



FINAL EXTERNAL INDEPENDENT EVALUATION OF THE WORLD BANK/DEVELOPMENT GRANT FACILITY CONTRIBUTION TO THE CRITICAL ECOSYSTEM PARTNERSHIP FUND

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CEPF
2011 Crystal Drive, Suite 500
Arlington, VA 22202

ICF
9300 Lee Highway
Fairfax, VA 22031

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1. Introduction

1.1. Purpose and Scope of the Evaluation

Founded in 2000, the Critical Ecosystem Partnership Fund (CEPF) is a joint initiative of l'Agence Française de Développement (Afd), Conservation International (CI), the Global Environment Facility (GEF), the Government of Japan (GoJ), the MacArthur Foundation, and the World Bank. The CEPF's main objective is to strengthen the involvement and effectiveness of civil society in contributing to the conservation and management of globally important biodiversity and to achieve sustainable conservation and integrated ecosystem management outcomes. CEPF investments are made in developing and transitional countries, where millions of people are highly dependent on the natural resources and ecosystem services that hotspots provide.

This evaluation serves as the final evaluation of the World Bank Development Grant Facility (WB/DGF) contribution to the CEPF during its second phase (\$25 million), covering the period October 1, 2008 to March 31, 2017. Although DGF funds were pooled with other donor contributions, DGF funding was used exclusively to support two of the four components of the overall project; the remaining components are supported by CEPF's other donors. The two CEPF components supported by DGF funding are focused on ecosystem sub-grants; they are intended to strengthen protection and management of globally significant biodiversity (Component 1) and increase local and national capacity to integrate biodiversity conservation into development and landscape planning (Component 2).¹

1.2. Methods

This evaluation followed a mixed methods approach using both quantitative and qualitative analytical methods and tools. Data collection and analysis methods included a thorough document review, portfolio analysis, synthesis of previous evaluations and assessments, key informant interviews, a survey, and one-week missions to conduct interviews and site visits in two hotspots (Western Ghats and Tropical Andes). The evaluation's Approach Paper (December 2018) gives more detailed information on data collection and analysis methods.

Nearly 80 stakeholders were interviewed to inform this assessment, including CEPF Secretariat staff, donor partners, Regional Implementation Team (RIT) staff, grantees, and beneficiaries. Appendix B provides a list of all stakeholders interviewed. In addition, an online survey was administered to all civil society organizations (CSOs) that received a grant during the DGF-funded period under review and for which contact information was available in the CEPF Secretariat's database. One hundred and sixty-six survey responses were received, for an adjusted response rate of 33.4 percent. Of the respondents, 18

¹ The other two components not supported by WB/DGF funding are on monitoring and knowledge sharing (Component 3) and on Ecosystem Profile development and project execution (Component 4).

percent were affiliated with international organizations and 82 percent were affiliated with local, national, or regional organizations. Appendix C presents the results of the survey.

1.3. Evaluation Report Structure

The remainder of this report is organized around six key topics:

- **Relevance**—the extent to which the DGF-funded portion of the program is addressing global challenges and concerns in the sector, consistent with client countries’ current development priorities, and consistent with the missions and strategies of partners.
- **Efficacy**—the extent to which the DGF-funded portion of the program has achieved or is expected to achieve its stated objectives.
- **Efficiency**—the extent to which the DGF-funded portion of the program has achieved or is expected to achieve efficient allocation of resources, benefits that are more cost effective than those that could be achieved by providing the same service on a country-by-country basis, and benefits that are more cost effective than those that could be achieved if individual contributors to the program acted alone.
- **Governance and management**—the extent to which the DGF-funded portion of the program is transparent in providing information about the program, clear with respect to roles and responsibilities, fair to clients, and accountable to donors, clients, scientists/professionals and other stakeholders, as well as the extent to which the DGF-funded portion of the program has affected the governance and management, strategic focus, and sustainability of the program.
- **Risk management and sustainability**—the extent to which the DGF-funded portion of the program has identified and effectively managed any risks to the program.
- **Lessons learned and recommendations for the CEPF.**

2. Background on the DGF and CEPF

The DGF was established by the World Bank in 1997 to consolidate grant funding for all global and regional programs under a single management umbrella. The DGF’s structure enables the World Bank to assess global and regional programs in a strategic manner to determine funding priorities and ensure that all programs are closely aligned with the Bank’s objectives. Programs supported under the DGF work across national boundaries and a wide range of sectors, including the environment, rural development, health, education, urban development, infrastructure, governance, financial systems, private sector development, and social development; all vital to poverty reduction. Through the DGF support to regional and global programs, the Bank seeks to encourage innovation, catalyze partnerships, broaden World Bank services, and increase the effectiveness of country programs and projects.

DGF contributions to the CEPF were first approved by the World Bank Board of Directors for the CEPF’s Phase I, from 2000 to 2007. Phase I saw the establishment of the Fund as a small-grant-making facility for civil society working on biodiversity conservation in hotspots. During this time, the CEPF gained two

donors and granted nearly \$100 million to 600 civil society groups in 15 hotspots covering 34 countries. An independent evaluation of the Fund in 2006 concluded that the CEPF had made strong progress during its first five years, laying a solid foundation for achieving further gains in biodiversity conservation in the future. The 2006 evaluation also provided conclusions and recommendations for the CEPF that were used to shape Phase II, 2008-2014.

The DGF contributed again to the CEPF during Phase II, approving \$25 million from October 2008 to March 2017 (fiscal years 2008 to 2016). Two of the most significant changes in Phase II included the role of RITs and the implementation of consolidation programs.

RITs, previously known as Coordination Units (CUs) during Phase I, were renamed in Phase II to better reflect their leadership in the implementation of the CEPF. Based on the Independent Evaluation's finding that the CUs were a major strength of CEPF, particularly in linking the key elements of the CEPF's vertically integrated portfolio, CEPF standardized and expanded their role. The Phase II strategy focused on RITs (i) assisting local groups in designing, implementing, and replicating successful conservation activities; (ii) reviewing grant applications and managing external reviews; and (iii) having decision-making authority for grants up to \$20,000, and joint decision-making authority with the CEPF Secretariat on other applications. These new responsibilities enabled the RITs to have a greater field presence, increase monitoring activities, and strengthening the conduit for building local civil society capacity.

During the transition to Phase II, CEPF proposed investing not only in new hotspots, but also in existing regions with shorter and smaller investments to consolidate conservation gains achieved with prior CEPF support. The goal was to reinforce and sustain the results of the CEPF investments within initial five-year investment periods, to ensure the long-term viability of efforts. All CEPF investment regions that had reached the end of their five-year investment period by July 2008 were eligible for the consolidation investments.

Throughout Phase II, CEPF became an established grant-making facility, gaining two additional donors and, as of 2013, granting more than \$163 million to over 1,800 grantees in 23 hotspots covering more than 60 countries and territories. In addition, consolidation activities were undertaken in 11 hotspots by 2016.

As CEPF transitioned into Phase III, 2014-2023, the Fund's strategy acknowledged the need to build on the successes of Phase I and Phase II to scale-up resources and the depth of engagement to a level where CEPF could more effectively meet the challenges of the global biodiversity crisis. The 10-year strategic framework introduced four new components to deliver CEPF's new objectives: (i) designing and launching the New CEPF, a transformational fund for biodiversity and civil society; (ii) establishing long-term strategic visions for all active hotspots; (iii) strengthening implementation organizations for long-term stewardship of the strategic visions for the hotspots; and (iv) developing an improved model for delivery.

3. Relevance

Evaluation Question: To what extent does the WB/DGF-funded portion of the program address global challenges and concerns in the sector, consistent with client countries' current development priorities, and consistent with the missions and strategies of its partners?

Key Findings:

- This evaluation concurs with previous assessments in finding that the CEPF's global portfolio is coherent with the goals of key Multilateral Environmental Agreements and that the achievement of CEPF's goals should be viewed as contributing to countries' efforts to meet international environmental goals and agreements.
- At the national level, the CEPF strategic directions and investment priorities are aligned with and supportive of countries' development and biodiversity priorities. CEPF strategic directions and investment priorities aim to address priority drivers and threats in biodiversity hotspots.
- CEPF's investments and programmatic priorities are well aligned and coherent with those of its donors.
- CEPF occupies a singular niche among conservation donors and one that is seen as highly relevant.

To assess the extent to which the DGF-funded portion of the program addresses global challenges and concerns in the sector, consistent with countries' current priorities, this evaluation included a review of the strategic directions and investment priorities outlined in Ecosystem Profiles and a comparison with other documents stating global, regional, or national conservation and development goals and targets. For hotspots that span more than one country, this evaluation reviewed strategy and planning documents from the country containing the largest hotspot area, to assess relevance to national conservation and development goals.

This evaluation agrees with other CEPF findings² that the CEPF's global portfolio is coherent with the goals of key Multilateral Environmental Agreements (MEAs). The CEPF's overall mission and hotspot priorities are in alignment with and likely directly contribute to meeting country commitments and advancing the goals of, among others:

- The Convention on Biological Diversity (CBD), specifically in terms of direct contributions to the "conservation of biological diversity [and] the sustainable use of its components."
- The Aichi Targets, agreed to in Nagoya in October 2010 at the Conference of the Parties (COP) of the CBD. Implementation of CEPF's activities directly relate to Strategic Goals A through E; this evaluation further found that actions implemented through CEPF are coherent with countries' progress to achieving most (12/20) targets but are not necessarily bound to their stated thresholds or timelines.
- At least 11 of the Sustainable Development Goals (SDGs).

Additionally, specific hotspot investment priorities are aligned with and contribute to other MEAs, including the Convention on International Trade in Endangered Species of Wild Fauna and Flora in

² CEPF. 2017. CEPF report of global impact; CEPF. 2014. Final Portfolio Review of the Tropical Andes Hotspot Consolidation Region.

specific hotspots in which wildlife crime was identified as a priority threat (e.g., Indo-Burma and Wallacea), and the Convention on Wetlands in instances in which CEPF investments contribute to the conservation and wise use of wetlands of global importance.³

CEPF governance and management units have placed an increasing emphasis on aligning CEPF investments to international agreements and targets such as the Aichi Targets. For instance, the draft strategic framework for Phase III of CEPF was approved by the Donor Council with an adjusted timeframe of 2014-2020 in order to align with the Aichi Biodiversity Targets and the post 2015 SDGs. The CEPF monitoring report and Annual Report were updated to better incorporate the Aichi Targets.⁴ The CEPF Secretariat demonstrated the role that CEPF plays in supporting civil society to assist governments to achieve the Aichi Targets at CBD COP 12.⁵

Overall, the achievement of CEPF's goals should be viewed as contributing to countries' efforts to meet international environmental goals and agreements. The CEPF's focus on ecosystems that are globally important and heavily threatened can be seen as providing a disproportionately large benefit to global and national environmental conservation goals. That is, investments in hotspots may contribute to the conservation of a disproportionately important subset of the world's biodiversity.⁶ Therefore, conservation outcomes attained in biodiversity hotspots likely result in outsized contributions to the long-term maintenance of biological diversity and therefore can be assumed to make important contributions to these national and global instruments.

At the national level, the CEPF strategic directions and investment priorities are aligned with and supportive of countries' development and biodiversity priorities. The Secretariat uses the National Biodiversity Strategies and Action Plans (NBSAPs) established for national implementation of the CBD to engage governments.⁷ This evaluation reviewed all Ecosystem Profiles and found that CEPF's investments are coherent with all NBSAPs reviewed. In other words, this evaluation found correspondence between CEPF's strategic directions and investment priorities and all national targets as stated in NBSAPs. However, further quantification of these contributions is not possible with the available data. Because one of the CEPF's unique attributes is its focus on a biogeographical unit (the hotspot), its outcomes should be more directly reflective of needs and priorities that do not necessarily mirror those identified along political boundaries. Therefore, while any contributions to NBSAPs are certainly welcome and likely beneficial, a key part of the uniqueness of CEPF's model is that it is not constrained by national boundaries. As such, these contributions to NBSAPs could be understood as an

³ Ramsar. 2017. Brazil designates six remarkable new Ramsar Sites. 24 July 2017. Available at: <https://www.ramsar.org/news/brazil-designates-six-remarkable-new-ramsar-sites>.

⁴ CEPF Twenty-Fifth Meeting of the Donor Council. Washington, D.C. 24 June 2014.

⁵ CEPF Twenty-Sixth Meeting of the Donor Council. Brussels, Belgium. 27 January 2015.

⁶ Mittermeier, R. A, et al. 2011. Global Biodiversity Conservation: The Critical Role of Hotspots. In Biodiversity Hotspots, 3-22: Springer.

⁷ CEPF Twenty-second Meeting of the Donor Council Conservation International, Arlington, VA. 18 December 2012.

added benefit of CEPF's investments. An interviewee commented that RITs must be vigilant to ensure that work implemented in the hotspots is coherent with country priorities.

CEPF's focus on increasing local and national capacity, working to build civil society's capacity to more effectively participate in biodiversity conservation and development matters can be viewed as having a synergistic effect across priority policy sectors. That is, building the capacity of local actors can be assumed to have effects beyond the specific boundaries of environmental concerns and therefore potentially contribute to regional, national, and/or local priorities in sectors such as food security, climate change adaptation, rights and governance, and economic development, among others.⁸

CEPF's investments and programmatic priorities are well aligned and coherent with those of its donors. Document review and key informant interviews carried out for this assessment confirmed that there is alignment at the level of overall donor priorities. During interviews, donor partners confirmed the relevance of the CEPF programmatic priorities to their individual missions and their confidence in the CEPF's structure and model. Additionally, participation in CEPF's Donor Council was mentioned as supporting opportunities for increased contact, sharing of strategies and experiences, and expanding collaborative networks.

The CEPF strategic directions and investment priorities aim to address priority drivers and threats in biodiversity hotspots. At the macro level, the two components funded by the DGF — namely strengthening protection and management of globally significant biodiversity, and increasing local and national capacity to integrate biodiversity conservation into development and landscape planning — are clearly priority areas for investment across CEPF's sites. A review of the conservation literature suggests that Ecosystem Profiles have adequately identified main drivers and threats, and prioritized strategic directions aimed to address them. However, biodiversity hotspots are very dynamic ecological, socioeconomic, and political systems, and Ecosystem Profiles can quickly become outdated. In some cases (e.g., Western Ghats), lags between the preparation of the Ecosystem Profile and grant-making required adaptive management to ensure the relevance of the strategic directions and investment priorities over time. In at least one case (Colombian Tropical Andes), work by CEPF grantees has identified the need to improve the accuracy of hotspot and key biodiversity area (KBA) boundaries, suggested that it would be sensible to revise the species that trigger a KBA, and highlighted a need to improve the accuracy of the spatial models that underpin the Ecosystem Profile. In this example, the Ecosystem Profile, while working from best available evidence at the time of preparation, could benefit from revision and updating given new sources of information and the changing context of the hotspot. Finally, one key informant suggested that most conservation strategies (i.e., not just the CEPF's) tend to be more static than what climate change models suggest they should be. If this is the case, then there may be a mismatch between species' distributions and the sites chosen for formal protection, and more

⁸ As an example, in the Serranía de Paraguas, part of the Tropical Andes hotspot, and a site of active CEPF investment, efforts to improve access to and use of medicinal plants, youth education, outreach, and women's entrepreneurship are ongoing and have directly and indirectly benefitted from a CEPF grantee's presence and work in the region.

thorough incorporation of climate change impacts could help to increase the sustainability of CEPF's investments.

In some hotspots, not all strategic directions or priority sites were fully represented in grant-making due to a lack of interested or qualified grantees. This is unsurprising and does not diminish the accuracy nor the relevance of the Ecosystem Profiles. In addition, some interviewees commented that Ecosystem Profiles can be too ambitious, meaning that they identify more threats or needs than there are funds allocated for their hotspots. However, as conservation planning documents, it is sensible that the Profiles are thorough and comprehensive, and that they identify priorities independently of CEPF funding allocations.

