programs – local or national - which have water catchment conservation as their primary objective (Criteria 1.3-1.5)
- Projects focusing on professional skills, including learning and exchange on management practices between diverse entities involved in management, such as national and local government agencies, NGOs, indigenous communities, other community organizations and private sector companies. (Criterion 1.5).

- Projects that combine management planning with supporting legal instruments (e.g., designation as protected forests or community reserves, formal recognition of rights of key stakeholders, or regulatory framework for a financing mechanism) and expert guidance to area managers for management plan implementation. (Criteria 1.3 and 1.4).

Non-grant actions by CEPF globally:

- Facilitate learning and exchange of information and innovative practices between hotspots. (Criterion 1.5).

Non-grant actions by the RIT:

- Identify the most fruitful, cost-effective opportunities for exchange of experiences within the hotspot, evaluate the impacts of these interactions, and seek complementary financing to expand them (Criterion 1.5).
- Encourage the sharing of methodologies for mapping and monitoring ecological connectivity and ecosystem services (Criterion 1.2).

Condition 2: Capacity of Civil Society Organisations

Progress towards Condition 2 is a priority, because CSO capacity, cooperation and credibility are pre-requisites for progress towards several criteria under all the other Conditions and to the overarching goal where civil society has the capacity to respond effectively to current and future conservation challenges in the hotspot without major dependence on CEPF support. Capacity-building of CSOs is an area in which there is much that CEPF can do, both through grants and through direct action by the RIT.

Most of the CSOs that are grantees of CEPF have reported an increase in their individual organisational management capacity as a result of the capacity-building support received. There is a need to strengthen further the conservation movement so that it collectively possesses the technical competencies needed to meet the ever more complex challenges of conservation, as well as to maximize the opportunities for innovative forms of finance and for nature-based solutions and productive landscapes. Criterion 2.1 lists several relevant competencies, ranging from the traditional (and still essential) skills in field biology and ecosystem management through supplementary skills such as applied technology, to specialist disciplines, such as law, indigenous rights and cultures, sustainable livelihoods, knowledge management, green finance and the many ramifications of CC. Although some of these specialist disciplines are already represented in the network of CEPF grantees, particularly with regards to CC, sustainable production and economic instruments, there is very little capacity in skills that are seen as necessary, such as multi-stakeholder dialogue, governance, negotiation, sustainable finance, etc. The Ecosystem Profile 2021 highlights the fact that some new CSOs have formed since 2015 that focus on these supplementary skills, particularly in terms of new technologies. Others could be brought into the conservation movement by expanding the grantee network and supporting collaborative projects involving grantees with complementary expertise (Criteria 2.1 and 2.4). Other skill sets could be developed in current conservation CSOs through a training program.

The rapid expansion of both impacts of CC and global attempts to respond to it has presented conservation CSOs with a great challenge. In the 2015 Ecosystem Profile, CC was highlighted as a threat but it was not included explicitly in the strategic lines of action. Within just 5 years, CC has risen to be one of the top perceived threats to biodiversity and the KBAs, as evidenced in the Ecosystem Profile 2021. This can also be seen in the rapid change in environmental focus of government policy and multilateral finance towards CC.

Larger international NGOs have responded by specialising in, particularly, climate mitigation and providing technical advice for climate policy. Some, such as WWF and IUCN, have become accredited implementation agencies for the Green Climate Fund alongside multilateral agencies like UNDP, Ministries of Finance and development banks. Some CSOs specialised in carbon and became involved at all levels in the preparations for REDD+ and the carbon market which has not yet materialised as envisaged. Relatively few CSOs have specialized in or are supporting ecosystem-based adaptation,[12] even though it provides an opportunity for integrating ecosystems into National Adaptation Plans linking ecological connectivity, ecosystem services, local disaster prevention and future-proofing local development. This is possible because CC is still perceived by many CSOs more as a source of funding rather than a technical area critical to planning for the long-term viability and resilience of KBAs, for example through connectivity.

Covid-19 has hit the Hotspot's CSOs hard. The impact is largely financial and is discussed under Condition 3, but it has exacerbated problems that began with the shrinkage in world trade in 2018 which was already causing a reduction in overall government budget and a knock-on effect with a reduction in allocation of state budget to biodiversity conservation. This has hit public finance for protected area management especially hard over the last five years. In Ecuador and Peru, the financial shock from the pandemic has served to accelerate the reduction in public sector staffing which these countries had already begun. In Ecuador, in particular, over the past year there has been a decimation of personnel with the dismissal of a large number of National Park guards and the removal of provincial and local environmental authorities. The pandemic has also demonstrated the need to increase organizational resilience and capacity to respond to external crises beyond their control.

Thus, some organisational governance and management skills are needed by all CSOs, while the development of multiple technical skill sets has to be tailored to specific needs. An explicit and strategic program of capacity-building of CSOs should be designed in accordance with both i) a needs assessment and ii) a clear vision of the long-term targets for capacity-building set out in the Graduation Table. Enabling civil society to protect the hotspot's biodiversity is a stated aim of CEPF and between 2015 and 2019 around 80% of all technical assistance funding to CSOs by CEPF has included organisational development, alliance and capacity-building activities. Grantees have reported an increase in their capacity over this period, particularly in terms of their organisational management capacity. However, the demand still outstrips the overall funding provided. When looking at overall donor budget for natural resource management, the Investment Strategy 2021 provides data to show that, of those projects whose primary objective is capacity-building, only US$4.7 million is being allocated to capacity-building, which is equivalent to 0.7% of total budget. The Graduation TOC highlights the need for both an increase in funding and a change in the strategy for capacity-building. A higher allocation is needed for projects and actions focused specifically on non-traditional priority capacity needs, in order to increase impact and to advance towards graduation of CSOs away from dependence on CEPF support. The capacity-building programme can be developed at the regional level, with programmes tailored to different types of organisations and adapted to national and local context. Some training of trainers will be needed in order to reach a sufficient number of CSOs.

The CSOs with whom CEPF works are diverse: national and international conservation NGOs, universities and research institutes, some small and medium businesses and

[12] See the work by the IUCN coordinated global network of Friends of Ecosystem-Based Adaptation (FEBA) https://www.iucn.org/theme/ecosystem-management/our-work/ecosystem-based-approaches-climate-change-adaptation/friends-eba-feba

associations involved in improvement of nature-based activities (coffee and chocolate production, livestock, agroecology and ecotourism), community-based organizations and indigenous and Afro-descendant communities, some of whom have territories. It is particularly important to understand the nature and needs of the different community-level organizations. The Tropical Andes Hotspot is home to a multitude of peoples and nationalities with cultures, languages, and ritualistic understandings unique in the world. There are a variety of indigenous, Afro-descendant, peasant, colonist, and inter-cultural organizations. Many hotspot residents self-identify as indigenous, and their territories occupy at least 21 per cent of the hotspot area. During the 1990s there was a significant increase in the organizational capacity and voice of indigenous organizations which led to constitutional recognition of the countries as plurinational States and to recognition of their rights to govern their own territories. Despite the constitutional framework, progress has been slow and in the current period, the indigenous organisations are mainly focused on achieving plurinationality and self-determination in practice, as well as defending their territories from the extractive model of development which in on the increase in all countries. The legitimacy of their voice in decision-making has been challenged and, in some cases, weakened by the industrial sector and governments. This has been exacerbated by a period of general decline and fragmentation of collective leadership that has happened throughout the 2000s, together with an exodus of young people to urban areas. Nevertheless, the Ecosystem Profile 2021 has multiple examples of valuable collaboration between indigenous groups and NGOs in defense of biodiverse territories; there are also examples where protected areas overlap indigenous territories and where co-management and participatory management processes have been developed that have overcome many difficulties and provide important lessons for other areas. In the proposed lines of action for capacity-building, we have differentiated indigenous groups from other types of CSO. Individual NGOs may rise and fall and be replaced; however, the indigenous territories and their owners are here to stay. The range of operational capacities that they require are broader and as a result of their collective landowner status, the forms of finance that they can access may also differ from other CSOs.

Nevertheless, we also recognize the reality in terms of current capacity and issues of scale. We propose that, where appropriate, either NGOS or second-tier organizations are the vehicles for support, i.e., those that are umbrella organisations or that facilitate networking and technical support to multiple indigenous organisations. In each country there are specialist organizations, working with or representing indigenous people (see country-specific information below), as well as national and international NGOs able to help build capacity of community-level organizations. We would characterize this in the following way: national and international NGOs or Foundations generally become allies, partners, implementers and donors in the territories or conservation areas whilst, where appropriate, indigenous, Afro-descendant, peasant farmer or inter-cultural organizations are the residents, owners or 'holders' of conservation areas and knowledge, and are beneficiaries of the resources and projects. In some cases, they can also be the direct managers of the resources.

For all types of CSO, specific attention must be given to gender-sensitive approaches to capacity-building for biodiversity conservation and natural resource management. Despite high levels of economic growth and increased attention to gender equality and women's empowerment, gender-based inequalities are still very high in Andean countries and the proportion of women among the poor has increased. The trend for rural-urban migration by men – coupled with the internal displacement of people in Colombia and mass migration from Venezuela – has increased the number of woman-headed households in rural areas, leaving women with responsibility for both productive and household activities. Nevertheless, women still participate less in the formal economy and the proportion of

women without income or without control over the income generated by joint family production activities is high, particularly in rural areas. Although the majority of the CSOs with which CEPF has partnered do now report that they have gender protocols and gender-sensitive budgeting procedures, there is still a gap in capacity around the ways in which to empower women, hear their voices and make explicit the value of their roles within the conservation actions and sustainable supply chains that are to be developed.

In the graduation TOC, we emphasize the importance of helping build a credible CSO conservation community, that has a broad social base and is strengthened by its internal cooperation and external partnerships. Credibility (Criterion 2.5) is a crucial criterion for conservation impact and graduation, because it is the building block for achieving criteria on enabling environment (Condition 4), sustainable financing (Condition 3), as well as securing political support for timely response to emerging problems (Condition 5). It is achieved largely through the cumulative effects of the other criteria (2.1-2.4), plus the track record built up over time. Leading CSOs in the conservation sector have already gained credibility with diverse stakeholders and international donors because of characteristics valued by those stakeholders, such as: technical robustness and impartiality of information; transparency; integrity and values; endorsement by widely respected institutions and individuals. Credibility can also be advanced rapidly through visible association with other credible individuals and entities. There has been progress in the formation of alliances and cooperative platforms between CSOs that are working in conservation. However, there are few examples where CSOs have been able to reach out to organisations with differing interests or that are focused on productive sectors. With the exception of a few alliances forged at both national and regional level, such as CEPF support for the creation of the Inter-Institutional Working Group on Responsible Gold Mining, which also involved the Regional Federation of Mining Cooperatives. CEPF can help strengthen such alliances and partnerships between conservation CSOs and other sustainable development leaders, for example through information-sharing, dialogue and communications projects.

Within the conservation movement of each country there also needs to be at least one or two organisations able to build a broader social base of people who know and trust their work and message. As well as publishing reports and disseminating their own materials, CSOs could develop new partnerships with social media and social marketing organizations to professionalize their outreach, with a view to restoring the connections between an increasingly urban population and distant nature. Such partnerships could also strengthen CSO cooperation with the private sector, by increasing the potential influence of the conservation organizations over a company's image and brand, and empower CSOs in their role as watchdogs of international corporations, by enabling information about compliance with biodiversity and sustainability standards to rapidly reach consumers abroad, or the consumer-facing part of the corporate chain.

The proposed lines of action are:

- **Bring national CSOs with new areas of expertise into the conservation movement and foster purposeful alliances.**
- **Build organizational capacities, including gender equity and leadership skills, of CSOs at all levels, with particular focus on community groups who are custodians of biodiverse territories.**
- **Facilitate the development of a credible CSO conservation community that has a broad social base and is strengthened by its internal cooperation and external partnerships.**

These lines of action would include:
Grants:

- Projects with specific **capacity building as primary objective**, for both NGOs and community-level CSOs, especially those who are custodians of biodiverse areas. A prior assessment of needs should consider both short-term needs and those emerging from this LTV e.g. how to build **collective** capacity and credibility, through networking, alliances and communications, plus capacities to work with the private sector, to strengthen ecosystem-based adaptation to maintain ecological connectivity in the face of CC threats to biodiversity, to position themselves to access global climate and biodiversity financing, and to develop bioeconomic and sustainable supply chains in biodiverse landscapes. All training should include a specific component on inclusiveness and gender-sensitive approaches (All Condition 2).
- Projects that have been **co-created by a diverse group** of partners (e.g., NGO, CBOs, private companies, university etc. in collaboration with local and national governments), thereby building partnerships around practical conservation action in a particular area (e.g., a corridor, indigenous territory or district) through land-use planning processes or on a biodiversity-relevant theme (e.g., water catchment or climate resilient development). The goals of the coalition will probably combine biodiversity with other SDG's, particularly that of CC, but there should be long-term biodiversity outcomes at one or more levels: species, site, corridor, sub-national and national. There should also, in most cases, be some co-financing (Criterion 2.4).
- Projects to foster alliances between biodiversity CSOs and organizations (CSO, company or government agency) whose primary focus is **water and/or resilience to climate change**, The aim would be to strengthen the biodiversity component of relevant programs which already enjoy the strong social, political and financial support, associated with water (Criteria 2.1 and 2.4).
- Projects to **foster alliances** across the conservation sector nationally (and sometimes regionally), including in the specific areas mentioned in Criterion 2.4 i.e. combining, cleaning and using information (needed for Conditions 1 and 5) communicating conservation and sustainable development messages, serving an effective biodiversity watchdog role, improving security for environmental leaders of CSOs and communities, broadening appreciation of conservation CSOs across society, CSO enhancing CSO credibility and policy influence, raising funds jointly (incremental, not competing with individual CSO fund-raising), and strengthening CSO relationships with authorities, donors, companies, the media and others.
- Projects to enable one or more national NGOs to build a broader social base and relationships with influential individuals and institutions (Criterion 2.5).

Non-grant action by CEPF globally:

- Facilitate learning and exchange of information and innovative practices between hotspots on the integration of ecosystems in climate adaptation, for example through joining the global network FEBA.[13] (Criterion 1.5).

Non-grant actions by RIT:

- Facilitate knowledge brokering/management opportunities between grant recipients, designed to draw out lessons learned, key challenges and best practice, as well as areas for adaptive management of program where needed (Criteria 2.2-2.4 and 1.5).
- Identify areas in which the conservation effort requires complementary expertise (see suggested disciplines in Criterion 2.1) and broker new collaborations.
- Provide training and mentoring for CEPF grantees, especially community-based organizations (Criteria 2.3, 2.2).

[13] https://www.iucn.org/theme/ecosystem-management/our-work/ecosystem-based-approaches-climate-change-adaptation/friends-eba-feba

- Facilitate co-creation of multi-actor projects, as described above (Criterion 2.4).
- Promote alliances (Criterion 2.4) and play either a supporting or an organizing role for them.
- Foster relationships between the conservation CSO community and other SDG-oriented movements of high capacity and credibility, preferably spanning grassroots and national organizations and private sector. Water, climate change, public health and gender equity would be priorities in this regard. (Criterion 2.5).
- Facilitate generation of large, multi-partner proposals to donors for work that complements or co-finances CEPF-supported activities (Criteria 2.4 and 3.4)
- Plan and lead the consolidation of the national and regional mechanisms for cooperation in the conservation movement (Criterion 2.4).

Condition 3: Sufficient, Sustainable Financing

As with institutional capacity, action towards sufficient, sustainable financing underpins progress on many of the criteria for graduation. The Ecosystem Profile 2021 highlights how international cooperation finance has become the principal source of funding for CSOs and has enabled them to continue operating over the last couple of years, especially since the reduction of government spending on biodiversity conservation in some countries. The financial situation of CSOs and their heavy dependence on short-term restricted funds, makes them vulnerable to pressure, unable to plan long-term or adapt quickly to emerging issues. This has been made abundantly clear during the recent pandemic. Turning that around, there can be a positive feedback loop, because increased, reliable financing enables CSOs to become stronger institutions, which in turn increases their ability to attract funding (criterion 3.4). However, this may be a difficult turnaround for CEPF to deliver. The capacity building envisaged under Condition 2 should improve performance in obtaining conventional philanthropic funding but will not achieve the financial transformation that is needed for the world's most biodiverse hotspot. The pandemic has highlighted not only the financial fragility of CSOs but also the very low valuation of ecosystems and biodiversity in financial decision-making by governments, with most economic recovery plans based on reduced public sector spending and increasing primary resource extraction and exportation.

Improvements in public sector financing (Criteria 3.1 and 3.2) and the allocation of fiscal budget to biodiversity conservation depend largely on prior advances in the national policy framework (Criterion 4.1) and public opinion (Criterion 5.5), as well as in global financial mechanisms linked to climate and biodiversity (Criterion 3.3). Ministries of Finance may be the toughest nut to crack but are also the entities whose decisions could have a profound influence on biodiversity conservation. Facing economic crisis, they instinctively turn to what they know (resource extraction) but they may also be open to novel ways to attract investment in the fast-evolving global scene of finance for CC, biodiversity and the sustainable development goals (SDGs), particularly if encouraged to do so by the development banks and others in the finance sector. For example, in Ghana the Ministry of Finance is training district-level staff to evaluate budgets holistically against the SDGs, rather than conventional, narrow economic analysis. It takes enlightened leadership, but the Andean region certainly has the BES assets and CEPF could potentially support efforts by CSO and private sector leaders to cooperate with development banks in steering their governments towards green economic recovery. Opportunities are now available for governments to unlock private capital for biodiversity conservation through blended finance with loans from the development banks in initiatives through the Andean Development Bank and the Inter-American Development Bank.

With regard to global financial mechanisms (Criterion 3.3), CEPF can help CSOs to be at the vanguard of new financing mechanisms and position themselves as indispensable partners

for efficient, effective execution of global funding (multilateral, bilateral, philanthropic, impact investment and various hybrids) related to CC mitigation and adaptation, nature-based solutions and the green economy, including green recovery post-Covid. Global funding mechanisms notoriously struggle to get a high proportion of funds delivered quickly, without waste, to agencies able to deliver on-the-ground activities. In many cases, the responsible government ministries lack what is called absorptive capacity for managing this level of funding i.e., insufficient capacity for implementation and delivery within funding timelines. If the global ecological crisis is to be tackled, the funds have to flow much more efficiently. Increasingly, the focus of these funds is on multi-actor, landscape programmes, often covering multiple areas and even multiple countries. CEPF and CSOs can be essential players in achieving that change by offering an effective mechanism for generating a portfolio of projects and partners ready for implementation, delegated by, or collaborating with, government. These projects may aim to increase resilience to climate change and/or they may form part of the national program to reduce net emissions and deliver on the country's NDC. A strong selling point of CSO implementation, especially coalitions of CSOs, private sector and local government, is their deep local involvement which allows them to deliver enduring impacts at multiple levels from community upwards. With support, CSOs could also provide a pipeline of ready-made projects, including projects designed to leverage blended finance with governments and the private sector. Thus, the niche for CEPF can be to help address the problem of "absorptive capacity" in the receipt and disbursement of large quantities of funds through, for example, the International and National Implementing Entities for climate finance from the Green Climate Fund (GCF). As well as supporting CSOs, CEPF and the RIT can engage with international institutions tackling these problems, to promote approaches whereby CSOs can participate in global funding streams. The German government's International Climate Initiative, IKI, is an example of such an approach. Its 2020 call for NGO proposals, responding to Covid-19, included specific themes on inter-connected protected areas, incorporation of biodiversity and CC into financial systems, and "unlocking the trillions" of private sector investment potentially available for CC mitigation and adaptation.[14]

Whatever the funding sources may be, a key element for graduation is the capacity for CSOs to be resilient in the face of economic shocks or other threats (Criterion 3.4). Ideally, they should have sufficient reserves to cover basic operating costs and minimum core programs for at least a year. However, as a graduation target, we propose that they have financial reserves equivalent to 8 months of core costs, to cope with economic shocks. This is in addition to their portfolio of funded projects. Graduation also encompasses long-term financing mechanisms, such as payments for water catchment conservation, carbon sequestration, sustainable value chains, and other ecosystem services (Criterion 3.5), which serve to sustain conservation action and the livelihoods of the communities or other landowners providing the ecosystem services. They may in some cases contribute financially to collaborating CSOs. In developing these mechanisms, it is important that CEPF help build capacities of the community organizations and farmer associations concerned to benefit from them and develop sustainable livelihoods. There are common pitfalls such as monetization leading to loss of rights over resources or elite capture of benefits from communal goods. Nevertheless, within the hotspot, there are good models to build on, especially with regard to water, coffee and chocolate production. There are promising examples of sustainable value chains contributing to productive landscapes that are favourable for biodiversity conservation, such as the Bosque de Protección Alto Mayo, in the San Martín region in the north of Peru.

[14] https://www.international-climate-initiative.com/en/project-funding/information-for-applicants/thematic-selection-procedure/thematic-selection-procedure-2020

The lines of action are:

- **Support CSOs, in alliance with private sector businesses and local governments, to develop a pipeline of large proposals and demonstrate efficient, effective execution of new sources of funding (investment and long-term) linked to outcomes for biodiversity, climate, water and associated SDGs. (3.4)**
- **Develop collaboration between leading CSOs, including the RIT, and financial organizations (development banks, green funds, impact investors etc.), to help the financial institutions direct funds towards nature-based development solutions and support the greening of national development policies. (3.3)**
- **Support initiatives and build capacities for BES-based revenue generating activities, which contribute to sustainable livelihoods and/or the financing of conservation CSOs. (3.5)**

These lines of action would include:
Grants:

- Projects that broker the establishment of **financing strategies** for protected KBAs that optimize the use of public funds and international development financing to catalyse larger scale private sector investment (Criteria 3.1, 3.3).
- Projects through which CSOs assist the government to deliver on its NDC climate commitments or to implement internationally funded climate adaptation programs, in ways that conserve biodiversity (Criteria 3.3).
- Projects that **foster alliances** between CSOs, local (or national) government and private sector and incorporate sustainable financing mechanisms (Criterion 3.5). A project may well be a component of one of the co-created corridor/territory/district projects mentioned under Condition 2. Projects will probably support both mechanisms for financing conservation and sustainable economic activities for businesses and communities, both of which are needed for sustainable landscapes.
- Small grants to help **prospective consortia of CSO and private sector** (and local governments as participants and beneficiaries of advice and training but not as recipients of funds) to get organised, negotiate internal agreements, assess business/funding opportunities and develop materials and a pipeline of proposals and capability statements, for use in seeking funding from new sources, including large international sources (Criteria 3.4 and 3.5).
- Projects to catalyse the **replication or scaling up of proven revenue mechanisms**, such as water funds, by attracting new forms of financing (Criterion 3.5).
- Projects to **expand micro-financing** opportunities linked to green economic activities and strengthen the capacities of community organisations in biodiversity-rich areas to access them.

Non-grant actions by CEPF globally:

- Engage with international institutions, which are working to direct global climate funding towards nature-based solutions and to green the financial systems, to expand mechanisms for investment through CSOs and through CSO-private sector-local government coalitions (Criterion 3.3).
- Identify emerging international funding sources, that could be a good fit for the Tropical Andes and introduce them to the RIT (Criterion 3.3).

- Explore whether the Covid-induced (or exacerbated) economic crisis may open new opportunities for debt-for-nature agreements or other mechanisms related to economic recovery in the region (Criteria 3.3 and 3.5).

