

**Critical Ecosystem Partnership Fund
32nd Meeting of the CEPF Donor Council
2011 Crystal Drive, Suite 500
Arlington, USA
6 February 2018
8:00 a.m. – 11:00 a.m.**

Partnership Highlights

The World Bank

➤ **Status of items under discussion**

- **Agreement extensions:**
 - Completed: EU, through 31 December 2018.
 - Pending: Retroactive extensions for Government of Japan and Global Environment Facility contributions to Phase 2.
- **Ineligible costs declared by the World Bank (indirect costs; Green Card fees; fundraising and special projects; sub-grantee ineligible costs):**
 - Re-allocation of these costs in accordance with World Bank instruction has been documented by CEPF in a financial report submitted and pending clearance by World Bank.
 - Government of Japan waiver: Decision pending and under discussion between World Bank and Government of Japan.
- **DGF Evaluation:** Terms of reference approved by World Bank, pending clearance of procurement plan by bank staff.
- **Fiduciary monitoring agent for EU award expenditures:** Terms of reference and scope of the engagement are under discussion between the World Bank and CEPF.

➤ **Negotiation of Government of Japan \$15 million additional finance**

- **Project Operations Manual:** Draft submitted to World Bank by CEPF on 8 January 2018.
- **Project Appraisal Document:** To be completed by World Bank staff. Discussions regarding activities to be funded have been held between CEPF and World Bank to align on expectations.
- **Timeline:** Must be completed within the period of performance for the award from the European Union, deadline of 31 December 2018. Important to receive funding quickly in order to fully invest in new hotspots profiled, including Mediterranean, Caribbean, and Mountains of Central Asia. Delays will impact investment commencement in these new hotspots.

The European Union

- In November, a second phase of investment by the European Union was discussed with DEVCO and DEVENV at the European Commission. Discussions will continue in 2018 regarding how the funding will reach CEPF. The most promising option is to use AFD as a fiduciary agent. The European Commission indicated that an amount of \$15 million could be made available for this next contribution of the European Union to CEPF and that the funding could be contracted in 2019.

L'Agence Française de Développement

- €5 million pledged by AFD for Madagascar and Indian Ocean Islands Hotspot and Guinean Forests of West Africa Hotspot.
 - The proposal went through the first step successfully.
 - The second step will happen on April 3.
 - The third step will happen on May 16, followed by the signature of the funding convention.

The Government of Japan

A visit was paid in September to:

- The Ministry of Finance (Director Development Issues International Bureau and his team) to discuss the current funding from the Government of Japan transiting through the Japan trust fund at the World Bank.
- The Ministry of the Environment (Director General Nature Conservation Bureau and his team) to discuss technical elements of the current CEPF portfolio and the possible replenishment of CEPF by the Government of Japan once the additional financing administered by the World Bank is expended.

Conservation International

- \$25 million for Phase 3 will be called upon as CEPF is now investing in the Mediterranean Biodiversity Hotspot.

Regional Donors

- **Margaret A. Cargill Foundation:** Support ongoing in two hotspots and work is proceeding as expected.
 - Wallacea: Community-Based Marine Conservation in Indonesia and Timor Leste
 - Grant Amount: \$1,000,000
 - End Date: 31 December 2019

- Indo-Burma: Sustaining healthy ecosystems through local action in the Mekong Basin and transferring experience to the Ayeyarwady Basin.
 - Grant Amount: \$2,800,000
 - End Date: 28 February 2019
- **The Leona M. and Harry B. Helmsley Charitable Trust:**
 - Indo-Burma: Protecting the Natural Ecosystems and Threatened Species of Myanmar through Engaging and Strengthening Civil Society
 - Grant Amount: \$900,000
 - End Date: 31 December 2019
 - Madagascar and Indian Ocean Islands:
 - Grant Amount: \$2,400,000
 - End Date: 14 March 2019
- **Prince Albert II Foundation:** Update of the Mediterranean Basin Ecosystem Profile
 - Grant Amount: €90,000
 - End Date: 30 May 2017
- **MAVA Foundation:** Update of the Mediterranean Basin Ecosystem Profile
 - Grant Amount: \$100,000
 - End Date: 30 May 2017

Prospects for Additional Funding

- **Germany - KfW:** In 2016, CEPF introduced a request for financial support for €10 million for the Tropical Andes Hotspot. The request was postponed twice, in 2016 and 2017, but is still under consideration for funding in 2018.
- **Switzerland – Swiss Development Cooperation (SDC):** Financial contribution was solicited from SDC for the Mountains of Central Asia Hotspot considering the importance that this region has for Switzerland.
- **Green Climate Fund (GCF) through AFD (France):** A concept for financial support from the GCF was introduced through AFD acting as an Accredited Agency of GCF for a total of \$80 million over 10 years to the benefit of Small Island Developing States in four hotspots: Caribbean Islands, Madagascar and Indian Ocean Islands, Islands of East Melanesia, and Polynesia-Micronesia.
- **Global Wildlife Conservation (GWC):** A presentation was made during the board of directors meeting of GWC in Austin, Texas, in August to invite GWC to become a global donor of CEPF in the near future. Discussions are still going on and progress is being made. Next meeting will happen at the end of February 2018.
- **MAVA Foundation:** A visit to MAVA was made in November to discuss the possibility of MAVA contributing to the new phase of investment of CEPF in the Mediterranean Basin Hotspot. The discussions are still ongoing and are promising. MAVA invested \$1.1 million through CEPF during the first phase of investment in the Mediterranean Basin Hotspot. In addition, a possibility of catalyzing additional funding from GIZ/MAVA for a small grant program in the Balkans is under discussion.