

Procurement Summary and Assessment of Proposals for the Regional Implementation Team for the Cerrado Biodiversity Hotspot

Fiftieth Meeting of the CEPF Working Group
18 March 2016

1. Background

The Cerrado is the largest hotspot in the Western Hemisphere, and the biologically richest tropical savanna region in the world. The hotspot includes the headwaters of three of South America's major river basins (the Amazon/Tocantins, São Francisco and Plata), and is thus of high importance for regional water security. Besides its biodiversity values, the Cerrado has great social importance. Many people depend on its natural resources to survive and thrive, including indigenous groups, women's groups, and traditional artisanal fishers.

The ecosystem profile for the Cerrado Hotspot was developed during FY15 and FY16, and was approved by the Donor Council at its 28th meeting on 20 January 2016 (CEPF/DC28/7a). The Donor Council approved a spending authority of \$8 million over a five-year period, from 2016 to 2021. In order to coordinate and support the development, implementation and monitoring of a coherent portfolio of grants to realize the investment strategy set out in the ecosystem profile, the CEPF Secretariat has initiated a process to select a Regional Implementation Team (RIT) for the Cerrado Hotspot.

2. Summary of the Solicitation Process

The solicitation process for the RIT for the Cerrado Biodiversity Hotspot has followed the timeline below:

11 November 2015: CEPF Secretariat releases a call for Expression of Interests (EOI) for the RIT. The announcement is placed on the CEPF website and sent to organizations that participated in the ecosystem profiling process. At the same time as the release of this call, the Secretariat posts the draft ecosystem profile and draft terms of reference for the RIT on the CEPF website.

4 December 2015: Closing date for EOI. Seven organizations submit EOI (see Table 1).

Table 1. Organizations Submitting EOIs for the Cerrado RIT

#	Applicant Organization	Lead Contact	Country
1	Associação Guardiões do Cerrado (AGC)	Douglas Santos	Brazil
2	The Neotropical Waterbird Census (CNAA)	Gislaine Disconzi	Brazil
3	Fundo Brasileiro para a Biodiversidade (FUNBIO)	Rosa Lemos de Sá	Brazil
4	Environmental Planning and Consulting (Paranoa)	Roberto Tramontina	Brazil
5	Conservation International - Brazil (CI - Brazil)	Tatiana Souza	Brazil
6	Instituto Internacional de Educação do Brasil (IEB)	Maria José Gontijo	Brazil
7	Instituto de Avaliação, Pesquisa, Programas e Projetos Socioambientais (IA)	Guilherme Abdala	Brazil

16 December 2015: CEPF Secretariat formally submits ecosystem profile to the Donor Council for approval, in advance of its 28th meeting.

CEPF Secretariat sends Request for Proposals (RfP) to all seven organizations that submitted an EOI and posts the same on the CEPF website. The RfP states that CEPF will only accept proposals led by organizations that have submitted an EOI but that these organizations are free to form bidding consortia with other groups not listed. The maximum value of proposals is \$1.0 million of the \$8.0 million spending authority for the Cerrado Hotspot, as specified in the ecosystem profile.

4 January 2016: Grant Director, Peggy Poncelet, with support from Grant Director, Daniel Rothberg and Managing Director, Jack Tordoff, holds a conference call to explain to interested parties the roles, functions and responsibilities of the RIT and elaborate on what CEPF seeks from a successful RIT. The conference call is well attended by prospective applicants. A recording of the call is posted on the CEPF website.

The deadline for submission of full proposals is extended from 29 January to 7 February 2016, to take into account the Brazilian holiday season.

20 January 2016: The ecosystem profile is approved by the Donor Council at its 28th meeting.

5 February 2016: The period during which applicants can ask questions of the CEPF Secretariat ends. A total of 18 questions related to preparation of the RIT proposal are received and responses are posted on the CEPF website.

7 February 2016: Deadline for submission of full proposals passes. Two organizations submit proposals (see Table 2). Proposals are entered into CEPF's grants management system.

Table 2. Organizations Submitting Full Proposals for the Cerrado RIT

#	Applicant Organization	Lead Contact	Proposal received from	Date Received	Country
1	Conservation International - Brazil (CI - Brazil)	Carlos Mesquita cmesquita@conservation.org	Dulce Benke	2/7/2016	Brazil
2	Instituto Internacional de Educação do Brasil (IEB)	Henyo Barretto henyo@iieb.org.br	Henyo Barretto	2/7/2016	Brazil

19-22 February 2016: Clarification interviews conducted by CEPF Grant Director, Peggy Poncelet, in person in Brasilia and by Senior Director, Nina Marshall, by Skype (see below for detail).

