

Response to Working Group Comments on the Tropical Andes Ecosystem Profile

Working Group meeting, 15 April 2021

Working Group Comment	CEPF Secretariat Response
1. Clarify the definition of when a KBA is considered fully and partially protected in the profile.	The definition of fully/partially protected KBAs appears in Section 5.4 (p91) of the ecosystem profile. Specifically, a KBA is considered fully protected when 80 percent of its area overlaps with a legally established protected area, or as partially protected when 10 to 80 percent of its area overlaps with a legally established protected area.
2. From a presentational perspective, showing 22 investment priorities may not be a good idea, as it could give the impression that the investment strategy is too diffuse, although from a content perspective the 22 investment priorities do make sense. Rather than use the word “priority” CEPF may wish to consider using the word “area”.	We appreciate the perspective that may be conveyed by presenting 22 investment priorities. Nevertheless, we would prefer to continue using the term “investment priority”, because this terminology has been used in all ecosystem profiles, is familiar to our grantees, and is used in our grants management system. We understand that, from a messaging perspective, presenting the full list of investment priorities may give the misleading impression that the strategy is too diffuse, and we will be more attentive to this possible perception in how we present the investment strategy in our communications. In particular, we will emphasize the five Strategic Directions.
3. Given the breadth of what is proposed and the urgent in the hotspot, is the \$14 million budget sufficient to achieve the targets?	We recognize that the scale of the conservation challenges in the hotspot go beyond CEPF’s funding capacity. In response, the investment strategy is highly targeted, focusing on 10 percent of the KBAs and corridors in the hotspot, focusing on those where CEPF funding has the greatest added value. The overall impact in the previous investment phase was significant, and meaningfully advanced the conservation agenda in the hotspot. For the new phase, we propose the same level of funding for Bolivia, Colombia and Peru, and a significantly increased level of funding for Ecuador (where additional funding has been secured from KfW). We will continue to explore opportunities to leverage additional funding for the other three countries.
4. What are the implications of having the funding allocation so heavily weighted in favor of Ecuador in terms of benefits to the other three countries.	Funding allocations currently favor investment in Ecuador because of the pledged funding from KfW, which is allocated solely for that country. We are actively fund raising to increase the budgets for Bolivia, Colombia and Peru, which would allow for a better balance of funding across the hotspot. We believe the current budget is sufficient to initiate grant making for Phase III, to allow us to maintain our momentum with partners, the RIT and possible donors. We are very hopeful our fund raising efforts will be successful, to allow us to bring investment in the other three countries up to levels comparable with that in Ecuador.

<p>5. The impacts of COVID-19 in the hotspot are profound and will continue to be so for the foreseeable future. Public funding for conservation has already decreased significantly. People are migrating back to rural areas because of high unemployment in the cities and to escape exposure to the virus, and this is putting great stress on the environment. The investment strategy is good with respect to addressing key challenges in the coming years related to COVID. Of particular emphasis should be facilitating land titling to avoid land invasions and short-term environmental damage. This is particularly important because it remains unclear when the situation in the Andes will improve, and, as time passes, the risk of environmental degradation will increase. Strong emphasis should be put on those investment priorities related to tenure security and illegal wildlife trade and hunting, and to supporting sustainable livelihoods to communities through NGOs.</p>	<p>The investment strategy places a strong emphasis on support to local communities to deal with the impacts of the pandemic. Promoting a green recovery from COVID-19 is a cross cutting theme across the entire strategy. In addition, Investment Priority 1.3 supports strengthening campesino and indigenous peoples to secure land tenure, Investment Priorities 1.4 and 1.5 support sustainable livelihoods and economic incentives for conservation, while Investment Priority 3.2 aims to reduce wildlife trafficking and hunting.</p> <p>Based on the Working Groups recommendations, we have edited Chapter 12 on the investment niche and Chapter 13 on the investment strategy to strengthen the emphasis on the key elements recommended. For example, the following sentences have been added to the description of the CEPF investment niche (p320): “In the short term, the niche seeks to support local communities to cope with impacts of the pandemic and to stem environmental degradation by supporting secure land tenure for local communities, fostering sustainable livelihoods, and combating wildlife trafficking and hunting.” Similar statements have been added to the investment strategy (p321 onwards).</p>
<p>6. It remains important to ensure flexibility in protected area designation to ensure the long-term needs of local people. In addition, it should be noted that the GEF is evaluating the appropriateness of the METT to measure management effectiveness of small, community protected areas.</p>	<p>We concur that CEPF must maintain flexibility with respect to the kinds of protected area designations that it supports. Experience from the previous phase has shown the utility of working with local governments to protect their watersheds, which fall with KBAs. We look forward to receiving more information on the GEF’s efforts to adapt the METT for smaller protected areas, as the updated METT would be a useful tool for CEPF as well.</p>
<p>7. It will be important to look at what CEPF and other donors are supporting in Ecuador and the other countries, to ensure strong coordination and to fund raise to meet the budgetary needs for the investment strategy.</p>	<p>We agree that seeking new collaboration with CEPF’s existing global donors and other donors with programs in the Andes will be critically important as the strategy progresses to implementation. The Secretariat welcomes the support from the Donor Council and Working Group in making connections to regional staff in the Andean countries.</p>

