

## Response to Working Group Comments on the Caribbean Islands Ecosystem Profile

Working Group meeting, 6 June 2019

Comment from Working Group	Response from CEPF Secretariat
<p>1. We are supportive of the move towards terrestrial work. Land based pollution and run-off is one of the major threats to marine biodiversity, so there will be benefits for marine conservation. / I acknowledge 100% the need to focus the investments and to prioritize areas where CEPF has strengths and clear added value. While I am in agreement that offshore systems are not in scope, I would argue that coastal and inshore systems - such as fringing reefs – are notably important for biodiversity of the hotspot and would benefit from CEPF’s approach of investing in local civil society capacity.</p>	<p>CEPF is mandated by its donors to invest in biodiversity hotspots, which are, by definition, terrestrial regions. Nevertheless, CEPF recognizes both the role that terrestrial conservation plays in marine conservation (such as in controlling land-based pollution and run off), and the need for holistic approaches when working with communities whose natural resource base may include terrestrial, coastal and marine resources. To this end, new text has been added to Section 5.2.1 (pp61-71) as follows: “The ecosystem profile defines conservation priorities within the Caribbean Islands Hotspot, which is, by definition, a terrestrial region. While no strictly marine KBAs were identified, the boundaries of terrestrial KBAs were extended, where appropriate, to include adjacent coastal and nearshore marine ecosystems, such as fringing reefs and mangroves. In this way, the importance of these ecosystems for biodiversity was recognized, and opportunities to engage civil society in their conservation, for instance through “ridge-to-reef” approaches, were created.”</p>
<p>2. On comment 19 [from the 12 July 2018 Working Group meeting; see following table] – We would like to emphasize that so often grant funding does not fund salaries and administrative costs that CSOs really need to get work done, seek out additional funding and grow in their abilities and capacity. CEPF grantmaking needs to account for long term sustainability of this support, but we agree that we should be open in what is financed. / Pay particular attention to point 19 – would like to see how this plays out in terms of size and number of grants. There is always a balance between doing low risk and the mission of CEPF to take on higher risk interventions with smaller groups.</p>	<p>The CEPF Secretariat agrees with the sentiments expressed here. Certainly, there will need to be a balance between delivering on CEPF’s mission by engaging smaller, more nascent civil society groups and managing risk by working with larger, well established groups. The breakdown of the portfolio will be determined in coordination with the RIT, once it has been selected.</p>
<p>3. Engagement with the government – We need to make sure that CSOs are able to retain their independence and ability to challenge government decisions. We should make sure that such opposition doesn’t result in hurting their ability to receive funding if government officials are on advisory boards or similar.</p>	<p>Being a “critical friend” to government is an important role that civil society organizations can play, especially where policy or planning decisions are advanced that don’t take account of all elements of sustainable development, including environmental sustainability, gender and social equity. It is anticipated that the RIT will establish regional and/or national technical advisory groups, and that these will include government officials. However, these bodies will be advisory in nature, and final decisions on grant awards will be made by the RIT (in the case of small grants) and jointly by the RIT and CEPF Secretariat (in the case of large grants).</p>

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<p>4. Sections 10.3 and 10.4 are very much welcomed; they provide a robust overview of current climate impacts on biodiversity, and of ongoing CC initiatives and policies, highlighting the extensive array of work ongoing - especially in the coastal zone. I agree that CEPF should not try to ‘compete’ in this space.</p>	<p>Agreed. No changes required.</p>
<p>5. I believe that civil society capacity building and local governance strengthening, including building nimble, adaptive management systems, should be a big priority. It is one of the actions that can have the widest benefits in this uncertain future world. Section 10.4.4 is a much-welcomed discussion of current CSO efforts on these topics, and the final bullet in section 10 “Better engagement of civil society in adaptation, conservation and resiliency measures ...” is right on point too. My question then is – to what extent is this type of work prioritized within the workplan for the hotspot? Do we have the tools &amp; resources needed to help CSOs to develop their capacity in building nimble, adaptive management systems - to get ahead of the curve and to be ready to rapidly respond to changes as they occur?</p>	<p>There is a strong emphasis on civil society capacity building in the strategy. This is the explicit focus of Strategic Direction 5 (support Caribbean civil society to conserve biodiversity by building local, national and regional institutional capacity and fostering stakeholder collaboration). Similarly, there is a strong emphasis on strengthening local governance, which is a major focus of Strategic Direction 4 (improve the enabling conditions for biodiversity conservation in countries with priority sites). Together, these two strategic directions have been allocated 20 percent of the spending authority for the investment phase. However, it is likely that there will be a significant emphasis on civil society capacity building and local governance strengthening (especially at the site level) under grants supported under other strategic directions. Moreover, climate change will be a cross-cutting theme throughout the grants portfolio, and grants will “include activities to anticipate and prepare for future climate change scenarios and likely impacts” (Section 12.4.1, p228).</p>
<p>6. Regarding Section 11.1, there are far more than 9 GEF funded projects in the Caribbean during that time. All WB projects in the technical summary and some of IDB projects have GEF support.</p>	<p>Section 11.1 (pp213-214) has been updated. Additional data on GEF-funded projects have been incorporated into Appendix 7.1 (pp459-480); there are now 35 projects listed. The following World Bank-implemented projects are mentioned in the Technical Summary (p28) and the Ecosystem Profile (pp97, 214, 215, 463): <i>Caribbean Regional Oceanscape Project</i>; <i>Sustainable Financing and Management of Eastern Caribbean Marine Ecosystem Project</i> and <i>Resilient Productive Landscapes Project</i>. At every mention, it is made clear that these projects are implemented by the World Bank with funding from the GEF.</p>

