

**Procurement Summary and Assessment of Proposals  
for the Regional Implementation Team for the Tropical Andes Biodiversity Hotspot**

CEPF Working Group Meeting, 5 May 2015

Agenda Item 2

**1. Summary of the Solicitation Process**

The solicitation process for the Regional Implementation Team (RIT) for the Tropical Andes Biodiversity Hotspot has followed the timeline below.

- 13 January 2015 CEPF Secretariat releases a call for Expression of Interests (EoIs) for the RIT. The announcement is placed on the CEPF website and sent to organizations that participated in the 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.
  
- 2 February 2015 CEPF Secretariat formally submits final version of *Ecosystem Profile for the Tropical Andes Biodiversity Hotspot* to the CEPF Donor Council for no-objection approval.
  
- 3 February 2015 Closing date for EoIs. Fifteen organizations/consortia submit EoIs:

**Table 1. Organizations Submitting EOIs for the Tropical Andes RIT**

Applicant		Applicant	
1	ACP Bosque Berlin	9	Fundación ProYungas
2	American Bird Conservancy	10	Fundación para el Desarrollo del Sistema Nacional de Áreas Protegidas (FUNDESNAPE)
3	APECO	11	Instituto Cuencas Andinas
4	CONDESAN	12	Patrimonio Natural
5	Conservation International	13	Prisma
6	Fundación Herencia Ambiental Caribe	14	Pro-Sierra Nevada de Santa Marta
7	Fundación Imaymana	15	Universidad Nacional Agraria de la Selva- Tingo Maria
8	Fundación Para El Desarrollo de la Ecología-Campus Universitario UMSA (FUND-ECO)		

- 4 February 2015 Grant Director Michele Zador holds an open-line, internet-based conference call to explain to interested parties the roles, functions, and responsibilities of the RIT. The conference call is well attended by prospective applicants. A recording of the call is posted to the CEPF website.

- 6 February 2015 Opening date of Request for Proposals (RfP). CEPF sends the RfP directly to all 15 organizations that submitted an EOI and posts the same to the CEPF website. RfP states that CEPF will only accept proposals from these organizations; however, these organizations are free to form bidding consortia with other groups not listed. The maximum value of proposals \$1.5 million of the \$10.0 million budget for the Tropical Andes hotspot, as approved in the ecosystem profile on 18 March 2015.
- 12 March 2015 End of the period during which applicants can ask questions of CEPF Secretariat. No questions related to preparation of the RIT proposal are received.
- 18 March 2015 End of no-objection period for the Tropical Andes Ecosystem Profile. Ecosystem profile approved by Donor Council.
- 23 March 2015 Closing date to receive RIT proposals. Six organizations submit proposals:

**Table 2. Applicant Organizations Submitting Proposal for the Tropical Andes RIT**

	<b>Applicant Organization</b>	<b>Location</b>	<b>Proposal Language</b>
1	American Bird Conservancy, in partnership with Armonia	Lead: Virginia, United States Sub: Santa Cruz, Bolivia	English
2	Conservation International	Virginia, United States with field offices in: - Bogota, Colombia - Quito, Ecuador - Lima, Perú - La Paz, Bolivia	English
3	Foundation for the Development of the National System of Protected Areas of Bolivia (FUNDESNAP), in partnership with: - Natural Patrimony (Colombia); - Peruvian Trust Fund for National Parks and Protected Areas (PROFONANPE - Peru); - Environmental Fund (FAN – Ecuador)	Lead: La Paz, Bolivia Subs: - Bogota, Colombia - Quito, Ecuador - Lima, Perú	Spanish
4	Prisma	Lima, Peru	Spanish
5	Pro-Sierra Nevada de Santa Marta	Magdalena. Colombia	Spanish
6	National Agrarian University of the Tropical Forest - Tingo Maria	Tingo Maria, Peru	Spanish

- 9 - 13 April 2015 Clarification interviews conducted for three short-listed applications by skype (see below for detail).

CEPF maintains full electronic copies of these proposals in its Grants Management Unit “e-room.”



## 2. Evaluation Committee and Process

The proposals were evaluated by four members of the Secretariat.

- Nina Marshall, Managing Director, CEPF
- Megan Oliver, Director, Grants Management Unit, CEPF, with support from Antonia Cermak-Terzian, Grant Coordinator, for the three applications in Spanish. Due to language issue, Ms. Oliver worked closely with Ms. Cermak-Terzian to provide detailed comments and observations.
- Michele Zador, Grant Director, CEPF.

The Secretariat asked an external expert to review the proposals:

- Steve Cornelius, former Program Officer for Latin America and the Caribbean, the MacArthur Foundation.

The reviewers evaluated proposals per Section 15 of the RfP, Evaluation Criteria. Reviewers worked independently and assigned their own scores, as per the individual ranking categories listed below. Criteria 8 and 9 were added to the original scorecard to reflect CEPF priorities under Phase III.

<u>Category</u>	<u>Points</u>
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 Management Approach	25
7. Budget	5
8. RIT Sustainability	10
9. Lead Long-Term Visioning	10
<b>Total</b>	<b>120</b>

CEPF maintains full electronic copies of the individual evaluator’s scoring sheets in its Grants Management Unit “e-room.”

Initial review by the Grant Director revealed that the proposal submitted by the Universidad Nacional Agraria de la Selva- Tingo Maria was not responsive to the RfP, as it focused on conducting conservation research for Carpish, a single KBA in Peru. As a result, other evaluators did not review this application.