Non-grant actions by RIT:

- Foster and support a national or regional collaborative initiative between CSOs and private sector leaders to educate and convince ministries of finance to take a green path to economic recovery, with measures including incentives for delivering BES gains and investment of green funds (from public and private sources) e.g., in labour-intensive projects to protect/restore ecosystem services and sequester carbon. (Criteria 3.1 and 3.2).
- Identify international funding sources, that could be a good fit for the Tropical Andes (Criterion 3.3).
- Convene donor fora to promote increased, coordinated funding for biodiversity. CEPF could set up dialogue between donors and a regional network of grantees with unparalleled knowledge of biodiversity conservation in the region, systematic information on BES in the region, and capacity to apply funds directly to actions at field, sub-national, national and regional levels (Criterion 3.3).
- Fund the time of RIT staff and top CSO leaders to maintain regular dialogue with investment banks, chambers of commerce, private sector leaders and key government agencies on climate financing and the potential value of conservation CSOs as partners in achieving mitigation targets (including NDCs) and increasing ecosystem resilience.
- Fund the time of RIT staff and top CSO leaders to maintain regular dialogue with international institutions and their own governments on key issues, such as enabling conditions for green investment, investment in the Conservation ToC (e.g., capacity building, large-scale investment in livelihoods/landscapes/watersheds, strengthen EIA processes), and synergies between BES conservation and other sectors (e.g., higher education, water, health, renewable energy) (Criteria 3.1-3.3).
- Facilitate an exercise involving both conservation/climate specialists and budget/finance/economy specialists to map and analyse the array of funding instruments for KBA management, ranging from the budgets of government departments and municipal authorities to Covid recovery loans and the funds of companies and investment banks. The aim would be to compare what is needed for KBA conservation with the funding available through these instruments, and hence determine ways to adjust existing instruments or, if necessary, establish new instruments to fill the financing gap. (Criteria 3.1-3.3).
- Serve as a "match-maker" between CEPF program coalitions and suitable funding sources (e.g., impact investors with a philanthropic component) (Criteria 3.3 and 3.4).
- Provide training (or links to training opportunities) on financing opportunities and fund-raising for CSOs, businesses and local and national government. This includes training in development of portfolios of "bankable" projects to access a variety of funding sources, both philanthropic and impact investment (Criteria 3.3 and 3.4).

Condition 4: Enabling Institutional and Policy Environment

This condition is crucial for sustainability but less amenable than the others to direct influence by CEPF. The regional context for CSOs over the last five years is described in the Ecosystem Profile 2021 as volatile, uncertain, complex and ambiguous. Governments in the four countries have limited to just a few CSOs the invitation to take part in public policy processes, with opportunities predominantly in the CC planning space. The ability of CSOs to influence the legal and policy environment, including incentives and disincentives

(Criterion 4.1) depends on how far they have progressed in terms of (i) presenting clear, robust information, (ii) being well organised with access to expertise in law, economics and social development as well as ecology, (iii) having broad credibility across society, government and economic actors, and (iv) having resilience and independence based on financial security i.e. on various criteria under Conditions 1-5. Nevertheless, in addition to advancing those prior criteria, CEPF can maximize the influence of the CSO community by helping them to increase their collective impact when engaging with public policy processes. As mentioned for Criterion 2.5 (credibility), one strategy is to cooperate with other influential sustainable development advocates, such as the group of leaders who responded to the pandemic by publishing principles for a green economic recovery, "Principles for a sustainable future for Latin America in times of pandemia and planetary crisis" or the Inter-Agency Working Group on Responsible Gold Mining, the Peruvian Alliance for Sustainable and Competitive Coffee that contributed to the National Coffee Plan. Other examples are the Latin American Climate Action Network[15], ActionLAC, supported by the Avina Foundation or the climate platforms supported by the Climate and Development Knowledge Network, CDKN[16].

CEPF and its grantees can raise the profile of biodiversity in such campaigns, by (i) providing BES information, (ii) facilitating access to organisations with BES expertise, and (iii) linking these high-level movements to on-the-ground, multi-stakeholder practice.

The most immediate means to influence the national policy framework may be through cultivating a close relationship between leading in-country NGOs and the bilateral and multilateral development funders (development banks, development agencies, impact investors, insurance sector etc.). We recommend that this be a role that the Regional Implementation Team plays. Many of these development agencies aim to "green" their support to the Andean countries or ensure there is net zero carbon sink. However, they lack the technical expertise and this provides scope for CEPF-supported NGOs, to offer biodiversity expertise to these institutions particularly around identification of sites and methodologies for measurement (without duplicating what is already being done globally by international NGOs), to suggest potential policy modifications to favour biodiversity, and to propose specific investments.

A similar approach can be taken with regard to governance (Criterion 4.2) where the local context in each of the four countries is more favourable to CSO participation in, for example, land-use planning, protected area management and regional and municipal development planning. That is, to strengthen CSOs' capacities to make effective use of existing opportunities for participation in decision-making and management. A highly important aspect of governance is the rights and responsibilities of communities, especially indigenous people, over their territories.. They vary greatly in their relationship with and commitment to nature conservation and sustainability. Nevertheless, in addition to capacity building (see Criterion 2.2), secure collective rights and an empowering governance framework are essential if the biodiversity of which they are the custodians is to survive. Around 21% of the KBAs is under indigenous ownership and these lands are coming under increasing pressure for primary resource extraction. The pressure to take their land will surely increase in future as CC, water shortages and soil erosion drive migration. The task of land titling is a huge one and it can facilitate or undermine conservation of BES, depending on whether it is conducted fairly and whether it recognizes the need to maintain the integrity of large ecosystems. Progress on securing land titles has slowed and been made more difficult by the historical overlapping of indigenous land with protected area

[15] https://actionlac.net/en/ and https://www.avina.net/en/home/

[16] https://cdkn.org/2020/06/webinar-dialogos-para-un-renacimiento-sostenible-de-america-latina/?loclang=es_es

limits and with the overlapping of new forest concessions. In Peru, the most frequent obstacle is the conflict over boundaries between indigenous land and adjacent land colonised by communities that took part in the land titling process between the 1970s and 1990s, a process that was done by hand and imprecise.[17] Where the areas are large and conflictive, this , too, is a topic on which CEPF cannot act directly but can strengthen capacities of indigenous communities to assert their rights and also forge alliances with specialist organizations, such as SPDA and the Land Coalition.[18]

Criterion 4.3 addresses the rule of law, including the safety of CSO activists and community leaders defending their rights and resources. There has been a marked increase in the violence against community leaders that are speaking out for human rights and against encroachment and extractive use of their lands, or whose land is caught up in wars between criminal gangs, drug-trafficking and illegal mining. These are very important issues but difficult for CEPF to influence. Nevertheless, CEPF can make a difference by supporting participatory landscape-scale planning with local governments to negotiate infrastructure and extractive use issues, thereby pre-empting conflicts. CEPF can also support BES awareness and training for enforcement agencies and judges, help CSOs to adopt safe practices, promote "safety in numbers" so that individual organizations or activists cannot be singled out for retribution, and contribute to transparency and the international profile of severe problems (particularly where extractive export industries are involved). CEPF can also support increased security measures in the design and implementation of projects and support improved access to justice for environmental and indigenous leaders.

Many of the toughest issues regarding policy, governance and rule of law are around big-footprint sectors: mining, hydrocarbons, industrial agriculture, construction, infrastructure development. These pressures are expected to increase, especially in the mining sector. Far from thinking of green recovery, the region's governments seem convinced that mining and other industries represent their quickest and surest way out of the economic crisis, and in their rush to open the economy post COVID-19, some are showing scant regard for environmental regulations or standards in the planning, approval and oversight of mining in particular. KBAs located outside protected areas are at greatest risk. Although countries do have legal requirement for Environmental Impact Assessment (ESIA) processes, further work is needed to establish standards and conditions, and there is a gap between these and the level of compliance by companies. Given the increasing level of violence against community leaders and the undermining of indigenous voice, particularly in relation to mining, CEPF can support CSO to create alliances at national and regional level, and with larger international NGOS, to promote rigorous, transparent monitoring of compliance with EIAs, standards and conditions (Criterion 4.4). In Ecuador, CSOs have taken legal action against the government to block decisions to approve mining in high biodiversity areas. CEPF support to the Inter-Agency Working Group on Responsible Gold Mining is another good example of regional and national collaboration. Traceability, including cooperation with international NGOs to engage the consumer end of the market chain, is an increasingly valuable tool, as technology improves. Nevertheless, there is still a huge challenge surrounding the impacts of illegal mining which act outside of the regulatory framework. CEPF has supported a regional networking initiative to share best practice in the creation and communication strategies of national civil society platforms that raise awareness of the scale and urgency of the problem. It is important to continue supporting public awareness

[17] https://www.actualidadambiental.pe/titulacion-comunidades-nativas-experiencia-loreto/?fbclid=IwAR3Rp3QcyK0IhcO8b45I6bShzYmTBLjw8JM3ibKM2K3wakBTj-25PUYq1lE

[18] https://learn.landcoalition.org/en/e-learning-courses/keeping-civil-society-partners-centre-land-tenure-regularisation-programmes/

campaigns at national and regional level, especially given the increase in illegal mining as a result of the pandemic.

Criterion 4.4 also encompasses constructive engagement with forward-looking businesses which are committed to reducing their footprint and improving environmental practices, as well as reducing risks associated with their dependencies on BES. Such constructive engagement by CSOs should be financed by the companies, not CEPF, provided that CSO independence is not jeopardized. International NGOs, such as WWF, CI and TNC, already have major programs of engagement with global corporations, but CEPF can encourage them to transfer these skills, partnering with national CSOs and expanding the scope to include businesses with national and regional markets. Unlike some other hotspots, the Tropical Andes has national and sub-national CSOs which can rise to the challenge on this, bringing an additional dimension of knowledge and social legitimacy to the process.

Another lever to influence industry practices is through the banks who finance their activities. The scale of investment in sectors that impact biodiversity dwarfs investment in the green economy, let alone investment in BES conservation. For example, compared to the total US$676 million invested in natural resource management over the 2015-2019 period, the investment in road infrastructure for just one year in 2017 was US$198 billion by the South American Council for Planning and Infrastructure (COSIPLAN). International NGOS have made a start in bringing their influence to bear in order to 'green' this finance, though still only scratching the surface. The role of CEPF in the Tropical Andes can be to encourage greater involvement of national and sub-national CSOs in engaging the industries in-country.

Re-orientation of big-footprint industries is one element of Condition 4, but there is also the strongly positive role that the private sector can play in driving conservation of BES (Criterion 4.5). Businesses will increasingly be leading the way on initiatives to achieve Triple Bottom Line results and that favours this (Criterion 4.1). The Graduation TOC points to a change in strategy to reflect this change where, in the past, CEPF has seen CSOs as those needing to motivate businesses by demonstrating best practice or where they have seen such businesses as sources of funding. In this new context, CSOs will need to work out how they can best engage with these businesses, seeing them as allies with shared goals but complementary capacities, rather than as potential donors. There is potential for an initial technical advice and training role for CSOs, as companies develop their internal expertise. For businesses trading in products of biodiversity-rich landscapes, there may be an ongoing role for CSOs in facilitating the development of sustainable supply chains, enabling the adoption of best conservation and social practices and compliance with standards and facilitating inclusive participation of key actors in BES decision-making. There are strong examples of this happening already, for example, in Peru, Colombia and Ecuador with the coffee, chocolate, cattle-ranching and ecotourism markets. This ties in nicely with the landscape-scale multi-actor projects suggested in relation to Criterion 1.4. At the national and regional levels, CSOs and progressive companies have a common interest in promoting a favourable regulatory and incentive framework and also in developing public awareness of the value of BES, thereby benefitting both conservation and the company brand. Thus, a role for CEPF is to promote alliances between CSOs and these progressive companies, potentially co-financing some of the initial, exploratory engagement, while avoiding creating any dependencies on ongoing philanthropic funding. CEPF could also

identify sources of investment, such as the recently launched GEF Nature+ Investment Fund[19].

A final thought is that increasing private sector demand for BES expertise may attract professional staff away from CSOs, in which case CEPF may need to increase provision of training opportunities for up-and-coming staff. While this may be a problem in the short term, expansion and upgrading of conservation career opportunities in the region would be hugely beneficial in the long term, provided that government careers in the sector do not lag too far behind.

The lines of action are:

- **Strengthen the capacities of CSOs, in collaboration with like-minded movements, to influence policy frameworks, governance systems, incentives and government budgets in relation to BES. (4.1-4.3, 3.1-3.2)**
- **Support collaboration between national CSOs and international organizations to increase transparency and accountability of big-footprint industries and promote best practices. (4.4)**
- **Support CSOs, including community groups, to engage in Environmental and Social Impact Assessment (ESIA) and monitoring of compliance, including the reporting of illegal mining, while minimizing risks to those involved. (4.4)**
- **Promote and support BES conservation initiatives led by the private sector and involving CSOs.**

These lines of action would include:
Grants:

- Projects to enable conservation CSOs to become valued partners of actors, who formally or informally are influential in policy-making, by providing them with BES information, expertise and links to on-the-ground conservation realities (Criteria 4.1 and 4.2).
- Projects to strengthen participatory governance, including connecting the different levels of the governance hierarchy from community group through site managers and local governments to national bodies. (Criterion 4.2)
- Projects to promote transparency and safety of environmental and indigenous defenders by training CSOs and partners in security measures, in approaches to minimize conflict and risk, and to improve access to justice (Criteria 4.3-4.4).
- Projects to support CSOs organizing monitoring, transparency and accountability of big-footprint industrial projects. (Criterion 4.4).
- Projects (or consultancies) in priority landscapes to map the private sector entities present: where are they, what are their impacts and BES dependencies, what are their business interests and future plans, how are they governed, are there potential opportunities for conservation action or financing or impact reduction? This provides the basis for developing cooperation with some of the companies concerned. (Criterion 4.5).
- Projects making catalytic investments to facilitate involvement of conservation CSOs in business-led conservation initiatives. (Criterion 4.5).

Non-grant actions by CEPF globally:

- Identify sources of investment for green projects involving pioneering companies collaborating with CSOs (Criterion 4.5).

[19] https://www.thegef.org/news/nature-accelerator-fund-incubate-and-accelerate-conservation-investments

- Promote the Escazú Agreement. (Criteria 4.3-4.4).

Non-grant actions by RIT:

- Encourage cooperation between national and international CSOs on engagement of high-impact industries to reduce their BES footprint and on advising the banks which invest in these sectors. (Criterion 4.4).
- Support CSOs to engage with progressive companies to identify areas of common interest at national or landscape level and initiate cooperation, where relevant. (Criterion 4.5).
- Seek opportunities to support novel collaborations, beyond the comfort zone, which have the potential to generate novel solutions for business and biodiversity in the new context of covid and CC. (Criterion 4.5).

Condition 5: Capacity to Respond to Emerging Problems

Condition 5 concerns the capacity to respond to emerging problems and encompasses both problems which are completely unforeseen and those, such as CC or the cumulative impacts of mining, which are predicted in general terms but with uncertainty about the specifics. They could include pandemics, economic shocks, civil unrest, large-scale migration or a breaking point reached on some critical ecological process, such as pollination, fire or the hydrological cycle. The five criteria for this Condition start with monitoring (Criterion 5.1), especially of trends in status of and threats to BES, especially KBAs that are in vulnerable locations. This criterion also considers the monitoring of threats that are regional or international in nature. Whether influencing policies and plans or responding to new problems, CSOs collectively should always be able to bring to the table information – including both scientific and experiential/traditional knowledge – and established connections to environmental and social realities on the ground in priority areas. As with the first two information criteria under Condition 1, the central challenge for up-to-date monitoring of BES status and threats (Criterion 5.1) is one of scale. In the world's most biodiverse hotspot, with a wide array of threats, the need for monitoring information is limitless. This puts a premium on drawing on diverse sources of information and on making optimal use of the data gathered. There has been some improvement in coordination of environmental information at the national level over the past five years: in 2017 Ecuador adopted the National Agenda for Biodiversity Research, Peru adopted the Agenda for Environmental Research up to 2021, and Colombia has adopted the 21st Century Systematic Research Agenda.

Despite increased capacity within academia to bridge the gaps in biodiversity data and contribute to national conservation planning, there is still a significant obstacle in terms of the reluctance of many organizations, especially universities, to share data, particularly with local organisations. Reasons may relate to the academic need to publish before sharing, concern about Intellectual Property Rights or just a general reluctance. The Ecosystem Profile 2021 also identifies a worrying trend in reduction of funds for universities and academic institutions. Introducing other sources of information, such as commercial companies' data or traditional community knowledge, adds further levels of complexity and sensitivity around such issues. The pandemic inspired many actors to make their data accessible, but, even then, not all. While governments, funders and the academic and commercial sectors try to move forward on policies and practices for information for the public good, CEPF in the Tropical Andes can draw on prior experience to set up mechanisms to facilitate and increase data sharing, especially where donor-funded data is involved, while recognizing the constraints of current systems. This should include sharing data between specialists and institutions in the four countries because most species ranges are transboundary and most of the threats they face are similar or even regional in nature.

In all countries there is still a gap in coordination and information sharing between the decentralised agencies dealing with CC and those specialised in disaster risk management. There is local infrastructure for early warning and for community mobilisation and risk monitoring for natural disasters and this provides an important opportunity. This could potentially be strengthened and aligned to include the monitoring, anticipation and prevention of other types of risk, such as impacts of CC or deterioration of ecological functions.

CC stands in a category of its own. Global research on CC impacts will surely expand, so a challenge for the hotspot is to bring the global analyses down to the hotspot, national, sub-national and corridor scales, at which conservation planning and action can happen (Criterion 5.2).

The approach to monitoring to detect emerging problems should therefore include:

- Building on the existing databases and networks on threatened species and KBAs, which are already part of the CEPF program (Criteria 1.1 and 1.2).
- Ensuring that companies which benefit from or have a negative impact on BES, finance all the necessary research and monitoring (Criterion 4.4).
- Engaging a wide range of people and institutions in generating information, including academic scientists, citizen scientists, parataxonomists, communities in biodiverse areas, companies, tour guides, ecosystem service users etc. (recognizing, however, that this adds to the challenge of cleaning and harmonizing data). This also broadens the constituency of committed conservation supporters (Criterion 5.5).
- Collaborating to evolve, where possible, the local infrastructure of emergency committees for disaster risk management so that they encompass ecological risks.
- Improving the knowledge management systems, including systems for compiling data from these multiple sources, cleaning it, uploading it to the web, managing it, facilitating access, generating relevant analyses, disseminating them, identifying priority information gaps, responding to emerging issues etc.
- Collaborating with universities and other research agencies to foster research, maintain well organized databases and on-line libraries of information, and generate peer-reviewed publications, and help to leverage investment by other funders in research.
- Wherever possible, designing information systems to be inter-operable between sectors and regionally across the hotspot. That is to say, ensuring that, with a simple interface, they can share information.

These are complex knowledge management processes, which CEPF can improve incrementally, building on existing initiatives in each country, but should seek other, larger donors to take on at the scale necessary. While this seems like wishful thinking right now, it is plausible in the near future, given the growing recognition that CC has massive social and economic consequences, that climate resilience and biodiversity conservation are inseparable, and that knowledge of BES is the necessary foundation for any "green economic development". The post-2020 Global Biodiversity Framework is expected to generate biodiversity metrics and targets that will provide the necessary stimulus and investment needed at scale for this type of monitoring. CEPF can support CSOs to adapt the global framework to the hotspot context, then plan and raise funds for a systematic monitoring program. Structured, rigorous monitoring of KBAs, other BES and threats across the hotspot would be invaluable. However, it does not replace or reduce the value of the more varied, inclusive monitoring involving multiple sites and participants, brought together and filtered at the national level.

A further challenge for conservation CSOs is to have the expertise to use all the information and analyses to guide their field and advisory activities and to respond to emerging problems affecting BES (Criterion 5.3). This depends largely on progress on capacity (Condition 2), but regional and global networking is also vital because, almost by definition, emerging problems will demand new specialist knowledge, technology, methodologies, legal instruments and so on. The CSOs need to connect with the relevant expertise as it evolves and can provide the bridge between that expertise and the practical realities of ecosystem management and social change on the ground.

As with the information management, the work of analysing and using the information to foresee, prevent and respond to emerging problems should, wherever possible, cross sectors, disciplines and international borders, to combine expertise and to understand the threat at all scales from regional to local, and to coordinate with entities responding to different impacts of the same emerging threat e.g., public health or migration. The inter-connectedness of biodiversity, ecosystem health and human well-being, epitomised in the concept of "One Health", demands joined-up responses to threats.

Technical networking, horizon scanning, projecting impacts, planning responses and providing advice to governments, industry and development bodies about BES risk management all require flexible funding (Criterion 5.4). Responding to problems which emerge and evolve rapidly also demands flexible funding for both CSOs and governments. CEPF can make some direct contributions but basically this depends on progress on CSO financing i.e., Condition 3. As predicted, avoidable catastrophes, such as Covid and climate-related disasters, accumulate, the notion of investing in preparedness and prevention should gain political traction. This should open the door to expert advice (witness how Covid has changed perception of science) and funding, so CEPF could seek to catalyse the establishment of a replenishable fund for preventing, or responding rapidly, to large-scale biodiversity emergencies. Another funding strategy for preparedness is to promote the internalization of the costs of BES risk management by the industries contributing to this risk. For example, if commercial agriculture might cumulatively threaten to disrupt hydrology, with knock-on effects across a wider ecosystem, then that industry should pay the costs of independent analysis of the risks and precautionary preventive measures. This relates to the national policy framework and industry practices, i.e., Condition 4.

Lastly, adaptability requires adequate public awareness and demand for action (Criterion 5.5), without which political leaders rarely address ecological problems in a timely (let alone preventive) way, as has been shown by coronavirus and by almost the entire history of invasive species, deforestation, soil degradation, pollution and, catastrophically, CC. A well informed and demanding public is also essential for much of the enabling environment under Condition 4. If a broad swathe of civil society is to support BES conservation in their own practices and in what they demand of their political leaders, it will be necessary to incorporate nature into the values and experiences of the increasingly urban population and to raise awareness of the connection between resilient livelihoods and BES for people and businesses in biodiversity-rich areas. There is a positive feedback loop here with CSO credibility (Criterion 2.5), as credibility of message and messenger are connected. Wider citizen movements and campaigns around sustainability and conservation can contribute to both criteria. Public awareness campaigns about the impacts of illegal mining will be supported.

As with knowledge management, public support is something which CEPF can catalyse and contribute to, which needs larger donors to take the lead, and which seems like wishful thinking now. However, it could happen very soon, if new young leaders were to step forward in this context of increasing global concern about Andean BES, rapidly expanding

telecommunications networks, and increasing receptivity of the public in the hotspot to messages about the impact of CC which chime with their own experiences. Covid has had conflicting impacts on public receptivity, simultaneously raising awareness about vulnerability to global change and refocusing attention on short-term economic recovery without regard to the environmental cost. In this volatile time, there is scope for CSOs to lead the way with more outspoken calls for green recovery and ditching the prevailing economic development model dependent on resource extraction.

It has been argued that, rather than focusing on programmatic and institutional adaptability, some CSOs should find a niche as innovators and drivers of rapid change. That could be by pioneering novel approaches (e.g., in technological, social or business aspects) to conservation and sustainable development, in collaboration with private sector innovators (Criterion 4.5), or by promoting a more radical, green agenda in the public communications space. Such CSOs could be an influential part of the civil society mix, as climate, ecosystems and biodiversity force their way onto the development agenda in the hotspot.

The lines of action are:

- **Improve BES and climate-related knowledge generation and management systems, including wider participation in them, data quality control, analysis to detect threats, and delivery of relevant information to governments (local and national), BES-dependent businesses and the finance/investment sector. (5.1-5.2, 1.1-1.2)**
- **Support thematic hubs or other mechanisms for regional and international networking, with collaboration across sectors and disciplines, for detecting and managing emerging threats, including the impacts of CC (5.3, 2.4).**
- **Grow and broaden public appreciation for BES as the basis for sustainable development and support for conservation CSOs, including collaborative initiatives to build public connectedness to nature. (5.5)**
- **Consolidate the role of conservation CSOs in a cross-sectoral civil society contribution to preparedness and adaptability across the hotspot (Criteria 5.1-5.4)**

These lines of action would include:
Grants:

- Projects that enable critical, cost-effective improvements to **BES knowledge management systems**, particularly with regard to the compilation, cleaning and accessibility of knowledge about BES trends and threats. There is a prior need for a project to produce a plan or framework for these projects, by reviewing what kinds of relevant knowledge are available (**including species and KBA data**), if/how they can be combined, what sharing mechanisms already exist, what kinds of outputs would be most valuable and for what purposes (Criteria 5.1 and 5.2 and Condition 1 below).
- Projects that focus on the packaging and **communication of the information** to decision-makers, especially in governments, business sector or finance sector (Criteria 3.3, 4.1, 4.4, 4.5).
- Projects that enable regional **thematic hubs** or think tanks of CSO technical experts to do horizon scanning, develop guidance and participate in cross-sectoral, multi-disciplinary **regional and international networks** of experts relevant to known and potential emerging problems (Criteria 5.1-5.3).
- Projects that involve cost-effective collaboration with specialist companies or CSOs to influence **public awareness, attitudes and behaviour** in relation to BES and "nature-based solutions" and to stimulate increased participation in monitoring and conservation (Criterion 5.5).

