

Annual Portfolio Overview 2012

Guinean Forests of West Africa Biodiversity Hotspot

Introduction

The Guinean Forests of West Africa Hotspot represents the Guinean portion of the Guinea-Congolian forests and contains two main blocks: the Upper Guinean Forest Ecosystem and the Lower Guinean Forest. The focal area for Critical Ecosystem Partnership Fund (CEPF) investment — the Upper Guinean Forest Ecosystem — extends from Guinea into eastern Sierra Leone, and eastward through Liberia, Côte d’Ivoire and Ghana into western Togo.

The hotspot contains impressive levels of biodiversity. Approximately 9,000 species of vascular plants occur in the hotspot, including significant assemblages of endemic plant species. There are 785 species of birds, more than 200 reptile species, and nearly 225 amphibian species, although knowledge of the herpetological fauna is inadequate. Mammal diversity is exceptional, with nearly a quarter of the mammals that are native to continental Africa represented. More than 60 species are endemic to the hotspot. The hotspot is among the top priorities for primate conservation — five species are Critically Endangered and another 21 are Endangered, while 92 percent of the hotspot’s primates are endemic.

CEPF is a joint initiative of l’Agence Française de Développement, Conservation International, the European Union, the Global Environment Facility, the Government of Japan, the John D. and Catherine T. MacArthur Foundation and the World Bank. A fundamental goal is to ensure civil society is engaged in biodiversity conservation.

Since CEPF began investing in the region, the threats to biodiversity have evolved. In 2001, the greatest threats were pervasive civil unrest, warfare and post-conflict recovery, with their attendant economic crises, refugees and internally displaced persons creating unsustainable demands on the landscape. While conflict has subsided, poverty remains as do issues surrounding ethnicity, land tenure and access to high-value natural resources, including forests, diamonds, gold, iron ore and bauxite. The hotspot continues to experience pressure from forest clearance, mining, road construction and commercial bushmeat trade. Further, as expected after a period of civil strife, there is relatively low capacity in the field of natural resource management, either within government or civil society.

At the start of investment in 2001, CEPF entered an important funding niche by focusing on connectivity, seeking to address not only ecological but also political, social and administrative fragmentation. CEPF recognized that a sustainable conservation program required skilled and viable

civil society groups to drive the process. As such, an initial five-year investment phase focused on providing nongovernmental organizations (NGOs) and private organizations with the capacity to manage biodiversity conservation, with strategic funding for strengthening institutional capacity, hotspot biodiversity monitoring, conservation corridors, public awareness, and a small grants fund.

By the completion of the five-year investment in 2006, CEPF had contributed substantially to the strengthening of 25 national and international NGOs or private sector partners in the region and the increased protection of more than 186,000 hectares of land. This includes creation of a new reserve in Liberia (Nimba) that is contiguous with reserves in Guinea and Côte d'Ivoire, the establishment of a new legal framework for forest conservation in Liberia, and the strengthening of protected areas throughout the hotspot.

At the same time, it was evident that more work was needed. Important initiatives begun by CEPF and its grantee partners were not yet financially sustainable, and needed additional assistance to ensure they would remain on sound footing. Communities still needed assistance making the link between livelihoods and conservation. Further, insufficient capacity among government agencies and civil society continued to impede conservation work. These factors threatened the long term success of conservation efforts, and addressing them therefore remained a focus for CEPF. Consequently, CEPF embarked upon a further three years of investment, starting in December 2008. This document reports on results achieved at the close of the three-year consolidation investment in this hotspot.

Niche for CEPF Investment

Overview

The ecosystem profile for the region was formally approved in December 2001, and over the subsequent five years, through December 2005, CEPF awarded 72 grants for \$6.2 million. This region did not have a formal coordination unit largely because no organization had the ability to perform coordination tasks across six highly diverse countries. As such, all coordination functions were carried out by the CEPF Secretariat. The five-year assessment report was completed in October 2006. There was a purposeful break as the first phase of grants came to an end and CEPF assessed how to best move forward in the region. As described further below, CEPF moved the Guinean Forests into a phase of consolidation grants, with five grants for a total of almost \$2.1 million running from December 2008 through June 2012.