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<p>7. There is significant overlap of existing or upcoming GEF projects and the priority KBAs (such as SVG, St Lucia, Jamaica, Dominican Republic). Upcoming projects should be under implementation by the time grant making starts. Most of these projects are being implemented by UNDP and UNEP, so it would be good to make sure that they are aware and working in collaboration with the work with CEPF. In particular, in SVG the priority KBA and corridor are targeted to be gazetted into the national park system as part of their GEF-6 project. This does not mean that CEPF should not be working in those places, just that it will be important to ensure coordination.</p>	<p>As mentioned above, all of these GEF projects has been incorporated into Appendix 7.1. All proposals to CEPF are carefully screened to ensure that there is no duplication of effort with activities supported by other donors. In large part, this will be the responsibility of the RIT, with support from regional and/or national technical advisory groups and peer reviewers, although the CEPF Secretariat will also play a role in relation to large grants. CEPF has a long track record of supporting activities that complement larger investments by other donors. Indeed, rather than avoid working at the same sites, there are often good reasons to align investments, not least the opportunity of using CEPF funding to engage local civil society organizations that are able to play complementary roles to those of government conservation agencies.</p>
<p>8. CEPF needs to be planning for FUTURE scenarios and impacts, not just those experienced so far. Reacting to changes as they happen is not going to be sufficient – we need to get ahead of the curve of change. For example, coral bleaching is already a reality, and the section discusses this. But sadly this is strongly expected to become much more intense and widespread, resulting in wholesale ecosystem shifts in reef-associated systems, species extinctions, and severe impacts on local communities. I believe it is critical for CEPF to ask the question: “What should we be doing now to anticipate and prepare for a much altered, uncertain (and dismal) future world, and to push the trajectories in directions that minimize the losses and result in the least worst outcome possible?” ... and the follow-on question “what is CEPF’s niche in this space, what added value can we bring?”</p>	<p>There is a small window of opportunity to prepare for anticipated future changes. CEPF will take advantage of this by investing in improving the enabling environment for conservation, in particular the capacity of civil society organizations in the hotspot, and by more detailed planning for future climate change scenarios. The following text has been added to the CEPF Investment Niche (Chapter 12, pp225-228): “as described in Chapter 10, climate change projections suggest a much altered and uncertain future, with have profound implications for the Caribbean’s people and biodiversity. The CEPF investment phase is for a five-year window. As well as addressing immediate conservation issues, CEPF investment will improve the enabling environment for conservation, in order to permit more prompt, effective and sustained responses to future trends and emerging issues. To this end, the new phase of CEPF investment seeks to: mainstream conservation values into the policy and legal frameworks of hotspot countries; improve governance arrangements; expand financing opportunities, particularly from local sources; and build a constituency for nature, conservation and ecosystem services. CEPF will also invest in planning for future scenarios and impacts, in order to get ahead of the curve of change.” The same chapter now includes a clear commitment that, “where appropriate, CEPF investments will include activities to anticipate and prepare for future climate change scenarios and likely impacts.”</p>