- Projects that support alliances with wider **citizen environmental movements** to increase public demand for BES conservation, to raise awareness about illegal mining and demand readiness in face of growing threats (criterion 5.5)

Non-grant actions by CEPF globally:

- Identify sources to which CEPF partners could apply for funding to scale up work on BES monitoring and research (Criteria 5.1 and 5.2) and on public awareness and engagement (Criterion 5.5).
- Explore the feasibility of establishing, either for the Tropical Andes Hotspot or for all hotspots, a replenishable fund to address unforeseen biodiversity emergencies (Criterion 5.4).

Non-grant actions by RIT:

- Help conservation CSOs to establish alliances with companies or NGOs with specialist expertise in knowledge management or the use of citizen science (Criteria 5.1-5.2) or in communications, social media, social marketing etc. (Criteria 5.5).
- Facilitate and guide the development of regional thematic hubs (Criteria 5.1-5.3, 2.4)
- Identify in-region sources to which CEPF partners could apply for funds to scale up work on BES monitoring and research (Criteria 5.1-5.2) and on public awareness and engagement (Criterion 5.5).
- Organize a multi-partner exercise to explore opportunities and constraints for data sharing within each country and regionally, drawing on previous CEPF experience, national models (e.g., Humboldt Institute, Ecuador's National Biodiversity Institute) and models from elsewhere in the world. (Criteria 5.1).

5. NATIONAL AND REGIONAL COORDINATION OF CIVIL SOCIETY ORGANIZATIONS

5.1 National Facilitation and Coordination

At the heart of the graduation ambition is the notion of a credible, effective, sustainable conservation movement that encompasses local and national CSOs and businesses and diverse areas of specialization. As emerged repeatedly in the discussion of each Condition, cooperation between the CSOs in each country is essential if they are to make the most of their collective capacity, build capacity within the movement, coordinate their efforts, avoid duplication, share data, develop joint programs at the landscape level, forge longer term alliances and defend their collective interests and safety. Cooperation can also make the CSOs more effective, stronger and more credible in raising public awareness of and support for BES conservation and in engaging with government, large donors, industries, the finance sector and other important economic or social actors outside their usual "comfort zone". Furthermore, an inclusive, well organised, empowered, national CSO coordination group, focused on biodiversity and with a track record of grant administration, could be well placed to offer a portfolio of projects and partners of interest to the larger donors and development banks, or to attract funding from donors that are seeking a non-governmental mechanism to fund conservation.

CEPF already has an important role in this regard and as seen in the suggested actions in the previous section, there is much more that it can do. This is a role best played by well-established, national CSOs that have in-depth local knowledge, are an active part in networks and have developed relationships with governments and other CSOs and indigenous and local community groups across the country. It is also important to consider how this facilitation and coordination role will be sustained after CEPF has withdrawn, both in terms of the institution and/or mechanism(s) and in terms of funding. One challenge will

be to achieve that financial sustainability without competing for the same sources of funding as the conservation CSOs the institution and/or mechanism(s) seeks to serve.

5.2 Regional Facilitation and Coordination

Establishing an effective, sustainable conservation movement at the regional, i.e., hotspot-wide level is more challenging but is potentially attainable for the Tropical Andes Hotspot. As summarised in earlier sections, this hotspot is characterized by high levels of ecological connectivity, shared corridors and species distributions, shared ecosystem services, a common language, cultural connections (indigenous and other), economic ties including corporations that operate throughout the region, regional agencies (CAF, IADB etc.), social movements and some scientific collaboration. There is potential, therefore, for a hotspot-wide conservation movement to add real value to the four individual national conservation movements in areas such as the following:

- Sharing data, knowledge, specialist expertise, successful prototypes, training activities etc.
- Agreeing compatible methods that allow hotspot-wide measurement and monitoring of BES and threats to BES.
- Maintaining regional policy think tanks and generating common positions and statement on big policy issues, with correspondingly greater influence.
- Being the voice of biodiversity at the table during international discussions of regional and global challenges, such as CC, pandemics and international trade; as well as broader development issues, including the SDGs.
- Coordinating conservation of transboundary ecosystems.
- Providing the scientific basis for decisions on difficult transboundary issues, such as river management and extraction.
- Providing a degree of consistency for conservation through the inevitable political swings.
- Sharing platforms and materials for region-wide public communications and advocacy on BES issues.
- Ensuring a consistent approach to working with industries, investors, development banks, regional inter-governmental bodies etc., while providing those organizations with a simpler means of collaborating with NGOs.
- Offering funders which are regional in scope a proven mechanism for financing a region-wide program of conservation activities.

Thus, regional cooperation could add significant value to conservation of the Tropical Andes Hotspot. The Graduation Table (Annex 2) includes a column with indicators of regional graduation for many of the 25 criteria. As at the national level, CEPF already has an important role and could do more, and there will be a need for an institution and/or other mechanism(s) to continue the facilitation and coordination role post-CEPF. A well-received proposal arising from the consultations was to establish a series of "nodes" or "hubs" for regional networking on specific themes, each with its own host organization, in one or other of the Andean countries, and sustaining itself largely through the resources and efforts of the participating individuals and organizations. We agree with this proposal and have included it in the Graduation Table. However, it may not be sufficient, given the potential scope for regional cooperation.

The financial sustainability strategy for a regional coordinating body or mechanism is arguably tougher than at the national level. It must be able to cover its costs from funding that is additional to that which the national conservation movements and their individual CSOs are able to access. If not, it will gradually be undermined by the familiar problem of competition between the collective and individual NGO interests, in which, when times are hard, the individual NGO interests prevail (for good reasons). Two successful networks,

namely ActionLAC[20] set up by Avina Foundation and the public-private low emissions development platform (LEDSLAC) set up by the CDKN project (Climate and Development Knowledge Network), have the advantages of being coordinated by entities that already have secure core funding.

5.3 Long-Term Facilitation and Coordination Mechanisms

CEPF's Strategic Framework 2014-2023 envisages the following: "*RITs or similar organizations should be empowered to become long-term custodians of the vision built for their hotspots in the ecosystem profile beyond the CEPF investment period. This will entail an expansion of the RIT role from a focus on networking and capacity building for CEPF grantees to also include increased emphasis on direct coordination with government agencies and the private sector, as well as fundraising. Building the capacity of these organizations is therefore key in allowing CEPF to define and work toward an end point at which these regions can graduate from CEPF's support with sufficient civil society capacity, access to resources and credibility with government and the private sector to respond to future conservation challenges.*"

Our summary, above, of the facilitation and coordination need is on similar lines but broader and at two levels: national and regional. The existing terms of reference for the RIT do already encompass almost everything that we have proposed. They span nine components, with multiple tasks under each. The components include engaging with governments and private sector, ensuring coordination amongst conservation and development stakeholders, building CSO capacity to influence policy, and supporting the implementation of the LTV for graduation, as well as developing and managing a cohesive portfolio of grants to implement the EP and LTV. The terms-of-reference also state that, "*They will have primary responsibility for building a broad constituency of civil society groups working across institutional and political boundaries toward achieving the objectives described in the ecosystem profiles and any regionally appropriate long-term conservation and development visions*".

The current structure of the RIT, i.e., a coalition of national organizations, each working within its own country (with the exception of Bolivia) and fulfilling regional functions, lends itself well to the Strategic Framework's vision that the RIT or similar coordination mechanism should evolve towards the post-CEPF role. However, we suggest that the current set-up could be improved if the regional roles were addressed strategically and more as a team, rather than simply dividing up regional tasks between the individual organisations. We cannot say whether the current RIT organizations are ideal for the long-term role, or whether others may emerge that are better suited, but we do recommend continuing with this structure. There are multiple commonalities between the countries within the hotspot but that does not mean that in-depth knowledge and relationships in-country are not critically important in order to fulfil these functions effectively. Given the strategic importance of the national and regional roles, we also recommend that CEPF strengthen these elements of the CEPF program early in the forthcoming funding cycle.

5.4 Enabling the RIT to expand work on strategic, non-grant actions

The preceding sections highlight the central role of the RIT in the strategy for graduation. To be able to fulfill that role, the RIT will need additional funding (from existing or new CEPF donors) and/or a reduction of the portfolio administration workload in ways that do not affect compliance with the requirements and standards of CEPF and its donors. Under Conditions 2 and 3 above we recommend financing more multi-partner grants and also

[20] https://actionlac.net/en/

concentrating investment in specific landscapes, as a way to maximize synergies and foster alliances. Also, in section 7.2 of this report, we suggest increasing the duration of projects, to enhance stability of CSO finances and relationships. These approaches may in themselves reduce the volume of proposals and hence reduce the administrative workload.

Another resource dedicated to the proposal process is the National Project Review Committees (CONREPs). They comprise experienced and knowledgeable people, providing their time *pro bono* to CEPF. Their composition varies between countries:

- Peru: 7 members, predominantly from NGOs and universities.
- Ecuador: 5 members, predominantly from government and multilateral development agencies.
- Colombia: 8 members, predominantly from civil society (several ex-government functionaries) and academia.
- Bolivia: 4 members, a mixture of civil society, academia, government and multilateral development agency (UNDP)

Their levels of engagement and activity also vary, but they represent a significant resource that currently has focuses on proposal review. CONREPs have also added value by reviewing the criteria for project selection to ensure that this meets strategic intent and is gender-inclusive and accessible to different types of CSOs and partners. Some CONREP members are open to being more closely involved, for example by mentoring would-be grantees or advising the program based on lessons learned of past projects, or at least keep better informed about the program. The role of the CONREPs should be reviewed to make the most of this resource.

5.5 Recommendations for strengthening facilitation and coordination

In light of all the above, we make the following suggestions for strengthening the contribution of RIT and CEPF to national and regional facilitation and coordination:

- Unless large amounts of co-financing are available, concentrate field-oriented funding on a modest number of landscapes (subsets of the very large corridors) and the priority sites and species within them. This could enable synergies, build alliances, and achieve demonstrable, lasting, climate-resilient impacts which can in turn convince donors and governments. CSOs can play valuable roles as facilitators and interlocutors between diverse stakeholders, as facilitators of participatory market system development for biodiversity-friendly enterprises, and as brokers connecting these enterprises to green finance through rural credit agencies. The 2015-2019 portfolio did include investment in landscapes, but it is small compared to site-level investment and has seven very large corridors, which is a very broad geographic scope.
- Increase the proportion of the CEPF funds that are allocated to large projects, each co-created by a diverse group of partners (e.g., NGO, community organizations, private companies, university etc. in collaboration with local government and ministry), usually with outcomes at several levels: site, landscape, sub-national and national. CEPF already has some good learning from collaborative multi-sectoral planning exercises. The process of co-creation occupies time of the participants, including RITs, but in a way that, if expertly managed, builds relationships, overcomes barriers and creates a sense of mutual accountability.
- Seek an additional donor to CEPF for the Tropical Andes, with a specific interest in the national and regional components of the LTV. This would ease the dilemma between investing in field activities and investing in the strategic functions of the RIT and related CSO grants.

- Continue with the model of the RIT as a coalition of national organizations, each working within its own country and also as part of a team to fulfil the regional role.
- In the forthcoming funding cycle, provide the RIT with increased resources for strategically important, non-grant actions at national and regional levels, in line with their Terms of Reference, developing new partnerships, facilitating national and regional cooperation, capacity building and lesson sharing, building links with private sector, engaging governments on policy, convening donor meetings etc. This can be supplemented by grants on these topics to other CSOs. Thus, the program can start progressing towards the graduation target of having in-region mechanisms, capacity and funding for these roles, even if the precise mechanisms and the institutions involved evolve over time.
- Charge the RIT with upgrading the periodic national and regional meetings of grantees and supporting networking between meetings, with a view to developing hotspot-wide cooperation mechanism(s) and a collective conservation voice.
- Review the role and composition of the CONREPs in the context of the LTV.

6. STRATEGY AND PRIORITIES FOR THE LONG-TERM VISION

6.1 Strategic Lines of Action for Graduation

In Section 4 we outlined a suite of grant and non-grant actions for each of the five Conditions. Since many involved the RIT and CEPF, we then considered in Section 5 ways to rebalance workloads, to enable the RIT to take on some of the suggested tasks, which are already within their remit. The full array of actions in Section 3 is enormous in scope, which is not surprising, given that the Tropical Andes is the most biodiverse hotspot in the world and faces daunting threats. CEPF's Strategic Framework for 2014-23 calls for CEPF to have a "transformational" impact. That is a big ask in a hotspot with 474 KBAs but CEPF does have its unique role as a long-term supporter and convener of conservation CSOs to build on. The next step, therefore, is to define the most strategic way for CEPF to scale up the conservation impact and progress towards graduation i.e., toward an end point at which these regions can graduate from CEPF's support with sufficient civil society capacity, access to resources and credibility with government and the private sector to respond to future conservation challenges. In this section, we phase and prioritize the lines of action, according to their strategic importance and their contribution to the TOC (see Annexes 1 and 2). We then propose the level of progress, in relation to the five conditions and 25 criteria, which can be considered to reflect graduation (See Section 6.4)

Table 2. Summary of Strategic Lines of Action

Condition 1: Conservation Priorities and Best Practice
The lines of action are: • **Generate and disseminate information on trends in species, KBAs and ecosystem services, and promote its use in conservation and development plans, decisions and actions.** • **Reinforce conservation and development with legal instruments and strengthen their implementation.** • **Demonstrate high-biodiversity landscape management and facilitate learning and exchange about governance and management practices across the Hotspot.**
Condition 2: Capacity of Civil Society Organisations
The lines of action are: • **Bring CSOs with new areas of expertise into the conservation movement, foster purposeful alliances and support regional networking.**

- **Build organizational capacities, including gender equity and leadership skills, of CSOs at all levels, with particular focus on community groups who are custodians of biodiverse territories.**
- **Facilitate the development of a credible CSO conservation body, that has a broad social base and is strengthened by its internal cooperation and external partnerships.**
- **Provide training and security measures for environmental and indigenous defender and improve access to justice.**

Condition 3: Sufficient, Sustainable Financing

The lines of action are:

- **Support CSOs, in alliance with private sector businesses and local governments, to develop a pipeline of large proposals and demonstrate efficient, effective execution of new sources of funding (investment and long-term) linked to outcomes for biodiversity, climate, water and associated SDGs.**
- **Develop collaboration between leading CSOs, including the RIT, and financial organizations (development banks, green funds, impact investors etc.), to help the financial institutions direct funds towards nature-based development solutions and support the greening of national development policies.**
- **Support initiatives and build capacities for BES-based revenue generating activities, which contribute to sustainable livelihoods and/or the financing of conservation CSOs.**

Condition 4: Enabling Institutional and Policy Environment

The lines of action are:

- **Strengthen the capacities of CSOs, in collaboration with like-minded groups, to influence policy frameworks, governance systems, incentives and government budgets in relation to BES.**
- **Support collaboration between national CSOs and international organizations to increase transparency and accountability of big-footprint industries and promote best practices.**
- **Support CSOs, including community groups, to engage in Environmental Impact Assessment (EIA) and monitoring of compliance, including the reporting of illegal mining while minimizing risks to those involved.**
- **Promote and support BES conservation initiatives led by the private sector and involving CSOs,**

Condition 5: Capacity to Respond to Emerging Problems

The lines of action are:

- **Improve BES and climate-related knowledge generation and management systems, including wider participation in them, data quality control, analysis to detect threats, and delivery of relevant information and advice to governments (local and national), BES-dependent businesses and the finance/investment sector.**
- **Support thematic hubs or other mechanisms for regional and international networking, with collaboration across sectors and disciplines, for detecting and managing emerging threats, including the impacts of climate change**
- **Implement communications programs to broaden public appreciation for BES as the basis for sustainable development and support for conservation CSOs, including collaborative initiatives to build public connectedness to nature and public awareness campaigns about threats such as illegal mining.**
- **Consolidate the role of conservation CSOs in a cross-sectoral civil society contribution to preparedness and adaptability to emerging problems across the hotspot.**

Recommendations for National and Regional Facilitation and Coordination

- **Enable co-creation of large projects by diverse groups of partners.**
- **Enable the RIT to expand and develop its role in terms of strategic, non-grant actions for the LTV at national and regional levels, including facilitation and coordination, building sector credibility, engagement with governments,**

donors, industry and the finance sector, develop of novel partnerships and others, that are in their terms of reference.

- **Review the role and composition of CONREPs in the context of the LTV.**

6.2 A Two-Stage Pathway to Graduation

As the Strategic Framework 2014-2023 states, "iterative improvements would not, by themselves, enable CEPF to have a truly transformational impact on the most biologically important yet critically threatened regions of the world". CEPF therefore aspires to be an "agent of transformational change for civil society and biodiversity". This implies striking a balance between developing the capacity to bring about transformational change and tackling the numerous, urgent threats to biodiversity. With this in mind, the pathway to graduation can be visualized in two stages.

The first stage concentrates on enabling CSOs to build their capacities, individually and especially, collectively through a broad range of alliances and regional networks, and to address the severe financial problems, which have debilitated the sector just when society needs them most. CEPF should help them to access and use effectively funding from new financial flows, many of them related to climate change or the shift towards green development, and to develop new relationships with the business and finance sectors. Communications are also essential in this first stage, to increase public support and hence create the space and credibility needed for CSOs to influence governments and industry. Reliable, timely information is also important for credibility, and critical gaps in information should be filled in this stage, with the emphasis on monitoring areas at risk, to enable preventive action or timely response. In parallel with these strategic actions, work must continue to address immediate, critical threats to biodiversity, but doing so, wherever possible, in ways that contribute to the bigger transformational ambition. Thus, collaborating to influence the environmental performance of key industries combines urgent need with strategic value, while the portfolio of field conservation projects can be designed to do so, if the approach to grant-making is adjusted. Co-created, landscape-scale, multi-actor projects involving BES-friendly productive activities by communities and businesses, are central to this. Rebalancing of the role of the RIT is also necessary, both to implement the first stage of the program and to progress towards graduation in terms of national and regional facilitation and coordination.

In the second stage of the pathway to graduation, CEPF should use the increased capacities, funding, resilience, relationships and public support to scale up work on the broader challenges of government policies and their implementation, strengthening governance, reducing big industrial footprints, improving timely action on climate impacts and other emerging threats, and ensuring that CSOs themselves have the credibility, broad-based support and organizational resilience to endure and adapt to the ever-changing context for conservation. The second stage is also the time to consolidate and make sustainable the array of mechanisms for regional cooperation, initiated in the first stage, some of them relating to the role of the RIT itself. All in all, this is a big agenda! Fortunately, there are positive feedback loops in the TOC, so that if the first stage of the path to graduation is successful and if international financial flows (public and private sector) for BES do materialize, then the capacities and resources should be in place to scale up the CSO program of work, supported by CEPF. Ultimately, the ability to adapt, and to retain the biodiversity and ecosystem services on which resilience depends, is essential for the hotspot - and resilience and adaptability are the watchwords for the conservation CSOs too.

6.3 Pathway to Graduation – The First Stage (2021-2030)

The first stage prioritizes the following lines of action (with corresponding criteria indicated in parentheses). Related lines of action are grouped together, cutting across graduation conditions in some cases:

Action Area 1

- **Bring CSOs with new areas of expertise into the conservation movement, foster purposeful alliances and support regional networking (2.1, 2.4)**
- **Build organizational capacities, including gender equity and leadership skills, of CSOs at all levels, with particular focus on community groups who are custodians of biodiverse territories (2.2, 2.3)**

Priorities for CEPF investment in CSO capacity-building are (i) supporting new alliances, especially involving diverse organizations to enable conservation CSOs to expand their impact (2.1, 2.4), (ii) strengthening indigenous and other community organizations who are custodians of biodiversity (2.3), (iii) professional development of many promising conservation leaders (some will get diverted into business or government but that's fine as long as they can still exert influence on sustainability issues), and (iv) building national NGO capacity to access and use novel funding sources (3.3-3.5), so that they earn a reputation for effective, efficient, knowledgeable implementation of such funds (large and small), as well as conventional donor grants. Skills under criterion 2.2 are necessary but not sufficient. As the table of criterion dependencies indicates, progress towards the criterion about credibility (2.5) is largely a product of progress on other criteria than requiring specific actions.

Action Area 2

- **Support CSOs, in alliance with private sector businesses and local governments, to develop a pipeline of large proposals and demonstrate efficient, effective execution of new sources of funding (investment and long-term) linked to outcomes for biodiversity, climate, water and associated SDGs. (3.4)**
- **Develop collaboration between leading CSOs, including the RIT, and financial organizations (development banks, green funds, impact investors etc.), to help the financial institutions direct funds towards nature-based development solutions and support the greening of national development policies. (3.3)**
- **Support initiatives and build capacities for BES-based revenue generating activities, which contribute to sustainable livelihoods and/or the financing of conservation CSOs. (3.5)**

Through the RIT and grantees, CEPF can make sure that bilateral and multilateral donors with biodiversity-related programs (e.g., payment for carbon results, climate resilience, biocommerce, green covid recovery, green infrastructure etc.) are aware of CEPF, the concepts of KBAs and corridors, CEPF's network of grantees/partners, their data on BES and their scalable models of BES conservation. The aim would be to promote coordination, parallel financing of (local) government, investment in scaling up successful models (3.5, 1.5) and direct CSO financing (3.3-3.4). CEPF can leave it to international NGOs (WWF, WCS, CI, TNC etc.) to develop global methods (e.g., units of biodiversity) and tools that enable development funding to be directed towards biodiversity, and use its own resources to build capacity of national NGOs to understand the financial sector's needs and use their

knowledge, skills and the global tools to collaborate with development banks and investors to achieve shared goals (3.3, 3.4). Similarly, CEPF can leave it to international NGOs to raise the global profile of BES (including KBAs) in green development and Covid recovery but support corresponding national awareness programmes that build popular support for green economic development, as described in the corresponding line of action below. At the same time, at the landscape level, CSOs can collaborate with other actors to develop new approaches, such as green micro-finance, and scale up proven approaches, such as payment for water catchment conservation (3.5).

Action Area 3

- **Improve BES and climate-related knowledge generation and management systems, including wider participation in them, data quality control, analysis to detect threats, and delivery of relevant information and advice to governments (local and national), BES-dependent businesses and the finance/investment sector. (5.1-5.2, 1.1-1.2)**
- **Support thematic hubs or other mechanisms for regional and international networking, with collaboration across sectors and disciplines, for detecting and managing emerging threats, including the impacts of climate change (5.3)**
- **Generate and disseminate information on trends in species, KBAs and ecosystem services, and promote its use in conservation and development plans, decisions and actions (1.1-1.4, 5.1).**

Notwithstanding the precautionary principle and rights of nature, it is hard data that has most influence on decisions affecting BES. The hotspot already has a lot of BES data, yet such are its biodiversity and ecological complexity that there will always be a need for more. The most strategic use of CEPF's scant resources may be to support open, multi-organization initiatives, which draw data from multiple sources (academia, citizen science, communities, companies, government) in vulnerable locations, then clean, validate, organize and analyze it. Finally, communicate it publicly and make it readily available to the decision-makers. Thus, national and local governments, BES-dependent businesses, BES-impacting businesses, banks, investors, insurance companies and other decision-makers can have access to clear information on BES, when planning investments and setting regulations, conditions and incentives, or commissioning EIAs (5.1-5.2, 1.1-1.3). Thus, the focus would be more on knowledge management than supporting primary research. CEPF's main focus is biodiversity but it is likely that there will be greater national and international investment in research and monitoring of ecosystem services. Therefore, the RIT should seek strategic alliances with organizations generating and managing knowledge on ecosystem services, such as carbon, freshwater, soil and agricultural pollinators, which more readily attract development financing.