3. Evaluation Committee and Process

The proposals were evaluated by five members of the CEPF Secretariat:

- Dan Rothberg, Grant Director, CEPF
- Jack Tordoff, Managing Director, CEPF
- Megan Oliver, Director, Grants Management Unit, CEPF
- Nina Marshall, Senior Director, Monitoring, Evaluation and Outreach Unit, CEPF
- Peggy Poncelet, Grant Director, CEPF

The reviewers evaluated proposals according to the evaluation criteria presented in Section 14 of the RfP (see Table 3). Reviewers worked independently and assigned their own scores, out of the maximum number of points available for each category.

Table 3. Categories and points of the Evaluation Criteria Scorecard

Category		Points
1.	Organizational Experience – Technical	5
2.	Organizational Experience – Management	15
3.	Personnel	30
4.	Understanding of the Ecosystem Profile	5
5.	Proposed Technical Approach	15
6.	Proposed Managerial Approach	25
7.	Proposed Financial Approach	5
Total		100

Following the evaluation of the proposals, the five evaluators determined that a limited number of clarifications were needed to one or both proposals, and thus decided that interviews be held with the two applicants to seek clarifications. Grant Director Peggy Poncelet went in person to Brasilia during 19-22 February, to hold interviews with the two applicants, joined by Senior Director, Nina Marshall, via Skype. Questions were developed based on the evaluators' reviews, and grouped under seven themes: (i) motivation of the organization to apply; (ii) integration of the proposed RIT structures within the organization's internal structure; (iii) clarifications on the proposed personnel plan; (iv) details on the communication strategy; (v) details on the monitoring and evaluation approach; (vi) clarifications on the proposed grant-making mechanisms; and (vii) justification of the proposed budget.

CEPF maintains full electronic copies of the evaluators' score cards and the questions and answers of the interviews in its grants management system.

4. Average Score and Detailed Evaluation by Category

Application of the evaluation criteria revealed that the proposal from IEB demonstrated more of the required qualifications to fulfill the role of the RIT than the proposal from CI-Brazil, especially with regard to proposed staffing arrangements. Table 4 below shows, for each category, the average score awarded to each applicant.

Table 4. Average Score by Category

Category	Total	CI - Brazil	IEB
1. Organizational Experience – Technical	5	4.8	4.2
2. Organizational Experience – Management	15	11.2	12.9
3. Personnel	30	12.2	28.0
4. Understanding of the Ecosystem Profile	5	4.5	4.5
5. Proposed Technical Approach	15	11.2	12.3
6. Proposed Management Approach	25	15.4	16.8
7. Budget	5	3.2	4.8
Total	100	62.5	83.5

Criterion 1. Organizational Experience – Technical

Evaluators found both applicants to have organizational missions that align well with the objectives outlined in the ecosystem profile, although IEB showed less specific reference to biodiversity conservation than to natural resources management. Regarding their experience working in Brazil, both applicants demonstrated a strong track record but neither could demonstrate extensive specific experience from the Cerrado, despite their clear interest in the hotspot.

- **CI-Brazil**'s mission statement is congruent with the objectives and priorities of CEPF and those set out in the ecosystem profile. The applicant has excellent experience working in Brazil for 25 years, and points to experience supporting more than 100 local NGOs, working with private sector, and working with government to influence policy and working with donor agencies, including as the Coordination Unit (precursor to the RIT) for Atlantic Forest with CEPF. The applicant is still a relatively new actor in the Cerrado. The applicant certainly has an interest in the hotspot, highlighted by its work on priority areas identification, a partnership with Monsanto in an effort to promote conservation amongst landowners, its support to the establishment of some protected areas and their upcoming project as an Executing Agency for a major GEF Integrated Approach Program (IAP) on commodities supply chains. CI-Brazil also developed the Ecosystem Profile for the Cerrado.
- **IEB**'s mission statement is very focused on capacity building, which is congruent with the objectives of CEPF and the ecosystem profile. While there is a reference to sustainability in the organization's mission, there is no specific reference to biodiversity. In the values section, however, IEB makes mention of its work to "promote conservation of large-scale ecological processes" and their record of projects demonstrates their commitment to linking environmental conservation, civil society and social well-being. The applicant presents experience of working with a range of partners from different groups. It has a well-established program in Brazil, albeit not in the Cerrado directly, but points out the relevance of its work in other parts of the country (specifically in the Amazon). Their list of projects implemented shows that they have worked in the Cerrado, but there was no mention of a program of work specifically dedicated to this area in the proposal. Also, the applicant's headquarters is in the Cerrado, and the senior advisor has extensive familiarity with the specific issues and actors of the hotspot.

Criterion 2. Organizational Experience – Management

Evaluators found both applicants to have satisfactory administrative, financial, and monitoring systems, experience managing programs of similar size, scale, and complexity as the RIT, and experience directly managing small grants programs.