The consolidation grants fell within three investment priorities, which themselves build on the strategic directions identified in the 2001 ecosystem profile. The strategic directions in the ecosystem profile focused on strengthening institutional capacities for conservation, establishing a biodiversity monitoring system, developing conservation corridors, public awareness, and a small-grants fund. The five investment priorities of the consolidation grants continued in this direction, building on the most opportunistic areas:

1. Ensure financial sustainability in the hotspot.
2. Integrate livelihoods and community participation into the conservation agenda through a mentored small-grants program.
3. Secure and sustain capacity building gains through targeted conservation action.

The consolidation phase focused on particular areas of geographic emphasis — Liberia’s protected area network, plus the Gola, Nimba, Sapo and Tiwai Island protected areas — while also ensuring that a range of capacity-building opportunities existed across the hotspot.

Portfolio Status

At the time of writing, all consolidation grants have been officially closed.

CEPF committed the entire allocation of funds for consolidation in the region in the initial months of 2009. Five large grants were awarded, for an expected duration of 36 months.

In 2011, when projects were entering their last phase, CEPF agreed to amend all of the grant agreements in order to adapt to changes in the institutional environment or to challenges encountered by the grantees during implementation. Three amendments consisted of extensions to the duration of the projects. Only three grants were active in 2012: RSPB, EFA and CI. The RSPB required an additional two months to finalize their technical report, while CI and EFA needed extra time to achieve project deliverables. Table 1 summarizes these grants and their amendments. Because of these amendments, the duration of the consolidation phase for the Guinean Forests was extended from three years to three and a half years, while its budget was reduced by \$192,146, from \$2,099,354 to \$1,907,207.

Table 1. Guinean Forests of West Africa: Active Consolidation Grants in 2012

Organization	Grant	Initial Amount	Active Dates	Date Amendment	Amended Active Dates	New Project Amount
Investment priority 1: Ensure financial sustainability in the hotspot						
Royal Society for the Protection of Birds (RSPB)	Sustainable Finance for Protected Areas in Sierra Leone	\$200,000	Jan 2009 Dec 2011	Dec 2011	Jan 2009 Feb 2012 (+ 2 months)	↓ \$192,475
Conservation International (CI)	Ensuring Long Term Sustainable Financing For Key Protected Areas in the Upper Guinean Forest Ecosystem	\$799,930	Jun 2009 Jul 2011	Sept 2011	Jun 2009 Jun 2012 (+ 11 months)	↓ \$711,242
Investment priority 2: Integrate livelihoods and community participation into the conservation agenda through a mentored small grants program						
Environmental Foundation for Africa (EFA)	Upscaling and Promoting Biodiversity Conservation and Community Livelihoods in the Upper Guinea Forest Ecosystem	\$250,000	Jan 2009 Dec 2011	Dec 2011	Jan 2009 Jun 2012 (+ 6 months)	↑ \$285,000

Coordinating CEPF Grantmaking

Consolidation programs do not have formal coordinating entities or regional implementation teams beyond the grant director based in Washington, USA. All oversight for the five grantees was undertaken by grant directors from the CEPF Secretariat, who performed annual visits to the region. Contact with grantees was also undertaken on a regular basis; CI program staff were able to connect with CEPF on various visits to CI's office in Arlington, VA. BirdLife, FFI and RSPB are all based in the United Kingdom, but have significant and long-term on-site presence (and programmes generally managed by nationals). EFA, based in Sierra Leone, perhaps the strongest local organization to have emerged out of the first five-year phase of grantmaking, while always available for site visits, has also made great effort to visit the CEPF office during trips to the USA.

Performance Assessment

The last three grants active in 2012 came to a close mid-year. Final completion reports were submitted and approved by the Secretariat, and are available on the CEPF website.

The RSPB's carbon finance study and advocacy work with authorities was completed in February 2012 – and the final completion report submitted in April. At the very end of 2011, a major milestone was achieved when the Government of Sierra Leone declared the Gola Forest a National Park, in preparation for the establishment of the REDD+ project funded by CEPF. The Gola Rainforest National Park (GRNP) was the second National Park to be created in Sierra Leone and the first area of forest to develop a REDD+ project in Sierra Leone and indeed in West Africa. In early 2012, final workshops were held in Kenema, with representatives from the government as well as local paramount chiefs, to agree on work plans to finalize Project Design Documents (PDDs) for the Voluntary Carbon Standards (VCS) and Climate, Community and Biodiversity Alliance standards (CCBA). Meanwhile, the preliminary legal and technical work was also achieved (assessment of deforestation rate and potential for avoided carbon emissions). The project therefore achieved their goals, even if at the time of project completion, the PDDs were not finalized. A major issue remains in the outdated landowner registry, which could jeopardize the ability to legitimately sell the carbon credits.