Action Area 4

- **Implement communications programs to broaden public appreciation for BES as the basis for sustainable development and support for conservation CSOs, including collaborative initiatives to build public connectedness to nature and to understand the threats. (5.5)**

To conserve the BES of the Tropical Andes at scale, it is essential to build broad support in society for the need to transition from unsustainable economies, heavily dependent on extractive industries, to green economic models based on the extraordinary natural wealth of the region. The added pressure to recover rapidly from the Covid crisis increases the

urgency of national programs, using project and non-project interventions, to build support for green economic recovery and also for conservation CSOs as advocates of truly sustainable development. The world is in a turbulent time, which the impacts of climate change and loss of BES will intensify in the coming decades. To build and maintain support for BES conservation through this period will require expertly managed communications and outreach programs, responsive to changing socio-political and environmental contexts. They must find messages – even experiences - which resonate with urban audiences with little or no experience of rural or natural environments and probably enduring periods of insecurity. One key example of added pressure as a result of Covid is the increase in illegal mining and this will require support to continue public awareness campaigns to raise awareness of the threat.

Action Area 5

- **Support collaboration between national CSOs and international organizations to increase transparency and accountability of big-footprint industries and promote best practices. (4.4)**
- **Support CSOs, including community groups, to engage in Environmental Impact Assessment (EIA) and monitoring of compliance, while minimizing risks to those involved, including reporting on illegal mining. (4.4)**
- **Provide training and security measures to improve safety of environmental and indigenous defenders and improve their access to justice.**

With governments convinced that mining and other extractive industries will be their economic salvation, frequent reprisals against environmental activists, and expanding investment from Chinese companies impervious to western consumer opinion, the impact of big industries can only be addressed by a huge, concerted international effort. International NGOs are engaging industries and tackling the challenge globally. Technology (e.g., traceability, real-time tracking of commodities from tropical source to consumer product in Europe), social media and China's recent engagement on the climate crisis offer further hope. In the Tropical Andes CEPF can increase transparency and accountability by (i) supporting public communication of reliable information on industry impacts and on the value of BES for economic recovery including public awareness around illegal mining (part of 5.5, above), (ii) teaming up with in-region offices of international NGOs to organize dialogue between national CSOs and regional branches of the companies concerned, (iii) training and equipping CSOs for increased safety of national and community-level activists and in ways to improve access to justice, (iv) asking development agencies and investors to guarantee safety in their areas of investment and to pressure Andean governments to ratify and implement the Escazú agreement on Access to Information, Public Participation and Justice on Environmental Matters.[21]

Action Area 6

- **Promote and support BES conservation initiatives led by the private sector**
- **and involving CSOs. (4.5)**

The aforementioned public awareness programs about BES as the basis of sustainable development and Covid recovery will help to create a favorable social environment for companies pioneering BES-friendly business models. The existence of such businesses in itself counters populist perpetuation of the false dichotomy between environment and development, and hence contributes to BES communications objectives (5.5). A first step

[21] https://www.cepal.org/en/escazuagreement.

for CEPF is to organize dialogues between RIT, CSOs and progressive businesses, in order to understand the scope and requirements for CSOs to be useful in enabling the businesses to deliver biodiversity outcomes. CEPF can then build CSO capacities accordingly and support activities, such as CSO-business collaboration on BES-friendly supply chains in landscape-scale projects. Other areas may be measuring social and BES outcomes, raising consumer awareness or lobbying governments to incentivize ecologically beneficial biocommerce (1.5, 4.5).

Action Area 7

- **Demonstrate high-biodiversity landscape management and facilitate learning and exchange about governance and management practices across the hotspot. (1.5, 3.5)**

Alongside progress towards graduation, there is a parallel need for field action to conserve KBAs, landscapes and endangered species, as the hotspot is continuing to lose biodiversity rapidly. Site-specific conservation is what many CSOs do best and this is reflected in the rapid, full implementation of the corresponding strategic line of investment in the 2015 EP. To address the dilemma between urgent field action and progress towards graduation, CEPF has to make smart use of its limited budget to minimize irreversible loss of KBAs while seeking to accelerate the turn-around of national systems towards sustainability. Projects to address immediate threats should also contribute, wherever possible, to that larger ambition of systemic transformation. This implies a much more directed approach than has hitherto been possible with open calls based on the Ecosystem Profile. Rather than scattered, individual, site-specific projects with capacity-building add-ons, most field conservation action should be through co-created, multi-actor projects (or clusters of projects) in a given priority landscape, with (i) expert input to the collaborative, alliance-building, governance-related elements of such projects (2.1, 2.4), (ii) training, capacity building and empowerment of community organizations (2.2, 2.3, 4.2), (iii) mapping and engaging private sector interests (4.4, 4.5), (iv) collaborating with local governments (1.3-1.4) and (v) developing financing mechanisms (3.5). In such landscape projects, wherever possible, CEPF would seek to increase BES and development impacts by leveraging or influencing much larger sums of development investment (bank, investor etc.) and/or supporting innovative, cross-cutting interventions, such as governance reforms for protected area co-management or tax breaks for community/private protected areas or local credit mechanisms for green enterprises. The RIT should have a key role in guiding the landscape project co-creation process.

Action Area 8

- **Enable the RIT to expand and develop its role in terms of strategic actions for the LTV at national and regional levels. (cross-cutting)**

Whatever the eventual long-term national and regional CSO facilitation and coordination mechanisms may be, progress in that direction depends on the RIT taking a more strategic role, especially those functions which use RIT/CEPF capacity to convene, to identify and engage different actors, to promote alliances and to link the conservation CSO movement with the big players in development and finance nationally and regionally (2.1, 2.4, 3.3, 3.4, 3.5, 4.4, 4.5, 5.5). An early step in each country is to convene a diverse group of leading CSOs to devise action plans for progress on the relevant LTV lines of action, identify which tasks the RIT would take direct responsibility for and which could be implemented through grants. At the regional level, the RIT can expand its work of fostering regional cooperation and learning. For some novel approaches, the RIT could concentrate first on one country with favorable circumstances, then learn from that prototype and apply the approach

elsewhere. The country-specific notes in Annex 4 identify comparative advantages in relation to each Condition. In this regard, Ecuador's much higher CEPF budget should allow it more scope for novel projects and non-project interventions and the RIT could facilitate regional learning and actions arising from them.

6.4 Pathway to Graduation – The Second Stage (2031 onwards)

The transition from first to second stage CEPF is essentially a shift in priorities towards consolidating capacities, relationships and financial security and using them to scale up the credibility of the conservation CSOs, their influence over policies, budget allocations and industries, and their implementation at scale of field programs with communities, local governments, businesses and other stakeholders. A critical role that CSOs should play in this stage is in helping the hotspot countries to adapt and respond to climate change and other emerging threats, which will surely place great demands on governments and civil society.

Action Area 1 *(continuation from first stage with emphasis on community organizations)*

- **Build organizational capacities, including gender equity and leadership skills, of CSOs at all levels, with particular focus on community groups who are custodians of biodiverse territories. (2.2-2.3)**

Capacity building for community organizations, especially indigenous and Afro-descendant communities (2.3), is a priority of the first stage, but the work will extend into the second stage. Furthermore, as capacities grow there should be increasing opportunity and demand for governance systems which empower them to manage their territories sustainably (4.2). The two criteria feed off each other and CEPF should continue to support their development in tandem in the second stage.

Action Area 2 (*continuation from first stage*)

- **Develop collaboration between leading CSOs, including the RIT, and financial organizations (development banks, green funds, impact investors etc.), to help the financial institutions direct funds towards nature-based development solutions and support the greening of national development policies. (3.3)**
- **Support initiatives and build capacities for BES-based revenue generating activities, which contribute to sustainable livelihoods and/or the financing of conservation CSOs (3.4-3.5)**

Financial security, including unrestricted core funding, is essential for CSOs both to survive crises and to be innovative and agile in responding to conservation opportunities. CEPF should continue to invest in researching, trialing and scaling up revenue generating mechanisms, so that each country in the hotspot has a core group of thoroughly resilient, financially secure CSOs.

Action Area 4 (*continuation from first stage, but with the emphasis on broadening social base*)

- **Implement communications programs to broaden public appreciation for BES and support for conservation CSOs, including collaborative initiatives to build public connectedness to nature. (5.5)**

Fluctuations in the political environment and in the behavior of businesses will persist, especially as climate change impacts worsen and consumerism expands in Asia. Sudden social or economic shocks, similar to the Covid crisis, are likely to recur. Having supported CSOs during the first stage to raise awareness about BES and to gain organizational resilience, CEPF can use the second stage to support leading CSOs to reach out to a wide social spectrum, reinforcing the message that development depends on BES and reducing the risk that changes of government will bring abrupt reversal of conservation programs.

Action Area 5 *(continuation from the first stage)*

- **Support CSOs, including community groups, to engage in Environmental Impact Assessment (EIA) and monitoring of compliance, while minimizing risks to those involved. (4.4)**

The environmental risks posed by industrial development will surely persist throughout and beyond the next two decades. In this second stage, the work of CSOs, communities and other stakeholders to monitor compliance and ensure that businesses are held to account by civil society can become more systematic and organized, thanks to their increased capacities, alliances and credibility.

Action Area 9

- **Consolidate the role of conservation CSOs in a cross-sectoral civil society contribution to preparedness and adaptability to emerging problems across the hotspot (Criteria 5.1-5.4)**

Having accumulated a bank of well-organized data from diverse sources and developed analytical capacity, CSOs (including academia) will by this stage be well placed to provide the BES inputs to a cross-sectoral civil society adaptation capacity. With partners from other sectors, they will provide governments and society with early warnings about emerging problems, collaborate with governments and stakeholders on contingency planning, do horizon scanning to detect more distant or obscure threats, and maintain networks of contacts with expertise relevant to potential threats. CEPF can support such preparedness, especially where it involves threats to biodiversity that have not gained political traction or where there is benefit from cooperation across the Hotspot. CEPF can also seek to catalyse the establishment of a replenishable fund for large-scale biodiversity emergencies.

Action Area 10

- **Strengthen the capacities of CSOs, in collaboration with like-minded groups, to influence policy frameworks, governance systems, incentives and government budgets in relation to BES. (4.1-4.3, 3.1-3.2, 1.4)**

Following the capacity building, financial strengthening and communications of the first stage, CSOs will have much greater capacity and credibility to influence the policies and budget decisions of governments and businesses. Typically, this requires intensive engagement by senior staff, plus essential research and/or specialist consultancies, so that

the policy advice is robust and in the right "language". It can have large-scale biodiversity benefits but is costly and hard to raise donors funds for, especially as the windows of opportunity to influence policies and investment decisions are set by governments and investors and can open and close abruptly. Therefore, CEPF should support this work in the second stage.

Action Area 11

- **Reinforce conservation and development plans with legal instruments and strengthen their implementation. (1.4).**

For CEPF to directly support management plan implementation across the numerous KBAs of the Tropical Andes would require unrealistic amounts of fund-raising, so the first stage strategy concentrates on monitoring, dissemination and the development of capacities and financing. By the second stage, high-capacity NGOs should have the resources and influence to be able to intervene across more KBAs, for example providing expert advice, participating directly in management or working with government to set up regulatory and incentive frameworks for better conservation outcomes at that site.

Action Area 12

- **Facilitate the development of a credible CSO conservation movement, that has a broad social base and is strengthened by its internal cooperation and external partnerships. (2.5, 5.5)**

In the first stage, the emphasis was on forging new alliances, networking and raising awareness to build public support. In the second stage, this will move on to a more organized, broad-based social alliance for biodiversity conservation. These alliances should benefit from the work of the RIT in the first stage to deepen transboundary and hotspot-wide cooperation between CSOs and other like-minded groups. In the second stage, CEPF should seek to institutionalize the cooperation in a way that is cost-effective and has its own sustainable financing, which does not compete with the CSOs themselves. Thematic hubs for networking will be part of the picture, while the institutional arrangements should evolve from the work of the RIT and CSO partners during the first stage.

6.5 Graduation of the Hotspot

Graduation is "*an end point at which these regions can graduate from CEPF's support with sufficient civil society capacity, access to resources and credibility with government and the private sector to respond to future conservation challenges*".

The strategic lines of action described above should lead to progress towards all of the 25 criteria. Though all of them are relevant and there is no precise pattern of progress which defines graduation, we consider that there are 13 criteria which are essential and on which the corresponding target must be met. These essential criteria are:

- All five of the CSO capacity criteria (2.1-2.5), because collective capacity, from local to national and regional level, alliances and credibility lie at the heart of a sustainable, effective conservation movement.
- Three of the financial criteria: the one about CSO financial resilience (3.4), the one about long-term revenue mechanisms for CSOs and for biodiversity conservation (3.5) and the one about international funding mechanisms for BES (3.3), which must

become substantial, permanent and well utilized if the world's most biodiverse Hotspot is to be conserved.

- Three of the criteria about responding to emerging problems: one about monitoring biodiversity and the threats to it (5.1), so that timely response is possible, another about projecting and adapting to the dominant threat of climate change, and the third about an informed public (5.5), that demands preventive action rather than reacting only when the crisis has already hit.
- One criterion is simply the availability of species and KBA information (1.1), largely addressed by the monitoring criterion above, but reiterated because this is CEPF's core currency and robust information on biodiversity is an essential basis for credibility and impact.
- One criterion concerns compliance by big-footprint industries with environmental standards (4.4), because, without compliance, such industries could devastate the region's BES.

In the Graduation Table (Annex 2), the targets for these 13 criteria at the national level are highlighted. The table also states a target at the regional level, referring to aspects of the graduation status which are transboundary or hotspot-wide. Indicative timetables are given for achievement of the milestones and targets by each country and regionally. However, the pace of progress in many areas depends heavily on factors outside the control of CEPF, especially global progress on climate, biodiversity and ecosystem service financing and how that affects both economic policies in the region and financial opportunities for CSOs. Scarcity of financing for conservation and for CSOs holds back progress on several criteria that would otherwise be readily achievable. If the financial scenarios improve rapidly, then some milestones can be brought forward.

Of course, a case could be made for any of the 12 criteria excluded from this list of essentials. One (1.2) has been omitted because they focus specifically on ecosystem services and, while these are extremely important, we have assumed that other agencies will be strongly promoting such things as carbon sequestration, water catchment and soil conservation, with or without CEPF. It is biodiversity that may require additional promotion by CEPF, especially as it is harder to measure. Four criteria, which were excluded but merit additional comment and should be tracked, are as follows:

- One criterion on the technical capacity and networks to respond to emerging threats (5.3), which is necessary but, if the monitoring data and political will to act are there, then the country can still seek urgent external technical assistance.
- One criterion on BES management capacity and best practices (1.5), which is important but in the Tropical Andes the scale is daunting and a reasonable requirement for graduation is to be progressing toward best-practice management across the board, rather than meeting the target fully.
- One criterion on a favorable framework of laws, policies and incentives (4.1), which is crucial but can be affected by forces far outside CSO control. In reasonable political circumstances, improvements in the framework should follow from progress on other criteria.
- One criterion about business-led innovation for BES conservation (4.5), which is as important as the above-mentioned compliance with regulations (4.4) but depends less on CSOs.

7. FINANCING PLAN

7.1 Diversity of potential funding sources

To achieve transformational change with very limited CEPF financial resources, it will be necessary to leverage much larger sums from various sources, such as:

A. CEPF's global donors. Funds raised by CEPF and channeled through the CEPF mechanism to the hotspot.
B. Foundations, national lotteries, Corporate Social Responsibility funds and other charitable sources. May be raised independently by CSOs or collaboratively by CEPF/RIT and CSOs (either actively involved in fund-raising or as providers of the marketable projects and track record). Funds usually go directly to the CSOs.
C. Companies seeking to reduce risks e.g., insurance companies, companies dependent
D. Crowd funding and other on-line fund-raising. Generally raised independently by CSOs but requires expertise to do effectively. Funds go directly to the CSOs. Could have big potential with Latin Americans in the USA, if the right message reaches them.
E. Debt-for-Nature swaps. The economic crisis has increased indebtedness of all the hotspot countries, so may have increased the opportunities for debt swaps (bilateral, multilateral or commercial debt) for those countries open to such deals. They are designed to benefit biodiversity, so will in general terms support CEPF's goals. The role, if any, of CSOs depends on the design of the deal. The design takes time but there is experience in the region and expertise in national and international NGOs in the hotspot.
F. National environmental funds in each country.
G. National and local governments. In the past decade, the hotspot's governments have tended to restrict CSO access to government funds. Nevertheless, there is scope for governments to finance CSOs to implement conservation activities, as has functioned successfully for years with some of Colombia's regional (sub-national) governments – though national government has now restricted the practice. In all countries, as decentralized local governments gain greater autonomy in obtaining and implementing funds from global climate-related mechanisms, there is the prospect of a major increase in local governments making grants to CSOs, contracting them or simply make conservation investments in line with CSO. That can be sustained, if the collaboration delivers the results that the local government needs to demonstrate to the funder.
H. Bilateral donors to the region (KfW, USAID, NORAD, EU, Embassies etc.). May be raised independently by CSOs or collaboratively by CEPF/RIT and CSOs (either actively involved in fund-raising or as providers of the marketable projects and track record). Funds may go through the CEPF mechanism or directly to the CSOs.
I. International funders, often governmental, in specialist areas, such as climate (Germany's IKI), research (U.S. National Science Foundation), wildlife (US National Fish and Wildlife Foundation, US Fish and Wildlife Service), biodiversity (UK Darwin Initiative) etc. Usually raised directly by CSOs but tend to require sophisticated level of proposal preparation expertise as well as management and reporting capacity.
J. International funders, foundations and governmental, focusing specifically on post-Covid socio-economic recovery, especially, in some cases, recovery that involves reorientation towards a green economy. Most are temporary responses to the pandemic, but the underlying aim of economic reorientation may persist.
K. Global Environment Facility, Green Climate Fund and other global grant funds specifically for BES. Also NORAD/KFW "payment for results" carbon funds. Mostly earmarked for each country and allocated according to government priorities. Currently most goes to approved implementing agencies (WB, UNDP, CI, WWF etc.) who disburse to national and local government agencies, but some may go to CSOs

directly from the implementing agencies or through government contracts, especially if the CSOs are instrumental in designing the project. In any case, where the funds (co-)finance work that is an integral part of a multi-actor program, with CSO involvement, it is important to record the total investment in the CEPF-supported program or its scaling up.

L. Funds from development banks and other multilateral sources. Mostly loans but can have a grant component. Almost always earmarked for each country and allocated according to government priorities. Almost all goes to national and local government agencies but implementation may be through contracted consultancy companies or CSOs. CSOs most likely to receive funds if they have been instrumental in designing the project. Where the funds (co-)finance work that is an integral part of a multi-actor program, with CSO involvement, it is important to record the total investment in the CEPF-supported program or its scaling up. Development bank projects must show an economic rate of return, so if carbon prices are driven up as part of global climate action (perhaps after COP26) or if a measure of biodiversity conservation is agreed (at CBD COP 15), then the scope for banks to make loans for nature-based sustainable development will expand dramatically. Conservation CSOs can benefit greatly from this if they have the relationships and the technical and organizations capacities for implementation.

M. Agencies providing micro-credit to small and medium enterprises in rural areas. Funds could potentially go to community CSO grantees of CEPF but main value is in financing the BES-friendly livelihoods in landscapes where CEPF is investing. CEPF grantees can facilitate and support this. It is important to record this investment in the CEPF-supported program, as much for its direct impact on the ground as for the amount of money involved.

N. REDD+ or other income based on ecosystem services, generated through projects developed without the need for a commercial investment partner, so are in the hands of the landowners and/or CSOs and/or government involved.

O. Funds from impact investors, in some cases combined with grant funding to reduce risk, notably the new GEF-Mirova-IUCN Nature+ Accelerator (https://www.thegef.org/news/nature-accelerator-fund-incubate-and-accelerate-conservation-investments). Impact funds generally demand a fully prepared, profitable enterprise, the proponents of which may be CSOs and/or commercial companies. The funds go to the proponents, but there may be risks, either financial or in terms of impacts on local development, community relations, credibility etc. REDD+ may be a component of such a project, so if global carbon prices are driven up as part of global climate action, the scope for profitable impact investments will increase greatly in countries that are open to such markets (currently Colombia and Peru). If an accepted measure or indicator of biodiversity conservation is also agreed, the scope multiplies.

P. Funds from impact investors, who are more interested in the environmental and social returns than in profit, and who forgive most or all of the loan, if unsuccessful. They still demand a fully prepared, profitable enterprise, the proponents of which may be CSOs, perhaps with commercial companies or communities as partners, but the risks are low.

Q. Green bonds and other mechanisms that, in effect, provide low-interest loans explicitly for investment in sustainable initiatives that address climate and biodiversity challenges. Chile has been emitting green bonds for a couple of years. Colombia has developed the legal and fiscal structure for green bonds financed through government debt which will be subject to public bids from 2021 onwards. High-capacity CSOs could build partnerships for such innovative finance mechanisms with forward-looking investors who are interested in long-term investment with environmental returns, and apply these to larger-scale landscape projects. There will

be monitoring and verification according to government indicators to demonstrate compliance with standards. Monitoring and verification are pay by results for verifiable environmental and social gains.

R. Funds from biodiversity offsets by industry. This is a difficult area in a region where few companies comply with the fundamental pre-requisite for offsets, which is first to have minimized impacts, remedied temporary impacts and mitigated unavoidable impacts. Nevertheless, there are established mechanisms for voluntary carbon offsetting which are being scaled up and out, such as the Colombia model of BANCO2 which matches those wanting to make a voluntary carbon offset with a farmer or landowner whose land-use practices maintain and increase carbon capture. BANCO2 then undertakes the monitoring and verification. Something similar for biodiversity offsets will soon take place, as is happening in European countries.

7.2 Enabling CSOs to regain basic financial health

The list of potential sources of funding for Tropical Andes biodiversity is long and diverse and includes some very large funders. The challenge for CEPF, the RIT and CSOs is that the traditional, more accessible sources of funding for biodiversity conservation by CSOs are extremely competitive and reportedly declining in total funding, while the big new sources tend to involve government or involve commercial enterprises or require high capacity CSOs or require substantial up-front investment in project development. This puts them beyond the reach of many of CEPF's existing and potential grantees. The Covid-induced economic crisis has weakened many CSOs, with staff laid off or working part time, leaders over-stretched and financial reserves, if they had any, depleted. Even before Covid, many CSOs were struggling to cope with declining income and a difficult political and regulatory environment. **As the pre-eminent funding organization dedicated to strengthening the Tropical Andes biodiversity conservation community, CEPF has a vital role in enabling that community to regain financial health, scale up their own budgets and leverage or influence the development spending of governments, development agencies and businesses**. In this way, investment in biodiversity can begin to match the scale of the conservation challenge and the value – not just monetary - of the biodiversity at stake. The initial stages, at least, of this financial transformation form an essential part of the foundations of the LTV. It will take time but, as the list of potential funding sources suggests, it is not impossible.

Hitherto, CEPF has provided extensive and valuable training for CSOs in organizational and financial management, project management, proposal development and fund-raising, as shown by the data on 60 CSOs in the tracking tool (CSTT). The financial state of the sector and the rapidly evolving panorama of conservation and development funding now call for a broad, ambitious approach. However, it is also necessary to recognize that most Tropical Andes CSOs are currently operating on a shoe-string and do not have paid technical staff who can dedicate the kind of time needed to implement a serious, professionally prepared campaign to obtain funding from the sources listed. CEPF needs to help the CSO conservation community recover quickly, not just because CEPF is the rock on which the CSO conservation community rely, but because their financial recovery is currently the limiting step in growing CEPF's conservation impact. We suggest the following measures that CEPF could take to do this (in addition to a fund-raising campaign, discussed below):

- Find ways to ensure that CSO senior staff time spent on CEPF-convened activities and on defined activities for fund-raising campaigns, proposal writing or organizational development is fully funded.
- Finance one or more grants for the RIT and CSOs in each country to spend time developing a portfolio of small- to medium-sized project concepts suitable for

conventional donors, within the framework of the Ecosystem Profile. Some would be for individual CSOs, others might involve an alliance of two or more organizations.