Initial scoring of the first seven criteria revealed that three of the five applications received relatively close scores, and that each had key strengths and weaknesses, with no one application demonstrating all the required qualifications to fulfill the role of the RIT:

**Table 3. Average Proposal Score Prior to Interview**

<b>Applicant</b>	<b>Initial score</b>
American Bird Conservancy partnership with Armonia	56.7
Conservation International	73.8
FUNDESNAPO Consortium	78.0
Prisma	65.3
Pro-Sierra Nevada de Santa Marta	43.5

The evaluation committee determined that clarification was needed to finalize the assessment, and thus decided to hold interviews by skype of the three highest scoring proposals. Commitment members held interviews on April 9, 10, and 13 with the proposed RIT managers and representative of the applying organization. Questions were developed and finalized within the evaluation committee, and then sent to each applicant prior to their interview.

After the interviews, members of the evaluation committee updated their scores. Note that the external reviewer did not participate in the interview, nevertheless his views are considered in the overall assessment of proposals. CEPF maintains full electronic copies of the list of questions in its Grants Management Unit “e-room.”

**3. Average Score by Category**

The table below shows, for each criterion, the average score awarded to each applicant. FUNDESNAPO received the highest score, followed by CI-Andes and PRISMA. The proposal from the Fundación Pro-Sierra Nevada received the lowest score. The addition of criteria 8 and 9 did not change the ranking of the RIT proposals.

**Table 4. Average Score by Category, Post-Interview**

<b>Criterion</b>	<b>Total</b>	<b>American Bird Conservancy</b>	<b>CI - Andes</b>	<b>FUNDES - NAP</b>	<b>Fundación Pro-Sierra</b>	<b>Prisma</b>
1. Organizational Experience – Technical	5	4.0	5.0	5.0	1.0	2.3
2. Organizational Experience – Management	15	13.5	13.3	14.3	8.0	10.7
3. Personnel	30	16.0	17.3	27.3	8.0	13.3
4. Understanding of the Ecosystem Profile	5	2.0	5.0	5.0	3.0	4.0
5. Proposed Technical Approach	15	5.0	7.5	13.5	3.0	7.5
6. Proposed Management Approach	25	13.5	18.3	22.7	10.0	19.3
7. Budget	5	3.5	2.7	3.7	0.0	2.7
8. RIT Sustainability	10	1.0	6.0	10.0	0.0	1.0
9. Lead Long-Term Visioning	10	3.0	5.0	8.0	0.0	2.0
<b>Overall Ranking</b>	<b>120</b>	<b>61.5</b>	<b>80.2</b>	<b>109.5</b>	<b>33.0</b>	<b>62.3</b>

The proposals from the American Bird Conservancy Consortium and Fundación Pro-Sierra Nevada received the lowest scores for the following key reasons:

#### **American Bird Conservancy (ABC) Consortium**

- i. The RIT would be based in Virginia and would be staffed on a part-time basis with ABC personnel who hold numerous other duties, bringing into question whether they would have sufficient time to attend to the demanding duties of the RIT. Travel is deemed insufficient to visit the region for grant making and monitoring.
- ii. The role of Armonia, a Bolivia-based organization located outside of CEPF's priority corridor, is poorly explained, thus creating question of the roles and responsibilities of ABC and Armonia staff.
- iii. ABC lacks presence in Colombia, Ecuador, and Peru, bringing into question how the ABC Consortium would operate in these countries and how the CEPF RIT function would be sustainable in the long term.

#### **Fundación Pro-Sierra Nevada**

- i. The applicant lacks regional experience, as it is exclusively focused on conserving a single KBA in Colombia. The applicant demonstrates weak understanding of the CEPF RIT.
- ii. The applicant proposes providing \$690,983 in sub-grants for partner organizations to work in Ecuador, Peru, and Bolivia; however, these organizations are not yet identified. The applicant calls for identifying regional partners when the RIT is in implementation.
- iii. The budget request is for \$2.4 million, which exceeds the RIT budget of \$1.5 million.

Because the American Bird Conservancy Consortium and the Fundación Pro-Sierra Nevada were the lowest scoring proposals, CEPF excluded them from further analysis. Proposals from CI-Andes, FUNDESNAPE, and PRISMA were short-listed and invited to participate in an interview by skype.

## **4. Detailed Evaluation by Category**

### **Criterion 1. Organizational Experience – Technical**

Evaluators found all three applicants to have organizational missions that broadly align with the objectives outlined in the ecosystem profile, but there was variation in their experience working across the region, as well as their experience in conservation and development.

- The **FUNDESNAPE Consortium** has well-aligned technical experience in all priority countries. Consortium members are well-established environmental trust funds with extensive experience working with government, private sector, and civil society organizations, including in most of the corridors identified as priorities under the ecosystem profile. FUNDESNAPE, which is Bolivia's environmental trust fund, is familiar with CEPF as a result of a consolidation grant to work with local communities and the Bolivia park service in same conservation corridor that is a priority in the current ecosystem profile.
- **CI-Andes'** mission is congruent with the Andes ecosystem profile. CI has nearly 30 years of experience working in the Tropical Andes with a diverse range of stakeholders -- including NGOs, development organizations, government and private sector -- in virtually all of the themes to be promoted by CEPF investments. CI has extensive experience in all four focal countries. CI is familiar with CEPF as a result of receiving several CEPF implementation grants from previous

investments. CI served as the coordination units (which preceded the RITs) for the Tropical Andes and the Tumbes-Chocó-Magdalena portfolios during CEPF's first phase of investment.