- **CI-Brazil** has managed a number of programs of similar size, scale and scope. It performed very well as the Coordination Unit for the CEPF investment in the Atlantic Forest (2002-2007 and 2008-2011) although it was not the organization that awarded the small grants. Institutional memory from this experience appears to have been kept, and is reflected in the proposal. Other, similar, experience is alluded to in the proposal but specific examples are not provided. Regarding the applicant's experience with monitoring and evaluation, there is a lack of detail given on impact monitoring, with no clear and systematic methodology described to collect, track, and analyze data. It is assumed that the financial and administration system of CI-Brazil is robust (being based

on the systems and policies of Conservation International) but specific details about this system are not given in the proposal.

- **IEB** had an average budget, over the last 11 years, of at least \$3.5 million, which is about 18 times the size of the annual budget for the RIT. The organization has implemented several programs of similar scale or larger than the RIT grant, funded by diverse international donors. They present an extensive list of projects, including a lot involving indigenous peoples and stakeholder forums. By choice, the organization uses different monitoring and evaluation systems, due to its diverse programs, but the proposal does not provide much detail on the range of approaches used (only giving an example related to training). They note that they have used their monitoring and evaluation efforts to generate lessons learned that they have publicized. The applicant has a well-established financial and administration system, which is set out in the supporting documents. Annexes 1 and 2 show good past experience administering grants, with the most relevant experiences being two approximately \$3.0 million programs of small grants, one supported by USAID and the other by the Moore Foundation. This experience is somewhat dated now though (2004-2007 and 2005-2009).

Criterion 3. Personnel

Evaluators found IEB to have a good staffing plan, with relevant individual and combined skills (supported by resumes). CI-Brazil's staffing plan is based on the recruitment of three full-time staff supported by eight part-time CI-Brazil's staff. However, these individuals have not yet been identified. Moreover, the plan lacks detail (especially with regard to the job qualifications of full-time staff, full curricula vitae and level of effort of the interim/part-time personnel) and seems to rely on more junior, less experienced personnel than that of IEB.

- **CI-Brazil** proposes a staffing plan with three full-time members plus eight part-time members of staff. The three full-time members of staff are not identified and need to be recruited, which suggests a delayed start-up of the RIT (highlighted by a proposed first call for proposals in October instead of July as stated in the RfP) due to the need to recruit and train staff. The proposal has no detailed job descriptions for two of the three positions, and is not clear on when they will be recruited or where they will be located. All of the part-time members of staff (at 12% and 5%) are existing employees of CI-Brazil, mostly in middle or senior management positions, and will provide technical and political support. Only one of them is based in Brasília, in the Cerrado. The individual or collective language skills of the proposed team cannot be determined in the case of the unidentified full-time members of staff but at least four of the part-time members of staff are fluent in both English and Portuguese. It is unknown whether anyone speaks Spanish. There is a plan for the RIT team leader position to be filled, on an interim basis, by one of the part-time members of staff, Carlos Alberto Mesquita, who has significant relevant

experience (including with CEPF's profiling process) and appropriate skills (including language skills) but is based in Rio de Janeiro. The position of operational coordinator will be filled, on an interim basis, by another part-time staff, Priscila Ferreira, also based in Rio de Janeiro. No full curricula vitae are provided for any of the project personnel, only short biographical portraits. No level of effort of the part-time staff is specified in the proposal. The combined level of effort of the proposed team is 3.8 Full Time Equivalent (FTE). However, the fact that the part-time members of staff (0.8 FTE) will be entirely covered by in-kind contributions, while positive in terms of demonstrating strong institutional commitment, is a cause for concern because this may make them less accountable to CEPF than if they were paid through the grant.

- **IEB** proposes a clear staffing plan, which seems viable. There will be two full-time and five part-time members of staff (at 20%) working for the RIT. All members of staff are named, with CVs provided. All have relevant skills and experience. All but two of them (the senior advisor and the biodiversity specialist) are from the applicant organization. Also, the senior advisor and the biodiversity specialist have work experience with IEB. This suggests that a rapid start-up of the RIT will be possible, with staff well integrated into the overall organizational structure. All staff are located in Brasília, within the Cerrado and close to donor and federal government agencies. The combined level of effort of the proposed team is 3.1 FTE. However, the sheer workload of the RIT, especially given the hundreds of grant proposals expected, may require an additional operations staff. The full-time Team Leader, Henyo Trindade Barretto Filho, demonstrates extensive experience of environmental and social projects in Brazil, albeit not mainly in the Cerrado. He has also managed a conservation grants and scholarships program, and provided capacity building within the context of a UNDP/GEF project. All key members of staff are fluent in English and Portuguese and most are functionally trilingual (English, Portuguese and Spanish). The senior adviser, Don Sawyer, has extensive experience, connections, and knowledge about the Cerrado that he demonstrated during the preparation of the ecosystem profile. He is the former national coordinator of the GEF Small Grants Program. However his role within the staffing plan is not concretely defined.