- Provide additional funds for the RIT organization in each country (or a consultant) to advise key CSOs on measures to stabilize and improve their financial situation (not a full fund-raising plan, but measures achievable in the near term to reduce costs or increase income). Explore opportunities for cost-sharing between CSOs (e.g., on office space).
- Explore whether any companies present in the country would be willing to provide *pro bono* services to the group of conservation CSOs e.g., legal advice, annual audits, website management or other communications services.
- Adopt a policy of paying full overheads on grants to CSOs, so that CSOs are not having to pay overhead costs of CEPF projects from their own unrestricted funds (if they have any).
- Where possible, issue grants of longer duration in order to facilitate continuity of the grantees relationships with authorities and stakeholders concerned. CEPF could in this way ameliorate the chronic CSO problem of stop-start funding (from all sources), that damages credibility by creating expectations then leaving them unfulfilled or on hold.

7.3 Steps towards large-scale fund-raising

It is beyond the scope of this LTV to prepare a fund-raising plan, but we recommend that such a plan be developed. We suggest that an early step would be to develop a powerful case statement or manifesto for funding to the CSO conservation community to conserve the biodiversity of the Tropical Andes Hotspot. The Long-Term Vision provides the foundations for such a manifesto as it describes the scale of the challenges but also the strengths and opportunities and sets essential, achievable targets. CEPF should secure the services (contracted or *pro bono* from an international NGO or agency) of a team with expertise in fund-raising, communications and facilitation to work with diverse CSO leaders and the RIT to develop this. The case must be compelling for a variety of large-scale funders and also convince open-minded national and local governments that this would help both to conserve BES and to achieve other SDGs. The case should comprise four national case statements with a regional umbrella case statement, because most donors and development agencies operate at the national scale. The case could be communicated through a variety of on-line content, videos, printed materials, presentations to donors, events etc. Selling points could include:

- The Tropical Andes is the highest biodiversity hotspot in the world, is critical for climate change mitigation and adaptation, and is severely threatened. The top ten priority landscapes for conservation in this country, based on detailed analysis, can be found in the Ecosystem Profile.
- The CSO conservation community collectively has the experience, expertise and collaborative culture to deliver on-the-ground conservation results and associated development outcomes. It is connected and collaborative, both across specialist disciplines and between local, national and regional levels. It also has the management and administrative capacity to deliver large, complex projects on budget.
- The CSO conservation community works in collaboration with national and local governments, communities and other stakeholders. These are their natural resources, so they are the principal actors and conservation of the BES is essential for the achievement of their SDGs.
- The CSO conservation community works with the private sector, because sustainable BES-based businesses are an integral part of conservation in a region where every single district has globally important biodiversity.

Unique features here are the **#1 global ranking of Tropical Andes biodiversity** and the potential of **CSO collective capacity, nationally and regionally**.

With regard to CSO collective capacity, it may be wiser in this first iteration to work in each country with a diverse but not necessarily numerous group of capable CSOs, committed to the collaborative approach, rather than try to include CSOs that are not yet at that level. It would be excellent if the CSOs taking ownership of the case statement in each country were to include certain high-capacity indigenous organizations, because they are the custodians of so much biodiversity. In this case, the role of the facilitation expert in the case statement team would be crucial to ensure that there is real mutual understanding of, and agreement with, the commitments implied by signing up to such a case statement. There can be no suspicion that the indigenous organization are being taken advantage of for marketing purposes, rather than genuinely committed to the collaborative approach presented, just as much as the other co-owners of the case statement. If this would be difficult, given the sensitive issues involved, then it would be better to make the statement as a smaller group of national and sub-national NGOs and leave a more inclusive statement to a second round, after greater mutual confidence has been built.

The positioning of global NGOs established in the region, such as CI or WCS, in the case statement also needs careful consideration. It is, in essence, an assertion of in-region capacity. On the other hand, the global conservation NGOs are vital partners in supporting and strengthening the capacities that the in-region CSO community are advertising, as well as in leading the way on global themes such as engagement of multi-national corporations or development of global standards. Thus, the case statement needs to convey their importance as partners without undermining the statement of national capacity.

CEPF and the RIT have a central role as organizers and conveners of the case statement development. Equally important is to work with the CSOs to assemble the supporting evidence and, especially, to strengthen the substance behind the case statement, through actions such as capacity building, development of alliances and networking. The co-created, multi-actor landscape projects described in the strategy can become great flagships for this promotional effort.

The case statement or manifesto is a tool for the CSO conservation community's fund-raising plan, which should be developed in parallel, probably with advice of the same organization.

Further CEPF or RIT-led tasks in this large-scale fund-raising effort include:

- Coordinate the development of a portfolio of large project concepts, mostly involving an alliance of CSOs, oriented towards various categories of funder. Agree in principle what elements of the proposals CEPF would co-finance, so that this provisional commitment can be used to incentivize donors. In each country there should be at least one large, co-created, multi-actor project proposal for a priority landscape (as recommended in the LTV strategy). This will require a project development grant.
- Find a green investment fund, B Corporation company or other entity willing to help identify the most promising opportunities for impact investment projects in the hotspot. Organize their collaboration with the conservation CSOs to research the opportunities and develop concepts to pitch to investors. Projects may be concentrated in one or two countries with favorable policy frameworks.
- Look for a philanthropic funder willing to offer an incentive for other donors to support projects in the above portfolios, such as matching grants or co-finance of impact investment projects to reduce risks.

- Develop relationships, as RIT or through individual CSOs, with the in-country offices of as many as possible of the funding sources listed above, to explain the need and explore possibilities, processes and requirements for funding. Especially important are the large funders, such as development banks and the finance sector.
- Convene a series of meetings with the different kinds of funder listed above in order to present the case statement (or its precursor, if not ready yet) and relevant concepts.
- Support CSOs to strengthen relationships with national and local governments and promote ideas for CSO receiving government funds to co-implement projects.
- Communicate progress, especially on large development projects, to build CSO credibility.
- Track financing to demonstrate to donors the leverage and impact. This includes funds channeled through CEPF, funds received directly by CSO grantees, funds executed in parallel by government or other organizations that contribute directly to the project.

7.4 Indicative costs and fund-raising strategy for Stage 1

The indicative costs reflect our rough estimates, based largely on experience, of the funding needed to make meaningful progress on each Action Area, consistent with the aim of achieving graduation as described in Section 6. The figures include funding that is channeled through CEPF and funding that goes directly to CSOs for work on projects, which CEPF has supported in some way i.e., project development or co-financing implementation. Figures do not include funding that is invested in these projects but is executed by other actors e.g., government, a business or a consulting company hired by a development agency. By far the largest amounts are for large-scale field projects, for which the majority of funding should come from other sources. CEPF will commit its contribution and may scale up or scale back the project somewhat if co-financing exceeds or falls short of expectations.

The final column on funding strategy focuses on the use of CEPF funds and how this links to fund-raising. We do not identify specific sources of funding for each Action Area. Rather, given the very large amount of co-financing needed, we have suggested above in Sections 7.2 and 7.3 how to launch an ambitious drive to increase overall funding for the CSO conservation community of the Tropical Andes and leave it to the fund-raising strategy to connect activities to specific sources.

Areas of action and the inputs needed	**Total US$'000**	**Stage 1a**	**Stage 1b**	**Stage 2**	**Funding strategy for Stage 1**
		2021-2025	2026-2030	2031-2040	
Action Area 1 : New expertise and alliances; regional networking; CSO capacity building including community groups. Inputs: Capacity assessments and capacity building grants; training consultancies and courses; ongoing technical assistance to CSO's notably indigenous groups; professional development opportunities; seed funding for novel collaborations and alliances; RIT and CSO time and travel for networking; technical advice and development of new areas of expertise; hardware/ software for modern systems; coaching and accompaniment of community CSOs by RITs and high capacity NGOs; facilitating regional networking.	6,400	2,000	2,000	2,400	Focus CEPF funds on staff time (CSO and RIT) across all capacity building, leadership training, coaching, hubs and regional cooperation. Seek co-financing for formal courses, events etc. Fund small-med capacity building grants/consultancies then seek funds to replicate. CEPF provides seed funding for novel collaborations and alliance to develop proposals for joint projects.
Action Area 2 : Large, multi-actor projects with CC or development funding; finance sector collaboration; BES-based livelihoods and revenue generation. Inputs: Investment in proposal development; developing case statement and fund-raising campaign; time to build relationships with finance sector; expertise in revenue mechanisms and rural livelihood development; sustained involvement of CSOs in field projects with these elements.	17,000	4,000	5,000	8,000	Focus CEPF funds on Stage 1a i.e., proposal development, case statement and campaign, relationship building. Seek new sources of funding for implementation, but CEPF contributes to CSO role in projects with communities.

Action Area 3 : Knowledge management for BES and climate threat advice; networks on emerging threats; information on KBAs and ecosystems. Inputs: Design of knowledge management systems with national institutions including CSO staff time; expanding partnerships; facilitating regional networking; training to improve quality of data from diverse sources; providing low-cost equipment; supporting analysis; communication of findings for land use planning, management plans, decision-making etc.; public communications (in AA4); supporting critically needed monitoring; KBA updating; cooperation on ES mapping; GIS expertise; supporting development and implementation of sustainability plan for knowledge system.	5,200	2,000	1,400	1,800	Focus CEPF funds on facilitating design of and participation in expanded knowledge management system and on maximizing use of information including CSO staff time for using and communicating results. Fund critical monitoring and KBA updates, seeking co-financing where possible. Seek co-financing for the investment in knowledge institutes.
Action Area 4 : Communications for public connectedness to nature and support for green development and for CSOs. Inputs: Communications program design and implementation and monitoring of impact; RIT and CSO staff time to provide content; training events for media people; development of relationships to broaden participation of media organizations and hence scope and self-sustaining nature of program; complementary outreach for urban populations.	6,000	1,800	2,000	2,200	CEPF focus resources on design, launch, training and engagement of media organizations. Seek in-kind donation of big-budget communications, based on associated PR value. Later CEPF focus is on providing content, monitoring impact and complementary outreach.
Action Area 5 : Big-footprint industry transparency and accountability; CSO engagement on EIA compliance. Inputs: Communications for transparency (in AA4); RIT and CSO staff time to engage with businesses, industry associations, government etc.; targeted support for field monitoring; training and equipment for safety.	3,800	1,200	1,000	1,600	CEPF focus on CSO staff time, safety training and targeted support to monitoring. Deeper CSO cooperation with individual companies excluded (financed by companies).
Action Area 6 : Support for private sector-led BES conservation initiatives. Inputs: Dialogue with pioneering companies; training and technical advice for CSOs on value chains and other relevant skills; communications to create favorable environment for the initiatives (in AA4).	1,200	300	300	600	Costs are low but CEPF contributes to all, cost-sharing with companies as appropriate. Deeper CSO cooperation with individual companies excluded (financed by companies).
Action Area 7 : Landscape management; learning about governance and management practises. Inputs: Co-creation of flagship landscape projects; stakeholder mapping, participation and training; implementation of the projects; participatory evaluations and exchange.	12,000	4,000	4,000	4,000	CEPF invests in project co-creation, M&E, exchange of learning. Funds essentials of project implementation but seeks substantial co-financing too. By second stage, many

					landscape-scale projects occur without CEPF.
Action Area 8 : Enable RIT to expand role in strategic actions for LTV at national and regional levels. Inputs: RIT staff time and associated travel, meetings etc. Substantial new activities are budgeted in other Action Areas.	3,000	750	750	1,500	CEPF funds this. To avoid reducing funds for other investments, CEPF could seek additional funds and/or rebalance existing RIT staff.
Action Area 9 : Consolidate CSO role in adaptability to emerging problems. Inputs: This builds on prior work including AA3. Main additional input is RIT and CSO technical staff time to provide advice to national and local governments, participate in preparedness planning, maintaining expert networks, training in new methods etc. Also, public awareness (in AA4).	3,600	0	1,200	2,400	By 2031 governments and industries should be willing to pay for this expert advice and support. Nevertheless, CEPF should be ready to contribute, to ensure that senior staff time is available.
Action Area 10 : Capacity to influence policy frameworks, governance systems, incentives and budgets. Inputs: This builds on several prior actions. Main additional inputs are RIT and CSO senior staff time to provide advice and participate in processes for public policy, legislation etc.; specific studies commissioned to inform policy positions and advice; advice and support to indigenous groups and other stakeholders on governance-related issues; public communications on the issues (in AA4).	3,500	700	800	2,000	CEPF funds almost all of this in Stage 1, as it is a hard role to raise funds for and CSOs will not yet have the financial capacity to self-finance it.
Action Area 11 : Reinforce conservation plans with legal instruments and accompany implementation. Inputs: CSO field technical experts; specialist consultants; legal consultants; M&E and learning processes; flexible inputs to enable key management actions to be taken.	3,200	200	1,000	2,000	CEPF contributes to key CSO technical positions and some consultancies, to enable responsiveness to need. Seek co-finance for planned needs.
Action Area 12 : Develop a credible civil society conservation movement with broad social base and partnerships. Inputs: Communications (in AA4). CSO staff time and comms/logistics for reach out to diverse groups in society and forging links; organization of events, meetings, participatory environmental activities; managing lists; RIT and CSO leaders' time to drive the development of the broader social inclusiveness; RIT time and travel for facilitating hubs and regional cooperation mechanisms; seed funding for post-CEPF regional cooperation mechanism.	4,200	800	1,000	2,400	CEPF focuses on RIT and CSO staff time, events and meetings. Broader expansion in Stage 2 should be largely self-financing and sustainable, but CEPF contributes at key moments in the development.
TOTALS	69,100	17,750	20,450	30,900	

ANNEXES

Annex 1. Theory of Change for Biodiversity Conservation

TOC FOR CONSERVATION OF BIODIVERSITY IN TROPICAL ANDES HOTSPOT

Priority BES conserved through resilient, sustainable management, and supporting multiple SDGs

Effective management of priority sites and species	Integrated management of priority landscapes maintains ecosystem services, connectivity between sites and buffer zones	Productive activities in sites and landscapes deliver triple bottom line results for communities, companies and conservation	Big-footprint industries minimize their impacts on BES	Monitoring and adaptive management enable optimal responses to CC and other emerging issues
Accessible database of BES (incl KBA) and climate info informing plans (1.1,1.2,1.3). BES and CC effect monitoring at sites (5.1, 5.2). Strong legal framework for PAs (nat'l, local govt, private, community) and for indigenous territories (4.1). Governance systems enabling participation (incl co-management) (4.2). Incentives for public goods and services (4.1). Funding mechanisms for management (all 3). Technical capacities for management (1.5, 2.1, 2.3, 2.4) Integrity, will and capacity to enforce (1.4, 1.5, 2.3, 4.1, 4.3)	Accessible database of BES (incl KBA) and climate info (1.1, 1.2). BES and CC effect monitoring at sites (5.1, 5.2). Evidence-informed decision-making (1.3). Local govt development plans and by-laws incorporate BES and are implemented (1.3, 1.4). Incentives for public goods and services (4.1). BES-friendly businesses and livelihoods thrive (3.5, 4.1, 4.5, 2.3). Funding mechanisms for management (all 3). Technical capacities for landscape management (1.5, 2.1) Integrity, will and capacity to enforce (1.4, 1.5, 4.1, 4.3)	Mechanisms to earn revenue for provision of BES (3.5, 4.1). Policy and regulatory framework incentivizes BES-conserving enterprises, incl for small-holders (4.1, 4.5) Credit is available for BES-conserving small-medium enterprises (3.3, 3.4, 3.5, 4.1). Technical and business skills for BES-conserving enterprises (4.5, 2.1, 2.2, 2.3, 2.4). Secure environment for business, including safety and minimal corruption (4.1, 4.3). Inter-sectoral cooperation for BES-SDG synergies (e.g., health, education) (2.4, 3.2, 4.1).	Accessible database of species, KBA, climate and ecosystem service information (1.1,1.2,1.3). Effective EIA system, with monitoring and enforcement (4.4, 4.3). Independent monitoring by CSOs with public access to results (4.4, 4.3, 2.5, 5.1, 5.2). Consumers in-country and in export markets informed and demanding sustainability (5.5). CSO capacity to hold corporations and governments to account through judicial system (4.1, 4.4, 2.5)	BES integrated into nat'l and sub-nat'l planning and monitoring for CC (1.1, 1.2, 1.3, 5.3). CSO network monitoring of BES provides early warning (5.1, 5.2). Gov't finances preventive measures for CC and BES (3.4, 3.1). Flexible funds are available for timely response at scale to emerging threats (all 3). Political leadership for evidence-based response to CC and BES threats (5.5).

Annex 2. Theory of Change for Graduation of the Tropical Andes Hotspot

Preface to Graduation Table with Conditions, Criteria, Targets, Milestones and Timelines

Use of the Graduation Table:
The Graduation Table aims to characterize the progress that has to be made to achieve the goal i.e., that CSOs have sufficient capacity, access to resources and credibility to respond to future conservation challenges without significant ongoing external support from CEPF.

Graduation targets for countries and region:
The table defines graduation criteria, milestones, targets and project timelines for progress towards them. The criteria are applied at the national level, with an additional column for a complementary regional target, where relevant. Both should be met for graduation. The thirteen graduation targets considered most critical are highlighted in yellow. Graduation is a stage to be reached but not the end goal for biodiversity conservation. Upon reaching graduation on a particular criterion, momentum will have been built which enables progress to continue independent of CEPF support. The final Exceed column in the table indicates the direction of further progress that can be made.

Milestones and targets:
The milestones and targets attempt to reconcile concise definition with being meaningful indicators of progress on complex, real-world conditions. While the five graduation conditions were taken as fixed, the criteria and targets were developed through the LTV process, always keeping the total number of criteria at 5 per condition. The starting point was the text suggested by CEPF in the terms-of-reference. This was initially analysed and partially edited by the consultancy team, in order either to encompass additional factors important for graduation (e.g. in relation to role of the private sector) or to strengthen the targets as verifiable indicators of a situation enabling CSOs to graduate. The draft was shared with CEPF, the RIT organizations and workshop participants and feedback incorporated. Further iterations followed as inputs were received, either about the targets themselves or, more often, about participants' vision of the long-term role of conservation CSOs in society. A significant issue that was discussed concerned appropriate targets for criteria, especially under Condition 4 (enabling framework), which CSOs and CEPF can control but could influence, especially after the CSOs have advanced on other criteria, such as credibility and financial security. Another important issue was the balance between national and regional components of graduation. All the criteria have national targets, because so much of biodiversity conservation, including the enabling legal framework, happens at the national, sub-national and local levels. For almost all criteria there is also a regional target, which reflects the desired regional synergies rather than being just the sum of the national targets. These regional targets draw heavily on workshop discussions and RIT meetings, as well as inputs from CEPF.

Despite the iteration and range of inputs, the criteria and targets are, inevitably, open to interpretation and their value to CEPF, the RIT and CSOs can derive as much from framing discussion of what has and has not been achieved as from the final score awarded. If the aim were to use the table as a rigorous tool for tracking progress towards graduation over the next two decades, then it should be refined and road-tested, and a brief manual produced clarifying how to interpret and assess the various milestones and targets.[22] This would have to be done by conservation practitioners with in-depth knowledge of each country in the hotspot. Milestones and targets will need to be updated periodically e.g., for inflation in the case of monetary targets or because of new information.

Timelines:
Timelines are detailed in the rows immediately below the criteria for each condition and are shown as the date (in 5-year steps) by which each country or the region is expected to reach each milestone. If a country has already achieved the milestone, then the date is shown as 2020. The pace of progress in many areas depends heavily on factors outside the control of CEPF, especially global progress on climate, biodiversity and ecosystem service financing and how that affects both economic policies in the region and financial opportunities for CSOs. Scarcity of financing for conservation and for CSOs holds back progress on

[22] We have designed spreadsheets to allow tracking of each country's progress towards graduation at a national level and also to facilitate combining the national scores into an overall score for the hotspot. This is not an exact science! The purpose is simply to give a high-level aggregate indicator of progress. If CEPF intends to use the Graduation Table as a basis for tracking then we can provide the spreadsheets.

several criteria that would otherwise be readily achievable. If the financial scenarios improve rapidly, then some milestones can be brought forward considerably.

According to the TOC, progress on some criteria, especially relating to CSO capacity and financing, is a pre-requisite for progress on other criteria. This is reflected in investment priorities and hence in the corresponding timelines. However, the world is enduring severe disruption because of Covid-19, on top of which the region is experiencing its own social and political turbulence. Major disruption is a problem for all organizations but it can also be an opportunity, especially for those who have the resilience to cope, the resources to act and the credibility to lead. Notwithstanding the many positive examples from across civil society, most CSOs have lacked the necessary resilience and struggled for resources, with the result that they have lost ground relative to the pre-pandemic baseline. Some of the proposed timelines towards the early milestones may therefore seem ambitious. On the other hand, there are unquestionably opportunities related to green recovery from the pandemic. Further opportunities will flow from the increasing global investment in climate change mitigation and adaptation. Last but not least, it is certain that there will be further periods of turbulence in the coming two decades, as the impacts of climate change multiply, so that the CSOs – with CEPF's support - need to make every effort to increase their institutional resilience and resources as fast as possible.

Landscapes:
For the purposes of the LTV and these indicators, "landscape" is used as a more flexible term than CEPF's "Corridor". Typically, a landscape might be a district or cluster of districts, where sites dedicated primarily to conservation of Biodiversity and Ecosystem Services (BES) exist within a mosaic of land uses. A landscape may contain one or more KBAs and/or areas important for ecosystem services or connectivity. In terms of governance, it need not correspond to a specific administrative unit and opportunities often arise through land-use planning processes, but it should be feasible to establish mechanisms for coordination and cooperation to enable an integrated approach to management of the whole landscape. The landscape could even grow over time, for example if an additional district joined the collaboration.

Priority BES:
Landscapes with "priority BES" is a shorthand for landscapes containing KBAs (and/or areas important for ecosystem services or ecological connectivity, as identified under criterion 1.2.

Global and national priorities:
Decisions about what constitutes a priority area for conserving ecosystem services or ecological connectivity will depend on the judgement of national experts, using their preferred methodologies and the evidence available. The RIT could promote adoption of common methodologies across the four hotspot countries. As regards biodiversity, conservation priorities based strictly on KBAs will differ somewhat from national and sub-national priorities, because the latter will consider not only KBAs but also values such as national (rather than global) Red List status of species, their cultural significance or their economic value. This is not a problem – the aim for CEPF is to have KBA status formally recognized in the hotspot as an internationally recognized, evidence-based statement of global biodiversity importance, not to impose that as the exclusive basis for national or sub-national prioritization. In the case of the Tropical Andes Hotspot, there is so much biodiversity of global importance that there is likely to be a high degree of coincidence between KBAs and national biodiversity priorities, with a few emblematic species, such as the Andean bear, jaguar and condor, carrying greater weight nationally than globally.