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<p>9. Registered CSOs – The language says that grant making will only be to registered CSOs. We need to recognize that is still a very nascent CSO community in some of these countries. For example, the review of the previous CEPF investment in the Caribbean that pointed out that there are only 3 registered CSOs in St. Vincent and the Grenadines. Therefore, it is important to find ways to support non-registered or non-official CSOs even if this can't be a CEPF grant to the organization. This may be a question of language, but it's important to find way to really build up the CSOs in these places. One of the most helpful things to them may be the resources to get registered. We could look to creative ways to support this. For example, one of the board members of the MEPA Trust in Antigua and Barbuda (the national conservation trust fund) is a lawyer who is providing pro bono support to register organizations. / Fully agree of need to support non-registered NGOs, and with response that we need to find pathways to supporting them.</p>	<p>The current language is ambiguous, because “support” could be interpreted narrowly, to mean funding, which <i>is</i> restricted to registered CSOs, or more broadly, to mean a package of support, including capacity building and technical assistance, which is <i>not</i>. The language of Section 12.2 on Eligible Organizations (p225) has been edited to make clear that, while only legally registered organizations can receive a CEPF grant, creative ways will be explored to give non-registered organizations a pathway to become legally registered and apply for CEPF grants.</p>
<p>10. In Section 12.3.7, please include the following partners: Caribbean Biodiversity Fund, national conservation trust funds, GEF SGP, UNDP, UNEP.</p>	<p>These partners have been added to Section 12.3.7 (p227).</p>
<p>11. The CEPF approach has a lot in common with the idea of the Satoyama Initiative. I hope that you take advantage of the knowledge of the Satoyama Initiative and that you tackle dissemination of this idea.</p>	<p>The Satoyama concept is one of harmonious development of human societies and nature in socio-ecological production landscapes and seascapes, informed by locally accumulated knowledge and practices. There are significant opportunities to deploy the principles of Satoyama under the CEPF investment strategy for the Caribbean Islands, particularly Strategic Direction 2 (increase landscape-level connectivity and ecosystem resilience in seven priority corridors), which includes Investment Priority 2.2: “support sustainable livelihoods in agriculture, fisheries, forestry, and nature tourism that enhance ecosystem resilience and landscape-level connectivity and deliver gender-equitable benefits, in order to maintain the functionality of priority sites”. With the exception of Cuba, the website of the International Partnership for the Satoyama Initiative contains few examples from the Caribbean Islands. New text has been added to the narrative description of Investment Priority 2.2 (p243) as follows: “projects that take advantage of knowledge generated through the Satoyama Initiative and that produce case studies suitable for sharing through the International Partnership for the Satoyama Initiative will be particularly encouraged.”</p>

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<p>12. Biodiversity friendly enterprise – It’s unclear whether the list provided is a limit (particularly in the Technical Summary) or just examples. We would recommend that the possibilities remain open to innovative ideas. For instance, the GEF SGP supported an initiative to develop a fertilizer from the overgrowth of sargassum seaweed which wouldn’t fit in the categories listed but certainly is creating sustainable livelihoods.</p>	<p>The examples of conservation-based enterprises provided are intended as an indicative list not an exclusive one. The relevant text in the logframe (pp250-254) in both the ecosystem profile and the technical summary has been edited to make clear that these are examples: “At least three conservation-based enterprises (e.g. nature-based tourism, conservation coffee and cacao, sustainable fisheries, etc.) developed in communities within the priority conservation corridors”. Similarly, changes have been made to the narrative description of Investment Priority 2.2 (p243).</p>
<p>13. It is important to give power and responsibility to the RIT. This should help mitigate risk of dispersion of impact.</p>	<p>To the extent possible, the CEPF Secretariat will empower the RIT to take responsibility for development and management of the grant portfolio. This will be an important element of the sustainability strategy, as set out in Section 15.5 (pp259-260). The timeframe over which responsibilities are transferred to the RIT will be determined, to a significant degree, by the choice of organization to serve as the RIT. Under any scenario, this transition is likely to be gradual, with continued close supervision and support from the CEPF Secretariat.</p>
<p>14. We are also glad to see Cuba included given its importance for the conservation biodiversity in the region (50% of terrestrial area). We hope funding can be found to include work there, particularly given the good work that is already being done there which can provide knowledge to others in the region. We would like to see the KBAs done. / Cannot think that we will have an impact if we don’t integrate Cuba. If the World Bank cannot take it on, we should find another funding source. / Understand the Cuba issue; need to find solutions to it. Our contribution is quite flexible in this regard.</p>	<p>The World Bank has made clear that it will not be able to support any activities in Cuba as part of the project currently being developed to facilitate deployment of the Government of Japan funding. The 35<sup>th</sup> CEPF Donor Council Meeting will take place in Brussels, Belgium, on 23 October 2019. One of the items that will be on the agenda for this meeting will be selection of regions for future CEPF investment. As part of this agenda item, the possibility of an investment in Cuba will be presented, alongside other options for reinvestment in biodiversity hotspots where CEPF investment has ended or is coming to a close. Any investment in Cuba would be entirely separate to the World Bank project in the Caribbean Islands Hotspot, and no World Bank-managed funds would be used. Investment in Cuba would likely require some preparatory activities, including stakeholder consultations. Identification of Key Biodiversity Areas in Cuba (for taxa other than birds) could take place as part of these preparatory activities or as an activity during the implementation phase.</p>
<p>15. Spirit of partnership – As we’ve discussed, CEPF is a partnership of the donors. We’ve agreed on changing the approach for funding for this Hotspot given administrative necessities and limitations, but to also move forward in the spirit of partnership. Therefore, we hope that this strategy will be implemented as agreed and in collaboration with many ongoing initiatives. Obviously if parallel or additional funding is identified that comes with more limitations (say a donor only interested in Hispaniola), we hope that there will be flexibility to see the full strategy implemented.</p>	<p>The CEPF Secretariat fully agrees with these sentiments and is committed to securing the necessary funding to see the full strategy implemented. As discussed in the response to the previous comment, there are immediate opportunities to explore investment in Cuba, which would be parallel to the World Bank project in other parts of the hotspot. Should other gaps in geographic or thematic coverage emerge, the Secretariat will seek additional funding to ensure that the full strategy set out in the ecosystem profile is implemented.</p>