CEPF occupies a singular niche among conservation donors and one that is seen as highly relevant.

Specifically, CEPF's focus on supporting CSOs was often mentioned by stakeholders as one of its most distinctive attributes. Often, CEPF grantees reported that support from CEPF was a transformative event in their institutional history. Additional discussion can be found in Section 4 on Efficacy below.

4. Efficacy

Evaluation Question: To what extent has the WB/DGF-funded portion of the program achieved or is expected to achieve its stated objectives?

Key Findings:

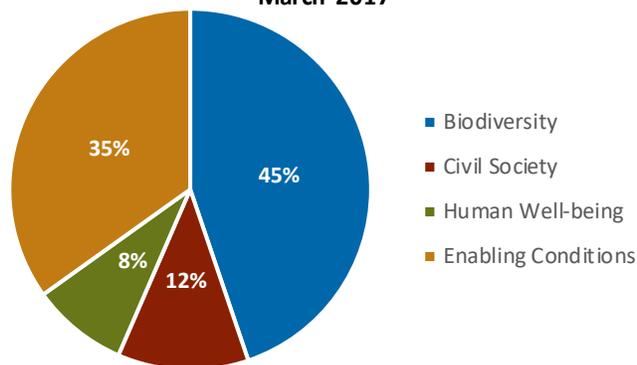
- CEPF exceeded stated targets in five indicators related to project development objectives of the DGF-funded portion of the program. Although these achievements have not been uniform across all hotspots, these figures indicate that the overall contribution of CEPF to global conservation efforts has been substantial.
- This evaluation found evidence of many important contributions to the conservation and management of biodiversity within hotspots. On the whole, however, it is challenging to ascertain CEPF's impacts on strengthening protection and management of globally significant biodiversity partly due to lack of precise language in the framing of outputs, outcomes, and processes.
- A key contribution of the CEPF is in building local civil society capacity for biodiversity conservation and integrating conservation into development and landscape planning. Institutional strengthening and leveraging additional sources of funding were common benefits to local institutions from their work with CEPF.
- The CEPF model is unique among conservation funders and is well-suited to the aims of the DGF funding. Ecosystem Profiles provide valuable guides for conservation planning and implementation. The RITs play important roles in the success of their hotspot's programming.

Over the DGF-funded period, the CEPF approved 1,265 grants totaling \$127 million across 27 hotspots, according to data provided by the CEPF Secretariat.⁹ Of these grants, 70 percent was allocated to large grants (\$89.2 million), 16 percent to small grants (\$20.3 million), and 14 percent to RITs (\$17.7 million).

⁹ Includes grants with a start date of 2008 through 2017. Amounts are awarded amounts, not payments.

By thematic area, nearly half of the grant value was directed at biodiversity, with enabling conditions as the second largest theme (Figure 1).

Figure 1: Grant value by thematic area, October 2008 – March 2017



This section assesses the efficacy of the CEPF in achieving the objectives of the DGF grant, which were specifically to strengthen protection and management of globally significant biodiversity, and to increase local and national capacity to integrate biodiversity conservation into development and landscape planning.

During the assessment period, CEPF exceeded stated targets in five indicators related to the DGF-funded portion of the program for which data were available (Table 1).¹⁰ CEPF has been effective at managing and supporting a large portfolio of conservation interventions across multiple sites of global relevance for biodiversity. Although these achievements have not been uniform across all hotspots, these figures indicate that the overall contribution of CEPF to global conservation efforts has been substantial. CEPF grantees are overwhelmingly positive about CEPF’s impacts in biodiversity conservation and increasing local capacity.¹¹

Table 1: Summary of CEPF project development objective (PDO) indicator data for the evaluation period

PDO Indicator	Target	Jan 2009	Jan 2012	Jan 2013	May 2014	Dec 2014	Sep 2015	Dec 2015	Feb 2017	Sep 2017
1	At least 14 critical ecosystems with active investment programs involving civil society in conservation, including at least 9 new regions	8 (3 regions)	14 (7 regions)	14 (8 regions)	19 (8 regions)	20 (8 regions)	20 (9 regions)	21 (10 regions)	21 (10 regions)	21 (10 regions)

¹⁰ Indicators 3 and 4 were combined in May 2014. Indicator 3 was reduced to 20 million from 24 million but increased to 24 million again in March 2017. As the assessment period ended March 31, 2017, the target was considered to be 20 million for the purposes of this analysis.

¹¹ Over 80 percent of CEPF grantees surveyed agreed or strongly agreed with statements about CEPF grants’ results in threat reduction, positive changes in the condition of biodiversity, improvements in their organization’s capacity, and the effective design and implementation of strategies to support sustainability of their grants’ impacts.

PDO Indicator	Target	Jan 2009	Jan 2012	Jan 2013	May 2014	Dec 2014	Sep 2015	Dec 2015	Feb 2017	Sep 2017
2	At least 600 civil society actors, including NGOs, indigenous peoples and private sector actively participate in conservation programs guided by CEPF ecosystem profiles	18	300	380	624	691	748	756	874	874
3	At least 24 million hectares of key biodiversity areas with strengthened protection and management		6.1	9.7	11	14.2	14.9	15.6	20.6	20.6
4	At least 1.5 million hectares of new protected areas established		0.05	0.9	1.3	1.4	1.5	1.6	2.9	2.9
5	At least 3.5 million hectares in production landscapes managed for biodiversity conservation and sustainable use		2.3	3.4	3.8	4.5	6	6.3	6.4	6.4

Source: Compiled by the evaluation team from DGF progress reports.

The CEPF model is unique among conservation funders and is well-suited to the aims of the DGF funding. Particularly salient aspects of the CEPF implementation model include (1) its focus on globally important biogeographical units; (2) the Ecosystem Profiles; and (3) its strong emphasis on civil society strengthening and supporting small local institutions.

The Ecosystem Profiles provide valuable guides for conservation planning and implementation. It is beyond the scope of this assessment to confirm the strategic directions of all Ecosystem Profiles. However, the profiles are developed using a deliberate, disciplined, multi-stakeholder process that includes consideration of the best available evidence. This assessment found evidence that the Profiles are a key resource for RITs, CEPF grantees, and in some cases external stakeholders.

The RITs play important roles in the success of their hotspot's programming. Across the board, the RITs, another unique feature of the CEPF model, were seen as playing key roles in the strategic planning, implementation, and sustainability of the CEPF's investments. Document review and key informant interviews suggest that RITs can add significant value to the CEPF model.¹² Further, there is evidence that some RITs are themselves significantly strengthened institutionally from their work with CEPF.

¹² This evaluation finds that the CEPF implementation model has matured and continually improved, and that overall, the RITs add important value to CEPF's operations. This evaluation notes that instances of difficulties, delays in decision-making or implementation, and/or lack of clarity in roles and responsibilities of the RITs have been identified by stakeholders and through other assessments over the DGF-funded period.

4.1. Conservation and Management of Globally Important Biodiversity

This final evaluation found evidence of many important contributions to the conservation and management of biodiversity within hotspots. As noted above, results have not been uniform but there is evidence of contributions to the conservation of biodiversity in most hotspots. Illustrative examples include: the identification of previously unknown populations of threatened species and the subsequent design and implementation of conservation strategies to conserve them (e.g., in the Western Ghats); the establishment and/or maintenance of private protected areas (e.g., in the Tropical Andes and the Caribbean); creating protected areas in strategic sites within hotspots (e.g., in Indo-Burma); positive changes in behaviors and attitudes towards biodiversity and conservation action (e.g., in the Tropical Andes); and improved management of protected areas (e.g., in the Mediterranean).

External evidence also supports the effectiveness and relevance of CEPF's approaches and investments in several hotspots. For instance, protected areas in the Colombian Andes have been shown to reduce deforestation and forest fires.¹³ Protection in the Eastern Arc may be effective at slowing rates of habitat loss.¹⁴ Investments in increasing protection and connectivity can increase the odds of persistence of wildlife species in the Maputaland-Pondoland-Albany hotspot.¹⁵ Additional evidence shows that supporting the growth and empowerment of CSOs and increasing stakeholder engagement are critical for improving the effectiveness and sustainability of conservation strategies.¹⁶ These and other studies suggest that CEPF's efforts to engage in collaborative approaches and its focus on CSOs may be particularly relevant and that the DGF-funded portion of the CEPF likely produced meaningful impacts across hotspots. The findings reported here likely reflect the patchy nature of the evidence for effectiveness in the conservation literature rather than paucity of impacts in additional hotspots.

The conservation literature also suggests that conservation efforts in biodiversity hotspots may be more urgent than previously thought given revised assessments of remaining vegetation,¹⁷ models showing high probability of human population expansion into hotspots,¹⁸ and data suggesting that

¹³ Rodríguez, N., Armenteras, D., & Retana, J. 2013. Effectiveness of protected areas in the Colombian Andes: deforestation, fire and land-use changes. *Regional Environmental Change*, 13(2), 423-435.

¹⁴ Green, J. M., et al. 2013. Deforestation in an African biodiversity hotspot: Extent, variation and the effectiveness of protected areas. *Biological Conservation*, 164, 62-72.

¹⁵ Di Minin, E., et al. 2013. Creating larger and better connected protected areas enhances the persistence of big game species in the Maputaland-Pondoland-Albany biodiversity hotspot. *PLoS One*, 8(8), e71788.

¹⁶ Nelson, F., Sulle, E., & Roe, D. 2016. Saving Africa's vanishing wildlife: how civil society can help turn the tide; Sterling, E. J., et al. 2017. Assessing the evidence for stakeholder engagement in biodiversity conservation. *Biological Conservation*, 209, 159-171.

¹⁷ Sloan, S., et al. 2014. Remaining natural vegetation in the global biodiversity hotspots. *Biological Conservation*, 177, 12-24.

¹⁸ Seto, K. C., Güneralp, B., & Hutya, L. R. 2012. Global forecasts of urban expansion to 2030 and direct impacts on biodiversity and carbon pools. *Proceedings of the National Academy of Sciences*, 109(40), 16083-16088.

wildlife declines in hotspots may be higher than what habitat loss alone predicts.¹⁹ Overall, this indicates that CEPF has a particularly important role in global conservation efforts.

An additional and important contribution of the CEPF is building knowledge about local biodiversity.

Support from CEPF has increased basic knowledge about the ecology and natural history of selected species and has contributed to the identification of distribution patterns, habitat preferences, and new species across several taxa.²⁰ Given the status of the evidence base about the biodiversity in the hotspots, these CEPF-supported efforts are important.

On the whole, however, it is challenging to ascertain CEPF's impacts on strengthening protection and management of globally significant biodiversity for several reasons.²¹

First, the conservation community in general lacks adequate and detailed data on the status of most species. This means that it is the norm, rather than an exception, that complete and credible information about most species' distribution or abundance is lacking. In this context, it is particularly difficult to demonstrate improvements against a baseline. Second, it is neither reasonable nor feasible to measure directly impacts on populations of all species for all CEPF grants related to biodiversity conservation. Additionally, in many cases, it cannot be expected to see significant improvements in status within the life of a grant, as illustrated by findings during fieldwork to the Western Ghats and the Tropical Andes (see Box 1). In summary, the challenges that CEPF faces are not unique to this Fund, in terms of inherent limitations in the basis for making robust assessments of its impact on biodiversity protection and management.

¹⁹ Canale, G. R., et al. 2012. Pervasive defaunation of forest remnants in a tropical biodiversity hotspot. *PLoS One*, 7(8), e41671.

²⁰ For example, Dahanukar, N., et al. 2015. *Badis britzi*, a new percomorph fish (Teleostei: Badidae) from the Western Ghats of India. *Zootaxa*, 3941(3), 429-436. doi:10.11646/zootaxa.3941.3.9; McCranie, J. R., & Townsend, J. H. 2011. Description of a new species of worm salamander (Caudata, Plethodontidae, Oedipina) in the subgenus *Oedopinola* from the central portion of the Cordillera Nombre de Dios, Honduras. *Zootaxa* (2990), 59-68; Ofori-Boateng, C., et al. 2018. A new species of Puddle Frog, genus *Phrynobatrachus* (Amphibia: Anura: Phrynobatrachidae) from Ghana. *Zootaxa*, 4374(4), 565-578. doi:10.11646/zootaxa.4374.4.6; Dias, E. J. R., & Rocha, C. F. D. 2014. Habitat structural effect on Squamata fauna of the Restinga ecosystem in Northeastern Brazil. *Anais Da Academia Brasileira De Ciencias*, 86(1), 359-371.

²¹ This does not imply that they are non-existent. Evidence gathered for this assessment suggest that important outcomes have been produced and that many others are likely to result from CEPF's investments.

Box 1: Holding out for impact in the Western Ghats and Tropical Andes

Efforts continue to restore connectivity. In the Western Ghats, the CEPF made a significant investment of approximately \$700,000 across multiple grants (12 percent of the hotspot portfolio), to map and attempt to restore ecological connectivity in this critical gap, which had potential for large conservation gains for several high-profile species. Several approaches were attempted over a series of grants, none of which were particularly successful to-date, for a variety of reasons. The challenges may have been more than were anticipated, and one interviewee indicated that a lesson learned was that the grant was attempting solutions during a period where there was no buy-in from the government. Still, the CEPF can be seen as having planted a seed that may still germinate, given the personal commitment of the grantee. For instance, the evaluation found that after the close of the grant, the grantee is still monitoring developments in the Shencottah Gap and recently sent a letter to plead the case to fund the structural plans given a new allocation of resources to the Government of Kerala to renovate the key stretch of road limiting large mammal crossings. It still remains possible that the CEPF grant may result in actions to restore connectivity—and benefit threatened species—in time.

Moving toward legal rights for conservation by tribal peoples. In the Western Ghats, CEPF funding supported a local grantee in its work to build awareness among Adivasi communities of their right and responsibility to protect and manage community forests under the new Forest Rights Act and helped to institutionalize the Gram Sabhas as statutory bodies recognized by the Forest Department. This support has helped these communities submit B-claims (for burial ground, sacred groves, NTFP) and C-claims (for conservation), which are expected to help limit the encroachment of non-Adivasi and conservation of those lands to tea and commercial forests. While C-claims have not yet been approved at the District level, the grantee's work continues post-CEPF, and tribal leaders are optimistic.

Working sequentially for the conservation of threatened species. In the Tropical Andes, a local conservation NGO received CEPF support to develop conservation plans for four threatened bird species. Its work inspired the creation of a collaborative multi-stakeholder working group for the conservation of one of these species and it received further support from CEPF to implement conservation actions based on the conservation plans. The NGO is aware that conservation impacts require conservation action that spans years and are working to ensure the sustainability of their efforts following the end of CEPF funding.

Source: Evaluation interviews and focus group discussions.

However, lack of precise language hinders a clear appraisal of CEPF's conservation impacts. For instance, for this evaluation, "*benefit*" in a conservation context was taken to mean quantified improvements in a species' or a population's status. This usage is consistent with that in some CEPF documents.²² However, "*benefit*" has also been used more laxly in other CEPF reporting, for instance: "[CEPF] projects have benefited more than 1250 species in the IUCN Red List of Threatened Species"²³ (emphasis added). It is not apparent that there are monitoring data supporting significant improvements in status or arrested declines for all these species. The same document also reports "*1250 globally threatened species supported*" (emphasis added), further hindering assessment of the magnitude and direction of the impacts of CEPF's investments on the conservation status of these species. In another example, a CEPF document reported that "*48 core populations of 32 species were secured from overexploitation and illegal trade*"²⁴ (emphasis added), an impressive potential outcome, but one that

²² CEPF. 2015. Mid-Term Assessment (June 2012 – May 2015) of CEPF Investment in the Mediterranean Basin Hotspot. (p. 12).

²³ CEPF. 2017. 2017 Annual Report.