- **PRISMA** is broad-based development NGO based in Peru with 29 years of experience in health and nutrition, agriculture, food and water security, microfinance, the environment, and local governance. PRISMA's environmental experience is in natural resources management and environmental sanitation. While Prisma lacks direct experience in biodiversity conservation, organizational representatives recognize the need for a holistic approach, and that achievement of social goals must include environmental conservation and management. While most of their experience and current portfolio is focused in Peru, it does have experience Colombia, Ecuador, and Bolivia. It has extensive experience working with rural communities, as well as with private sector and municipalities. It currently has a health research project in Bolivia, but no presence in Ecuador or Colombia.

## **Criterion 2. Organizational Experience – Management**

Evaluators used the four subordinate criteria listed in Section 15.2 of the RfP, judging the applicant based on their administrative, financial, and monitoring systems; experience managing programs of similar size, scale, and complexity as the RIT; and experience directly managing small grants programs.

- **The FUNDESNAP Consortium** has extensive experience managing a wide variety of grants programs in their respective countries, having collectively managed hundreds of millions of dollars from a wide range of international donors for disbursement to governments and diverse local civil society groups. FUNDESNAP currently manages a \$12 million trust fund for Bolivia's protected areas. Its current portfolio of \$2.6 million involves supporting local communities and municipalities in a variety of activities.
- **CI-Andes** has extensive experience managing grants programs, providing on average approximately \$2.6 million annually in grants in its America's division. CI has solid systems in place to manage a grants program, which are adaptable to meeting CEPF's requirements. During the last 13 years, CI has awarded an impressive 547 sub-grants in the Tropical Andes, totaling nearly \$20 million and benefitting 228 partners. Partners represent a broad cross section of conservation partners, from indigenous groups to international NGOs.
- **PRISMA** has implemented large and diverse projects with funds from a range of donors, including The World Bank and USAID. They have managed large projects (e.g. \$12 million), working in rural and urban areas with a range of beneficiaries -- indigenous communities, mothers and children, and urban dwellers. They have a solid M&E program and numerous projects dedicated to establishing baselines and calculating impact. They have experience in microfinance programs and credit schemes for rural communities. Their experience in re-granting larger amounts to civil society groups appears more limited.

### Criterion 3. Personnel

Evaluators used the five subordinate criteria listed in Section 15.3 of the RfP, judging the applicants based on the overall staffing plan, the individual and combined skills of named candidates (as supported by resumes), the plan for recruitment of “to be determined” candidates, and the organization’s ability to engage its other full-time personnel to fill vacant positions, as needed.

- **FUNDESNA**P proposes that CEPF funds will cover a La Paz-based team in FUNDESNA P headquarters comprising a nearly full-time RIT manager and M&E officer, and three part-time (50%) staff: a technical officer, finance director and accountant. The RIT manager is a German national who has worked in conservation in Bolivia for 19 years, the last seven years as a full-time employee of FUNDESNA P. Three part-time (50%) country coordinators and three part-time (50%) country accountants are sited within their respective environmental trust funds in the other three countries. All country coordinators and accountants are longstanding employees of their trust funds with significant experience in grant making to civil society organizations for biodiversity conservation and sustainable development.

FUNDESNA P proposes that matching funds will cover the executive directors of the four environmental funds to ensure that CEPF grant making is well aligned with national priorities and complementary to their own grant making, and to facilitate access to high level government and private sector represents.

Evaluators note concerns over who would lead RIT communications and whether minor realignment of the level of effort is required for some RIT staff, potentially for the M&E and country coordinators.

**CI-Andes** proposes a core team of two people to be funded entirely by CEPF to be based in La Paz, Bolivia: a full-time RIT manager and a full-time coordinator. The RIT manager has impressive credentials in grants management in biodiversity conservation and climate change in Peru, Bolivia, and Ecuador. The RIT coordinator has not yet been recruited. The core team is supported by a total 17 CI staff and consultants covered partially by CEPF and by match funding. CI proposes five consultants -- a part-time communications professional and four lessons learned consultants – to be covered entirely by CEPF funds.

The remaining RIT and supporting team relies partially or fully on matching support. Three country coordinators and three administrators are assigned 25% of their time to CEPF (equivalent to 4.6 days per month), each to Colombia, Ecuador, and Peru. Of this time, CEPF would cover 65% of the country coordinator and administrator positions, which is nearly three days, and matching funding would cover 35%. CI proposes another six CI staff as match, nearly two days per month support from CI’s four country directors and two Bolivia-based technical staff. CI has not provided the source of match funding.

Evaluators note several concerns. Evaluators note that the country coordinators are senior-level technical directors of CI country offices responsible for managing multiple large conservation projects, bringing into question whether such high-level experts are the best fit to conduct grantee outreach and monitoring. Their level of effort is insufficient to carry out such key RIT responsibilities as facilitating proposal design and grant monitoring, given that CEPF is covering only three days per month. The RIT manager and coordinator are assigned responsibility to

serve as the Bolivia country coordinator and administrator, which detracts from their RIT management responsibilities. The M&E function is poorly defined. CI reveals in their interview that CI staff assigned to other projects would conduct outreach for CEPF to grant applicants for proposal design and undertake site visits for monitoring. Outsourcing such grantee outreach to staff not paid by CEPF is viewed as a significant risk for ensuring strong grant monitoring and capacity building. It also interferes with a clear demarcation of CEPF and CI actions.