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<p>16. Given the comments about data already being out of date, we hope this can move forward as quickly as possible. / Hope that the Government of Japan contribution is deployed soon.</p>	<p>The revised draft of the ecosystem profile was reviewed by the Working Group at its 59<sup>th</sup> meeting, on 6 June 2019. Allowing time for written comments to be received and incorporated, the final profile was submitted to the Donor Council for its approval on 28 June. The CEPF Secretariat and the World Bank are working actively to prepare the project that will guide the use of the Government of Japan funding in the Caribbean Islands. The intention is for this project to become effective at some point during FY20. Also, as mentioned above, the possibility of parallel funding being allocated to support complementary but separate activities in Cuba will be discussed at the Donor Council.</p>

### Working Group meeting, 12 July 2018

Comment from Working Group	Response from CEPF Secretariat
<p>1. Executive Summary: Although it must be extremely challenging to summarize 276 pages of text and 173 pages of Annex in 7.5 pages, the Executive Summary could benefit from both a reduction (at least in half) and a revision of the current structure. The Executive Summary is usually the sole section read by policy-maker (or even higher-level technical people). It is therefore very important to use a structured approach to the lay person (or the non-technical reader) that could very quickly explain: (i) what the main objective for investing the Caribbean biodiversity hotspot; (ii) what is the proposed investment strategy and why it is viable; (iii) what are the expected results and (ii) what are the main risks and the mitigation measures. In this section, it is recommended to use bolded opening sentences that summarize key aspects/takeaway messages. It is also suggested to make use of tables, charts or graphs. It would be encouraging to have the profile team revisit this section along the suggested lines.</p>	<p>The Executive Summary (pp ix-xii) has been edited along the lines suggested and reduced to about half of its previous length.</p>

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<p>2. The document quite understandably provides an update of the current state of biodiversity management and initiatives in the Caribbean. However, it may be strengthened further by providing more information to assess the effectiveness of the activities conducted during Phase 1 with a presentation of results from Phase 1 on the status of ecosystems and biodiversity. These results should form the baseline for the new investments. In other words, while there are clear milestones and indicators for processes and outputs in the document, there is little information on actual on-the-ground ecological, biodiversity or species gains/losses since Phase 1.</p>	<p>Table 3.4 (pp9-10) has been added, summarizing the results from Phase 1, in terms of progress towards the objective-level targets in the portfolio logframe. This table summarizes the final report on the logframe for the Caribbean Islands Biodiversity Hotspot (2010-2016) which is available for download from: <a href="https://www.cepf.net/sites/default/files/caribbean-islands-final-logframe-report-2016-english.pdf">https://www.cepf.net/sites/default/files/caribbean-islands-final-logframe-report-2016-english.pdf</a></p>
<p>3. It would be useful to define the term endemism, because it is a nested concept, with regional, national and island endemics. For the Lesser Antilles, for example, sub-regional endemics can get lost if we focus on national boundaries.</p>	<p>The following footnote has been added to p52: “Endemism is a nested concept. Species can be endemic to the hotspot as a whole, individual islands (or island groups) within the hotspot or individual sites on islands; the ecosystem profile specifies the scale at which endemism applies in each case.”</p>
<p>4. The new KBA methodology was put to the test in the region. We would be interested in this experience, because we will be using the KBAs or “sites that could qualify as a KBA” as a criterion. What are the lessons learned?</p>	<p>The experience with applying the new KBA methodology is summarized in section 5.2 on Site Outcomes (pp57-77). In addition, the CEPF Secretariat organized a meeting to capture lessons learned from the first three ecosystem profiles to apply the new KBA methodology (Caribbean Islands, Mediterranean Basin, and Mountains of Central Asia). This meeting was held in Cambridge, UK, in November 2018. Various methodological challenges were identified, including with regard to boundary delineation (e.g., incorporating data on multiple taxa sometimes led to KBAs much larger than a single management unit), data quality and availability (e.g., none of the teams were able to apply the A2, C and E criteria), and KBA thresholds and criteria. Recommendations were made to overcome these challenges in future profiling processes. The minutes are available on request.</p>