²⁴ CEPF. 2014. Final Assessment of CEPF Investment in the Indo-Burma Hotspot 2008-2013.

requires careful collection and analysis of supporting evidence; in this case it is unclear what data informed the framing of this outcome statement.

Additionally, reporting on impacts related to protection and management of biodiversity often includes a mixture of outputs, processes, and enabling conditions that by themselves do not constitute outcomes. This has been noted before²⁵ and was also identified in documents produced during the evaluation period. Key outputs should be counted as relevant achievements, but conflating these outputs with biodiversity outcomes generates some confusion in understanding the results to which the CEPF is contributing.

In metrics specific to biodiversity conservation the evidence shows that outputs are often weak proxies for outcomes. For instance, creating or expanding protected areas is an important conservation intervention, and may be particularly relevant for areas with irreplaceable species or ecosystems under significant threat (i.e., the hotspots). However, neither setting aside lands for formal protection nor developing best practices for their management on their own guarantee the persistence of the biotic assemblages contained within them. Caution is warranted when equating area under protection (an output that should be reported and celebrated) with actual improvements in the condition of local biodiversity (an outcome that should be supported by careful collection and analysis of monitoring data). The conservation literature includes ample evidence of uneven capacity of protected areas to lower or stop the main threats acting against biodiversity.²⁶

Here too, caution is warranted when using protected status as a proxy for adequate management and conservation²⁷ unless specific additional evidence is available to support these claims. Evidence supporting effectiveness in slowing the pace of habitat loss and alteration may be available (as noted above) for specific protected areas or hotspots, yet even this does not necessarily mean that biodiversity is being adequately protected within their boundaries if additional threats remain unabated.²⁸ Similarly, improving enabling conditions is clearly an important result, but conservation outcomes depend on actions taken following the establishment of these conditions.

4.2. Increasing Capacity to Integrate Biodiversity Conservation into Development and Landscape Planning

A key contribution of the CEPF is in building national (local) capacity for biodiversity conservation and integrating conservation into development and landscape planning. Document review, key informant interviews, and information gathered during the field missions for this assessment confirmed that efforts to strengthen civil society are a particularly important aspect of the CEPF model. CEPF's

²⁵ World Bank. 2015. Implementation Completion and Results Report on a Grant in the Amount of 20.00 Million to Conservation International for a Critical Ecosystem Partnership Fund 2 Project. September 30, 2015.

²⁶ Ferraro, P. J., et al. 2013. More strictly protected areas are not necessarily more protective: evidence from Bolivia, Costa Rica, Indonesia, and Thailand. *Environmental Research Letters*, 8(2), 025011.

²⁷ CEPF. 2014. Final Portfolio Review of the Tropical Andes Hotspot Consolidation Region. September 2014. (p. 18).

²⁸ Wilkie, D. S., et al. 2011. The empty forest revisited. *Annals of the New York Academy of Sciences*, 1223(1), 120-128.

continued focus on strengthening local organizations is perceived to be a key contribution to biodiversity conservation. Grantees consulted during this evaluation commented on the importance of CEPF's support in: increasing their capacity, credibility, legitimacy, and/or reach; leveraging additional sources of funding; and/or in building peer networks across their regions. In the Western Ghats, for example, RIT and grantee interviewees agreed that a significant outcome has been around bringing together groups with complementary capacities and different perspectives around a common agenda. In the Tropical Andes, grantees mentioned the RIT's success in promoting peer-to-peer exchanges and increased collaboration among grantees and with other local organizations. Additional examples are recorded in CEPF hotspot assessments.²⁹

Generally, this evaluation concurs with the World Bank's finding that, overall CEPF's investments have "generated an important significant multiplier effect across hotspots through the intermediary of grantees by building the capacity of myriad local and national stakeholders through exchange of knowledge and expertise, through interaction across networks and partnerships facilitated by CEPF, as well as through initiatives aimed at scaling-up or replicating successful endeavors."³⁰

Evidence suggests the multiplier effect, by which local institutions not funded by the CEPF are strengthened through contact and collaboration with CEPF grantees, is an important but scarcely investigated contribution of CEPF investments to biodiversity and civil society in the hotspots. The impacts generated through this multiplier effect are potentially significant. This assessment found several instances of new collaborations, alliances, and/or strengthened networks or peer organizations that were established through CEPF.³¹ One example is in the Western Ghats, where the Nilgiri Natural History Society was formed under a CEPF grant and remains active, with a membership that extends well beyond CEPF grants to promote interest and involvement in the conservation of the Nilgiri Biosphere Reserve. It is likely that this has in turn resulted in better coordination and improved complementarity of ongoing efforts.

Local institutions have been able to leverage additional sources of funding following support from CEPF. In many cases, CEPF is the first instance of international funding for small, local institutions, and CEPF's support allowed them to access additional funding streams.³² Independently of the impact of the

²⁹ CEPF. 2014. Summary Report for the Mid-term Evaluation Critical Ecosystem Partnership Fund (CEPF) Caribbean Islands Biodiversity Hotspot investment (2010 - 2015); CEPF. 2014. Mid-term Assessment Eastern Afromontane Biodiversity Hotspot September 2012 – February 2015; CEPF. 2014. Final Assessment of CEPF Investment in the Indo-Burma Hotspot 2008-2013 A Special Report; CEPF. 2015. Mid-Term Assessment (June 2012 – May 2015) of CEPF Investment in the Mediterranean Basin Hotspot; CEPF. 2010. Mid-term Assessment of CEPF Investment in the Indo-Burma Biodiversity Hotspot A Special Report.

³⁰ World Bank. 2015. Implementation Completion and Results Report on a Grant in the Amount of 20.00 Million to Conservation International for a Critical Ecosystem Partnership Fund 2 Project. September 30, 2015.

³¹ For example: CEPF. 2015. Mid-Term Assessment (June 2012 – May 2015) of CEPF Investment in the Mediterranean Basin Hotspot; CEPF. 2014. Final Assessment of CEPF Investment in the Indo-Burma Hotspot 2008-2013; in the Caribbean as reported in Brown, K. et al. 2015. Reviewing Progress on Investments across Island Groups. CEPF. This was also seen elsewhere, for example in the Tropical Andes, where efforts led by the RIT resulted in new or strengthened collaborative links among grantees.

³² CEPF. 2015. Mid-term Assessment Eastern Afromontane Biodiversity Hotspot.

grants themselves, these grantees are very often strengthened institutionally by the implementation of the CEPF-funded work and the administrative and reporting requirements of and support offered by CEPF. There is an additional sense of establishing these grantees' credibility and legitimacy that can serve as a "springboard to a broader and more demanding pool of funders."³³ The impacts on biodiversity conservation at the local level that derived from this aspect of CEPF's work is likely considerable and potentially contribute to the sustainability of the biodiversity outcomes generated by the CEPF investments but remain unquantified.

5. Efficiency

Evaluation Questions: *To what extent has the WB/DGF-funded portion of the program achieved or is expected to achieve efficient allocation of resources? To what extent has the WB/DGF-funded portion of the program achieved or is expected to achieve benefits that are more cost effective than those that could be achieved by providing the same service on a country-by-country basis, and benefits that are more cost effective than those that could be achieved if individual contributors to the program acted alone?*

Key Findings:

- The World Bank DGF contributions represent approximately 22 percent of total donor contributions, slightly exceeding the 15 percent target in the DGF eligibility criteria.
- The DGF's approach to allocate its \$25 million contribution toward Components 1 and 2 of the CEPF was efficient from two perspectives: 1) these components represent main categories of activities that were central to the overall mission of the CEPF; and 2) these components played a key role in progress toward outcomes.
- The DGF-funded portion of the CEPF program was also efficient in the sense that it achieved, and even surpassed, its results targets with the resources allocated.
- In addition, the CEPF was successful in leveraging additional resources in its investment hotspots.
- CEPF stakeholders consistently support the CEPF's hotspot approach as more efficient than providing the same service on a country-by-country basis. The multi-donor pooled approach was also seen as more efficient than if individual donor partners acted alone.

5.1. Overall Program Efficiency

The DGF's contribution was pooled with other donor resources, and thus, DGF-funded activities cannot be separated to specifically assess their efficiency. Instead, DGF-funded activities were planned and funded within the broader context of each hotspot's Ecosystem Profile, as managed by the CEPF Secretariat and RITs, and efficiency is reviewed in this broader context.

The World Bank DGF contributed \$25 million to the CEPF from October 1, 2008 to March 31, 2017, representing between 14 and 43 percent of donor contributions during that time. Over the full period, DGF contributions represent approximately 22 percent of total donor contributions, slightly exceeding

³³ This sentence was found in both Wallacea (CEPF. 2017. Midterm Assessment Wallacea Biodiversity Hotspot December 2014 – June 2017) and Ma putaland-Pondoland- Albany (CEPF. 2013. Mid-Term Portfolio Overview Maputaland-Pondoland- Albany Biodiversity Hotspot April 2013) assessment documents.

the DGF target. The DGF eligibility criteria calls for the Bank grant not to exceed 15 percent of total expected funding over the life of Bank funding to a given program.

Table 2: DGF contributions (in millions) and as a percentage of total contributions by year

	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016
DGF contribution	3.000	3.000	3.000	3.000	3.000	6.940	1.500	1.560
DGF contribution as a % of total donor contributions per year	43%	18%	30%	15%	16%	36%	14%	14%

Sources: Data provided by the CEPF Secretariat. Donor contributions defined as payments transferred to CEPF by donors in each fiscal year.

The DGF’s approach to direct its \$25 million contribution toward ecosystem grants under Components 1 and 2 of the CEPF was efficient from several perspectives. First, the DGF funds were directly oriented to two main categories of activities that were central to the overall mission of the CEPF: subprojects (grants) to conserve and manage globally important biodiversity and to strengthen civil society in biodiversity conservation. Grants were awarded on a competitive basis to proposals that were strategically aligned with the Ecosystem Profile for each hotspot, as approved by the Donor Council, and were implemented in accordance with criteria and guidelines laid out in the Operational Manual.³⁴

Second, all DGF funds were allocated toward ecosystem grants, which played a key role in progress toward outcomes. Other donors’ contributions covered costs associated with Ecosystem Profile preparation, management and operations (including the CEPF Secretariat’s administrative costs), and monitoring. Of the DGF’s \$25 million, 97 percent (or \$24.25 million) was allocated for subprojects (large and small grants given to CSOs working in the hotspots selected for investment), while 3 percent (or \$0.75 million) was allocated for the RIT operating and program costs. RIT costs also include multiple programmatic tasks and functions that directly and indirectly contribute to CEPF’s impact achievement.³⁵ This resource allocation situation compares favorably to other DGF-funded programs. For example, of the total DGF contribution to the Global Facility for Disaster Risk Reduction (GFDRR), 10 percent was spent on project support costs; the same percentage was allocated for operational expenses and administration in the DGF grant to the Network for Integrity in Reconstruction programme.^{36,37}

The DGF-funded portion of the CEPF program was also efficient in the sense that it achieved, and even surpassed, its results targets with the resources allocated. This evaluation found that CEPF exceeded its

³⁴ World Bank. 2015. Implementation Completion and Results Report on a Grant in the Amount of 20.00 Million to Conservation International for a Critical Ecosystem Partnership Fund 2 Project. September 30, 2015.

³⁵ ICF. 2017. Institutional Assessment to Inform the Design of a World Bank Project in Support of the Objectives of the Critical Ecosystem Partnership Fund: Assessment Report. Prepared for the World Bank. May 10, 2017.

³⁶ Ita d. 2014. Independent Evaluation of the DGF Financed Track I of the Global Facility for Disaster Reduction and Recovery.

³⁷ Watkins, F., and Rima al-Azar. 2015. Evaluation of Integrity Action’s Network for Integrity in Reconstruction, funded by the World Bank Development Grant Facility. Final Report.

targets in five indicators related to the WB/DGF-funded portion of the program, as described in Section 4 above. These include the number of critical ecosystems with active investment programs, the number of civil society actors actively involved in conservation programs, and hectares of new protected areas and production landscapes sustainably managed.

In addition, the CEPF was successful in leveraging additional resources in the hotspots in which it worked, including succeeding in having new donors invest in the Ecosystem Profiles in several regions.³⁸ At the grant-level, more than \$200 million in co-financing was reported (including both in-kind and cash contributions), associated with the \$127 million in grants approved during the DGF-funded period.³⁹ This represents a co-financing ratio of at least 1.6:1, meaning that for every dollar of CEPF funds granted, \$1.60 was raised in co-financing. This ratio compares favorably to the GEF's Small Grants Programme (SGP), which reported co-financing of \$1.05 per dollar of GEF funding in the fourth replenishment period and \$0.80 per dollar in the fifth replenishment period.⁴⁰ In the CEPF, the co-financing amount represents contributions promised at grant approval; these amounts have not been verified against project completion reports. In interviews, RITs and grantees demonstrated willingness specially to make in-kind contributions, such as staff time. Fieldwork in the Western Ghats also offered an example of significant resources leveraged from the Indian Government, informed by the work of CEPF grantees (see Box 2).

Box 2: Leveraging government resources for conservation in the Western Ghats

Approximately \$11.25 million was committed by the Tamil Nadu State Government for the Special Area Development Programme, which mainstreams biodiversity conservation into state, district, and panchayat development planning in the Western Ghats. The programme was developed with technical assistance provided through a CEPF grant.

Sources: Evaluation interviews; Western Ghats Final Assessment Report (2016).

CEPF is widely seen as a reasonably efficient grant-making body by a broad range of its stakeholders, from grantees, to RITs, to donors and its Secretariat. Grantees that responded to the evaluation's online survey perceived the CEPF as comparable to other small grant-making organizations in terms of the level of effort required from grantees to prepare proposals and to monitor and report on their grants. Grantees are mostly satisfied with the length of the CEPF grant-making process, from the call to proposal to the first release of funds. And importantly, more than two-thirds of grantee respondents believe that the benefits associated with receiving grants through the CEPF (such as training and other help from the RIT) are higher, compared to other grant-making organizations. In interviews, RITs and donor partners indicated that they found the ecosystem grant portion of the CEPF program to have

³⁸ World Bank. 2013. Second Critical Ecosystem Partnership Fund (CEPF2) Aide Memoire. Supervision Mission: December 4, 2013.

³⁹ Based on data provided by the CEPF Secretariat. Data records from the GEM system show a total of \$206 million leveraged during the DGF period, but this is likely to be an underestimate. The CEPF Strategic Framework for FY2008-12 reports that \$130 million was leveraged during Phase I, and the Annual Report for FY2016 reports a total of \$369 million leveraged since inception. This suggests that a approximately \$239 million may have been contributed in co-financing during the DGF-funded period.

⁴⁰ GEF IEO and UNDP. 2015. Joint GEF-UNDP Evaluation of the Small Grants Programme. July 2015. This amount also includes program-level co-financing, although project-level co-financing represents the large majority of funds committed.

been efficiently managed. World Bank supervision missions found that the CEPF was effective as a small grants facility, with systematic implementation support protocols, technical and quality review processes, and disbursement methods.⁴¹ Based on the data available, the evaluation team did not find any specific evidence of inefficient use of the funds—with the exception of some ineligible expenses at the individual grant level that were identified through the World Bank’s In-Depth Fiduciary Review.

During the DGF-funded period, the CEPF honed its structural efficiency, to further devolve responsibility to the hotspots and expand the roles and responsibilities of the RITs. In the early years of the DGF-funded period, the decentralization into the RIT model may have initially slowed the grant-making process,⁴² but this improved over time. In individual hotspots, RITs reported a learning curve trending toward more efficient processes, as the call for proposal and grant-making processes were honed.

Multiple interviewees pointed out that efficiency must also be considered squarely within the context of CEPF’s model, pointing out that the program’s objectives of targeting national and nascent CSOs and building capacity in those organizations to support biodiversity conservation comes with costs.