- **PRISMA** proposes a general staffing plan supported by CEPF funds, with a RIT manager working 80% based in Lima, and three part-time (26%) biodiversity consultants to serve as country coordinators based in Colombia, Ecuador, and Bolivia. These RIT staff are well-respected, senior-level conservationists. The PRISMA director will assist with implementation and supervision; no level of effort is provided. PRISMA headquarters would support administration and finance covered by the indirect costs; no level of effort is provided. No match funding is proposed.

Evaluators note significant ambiguity and risk in PRISMA’s personnel plan in terms of grantee outreach and monitoring. Country coordinators would conduct high-level outreach to senior stakeholders. PRISMA notes in its interview that country coordinators would supervise approximately five site-based consultants per KBA to work with applicants on proposal development and on grant monitoring. Entrusting such vital functions as grantee outreach, which requires a sophisticated knowledge of CEPF policies and procedures, to a large number of potentially junior locally-based consultants would be managerially complex and pose a high risk for robust monitoring. In addition, PRISMA lacks staff for CEPF communications.

**Table 5. Personnel of the Three Competitive Proposals – CEPF and Match funding**

CEPF PAID STAFF AND CONSULTANTS								
Conservation International			FUNDESNAF			PRISMA		
<b>Core staff</b>								
Title	% Level of Effort	Location	Title	% Level of Effort	Location	Title	% Level of Effort	Location
RIT Manager	100%	La Paz	RIT Manager	90%	La Paz	RIT Manager	80%	Lima
RIT Coordinator	100%	La Paz	Technical Officer	50%	La Paz	RIT director	Not provided	Lima
			M&E Officer	90%	La Paz	RIT administration	Not provided	Lima
			Finance Director	50%	La Paz			
			Accountant	50%	La Paz			
<b>Country-based staff</b>								
3 Country coordinators	18%	Colombia, Ecuador, Perú	3 Country coordinators	50%	Colombia Ecuador, Perú	3 Country coordinators	26%	Colombia, Ecuador, Bolivia
3 Finance Officers	13%	Colombia Ecuador, Perú	3 Country Administrator	50%	Colombia Ecuador, Perú			
<b>Additional/Support staff</b>								
Communications consultant	60%	TBD	Communications consultant	10%	Bolivia	Corridor/KBAs consultants	10 – 15 days/project	Colombia, Ecuador,

								Perú, Bolivia
4 Lessons learned consultants	7%	Colombia, Ecuador, Perú, Bolivia	GIS	TBD	Bolivia			
4 External evaluators	2%	Colombia, Ecuador, Perú, Bolivia	External evaluators	TBD	Colombia Ecuador, Perú, Bolivia			
<b>MATCH FUNDING</b>								
<b>Conservation International</b>			<b>FUNDESNAPE</b>			<b>PRISMA</b>		
3 Country coordinators	7%	Colombia, Ecuador, Perú	4 Trust fund executive directors	TBD	Colombia Ecuador, Perú, Bolivia			
3 Finance Officers	12%	Colombia, Ecuador, Perú						
4 CI country directors	10%	Colombia, Ecuador, Perú, Bolivia						
2 Technical Managers	10%	Bolivia						

#### Criterion 4. Understanding of the Ecosystem Profile

Evaluators used the three subordinate criteria listed in Section 15.4 of the RfP, judging the proponents based on their understanding of what CEPF is seeking to accomplish in the region, the technical challenges of running a grants program, and the likelihood of the proponent being able to promulgate the goals of CEPF beyond the five-year period of investment.

- **CI-Andes**, which participated in the preparation of the ecosystem profile in all the priority countries, has a strong understanding of the strategic directions and investment priorities. They demonstrate strong knowledge of the strategic directions and the potential synergies to their own work, particularly with respect to ecosystems services. The proposal has a rather weak discussion on the importance of collaborating with indigenous people and local communities.
- **FUNDESNAPE** helped to organize the La Paz profile consultation. The proposal demonstrates solid understanding of the ecosystem profile, particularly with respect to working with a broad cast of stakeholders and organizational strengthening as key to sustaining impact of field projects. Consortium members either participated in ecosystem profiling consultation meetings or in individual meetings.
- **PRISMA** expressed clear understanding of the strategic directions, in particular with regard to the overlap of priority sites with indigenous territories and social considerations. They understand the importance of linking social issues with biodiversity conservation, especially as these pertain to water and food security. PRISMA connects the RIT with to its own institutional capacity building, which would appear to lead to a means to assure ongoing impact of the CEPF investment following its completion. However, PRISMA focusses grant making in Peru and Bolivia, over Ecuador and Colombia, which contradicts the ecosystem profile.

## Criterion 5. Proposed Technical Approach

Evaluators used the six subordinate criteria listed in Section 15.5 of the RfP, judging the applicants based on their approach to running a grants program, including specifically responding to all the elements of the RIT Terms of Reference.

- **The FUNDESNAP Consortium** makes convincing argument for how CEPF can build on the existing capacities of the partner environmental trust funds through existing networking, governance structure, technical expertise, stakeholders, donors, and administration systems to handle the RIT responsibilities. The work plan is very detailed and demonstrates a well thought out approach to achieve RIT responsibilities. The proposal places strong emphasis on one-on-one mentoring and grantee capacity building, and the need for stakeholder mapping within the priority corridors. There is strong demonstration of collaboration and recognition of the division of labor with the CEPF Secretariat for large grants management.

Limitations identified include the assumption that there would be only one call for small grants; a duplication of the CEPF evaluations, especially the mid-term and final assessments; and weak approach to communications for CEPF outreach.