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<p>5. The profile (rightly so) places importance on collaborating with civil society and NGOs, but government support and partnership is critical for actual conservation success. Maybe an innovative way of using this process to have the CSO's/NGO's partner with governments can be further developed/consolidated - this would also help to avoid some instances where civil society has appeared to be antagonistic to government economic development goals or may intend to advocate against the government.</p>	<p>The CEPF Secretariat and the ecosystem profiling team are in agreement with this comment. CEPF investment is intended to align with and support national development goals. The approach to doing so is set out in Section 7.5 on Strengthening the Policy Context for Conservation (p138).</p>
<p>6. In Section 9.1.3, there is no mention of Lionfish (<i>Pterois volitans</i>) in the invasive species section of the report. There is also no mention of the emerging and rapidly spreading seagrass invasive <i>Halophila stipulacea</i>, already taking over sections of Dominica and eastern Caribbean countries, now found as far north as US Virgin Islands and Puerto Rico, implications on marine conservation appear grave and are currently under study. Lastly, the specific impact of <i>Saragassum</i> should be considered for inclusion in the narrative especially the major, negative impact that it is having on various species of nesting ecology and turtle hatchling emergence.</p>	<p>New text on the impacts of these species has been added to Section 9.1.3 (pp178-181).</p>
<p>7. Another climate change impact is what happens when species ranges shift. I did not see a lot of discussion of this in the document. It would be interested to see more explicit discussion of that in the text.</p>	<p>The effect of climate change on species ranges is discussed in Section 10.3 on the Impacts of Climate Change and Climate Variability on Biodiversity (pp196-200).</p>
<p>8. The issue of coordination: the national conservation trust funds are coming on line. How to coordinate with these institutions that are already there, given that they don't have a lot of money either?</p>	<p>As set out in Table 11.2 (p223), the majority of national conservation trust funds are in the process of being established and are not yet fully operational. Consequently, a detailed strategy for aligning CEPF investment with these institutions cannot be set out in the ecosystem profile. Rather, this is something that will need to be worked on during the selection and training of the Regional Implementation Team (RIT), and during the initial period of implementation. Drawing on experience from other hotspots, the RIT may convene a donor round table or similar body, to facilitate coordination with the national conservation trust funds and other donors, either at the regional or national level. Regular meetings, mutual review of applications and joint calls for proposals are all mechanisms that could be used to leverage resources, encourage synergy and avoid duplication.</p>

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<p>9. The peer reviewers found that a few sections are a bit too outdated for a May 2018 draft. One of these notable examples that would benefit from providing the latest possible updates would be that of Table 11.2 (Caribbean Biodiversity/Environmental Trust Funds). This table, by country, appears to be very relevant and an update as of October 2017 does not seem to be justified, in particular when so many countries were about to sign pre-financing agreements or moving forward with the operationalization of these funds. In addition, it should not be complicated to update this table. Please provide update the table, including the overall management of approx. USD 70 million and a permanent funding source to the NCTFs of approx. USD 43 million. There may be other relevant tables that would merit an update before the final publication.</p>	<p>Table 11.2 (p223) has been updated as of July 2018 (i.e. the time of the Working Group meeting when the comments were received and addressed).</p>
<p>10. Regarding the terrestrial focus, there is a lot of support for marine conservation in the Caribbean but terrestrial conservation does not get a lot of support. So, there could be a case to say that terrestrial is a niche for CEPF. / The Profile has a heavy emphasis on terrestrial biodiversity. This is understandable given limited capacity on offshore marine ecosystem assessments and monitoring. However, this also highlights a potential gap that could be addressed - including transboundary issues that affect marine biodiversity conservation.</p>	<p>This is indeed the case. The Caribbean Islands, like all biodiversity hotspots, is a terrestrial conservation priority. CEPF's means of delivery (support to civil society) means that there is less of a role for the fund in deep-water marine ecosystems. New text has been added to Section 13.1 on Site Prioritization (p229) to clarify that "All priority sites contain terrestrial ecosystems. CEPF will only support activities in nearshore marine ecosystems where they relate to terrestrial ecosystems, such as through ridge-to-reef approaches; activities in offshore marine ecosystems will not be eligible for support."</p>
<p>11. Focusing on 33 sites is a good strategy but would be helpful to think about how some benefits could spin off to other sites, such as by inviting managers of other sites.</p>	<p>Strategic Direction 2 provides for investments within the seven priority corridors, including adoption and scaling up of conservation best practices (Investment Priority 2.3). New text has been added to Section 13.1.2 on Corridor Prioritization (pp237-238) to clarify that the "corridor approach allows for CEPF investment to benefit 21 KBAs in addition to those identified as priority sites (33)".</p>