Interviewees suggested that the CEPF model is most efficient for those national, nascent CSOs that they see as the program’s core constituency, and less efficient as a means of channeling funds to larger, more capacitated international non-governmental organizations (NGOs). Nearly all CEPF Secretariat staff interviewed also raised the issue of a growing tension between efficiency and supervision for small grants to low capacity grantees, in the later years of the DGF-funded period. Interviewees noted a trend toward more oversight and risk aversion, making grants harder to access for lower capacity CSOs, and less efficient for the CEPF program.

5.2. Efficiency of the Hotspot and Multidonor Approach

CEPF stakeholders consistently support the CEPF’s hotspot approach as more efficient than providing the same service on a country-by-country basis. From the beginning, the CEPF took a hotspot approach to conserving ecosystems—driven by the global challenge of biodiversity loss, rather than by political boundaries. Many hotspots cross national borders and require regional cooperation to ensure effective solutions, while other hotspots are contained within a single country, such as Wallacea. The value of the CEPF’s hotspot approach has been recognized through various channels. The 2010 independent evaluation of the CEPF found that the single most significant contribution of CEPF has been to provide much needed conservation attention to many of the highest priority biodiversity regions around the world—in other words, directing investment to important hotspots.⁴³

⁴¹ World Bank. 2013. Second Critical Ecosystem Partnership Fund (CEPF2) Aide Memoire. Supervision Mission: December 4, 2013.

⁴² World Bank. 2009. Second Critical Ecosystem Partnership Fund (CEPF2) Aide Memoire. Supervision Mission: December 2009.

⁴³ Olson, D. 2010. *A decade of conservation by the Critical Ecosystem Partnership Fund 2001-2010: An independent evaluation of CEPF’s global impact*. Conservation Earth for the Critical Ecosystem Partnership Fund, Arlington, Virginia.

A 2014 evaluation commissioned by AfD found that CEPF's interventions offer specific added value in the existing landscape of multi-country funds and programs for conservation.⁴⁴ The World Bank Independent Evaluation Group's (IEG) 2010 Evaluation of Global and Regional Partnership Programs (GRPPs) found CEPF to have substantial relevance to the DGF eligibility criteria of multi-country benefits. Further, all interview partners for this evaluation supported hotspots as the Fund's organizing principle, although there were some differences of opinion in terms of how to work cost-effectively, particularly in larger, more dispersed hotspots.

Stakeholders identified several benefits of the CEPF's multi-country approach that include: sharing expertise and experience across smaller countries (such as in the Caribbean and Pacific Island hotspots); promoting regional cooperation to address transboundary issues, such as wildlife trade and species migration; and reducing the risk associated with not being able to operate in a specific country (e.g., due to force majeure or political strife, as was the case in the Mediterranean hotspot). Some of the challenges associated with a multi-country approach include working across large regions, diverse political and cultural contexts, and multiple languages. In multi-country hotspots where investment resources have been spread thin over a large, diverse area, some stakeholders questioned the efficiency of the approach.

The multi-donor pooled approach was seen as more efficient than if individual donor partners acted alone. In interviews, donor partners and Secretariat staff pointed to the benefit of multi-donor and pooled model as supporting collaboration toward common objectives, encouraging focus on higher-level strategic issues, and promoting learning across partner activities. Donor partners also noted that the multi-donor trust fund approach is more efficient than donors building their own architecture to channel funds directly to CSOs, and that in some cases, donor agencies have limitations in terms of their ability to do so, from a legal perspective.

6. Governance and Management

Evaluation Questions: To what extent has the WB/DGF-funded portion of the program been transparent in providing information about the program, clear with respect to roles and responsibilities, fair to clients, and accountable to donors, clients, scientists/professionals and other stakeholders? To what extent has the WB/DGF-funded portion of the program positively or negatively affected the strategic focus of the program, the governance and management of the program, and the sustainability of the program?

Key Findings:

- The roles and responsibilities of the CEPF governance and management bodies (the Donor Council, Working Group, RITs, and Secretariat) are reasonably clear and followed, and have appropriately evolved over time. A recurring concern around the clarity of roles and responsibilities during the DGF-funded period was related to potential duplication between the efforts of the RITs and Secretariat at the hotspot-level.
- The CEPF's decision-making, reporting and evaluation processes—as they relate to the DGF-funded Components 1 and 2—are transparent and open and freely available to the general public.
- CEPF governance and management bodies are found to be accountable to donors, grantees, RITs, and other stakeholders through its participatory engagement process, implementation of safeguards, and reporting.

⁴⁴ Beucher et al. 2014. Ex Post Contribution de l'AfD au Fonds de partenariat pour les écosystèmes critiques (CEPF). No. 59. November 2014.

- Grantees, for the most part, have fair and equal opportunity to receive benefits from the CEPF. Appropriate processes have been put in place to deal with potential conflict of interest associated with CI as a grantee at the hotspot level.
- Another key consideration around fairness is the ability of local or national NGOs to access CEPF funding, and over the DGF-funded period, there has been an increasing trend in awarding grant financing to these groups.
- In terms of the influence of the DGF-funded portion of the program, stakeholders found it difficult to identify effects, since DGF funds went directly to the core activities of the program. Evidence shows that the World Bank had a stronger influence on shaping CEPF policies and procedures, especially around fiduciary rules and safeguards.

6.1. Roles and Responsibilities

The CEPF is governed and managed by the CEPF Secretariat, Donor Council, Working Group, and RITs. Roles and responsibilities for these bodies generally include the following:

- **CEPF Secretariat.** Hosted and executed by CI, the Secretariat is responsible for the strategic and financial management, oversight, and reporting of the program. More specifically, the Secretariat communicates with CEPF donors, coordinates with the RITs and provides appropriate administrative and capacity development services, manages the overall budget for the CEPF, and administers grant resources to grantees, including through the RITs.⁴⁵
- **Donor Council.** Comprised of senior representatives from CEPF’s major donor organizations, the Donor Council approves priority areas and strategies for investment, and provides strategic guidance to the CEPF Secretariat.
- **Working Group.** Comprised of one representative from each CEPF donor organization, the Working Group provides expertise and guidance on operational and technical issues. According to the Working Group Terms of Reference (ToR), the purpose of the Working Group is to serve as a resource to CEPF for consultation on CEPF matters such as maximizing the potential to leverage donor organization resources and expertise, and development of Ecosystem Profiles, and to provide input and guidance on certain operational issues and addressing obstacles and challenges to biodiversity conservation success.
- **RITs.** Comprised of one or more CSOs that are active in conservation in the region, the RITs lead implementation within each biodiversity hotspot approved for investment. According to the RITs’ ToR, the objective of the RITs is to convert the plans in the Ecosystem Profile into cohesive portfolios of grants. The RITs are expected to provide local knowledge and insights as they represent CEPF in hotspots. They are primarily responsible for building a broad constituency of civil society groups

⁴⁵ ICF. 2017. Institutional Assessment to Inform the Design of a World Bank Project in Support of the Objectives of the Critical Ecosystem Partnership Fund: Assessment Report. Prepared for the World Bank. May 10, 2017.

working across institutional and political boundaries toward achieving Ecosystem Profile objectives and any regionally appropriate long-term conservation and development visions.

The roles and responsibilities of the CEPF governance and management bodies are reasonably clear and understood. The roles and responsibilities of the Donor Council, Working Group, and RITs are clearly documented, and publicly available, in Sections 5.1 (Donor Council ToR), 5.2 (Working Group ToR), and 4.2 (RITs ToR) of the CEPF Operational Manual.⁴⁶ Roles and responsibilities for these bodies, as laid out in the CEPF Operational Manual, are presented in Appendix D. The CEPF website also provides the complete list of Donor Council and Working Group roles and responsibilities.⁴⁷

The roles and responsibilities of the CEPF Secretariat are not as clearly documented in a single ToR document like they are for the other bodies. Rather, they are covered in multiple sections of the Operational Manual and founding governing documents (e.g., the 2000 CEPF Financing Agreement). Nonetheless, the evaluation team still found the roles and responsibilities of the Secretariat to be reasonably well-understood. In key informant interviews, CEPF Secretariat staff, Donor Council and Working Group members, and RITs largely agreed that roles and responsibilities were clear.⁴⁸

The roles and responsibilities of the CEPF governance and management units have also appropriately evolved over time to respond to the experiences and evidence in the individual hotspots, as well as the strategic direction of the CEPF. The roles and responsibilities of RITs, in particular, have been revised multiple times throughout the DGF-funded period to strengthen the RITs' role in terms of building the capacity of grantees and partnerships and to clarify roles and responsibilities between the RITs and the Secretariat (see below, as well as Appendix Section D.3.1). The roles and responsibilities of the Working Group and Donor Council were also appropriately adjusted over the DGF-funded period, including to avoid potential conflict of interest with respect to granting to CI and to add new responsibilities for both groups.⁴⁹

A recurring concern around the clarity of roles and responsibilities during the DGF-funded period was related to potential duplication between the efforts of the RITs and Secretariat at the hotspot-level.

⁴⁶ CEPF Operational Manual. Approved by the CEPF Donor Council 18 September 2007. Updated February 2009, January 2001, August 2012, March 2013, and June 2017. Available at: <https://www.cepf.net/sites/default/files/CEPF-Operational-Manual-updated-2017.pdf>

⁴⁷ Available at: <https://www.cepf.net/node/15743> and <https://www.cepf.net/about/our-team/working-group-terms-reference>.

⁴⁸ Several interviewees raised concerns about the membership rules of the CEPF Donor Council. These rules were considered outside the scope of this final evaluation, which was tasked to look at the clarity of roles and responsibilities, or power and duties, of these bodies. Donor membership and rules of engagement has been a long-standing governance topic for CEPF, and has been discussed at length during Donor Council meetings. Key issues have been around the contribution threshold for a donor to join the Council, term duration, the role of a global donor once the pledge and contribution is completed, and membership rules for intermediaries and the entities for which they serve as trustee.

⁴⁹ For example, the approval process for grants to CI was transitioned from the Secretariat to the Working Group to avoid potential conflict of interest. In addition, the Donor Council and Working Group ToR in the 2013 Operational Manual were updated in the 2017 Operational Manual to specify that when reviewing and approving proposed grants for a ward to CI, the CI Donor Council and Working Group member only needs to be recused from the process if and when the application exceeds a total cost of \$20,000. The Donor Council ToR were also updated in the 2017 Operational Manual to add a new responsibility related to reviewing and approving the terms of reference for a midterm evaluation, the external audit, and a CEPF program audit.

As noted above, the ToR for RITs was revised several times to attempt to address these concerns and to expand the role of the RITs in terms of programmatic responsibilities. In the later years of the DGF-funded period, concerns about duplication of effort were raised by the World Bank in an in-depth fiduciary review that looked at two hotspots. Another recent assessment found that some RITs felt there was still room for better articulation and division of roles and responsibilities between the Secretariat and the RITs, particularly for large grants during the implementation and supervision stages. Because the RITs are on the ground, they are sometimes the first point of contact for large — as well as small — grantees, and the extent of support and oversight that they are expected to provide to large grantees is not always clear.⁵⁰

Overall, however, the roles and responsibilities among the RITs and Secretariat are reasonably well-understood. Among grantees, 80 percent of survey respondents agreed that the roles and responsibilities of the RIT and the CEPF Secretariat Grant Director are clear. Fieldwork conducted for this evaluation in the Western Ghats indicated that the roles and responsibilities of the RIT and Grant Director were clear to those involved in the program. Another assessment found that most RITs interviewed understood and welcomed the current division of labor between themselves and the Secretariat, and that their activities are seen as complementary, taking advantage of the unique skills and experience that each brings to the program, and reducing the risk of failure or delay.⁵¹ The division of responsibility also seems well-understood among the Secretariat staff, who stressed the importance of flexibility to adapt to hotspot needs and RIT capacities, as well as the viewpoint that some marginal redundancies (e.g., having both the RIT and Secretariat review large grantee reports and proposals) as an intentional safeguard feature rather than an inefficiency.

Evidence suggests that the roles and responsibilities of the CEPF governance and management units are largely followed. A review of Donor Council meeting minutes revealed that 70 percent of action items that were assigned to the Secretariat, Donor Council, and Working Group were at least partially addressed (62 percent fully addressed and 8 percent partially addressed). It was unclear whether the remainder of action items were left unaddressed or simply were not clearly documented in the meeting minutes. A review of Working Group meeting minutes also confirmed that the CEPF governance and management units have been following their mandate and fulfilling their established roles and responsibilities, such as reviewing the ToR for the preparation of the Strategic Framework for CEPF's Third Phase, and conducting detailed review of RIT applications and making recommendations to the Donor Council. With regard to the Secretariat and the RITs, most evidence points to effective execution of their roles and responsibilities; however, the World Bank's 2017 in-depth fiduciary review identified a few instances where roles and responsibilities were not followed by the Secretariat and RITs as agreed upon.

⁵⁰ ICF 2017. Institutional Assessment to Inform the Design of a World Bank Project in Support of the Objectives of the Critical Ecosystem Partnership Fund: Assessment Report. Prepared for the World Bank. May 10, 2017.

⁵¹ ICF 2017. Institutional Assessment to Inform the Design of a World Bank Project in Support of the Objectives of the Critical Ecosystem Partnership Fund: Assessment Report. Prepared for the World Bank. May 10, 2017.

6.2. Transparency

CEPF's decision-making, reporting and evaluation processes—as they relate to the DGF-funded Components 1 and 2—are transparent and open and freely available to the general public. In terms of the grant-making process at the hotspot level, 91 percent of grantee survey respondents agree that the CEPF's process for soliciting and selecting grant proposals is transparent. A review of hotspot evaluations also indicated that the grant-making system was well understood by current and potential grantees. Stakeholder interviews confirmed that CEPF transparency is regarded as an open book, particularly when compared to other funds. Previous evaluations of the CEPF also give the program high marks for transparency. For example, the 2014 AfD ex post evaluation noted that the system established by CEPF is transparent, and that field missions in Haiti, Dominican Republic, Cambodia and West Africa showed that the [grant] selection process is generally considered transparent and well-done by beneficiaries.⁵²

The CEPF public website was found to be relatively comprehensive in terms of information shared, but still has some gaps in governance and management documentation, disclosure of safeguard information, as well as project/grant documents.

- **Governance and management documentation.** The CEPF public website (www.cepf.net) includes some of the core publications and reports related to CEPF, including evaluations of and reports on the CEPF program, documents outlining CEPF's strategy, publications, and CEPF policy and procedure documents (e.g., the latest version of the Operational Manual). Approved Donor Council meeting minutes were found to be readily accessible and comprehensive, including the first meeting (December 2000) all the way through the 34th meeting (February 2019). Fiscal Year spending plans, lists of meeting attendees, meeting agendas, reports from the executive director, financial narratives and detailed reports, approved grants, Operational Manual updates, and several other decision-making documents were also readily accessible. Annual reports and impact reports were also found to be readily accessible and comprehensive.

The website included eleven monitoring and evaluation reports, including a summary of CEPF evaluations conducted over the years by both donors and independent experts. While the document comprehensively referenced all evaluations, the website itself did not include any that were conducted prior to 2010 (e.g., the external evaluation from 2005 and mid-term review from 2003). Another deficiency that was raised in the CEPF 2007 evaluation and has yet to be addressed is that the program has not posted its founding governing articles, including the 2002 Financing Agreement and 2000 Memorandum of Understanding. Further, governance and management roles and responsibilities are not listed on the Secretariat and RITs web pages as they are for the Donor Council and Working Group web pages.

⁵² Beucher et al. 2014. Ex Post Contribution de l'AfD au Fonds de partenariat pour les écosystèmes critiques (CEPF). No. 59. November 2014.