- **CI-Andes** describes numerous key aspects of being a RIT, and emphasizes communications, sharing lessons and best practices, leveraging funding, and creating synergies and cooperation with other initiatives. CI mentions the importance of integrating gender into CEPF grant making. The work plan is sufficiently detailed to provide insight into CI's approach to achieving RIT functions.

Concerns include (i) limited detail on how CI would support capacity building and outreach to local civil society, particularly to indigenous communities and local communities; (ii) an outreach strategy to grant applicants and grantees based mostly on electronic tools rather than direct contact; (iii) the weak articulation and seemingly low priority given to working in partnership with the CEPF Secretariat to fulfill RIT responsibilities and CEPF's investment strategy, and (iv) unclear delineation of the division of labor between the RIT and CEPF Secretariat with respect to small and large grants management, leading evaluators to conclude that CI assumes it will have significant management control over both small and large funding windows.

- **PRISMA** technical approach emphasizes the linkages between conservation and climate change and development. It contains a good description of collaborating with strategic alliances and networks that CEPF could connect to and fund raising beyond the conservation field. The proposal expresses preference for grantees that will build capacity and linkages with private sector and local authorities. Good demonstration of collaboration and division of labor with the CEPF Secretariat.

The technical approach demonstrates several technical and operational weaknesses. The overly general work plan fails to demonstrate a cogent approach and sufficient understanding of what is required to achieve the RIT TORs. Scheduling for proposal calls is too slow, only starting in early 2016, first in Peru and Bolivia, and then in the third quarter of 2016 for Ecuador and Colombia. Large grants are capped at \$100,000 for only 1.4 years. Communications relies on

consultants working with local media, with no approach provided to cover communications for CEPF regional or global outreach.

## **Criterion 6. Proposed Management Approach**

Evaluators used the four subordinate criteria listed in Section 15.6 of the RfP, judging the proponents based on their proposed administrative, financial, and monitoring functions for overseeing grants awarded directly by CEPF (i.e., grants greater than \$20,000) and directly managing and disbursing small grants (i.e., grants less than \$20,000).

- **The FUNDESNAP Consortium** fulfills basic administrative, financial, and monitoring requirements, with good articulation of safeguards and financial management monitoring. FUNDESNAP has sufficient RIT personnel for grant monitoring, which is conducted by the three country coordinators and administrators in conjunction with RIT technical and administrative staff. The travel budget has extensive funding for field visits.

Clarity of internal governance and contractual relationship is required between FUNDESNAP, CEPF, and Consortium partners with respect to RIT responsibilities and small grant fund management. Because FUNDESNAP is not able to enter into grant agreements with organizations outside of Bolivia, the plan calls for each of the three environmental trust funds to directly manage a CEPF small grants facility in their respective countries, with FUNDESNAP helping to supervise adherence to CEPF strategic priorities and policies.

- **CI-Andes** relies on CI policies and financial management systems for grants management, which are well tested globally with a variety of donors. CI-Andes is well-versed in the local legal requirements for grant making. For the RIT, administrative teams from three country offices and RIT headquarters are responsible for financial management. Concerns focus on grant monitoring, as monitoring protocols are only determined after contract signature rather than during proposal development when a budget for monitoring can be developed. Monitoring of grantee policy compliance is limited by country coordinator tight time allocations of five days per month, unclear budget allocation for RIT field visits, and reliance on unidentified and unbudgeted field staff not part of the RIT to undertake grantee monitoring.
- **PRISMA's** description of administrative and financial oversight is overly general. The proposal fails to propose a system for internal controls and objective criteria that guide the review of payment requests and other invoices, systematic record keeping, and fraud and embezzlement safeguards. Reliance of non-RIT local consultants based in the KBAs or corridors for grant monitoring presents significant risk for monitoring grantee compliance to CEPF policies.

## **Criterion 7. Budget**

Evaluators used the six subordinate criteria listed in Section 15.7 of the RfP. As the RfP names a maximum budget of \$1,500,000, evaluators focused on clarity of presentation, symmetry between the budget and the technical proposal, transparency of unit costs, reasonableness of unit and total costs, and overall value, particularly as measured by total labor provided.

- **The FUNDESNAP Consortium** proposes a budget of \$1.5 million, which is within the RIT funding allocation. Main concerns are low budget for communications and for meetings and special

events, and poor justification for some costs (e.g., \$10,000 for technical documents and \$5,000 for camping equipment). Match funding will pay for the executive directors of the four environmental trust funds.

- **CI-Andes** proposes a budget within the RIT funding allocation, with significant funding for special workshops and events. CI proposes a total budget of \$2,235,591, of which \$1,498,439 (67%) would be cover by CEPF and \$737,153 (33%) would be covered by match. CI has not provided the source of this match funding. The evaluation committee identified several concerns:
  - i. Reliance on significant match funding to perform core RIT duties. Of the salary budget of \$1,387,927, CEPF would cover \$729,538 (53%) and CI would provide a match of \$652,675 (47%) Evaluators view the high dependency on match from still-to-be-defined sources to perform core RIT duties as a significant risk.
  - ii. High daily rates for country coordinators.
  - iii. Significant share of the travel budget for international trips (\$101,108 of the \$151,389 for international travel, leaving \$50,281 for six days per year for field travel for country coordinators), which CI mentioned in the interview was open to being adjusted.
- **PRISMA**'s budget lacks sufficient detail to fully understand RIT costs, particularly for professional services, where RIT country coordinators and local consultants are presented.