<p>8. The level of Chinese investment in infrastructure in the Andes is striking, although not surprising given the level of Chinese investment globally. What are some examples of where CEPF-funded grants can make a difference in ensuring the sustainability of these investments, particularly for infrastructure?</p>	<p>CEPF has experience working with local civil society groups to improve the design and execution of Chinese-financed infrastructure in several countries, including in Bolivia, Peru, and Jamaica (in the Caribbean Islands Hotspot). At the local level, CEPF has helped to empower local communities to engage in the planning and monitoring of large infrastructure projects by providing information and analysis to local people on the project and its possible economic, social, and environmental impacts. CEPF has funded consultations and information exchanges and dissemination, so that local communities are better informed about possible options they may wish to pursue with respect to their engagement in the planning and monitoring of infrastructure projects. In addition, CEPF has funded technical assistance and studies on specific projects, so that government officials are better informed about options on how best to mitigate social and environmental impacts. This multi-pronged approach has led to several important conservation victories with respect to infrastructure projects.</p>
<p>9. What is CEPF's strategy to engage with the private sector?</p>	<p>CEPF grantees supported under the previous phase made important strides, particularly with respect to small and medium enterprises focusing on ecotourism, coffee, and cacao. In addition, CEPF grantees achieved important advances in promoting the adoption of better environmental practices by three mining associations in Bolivia and in establishing an alliance of environmental NGOs and mining companies interested in sustainability. In the new phase, we hope to forge stronger linkages with larger private sector firms to promote sustainable practice, which is reflected in the investment strategy. For example, the investment strategy specifically prioritizes Parque Nacional Natural Farallones de Cali because it presents an important opportunity to create partnerships with the private sector of Cali city. In addition, CEPF will reach out to several more established national NGOs that have experience in working with larger companies.</p>

<p>10. In the next few years, Andean countries will seek to revive their economies by emphasizing mining exports. CEPF has an important role to play to help Andean NGOs engage in the development of mining policies and projects in the next few years.</p>	<p>We agree that that helping local, national and international CSOs to engage in mitigating the environmental and social impacts of mining will be an important aspect of the CEPF portfolio in the new phase. In the previous phase, CEPF funded several grants that aimed to increase the sustainability of mining in the hotspot. For example, CEPF funded a regional project that compiled baseline data on the extent of mining in the priority corridors and KBAs, and developed national-level strategies and a regional strategy for increasing the sustainability of mining in the hotspot. Other projects worked with mining associations to help them adopt improved environmental practices in mining. We look forward to building on this experience to help civil society to promote social and environmental responsibility in the mining sector.</p>
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