- **Project/grant documents.** All CEPF grant recipients are required to complete a final project report that details the investment’s results and lessons learned. A review of a sample of grants in the Western Ghats suggests that while final project reports have been filed, as required, and are available from the Secretariat, they are not consistently available on the CEPF website.
- **Disclosure of safeguard information.** According to the CEPF Environmental and Social Management Framework (ESMF), the Secretariat is required to disclose information of approved sub-projects, including any safeguard issues, through its website. The website must also list contact information where interested stakeholders can inquire further documentation and raise their concerns or recommendations to the CEPF Secretariat—a requirement that is met through this grievance mechanism: <https://www.cepf.net/grants/grievance-mechanism>. Disclosure of safeguard issues on the CEPF website is not comprehensive, but the Secretariat is working to adhere to the framework requirement⁵³ (see also Section 7.1.3).

A review of Ecosystem Profiles on the CEPF website indicated that they are readily available and accessible to CEPF’s diverse stakeholders. In 2009, it was agreed that CEPF would make more documentation, particularly on vegetation maps and other inputs to all profiles, publicly available on its website.⁵⁴ A review of the 22 hotspots currently or previously invested in by CEPF during this evaluation period revealed that all Ecosystem Profiles and their sources are posted and publicly available on the CEPF website. Profile materials are available in a total of 13 languages, including English, French, Indonesian, Burmese, Chinese, Khmer, Lao, Thai, Vietnamese, Portuguese, Spanish, Arabic, and Russian.

6.3. Accountability

CEPF governance and management bodies are found to be accountable to donors, grantees, RITs, and other stakeholders through the CEPF’s participatory engagement process. Evidence from stakeholder interviews indicate that CEPF’s approach is not based on a predetermined agenda, but rather on a shared vision to advance conservation in consultation with the broader community (academia, civil society, government, etc.). As outlined in Section 3.3 of the Operational Manual, the CEPF approach to stakeholder participation includes a commitment to: the broad involvement of many regional actors in the preparation of every Ecosystem Profile; subsequent, frequent information exchange and collaboration among the CEPF Secretariat, RITs, project applicants and implementers, and stakeholders affected by CEPF-supported projects with regard to critical decisions, including investment strategies, project design, implementation, and evaluation; and participation from varied stakeholders participating in mid-term and final assessments of Ecosystem Profiles.

Interviewees cited several examples that demonstrated CEPF has complied with its participatory approach mandate. For instance, the Secretariat noted that the second strategy for the Mediterranean Basin engaged more than 50 stakeholders in 17 workshops to define common priorities to protect its

⁵³ World Bank. 2012. Second Critical Ecosystem Partnership Fund (CEPF2) Aide Memoire. Supervision Mission: July 18, and October 19-24, 2012.

⁵⁴ World Bank. 2009. Second Critical Ecosystem Partnership Fund (CEPF2) Aide Memoire. Supervision Mission: December 2009.

unique biodiversity, and the Caribbean consulted over 200 stakeholders. The Western Ghats and Wallacea hotspot evaluations also touch on the importance of collaboration between grantees, NGOs, government, academia, and the private sector. Likewise, according to the minutes of the 21st Donor Council meeting, representatives of local stakeholder groups, the governments of the three countries of the hotspot, and international, national and grassroots NGOs and academia attended a regional workshop in Honiara for the profiling process that took place in the East Melanesian Islands Hotspot.⁵⁵ In the minutes of the 22nd Donor Council meeting, the Secretariat also noted how CEPF has engaged frequently with other donors—the private sector, foundations, bilateral and multilaterals—about the Ecosystem Profiles, and through an emphasis on building a common vision for the civil society in the regions where CEPF works, other donors have begun to see the value of participating in CEPF efforts and adopting the Ecosystem Profiles as their own strategies. This has occurred in both the Mediterranean region and in the Indo-Burma Hotspot.⁵⁶

CEPF governance and management units are accountable to beneficiaries through its grievance mechanism and implementation of safeguards (see also Section 7.1.3). According to the program’s grievance mechanism, CEPF will provide a written explanation to all applicants whose proposals are unsuccessful, and interviews and fieldwork indicated that this practice is being followed. Applicants are encouraged to contact the relevant RIT or CEPF grant director if they have additional questions about the decision. If the applicant is not satisfied with the response, a grievance may be submitted to CEPF’s executive director by email or mail. With regard to implementation of safeguards, local communities and other interested stakeholders may raise a grievance, at any time, to the applicant/grantee, the CEPF Secretariat or the World Bank.⁵⁷ Four grievances were logged during the DGF period under review.

CEPF governance and management units are accountable to donors through quarterly reports to donors, Donor Council meetings, and Working Group meetings. A desk review of quarterly reports and meeting minutes supports the finding that CEPF governance and management units are fulfilling their obligations to donors, as mandated by the Operational Manual.

6.4. Fairness

Grantees, for the most part, have fair and equal opportunity to receive benefits from the CEPF. In accordance with the DGF grant agreement, grants were awarded on a competitive basis guided by agreed priorities identified in the Ecosystem Profiles. The grant-making process is clearly defined in the CEPF’s Operational Manual.

Eighty-nine percent of survey respondents agree that CEPF’s process for soliciting and selecting grant proposals is fair. In addition, 83 percent of respondents agree that they have equal opportunity to

⁵⁵ CEPF/DC22/3. Critical Ecosystem Partnership Fund Twenty-first Meeting of the Donor Council Conservation International, Arlington, VA. 11 June 2012.

⁵⁶ Critical Ecosystem Partnership Fund Twenty-second Meeting of the Donor Council Conservation International, Arlington, VA. 18 December 2012.

⁵⁷ CEPF Grievance Mechanism is available at: <https://www.cepf.net/grants/grievance-mechanism>.

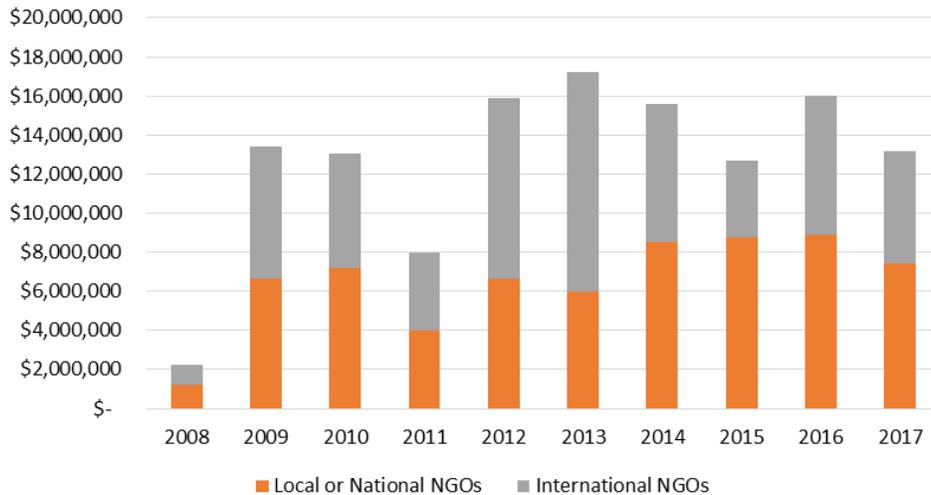
access the CEPF, compared to other eligible grant applicants. Interviews further support this finding. RITs and the Secretariat describe wide-reaching approaches to raise awareness of calls for proposals, selecting locally-informed channels for dissemination. Evidence from fieldwork and hotspot assessment reports point to the frequent use of panel approaches for selecting grant proposals, often including experts from the RIT as well as external experts. In the Western Ghats, for example, a process was put in place for shortlisted applicants to deliver an in-person presentation and be subject to questions from the panel. This process was perceived as increasing the fairness and transparency around the grant-making process, as well as applying more rigor to the review process. RITs have also worked with applicants to build their proposal writing capacity to ensure fairness. However, as noted in the 2014 AfD ex post evaluation, it has been mentioned several times that the call for proposal system is difficult to access for small local NGOs.⁵⁸

A key consideration around fairness is the ability of local or national NGOs to access CEPF funding, and over the DGF-funded period, there has been an increasing trend in awarding grant financing to these groups. About a year and a half prior to the start of this evaluation period, the largest share of the grant financing had been awarded to international NGOs (55 percent of the total as of March 2007).⁵⁹ During this evaluation period, the largest share of grant financing had been awarded to national or local NGOs (51 percent of the total). As shown in Figure 2 below, the last three years of this evaluation period, in particular, had a high share of financing awarded to national or local or national NGOs (69 percent in 2015, and 56 percent in both 2016 and 2017).

⁵⁸ Beucher et al. 2014. Ex Post Contribution de l'AfD au Fonds de partenariat pour les écosystèmes critiques (CEPF). No. 59. November 2014.

⁵⁹ Independent Evaluation Group (IEG). 2007. Critical Ecosystem Partnership Fund. Global Program Review. Volume 2. Issue 1. November 7, 2007.

Figure 2. Grant Financing Awarded by Stakeholder, 2008-2017



In terms of the number of grants awarded to national or local NGOs versus international NGOs, 68 percent went to national or local NGOs. In 2017, 76 percent were awarded to national or local NGOs while only 24 percent were awarded to international NGOs. The number of large versus small grants were split 50-50 during this evaluation period, with an average grant size of \$100,600.⁶⁰

Maputaland-Pondoland-Albany, Wallacea, and the Western Ghats had a notably high number of national or local grants awarded.⁶¹ Fieldwork conducted for this evaluation in the Western Ghats and Tropical Andes found evidence of a large proportion of resources being directed to local or national organizations, which can be attributed in part to the prevalence of dynamic and committed CSOs working on conservation issues in these areas.

As noted in the 2014 AfD ex post evaluation, the high proportion of funding going to international NGOs is usually justified by the lack of local capacities to implement particularly large projects. Often only international NGOs, long-established in the countries and well connected, have capacity to design and implement numerous and large programs, or even to intervene on a regional scale.⁶² A review of hotspot evaluations found that the in the Eastern Afrotropical hotspot, there is a relatively large proportion of international grantees compared to local grantees; this is explained by the fact that the RIT is not physically present throughout the large hotspot and many of the KBAs are remote. However, the international organizations have a long-term local presence and are staffed largely by local personnel.

Much has been done over the course of this evaluation period to address the potential conflict of interest posed by CI's position within CEPF. The CEPF 2007 evaluation found that CI's dual role as manager of the grants program and as a potential grantee presents a potential conflict of interest. The

⁶⁰ Based on data provided by the CEPF Secretariat. Includes grants with a start date of 2008 through 2017. Amounts are awarded amounts, not payments.

⁶¹ Based on data provided by the CEPF Secretariat. Includes grants with a start date of 2008 through 2017. Amounts are awarded amounts, not payments.

⁶² Beucher et al. 2014. Ex Post Contribution de l'AfD au Fonds de partenariat pour les écosystèmes critiques (CEPF). No. 59. November 2014.

evaluation noted that CEPF has taken steps to resolve this issue by limiting grants to CI to 50 percent of the total available and requiring them to undergo the same Council approval process as any other grant.⁶³ In 2010, the 18th meeting of the Donor Council noted that the amount of grant funding going to CI has been steadily decreasing. Further, the Secretariat and Donor Council agreed to only grant to the organization in cases where CI is clearly the best agency for the project, and noted that the approval process for grants to CI is now handled by the Working Group rather than the Secretariat.⁶⁴

The 2014 AfD ex post evaluation noted that the positioning of CI within CEPF, globally and locally, has improved significantly (i.e., reduction of CI's share in grants allocated, greater openness and transparency), but remains, for some, a little problematic, because CI often keeps a prominent place in hotspots supported and necessarily benefit from inside information.⁶⁵

6.5. Influence of DGF-Funded Portion of the Program

Ecosystem sub-grants were the core strategy of CEPF, and DGF funds went directly to that core purpose. Given the pooled nature of funds and the equal voices of donors, stakeholders found it difficult to attribute influence on the strategic focus of CEPF to the DGF-funded portion of the program. The DGF contributed to two of the four core components of the CEPF program. In total, DGF funding accounted for approximately one-fifth of total grant funding over the DGF-funded period (see Section 5).

Some stakeholders suggested that the World Bank may have added a sense of credibility to the program that led to attracting other donors and funding. The World Bank has been one of CEPF's longest standing partners and played a fundamental role in the emergence of the partnership. Having a multilateral development bank (MDB) onboard was thought to be instrumental by some in attracting other donors who have confidence in World Bank approaches. The World Bank IEG's 2010 Evaluation of GRPPs also found the World Bank's leverage for CEPF to be "substantial."⁶⁶

Evidence suggests that the World Bank had a strong influence on shaping CEPF policies and procedures. For example, the World Bank placed a strong emphasis on safeguards that led to the development of the Pest Management Plan for CEPF. The World Bank has had more influence than other donors in terms of its ability to apply its fiduciary rules and regulations to the CEPF. CEPF put in place financial management systems that met the Bank's financial management requirements, including financial and programmatic risk capabilities.

With regards to DGF eligibility criteria, the World Bank's influence was found to be modest in terms of promoting partnerships. In the 2015 World Bank Implementation Completion and Results Report, it was

⁶³ Independent Evaluation Group (IEG). 2007. Critical Ecosystem Partnership Fund. Global Program Review. Volume 2. Issue 1. November 7, 2007.

⁶⁴ Eighteenth Meeting of the Donor Council. Nagoya, Japan. 26 October 2010.

⁶⁵ Beucher et al. 2014. Ex Post Contribution de l'AfD au Fonds de partenariat pour les écosystèmes critiques (CEPF). No. 59. November 2014.

⁶⁶ IEG (Independent Evaluation Group). 2010. *The World Bank's Involvement in Global and Regional Partnership Programs: An Independent Assessment*. Washington, DC: World Bank.

also noted that supervision fell short with regard to the aim of fostering strategic links with other relevant Bank operations in the regions, which was a carry-over issue from the CEPF's first phase. Although input on Bank programs was contributed to each new ecosystem profiling exercise, and Project Aide Memoires repeatedly encouraged cooperation with Bank regional staff to encourage integration of CEPF efforts into broader World Bank country assistance strategies, little progress was noted. Efforts were inconsistent across hotspots. This is considered a moderate shortcoming given that the potential for innovative donor partnership was a key justification for the Bank's involvement in CEPF Phase II.⁶⁷

7. Risk Management and Sustainability

Evaluation Question: To what extent has the WB/DGF-funded portion of the program identified and effectively managed any risks to the program?

Key Findings:

- The program risks associated with the CEPF approach were appropriately identified, and measures were put in place to effectively manage those risks. The risk tolerance has not been fully agreed among partners, however, causing some tensions.
- At the grant-level, appropriate processes were in place for the CEPF Secretariat and RIT to manage grant-level technical and financial risks. Financial risk management was found effective for most of the DGF grant period, although in the later years of the grant, some concerns were raised about the adequacy of financial supervision.
- The CEPF Secretariat and the World Bank took appropriate measures to ensure safeguard compliance across the CEPF project, and these measures have adapted over time to address evolving guidance from the World Bank. As a result, compliance with safeguards was generally found to be satisfactory, although disclosure of safeguard instruments is still not comprehensive on the CEPF website.
- The DGF-funded period was marked by a growing emphasis on and evolving strategies to promote sustainability. Fieldwork for recent evaluations and assessments offer some promising, though limited, observations on the post-investment sustainability of CEPF's results in each hotspot. Inadequate evidence was available on the effectiveness of the consolidation approach in terms of sustainability.

7.1. Risk Management

7.1.1. Program-level risk management

The program risks associated with the CEPF approach were appropriately identified, and measures were put in place to effectively manage those risks. At the start of the DGF-funded period, the World Bank's Quality Enhancement Review (QER) in 2007 identified moderate hotspot-level risks associated with insufficiency of local capacity in terms of grantees and RITs, unfavorable economic and governance conditions, regional conflicts, difficulties engaging all hotspot stakeholders, and potential of funding shortfalls. Operational risks were also identified related to the possibility that CEPF would not adequately enforce Bank safeguard policies, and the potential conflict of interest associated with CI

⁶⁷ World Bank. 2015. Implementation Completion and Results Report on a Grant in the Amount of 20.00 Million to Conservation International for a Critical Ecosystem Partnership Fund 2 Project. September 30, 2015.

implementing CEPF grants. Over the course of the DGF-funded period, these risks were appropriately managed, with policies and measures put in place to mitigate them, as evidenced below.