Criteria	Milestone 1 (per country)	Milestone 2 (per country)	Graduation target (per country)	Graduation target (regional)	Exceeds (per country)
Condition 1. Conservation priorities and best practices: Global conservation priorities (e.g., globally threatened species, KBAs, reservoirs of natural capital, etc.) and best practices for their management are identified, documented, disseminated and used by public sector, private sector, civil society and donor agencies to guide their support for conservation in the hotspot.					
1.1 Global priorities for biodiversity conservation disseminated. Threatened species of various taxa, and Key Biodiversity Areas (KBAs), have been identified, documented (including threats), prioritized and widely disseminated. *Relevant taxa include: birds, reptiles, mammals, amphibians, freshwater fish and various groups of plants*	KBAs identified, documented, prioritized and disseminated on the basis of ≥3 taxa with extensive Red List data.	KBAs identified, documented, prioritized and disseminated on the basis of ≥5 taxa with extensive, up-to-date Red List data.	A process and capacity are established for regular KBA updating, with documentation, prioritization and dissemination, and long-term funding sources secured…. and…. KBA status is used to signal importance for biodiversity in public policy instruments, such as EIA processes and ecosystem service payments.	For ≥3 of the taxa used in KBA definition, data has been shared across the hotspot and analysed jointly.	Recognition of KBA status is institutionalized and used across multiple policy instruments, and guides government and major donor investments in conservation.
Bolivia	2025	2035	2040		
Peru	2025	2035	2040		
Ecuador	2025	2035	2040		
Colombia	2025	2035	2040		
Regional				2035	
1.2 Important areas for ecosystem services or for ecological connectivity disseminated. Areas important for ecosystem services or ecological connectivity have been identified, characterized (including threats) and disseminated, throughout the hotspot. *Relevant ecosystem services include: water provision, carbon storage, soil conservation, crop pollination and resilience to droughts and floods.*	1 ecosystem service plus connectivity corridors in the country's hotspot area are mapped and disseminated	≥2 ecosystem services plus connectivity corridors throughout the country's hotspot area are mapped and disseminated or ≥3 ecosystem services plus connectivity corridors mapped in part of the hotspot area and disseminated	A process and capacity are established for periodic updating and dissemination of ecosystem service and connectivity maps, and long-term funding sources secured…. and…. These maps are used to signal ecological importance in public policy instruments, such as EIA processes and ecosystem service payments.	For ≥2 ecosystem services plus connectivity corridors, the country maps and characterizations are compatible and compiled into a hotspot-wide map	The ecosystem service and connectivity maps are institutionalized and used across multiple policy instruments, and guide government and major donor investments in climate change adaptation and sustainable development.
Bolivia	2025	2035	Post 2040		
Peru	2025	2035	Post 2040		

Ecuador	2020	2035	Post 2040		
Colombia	2020	2035	Post 2040		
Regional				2035	
1.3 Plans incorporate BES conservation priorities. BES conservation priorities are incorporated into conservation, climate, land-use and development plans and strategies at various levels (landscape, other sub-national, national and regional), so as to ensure long-term sustainability of the BES.	BES conservation priorities are incorporated into ≥2 landscape or other sub-national plan and ≥1 national plan.	BES conservation priorities are incorporated into ≥4 landscape or other sub-national plans and ≥2 national plans.	BES conservation priorities are incorporated into ≥10 landscape or other sub-national plans and ≥3 national plans, including the National Protected Areas System plan and the climate change adaptation and mitigation plan.	BES conservation priorities are incorporated into ≥2 regional or trans-boundary plans or strategies approved by the relevant governments.	Same as target, plus incorporation of conservation priorities into ≥1 other sector's national plan e.g., agriculture or infrastructure.
Bolivia	2025	2030	2035		
Peru	2020	2030	2035		
Ecuador	2020	2030	2035		
Colombia	2020	2030	2035		
Regional				post-2040	
1.4 BES conservation priorities respected in the implementation of plans. Conservation and/or development plans, which have incorporated conservation priorities, are implemented in a manner that meets expected conservation outcomes.	Assessments demonstrate satisfactory achievement of expected results in the case of 1 landscape or other sub-national plan.	Assessments demonstrate satisfactory achievement of expected results in the cases of 3 landscape or other sub-national plans.	Implementation assessments of plans that have incorporated conservation priorities demonstrate satisfactory achievement of expected results in the cases of ≥6 landscape or other sub-national plans and ≥2 national plans.	Assessments demonstrate satisfactory achievement of expected results in the case of 1 government-approved regional or transboundary plan.	Same as target plus satisfactory achievement of expected results in the case of ≥1 national plan from another sector, e.g., agriculture or infrastructure.
Bolivia	2020	2030	2035		
Peru	2020	2025	2030		
Ecuador	2025	2030	2035		
Colombia	2020	2025	2030		
Regional				Post-2040	
1.5 Management capacity and best practices maintained. In KBAs and areas important for ecosystem services or connectivity, the responsible organizations have the necessary management capacities and a	For 10% of the management areas, which host KBAs or areas important for ecosystem services, the	For 25% of the management areas, which host KBAs or areas important for ecosystem services, the	For 50% of the management areas, which host KBAs or areas important for ecosystem services, the organizations responsible for management have	A regional hub or other mechanism for exchanging information on best practices (and other	For 60% of the management areas, the responsible organizations have adequate resources and equipment and have a culture of

culture of adopting and institutionalizing best practices. *The areas are those identified under criteria 1.1 and 1.2.* *Practices could include sustainable livelihoods, participatory governance of protected areas, invasive species control, monitoring technology, among other management disciplines.* *Measurement of this criterion could take advantage of existing management effectiveness tools, among others. Results should be disaggregated between governmental organizations (national and local), NGOs and community organizations (indigenous, Afro-descendant and others).*	organizations responsible for management have adequate human resources and equipment.	organizations responsible for management have adequate human resources and equipment, and periodically test and adopt new practices.	adequate human resources and equipment, and have established the custom of researching, testing and institutionalizing good practices in various disciplines. *Management areas" can be public or private protected areas, connectivity corridors, delimited buffer zones, etc., depending on the legislation of each country.*	purposes) has demonstrated value to its users and sustainability over a period of at least 5 years.	researching, testing and institutionalizing best practices in various disciplines.
Bolivia	2020	2030	2040		
Peru	2020	2030	2040		
Ecuador	2020	2030	2040		
Colombia	2020	2030	2040		
Regional				2030	
Criteria	**Milestone 1 (per country)**	**Milestone 2 (per country)**	**Graduation target (per country)**	**Graduation target (regional)**	**Exceeds (per country)**
Condition 2. Civil society capacity: National and site-based civil society groups dedicated to conserving conservation priorities collectively possess sufficient organizational and technical capacity to be effective advocates for, and agents of, conservation and sustainable development for at least the next 10 years					
2.1 Collective capacity of CSOs involved in conservation. The CSO community is sufficiently broad and deep-rooted to respond to key conservation challenges and collectively possesses the technical competencies needed for conservation. *Scope covers diverse specialist disciplines, including: biology, ecosystem management (incl. watersheds), applied technology (GIS, remote sensing etc.), law, public policy, governance, indigenous rights and cultures, community development, economics,*	The country has (i) ≥1 large CSO that has biodiversity conservation as their main objective, and (ii) a diverse set of CSOs and social enterprises, which together cover 40% of the specializations listed.	The country has (i) ≥3 large CSOs that have biodiversity conservation as their main objective, and (ii) a diverse set of CSOs and social enterprises, which together cover 70% of the specializations listed.	The country has (i) ≥4 large CSOs (annual budget ≥US$500K) that have biodiversity conservation as their main objective, and (ii) a diverse set of CSOs and social enterprises, which have environmental conservation among their objectives (not necessarily the main one) and together cover all the specializations listed.	For ≥5 of the specializations listed, there are *either* internationally recognized CSOs that operate at a regional scale *or* regional hubs as described in this column under Criterion 2.4.	There are ≥3 very large CSOs (annual budget ≥US$1m) that have biodiversity conservation as their main objective and a set of CSOs that together cover all the specializations listed.

knowledge management, communication/social media, climate change, environmental impact assessment, green business and environmental markets.					
Bolivia	2020	2025	2030		
Peru	2020	2020	2030		
Ecuador	2020	2025	2030		
Colombia	2020	2020	2030		
Regional				2025	
2.2 Institutional capacity for CSO management National and sub-national CSOs involved in conservation have sufficient capacity and institutional and operational structures to (i) raise funds for conservation, (ii) ensure efficient project management, (iii) develop and implement conservation strategies, and (iv) apply satisfactory gender policies internally and in their programs. *Measurement of this criterion will be based, where appropriate, on the CSTT and the CEPF gender tool. Where organizations have been assessed with tools that are different but measure similar characteristics, these assessments can be used and equivalence estimated, so as not to duplicate work.* *"Sub-national" here means from a province or district, for example, but not from a community.*	In each country operates ≥4 national or sub-national conservation CSOs, that have been assessed (by CSTT or equivalent) and achieved a score of ≥70/100 (or equivalent). Of these, ≥3 implement satisfactory gender policies.	The country has ≥8 national or sub-national conservation CSOs, that have been assessed (by CSTT or equivalent) and achieved a score of ≥70/100 (or equivalent). In addition, ≥6 implement satisfactory gender policies.	The country has ≥12 national or sub-national conservation CSOs, that have been assessed by CEPF's tracking tool (CSTT) or equivalent and achieved a score of ≥70/100 (or equivalent). In addition, ≥10 implement satisfactory gender policies.	All of the CSOs operating at a regional scale on conservation and related disciplines, (see above), that have been assessed by CSTT or equivalent, have achieved a score of ≥70/100 (or equivalent). In addition, all implement satisfactory gender policies. .	The country has ≥15 national or sub-national conservation CSOs, that have been assessed by CSTT (or equivalent) and achieved a score of ≥70/100 (or equivalent). In addition, all ≥15 implement satisfactory gender policies.
Bolivia	2020	2025	2030		
Peru	2020	2025	2030		
Ecuador	2020	2025	2030		
Colombia	2020	2025	2030		
Regional				2030	
2.3 Capacity of community organizations Organizations of indigenous, Afro-descendant and other communities, who	Of the community organizations who are custodians of important areas,	Of the community organizations who are custodians of important areas,	Of the community organizations who are custodians of important areas, ≥70% have	There are ≥3 regional or transboundary organizations of	Of the community organizations who are custodians of important areas,

are custodians of areas important for biodiversity and ecosystem services, possess sufficient capacity, organization and institutional and operational structures to (i) conserve and sustainably and equitably use the biodiversity of their territory, (ii) raise funds for these activities, (iii) efficiently administer funds and businesses, (iv) apply satisfactory gender policies, (v) publicly communicate their contribution to the common good, and (vi) effectively negotiate with authorities and other actors and establish alliances. *As with criterion 2.2, CEPF or equivalent tools can be used where relevant. However, the range of organizational capacities needed by these community biodiversity custodians is broader and more difficult to measure. It is likely that there are other sustainable development monitoring tools that are applicable and allow a rough estimate for each of the six characteristics.*	≥20% have satisfactory capacity in 3/6 characteristics mentioned.	≥50% have satisfactory capacity in 4/6 of the above characteristics	satisfactory capacity in five of the six characteristics mentioned.	indigenous people, which advocate and support the conservation of nature by indigenous people, and which have demonstrated good governance, skills in advocacy and representation, and financial sustainability.	≥80% have satisfactory capacity in 5/6 characteristics mentioned.
Bolivia	2020	2030	2040		
Peru	2020	2030	2040		
Ecuador	2020	2030	2040		
Colombia	2020	2030	2040		
Regional				2035	
2.4 CSO partnerships and relationships with other entities. Alliances and collaborative mechanisms exist between CSOs, including conservation focused and related CSOs, who are thus able to generate and share information, communicate their messages, strengthen their security, increase their credibility and advocacy capacity, and strengthen their ability to engage with other actors, such as communities, national and local governments, the private sector and donors. In this way, they increase their collective impact.	In ≥2 landscapes with priority BES, CSOs and civil society groups are collaborating with each other and interacting with communities, authorities, companies and other stakeholders.	In ≥5 landscapes with priority BES, CSOs and civil society groups are collaborating with each other and interacting with communities, authorities, companies and other stakeholders.	In ≥10 landscapes with priority BES, CSOs and civil society groups involved are collaborating with each other and engaging in a coordinated way with communities, authorities and companies, and thus maximize collective impact, and ii) At the national level, there is a CSO or other permanent	There are permanent mechanisms for regional cooperation between CSOs, including ≥4 thematic hubs, facilitating networks of organizations and individuals (not only CSOs) with shared interest in a	Same as the target, plus (i) formalization of partnerships with recognized roles for CSOs in governance processes in certain sites and sub-national areas; and (ii) the national coordinating entity or mechanism can also obtain and channel funds to coalitions of CSOs.

Possible mechanisms include discussion forums, round tables, networks, alliances, partnerships, platforms, etc. Partners" are allies interested in conservation but whose main focus is other e.g., water, social development, indigenous rights, gender, education, etc.			mechanism(s), evolved from the RIT role, which facilitates coordination, alliances, exchange of knowledge, cost-sharing, demands for security, and joint engagement of government, industries and financial sector. It should be sustainable but avoid competing for the same funding sources as the CSOs it serves.	specific area (e.g., mining, public awareness, conservation science, sustainable financing, industry).	
Bolivia	2025	2030	2035		
Peru	2025	2030	2030		
Ecuador	2020	2025	2030		
Colombia	2020	2025	2030		
Regional				2030	
2.5 Broad credibility. Leading CSOs in the conservation sector have gained credibility with diverse stakeholders because of characteristics valued by those stakeholders, such as: technical robustness and impartiality of information; transparency; integrity and values; endorsement by widely respected institutions and individuals. *Stakeholders include: national and local governments, industries, communities, landowners, the press, academia and the education sector, and donors, among others.*	Some conservation CSOs have credibility on BES issues with sub-national government(s) and participate frequently in national debates about BES conservation.	Some conservation CSOs have credibility on BES issues with sub-national and national government, and their voices are prominent in national debates on development policies affecting BES.	Surveys show that the country's leading conservation CSOs have broad credibility on conservation and development issues with each of the stakeholder groups mentioned, thus enhancing their influence on decision-making, policies and practices affecting BES.	The hotspot's leading conservation-related CSOs coordinate efforts to engage with major regional actors, such as industry bodies, transnational companies, regional infrastructure planners, and regional investors.	In each country, press and other public media reporting clearly demonstrates the influence of conservation CSOs on the environmental discourse and policies of major political parties and large corporations.
Bolivia	2020	2025	2035		
Peru	2020	2020	2030		
Ecuador	2020	2025	2030		
Colombia	2020	2020	2030		
Regional				2025	
Criteria	**Milestone 1 (per country)**	**Milestone 2 (per country)**	**Graduation target (per country)**	**Graduation target (regional)**	**Exceeds (per country)**

Condition 3. Sustainable financing: Adequate and continual financial resources are available to address conservation of global priorities for at least the next 10 years					
3.1 Public sector funding. Public sector agencies, at national and sub-national levels, responsible for conservation in the hotspot have an ongoing allocation of public funds and/or revenue-generating capacity sufficient to operate effectively and use them efficiently. *The level of personnel and budget necessary for effective management should be estimated periodically.*	Agencies responsible for conservation receive (and/or generate) sufficient public funds to cover ≥30% of the personnel and ≥20% of other recurrent costs of effective management.	Agencies responsible for conservation receive (and/or generate) sufficient public funds to cover ≥50% of the personnel and ≥40% of other recurrent costs of effective management.	Agencies responsible for conservation receive (and/or generate) sufficient public funds to cover ≥80% of the personnel and ≥60% of other recurrent costs of effective management. In addition, evaluations of spending effectiveness show that the agencies are efficient and cost-effective.	none	Same as target but public funds cover ≥100% of personnel and other recurrent costs of effective management.
Bolivia	2020	2030	post-2040		
Peru	2020	2025	2040		
Ecuador	2025	2030	post-2040		
Colombia	2025	2030	post-2040		
Regional					
3.2 Incorporating biodiversity and ecosystem services targets into national and sub-national financial planning. Finance ministries, development ministries and decentralized local governments have adopted biodiversity and ecosystem service priorities and use them as criteria for resource allocation. *Examples of relevant entities: ministries of agriculture, mining, fisheries, energy; municipal and regional/provincial governments. National or sub-national environmental authorities are not considered for this criterion.*	≥1 relevant ministry or decentralized government has incorporated biodiversity priorities into its plans and policies and allocates sufficient budget to minimize BES loss caused by the development they oversee.	≥3 relevant ministries or decentralized governments have incorporated biodiversity priorities into their plans and policies and allocate sufficient budgets to minimize BES loss caused by the development they oversee.	In each country the finance ministry and ≥4 relevant ministries or decentralized governments have incorporated BES priorities into their plans and policies and allocate sufficient budgets to avoid BES loss caused by the development they oversee.	none	National planning processes mandate that the Ministry of Finance and each relevant ministry and decentralized government incorporate BES priorities into their plans and policies and to allocate sufficient budgets to minimize BES loss caused by the development they oversee.
Bolivia	2030	2035	post-2040		
Peru	2030	2035	post-2040		
Ecuador	2030	2035	post-2040		
Colombia	2030	2035	post-2040		
Regional					
3.3 International conservation funds:	(i) ≥50% of international funds	(i) ≥60% of international funds	(i) International and public sector funds are	International and impact	In addition to the target, international

International climate change and biodiversity funds (without CEPF), philanthropic funds and impact investment funds, directed to the hotspot, are sufficient to address global conservation priorities and flow efficiently to the field, including to CSOs that are extensively involved in implementation.	for conservation finance field activities; and (ii) ≥10% of international funds are implemented through CSOs; and (iii) Country has impact investment projects under implementation with BES objectives.	for conservation finance field activities; and (ii) ≥20% of international funds are implemented through CSOs; and (iii) ≥3 landscapes with priority BES each benefit from impact investment project(s) totalling ≥US$2m per year.	together sufficient to implement conservation plans covering ≥60% of the country's KBAs (and projected to be so for ≥10 years), and (ii) ≥20% of international funding is implemented through CSOs, and (iii) ≥5 landscapes with priority BES each benefit from impact investment project(s) totalling ≥US$2m per year.	investment funds for transboundary or regional projects to conserve BES total ≥US$10m per year.	and impact investment funds in BES conservation in the country totals ≥US$20m per year …and… ≥3 conservation CSOs are executing ≥US$2m of international funds annually.
Bolivia	2025	2030	2040		
Peru	2025	2030	2040		
Ecuador	2025	2030	2040		
Colombia	2025	2030	2040		
Regional				2035	
3.4 Financial health of CSOs. CSOs dedicated to conservation obtain sufficient funds, from diversified sources, to remain (collectively) highly relevant actors for the conservation of biodiversity and ecosystem services and to be resilient in the face of economic or political shocks or other threats. *Being "highly relevant" implies fulfilling multiple roles in the ToC for biodiversity conservation, implementing programs on a much larger scale than in 2020, and executing larger budgets as well.*	≥4 national conservation CSOs have annual budgets of ≥US$200K, diversified revenues that partially cover core costs, and a portfolio of funded projects sufficient to sustain their programs for ≥1 year.	≥6 national conservation CSOs have annual budgets of ≥US$300K, diversified and reliable revenues that partially cover core costs, financial reserves equivalent to 4 months of core costs, and a portfolio of funded projects sufficient to sustain their programs for ≥2 years.	≥10 national conservation CSOs have annual budgets of ≥US$300K, diversified and reliable revenues that cover core costs, financial reserves equivalent to 8 months of core costs, and a portfolio of funded projects sufficient to sustain their programs for ≥5 years.	Established hubs or institutional mechanisms for transboundary or regional cooperation by CSOs (and others) have combined annual budgets of ≥US$400K derived from sources that do not compete with national CSO needs.	Same as the target, plus that ≥3 of the CSOs have annual budgets of ≥US$1m, all their core costs covered by secure and permanent sources, and financial reserves equivalent to 12 months of core costs.
Bolivia	2025	2030	2040		
Peru	2020	2025	2030		
Ecuador	2025	2025	2035		
Colombia	2020	2025	2030		
Regional				2035	
3.5 Long-term mechanisms. Financing mechanisms exist that produce	There are successful pilots of	≥3 long-term financing	≥3 long-term financing mechanisms generate a	≥1 example of a long-term	Same as the target, plus the

continuous long-term returns and are large and diverse enough to make a significant contribution to biodiversity conservation financing in the long term (at least the next 10 years). *These are additional mechanisms to government subsidies (3.1). Examples are: trust funds, water funds, revenues from the sale of carbon credits, other payments for ecosystem services, green taxes (polluter pays), local government charges for ecosystem service use (user pays), sustainable value chains (coffee, chocolate etc), offsets.* *Beneficiaries may be communities, other landowners, CSOs etc.*	≥2 long-term financing mechanisms contributing significantly to biodiversity conservation at the national, sub-national or landscape level.	mechanisms are contributing significantly to biodiversity conservation at the national or sub-national or landscape level. …and… ≥5 landscapes with priority BES have long-term conservation financing mechanisms.	national total of ≥US$10m per year for conservation of BES. …and… ≥10 landscapes with priority BES have long-term conservation financing mechanisms.	financing mechanism that operates with transboundary coordination e.g., for a shared water catchment area.	institutionalization at the national level of the 3 long-term financing mechanisms. *Examples of institutionalization: water funds for all watersheds, or national regulation of polluter-pays principle with payments used to finance conservation.*
Bolivia	2025	2030	2040		
Peru	2020	2025	2030		
Ecuador	2025	2025	2035		
Colombia	2020	2025	2030		
Regional				2040	
Criteria	**Milestone 1 (per country)**	**Milestone 2 (per country)**	**Graduation target (per country)**	**Graduation target (regional)**	**Exceeds (per country)**
Condition 4. Enabling policy and institutional framework: Public policies, the capacity to implement them, and private sector business practices are supportive of the conservation of globally important biodiversity					
4.1 Favourable legal and fiscal framework: The framework of laws, regulations, public policies, (dis)incentives for landowners or businesses, absence of perverse subsidies, and other instruments (both national and sub-national) favours conservation of BES. In addition, civil society monitors the transparency of compliance. *Perverse subsidies include fiscal incentives to degrade ecosystems, externalization of environmental costs, etc.*	Country has strong laws to protect nature and has, since 2010, established ≥1 new kind of (dis)incentive favouring conservation.	Country applies laws to protect nature and has, since 2010, established ≥2 new kinds of (dis)incentive favouring conservation and reduced ≥2 perverse subsidies.	The proportion of hotspot KBAs that are located in a jurisdiction with a legal and fiscal framework that includes incentives for conservation and is considered (by RIT and leading CSOs) conducive to conservation is ≥70%.	≥1 new transboundary or regional inter-governmental agreement requiring national adoption of regulations, standards or incentives related to BES.	Same as the target, plus a track record of transparency in the application of subsidies and incentives/disincentives of all kinds.
Bolivia	2030	2035	post-2040		
Peru	2025	2030	post-2040		
Ecuador	2020	2030	post-2040		

Colombia	2020	2030	post-2040		
Regional				post-2040	
4.2 Governance system: Governance systems for conservation areas recognize the rights of indigenous and Afro-descendant communities and enable relevant CSOs to participate effectively in the development and implementation of public policies and plans. *Conservation areas in this context include national and local protected areas, high biodiversity community territories, etc.*	(i) The concept of FPIC (Free, Prior and Informed Consent) is applied fully in relation to community territories; and (ii) there is ≥1 successful example of governance of a State protected area, with participation of ≥1 CSO (community or NGO) in planning and decision-making.	(i) For indigenous communities with land title, their rights and responsibilities with respect to their biodiversity are respected; and (ii) Governance systems with participation of ≥1 CSO (community or NGO) in planning and decision-making have been adopted for most categories of national and local government protected area.	(i) 70% of indigenous territories have clear land title and the communities' rights and responsibilities with respect to their biodiversity are respected; and (ii) 70% of other (i.e., not indigenous territories) conservation areas have a governance system with effective participation of ≥1 CSO (community or NGO) in planning and decision-making.		The National Protected Areas System comprises a network of community territories, private conservation areas, and national and local government protected areas, many of which are co-managed with CSOs.
Bolivia	2020	2030	post-2040		
Peru	2020	2030	post-2040		
Ecuador	2020	2030	post-2040		
Colombia	2020	2030	post-2040		
Regional					
4.3 Law enforcement and security The authorities responsible for security and for surveillance and enforcement in conservation areas have the commitment and capacity to enforce the law and guarantee the safety of CSOs and of communities who seek to protect their natural resources. *Conservation areas in this context include national and local protected areas, high biodiversity community territories, etc.*	≥20% of the conservation areas have their boundaries demarcated and are patrolled regularly.	≥40% of the conservation areas have their boundaries demarcated and are patrolled regularly.	≥70% of conservation areas have demarcated borders, are regularly patrolled and have CSOs (community or other) which routinely report illegal activities and monitor subsequent prosecution and sanction.	At least 3 of the hotspot countries exchange information and cooperate on prevention and enforcement regarding crimes against biodiversity and ecosystems.	Same as the target, plus: (i) ≥50% of arrests for conservation offenses lead to an imposed sanction e.g., fine, confiscation, imprisonment etc. …and… (ii) according to surveys, the effectiveness of enforcement is a strong disincentive against infractions.
Bolivia	2025	2035	post-2040		
Peru	2020	2030	post-2040		