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<p>12. There is some language that suggests that the focus will be on endemic species. It would be useful to know how many CR and EN but non-endemic species are in the hotspot.</p>	<p>Section 13.1.3 on Species Prioritization (p238) explains CEPF investment will target the conservation of globally threatened single-island endemic species occurring in at least one priority site. New text has been added to this section to clarify that there are “11 Critically Endangered and 22 Endangered species in the CEPF-eligible countries that are not endemic to a single island and, therefore, not prioritized for support under Strategic Direction 3”. Most of these species are marine fishes, corals and marine mammals, such as sei whale, whale shark and Atlantic bluefin tuna.</p>
<p>13. On invasive species, we can spend a lot of money on control. We would like to know what money is being spent on, to understand what will happen after the project period.</p>	<p>The CEPF investment strategy includes a single investment priority related to invasive alien species (IAS): eradicate, control or prevent further spread of invasive plants and animals that are affecting globally threatened species populations at priority sites. New text has been added to the description of this investment priority (p242), to clarify that “CEPF will support civil society efforts to undertake coordinated planning and action to confront threats from IAS at the most affected sites, particularly through partnerships that build local civil society IAS capacity and/or leverage resources for ongoing IAS management. Initiatives that promote formal and informal networking, information sharing, and capacity building among CSOs, scientists and government institutions will also be eligible for support. Preference will be given to initiatives that eradicate (and prevent reintroduction) of IAS, because these have more limited requirements for additional funding beyond the project period. Control efforts will only be supported where there is a clear plan for financial sustainability after the end of CEPF support.”</p>
<p>14. Assessing the result of Strategic Direction 2 (increase landscape-level connectivity and ecosystem resilience in seven7 priority corridors) could be rather difficult. I was wondering what the exact result of Strategic Direction 2 would be.</p>	<p>The logical framework for CEPF investment in the Caribbean Islands Hotspot (pp250-254) sets out four indicators that will be used to monitor results under Strategic Direction 2:</p> <ul style="list-style-type: none"> <li>• At least five participatory local land-use or catchment management plans developed or strengthened to improve ecosystem services and connectivity within conservation corridors.</li> <li>• Climate change resilience integrated into 100 percent of landscape-level plans developed.</li> <li>• At least three conservation-based enterprises developed in communities within the priority conservation corridors focusing on nature-based tourism, conservation coffee and cacao, and sustainable fisheries.</li> <li>• Three businesses and/or their associations influenced to better incorporate biodiversity conservation into business and production practices, strategies and policies.</li> </ul>

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<p>15. The rather complex portfolio logframe contains a mix of process and impact indicators, and some repetition of indicators at different levels. Would recommend that the indicators focus on impact, because this is the objective of CEPF. What might really help is a project-related results framework, which defines each indicator in more detail and specifies the sources of information.</p>	<p>The logical framework (pp250-254) has been edited to remove repetition of indicators at different levels. Specifically nine indicators at the portfolio objective level that duplicated indicators at the outcome level have been deleted. To address the comment on impact, the portfolio objective has been framed within the global objective of CEPF, and the 16 indicators from CEPF's global monitoring framework (developed with the Working Group and approved by the Donor Council) have been added to the logframe. CEPF will monitor and report on these indicators annually, as part of its global impact report.</p>
<p>16. The livelihood angle is crucial for the region. We really need to intrinsically link the CEPF investments to the broader development agenda in the region. This could be emphasized more strongly in the document. We will link the activities that we fund through the project with the wider World Bank development agenda in the region, so that we can say in the end that our investment made a difference. / The continued collaboration with key regional partners such as the IADB OAS, CARICOM and affiliated sub entities (for example CDB) is important and should be mentioned. / There is need for closer coordination with regional scientific efforts including:</p> <ul style="list-style-type: none"> <li>• GCRMN Caribbean Monitoring</li> <li>• TNC Mentored online communications course, enhancing communications capabilities for CSO's, item in toolbox</li> <li>• Participation in (NOAA/TNC Supported) Coral Reef Consortium (including Reef Restoration/coral propagation work through Belize NGO "Fragments of Hope" with WBG ENV LAC).</li> </ul>	<p>Linkages between CEPF investment and the broader development agenda in the Caribbean have been made in the profile. For instance, a new section has been added (Section 12.3.7, p227), which explains that the "new phase of CEPF investment will seek to collaborate and partner with other regional organizations, initiatives and scientific programs with a biodiversity conservation focus, including but not limited to: CARICOM and its organs; the CDB; CI Ventures; the Coral Reef Consortium; the IDB; the GCRMN; the EU BEST Initiative; the Oceans Partnership Project; the Sustainable Ocean Fund; the Latin American and Caribbean Network of Environmental Funds (RedLAC); the UN Environment Caribbean Environment Program; the Regional Activity Centre for the SPAW Protocol; and TNC".</p>
<p>17. In respect of gender equity, under strategic direction 2, investment priority 2.1, gender equity is mentioned in the context of sustainable livelihoods and it is not clear whether this equity will be sought under all strategic directions.</p>	<p>It will be sought under all strategic directions. The following sentence has been added to Section 12.4.2 on Gender (p228): "Gender equity will be sought under all strategic directors, and all applications will be reviewed through a gender lens".</p>