**Table 6. Budgets of the Three Competitive Proposals (CEPF costs only)**

CI		FUNDESAP		PRISMA	
Staff (core staff)	729,538	Staff ( core staff)	836,339	Staff ( core staff)	304,000
Professional services (consultants)	140,803	Professional services (consultants)	122,420	Professional services (consultants)	721,850
<b>Sub-total Labor/service</b>	<b>870,341</b>	<b>Sub-total Labor/service</b>	<b>958,759</b>	<b>Sub-total Labor/service</b>	<b>1,025,850</b>
Travel	166,861	Travel	348,867	Travel	215,413
Supplies	18,931	Supplies	80,260	Supplies	34,000
Equipment	6,900	Equipment	1,000	Equipment	0
Events	205,000	Events	21,254	Events	54,100
Others	0	Others	0	Others	2,000
Management Support Costs	172,387	Management Support Costs	0	Management Support Costs	\$ 148,616
<b>TOTAL</b>	<b>1,498,439</b>	<b>TOTAL</b>	<b>1,500,000</b>	<b>TOTAL</b>	<b>1,499,667</b>

### Criterion 8. RIT Sustainability

Evaluators assessed the top three proposals based on their potential to remain in a position of leadership to support local civil society specifically, and stakeholders more broadly, for biodiversity conservation and sustainable development of the Tropical Andes hotspot.

- **FUNDESNAPE** and Consortium partners have been in existence for at minimum 15 years. As the preeminent environmental trust funds in their respective countries, with local legal status and local boards of directors, prospects for their long-term presence and leadership in promoting biodiversity conservation in the hotspot remain strong. During preparation of the ecosystem profile, all partners expressed enthusiasm for working with CEPF to co-finance projects. The trust funds demonstrate strong potential to fund CEPF-supported partners and their projects even after CEPF investment has concluded.
- **CI-Andes** is well grounded in all four priority countries, with nearly 30 years of presence and leadership in biodiversity conservation in the hotspot. CI has a 2015 to 2019 Andean strategy, which demonstrates its intention to remain in the hotspot. At the same time, all CI's Andes offices are branch offices of the US-based CI Foundation rather than local affiliates, making them vulnerable to potential closing in the future, as was the case in Mesoamerica.
- **PRISMA** is legally registered and based in Peru. Its presence in the other Andean countries is currently limited to one health research project in Bolivia. It does not have any offices outside of Peru. PRISMA's long-term mission focuses on rural development, food security, and public health. Prospects for integrating biodiversity conservation as a central pillar in its mission are low. PRISMA lacks the credibility to serve in a leadership role for civil society groups working in conservation.

#### **Criterion 9. Lead Long-Term Visioning**

Evaluators assessed the top three proposals based on their capacity to convene a high-level, interdisciplinary group of experts to craft the CEPF long-term vision to build capacity and critical enabling conditions for biodiversity conservation, and then to steward the achievement of the long-term vision through CEPF investment and RIT leadership.

- **The FUNDESNAPE Consortium** stands in a strong position to convene high-level experts from diverse fields and governments, as they are recognized leaders in conservation funding in their respective countries. Civil society groups view the environmental funds as advocates for their institutional strengthening and for biodiversity conservation, rather than potential competitors. At the same time, the long-term visioning effort is innovative, and this Consortium would require assistance to successfully carry it out.
- **CI-Andes** has a positive track record of bringing diverse stakeholders together for long-term conservation planning and implementation, as demonstrated by their promotion of the Vilcabamba – Amboró conservation corridor. It is unclear, however, the extent to which local civil society groups and governments view CI in a position of leadership to coordinate and guide local civil society, particularly in Ecuador and Bolivia, where national governments have demonstrated suspicion of international NGOs and as a result, CI has at times been restrained on sensitive conservation issues.
- **PRISMA's** has a wide web of affiliate advisors throughout the region that it can convene for its areas of experience in rural development and health. However, PRISMA's ability to serve as the steward of the long-term vision in conservation is doubtful, as the organization has not

articulated such a role for itself in its mission statement nor does it have the credibility within the broader Andean conservation community to assume such a leadership role.

## **5. Strengths and Weaknesses of Short-listed Applications**

### **FUNDESNAPE Consortium**

**Strengths:** The **FUNDESNAPE Consortium** is comprised of the hotspot's leading environmental trust funds. All partners have long-standing experience in grant making and conservation funding in all CEPF priority countries. Consortium partners have worked with CEPF donor partners and have good reputations for fulfilling donor policies and procedures. Their financial and management systems appear sound and can be adapted to fit with CEPF procedures. Their understanding of the ecosystem profile is strong, particularly with respect to the need to work with multiple stakeholders and to build the institutional capacity of local civil society groups, including indigenous groups. Consortium partners have good track records in engaging with local organizations and national governments.

A detailed work plan demonstrates a solid approach to meeting RIT responsibilities and functions. The staffing structure is coherent with a La Paz-based core team of five nearly full and part-time staff supported by six part-time country coordinators and administrators housed within respective environmental trust fund offices in Colombia, Ecuador and Peru. All RIT core staff are funded entirely by CEPF. The proposed RIT manager has a good track record working in conservation for 19 years in Bolivia, the last seven years with FUNDESNAPE. FUNDESNAPE, including the RIT manager, has a strong track record working on a previous CEPF grant in Bolivia. It demonstrates a firm understanding of the CEPF Secretariat's role in grants management and the importance of forging a strong collaborative relationship. Consortium partners propose support from trust fund executive directors to ensure CEPF grant making is strategic and to facilitate access to high-level authorities and the private sector.