The CI project achieved most of the targets pertaining to the amendment signed in 2011, in spite of the relatively short time left for implementation. The amendment's main objective was to focus CI Liberia's attention on the Nimba region. The main achievement was to set up a 4-year collaboration agreement with ArcelorMittal in order to ensure sustainable funding for conservation through offsetting of mining operations – a first in the region. Through the project, Conservation Stewardship agreements were also put in place, engaging local communities in the preservation of their environment. Although it is too early to assess the success of these conservation stewardship agreements, and also to early to measure the efficacy and success of the collaboration with the mining company ArcelorMittal, the foundation for a productive future has been established, and CI will maintain and continue these initiatives well beyond the life of the CEPF project.

The EFA project focused in 2012 on a limited number of activities, with the principal focus being completion of construction of the Biodiversity and Renewable Energy Learning Center in Lakka, Sierra Leone. This center, the first of its kind in Sierra Leone and possibly the region, will serve as a center for learning exchange for practitioners throughout the region. It aims to be a long-term tool for education in West Africa. At the time of the completion of the grant in June 2012, most of the infrastructure was in place, and plans in place for readying the center for its grand opening.

Portfolio Investment Highlights by Investment Priority

Investment priority 1: Ensure financial sustainability in the hotspot

This investment priority aimed to establish long-term financial mechanisms that support the functioning of Liberia's protected-area network and the Gola forests of Liberia and Sierra Leone. CI and RSPB led in fulfilling this investment priority.

Highlights during 2012:

- Conservation International, with support from ArcelorMittal, developed a feasibility analysis for financing mechanisms for protected areas and community development.
- CI, working with Friends of the Ecosystems and the Environment, consolidated baseline information on biodiversity and communities in the Nimba region, as a first step for a long-term monitoring system for future off-setting operations.
- CI developed a protected area business plan for the East Nimba Nature Reserve (ENNR) and communities located adjacent to the protected area.
- CI produced a White Paper on feasibility of setting up a Conservation Trust Fund in Liberia, to be supported by the private sector.
- RSPB finalized preparatory documentation for future Project Design Documents (PDDs) for the Voluntary Carbon Standards (VCS) and Climate, Community and Biodiversity Alliance standards (CCBA); to this end, RSPB also organized workshops with local stakeholders and facilitated the signature of an MOU on the next steps to develop carbon funding in Sierra Leone.

Investment priority 2: Integrate livelihoods and community participation into the conservation agenda through a mentored small grants program

This investment priority aimed to strengthen conservation corridors by promoting projects that link sustainable livelihoods, human well-being and biodiversity conservation. It included such elements as ecotourism and small-scale production. EFA and FFI led these efforts.

Highlights during 2012:

- In February-March 2012, EFA with the Njala University's School of Forestry and Horticulture, organized a 4-week training program for 20 field personnel and professionals from government agencies, civil society organizations, and the private sector on eco-tourism operations; in April 2012, a meeting and training was also organized to actualize the Tiwai Island management plan, including ecotourism and local governance.
- The National Tourist Board of Sierra Leone approved a grant of \$100,000 for investment in Tiwai host communities; the official announcement was made after project completion, the 13th of November (after the elections) by the Minister of Tourism and Cultural Affairs.
- An expedition of the Moa river between Tiwai and Gola forest identified new eco-tourism products that could provide opportunities for local community people to work as tour guides, boat men and/or hosts of visitors and tourists already visiting the Tiwai guest facilities.

- CI conducted feasibility analyses for Conservation Stewardship Agreements with 9 communities in Liberia, and secured a commitment from the private sector to support the agreements.

Investment priority 3: Secure and sustain capacity building gains through targeted conservation action

This investment priority aimed to sustain the capacity building gains achieved during CEPF's initial investment. The main grant under this investment priority was to Birdlife International, and it was completed in August 2011.