Comment from Working Group	Response from CEPF Secretariat
<p>18. The investment strategy is concise and well written and lays out those activities that are to be implemented to achieve the strategic directions. However, while the executive summary mentions the region’s biodiversity is threatened by population growth, none of the strategic directions or activities described in the Profile address the issue. This gap can be addressed in a brief discussion or inclusion of population growth, conservation and threat reduction gains which will be outstripped by the demands of worldwide/Caribbean population growth. While the CEPF cannot address the issue, it provides opportunity to collaborate with other ongoing initiatives, addressing the land use conflicts.</p>	<p>The ecosystem profile recognizes the potential for population growth to cause land-use conflicts. The investment strategy (pp239-240) responds to this issue in a number of ways, most directly through Investment Priority 2.1: “prepare and support implementation of participatory local and corridor-scale land-use and watershed management plans to guide future development and conservation efforts”.</p>
<p>19. Similar issues arise with a tendency for development support/projects that typically don’t include funding support for equipment maintenance, utilities and other expenses. Quite often project funding is restricted to on-the-ground project or research activities, while prohibiting expenditures to other core expenses. Government agencies are also often unable to support sustainable financing of core needs. The definition of “capacity building” may need to be reframed to include competitive remuneration packages for skilled, local professionals. A proposed solution to this problem could be the consideration of reducing the proposed number of grants/sites across the region, while instead being more focused and increasing the individual grant amounts.</p>	<p>The following sentence has been added to the description of Strategic Direction 5 (p247): “Several CSOs are challenged by inadequate funding to support core needs, such as salaries, and administrative and operational expenses”. The number of grants in the portfolio, the division between small and large grants, and the threshold amount for small grants will all be agreed with the RIT after it has been selected and recruited.</p>

Comment from Working Group	Response from CEPF Secretariat
<p>20. The absorptive capacity of NGOs and CBO's etc. is addressed in the document however there is some nuance that is not fully represented. For example, in Chapter 14, Strategic Direction 5 - (Support Caribbean civil society to achieve biodiversity conservation ...) there is a statement that reads, "In smaller islands, organizations are unable to support staff and memberships large enough to maintain expertise in needed disciplines". What this statement doesn't fully articulate is that in these countries, quite often the technical capacity actually exists. The problem is that there is often not enough funding to support core needs such as salaries, admin and operational expenses. This issue of staff retention was mentioned in section 9.2.2 and confirms that fact that these organizations (which also includes government agencies) suffer from attrition and loss in capacity primarily because the salaries and benefits are too low to support individuals' long-term employment.</p>	<p>This part of the description of Strategic Direction 5 (p247) has been edited to read "In the smaller islands, CSOs are unable to maintain staff and memberships large enough to retain expertise in needed disciplines."</p>
<p>21. Regarding civil society capacity, para 3 (page xvii), the profile states that the "CEPF will commission a CSO training needs assessment and a capacity building strategy to establish a capacity base-line..." Although this hotspot profile provides some information on the capacity of the CSOs from the first phase, this is nearly not enough to understand in-depth the task at hand for capacity building for the next phase of investment. As pointed out earlier, this kind of needs assessment or analysis would need to be coupled with a post review of the phase 1 capacity building efforts to further the decision-making process for CSO capacity building components of the project.</p>	<p>This section of text (p248) has been edited to read: "At the start of the investment, CEPF will commission a CSO training needs assessment and capacity building strategy to establish a capacity baseline, guide CEPF-funded training and ensure that training activities that are supported meet strategic needs that contribute to sustainability. This needs assessment will include a review of the impacts of capacity building activities during the initial CEPF investment phase."</p>