Criterion 4. Understanding of the Ecosystem Profile

Considering that CI-Brazil was contracted to elaborate the ecosystem profile and that IEB's proposed senior advisor was the lead author of the profile, it is unsurprising that both applicants demonstrate a good understanding of what CEPF is seeking to accomplish in the hotspot, the technical challenges of running a grants program and their ability/interest in promulgating the goals of CEPF beyond the five-year period of investment.

- **CI-Brazil** was contracted to prepare the ecosystem profile, and has a very good understanding of the strategic directions and investment priorities. CI shows good understanding of the institutional landscape and implementation context. It anticipates the types of grants to be awarded in significant detail. It does not, however, mention the fact that the hotspot extends into Bolivia and Paraguay. The proposal provides little detail on the types of organization that are anticipated to receive grants, the types of constraints these groups face and what it will look like to be engaged in outreach with them, apart from their discussion on grants by invitation due to limited capacities of target groups. Nevertheless, the applicant demonstrates a clear vision for how the CEPF investment will advance overall conservation efforts in the Cerrado and its own conservation mission in particular, especially with the GEF IAP on commodities supply chains having clear opportunities for synergy. However, the motivation of CI-Brazil for applying for the RIT role in particular is not clearly stated.
- **IEB** has a very clear understanding of the ecosystem profile. The challenges of engaging with civil society in the hotspot are perceptively discussed. The applicant recognizes the need to involve Bolivia and Paraguay in the program, and has thought about strategies for doing this. IEB has a strong focus on capacity building for civil society, and the CEPF opportunity is presented in this light. However, IEB's motivation for becoming the RIT could be more clearly articulated especially considering their apparent lack of program strategy for the Cerrado.

Criterion 5. Proposed Technical Approach

Evaluators judged that both applicants demonstrated a clear approach to running a grants program and responded to all the elements of the RIT Terms of Reference (ToR). However, for both proposals, several clarifications were requested and were, thus, integrated into the interviews. In addition, CI-Brazil's proposed approach to grant making was found to be overly prescriptive and not fully compliant with CEPF's policies.

- **CI-Brazil's** proposal describes all components of the RIT ToR. However the small grant-making function (apart from one theme: private reserves) and all of the long-term vision exercise are proposed to be assigned to third parties, yet to be identified. The fact that these third parties were not identified prevents a more thorough assessment of the opportunities and risks associated with such an approach. The idea of awarding a large part of the available small grant funds to a third party with lower capacity and with whom they will co-manage the small grants fund is contrary to current CEPF policy for all small grant mechanisms to be managed through the RIT. It also implies an additional \$104,000 on top of the earmarked budget for small grants (\$800,000) to cover the administration costs of the third party.

CI-Brazil's technical approach favors the development of complementarities and synergies with other private sector and commodity supply chain projects, such as the major upcoming GEF IAP project in the MATOPIBA region. It also plans to work with different strategies for engaging civil society organizations and emphasizes their interest and experience in building capacities. More detail could have been provided about different categories of grantee, and on the specific capacity building strategies for each of them. A system for soliciting proposals is proposed in detail. However, the proposal is overly prescriptive in its plans for grant making, by earmarking funds under each strategic direction for specific activities, thereby pre-empting ideas and suggestions that might arise during implementation. There is a heavy emphasis on grants-by-invitation for 8 of the 17 investment priorities, which could be considered to go beyond CEPF's current policies and practices, and to not be in the best interest of competitiveness. A communication strategy is set out in relative detail. Some of the approaches seem effective, and informed by past experience in the Atlantic Forest Hotspot. However, it is a little disappointing that opportunities to mainstream the results of CEPF grants into policy and private sector practices are not recognized more explicitly in the proposal and a clear strategy for doing so presented, because CI-Brazil seems to be very well placed to do this type of work. It is also not clear who is going to implement this strategy and how this person will relate to the rest of the proposed team. A monitoring and evaluation system is set out in general terms with the review of grantees' reports and at least one field visit to each grantee. A detailed methodology and description of how it will be implemented at project and portfolio levels, in terms of reporting and in relation to CEPF global indicators, are lacking.

- **IEB's** proposal discusses in detail all components of the RIT ToR with a good description of the different strategies needed, and a strong emphasis on linking grant making to capacity building, which is central to the CEPF approach. A plan for communication is presented but is not well elaborated and could be more explicit in terms of use of social media and mainstreaming of results into public policy and private sector practices, even if the applicant does clearly highlight its skills in terms of capturing lessons learned. It is also not clear who is going to implement this plan and how this person will relate to the rest of the proposed team.