Sustainability of the RIT is promising, as all Consortium partners are legally registered civil society groups in their respective countries. The Tropical Andes RIT would represent the first regional collaboration across the four trust funds aimed at biodiversity conservation in the Tropical Andes hotspot. All partners express enthusiasm for working with CEPF to co-finance projects. The trust funds demonstrate strong potential to fund CEPF-supported partners and their projects even after CEPF investment has concluded.

### **Weaknesses:**

Clarity is required on the internal governance and contractual relationship between FUNDESNAPE, CEPF, and Consortium partners with respect to RIT responsibilities and small grant fund management. The proposal's communications function remains insufficient to meet CEPF outreach needs within the region and globally. Several budgetary expenses are not sufficiently justified. Small realignments of level of effort of some RIT staff may be needed.

### **CI - Andes**

**Strengths:** CI Andes has a successful, nearly 30-year track record of working in the Tropical Andes hotspot, with presence in all four priority countries. It has introduced highly innovative conservation approaches, including in REDD+, Socio Bosque, and ecosystem services schemes. It has strong grant-making experience in the region and a firm understanding of the ecosystem profile. Its financial management system is sound and can be adapted to CEPF procedures. CI Andes has built solid relationships with non-governmental organizations from all priority countries. It has proven to be

influential with decision makers, particularly with national governments. The proposed RIT manager has an impressive track record in grant making to local civil society, with regional expertise in biodiversity conservation and climate change. CI also proposes through matching funds support from its country executive directors and CI field staff.

**Weaknesses:** The proposed management structure is not optimal for management of CEPF investment, with a small core team of two people in La Paz, supported by 17 CI Andes staff and consultants for a limited number of days, with a significant share supported by match funding. Country coordinator positions are staffed by busy senior technical directors who evaluators believe have insufficient time devoted to CEPF and an inadequately small travel budget for grantee outreach and monitoring. Both country coordinators and administrators depend on match to cover 35% of their time. Grantee outreach relies on electronic tools, with much of grant monitoring entrusted to non-RIT field staff funded by other projects. Other concerns include a lack of detail on how CI would approach civil society capacity building and an absence of attention to working with indigenous peoples and local communities. CI demonstrates weak understanding of the role of the CEPF Secretariat in the management of large grants and in the need to work in close partnership with the Secretariat for portfolio management. The sustainability of the RIT beyond CEPF is a potential risk.

## **PRISMA**

**Strengths:** PRISMA has extensive experience in rural development and brings the possibility of designing conservation projects with strong and innovative development elements that could serve as demonstrations of how conservation can be mainstreamed into rural development projects. It has extensive experience working with international donors, including some CEPF donor partners. Its understanding of the ecosystem profile is strong with respect to ensuring development considerations are integrated into CEPF grant making and to building the institutional capacity of local civil society groups, including indigenous groups. PRISMA has extensive experience in micro-grants to local communities. The proposed RIT manager, who would work nearly full time, is a highly respected Peruvian conservation leader with extensive regional experience, to be supported by part-time country coordinators with strong conservation credentials in Colombia, Ecuador, and Bolivia. PRISMA demonstrates a good understanding of the CEPF Secretariat's role in grants management and the importance of forging a strong collaborative relationship.

**Weaknesses:** PRISMA's experience in biodiversity conservation is very limited. The sustainability of the RIT is at risk as PRISMA's presence outside of Peru is limited to implementing one health research project in Bolivia, and biodiversity conservation is not a core mission within the organization. The proposal demonstrates significant ambiguity and risk with grantee outreach and monitoring, which is entrusted to a large number of locally-based consultants rather than the country coordinators. Key operational documents – the work plan, budget, and description of administrative and financial management systems -- are too general to provide confidence that PRISMA has a clear approach and understanding to fulfill RIT functions and responsibilities. The level of effort of RIT staff is insufficient. PRISMA lacks a communication strategy to meet CEPF regional and global outreach needs. The schedule for calls for proposals is too slow, and demonstrates a focus on Bolivia and Peru, rather than on Ecuador and Colombia.

Additional information on strengths and weaknesses can be found below.

**Table 7. Major Strengths and Weaknesses of the Three Competitive Proposals**

Conservation International	FUNDESNAP Consortium	PRISMA
<b>Organizational Experience – Technical</b>		
<p>Strength: strong technical experience in all priority countries; extensive CEPF experience.</p> <p>Weakness: none</p>	<p>Strength: extensive grant-making experience with multiple stakeholders. Previous CEPF grantee</p> <p>Weakness: none</p>	<p>Strength: broad-based development experience, focusing on rural development and food security</p> <p>Weakness: biodiversity conservation</p>
<b>Organizational Experience – Management</b>		
<p>Strength: Solid experience in grants management system to a wide variety of partners. Financial system equivalent to CEPF's</p> <p>Weakness: None.</p>	<p>Strength: Extensive experience managing a wide variety of grants programs in respective countries</p> <p>Weakness: None</p>	<p>Strength: has managed large and diverse projects with funds from a range of donors, including The World Bank and USAID. Ability to reach and work with grassroots organizations.</p> <p>Weakness: unclear experience in grant making of larger amounts.</p>
<b>Personnel</b>		
<p>Strength: Strong RIT Manager and focus on communications and lessons learned. Good match of CI country directors.</p> <p>Weakness: Insufficient time of country coordinators for grantee capacity building and monitoring. Significant share of RIT core staff covered by match funding of unknown origin. Reliance on non-RIT CI staff for grant monitoring.</p>	<p>Strength: Strong grant-making and monitoring experience of entire RIT team, who are longstanding staff of environmental trust funds. Support from fund directors as match.</p> <p>Weaknesses: insufficient time for communications consultant.</p>	<p>Strengthen: RIT staff are well-respected, senior-level conservationists.</p> <p>Weaknesses: Level of effort of RIT staff is insufficient. Reliance on non-RIT local consultants for grants monitoring and capacity building. No communications staffing.</p>
<b>Understanding of the Ecosystem Profile</b>		
<p>Strength: Clear understanding of the profile and articulation of synergies with its work. CI participated in CEPF profiling workshops.</p> <p>Weakness: Articulation of working with indigenous and mestizo communities.</p>	<p>Strength: Satisfactory understanding of the profile. FUNDESNAP helped organize the La Paz ecosystem profile consultation.</p> <p>Weakness: None</p>	<p>Strength: Clear understanding of the profile, in particular on the development aspects.</p> <p>Weakness: Heavy focus on grant making in Peru and Bolivia, over Ecuador and Colombia.</p>