- **Insufficiency of local capacity.** The risk of insufficient capacity in local grantees and RITs was adequately managed throughout the DGF-funded period. The CEPF’s Operational Manual includes financial management and procurement procedures, among other control mechanisms, that provide the basis for building sufficient capacity in the RITs and grantees. At the RIT level, potential risks associated with the capacity of the RIT were considered in detail by the Working Group in reviewing applicant proposals for RITs. New RITs are trained by the CEPF Secretariat, with a week-long workshop covering all facets of CEPF: its policies, grant-making cycle, environmental and social safeguards, procurement, strategies for reaching and building civil society capacity, communications and outreach, gender, monitoring and evaluation, and the roles and responsibilities of the RIT versus the Secretariat. Additional and refresher training has also been offered during some Secretariat supervision missions to the RIT, and when possible, deficiencies were identified (e.g., in the case of financial risk management associated with the Caribbean RIT). The Secretariat has also provided important implementation support for the RITs throughout the hotspot investment period, building the capacity of the RIT through a mentoring relationship.⁶⁸ Later in the DGF-funded period, the CEPF Secretariat also held RIT exchanges to share experiences and learning, and to build capacity among RITs.

Over the DGF-period, some divergent opinions were raised about the sufficiency of the training and budget for RITs to ensure compliance with safeguards and financial tracking, including by the CEPF Secretariat and the RITs themselves. For instance, the Evaluation of Lessons Learned in the Caribbean Hotspot notes that “the RIT did not receive sufficient training in safeguards.” The Eastern Afromontane hotspot assessment, as well as the independent evaluation conducted by GLISPA, also found that the current allocation of time and resources for RIT staff to spend on their work is insufficient. In contrast, in the Western Ghats, training and resources offered to the RIT were found to be sufficient.

At the grantee level, both the RITs and Grant Director have supported capacity building in the grantees, to ensure that even small CSOs that are receiving their first international donor funding from CEPF are able to meet the financial management, safeguard, and monitoring and reporting requirements. Hotspot assessment reports have pointed to a range of capacity building efforts, from trainings or workshops prior to the issuance of calls for proposal, to working with potential grantees to develop more workable grants and mitigate risks, to continued support during grant implementation for monitoring and reporting and adaptive management. Capacity building is a core objective of the CEPF; see also Section 4.2 on increasing national and local capacity for biodiversity conservation.

⁶⁸ ICF. 2017. Institutional Assessment to Inform the Design of a World Bank Project in Support of the Objectives of the Critical Ecosystem Partnership Fund: Assessment Report. Prepared for the World Bank. May 10, 2017.

- **Unfavorable economic and governance conditions and regional conflict.** Socio-political risks are considered through the process for determining which hotspots to invest in, as well as the formal ecosystem profiling exercise. During the DGF-funded period, the Donor Council and the Working Group assessed potential risks in terms of economic and governance conditions in selecting new hotspots for investment. For example, in 2012, when considering potential investment in the Cerrado and Mountains of Central Asia, the Donor Council instructed the Secretariat to prepare an assessment of political economy considerations that might positively or negatively affect impact achievement in those areas. These findings were presented to the Donor Council and helped inform the selection of a hotspot for investment.

The CEPF also faced conflict-related risk concerns in the Eastern Afromontane and the Mediterranean Basin that impeded the Fund’s ability to invest in certain countries, as well as the ability of CSOs to participate in the program. The CEPF’s hotspot approach helped to mitigate the impact of these risks on outcome achievement, by working across the remainder of the hotspots and using small grants to expand networks and build capacity.⁶⁹

- **Difficulties engaging all hotspot stakeholders.** This risk was reasonably mitigated through the consultation processes employed during the preparation of the Ecosystem Profiles, as well as the multiple channels and mediums used for communication of open calls for proposals. In some hotspots, the RITs missed opportunities to reach out to some very local civil society groups because of funding limitations (see discussion above).
- **Potential of funding shortfalls.** At the individual grant level, significant funds were leveraged across the hotspots (see Section 5.1). The risk of funding shortfalls was also mitigated by the actions of the Secretariat over the DGF-funded period. A previous evaluation found that the Secretariat actively explored and pursued strategies for fundraising, both at the program level and in individual hotspots to augment CEPF funding and support a broader use of the Ecosystem Profiles. During the DGF period, the Secretariat sought to expand or reconfirm commitments from existing donors, strategically searched for new donors (including bilateral, private foundations, and private sector), and submitted successful funding applications to regional donors (e.g., \$2.8 million from Margaret A. Cargill Foundation).⁷⁰ While the Secretariat had these successes in mobilizing financing, the DGF-funded portion of the program still represented a higher percentage of total donor contributions than recommended by the DGF eligibility criteria (see Section 5 on Efficiency).
- **Inadequate enforcement of safeguard policies.** Overall, the CEPF Secretariat and the World Bank took appropriate measures to ensure safeguard compliance across the CEPF project. The findings related to risk management and safeguards are presented in Section 7.1.3 below.

⁶⁹ ICF. 2017. Institutional Assessment to Inform the Design of a World Bank Project in Support of the Objectives of the Critical Ecosystem Partnership Fund: Assessment Report. Prepared for the World Bank. May 10, 2017.

⁷⁰ ICF. 2017. Institutional Assessment to Inform the Design of a World Bank Project in Support of the Objectives of the Critical Ecosystem Partnership Fund: Assessment Report. Prepared for the World Bank. May 10, 2017.

- **Potential conflict of interest with CI implementing CEPF grants.** Procedures were put in place for addressing conflict of interest, and previous evaluations indicate that the relationship between CEPF and CI has changed significantly in the past five years; now, there is more distance between the organizations and much less funding has been awarded to CI (see also Section 6.4 on Fairness).^{71,72}

Overall, multiple evidence sources have recognized the program risks associated with CEPF’s model for biodiversity conservation, and deemed them reasonable based on the potential reward associated with calculated risk-taking. The CEPF approach—working in developing countries, and sometimes in fragile and conflict-affected states, often with low-capacity or nascent CSOs, who may even be receiving their first funding from an international donor—necessarily involves some risk. In the DGF grant period, this was an explicit goal in the Strategic Framework for Phase II, which stated that CEPF “will directly benefit national and local groups that many donors have found difficult to reach,” with a target of 50 percent of global grant funds allocated to local CSOs. The CEPF has shown a willingness to grant to and invest its financial and human resources (primarily through the RITs) in CSOs that have low capacity, but may have good ideas and growth potential. Many of CEPF’s grantees have never received international funding before; in Maputaland, for example, approximately 40 of 60 grantees were in this constituency. At the hotspot level, CEPF stakeholders have acknowledged the potential trade-offs in risk and reward; for example, in Donor Council and Working Group discussions considering investment in the Cerrado and the Mountains of Central Asia, the Cerrado was considered lower risk, lower reward, while Central Asia could have a higher risk and potentially higher reward.

⁷¹ Beucher et al. 2014. Ex Post Contribution de l’AfD au Fonds de partenariat pour les écosystèmes critiques (CEPF). No. 59. November 2014.

⁷² ICF. 2017. Institutional Assessment to Inform the Design of a World Bank Project in Support of the Objectives of the Critical Ecosystem Partnership Fund: Assessment Report. Prepared for the World Bank. May 10, 2017.

In 2010, an independent evaluation found that the CEPF approach of calculated risk-taking in investments worked well from 2001-2010, and recognized the value of CEPF's investments in areas of risk and uncertainty, where other donors may not venture. The 2015 institutional review also found local, nascent organizations being strengthened by CEPF's interventions during its fieldwork in the Mediterranean and Madagascar hotspots. This final evaluation's fieldwork also demonstrates the benefits and trade-offs of risk-taking (see Box 1 above on the Shencottah Gap and Box 3).

The risk tolerance, however, has not been fully agreed among its partners, which has begun to cause some challenges at the end of the DGF-funded period. Desk analysis and interviews revealed some differences in the attitude toward risk in the CEPF, which bring difficulties for managing a pooled core fund. In particular, the topic of risk tolerance was discussed at recent Working Group and Donor Council meetings, and a paper was prepared by the Secretariat asking for guidance from the governing body on how to manage risk without losing the ability to grant to high-risk local and national CSOs.

Box 3: From "high-risk" grantee to hotspot hero

In the Western Ghats, the evaluation team met with the CEPF grantee Arulagam, a small local NGO in India that was ranked high for financial risk in 2009. Arulagam was supported by the RIT in building its capacity, as well as partner NGO (another CEPF grantee) that served as a peer mentor. Arulagam's Secretary, Bharathidasan Subbaiah was ultimately selected as a biodiversity hotspot hero, as well as the nodal agency for South India vulture conservation, and has achieved remarkable results (see also Box 4). Since the initial support and financial management capacity building from CEPF, as well as continued support from the RIT manager to review funding proposals, Arulagam has received financial support from Saving Asia's Vulture from Extinctions (SAVE), Oriental Bird Club, Royal Society for the Protection of Birds, Mohamad bin Zayd Species Conservation Fund, Rufford Foundation, Ashirvadam Foundation, Disney Conservation Fund, and the World Wildlife Fund – India.

Sources: Evaluation interviews.

7.1.2. Grant-level risk management

Appropriate processes were in place for the CEPF Secretariat and RIT to manage grant-level technical and financial risks. Technical risks were managed through the grant proposal selection process, as well as supervision carried out by the Secretariat and the RITs at the hotspot level. Multiple assessments have found the extent of technical risk management sufficient in the hotspots reviewed. In most hotspots, grant proposals are reviewed by a committee of experts that includes both RIT staff and external, regional experts. For example, in the Western Ghats, grant proposals were reviewed by a panel of internal (RIT) and external experts; and after the first round of granting, a process was put in place for shortlisted applicants to deliver an in-person presentation and answer questions from the panel, including questions around technical delivery risks, such as the feasibility of obtaining necessary permissions or permits. In Indo-Burma, all grants were subject to technical review by at least two experts.⁷³

Grant directors undertake at least two supervision missions per year to each hotspot. Interviews and previous evaluations indicate that, in the hotspots reviewed, nearly all grants were subject to technical

⁷³ World Bank. 2009. Second Critical Ecosystem Partnership Fund (CEPF2) Aide Memoire. Supervision Mission: December 2009.

supervision visits during their lifetime. In the Mediterranean, either the Secretariat, RIT, or both had conducted supervision missions or grantee meetings with all large grantees,⁷⁴ and most large grantees had multiple interactions. Nearly all grants in Indo-Burma and the Western Ghats were subject to site visits, according to the RIT manager and CEPF Secretariat. This level of technical supervision compares favorably with the GEF's SGP. The most recent evaluation of the SGP in 2015 found that 88 percent of projects sampled had at least one monitoring visit, down from 96 percent in 2008—largely attributed to resource constraints.⁷⁵

During the DGF period, the CEPF Secretariat and RITs used CI's Grants Enterprise Management System (GEM) to manage their portfolio of grants and contracts.⁷⁶ This system allowed CEPF to track the full lifecycle of grants and to store documents and data.

For financial risk management of large grants, the CEPF Secretariat's Grant Management Unit⁷⁷ was responsible for due diligence procedures, as well as for financial management and supervision, during the DGF period. The Unit evaluated proposed grants against CEPF's eligibility requirements established by CI and the Fund's Donor requirements, and monitored and supported grantees' financial compliance throughout the life of a grant by reviewing financial reports and processing disbursements according to compliance policies. A financial risk questionnaire is applied for each grant, which informs the assignment of a risk rating (low, medium, high). The risk rating influences monitoring and reporting requirements. For example, while all grants must submit quarterly reports, high-risk grantees may be additionally asked to submit detailed transaction reports, bank reconciliations, an organizational audit, and sometimes are required to open separate bank accounts to hold their CEPF grant funds. The RITs held these same responsibilities for small grants, including developing a financial risk assessment process that they run for their small grants. All RITs were trained in fiduciary responsibilities and the CEPF Operational Manual upon selection. An additional level of supervision was applied by the CEPF Secretariat Grant Managers, who reviewed the RITs' small grants financial supervision reports on a quarterly basis.

Financial risk management was found effective for most of the DGF grant period, although in the later years of the grant, some concerns were raised about the adequacy of financial supervision. Although the CEPF Secretariat has primary supervisory responsibilities for grant-level financial management, the World Bank performed regular supervision of its DGF contribution to the CEPF, and aide-memoires generally describe satisfactory programmatic and financial risk management. An in-depth financial management assessment in 2011 found no issues, noting that the financial management system was

⁷⁴ Based on supervision mission records provided by the RIT. One exception was one large grant in Lebanon for which security issues made it difficult to visit.

⁷⁵ GEF IEO and UNDP. 2015. Joint GEF-UNDP Evaluation of the Small Grants Programme. July 2015.

⁷⁶ Since the close of the DGF, CEPF has transitioned to a new system called "ConservationGrants."

⁷⁷ As of 2017, the Grants Management Unit has been reorganized into a new CI Grants and Contracts Unit, to help strengthen the risk assessment and risk management practices, and standardize the monitoring protocols and tools. Four grants managers are dedicated to CEPF.

adequate and producing understandable, relevant, and reliable financial information.⁷⁸ Financial management arrangements continued to proceed without noted issues through 2015.⁷⁹

In 2017, an In-Depth Fiduciary Review carried out by the World Bank found that the CEPF was not able to supervise the individual grants sufficiently and identified several cases of ineligible expenses. A n independent evaluation also found that on-the-ground financial supervision by the CEPF Secretariat had been somewhat limited, due in part to the size of the grant-load for each Grant Manager.⁸⁰ From 2014-2016, 14 percent of large grants to non-RIT organizations (both by number and grant value) were visited by Grant Managers, and of these, about 50 percent of visits were to grants with low-risk ratings. Some financial supervision of large grants is also conducted by the Grant Directors, during their technical supervision visits.

From the World Bank side, fewer supervision missions were conducted than were called for (originally up to four hotspots per year), as the global scope of the project and limited management fees made this challenging. Field visits to the new hotspots began for the World Bank’s mid-term review in 2011, with five hotspots visited in total during implementation.

7.1.3. Safeguard compliance

The CEPF Secretariat and the World Bank took appropriate measures to ensure safeguard compliance across the CEPF project, and these measures have adapted over time to address evolving guidance from the World Bank. The CEPF project originally triggered four World Bank safeguards — OP 4.01 (Environmental Assessment), OP4.36 (Forests), OP 4.10 (Indigenous Peoples), and OP 4.12 (Involuntary Resettlement)—and was categorized as Category “C” for its focus on conservation actions that offer positive environmental impacts. The CEPF’s ESMF is based on the World Bank’s environmental and social safeguard policies, as well as CI’s policies. The CEPF Operational Manual included clear requirements that all individual CEPF grants be screened for safeguards and that appropriate mitigation measures be introduced and implemented through the grant’s lifecycle, if necessary. The GEM system stores safeguard documents and facilitates checking of annual compliance with safeguard policies.

Additional measures were incorporated as new considerations arose, such as specific measures on social safeguards in the Operational Manual, an Indigenous Peoples Planning Framework and a Process framework for Involuntary Restrictions. Partway through the DGF grant period, in 2011, a fifth safeguard policy, OP 4.09 (Pest Management), was triggered with investments in island hotspots, where chemical pesticides and rodenticides are used within an integrated pest management approach to address invasive species on islands. A pest management section was subsequently prepared in 2012, the CEPF’s

⁷⁸ World Bank. 2011. Second Critical Ecosystem Partnership Fund (CEPF2) Mid-term Review Mission: June 3-29, 2011.