A clear strategy for soliciting and reviewing proposals is presented, although there is room for greater clarity with regard to CEPF's involvement in the large grant review and awarding steps. The dependence of the strategy on external reviewers on a voluntary basis could be problematic if continued commitment cannot be secured. A clear, feasible small grants management system is set out in some detail. The role of the proposed advisory committee could be defined more explicitly, although it is good to see careful thought being given to issues of transparency and accountability, and to be mindful of local sensitivities to conservation programs appearing to follow an external agenda.

Themes and geographic foci that would be selected for the calls for proposals could also be specified more clearly, to assess better their alignment with the CEPF investment strategy even if their proposed strategy is based on an adaptive management work flow. The monitoring and evaluation system is another area where more could be done to elaborate the proposed approach, especially at the portfolio level. However, IEB does explain the need for grantees to integrate appropriate, relevant indicators into the design of their own grants, even if there is no clear description on how they will do that.

Criterion 6. Proposed Management Approach

Evaluators gave a similar score to both applicants based on their proposed administrative, financial and monitoring functions for overseeing grants awarded directly by CEPF (i.e., grants greater than \$20,000) and managing and disbursing small grants (i.e., grants less than \$20,000). For both proposals, several clarifications were requested through the interviews.

- **CI-Brazil's** proposal does not demonstrate its understanding of the legal requirements to make grants in the hotspot countries, employ people or engage organizations in these countries, and foreign exchange restrictions. It can be assumed, however, that, with its track record of grant making in Brazil, it is well aware of how to make grants in the country and to comply with the law in other regards. The structure of the RIT is described in the proposal and an organogram is provided. Although it can be assumed that CI-Brazil has robust administrative and financial management systems with clear segregation of duties, these are not described in the proposal. Similarly, sufficient details on the method to track, record and account for funds received and disbursed are not provided in the proposal although financial staff are proposed and contracting is mentioned. It is also unclear how the relationship between the Cerrado and Rio de Janeiro offices will work, and how the small grants program would fit into these. Finally, CI-Brazil's system of internal controls is not set out in detail, although there is no reason to assume that it is not robust.
- **IEB** mentions that it will comply with legal requirements but does not explicitly set out what these are. It is clear that IEB does have significant experience of implementing projects in Brazil, so it can be assumed that the organization understands how to operate legally. The RIT structure is described via an organogram. At the same time, IEB has its own internal administrative/financial management structures, to which all but two of the RIT members belong. It would be helpful to have further clarity on how the RIT structure relates to IEB's internal structure and what the interactions, if any, will be. The systems to track, record and account for funds received and disbursed are discussed in the proposal but not described in detail, although the financial guide provided in the annex is comprehensive. The financial questionnaire provides additional details on these systems, accounting software used, etc. The applicant states that it has a system for internal

controls and provides various supporting documents related to it in the appendices. Moreover, the financial questionnaire indicates strong internal controls and clear segregation of duties.

Criterion 7. Budget

Both applicants have respected the budget ceiling of \$1,000,000 and present reasonable unit and total costs (see Table 5). Evaluators found that IEB had a clearer symmetry between the budget and the technical proposal and transparency of unit costs. However, as opposed to CI-Brazil's budget, no matching funds are demonstrated by IEB (although this is not a requirement for any CEPF grantee).

- **CI-Brazil** proposes a budget within the RIT funding allocation (\$999,982), with significant funding for meetings and special events as well as travel. CI-Brazil proposes to contribute \$447,448 in matching funds (equivalent to 31% of the total project budget), mostly in the form of staff time, although the source of this match is not given. Considering that unit costs and total units are not given for all budget lines, the appropriateness of the costings was difficult to determine. As far as could be ascertained they look not unreasonable. The proposed part-time inputs by more senior staff, as a matching contribution by CI-Brazil, are contingent upon these inputs actually being made and match funds being secured. As mentioned above, CI-Brazil proposes giving an additional \$104,000 to a third party to administer the small grants program on institutional strengthening. Concerns about this being an attempt to circumvent the RIT budget ceiling notwithstanding, this amount may be insufficient to effectively manage a small grants program. Assignment of responsibility for small grant making to a third party may also create liabilities for the CEPF Secretariat, in terms of having to oversee a second grant-making intermediary organization and, potentially, manage the relationship between it and CI Brazil. CI-Brazil claims 13% management support costs but presents no justification for this.
- **IEB** proposes a budget within the RIT funding allocation (\$1,000,000), with significant funding for meetings and special events as well as travel. Matching funds for salaries/benefits, rent/storage, telecommunications and supplies are described as “To Be Determined” and no source of these matching funds is identified. All unit costs, total units and total costs seem appropriate in relation to the proposed technical and managerial activities, with the exception of the budget allocated to fuel, which appears very low at \$972 over five years. The narrative could provide more detail on costs related to field visits. IEB describes what is included in the proposed 10% management support costs.