Ecuador	2025	2035	post-2040		
Colombia	2025	2035	post-2040		
Regional				post-2040	
4.4 Business Practices Sectors with (potentially) large biodiversity footprints comply with independently verified Environmental Impact Assessment (EIA), minimization, mitigation and remediation processes. Leading companies adopt best practices. *"Key sectors" refers to mining, hydrocarbons, energy, water, agriculture, horticulture, infrastructure construction and transport, among others.*	There are mandatory basic environmental performance standards for ≥2 key sectors, with field verification, and an EIA system which is applied transparently and allows for comments by CSOs.	For ≥2 key sectors, monitoring and independent verification data confirm that ≥50% of investments and operations comply with EIA processes and environmental performance standards.	For ≥3 key sectors, monitoring data and independent verification confirm that ≥80% of investments and operations comply with EIA processes and environmental performance standards, and ensure mitigation and remediation of environmental impacts.	For ≥1 key sector, all major companies have formally adopted environmental performance standards applicable throughout the hotspot.	The environmental standards and EIA system require all industries with potentially large environmental footprints to adopt international best practices for their industry.
Bolivia	2025	2035	2040		
Peru	2025	2035	2040		
Ecuador	2025	2035	2040		
Colombia	2025	2035	2040		
Regional				2030	
4.5 Corporate Leadership and Innovation Leading companies in various sectors generate their own innovations with a positive impact on BES, and drive improvements in environmental standards in their respective sectors.	The fiscal and regulatory environment is open to corporate innovation in BES.	In ≥2 sectors leading companies have developed innovative initiatives with a positive impact on BES and are driving changes in the regulatory/ fiscal framework and/or in behavior of the sector or society in general.	≥2 sectors have improved their standards and practices in relation to BES as a result of initiatives originally developed by leading companies.	In ≥1 sector the private sector-led improved standards and practices in relation to BES are coordinated across two or more of the hotspot countries.	A national, private sector-driven conservation movement, encouraged by a framework favouring innovation in relation to BES, has achieved demonstrable conservation outcomes in multiple geographies.
Bolivia	2030	2030	2035		
Peru	2025	2030	2035		
Ecuador	2030	2030	2035		
Colombia	2025	2030	2035		
Regional				2035	

Criteria	Milestone 1 (per country)	Milestone 2 (per country)	Graduation target (per country)	Graduation target (regional)	Exceeds (per country)
Condition 5. Responsiveness to emerging issues: Mechanisms exist to identify and respond to emerging conservation issues					
5.1 BES status and threats monitored. National and regional systems, involving government and civil society networks, are in place to monitor the status and trends of BES and threats to BES. *Networks could include: CSOs (national, local, indigenous, Afro-descendant), academics, citizen scientists, naturalist guides, businesses, etc.* *Relevant ecosystem services include: water provision, carbon storage, soil conservation, crop pollination, drought and flood resilience.*	Various groups are monitoring biodiversity and threats in their areas of interest and disseminating the results.	Various groups are monitoring biodiversity and threats in their areas of interest, including KBAs, and a national institution (or mechanism) gathers and analyses some of that data and makes the results available to government, investors, stakeholders and the public.	≥60% of KBAs lie within areas being monitored by low-cost systems, involving a network of data providers (remote and field) studying status of, and threats to KBAs, Red-Listed species and key ecosystem services. A national institution gathers and analyses the data, making it publicly available where possible. Results are made available to government, investors and stakeholders and disseminated widely to the public.	For Red-Listed species, carbon storage, water provision and selected hotspot-wide threats to BES (e.g., mining), monitoring results are combined regionally, disseminated and used to recommend coordinated responses to threats.	Same as the target but with evidence that the information is being used to guide resource allocation and actions to respond to threats in a timely manner.
Bolivia	2025	2030	2040		
Peru	2025	2025	2035		
Ecuador	2020	2025	2030		
Colombia	2020	2020	2030		
Regional				2030	
5.2 Preparedness for Climate Change impacts on BES. Detailed projections of how climate change will impact BES across the hotspot through to at least 2070 are available and used to develop and implement national and sub-national adaptation plans, that prioritize resilience based on ecosystems (i.e., natural infrastructure rather than engineering solutions) and conservation of BES.	Broad projections of CC impacts on BES are available and National Adaptation Plan includes a component on nature-based resilience.	Broad projections of CC and its impacts on BES inform the National Adaptation Plan and ≥1 sub-national adaptation plan, which prioritize nature-based resilience and preventive action on CC threats to BES.	Detailed projections of CC and its impacts on BES inform the National Adaptation Plan and ≥3 sub-national adaptation plans, which prioritize nature-based resilience and include major investment to address CC threats to BES.	There is transboundary coordination on development and implementation of adaptation plans for ecosystems and species that span borders.	Same as target, plus a 4-year track record of investment in, and implementation of, the BES conservation components of the National Adaptation Plan and sub-national adaptation plans.
Bolivia	2020	2025	2030		
Peru	2020	2025	2025		

Ecuador	2020	2025	2025		
Colombia	2020	2025	2025		
Regional				2030	
5.3 Technical capacity for adaptive management. CSOs and biodiversity authorities have the technical capacity to anticipate and assess risks and respond in a timely manner to emerging problems, both foreseeable and unforeseen. *Foreseeable problems include those associated with climate change, IIRSA or invasive species or those identified through horizon scanning. The Covid-19 pandemic is an example of an unforeseen event. Some arrive suddenly, others grow.* *Adaptation/contingency plans are developed jointly with authorities, social CSOs and commercial sectors.*	The main conservation organizations meet periodically to discuss emerging or on-the-horizon risks and seek advice from relevant experts to assess these risks.	The main conservation organizations meet periodically to discuss emerging or on-the-horizon risks, develop contingency plans, make recommendations to government, and strengthen their capacities and networks of relevant experts.	The main conservation CSOs and authorities are, jointly, technically prepared to address new problems because they routinely analyse monitoring and risk data, update adaptation and contingency plans, and maintain relevant capacities, partnerships and networks of experts.	There is regional coordination in multiple technical areas, including: specialist expertise, training, methodologies, contingency planning for foreseeable problems, and rapid response to unforeseen problems.	Same as the target, plus a
Bolivia	2025	2030	2035		
Peru	2025	2030	2035		
Ecuador	2025	2030	2035		
Colombia	2025	2030	2035		
Regional				2035	
5.4 Financial capacity for adaptive management. CSOs and biodiversity authorities have access to emergency funds to prevent, prepare for or respond to imminent emergencies that pose a major threat to biodiversity. *Sources of capital could include environmental taxes paid by large footprint industries, commercial beneficiaries of ecosystem services, fines, etc.*	There is either a ≥$1m fund to respond to ecological emergencies or a national environmental fund with the flexibility to disburse up to $1m of its capital in the event of such an emergency.	There is a fund of ≥$3m, preferably accessible by CSOs, to respond to ecological emergencies. The fund is recapitalized after any use.	There is a fund of ≥$10m, accessible by CSOs, to prepare for or respond to ecological emergencies. The fund is recapitalized after any use.	There is a fund of ≥$20m, accessible by CSOs, to prevent, prepare for or respond to ecological emergencies which are transboundary e.g., impacts of predicted mass migration due to conflict. The fund is recapitalized after any use.	There is a fund of ≥$20m, accessible by CSOs, to respond to ecological emergencies or take preventive or preparatory action in the face of predicted emergencies e.g., extended drought or an approaching invasive species. The fund is recapitalized after any use.

Bolivia	2025	2030	2035		
Peru	2025	2030	2035		
Ecuador	2025	2030	2035		
Colombia	2025	2030	2035		
Regional				2035	
5.5 Informed and demanding public. The general public, and a new generation of political leaders, feel connected to nature, understand the predicted problems, recognize the contribution of conservation CSOs to sustainable development, and demand that governments develop capacities for prevention, mitigation and adaptation based on nature.	CC and BES are regularly featured in national and social media, with contributions from scientists and socially influential actors (e.g., celebrities, sportsmen, businessmen, politicians, indigenous leaders, etc.).	There is a conservation and sustainable development movement with a high social profile, highly diverse leadership, broad societal support, and commitment to scientific evidence.	A socially diverse conservation and sustainable development movement exerts much influence on public opinion and political leadership in both rural and urban areas.	There is a regionally coordinated movement that campaigns for conservation and fosters a culture of coexistence with nature and pride in the global importance of the hotspot's biodiversity.	The manifestos of major political parties seriously address problems of climate change, loss of BES and nature-based solutions.
Bolivia	2025	2030	2035		
Peru	2025	2030	2035		
Ecuador	2025	2030	2035		
Colombia	2025	2030	2035		
Regional				2030	

Annex 3 Table of Dependencies between Graduation Criteria

Each row corresponds to a criterion and highlights in orange the other criteria on which it depends to some extent.

Criterion	1.1	1.2	1.3	1.4	1.5	2.1	2.2	2.3	2.4	2.5	3.1	3.2	3.3	3.4	3.5	4.1	4.2	4.3	4.4	4.5	5.1	5.2	5.3	5.4	5.5
1.1 KBA priorities						■	■		■		■			■											
1.2 Ecosystem service priorities						■	■		■		■			■								■			
1.3 Plans include priorities	■	■							■		■					■	■				■	■			
1.4 Plans implemented			■			■		■	■		■	■	■			■	■	■							
1.5 Management cap'y and best practice						■		■	■		■	■	■		■	■	■	■			■	■			
2.1 Collective capacity							■	■	■				■	■											
2.2 Organizn. capacity														■											
2.3 Community and indigenous capacity									■					■	■										
2.4 Alliances																									
2.5 CSO credibility	■	■				■	■	■	■					■	■						■	■	■		■
3.1 Government $$ for conservation													■			■						■			■
3.2 Sector $$ for BES													■			■						■			■
3.3 International $$						■	■	■		■						■						■			
3.4 CSO financing						■	■	■	■	■			■		■										■
3.5 Long-term $ mechs							■			■			■			■				■	■				
4.1 Policy framework	■	■	■							■										■	■				■
4.2 Governance and indigenous rights	■	■	■			■	■	■	■	■						■		■	■		■				
4.3 Enforcement						■				■	■					■					■				■
4.4 Business practice						■				■	■	■	■								■				■
4.5 Corporate leaders													■			■									■
5.1 BES monitoring						■		■	■		■		■	■											
5.2 Climate projection and preparedness						■		■	■		■		■	■											
5.3 Adaptation capac'y					■	■		■	■												■	■			
5.4 Adapt/response $$											■		■	■	■										
5.5 Public demand	■	■	■			■		■		■											■	■			

Annex 4. Country and Regional Baselines and Opportunities

In Annex 4, we highlight some characteristics of each country that demonstrate particular need or provide specific opportunities for the suggested interventions that are described in Section 4.4 of the main report entitled ´Review of the Conditions for Graduation and the Actions Needed´. These are described below for each of the Conditions and corresponding lines of action identified.

1. Condition 1. Conservation priorities and best practices

Condition 1	**Conservation priorities and best practices** Global conservation priorities (e.g., globally threatened species, KBAs, reservoirs of natural capital, etc.) and best practices for their management are identified, documented, disseminated and used by public sector, private sector, civil society and donor agencies to guide their support for conservation in the hotspot.
	Criterion 1.1 Global priorities for biodiversity conservation disseminated. *Threatened species of various taxa, and Key Biodiversity Areas (KBAs), have been identified, documented (including threats), prioritized and widely disseminated.*
	Criterion 1.2 Important areas for ecosystem services or for ecological connectivity disseminated. *Areas important for ecosystem services or ecological connectivity have been identified, characterized (including threats) and disseminated, throughout the hotspot.*
	Criterion 1.3 Plans incorporate BES conservation priorities. *BES conservation priorities are incorporated into conservation, climate, land-use and development plans and strategies at various levels (landscape, other sub-national, national and regional), so as to ensure long-term sustainability of the BES.*
	Criterion 1.4 BES conservation priorities respected in the implementation of plans. *Conservation and/or development plans, which have incorporated conservation priorities, are implemented in a manner that meets expected conservation outcomes.*
	Criterion 1.5 Management capacity and best practices maintained. *In KBAs and areas important for ecosystem services or connectivity, the responsible organizations have the necessary management capacities and a culture of adopting and institutionalizing best practices.*

The lines of action (in addition to the first line of action under Condition 5) are:

- **Generate and disseminate information on trends in species, KBAs and ecosystem services, and promote its use in conservation and development plans, decisions and actions. (Criteria 1.1-1.4).** (This information would be integrated into the knowledge management system under Condition 5).
- **Demonstrate high-biodiversity landscape management, particularly through land-use planning processes, and facilitate learning and exchange about governance and management practices across the hotspot. (Criterion 1.5).**
- **Reinforce management plans with legal instruments and accompany implementation of management plans. (Criterion 1.5)**

Regional and national opportunities and constraints.
With, so far, 471 KBAs, 29 Corridors and numerous large areas important for ecosystem services, there will be a continuous task of updating species Red Lists and the characteristics and boundaries of KBAs, connectivity areas and ecosystem service areas. The current situation is that ecosystem service areas and connectivity areas tend to be loosely defined, many KBA boundaries need correcting, and some Red Lists, such as the amphibians list, are up to date but others, such as plants and bees, need updating. Dissemination of biodiversity priorities continues but the concept of KBAs seems not to be

widely known amongst decision-makers, despite many years of its use by leading conservation organizations. Nevertheless, there is progress in some countries and specific opportunities for these strategic lines of action.

In Colombia, there is progress towards species level data with the preparation of the National there are advances in ecosystem mapping at least in terms of watershed mapping. At the regional level, from 2018-2019, the environmental authority of Cali has signed Payment for Environmental Services Agreements for the watersheds of Calí and Meléndez. Together with the Technical Working Group for the San Antonio forest, the environmental authority of Calí is looking at continuing these Agreements and extending them. Progress with the creation of the Bird Tourism Route in the south-west of Colombia is positive in terms of providing links between ecosystem services, biodiversity-friendly productive activities in a wider landscape. There are multiple examples of the incorporation of local and municipal protected areas at the local government level within KBAs, such as in the Serranía de los Paraguas. KBAs have also been incorporated as a category in the Departmental System of Protected Areas in the Cauca Valley, whilst the Trujillo municipality officially recognized the KBA and included KBA and hotspot designations as key instruments for biodiversity conservation.

In Peru, there is dissemination of the KBA concept but little uptake by national or subnational government as yet. KBA are not mentioned explicitly in the National Biodiversity Strategy. Nevertheless, the KBAs and the threats to them have been mapped. There is some progress towards species level mapping with the preparation of the National Species Conservation Plan. Meanwhile, there is progress towards the mapping and valuation of ecosystem services. In 2017, the Ministry of Environment adopted a new Law on the mechanisms for compensation for ecosystem services which established the regulatory framework for voluntary payments and public investment. This has been applied in several examples of watershed services. More recently in February 2021, the Ministry approved national guidelines for the economic valuation of ecosystem services for forests and wildlife, as well as the opportunity cost for society due to the loss of these services.
In terms of the storage and exchange of biodiversity and climate change data, SERNANP has developed the first-ever Latin American national system for monitoring the effects of climate change in forests as a climate adaptation measure in its Nationally Determined Contribution.

In Ecuador, although the National Biodiversity Plan does not include mention of KBA, a committee has been created for updating KBA information. There are new opportunities for wider landscape programs with the adoption of a new regulatory framework for the implementation of the law that allows for the creation of Connectivity Corridors. Constitutionally, there are complexities and limitations to establishing markets for payment for ecosystem services, as is also the case in Bolivia. Nevertheless, in both Bolivia and Ecuador, the water catchment areas have been mapped and, in Ecuador, there are Funds for Water that have been established to finance and manage key water catchment areas. In Bolivia, over a hundred municipalities are engaged in reciprocal agreements for water between upstream owners and users of land and the downstream users of water. In Ecuador, there are legal instruments for protection of land based on its water catchment and water has been brought under the remit of the Ministry of Environment, which increases the strategic opportunities to conserve biodiversity as an add-on to water catchment conservation.

2. Condition 2. Civil Society Capacity.

Condition 2	**Civil Society Capacity**

	National and site-based civil society groups dedicated to conserving conservation priorities collectively possess sufficient organizational and technical capacity to be effective advocates for, and agents of, conservation and sustainable development for at least the next 10 years
	Criterion 2.1 Collective capacity of CSOs involved in conservation. *The CSO community is sufficiently broad and deep-rooted to respond to key conservation challenges and collectively possesses the technical competencies needed for conservation.*
	Criterion 2.2 Institutional capacity for CSO management *National and sub-national CSOs involved in conservation have sufficient capacity and institutional and operational structures to (i) raise funds for conservation, (ii) ensure efficient project management, (iii) develop and implement conservation strategies, and (iv) apply satisfactory gender policies internally and in their programs.*
	Criterion 2.3 Capacity of indigenous and community organizations *Organizations of indigenous, Afro-descendant and other communities, who are custodians of areas important for biodiversity and ecosystem services, possess sufficient capacity, organization and institutional and operational structures to (i) conserve and sustainably and equitably use the biodiversity of their territory, (ii) raise funds for these activities, (iii) efficiently administer funds and businesses, (iv) apply satisfactory gender policies, (v) publicly communicate their contribution to the common good, and (vi) effectively negotiate with authorities and other actors and establish alliances.*
	Criterion 2.4 CSO partnerships and relationships with other entities. *Alliances and collaborative mechanisms exist between CSOs, including conservation focused and related CSOs, who are thus able to generate and share information, communicate their messages, strengthen their security, increase their credibility and advocacy capacity, and strengthen their ability to engage with other actors, such as communities, national and local governments, the private sector and donors. In this way, they increase their collective impact.*
	Criterion 2.5 Broad credibility. *Leading CSOs in the conservation sector have gained credibility with diverse stakeholders because of characteristics valued by those stakeholders, such as: technical robustness and impartiality of information; transparency; integrity and values; endorsement by widely respected institutions and individuals.*

The proposed lines of action are:

- **Bring CSOs with new areas of expertise into the conservation movement and foster purposeful alliances.**
- **Build organizational capacities, including gender equity and leadership skills, of CSOs at all levels, with particular focus on community groups who are custodians of biodiverse territories.**
- **Facilitate the development of a credible CSO conservation community that has a broad social base and is strengthened by its internal cooperation and external partnerships.**

Regional and national opportunities and constraints

Conditions exist for national and regional networking and cooperation between CSOs. However, it currently happens very little. There are some notable successful examples which CEPF has helped to fund which bring together organizations with different skills and knowledge, including the Regional Working Group on Responsible Gold Mining, which has established national platforms. CSOs often face difficulty in accessing scattered technical information, knowledge and experience to deal with common threats or threats that are regional or global in nature. Their opportunities to communicate with other conservationists within countries are limited. Collaboration and communications across national borders are rare, although since 1984, the indigenous peoples of the Amazon have had the Coordinator of the Indigenous Peoples of the Amazon Basin (COICA). An active indigenous conservation

initiative is Cuencas Sagradas Amazónicas, which encompasses 20 indigenous groups in Peru and Ecuador.[23]

In Peru, the indigenous organizations tend to be more solid, though still with many areas of weakness, and there is a clearer and more articulated government system in defense and conservation of their territories. Opportunities are manifested in terms of greater awareness and commitment to the recovery, restoration and conservation of high-biodiversity sites, with campaigns to raise awareness of their value. There is also heightened interest in transboundary work between Peru and Ecuador to maintain ecological corridors.
There are some umbrella organizations that could be potential intermediary organizations for building capacity of indigenous CSOs. For example, the Institute for the Common Good (Instituto del Bien Común, IBC) supports indigenous communities with land-titling, territorial planning and deforestation monitoring. There is also the Peruvian Inter-ethnic Association for Rainforest Development (AIDESEP), but this has had problems of financial mismanagement.[24]

Following the Peace Agreement, the Colombian context is still fragile and CSOs face challenges of both opportunity and credibility in their efforts to participate in decision-making and coordinate with government at all levels. Progress has been made, particularly, in the spaces opened up in the drafting and discussion of the climate strategies for both mitigation and adaptation and may NGOs and CSOs have been invited to join the consultations. In general, Afro-descendant, farmer- and indigenous organizations are in a post-conflict recovery and confidence-building stage. There is a concerted program by government to provide stimulus for development and livelihoods at the territorial level, but the program has little or no inclusion of environmental and ecosystem considerations. One exception to this is REDPRODEPAZ, the national network of regional programs for peace and equitable development. They work in post-conflict communities and provide technical assistance, particularly with processes of dialogue, so that communities can be agents of their own development and strike a balance between environmental, social and economic drivers. They focus on reactivation of local knowledge, building consensus between different actors and supporting ecosystem management through collaboration between communities, local government and protected area managers.

Colombian indigenous organizations include TROPEMBOS, GAIA Amazonas and OPIAC, which is the umbrella organization for indigenous peoples of the Amazon. CEPF has had some initial experience of co-creation and co-implementation of projects with multiple partners in the San Antonio KBA. This project demonstrated the potential value of collaborative planning of a project but also highlighted some key lessons around the need for expert guidance to the collaborative process, so as to avoid pitfalls and build enduring alliances.

The condition of Ecuador's CSOs in general, and its indigenous, Afro-Ecuadorian and Montubio organizations in particular, have been (until Covid-19) in a phase of recovery and reconstitution following a decade during which the voice of civil society has weakened. Both Bolivia and Ecuador share similar challenges. Legislation has made registration of CSOs more difficult, introduced greater financial and administrative oversight from the government and new governance requirements that were difficult for some CSO to fulfil. In both countries, the participation of organized civil society in consultations over policy- and decision-making has reduced and become more limited. In Ecuador, a Law on Participation provided for the ¨empty chair¨ in consultations and decision-making, in which an individual

[23] https://cuencasagradas.org/

[24] https://www.rcrperu.com/escandalo-retiran-financiamiento-a-aidesep-por-malversacion-de-fondos/

rather than an organization could request to sit and participate with voice but no voting power. This is an important area for strengthening of CSO resilience and credibility. There is potential donor funding for such work. Not only is capacity building a theme of KfW support to the Ecuador component of the CEPF program, but also USAID has reopened its Ecuador program, with a focus on strengthening democracy and civil society voice, climate change and environment.

With regard to conservation networking, the Ecuadorian Committee for the Defense of the Environment (CEDENMA) was created as an environmental umbrella organization, with members from the various CSOs working on environmental issues. However, it has struggled, especially in recent years, to have a strong, collective voice and to be influential in policy and decision-making. No other forum for a concerted environmental voice exists. Nevertheless, Ecuadorian voices have been prominent in the movements such as those behind the declaration of 'Principles for a Sustainable Future for Latin America' and ´Vital Dialogues´, a citizen movement that brings together people from all walks of life to build a vision for the future of the country that is fair and sustainable.

Beyond the conservation and research communities there are growing coalitions among CSOs and individuals calling for sustainable development. An example is the regional declaration of hope for a green recovery post-COVID19, signed by renowned leaders from different sectors and a long list of signatories: 'Principles for a Sustainable Future of Latin America', which has been followed by a series of thematic ¨Dialogos Vitales¨ on issues emerging from the Declaration. Another example is 'Sistema B', a Latin American business initiative that has been growing fast. It was created with the goal of redefining the meaning of success in business: to one that solves social and environmental problems through products and services, thus using business as a force for good. Since its creation in April 2012 there are already 10 national Sistemas B and a community of over 500 B Companies in the region.

3. Condition 3. Sustainable Financing

Condition 3	**Sustainable financing** Adequate and continual financial resources are available to address conservation of global priorities for at least the next 10 years
	Criterion 3.1 Public sector funding*. Public sector agencies, at national and sub-national levels, responsible for conservation in the hotspot have an ongoing allocation of public funds and/or revenue-generating capacity sufficient to operate effectively and use them efficiently.*
	Criterion 3.2 Incorporating biodiversity and ecosystem services targets into national and sub-national financial planning. Finance ministries, development ministries and decentralized local governments have adopted biodiversity and ecosystem service priorities and use them as criteria for resource allocation.
	Criterion 3.3 International conservation funds: International climate change and biodiversity funds (without CEPF), philanthropic funds and impact investment funds, directed to the hotspot, are sufficient to address global conservation priorities and flow efficiently to the field, including to CSOs that are extensively involved in implementation.
	Criterion 3.4 Financial health of CSOs. CSOs dedicated to conservation obtain sufficient funds, from diversified sources, to remain (collectively) highly relevant actors for the conservation of biodiversity and ecosystem services and to be resilient in the face of economic or political shocks or other threats.
	Criterion 3.5 Long-term mechanisms. Financing mechanisms exist that produce continuous long-term returns and are large and diverse enough to make a significant contribution to biodiversity conservation financing in the long term (at least the next 10 years).