Comment from Working Group	Response from CEPF Secretariat
<p>22. Chapter 15 on sustainability needs to be better articulated. What is being said here is that sustainability is desirable and must be somehow achieved how this is to be undertaken is not clear. The Profile should discuss how the investments will tangibly contribute to all dimensions of sustainability, a clear risk assessment and risk mitigation measures that will be put in place.</p>	<p>Chapter 15 on Sustainability (pp258-260) has been edited, and a table has been added, which maps each of the sustainability elements against the strategic directions from the investment strategy.</p>
<p>23. The section that describes the ongoing and recent past WBG IPFs around biodiversity conservation captures the key projects that were recently closed or approved. We strongly recommend to also add the new Development Policy Financing (DPF) series of operations for Grenada, the first one of which – First Fiscal Resilience and Blue Growth Development Policy Credit – is expected to be approved by the Bank’s Board on June 21. This project is the first in a series of two DPFs for Grenada which focus, among other things, to support Grenada’s transition to a Blue Economy by strengthening marine and coastal management, marine ecosystem health, and climate resilience. As with the case of all budget support operations (DPFs), the policy actions contained in this series (both the prior actions for this first operation and the triggers for the upcoming operation) are important reforms that support a stronger governance framework for the management of natural resources in Grenada. Hopefully, examples like Grenada could be followed up by other countries interested in supporting a sustainable use of their natural resources and reducing the reliance on the “infrastructure-driven development model that comes at the expense of biodiversity”.</p>	<p>The First Fiscal Resilience and Blue Growth Development Policy Credit is included in Appendix 7 (pp459-486) and referenced in Section 6.2.2 on Economic Trends (pp95-97).</p>
<p>24. The challenges for biodiversity conservation are clearly identified. This is an island-based hotspot, so has certain costs, in terms of transportation and so forth. Have you done an analysis of what it will cost to implement the strategy.</p>	<p>The estimated budget for the reinvestment phase is based upon an analysis of actual costs of implementation during the first phase, which took account of costs of transportation, etc. The total CEPF investment during the first phase (which began in 2010) was \$6.9 million; the anticipated investment during the second phase (which will begin in 2020) is \$10 million. Adjusting for inflation, the level of investment is the same, in real terms.</p>

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<p>25. Highlighted in the profile was the issue surrounding the effectiveness of the to-be selected RIT given the challenges explained during Phase 1 which had an investment volume of \$6.9million. The ability to oversee an investment twice the size of Phase 1, managing the Phase 2 portfolio for the hotspot will require a different approach. The profile may benefit from an organizational map, if only to give a clearer picture of the complexity within the region and to illustrate the tasks the future RIT will need to conduct.</p>	<p>As explained above, the level of investment in real terms for the second phase will be the same as that for the first phase. Given this fact, and taking on board lessons from the first phase, the CEPF Secretariat does not see a strong argument for a markedly different approach. Rather, incremental improvements ought to be sufficient to ensure effective implementation of the investment strategy set out in the ecosystem profile.</p>
<p>26. The profile makes a very important observation (page 19, para 4) that one of the biggest challenges encountered by all parties during Phase 1 (grantee, RIT and the CEPF Secretariat) was the confusion by the grantees on the reporting process. Roles and responsibilities of all involved stakeholder groups and entities must be clearly defined in Phase 2.</p>	<p>The Terms of Reference of the RIT have been revised since the start of the first phase. Moreover, the roles and responsibilities of all parties involved in the solicitation, award, implementation and monitoring of CEPF grants (both large and small) have been clarified, through discussions between the CEPF Secretariat and the RITs. Appropriate training will be provided to the RIT and grantees to ensure that there is no confusion regarding the reporting process, or any other issue related to roles and responsibilities.</p>
<p>27. The Profile presents a logical framework which is different from a results framework. Outcomes, indicators and targets are co-mingled and should be separated. As pointed out under “General Comments”, the results framework for the Bank project will need to follow the Bank’s standards, hence the project results framework will probably differ from the logical framework of the profile. [Additional, more detailed comments on the same topic are not repeated here in full.]</p>	<p>This matter has been discussed bilaterally between the CEPF Secretariat and the World Bank. It has been agreed in principle that the World Bank project covering the investment of Government of Japan funding in the Caribbean Islands Hotspot will need to have its own results framework, separate from (but aligned with) the logical framework in the ecosystem profile. Not least, the World Bank project may only support a subset of the taxonomic, geographic and thematic priorities identified in the investment strategy. The ecosystem profile could be used to guide investment by other donors that is broader in scope than the World Bank project.</p>
<p>28. Kindly note that the CEPF Secretariat has been previously informed that Cuba cannot be a recipient of World Bank administered funds. Therefore, any reference to Cuba should be deleted as it will not be part of this hotspot profile (page 63, para 1).</p>	<p>This matter has been discussed bilaterally between the CEPF Secretariat and the World Bank. It has been agreed that, because the ecosystem profile presents an investment strategy that is broader in scope than the World Bank project, references to Cuba can be retained in the hope that a donor that is able to support work there will use the profile to guide its investment. No World Bank-administered funds will be used in Cuba.</p>
<p>29. Adding a map of complementary projects in the region would be good visual aid (page 18, para 9). This map should go beyond the approved CEPF grants during Phase 1 and include relevant projects supported by other donors/partners/investors in the region.</p>	<p>It was not possible to prepare a map of this kind, within the time and resource constraints at the end of the profiling team’s contract. The CEPF Secretariat accepts this recommendation as a useful addition to future ecosystem profiles, for which it would need to be planned and budgeted from the outset.</p>