Table 5. Summary Budgets of the Two Proposals

	CI-Brazil	Notes	IEB	Notes
RIT staff and consultants	581,375	RIT staff 3.0 FTE	620,013	RIT staff 3.1 FTE
Other professional services	41,518	Includes Long-Term Vision	41,667	Audit only
Sub-total for labor	622,894		661,680	
Rent	31,223		18,333	
Telecommunications	13,530		7,078	
Postage	4,162		0	
Supplies	6,939		17,333	Includes publications
Equipment	5,314	Purchase of laptops	0	
Travel	109,313		105,028	
Events	91,565		94,639	
Taxes and licenses	0		5,000	
Indirect Costs	115,042	13%	90,909	10%
TOTAL	999,982		1,000,000	
Matching funds	447,448	Including \$398,878 for RIT staff 0.8 FTE	TBD	To be determined

5. Additional Information from Interviews

Both interviews helped to clarify several points in the proposals. The detailed list of questions is presented in Appendix 1. The outcomes of these interviews are summarized below.

Participants from CI-Brazil comprised Rodrigo Medeiros (Vice President and proposed RIT member responsible for donor/government relations), Cristiano Vilardo (Senior Director for Institutional Policy and Strategy, and proposed RIT member responsible for general oversight), Carlos Alberto Mesquita (Landscape Strategy Director and proposed RIT project lead plus interim RIT team leader) and Marcel Viergever (Sustainable Production Manager and head of the Brasília office).

Participants from IEB comprised Maria José Gontijo (General Coordinator and proposed RIT member responsible for donor/private sector relations), Henyo Trindade Barretto Filho (Program Manager and proposed RIT team leader), Ailton Dias dos Santos (Brasília Office Coordinator and proposed RIT capacity-building and public policy coordinator), Leticia Barros Freire (Communication Officer), Nurit Bensusan (proposed RIT biodiversity specialist), and Don Sawyer (RIT senior advisor).

Both applicants have clear motivations to work in the Cerrado and envision well how serving as the RIT will advance their own organization strategy. IEB provided more details about its experience in grant making to both individuals and organizations, and in the Cerrado. The team

also pointed out the similarities between working in the Amazon and in the Cerrado, considering that both biomes are frontier expansion areas.

Both proposed RIT teams will be fully integrated within their respective organizations' internal structures and will benefit from the support of their organizations' core staff (for communications, for instance). In addition to its 3.1 FTE, IEB has not yet defined the additional level of effort of its core staff but said it was planning to do so should they be selected as the RIT (thus the matching funds column in their budget remains "TBD"). CI-Brazil clarified the level of effort for its part-time members. In total, the proposed RIT team represents 3.8 FTE. All part-time members are covered by unrestricted funding and not by project-specific funds thus, in theory, preventing them from being pulled off their RIT-related tasks. However, the team confirmed that the three full-time staff will be recruited externally. Although they will benefit from appropriate training with CI internal new employee training and with the support from the former CI-Brazil manager for the Atlantic Forest, the need to recruit new staff will delay the effective start-up date of the RIT by at least three months.

None of the applicants have yet defined a clear strategy for mainstreaming results of the CEPF grant portfolio into public policy and private sector practices.

For monitoring and evaluation, CI-Brazil plans to rely on the Knowledge Management Manager (part of the part-time members), with the full-time RIT staff being responsible for field visits and data collation, and two of the part-time members providing support for analysis. At IEB, the RIT team leader will be responsible for the gathering and analyzing of monitoring and evaluation data, based on his extensive experience with USAID, The Nature Conservancy (TNC) and GEF Small Grant Program (SGP) tools.

CI-Brazil's proposal to allocate small grant management to a third party was justified by its willingness to build capacity and leave a legacy, as was successfully done in the Atlantic Forest. The team stressed that it could manage the entire small grants portfolio by itself, should this be preferred by CEPF, but that it was proposing to take responsibility only for the small grants for private reserves (as CI-Brazil has experience on this theme), while small grants for all the other themes of the investment strategy would come under the co-management model. Selection of the organization to manage the small grant will be done in coordination with CEPF; no partner organizations have been pre-identified. Regarding the strong emphasis on grants by invitation, the team justified it with reference to the limited capacities of local organizations for these themes and the time it would take for the RIT team to review unsuitable proposals should an open call for proposals be preferred. Regarding the proposal to have prescribed projects, the team justified it by its knowledge of potential grantee capacity with regard to the identified activities.

The IEB team clarified the level of interaction between its proposed review committees and CEPF. At each committee meeting, CEPF will be represented by its Grant Director, so as to ensure CEPF integration into the work and processes, as well as compliance with CEPF policies.