Conclusion

Working in the Guinean Forest region has been unusually challenging. The CEPF consolidation portfolio was designed to be opportunistic in order to ensure the sustainability of a small number of efforts from the first phase of grant-making, while also taking a broader approach toward sustainable financing mechanisms in the region.

Some important objectives have been achieved during the consolidation phase. As mentioned in this report as well as former Annual Portfolio Overviews, conservation leaders supported by CEPF in years 2009-2012 have set up the basis for long-term funding, have pursued efforts to build local civil society capacities, and have developed pilot projects, some of them remarkable, to engage with local communities. But in many cases, the work is on-going and it is difficult at present to know whether the results will be achieved and sustained.

Most if not all the projects have experienced delays in implementation – sometimes due to internal reasons and inadequate planning, but in many cases due to external causes. Civil unrest and wars have undermined most of the efforts in Ivory Coast and Guinea. Projects had to face unexpected challenges directly linked to governance, or to issues far beyond the reach of conservation projects (such as unresolved land tenure issues, in spite of government's engagement, which slowed down carbon finance projects in Sierra Leone).

The 2011 global financial crisis also had a serious impact on the sustainable financing objectives and activities in the Guinean Forest. The economic slowdown came with reduction in the price of raw materials and a strong need for international companies to secure their assets. At the same time, the level of scrutiny of western customers decreased when these countries were hit by the financial crisis. These elements combined created a more difficult environment to engage with private sector on conservation issues. For carbon finance projects, the global political turmoil around the UNFCCC mechanisms – with the stop of the Kyoto protocol in 2012 – has clearly marked a pause in the development of new REDD projects, and the situation, even on voluntary carbon, could be qualified as one of “wait and see”.

The crisis has also translated into a slowdown in the tourism industry – which was only just starting to take off in Sierra Leone (and to a certain extent in some of the other countries of the region). In this context, the success of the Tiwai island eco-tourism project, supported by CEPF from the start in 2001, came as a surprisingly good case of resilience to economic shocks.

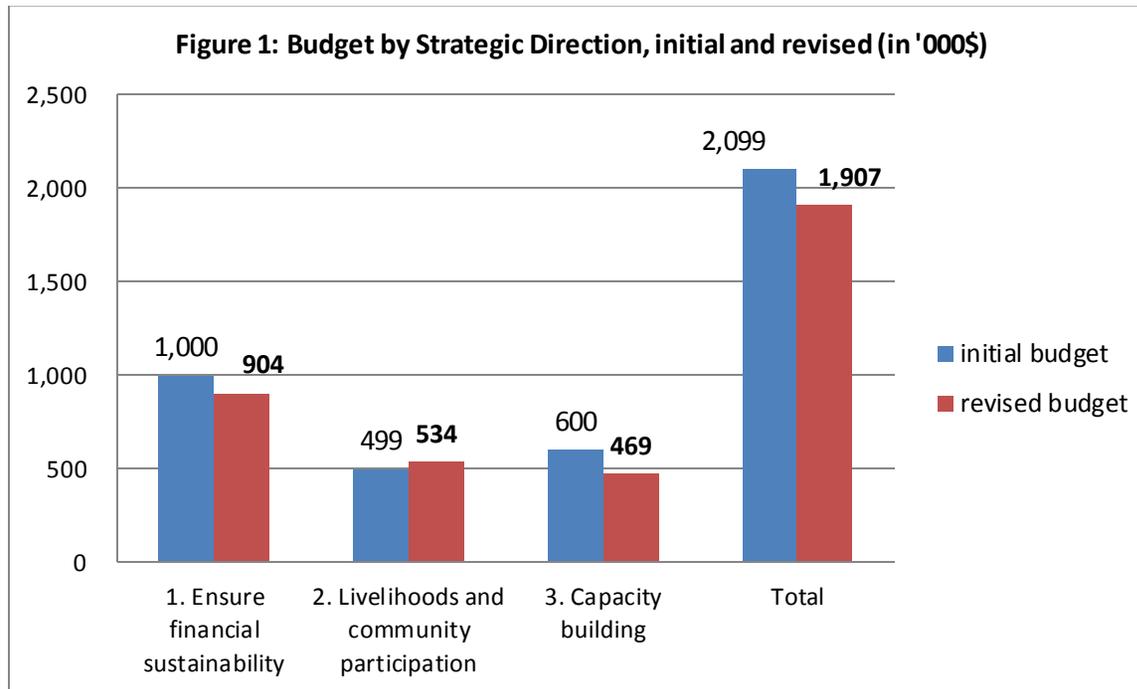
Regarding the goal to *secure and sustain the capacity building gains*, while it is clear that much has been achieved, it is also evident that much more effort in this area is needed. Most of the countries in the hotspot, with the exception of Ghana, have notoriously low capacity in general.