Conservation International	FUNDESNAAP Consortium	PRISMA
----------------------------	-----------------------	--------

Proposed Technical Approach		
<p>Strength: Emphasis on communications, sharing lessons and best practices, leveraging funding, and creating synergies and cooperation with other initiatives.</p> <p>Weakness: Limited detail on capacity building, particularly for indigenous and local communities; weak delineation of RIT and CEPF division of labor and collaboration.</p>	<p>Strength: Detailed, well-articulated process for grant-making. Clear systems in place for the granting mechanism and good knowledge of CEPF procedures. Strong demonstration of collaboration with CEPF Secretariat.</p> <p>Weakness: Limited discussion on communications. Scheduled only one call for small grants.</p>	<p>Strength: Emphasis on linkages between conservation, climate change and development. Good focus on grantee capacity building and linkages with private sector and local authorities. Good demonstration of collaboration.</p> <p>Weakness: Overly general work plan. Scheduling for proposal calls is too slow. Limited mention of communications.</p>

Proposed Management Approach		
<p>Strength: Existing systems and operations are fully compatible with CEPF systems.</p> <p>Weakness: High dependence on match funds to achieve core RIT functions. Weak grantee outreach and monitoring.</p>	<p>Strength: Sufficient systems, procedures and personnel to fulfill RIT role.</p> <p>Weakness: Unclear internal governance and contractual relationship between FUNDESNAAP and Consortium partners, particularly as small grants to be managed by local partners.</p>	<p>Weaknesses: Description of administrative and financial oversight is overly general. Weak grantee outreach and monitoring.</p>

Budget		
<p>Strength: Clear budget. Good funding for meetings and special events.</p> <p>Weakness: Source of match funding not identified. Travel budget mostly for international travel. High daily rates for country coordinators.</p>	<p>Strength: Fully detailed budget with sufficient level of effort for RIT core and country-based staff.</p> <p>Weakness: Poor justification for several expenses, including technical documents, camping and field clothing, translation, rent, and supplies. Meeting and communications budget is too low.</p>	<p>Weakness: Lack of detail precludes firm understanding of budget.</p>

RIT Sustainability		
<p>Strength: Long-term presence in all priority countries with plans to continue in the hotspot.</p> <p>Weakness: Vulnerable to potential closing in the future.</p>	<p>Strength: Strong prospects for long-term presence and leadership in supporting civil society over the long term.</p> <p>Weakness: none.</p>	<p>Weakness: Limited regional presence over the long term. Biodiversity conservation is not a central organizational objective.</p>

<b>Lead Long-Term Visioning</b>		
<p>Strength: Positive track record in multi-stakeholder planning efforts.</p> <p>Weakness: As an international NGO, ability to serve in a leadership role for local civil society groups is unclear.</p>	<p>Strength: Strong convening capacity. Recognized leaders in conservation funding.</p> <p>Weakness: Assistance required to carry out visioning exercise.</p>	<p>Weakness: Questionable convening capacity of high-level experts outside of Peru. PRISMA not positioned to provide leadership on biodiversity conservation within civil society sector.</p>

## **5. Evaluation Summary and Recommendation**

Based on the assessment by the CEPF Secretariat and external reviewer, followed by interviews with applicants submitting the three best proposals, CEPF ranks the FUNDESNAP Consortium as offering the best overall value and possibility for long-term success. The FUNDESNAP Consortium presents a detailed action plan to fulfill RIT responsibilities, a well-structured staffing plan, management systems that meet CEPF requirements and a focus on CEPF Secretariat collaboration – elements that contribute to effective RITs in our experience. The Secretariat is confident that selection of the FUNDESNAP Consortium could have a transformative impact in the Tropical Andes by forging the hotspot’s first regional collaboration in grant-making among its leading conservation trust funds.

Based on this evaluation, the Secretariat suggests that the Working Group recommend the FUNDESNAP Consortium to the Donor Council for selection as the RIT for the Tropical Andes Biodiversity Hotspot.

If the Working Group recommends the FUNDESNAP Consortium to the Donor Council, the Secretariat will engage in negotiations with FUNDESNAP. Specifically, the Secretariat will ask FUNDESNAP to make various revisions to its proposal prior to award, to include: consolidation of governance arrangements between Consortium partners for RIT functioning and small grant award; clarifications and modifications on the budget and staff level of effort; leadership to manage the CEPF long-term visioning exercise; and strengthening communications capacities.