In terms of the size and commitment of these committees, the team described its previous successful experience with similar bodies, which consisted of 8-10 people per committee and relied on streamlining of the proposal review process so as not to overload committee members and to keep them motivated. Lastly, regarding the role of the senior advisor, in addition to providing advices and relevant networks to the proposed RIT team, it was clarified that he will participate in the Steering Committee alongside IEB as a non-voting member.

In CI-Brazil's budget, no vehicle is requested, as local transportation and rental are preferred. The team plans to make two field visits per month, for three days (72 days per year) each by two people. It was clarified that the consultancy for the long-term vision process and the printing services for the communication tools are included under the professional services budget line. No consultant has been pre-identified for the long-term vision process. The furniture and equipment budget line refers to the purchase of laptops and cellphones for the new full-time members.

In IEB's budget, it appears that the low amount under the budget line for fuel is based on rather conservative forecast of 400 liters of fuel for 40 days of supervision mission for years 2, 3 and 4 (allowing for about 4.800 Km) and half for year 5. Regarding the equipment, the team will rely on existing assets. For the audit, there was a misunderstanding on whether or not the CEPF required an audit for the RIT project only or for the whole of IEB. The team had budgeted about \$41,000 for a RIT project-specific audit each year over five years. Should the proposal be selected, the team proposes to reallocate part of this amount to other budget lines based on CEPF's feedback.

6. Evaluation Summary and Recommendation

Table 6 below summarizes the principal strengths and weaknesses of the proposals from CI-Brazil and IEB.

With CI-Brazil's proposal, CEPF would pay for staff time totaling 3.0 FTE in Brasília to perform all the functions included in the RIT ToR, except the long-term vision process and part of the small grants management, which would be assigned to undefined third-parties. None of the full-time staff of the RIT have been identified nor recruited yet. CI-Brazil does not currently have an office in Brasília, and the proposed RIT would be fully operational at least three months later than wished by CEPF. CI-Brazil proposes to contribute matching funds that provide an additional 0.8 FTE, of which only 0.1 FTE will be based in Brasília.

With IEB's proposal, CEPF would pay for staff time totaling 3.1 FTE to perform all the components of the RIT ToR. IEB would be able to field a fully operational team immediately, based at IEB's headquarters in Brasília. The proposed RIT staff members are identified in the

proposal, and demonstrate the necessary experience and skills (including language skills). IEB has not defined its match funding.

The overly prescriptive technical approach proposed by CI-Brazil for grant making is not fully compliant with CEPF policy, especially with regard to competitiveness.

Based on this evaluation, the CEPF Secretariat ranks IEB as offering the best overall value and potential for success. The Secretariat suggests that the Working Group recommend IEB to the Donor Council as the RIT for the Cerrado Hotspot.

If the Working Group recommends IEB to the Donor Council, the Secretariat will engage in negotiations with IEB. Specifically, the Secretariat will ask IEB to make various revisions to its proposal prior to award. In particular, these would include: (i) definition of matching funds and level of effort of the organization's core staff; (ii) elaboration of a mainstreaming strategy for results of the CEPF grant portfolio into public policy and private sector practices; and (iii) re-allocation of funds currently budgeted for annual audits to provide for additional operational staff time.

Table 6. Major Strengths and Weaknesses of the Two Proposals

CI-Brazil	IEB
Organizational Experience – Technical	
<p>Strengths: conservation science, private sector engagement, capacity building and dialog with government agencies</p> <p>Weaknesses: limited experience in the Cerrado and no office yet in the hotspot</p>	<p>Strengths: capacity building, civil society engagement, dialog with government agencies, private sector engagement and headquarters in the Cerrado</p> <p>Weaknesses: limited experience in conservation science and the Cerrado</p>
Organizational Experience – Management	
<p>Strengths: experience managing projects of similar overall size to CEPF; previous relevant experience working with CEPF; ongoing operations can absorb additional financial and administrative burden of being RIT</p> <p>Weaknesses: lack of details on monitoring and evaluation and financial and administrative systems</p>	<p>Strengths: experience managing projects of similar overall size to CEPF; ongoing operations can absorb additional financial and administrative burden of being RIT; senior advisor has good knowledge of CEPF, the hotspot and the ecosystem profile;</p> <p>Weaknesses: lack of detail on monitoring and evaluation</p>
Personnel	
<p>Strengths: three proposed full-time; match funds cover an additional 0.8 FTE and some of these people have worked with CEPF and are bilingual</p> <ol style="list-style-type: none"> 1. Team Leader, 100%, to be recruited, Brasília 2. Grants Manager, 100%, to be recruited, Brasília 3. Operational Coordinator, 100%, Brasília <p>Weaknesses: none of the three proposed full-time staff have been hired; no clear recruitment plan and two job descriptions lacking; seven of the eight staff under matching funds are based in Rio de Janeiro; no curricula vitae provided</p>	<p>Strengths: all proposed staff are identified with CVs; all covered by CEPF budget; all based in Brasília; all well familiar with IEB; all at least bilingual</p> <ol style="list-style-type: none"> 1. Team Leader, 100%, Brasília 2. Grants Manager, 100%, Brasília 3. Financial Manager, 30%, Brasília 4. Inter-institutional relations Coordinator, 20%, Brasília 5. Capacity-building and public policy Coordinator, 20%, Brasília 6. Biodiversity and ecosystems Specialist, 20%, Brasília 7. Senior Advisor, 20%, Brasília <p>Weaknesses: lack of one additional operations staff</p>