⁷⁹ World Bank. 2012. Second Critical Ecosystem Partnership Fund (CEPF2) Aide Memoire. Supervision Mission: July 18, and October 19-24, 2012.

⁸⁰ ICF. 2017. Institutional Assessment to Inform the Design of a World Bank Project in Support of the Objectives of the Critical Ecosystem Partnership Fund: Assessment Report. Prepared for the World Bank. May 10, 2017.

ESMF was amended, and the CEPF project was re-categorized to Category B. The CEPF's ESMF requires the World Bank to review and approve the first two of each grant-level plans needed (e.g., Indigenous Peoples Plan, Pest Management Plan) prior to initiation of that particular grant. During the DGF-funded period, the World Bank reviewed and approved the first two Pest Management Plans.⁸¹

Multiple trainings on safeguards were provided over the course of the DGF grant period to the CEPF Secretariat and RITs. At the start of the grant period, in 2008, the World Bank provided a safeguards training course to CEPF staff. World Bank regional safeguards experts provided training to the RITs in Indo-Burma, the Western Ghats, and Polynesia-Micronesia. Safeguards compliance is part of the standard week-long training package for all new RITs, delivered by the CEPF Secretariat, and additional and refresher training is also offered as-needed during some Secretariat supervision missions to the RIT.⁸² Following the triggering of the pest management safeguard policy, the World Bank agreed to work with the CEPF Secretariat to better prepare future RITs for identifying and supervising safeguard activities in individual grants, including by adding this to the ToRs for each RIT, and providing each RIT, upon its selection, with a World Bank-led training in how to identify and supervise safeguard actions in each grant.^{83,84} The World Bank held a training for the Eastern Afromontane RIT in 2012, and for the Maputaland-Pondaland-Albany RIT in 2013. The World Bank also provided a safeguards refresher training for all CEPF Grant Directors and RITs during an RIT Exchange meeting in 2013.

Safeguards have been monitored on several levels. At the individual grant level, grantees with safeguard Action Plans report every six months on their implementation. The RITs monitor implementation of safeguards through reporting, photo documentation, and periodic site visits to grantees. The CEPF Secretariat oversee safeguards during supervision missions of the RIT, as well as site visits to large grantees. CEPF Secretariat supervision reports include sections addressing safeguards.

As a result of these measures, compliance with safeguards was generally found to be satisfactory during the DGF grant period. The most commonly triggered safeguards were on indigenous peoples and involuntary resettlement, with 134 approved large grants (35 percent) and 85 approved small grants (23 percent) triggering one or more safeguards during the period. Triggered safeguards have led to the preparation of 224 reports and/or management plans, with all required reports received by the CEPF Secretariat.⁸⁵ World Bank supervision missions, as well as the mid-term review, consistently found that

⁸¹ CEPF. 2015. CEPF and its Environmental and Social Management Framework: A Review of Policies, Processes and Implementation, 2009-2014. September 2015.

⁸² ICF. 2017. Institutional Assessment to Inform the Design of a World Bank Project in Support of the Objectives of the Critical Ecosystem Partnership Fund: Assessment Report. Prepared for the World Bank. May 10, 2017.

⁸³ World Bank. 2011. Second Critical Ecosystem Partnership Fund (CEPF2) Mid-term Review Mission: June 3-29, 2011.

⁸⁴ World Bank. 2012. Second Critical Ecosystem Partnership Fund (CEPF2) Aide Memoire. Supervision Mission: July 18, and October 19-24, 2012.

⁸⁵ January 1, 2009, to December 31, 2014, based on CEPF. 2015. CEPF and its Environmental and Social Management Framework: A Review of Policies, Processes and Implementation, 2009-2014. September 2015.

the CEPF project was complying with the measures in the ESMF.^{86,87} To date, CEPF has never received a grievance related to implementation of a safeguard.⁸⁸

Although a 2011 supervision mission in Polynesia-Melanesia identified that the purchase and application of pesticides was being supported under CEPF, without triggering appropriate safeguards (as mentioned above)—the mission also found that the project was still using international best practice to identify, minimize, mitigate and manage adverse impacts arising from its pest management activities.⁸⁹ Supervision following the development of the new CEPF Pest Management Plan found that the two hotspots with active pest management grants underway had appropriate safeguards in place, with pest management plans cleared by the CEPF Secretariat and World Bank.⁹⁰ In 2013, a World Bank safeguards mission reviewed a potential case of involuntary resettlement in Southern Africa and determined no adverse impact.⁹¹ And in 2014, the World Bank reviewed the implementation and supervision of safeguards in each of the 14 hotspots with active investments, and found satisfactory screening and monitoring.⁹²

As of the writing of this evaluation, disclosure of safeguard instruments on the CEPF website is not comprehensive. For example, for the Western Ghats, some safeguard information was available on the CEPF website for 17 grants (e.g., safeguard assessments or plans, or in some cases a grievance poster), while other reporting indicates that 43 grants in the hotspot triggered safeguards.⁹³ World Bank supervision missions in 2012 and 2014 made the same finding regarding disclosure of safeguard instruments, and indicated that the CEPF Secretariat was working toward this objective.

7.2. Sustainability of Results

The DGF-funded period was marked by a growing emphasis on and evolving strategies to promote sustainability. Three main strategies were followed for ensuring the sustainability of results during this period: consolidation programs in Phase I hotspots (in the earlier part of the DGF period); sustainability efforts in new Phase II hotspot investments and re-investments; and a new vision for sustainability launched through the Phase III Strategic Framework (at the very end of the DGF period).

⁸⁶ World Bank. 2011. Second Critical Ecosystem Partnership Fund (CEPF2) Mid-term Review Mission: June 3-29, 2011.

⁸⁷ World Bank. 2012. Second Critical Ecosystem Partnership Fund (CEPF2) Aide Memoire. Supervision Mission: July 18, and October 19-24, 2012.

⁸⁸ CEPF. 2015. CEPF and its Environmental and Social Management Framework: A Review of Policies, Processes and Implementation, 2009-2014. September 2015.

⁸⁹ World Bank. 2011. Second Critical Ecosystem Partnership Fund (CEPF2) Mid-term Review Mission: June 3-29, 2011.

⁹⁰ World Bank. 2012. Second Critical Ecosystem Partnership Fund (CEPF2) Aide Memoire. Supervision Mission: July 18, and October 19-24, 2012.

⁹¹ World Bank. 2013. Second Critical Ecosystem Partnership Fund (CEPF2) Aide Memoire. Supervision Mission: December 4, 2013.

⁹² At that time, 134 grants had triggered a total of 163 safeguards: 17 had triggered environmental assessment, 14 on pest management, 74 on indigenous peoples, 56 on involuntary resettlement, and 2 on physical cultural resources.

⁹³ CEPF. 2015. CEPF and its Environmental and Social Management Framework: A Review of Policies, Processes and Implementation, 2009-2014. September 2015.

While intended to focus squarely on reinforcing and sustaining the conservation gains achieved as a result of CEPF investments in the initial five-year period, limited information was available about the effectiveness of the regional consolidation programs as a strategy for sustainability. They were intended to emphasize sustainable financing mechanisms that leverage additional resources and strengthening networks of stakeholders that would support long-term conservation action by replicating and scaling up CEPF successes. Some evidence, including interviews and documents, suggests that the consolidation programs were not as effective in promoting sustainability as had been hoped. Annual portfolio reports for the hotspots receiving consolidation programs report on outputs from the consolidation grants themselves, and similar challenges as were experienced during the main hotspot investment period, such as the lack of donor financing in the regions and the need for CSOs to build capacity, maintain networks, and be self-sufficient. For example, the Tropical Andes final portfolio review notes that CEPF’s experience during consolidation points to the importance of managing the inherent risks of working at the community level, as grassroots civil society groups and even the implementing organizations are often faced with limited institutional and technical capacity that can undermine or detract from the achievement of conservation objectives.

For new hotspot investments, the CEPF Strategic Framework for Phase II (FY2008-2012) highlighted the following aspects of sustainability:

- Ecological sustainability—through directed and strategic civil society actions that are designed to interlink and build upon other activities, “to contribute to the sustainability of project initiatives, influence larger policy and institutional frameworks, and ensure ecosystem conservation in the long term.”
- Social and institutional sustainability—by “empowering civil society stakeholders to directly assist in biodiversity conservation, acquire a positive stake in sustainable development programs, and become sources of improved design, support, and durability for those efforts, thereby also further contributing to ecological sustainability as well.”
- Financial sustainability—at the hotspot level, activities to be encouraged included “piloting of specific innovative financial mechanisms, such as payments for ecosystem services and market transformation initiatives that would contribute to sustainability of results.”

At the tail-end of the DGF-funded period, in 2014, the CEPF launched a new Strategic Framework for Phase III that focused on new models for supporting sustainability. This included the development of long-term strategic visions for each hotspot, including measuring progress against targets for graduation (i.e., the conditions under which CEPF can withdraw from a hotspot with confidence that effective biodiversity conservation programs will continue sustainably). This process would be supported by strengthened implementation structures, such that RITs or similar organizations could become permanent stewards of the long-term strategic vision, able to coordinate and support CSOs and connect them with government and private sector partners. Many evaluations and hotspot assessments point to the continued need for funding for CSOs on biodiversity conservation and capacity building, after the CEPF investment period of five to seven years. The long-term strategic vision approach in Phase III may

help address these concerns, as could re-investment strategies as have been pursued in hotspots like the Mediterranean Basin and the Caribbean.

Fieldwork for recent evaluations and assessments offer some promising, though limited, observations on the post-investment sustainability of CEPF's results in each hotspot. Post-investment reviews of CEPF results in the Atlantic Forest, Tropical Andes, and Western Ghats hotspots for recent independent studies point especially to sustainable impacts around strengthening of CSOs. For example, in the Atlantic Forest, the greatest sustainable impact observed was the effects on institutional strengthening, which was still apparent years after the end of the CEPF investment period.⁹⁴ The Tropical Andes provides an instance that shows the impacts of CEPF's support to key grassroots local organizations. Serraniagua, a beneficiary of CEPF's support that received its first grant while still a nascent institution,⁹⁵ is currently implementing a CEPF grant for strengthening a model of community conservation through CEPF's re-investment in this hotspot. This grantee has established itself as a key, trusted actor among local and national stakeholders working on conservation and sustainable development. Its mission now includes several interacting lines of work, they have leveraged additional sources of funding and are well poised to continue their important work in their region. This is a prime example of CEPF contributing to leaving a lasting impact in a hotspot: besides the conservation and civil society impacts stemming from CEPF's grants to Serraniagua, CEPF has contributed to the institutional development of a strong, credible actor committed to making continued impacts well into the future.

Fieldwork conducted for this evaluation in the Western Ghats found evidence of strong and continued commitment to achieving the aims of their grants beyond the formal project timeline, among the sample of grantees interviewed (see Box 4). Grants that were linked to the core purpose and competencies of an organization were found to be carried forward in many cases, even with limited funding or in the absence of funding. In other cases, important foundational steps were taken, but more applied conservation actions would be needed to drive forward to measurable and sustainable biodiversity conservation impacts (e.g., for individual species or to take forward a piloted approach). Funding remains a perennial challenge for CSOs in the Western Ghats. Five years after the completion of the CEPF investment, grantees still struggle to tap into government programs and corporate social responsibility funds. Some grantees still turn to the RIT Manager and CEPF Grant Director for letters of reference and for review of grant proposals to other funding sources, and this continued support is greatly appreciated.

⁹⁴ ICF. 2017. Institutional Assessment to Inform the Design of a World Bank Project in Support of the Objectives of the Critical Ecosystem Partnership Fund: Assessment Report. Prepared for the World Bank. May 10, 2017.

⁹⁵ Interviewees described it as CEPF being "like a father" because "...they provided our first funds for field equipment...they have strengthened us a lot, they have been our great ally".

Box 4: Sustainability in the Western Ghats Hotspot, Four Years Post-Investment

Sustained efforts to protect vulture populations. Vultures in India went into catastrophic decline in the last two decades, and diclofenac (a veterinary drug) poisoning is widely recognized as the principal cause. At least two species were regarded as critical with extinction inevitable unless action was taken. A CEPF grantee working in the Moyar River Valley identified one of the last viable wild populations of Indian vultures and undertook an integrated program of activities to address threats to vultures and build support for their conservation among a wide range of stakeholders, from Forest Department staff, to tribal leaders and schoolchildren, to veterinarians and pharmacists. The grant was successful during its lifetime in raising the profile of vultures and integrating conservation efforts into local plans—including the resolutions of tribal village councils and the management plans of the Mudumalai Tiger Reserve and Nilgiri North Forest Division.

The evaluation visit was able to review the post-grant situation and found strong evidence of sustainability and growing impact. For example, interviews indicated that the vulture conservation agenda was renewed in 2018 as part of the Forest Department's management and working plans, and that the Forest Department has appointed four vulture watchers; previously, watchers were focused just on tiger, gaur, and sloth bear. In addition, after the close of the grant, the Director of Veterinary and Animal Husbandry banned another veterinary drug known to be lethal for vultures, ketoprofen, in three districts of Tamil Nadu in September 2015 (Coimbatore, Nilgiri and Erode), which fall within the Vulture Safe Zone (VSZ) advocated by the CEPF grantee. In addition, advocacy by the grantee helped contribute to a notification by the Ministry of Health, Government of India in July 2015, which restricted larger multi-dose vials for humans to single unit 3ml packs only, to attempt to curb the illegal veterinary use of the human drug in cattle. The CEPF grantee was a key intervenor for the defense in a lawsuit brought by the Laborate Pharmaceuticals India against the Ministry of Health that contested the aforementioned notification; the notification was ultimately upheld. Today, the population of vulture species is increasing by 6-9 percent annually.

Sources: Evaluation interviews; Ramesh, T., K. Sankar, and Q. Qureshi. 2011. Status of vultures in Mudumalai Tiger Reserve, Western Ghats, India. Forktail. 96-97.; Prakash, Vibhu. (nd). Western Ghats Vulture Survey Project; Venkitachalam, R., and S. Senthilnathan (2016). Status and population of vultures in Moyar Valley, Southern India. Journal of Threatened Taxa. 8(1): 8358–8364; Madras High Court. 2017. Laborate Pharmaceuticals India vs Union of India on 24 October, 2017.

Increased availability of plant species for freshwater swamp restoration. One local CEPF grantee focused on freshwater swamps, which are home to six globally threatened plant species including *Myristica* species. The grantee identified and mapped these swamps, developed protocols for swamp restoration, established nurseries that raised more than 10,000 seedlings, and restored six degraded swamps through large-scale planting. The protocols and models demonstrated by the project were taken up by Karnataka Forest Department. Four years after the close of the grant, fieldwork suggests that the Forest Department continues to recognize the value of these swamps. The evaluation visit observed Forest Department signage and fencing of freshwater swamps. Interviews also indicated that the nursery efforts begun by the grant have been sustained by the Forest Department, and now *Myristica* species are grown by and widely available in their nurseries.

Source: Evaluation interviews.

Keeping information in the public sphere, with limited funding. A significant area of investment by CEPF in the Western Ghats was around developing and launching a web-based open portal on the biodiversity and ecosystem service values of the Western Ghats. Two grantees together received about \$650,000, or approximately 10 percent of the total portfolio in the Western Ghats. The portal has provided an open, participatory information base and encouraged a spectrum of research on biodiversity, from citizen science initiatives, school and education projects, to academic and action research on the Western Ghats. Since the close of the project, the portal has been integrated into the broader India Biodiversity Portal (IBP), and has been maintained by both grantees, in collaboration. Data downloads, observations, and scientific citations for the broader IBP have continued to grow after the project period. While the grantee would like the portal to be more vibrant, they have struggled to sustain funding and currently maintain the portal primarily in their free time.

Source: Evaluation interviews.

8. Lessons Learned and Recommendations

Drawing on the findings of this final evaluation of the World Bank DGF's contribution to the CEPF from 2008 to 2017, this section identifies lessons learned and makes evidence-based recommendations to inform the CEPF program moving forward.