Conflict and political crisis and the social upheaval that inevitably follows these events, has made the situation even worse in countries such as Ivory Coast and Guinea. This is obviously a major issue for the conservation community – and one that could have only been tackled marginally within a consolidation program.

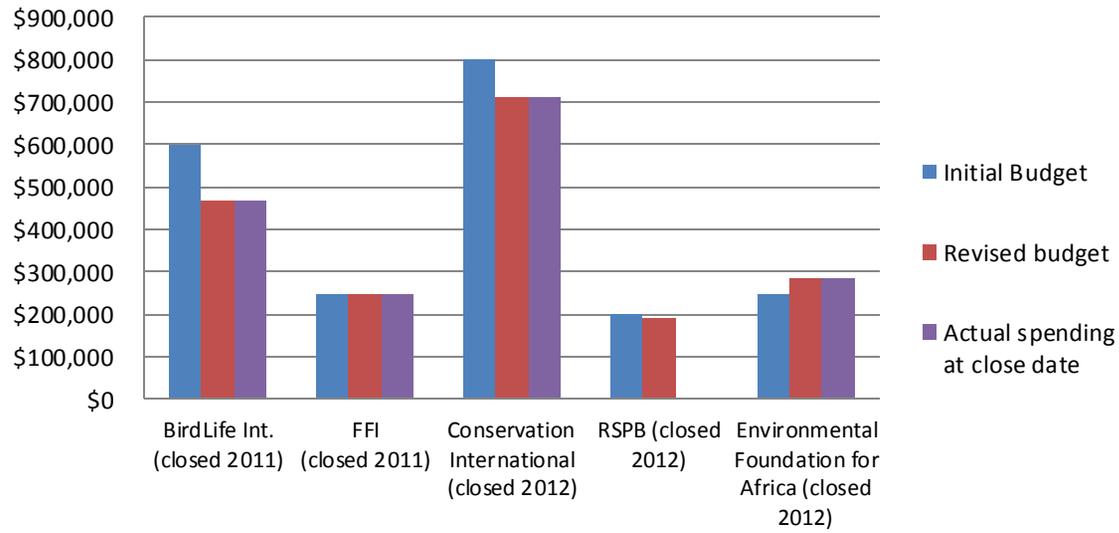
In spite of the challenges that the Guinean Forest Hotspot has experienced over the past 12 years of CEPF presence, and the political, economic and environmental changes that occurred and are still occurring, CEPF's achievements demonstrate that perseverance in this region can yield significant benefits for biodiversity and the people who rely on it. There are opportunities for conservation, and there are individuals and organizations committed to making a positive change. While many donors are reluctant to engage in West Africa due to its pervasive problems, the region's biodiversity and conservation community are in dire need of continued support and investment. It is this need, coupled with the successes that CEPF has been able to achieve to date, that led CEPF to conclude that the Guinean Forest Hotspot would benefit from continued investment for civil society to participate in and influence conservation in the region.

CEPF's Donor Council approved the Guinean Forests of West Africa Biodiversity Hotspot for reinvestment in September 2012. With this positive development, plans are currently underway to prepare a new ecosystem profile for the hotspot that will guide future CEPF investment in the region.

Annex 1: Tables and figures



**Figure 2. Consolidation Grants: Utilization as of June 2012
(end of portfolio)**



Annex 2: Logical Framework Reporting for CEPF Investment in the Guinean Forests of West Africa