Understanding of the Ecosystem Profile	
Strengths: clear understanding of the Profile Weaknesses: none	Strengths: clear understanding of the Profile Weaknesses: none
Proposed Technical Approach	
Strengths: complementarity and synergy with private sector/ commodity supply chains projects; different strategies for engaging civil society organizations; communication strategy Weaknesses: two RIT ToR components outsourced to unidentified third-parties (most of small grants management and long-term vision); over-reliance on grants-by-invitation in proposed grant solicitation process; overly prescriptive plans for activities to be funded; weak mainstreaming strategy; no clear and systematic methodology to monitor and evaluate the CEPF impacts	Strengths: all RIT ToR components covered by the proposed RIT staff; strong emphasis on linking grant making to capacity building; clear small grants management system Weaknesses: lack of details on roles of the advisory committee; weak communication strategy; weak mainstreaming strategy; no clear and systematic methodology to monitor and evaluate the CEPF impacts
Proposed Management Approach	
Strengths: existing systems and operations assumed to be robust enough to adapt to needs of CEPF Weaknesses: lack of detail on administrative, financial and monitoring system	Strengths: existing systems and operations are robust enough to adapt to needs of CEPF Weaknesses: lack of detail on administrative and monitoring system
Budget	
Strengths: within the limit of CEPF budget; fully detailed budget; significant matching funds committed Weaknesses: budget lacking in detail regarding unit costs; additional \$104,000 needed for co-management of the small grants is not included in the budget; reliance on matching funds for key RIT functions is a risk if they do not materialize	Strengths: within the limit of CEPF budget; fully detailed budget; all supportive RIT functions covered by CEPF Weaknesses: no detail on matching funds provided

Appendix 1: List of questions for the interviews

Themes	Related score card #	Questions	CI	IEB
Motivation	4.3	What motivated the decision of your organization to apply to the RIT position? How do you expect serving as the RIT will help advance your own organizational strategy?	Y	Y
RIT within organization	6.2	How will your proposed RIT structure relate to your organization's internal structure, especially with regards to administrative/financial roles, leadership and employee structure?	Y	Y
		What are the main differences between the Cerrado and the areas you have experience in? Tell us more about your experience with grant making.		Y
		In the future, the CI office will be fully occupied with the GEF project in Matopiba, are you certain that you will be able to devote the staff time, as well as the financial, administrative and compliance support needed to run a small grants program and monitor the portfolio of large grants?	Y	
		What do you see as the biggest challenges at present to getting international donors to invest in Brazil? What is the potential for attracting Brazilian donors?		Y
Personnel plan	3.1	Provide more details regarding your personnel plan, with regards to communication, M&E, role of part time staff/advisor/committee, junior versus senior staff in core team, timing of operationalization.	Y	Y
		How will your financial management programs to monitor projects differ from standard programs such as Quicken? Why not use an existing program?		Y
Communication	5.3	How do you anticipate to mainstream CEPF results/lessons into policy and private sector practices (strategy, tools, staff,...)?	Y	Y
M&E	2.2 5.5	How (in terms of procedure and staffing) will you comply with CEPF global M&E framework? Similarly how will you monitor the impacts at projects and hotspot levels?	Y	Y

Themes	Related score card #	Questions	CI	IEB
Granting	5.6	Justify your choice of proposed small grant management. How does it relate to CEPF Secretariat?	Y	Y
		Why would people from your proposed committees put in so much time and responsibility without payment?		Y
		What are some examples of regional projects that might be appropriate to support?		Y
		The Cerrado Ecosystem Steering Committee will decide on which calls for proposals to be issued. This would usually be done by the RIT so how will they inform the Committee so they can make these important decisions? CEPF is a full partner and participates in a spectrum of processes, e.g. LOI review – how do you feel about this? How do you see this meshing with you committees?		Y
		For large grant solicitation, justify your choice for “Invitation Letters” and for prescribed projects (How does it ensure the need for a competitive grants program)?	Y	
Budget	7.3	Justify your travel budget in relation to field visits, your equipment/office budgets in relation to staff and existing properties and your telecommunication budget in relation to your communication strategy?	Y	Y
		Regarding the LTV, is this included in the consultants budget line, or will this actually be done by CI staff?	Y	