The lines of action are:

- **Support CSOs, in alliance with private sector businesses and local governments, to develop a pipeline of large proposals and demonstrate efficient, effective execution of new sources of funding (investment and long-term) linked to outcomes for biodiversity, climate, water and associated SDGs. (3.4)**
- **Develop collaboration between leading CSOs, including the RIT, and financial organizations (development banks, green funds, impact investors etc.), to help the financial institutions direct funds towards nature-based development solutions and support the greening of national development policies. (3.3)**
- **Support initiatives and build capacities for BES-based revenue generating activities, which contribute to sustainable livelihoods and/or the financing of conservation CSOs. (3.5)**

Regional and national opportunities and constraints
As the most biodiverse hotspot in the world and as a region important for climate change mitigation and adaptation, the Tropical Andes should be a major beneficiary of global funding streams. There are indeed significant funds already allocated from the Global Environment Fund and the Green Climate Fund. The mission of the Avina Foundation aligns closely with the green development agenda and climate action and focuses on Latin America www.avina.net . In terms of public spending on biodiversity and protected areas, all four countries have faced significant reductions in allocation of public funding.

In terms of longer-term mechanisms for funding through payment or compensation for ecosystem services, the established Water Funds in Peru and Ecuador provide a key opportunity to consolidate and replicate, although under different regulatory mechanisms. An alternative to water funds in Bolivia is provided by the Reciprocal Water Agreement (ARA) initiative which now involves 52 municipalities in reciprocal water agreements that results in land restoration and improved upper watershed management. In Ecuador, Areas of Conservation and Sustainable Use (ACUS) at municipal level have sustainable finance mechanisms based on both water charges and government budget. In Ecuador, the constitutional constraints on developing a market for ecosystem services has prevented formal REDD+ schemes being developed. The government's own forest carbon incentive scheme, Socio Bosque, has advantages, including accessibility to smallholders, but also disadvantages, including the fact that NGOs with private reserves are ineligible. Peru has established a Social Price of Carbon, which improves the return on public investment projects that achieve reduction in carbon emissions, which, in turn, can reduce biodiversity threat. Meanwhile, the model of BANCO2 in Colombia is already being replicated. This is a voluntary carbon offset scheme that matches donors with landowners who are managing their land and forest cover as carbon sinks.

There are advances being made with the financial sector to direct finance towards nature-friendly initiatives. ISA REP Peru, the company responsible for energy transmission systems and the development of telecommunication networks in Peru, is an example of how a business has financed ecological conservation corridors and accessed green bonds worth US$400,000. Colombia has a National Climate Finance Strategy (2017) which identifies innovative finance mechanisms. Public-private partnerships are a growing opportunity, together with the development of the market for green bonds. The Finance Committee of SISCLIMA is an example where this is happening. It brings together all of the relevant national financial entities (such as FINAGRO and risk capital funds), private sector and

associations to agree private investment in meeting the national commitments on climate change. In 2017, BANCOLOMBIA emitted the first Green bond in Colombia, followed by Davivienda. In Ecuador, national private banks (Pichincha, Produbanco, Grupo ProAmerica), motivated by multilateral banks, have developed sustainable finance mechanisms which can favor investments that reduce negative impacts on biodiverse areas. However, there is slow uptake of these credit schemes due to lack of awareness and capacity as yet on the side of business to undertake the impact monitoring needed. This could be an area of opportunity for CSO to provide the expertise and labour needed. Meanwhile, an area of opportunity in Bolivia is the effective operation of microfinance providers in most rural areas who could become instrumental in local green economy initiatives.

Opportunities for productive landscapes are exemplified in the Food and Land Use (FOLU) Coalition in Colombia, a vibrant national platform, comprising over 100 actors from national and local government, the private sector and civil society. The FOLU Vision for 2030 is that Colombia will have transformed its food systems in powerful drivers of development and equality, diversifying the offer of healthy and nutritious foods, and regenerating ecosystems and their societies, generating inclusive and efficient markets with a territorial approach. It is working in areas within KBAs creating productive and sustainable territories with model of integrated rural development that preserves forests and biodiversity and developing a series of value chains – including milk, meat and cocoa – to bring about more sustainable outcomes. Across these areas, FOLU brokers strategic alliances between universities, governments, civil society organizations and the private sector.

4. Condition 4. Enabling Policy and Institutional Framework

Condition 4	**Enabling policy and institutional framework.** Public policies, the capacity to implement them, and private sector business practices are supportive of the conservation of globally important biodiversity
	Criterion 4.1 Favourable legal and fiscal framework. *The framework of laws, regulations, public policies, (dis)incentives for landowners or businesses, absence of perverse subsidies, and other instruments (both national and sub-national) favours conservation of BES. In addition, civil society monitors the transparency of compliance.*
	Criterion 4.2 Governance system. *Governance systems for conservation areas recognize the rights of indigenous and Afro-descendant communities and enable relevant CSOs to participate effectively in the development and implementation of public policies and plans.*
	Criterion 4.3 Law enforcement and security. *The authorities responsible for security and for surveillance and enforcement in conservation areas have the commitment and capacity to enforce the law and guarantee the safety of CSOs and of communities who seek to protect their natural resources.*
	Criterion 4.4 Business Practices. *Sectors with (potentially) large biodiversity footprints comply with independently verified Environmental Impact Assessment (EIA), minimization, mitigation and remediation processes. Leading companies adopt best practices.*
	Criterion 4.5 Corporate Leadership and Innovation. *Leading companies in various sectors generate their own innovations with a positive impact on BES, and drive improvements in environmental standards in their respective sectors.*

The lines of action are:

- **Strengthen the capacities of CSOs, in collaboration with like-minded movements, to influence policy frameworks, governance systems, incentives and government budgets in relation to BES. (4.1-4.3, 3.1-3.2)**
- **Support collaboration between national CSOs and international organizations to increase transparency and accountability of big-footprint industries and promote best practices. (4.4)**

- **Support CSOs, including community groups, to engage in Environmental and Social Impact Assessment (ESIA) and monitoring of compliance, while minimizing risks to those involved. (4.4)**
- **Support public awareness campaigns on the problems of illegal mining. (4.4)**
- **Promote and support BES conservation initiatives led by the private sector and involving CSOs.**

Regional and National Opportunities and Constraints:
CEPF has supported multiple initiatives in the Hotspot where multiple CSOs and other organizations are working together to strengthen governance systems for KBAs and the areas around them and these provide opportunities for strengthening, scaling-up and replicating, such as in the Corridor Paraguas-Munchique in Colombia, the Bosque de San Antonio and the Co-Management Committee for the Forest Reserve of Rio Bravo. In Bolivia, Peru and Colombia, there is a relatively strong focus on participatory management of protected areas. However, there are still many conflictive issues around boundary definition of protected areas and indigenous territory. The greatest limitation for all countries is the lack of enforcement capacity, especially as a result of the reduction of government spend on protected areas over the last few years.

All countries have some of regulatory standards for big-footprint businesses. However, there is little monitoring and enforcement. In terms of increasing transparency and accountability of industrial practice, there are two noteworthy examples in Ecuador where the constitutional rights of Nature have been used together with species data to combat threats to biodiversity, in this case from mining. The cases cited threats to two endangered frog species at Intag and threats to Los Cedros reserve[25]. The latter case cites KBA designation as the basis for the Rights of Nature petition to the Supreme Court. Nevertheless, there is still a huge challenge surrounding the impacts of illegal mining which act outside of the regulatory framework. CEPF has supported a regional networking initiative to share best practice in the creation and communication strategies of national civil society platforms that raise awareness of the scale and urgency of the problem. It is important to continue supporting public awareness campaigns at national and regional level, especially given the increase in illegal mining as a result of the pandemic.

There are opportunities for working with forward-thinking, climate and environmentally aware businesses through Peru2021, a well-established platform for businesses that put sustainability at the centre of their companies and Nexos+1, a platform that brings together annually over 450 companies to be inspired by innovative approaches to climate-aware, sustainable business approaches and models. Nevertheless, business leaders highlight the lack of policy and fiscal incentives to facilitate investment in biodiversity-friendly products or the green economy. Early work on green bonds in Chile and now Colombia and Peru may bring greater awareness of the need and opportunity for an enabling environment.

5. Condition 5. Responsiveness to Emerging Issues.

Condition 5	**Responsiveness to emerging issues.** Mechanisms exist to identify and respond to emerging conservation issues

[25] https://biologicaldiversity.org/w/news/press-releases/piden-ambientalistas-al-tribunal-supremo-de-ecuador-que-proteja-los-cedros-y-haga-cumplir-los-derechos-de-la-naturaleza-2020-09-04/

	Criterion 5.1 BES status and threats monitored. National and regional systems, involving government and civil society networks, are in place to monitor the status and trends of BES and threats to BES.
	Criterion 5.2 Preparedness for Climate Change impacts on BES. Detailed projections of how climate change will impact BES across the hotspot through to at least 2070 are available and used to develop and implement national and sub-national adaptation plans, that prioritize resilience based on ecosystems (i.e., natural infrastructure rather than engineering solutions) and conservation of BES.
	Criterion 5.3 Technical capacity for adaptive management. CSOs and biodiversity authorities have the technical capacity to anticipate and assess risks and respond in a timely manner to emerging problems, both foreseeable and unforeseen.
	Criterion 5.4 Financial capacity for adaptive management. CSOs and biodiversity authorities have access to emergency funds to prevent, prepare for or respond to imminent emergencies that pose a major threat to biodiversity.
	Criterion 5.5 Informed and demanding public. The general public, and a new generation of political leaders, feel connected to nature, understand the predicted problems, recognize the contribution of conservation CSOs to sustainable development, and demand that governments develop capacities for prevention, mitigation and adaptation based on nature.

The lines of action are:

- **Improve BES and climate-related knowledge generation and management systems, including wider participation in them, data quality control, analysis to detect threats, and delivery of relevant information to governments (local and national), BES-dependent businesses and the finance/investment sector. (5.1-5.2, 1.1-1.2)**
- **Support thematic hubs or other mechanisms for regional and international networking, with collaboration across sectors and disciplines, for detecting and managing emerging threats, including the impacts of CC (5.3, 2.4).**
- **Grow and broaden public appreciation for BES as the basis for sustainable development and support for conservation CSOs, including collaborative initiatives to build public connectedness to nature. (5.5)**
- **Consolidate the role of conservation CSOs in a cross-sectoral civil society contribution to preparedness and adaptability across the hotspot (Criteria 5.1-5.4)**

Regional and National Opportunities and Constraints:
There are several interesting regional initiatives for climate change which hold potential for collaboration or learning best practice for CEPF in terms of regional thematic hubs and the storage and access to data for monitoring threats at a regional level. The Climate and Development Knowledge Network has developed a knowledge management initiative at regional level which seeks to understand and share best practice on compiling and communicating climate information. GLORIA Andes has established a network of summit observation sites across the entire tropical Andes connected to a regional monitoring system for the assessment of climate change impacts on the biodiversity of the high Andes. This system provides data-based information for developing mitigation and adaptation activities in order to reduce ecosystem vulnerability in tropical high mountain environments. CONDESAN in Ecuador is part of this system.

At the national level, an opportunity exists in Peru with the development of first-ever Latin American national system of monitoring of effects of climate change in forests as a climate adaptation measure. Colombia has developed national information systems both for climate (SISCLIMA) and for biodiversity (Sistema de Información de Biodiversidad). Colombia is one of the few countries that has an officially recognised institute, Instituto Humboldt, which

generates, collates, filters and analyzes BES data, disseminates monitoring information and prepares national communications on climate, biodiversity and ecosystems. Ecuador has a National Biodiversity Institute (INBIO), responsible for collating data and monitoring status and trends of biodiversity. It has an extensive database and is the official source of data for planning processes and environmental assessments.

In terms of public demand for better action on biodiversity and environment, there are several citizen movements that provide potential opportunity for engagement and to increase consumer influence – or that, at least, show there is appetite for such initiatives. There is the Movimiento Ambientalista Colombiano, which focuses on environmental protection from the perspective of territory and rights, recognising cultural, social and biological diversity. The movement is also engaged in participatory land use management and sustainable natural resource management. In Ecuador, Diálogos Vitales is a citizen movement that brings together people from all walks of life to build a vision for the future of the country that is fair and sustainable. In Bolivia there are examples of strong youth activism which have raised international awareness of the fires in the Bolivian East and Chaco. This youth movement has risen in defence of nature and natural resources and is potentially the beginning of an alliance of civil society promoting change.

Annex 5. List of Participants and Events Organised to develop the Long-Term Vision

Table 1. Preliminary Mini-Workshop on Assumptions and Criteria for Long-Term Vision

Odile	Sánchez de la Crua	Profonanpe	Peru
Rafael	Antelo	Fundación Panthera	Colombia
Alfredo	López	Pronaturaleza	Ecuador
Martha	Silva	Patrimonio Natural	Colombia
Claudia	Vega	Pronaturaleza	Peru
Jorge	Mariaca	Coordinación RIT	Bolivia
Arturo	Jimenez	Fundación Ecológica Arcoiris	Ecuador
Sandra	Isola	Pronaturaleza	Peru
Nina	Marshall	CEPF	United States
Michele	Zador	CEPF	United States
Pippa	Heylings	Talking Transformation	UK
Robert	Bensted-Smith	Talking Transformation	UK
Carolina	Proaño-Castro	Talking Transformation	Ecuador

Table 2. Participatory Regional Workshop for Long-Term Vision. November 5th 2020

Eduardo	Forno	Conservación Internacional - Bolivia	Bolivia
Jorge	Mariaca	Coordinador RIT	Bolivia
Viviana	Ramos	Servicio Nacional de Áreas Naturales Protegidas, Ministerio de Ambiente	Peru
Marco	Arenas	Servicio Nacional de Áreas Naturales Protegidas, Ministerio de Ambiente	Peru
Christian	Martinez	Conservación Internacional	Ecuador
Enrique	Herrera	Panamerican Securities	Bolivia
Pippa	Heylings	Talking Transformation	UK
Luis	Naranjo	WWF	Colombia
Fanny	Cornejo	Yunkawasi	Peru
Francisco Alberto	Galán	Patrimonio Natural	Colombia
Carolina	Proano-Castro	Talking Transformation	Ecuador
Robert	Bensted-Smith	Talking Transformation	UK

Table 3. Participatory Regional Workshop for Long-Term Vision. November 6th 2020

Mariana	Montoya	WCS	Peru
Pablo	LLoret	Fundación Futuro Latinoamericano	Ecuador
Natalia	Greene	Comité Ecuatoriano para la Defensa del Medio Ambiente - CEDEMA	Ecuador
Pedro	Solano	Independent	Peru
Odile	Sánchez	Coordinador RIT, Profonanpe	Peru
Martha	Liliana Silva Velasco	Coordinador RIT, Patrimonio Natural	Colombia
Luis Fernando	Gómez	WWF	Colombia
Pippa	Heylings	Talking Transformation	UK
Eddy	Mendoza	Conservación Internacional -	Peru
Michele	Zador	CEPF	United States
Constantino	Nay Rada	Consejo Indígena del Pueblo Tocana	Bolivia
Mariella	Leo	Asociación Peruana para la Conservación de la Naturaleza APECO	Peru
Armando	Valdes-Velasquez	Universidad Peruana Cayetano Heredia	Peru
Paola Zavala	Zavala	Talking Transformation	Ecuador
Pippa Heylings	Heylings	Talking Transformation	UK
Robert Bensted-Smith	rbenstedsmith@gmail.com	Talking Transformation	UK

Table 4. Participants at National Workshop Bolivia for Long-Term Vision, 9th December 2021

Luis Fernando	Asturizaga	La Federación de Ganaderos de Santa Cruz - Camara Agropecuaria del Oriente	Bolivia
Rodrigo	Soria	Asociación Civil Armonia	Bolivia
Natalia Araujo	Araujo	Fundación Natura Bolivia	Bolivia
Luis Arteaga	Arteaga	Conservación Amazónica	Bolivia
Celin Adalid	Quenevo Cartagena	Concejo Departamental la Paz	Bolivia
Rita	Gutierrez-Agramont	Agencia Francesa de Desarrollo	Bolivia
Alexia	Levesque	Agencia Francesa de Desarrollo	Bolivia
Roberto Mauricio	Rios Doria Medina	Fondo Nacional de Desarrollo Forestal (FONABOSQUE)	Bolivia

Wilson	Rocha	FAO	Bolivia
Pippa	Heylings	Talking Transformation	Bolivia
Robert	Bensted-Smith	Talking Transformation	Bolivia
Liz	Pereira	Talking Transformation	Bolivia

Table 5. Participants at National Workshop Ecuador for Long-Term Vision, 10th December 2021

Nikolay	Aguirre	Universidad Nacional de Loja	Ecuador
Brian	Krohnke	Mindo Cloud Forest Foundation	Ecuador
Carolina	Proaño-Castro	Talking Transformation	Ecuador
Liz	Periera	Talking Transformation	Ecuador
Javier	Felix	Fundación Pachamama	Ecuador
Robert	Bensted-Smith	Talking Transformation	UK
Olindo	Nastacuaz Cantincus	Centro Awá Pambilar	Ecuador
Wilson	Lechón	Consorcio de Gobiernos Autónomos Provinciales de Ecuador (CONGOPE)	Ecuador
Belen	Paez	Fundación Pachamama	Ecuador
Monica	Andrade	PNUD Ecuador	Ecuador
Juan	Valarezo	Aves Conservación	Ecuador
Inty	Arcos	Mancomunidad del Choco Andino	Ecuador
Pablo	Lloret	Fundación Futuro Latino Americano FFLA	Ecuador
Marcela	Andino	Consorcio de Gobiernos Autónomos Provinciales de Ecuador (CONGOPE)	Ecuador
María Belén Durán	Belén Durán	Ministerio del Ambiente y Agua	Ecuador
Pippa Heylings	Heylings	Talking Transformation	UK

Table 6. Participants at National Workshop Peru for Long-Term Vision, 10th December 2021

Francisco	Medina Castro	Helvetas Swiss Intercooperation - Peru	Peru
Hauke	Hoops	Frankfurt Zoological Society - Peru	Peru
Victor Raul	Pacheco Torres	Museo Hist Natural UNMSM	Peru
Luis Alban	Contreras	Helvetas Swiss Intercooperation - Peru	Peru

Pippa	Heylings	Talking Transformation	UK
Liz	Pereira	Talking Transformation	Ecuador
Robert	Bensted-Smith	Talking Transformation	UK
Carolina	Proaño-Castro	Talking Transformation	Ecuador

Table 7. Participants at National Workshop Peru for Long-Term Vision, 10th December 2021

Andrea	Caceres	Corporación para la gestión ambiental Biodiversa	Peru
Sebastian	Vieira	Corporación Salvamontes	Peru
Consuelo	Carvajal	Corporación Autónoma Regional del Tolima "CORTOLIMA"	Peru
Liz	Pereira	Talking Transformation	Ecuador
Ana	Elvia Arana	Fundación Trópico	Peru
Gisela	Paredes Leguizamon	Parques Nacionales Naturales de Colombia	Peru
Fernando	Castillo	Asociación Calidris	Peru
Pippa	Heylings	Talking Transformation	UK
Proano Carolina	Proaño-Castro	Talking Transformation	Ecuador
Robert	Bensted-Smith	Talking Transformation	UK

Table 8. Participants from Focal Group Meeting with National Advisory Committees for Project Review

Beatriz	Gallego	Patrimonio Natural	Colombia
Rob	Bensted-Smith	Talking Transformation	UK
Francisco	Prieto	Instituto Nacional de Biodiversidad INABIO	Ecuador
Martha Liliana	Silva Velasco	Fondo de Patrimonio Natural	Colombia
Mauricio	Velasquez	Andean Development Bank CAF	Ecuador
Silvia	Sanchez Huaman	Universidad Científica del Sur	Peru
Armando	Valdes-Velasquez	Universidad Peruana Cayetano Heredia	Peru
Pippa	Heylings	Talking Transformation	UK

Table 9. Individual Interviews for Long-Term Vision

Nina	Marshall	CEPF	United States
Jack	Tordoff	CEPF	United States

Pierre	Carret	CEPF	United States
Michele	Zador	CEPF	United States
Maiike	Manten	Coordinator RIT, Mediterranean Hotspot	
Hugo	Arnal	Independent	Ecuador
Constantino	Nay Rada	Consejo Indígena del Pueblo Tacana (CIPTA)	Bolivia
Olindo	Nastacuaz	Gran Familia de Pueblo Awá de Ecuador y Colombia	Colombia
Josefina	Chumpi	Pueblo Shuar Arutam	Ecuador
Juan	Wu	Inversionista	Peru
Carlos Mario	Cano	Red de Distribución de Energía del Perú ISAREP	Peru
Juan Carlos	Berrú	Grupo Futuro Empresarial	Ecuador
Pablo	Peña	Inter-American Development Bank	Ecuador
Pia Zevallos	Zevallos	Corporación Libelula	Peru
Patricia	Zurita	BirdLife International	UK
Yolanda	Kakabadse	Independent	Ecuador
Santiago	Bucaram	Inter-American Development Bank	Ecuador
Mauricio	Velasquez	Andean Development Bank	Ecuador
Diego	Paredes	USAID - Ecuador	Ecuador
Leon	Merlot	Consultor USAID - Bolivia	Bolivia
Monica	Andrade	Programa de las Naciones Unidas para el Desarrollo	Ecuador
Alberto	Galan	Fondo de Patrimonio Natural	Colombia
Pablo	Lloret	Fundación Futuro Latino Americano	Ecuador
Anton	Willems	Profonanpe	Peru

Table 10. Participants in Focal Group Meeting of Regional Implementation Team

Jorge	Mariaca	Coordinador Regional RIT	Bolivia
Martha Liliana	Silva Velasco	Fondo de Patrimonio Natural	Colombia
Paola	Zavala	Fundación Futuro Latino Americano	Ecuador
Odile	Sánchez	Profonanpe	Peru

Table 11. Participants at Final Regional Workshop to refine the Long-Term Vision, February 2021

Elsa Matilde	Escobar	Independiente	Colombia
Paola	Zavala	Fundación Futuro Latinoamericano	Ecuador
Juan Pablo	Ordóñez	Conservación Internacional - Colombia	Colombia
Paola	Herrera	Fundación Pachamama	Ecuador

Monica	Orjuela	Fondo Patrimonio Natural	Colombia
Odile	Sánchez	Profonanpe	Peru
Hauke	Hoops	FZS	Peru
Pablo	Lloret	Fundación Futuro Latinoamericano	Ecuador
Gisela	Paredes Leguizamón	Parques Nacionales Naturales de Colombia	Colombia
Roberto	Ulloa	Conservación Internacional - Ecuador	Ecuador
Paola	Espinosa	Talking Transformation	Ecuador
Armando	Valdes	Universidad Peruana Cayetano Heredia	Peru
Juan Carlos	Jintiach Arcos	COICA	Ecuador
Yolanda	Kakabadse	Fundación Futuro Latinoamericano	Ecuador
Magnolia	Losada Ortiz	Corporación Autónoma del Valle de Cauca	Colombia
Johny	Ariza	Unión Europea	Colombia
Belen	Paez	Fundación Pachamama	Ecuador
Michele	Zador	CEPF	United States
Martha Liliana	Silva Velasco	Patrimonio Natural	Colombia
Luis	Alban Contreras	HELVETAS Peru	Peru
Alfredo	López	Consultor	Ecuador
Rafael	Antelo	Panthera	Colombia
Cristina	Rivadeneira	Fundación Futuro Latinoamericano	Ecuador
Luis	Arteaga	ACEAA - Conservación Amazónica	Bolivia
Eduardo	Forno	Conservación Internacional - Bolivia	Bolivia
Jorge	Mariaca	RIT-CEPF	Bolivia
Marco	Arenas	Servicio Nacional de Áreas Naturales Protegidas, Ministerio de Ambiente	Peru
Nina	Marshall	CEPF	United States
Valerie	Jordan Rubio	Delegación Unión Europea	Colombia
Mauricio	Velásquez	Banco de Desarrollo de América Latina, CAF	Ecuador
Wilson	Rocha	FAO	Bolivia
Santiago	Sierra	Corporación Biodiversa	Colombia

Marcelo	Arze	Asociación Huellas	Bolivia
Juan Carlos	Valarezo	Aves y Conservación	Ecuador
Diego	Paredes	USAID Ecuador	Ecuador
Sandra	Isola	Pronaturaleza	Peru