Objective	Targets	Progress
<p>Reinforce and sustain the conservation gains achieved as a result of previous CEPF investment in the Guinean Forests of West Africa.</p>	<p>At least five civil society actors, including NGOs and the private sector, actively participate in conservation programs guided by the Guinean Forests ecosystem profile and Program for Consolidation.</p>	<p>Five grants awarded. Five projects completed in 2012.</p> <p>Private sector involved in Liberia (ArcelorMittal)</p>
	<p>190,000 hectares of key biodiversity areas with strengthened protection and management.</p>	<p>Overall Achievement: about 230,000 ha</p> <p>Guinea: FFI improved management in 145,200 ha</p> <p>Sierra Leone: EFA improves management in Tiwai (1,200 ha) + buffer zones.</p> <p>Sierra Leone: Gola National Park declared officially the 3rd of December 2011 from amalgamation of several forest reserves (71,070 ha)</p> <p>Liberia: CI supported community work in and around East Nimba Forest Reserve, worked on business plan, gather baseline data and set up basis for long-term funding through collaborative agreement with ArcelorMittal (13,500 ha).</p> <p>Birdlife supported capacity building activities for PA managers, influencing over 284,328 ha of protected areas in five countries (95,000 also covered by other CEPF consolidation grants, so about 190,000 ha additional, but strengthened protection low compare to other project, so not accounted for).</p>

	<p>1,200 hectares in production landscapes managed for biodiversity conservation or sustainable use.</p>	<p>Overall Achievement : about 133,400 ha</p> <p>CI work in Liberia on community forests around East nimbi Reserve (Bleih, Bah and Zorby), 10,000 ha</p> <p>FFI work in the transition and buffer zones of Nimba Biosphere Reserve has resulted in improved management in 123,400 ha.</p>
	<p>Two stakeholder networks strengthened to support long-term conservation action by replicating and scaling up CEPF successes.</p>	<p>Three networks strengthened: protected-area managers (BirdLife); livelihoods (EFA and FFI); environmental services and finance (Conservation International).</p>

	<p>\$1.8 million leveraged.</p>	<p>A total of \$2,780,000 has been directly leveraged by the five projects.</p> <p>Most contributions are from public donors, but \$636,000+ is from the private sector.</p> <p>Guinea: FFI leveraged \$575,000 for expansion of activities (EC grant), and FFEM co-funded some components of FFI's project in Sapo (Liberia) for \$301,668; while USAID contributed \$40,000.</p> <p>EFA leveraged a total of \$315,000 (\$220,000 from three different EC funding sources, \$80,000 from <i>Architects without Borders</i>, 15,000 from Prince Bernhard Nature Fund (following a meeting organized by CEPF secretariat). Additional funds have also been pledged, in particular \$100,000 for Tiwai tourism infrastructures from national, government funds (board of tourism).</p> <p>CI secured \$613,000 from ArcelorMittal, plus a pledge to contribute annually to investments in the Nimba Biodiversity program for half a million annually. An additional \$100,000 was provided by CI core support to the NNCP.</p> <p>RSPB secured \$482,000 in total: \$150,000 from USAID, \$50,000 from USFWS, \$18,000 from the Basel Zoo, \$45,000 from the RSPB, \$31,000 from BirdLife international and \$188,000 from BirdLife Netherlands. Additionally, the CEPF project was a co-funding to a large EC funded project (Across the River) of 3.2M\$ (not accounted for as CEPF leveraged)</p> <p>Birdlife secured \$354,000 plus some in-kind contributions at the beginning of the project (EC, BL-Netherlands) .</p>
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Intermediate Outcomes	Targets	Progress
<p>Outcome 1. Long-term financing mechanisms established and functioning for Liberia's protected-area network and the Gola forests of Liberia and Sierra Leone. (Conservation International and the Royal Society for the Protection of Birds.)</p> <p>\$903,717</p>	<p>Two conservation investment mechanisms including national protected-area trusts and loan mechanisms operational.</p>	<p>One analysis for protected area and local community conservation in Liberia, with support from private sector (AML). Integrated landscape plan for Nimba developed in collaboration with all stakeholders. (Not effective at the time of project completion.)</p> <p>RSPB developed the basis for two carbon fund mechanism for long-term funding for Gola (not functioning at the time of project completion)</p>
	<p>One REDD project operational.</p>	<p>Basis set up in Sierra Leone, with prospects to have the funds available by mid-2013. Target not achieved at portfolio completion.</p>
	<p>One pilot incentive mechanism implemented, one biodiversity offset utilized, and one carbon project design document developed.</p>	<p>Pilot program of incentives for conservation developed in Guinea and Liberia (FFI) ; basis for Conservation agreement in Liberia (CI)</p> <p>Basis for biodiversity offset program set up in Liberia, and commitment from mining company to participate (CI)</p> <p>Preparatory documentation for two carbon project design documents (PDD) in place in Sierra Leone (including carbon accounting, deforestation rate assessment and evaluation of potential for reduced emission), and work plans approved with local communities, but PDD not finalized at the time of portfolio completion.</p>
	<p>Elmina+10 conference planned and implemented.</p>	<p><i>This target has been removed from CI's proposal.</i></p>

Intermediate Outcomes	Targets	Progress
	Two land use agreements executed with communities for community forest carbon projects.	<p>In Sierra Leone, Paramount chiefs around Gola signed Memorandum for participation of communities in carbon projects, and a participatory plan is under development. Target not fully achieved.</p> <p>In Liberia, the objective has moved toward land use agreements under Conservation Stewardship model. Six plans developed in Nimba; one plan prepared in Buchanan. Agreement not signed at the time of project completion.</p>
	Laws and procedures for carbon management reviewed and proposed in Sierra Leone.	Development of technical requirements for PDDs for the VCS and CCBA, and active engagement of government. National laws and procedures not reviewed within the consolidation timeframe.
	100 percent of direct stakeholders have improved capacity to access carbon income.	All Communities in Gola informed and participate actively in carbon projects. .
<p>Outcome 2. Conservation corridors in West Africa are strengthened by promoting projects that link sustainable livelihoods, human well-being, and biodiversity conservation. (Environmental Foundation for Africa and Flora & Fauna International.)</p> <p>\$434,392</p>	Facilities for ecotourism on Tiwai Island (in Sierra Leone and part of the Gola Reserve corridor) upgraded and tourism value-chain analysis and marketing strategy completed, leading to increased revenue and investment.	Facilities have been upgraded, strategy completed, revenue increased (modestly) for the communities.
	100 percent of targeted communities and staff on Tiwai Island involved in sustainable use projects demonstrating tangible socioeconomic benefits.	Local community members have a certain sense of ownership, and participation is ensured. Continuous mentoring work is still needed. Activities start to expand beyond Tiwai island with interest from neighboring communities.
	Biodiversity Learning and Alternative Energy Center established in Freetown.	Building authorization secured, construction underway. Funding secured in most part.
	Stakeholders from initial CEPF grants, plus additional networks, enabled to share lessons and address challenges to livelihoods and conservation.	Done – and continuing.

Intermediate Outcomes	Targets	Progress
	Alternative livelihoods promoted as an alternative to hunting for, and trade in, bushmeat in Nimba Mountain (Guinea) and Sapo National Park (Liberia).	FFI project completed satisfactorily; six communities have seen livelihood improvement. Alternative livelihood projects in Nimba region expanded with support from other donors, and self-expanding in the case of piggeries.
<p>Outcome 3. Capacitated West African scientists/project implementers have advanced skills, and opportunities to apply these skills through targeted conservation projects. (Birdlife International.)</p> <p>\$469,099</p>	<p>50 conservationists, including protected area managers, trained.</p> <p>Six protected-area workshops and 10 training courses executed, and one in-service training program instituted.</p> <p>National networks established in two countries.</p> <p>Five individuals supported to obtain advanced degrees focusing on emerging conservation opportunities.</p>	<p>80 protected-area managers and conservation professionals trained from Cote d'Ivoire, Ghana, Guinea, Liberia, and Sierra Leone. Training needs still high – accentuated by rapid turnover of managers.</p> <p>One regional and five national workshops completed in Ghana, Guinea, Liberia, Sierra Leone and Cote d'Ivoire. Eight national trainings on biodiversity identification and surveys organized.</p> <p>Attempts to create networks have been made. No functional networks can be attributed to any project.</p> <p>Five students supported (2 PhD, 3 MSc) in four countries. Three completed degrees. University shut-down in Cote d'Ivoire prevented two students from completing their studies.</p>
	Capacity of three site support groups enhanced in Liberia (Sapo National Park, Lake Piso Forest Reserve), Sierra Leone (Gola Forest Reserve) and Cote d'Ivoire (Azagny Forest Reserve).	14 Site support groups have been organized or supported (three in Cote d'Ivoire, Ghana, Guinea and Sierra Leone, two in Liberia) with various levels of engagement and small grant support. The enhancement of capacities has been difficult to measure.