8.1. Lessons Learned

Lesson #1: The CEPF occupies a singular niche among conservation donors and one that is both relevant to global and local needs and well-suited for the program's aims. The CEPF presents—with its focus on globally important biogeographical units (hotspots), guided by Ecosystem Profiles, with sub-granting to and special support for local civil society organizations orchestrated by RITs—a strong and unique approach to address global and local biodiversity conservation. External conservation literature suggests that CEPF's efforts to engage in collaborative approaches and its focus on CSOs may be particularly relevant. Fieldwork in the hotspots also showed the value of clustering approaches for building civil society partnerships and platforms, as well as establishing common approaches on challenging issues—these areas are value additions of the CEPF. The CEPF's unique model of using RITs is fit-for-purpose in terms of strengthening the capacity of local and often nascent civil society organizations to support conservation outcomes.

At the global level, CEPF's portfolio is coherent with the goals of key multilateral environmental agreements and the Aichi targets, and at the national level, the CEPF investment priorities are supportive of countries' development and biodiversity priorities. The strategic directions identified by the Ecosystem Profiles align well with known drivers of and threats to biodiversity, although they could benefit from regular updating to maintain their relevance in the dynamic context of biodiversity hotspots.

Lesson #2: External and internal evidence indicates that work funded by CEPF is effective in achieving conservation and civil society outcomes. The CEPF has made important contributions to knowledge, management, and conservation of biodiversity within hotspots, as well as to increasing the capacity, credibility, and reach of local organizations, as well as their ability to leverage additional sources of funding, in some cases. **However, a robust appraisal of impacts is difficult in part because of the way in which outputs, processes, and outcomes are reported in CEPF documents.** Although measurable outcomes are not to be expected from each individual grant, lack of clarity and precision in the reporting language creates specific challenges for the appraisal of CEPF's overall impacts. This evaluation does not suggest that key outputs need not be counted as relevant achievements—indeed, they should be—only that future reporting would profit from greater rigor in identifying outcomes and clarity in presenting the evidence available to support them. This assessment also suggests caution when presenting outputs as conservation impacts (or benefits) or extrapolating outputs to signal increasing the odds of long-term persistence of species or populations, or that key threats have been eliminated.

Lesson #3: Maintaining clear roles and responsibilities of CEPF management units—especially the Secretariat and RITs—is supported through periodic review and frequent communication. Throughout the review period, continual efforts have been made to differentiate the responsibilities of the RITs and Secretariat for ecosystem grantmaking, to revise the TOR for the RITs, to train the RITs to successfully execute their role, and, in the latter years of the DGF-funded period, to promote exchange among RITs to discuss issues and opportunities. Fieldwork and interviews indicate that maintaining some level of flexibility and reinforcement in these roles and responsibilities can be an asset for supporting different capabilities and capacities of local RITs, who also operate in very different geographic, social, and political contexts. A principle of mutual accountability could guide the relationship between Secretariat and RITs to support effective and efficient grantmaking.

Lesson #4: Ensuring that project and safeguard documentation is made publicly available is important for transparency and accountability. While all project and safeguard documents were readily available when requested of the CEPF Secretariat, the Fund’s website has not been kept fully up-to-date in this regard. The Secretariat is working to review the availability of documentation and ensure that it is comprehensive. Such efforts can serve to preempt potential questions on the rigor with which the CEPF applies its grant-level requirements to prepare and submit such documentation.

Lesson #5: A transparent and locally-rooted grant-making process has helped ensure that grantees see the CEPF as fair and that CEPF achieves its objectives. Selecting wide-reaching and locally-appropriate approaches to disseminate calls for proposals, as well as providing support to applicants to develop quality proposals, helps the CEPF achieve its objective to build capacity in local civil society. In some hotspots, conducting interviews as part of the grant selection process has been helpful to screen for technical or delivery risks and ensure grants are awarded to committed organizations. Importantly, grantees recognize the benefit to their organizations from the CEPF model of hand-holding when necessary.

Lesson #6: The balance between limiting and managing risk on one hand and administrative efficiency for small, low-capacity grantees on the other hand has become a point of tension for the CEPF. Interviews and desk analysis suggest that the flow-down of World Bank policies and requirements play some role in contributing to this tension. Administrative requirements to limit risk are seen by some stakeholders to be increasing and to pose a challenge for low-capacity grantees, which other donors may have found difficult to reach, to readily access the CEPF.

Lesson #7: Fieldwork for recent evaluations and assessments found evidence of sustained and follow-on outcomes associated with CEPF’s support for strengthening local CSOs, suggesting the value of this approach. Evidence was found of local organizations who were catalyzed by their engagement with the CEPF. In particular, when grants were linked to the core mission of an organization, that organization was found to sustain or build on those activities beyond the CEPF-funded period, even with limited funding or in the absence of funding. These findings point to the importance of continued focus on reinforcing the institutional capacities of local civil society to support biodiversity conservation, promote sustainability, and leverage the initial CEPF investment.

Lesson #9: Some opportunities have been missed to assess the efficacy of the CEPF’s evolving strategies for sustainability over the DGF-funded period. The CEPF has adjusted its strategy for sustainability over the DGF-funded period, starting with the regional consolidation programs coming out of Phase I, and moving toward new models of sustainability in Phase III that focus on long-term strategic visions for hotspots and graduation processes. However, in adjusting its strategy, the CEPF has not sufficiently assessed the sustainability of its investments, to inform evidence-based strategy development. For example, little evidence exists on the effectiveness of the consolidation programs for sustainability.

8.2. Recommendations

The evaluation makes the following recommendations.

- **Recommendation #1: Clearly state impacts and what evidence exists to support them.** CEPF should encourage reporting of all outputs, processes, and progress in establishing enabling conditions, but clearly qualify the limits of any inference about how they can be expected to be adequate proxies for conservation outcomes. Exercise caution when using proxies for conservation impacts—clearly identify when proxies are being used and address their level of reliability. Whenever possible, CEPF should consider including qualifying statements regarding attribution: increasing clarity about whether any outputs or outcomes can be attributed exclusively or partially to CEPF’s actions would be beneficial. CEPF could consider adopting techniques such as outcome harvesting to record and classify positive changes observed on the ground.
- **Recommendation #2: Consider defining a priori an “expiration date” for Ecosystem Profiles setting out a time by which they will be revisited.** RITs could alternatively propose that revisions are needed based on relevant developments in their hotspots, new evidence becoming available, or new approaches that could be implemented to address previously identified priorities.
- **Recommendation #3: Continue discussions and efforts to clarify and agree risk tolerances** and the practical implications for grantmaking processes and requirements, in the context of the CEPF’s target grantees. Differences among donors with regard to the risk tolerance should be resolved.
- **Recommendation #4: Consider conducting post-investment assessment to document conservation and civil society outcomes and impacts.** To date, the CEPF has not regularly conducted retrospective assessments to better understand the impacts to which CEPF grantmaking is contributing, as well as the change pathways to achieve those impacts. Post-investment fieldwork conducted for this evaluation suggests that the CEPF is playing a catalytic role in some hotspots that is going unrecognized, because of the long timeframe to achieve conservation outcomes and impacts and the lack of post-investment period assessment. Important lessons may be learned in terms of what types of interventions, or what enabling conditions must be in place, in order for grant activities to translate into actual conservation impacts. In addition, **failures should be documented alongside successes.** Building the evidence base for effectiveness of conservation action requires understanding what did not work as much as what did. Documenting failures in

design, implementation, and sustainability can help future grant applicants avoid past mistakes and can contribute to improving global conservation practice.

Appendix A. Terms of Reference

Critical Ecosystem Partnership Fund (CEPF)

Terms of Reference

Final External Independent Evaluation of the World Bank/Development Grant Facility Contribution to the CEPF

Background: Founded in 2000, the Critical Ecosystem Partnership Fund (CEPF) is a joint initiative of l'Agence Française de Développement, Conservation International, the European Union, the Global Environment Facility, the Government of Japan, the MacArthur Foundation and the World Bank. CEPF's main objective is to strengthen the involvement and effectiveness of civil society in contributing to the conservation and management of globally important biodiversity and to achieve sustainable conservation and integrated ecosystem management outcomes. CEPF investments are made in developing and transitional countries, where millions of people are highly dependent on the natural resources and ecosystem services hotspots provide. The Fund invests in biodiversity hotspots, a conservation prioritization concept based on high levels of endemism and threat.

CEPF now provides grants to civil society organizations in most of the areas identified as biodiversity hotspots—ecosystems with high levels of species diversity, endemism and threat. CEPF has supported in excess of 2,100 NGOs and other civil society groups in undertaking projects since its inception. Over \$208 million has been committed and at least \$351 million leveraged from other donors for hotspot conservation to date.

CEPF's grant making is guided by ecosystem profiles, strategic planning documents that identify the priorities, biodiversity outcomes and the niche for the fund within each hotspot. CEPF has undergone planning and preparation work in 24 hotspots (four which have received reinvestments) resulting in the creation of 28 ecosystem profiles approved by the CEPF Donor Council to date.

The World Bank/Development Grant Facility (WB/DGF) evaluation follows two World Bank evaluations completed in 2017, for which significant documentation is available. One final report is available to the public and can be supplied upon request.

Further information on CEPF can be found at www.cepf.net.

Purpose of Evaluation: This evaluation fulfils the requirement for an independent evaluation of the WB/DGF contribution to CEPF per Section 3.2 of the Grant Agreement.

Scope of Evaluation: The WB/DGF contributed US\$25 million in support of CEPF Phase 2 activities through agreements covering the period from 1 October 2008 to 31 March 2017. The independent evaluation shall cover the 1 October 2008 through 31 March 2017 time period.

The project has four interlinked components. DGF funding has been used exclusively to support Ecosystem Grants under components 1 and 2. Components 3 and 4 are supported by CEPF's other donors.

- Component 1: Strengthening protection and management of globally significant biodiversity
- Component 2: Increasing local and national capacity to integrate biodiversity conservation into development and landscape planning.
- Component 3: Monitoring and knowledge sharing
- Component 4: Ecosystem profile development and project execution

Terms of Reference: The evaluation will review:

- (a) **Relevance.** The evaluation will review to what extent is the DGF-funded portion of the program is addressing global challenges and concerns in the sector, consistent with client countries' current development priorities, and consistent with the missions and strategies of partners.
- (b) **Efficacy.** The evaluation will review the extent to which the DGF-funded portion of the program has achieved or is expected to achieve its stated objectives.
- (c) **Efficiency.** The evaluation will review the extent to which the DGF-funded portion of the program has achieved or is expected to achieve efficient allocation of resources, benefits that are more cost effective than those that could be achieved by providing the same service on a country-by-country basis, and benefits that are more cost effective than those that could be achieved if individual contributors to the program acted alone.
- (d) **Governance and management.** The evaluation will review the extent to which the DGF-funded portion of the program is transparent in providing information about the program, clear with respect to roles and responsibilities, fair to clients, and accountable to donors, clients, scientists/professionals and other stakeholders.
- (e) **Resource mobilization and financial management.** The evaluation will review the extent to which the DGF-funded portion of the program positively or negatively affects the strategic focus of the program, the governance and management of the program, and the sustainability of the program.
- (f) **Sustainability and risk.** The evaluation will review the extent to which the DGF-funded portion of the program has identified and effectively managed any risks to the program.
- (g) **Lessons learned and recommendations for CEPF.**

Evaluation Process:

Document review. All relevant CEPF documents, including the financing agreement, project design documents, supervision reports, ecosystem profiles, working group and donor council documents, spending plans, and CEPF grantee reports will be made available. The CEPF management team will provide any related documents that are applicable to the relevant grant periods, upon request.

Consultations. The management team will be available for consultations. Upon request and with appropriate notice, grantees, donor representatives and regional implementation team staff will also be available to meet with evaluators. Interviewees located outside of the Washington, D.C., area can be interviewed via video conference.

Field work. The evaluation will include field work in two hotspots to evaluate the use of DGF resources for Components 1 and 2 (listed above).

Deliverables: A draft report will be submitted to the CEPF Secretariat, accompanied by an in-person debriefing. The draft report shall include review results of all points above (a-f) and recommendations for strengthening CEPF (g). A final report shall be submitted after addressing any comments received from the CEPF Secretariat.

Timeframe: It is anticipated that this assignment will be conducted within a timeframe of five months, with a draft report submitted to CEPF by 28 February 2019, and a final report by 30 March 2019. The consultant will be expected to commence the review and assessment immediately after the signing of the engagement letter. The consultant shall also provide the CEPF Secretariat with periodic written briefings and meet with CEPF staff, upon request by the CEPF Secretariat. The consultant will report to the CEPF Secretariat who will share progress toward completion of the evaluation to the World Bank.

Appendix B. Stakeholders Interviewed

Name	Position	Organization /Institution
Antonia Cermak-Terzian	Director, Grants Management	CEPF Secretariat
Dan Rothberg	Grant Director (Wallacea, Eastern Afromontane, MPAH)	CEPF Secretariat
Jack Tordoff	Managing Director, (Grant Director for Indo-Burma, Western Ghats, Mountains of SW China)	CEPF Secretariat
Kevin McNulty	Senior Director, Finance and Operations	CEPF Secretariat
Michele Zador	Grant Director (Tropical Andes, Caribbean, East Melanesian Islands)	CEPF Secretariat
Nina Marshall	Senior Director, Monitoring, Evaluation and Outreach	CEPF Secretariat
Olivier Langrand	Executive Director	CEPF Secretariat
Peggy Poncelet	Grant Director (Cerrado, Guinean Forests),	CEPF Secretariat
Pierre Carret	Grant Director (Mediterranean, Madagascar and Indian Ocean Islands, francophone Caribbean)	CEPF Secretariat
Gilles Kleitz	Director of Ecological Transition and Natural Resources, Agence Française de Développement (Afd)	Donor Council
Jennifer Morris	President, Conservation International	Donor Council
Julia Bucknall	Director, Environment and Natural Resources Global Practice, World Bank	Donor Council
Andrea Kutter	World Bank	Working Group
Anne Theo Seinen	European Commission	Working Group
Keith Lawrence	Conservation International	Working Group
Kenji Nakajima	Ministry of the Environment, Japan	Working Group
Sébastien Chatelus	European Commission	Working Group
Anju Sharma		World Bank
Blandine Wu Chebili		World Bank
Gamila Kassem		World Bank
Madhavan Balachandran		World Bank
Sachin Shahria		World Bank
Gustavo A.B. da Fonseca	Director of Programs	GEF
Jean Paul Ntungane		Eastern Afromontane RIT
Maaike Manten		Eastern Afromontane RIT
Adi Widyanto		Wallacea RIT
Tropical Andes Hotspot Mission		
Eliana Fierro-Calderón	Tropical Andes	Asociación Calidris
Jeisson Zamudio	Tropical Andes	Asociación Calidris
Kendra Hasenik	Tropical Andes	Asociación Calidris
Luis F. Castillo	Tropical Andes	Asociación Calidris

Alberto Galán	Tropical Andes	Fondo Patrimonio Natural
Inés Cavalier	Tropical Andes	Fondo Patrimonio Natural
Mónica Orjuela	Tropical Andes	Fondo Patrimonio Natural
Martha L. Silva	Tropical Andes	Fundación Biodiversa
Santiago Sierra	Tropical Andes	Fundación Biodiversa
Andrea Pinto	Tropical Andes	Fundación Serraniagua
Angela Montenegro	Tropical Andes	Fundación Serraniagua
César Franco	Tropical Andes	Fundación Serraniagua
Cristhian Cardona	Tropical Andes	Fundación Serraniagua
Diomer Toro	Tropical Andes	Fundación Serraniagua
Dubán García	Tropical Andes	Fundación Serraniagua
Melquin Salazar	Tropical Andes	Fundación Serraniagua
Mónica Rodríguez	Tropical Andes	Fundación Serraniagua
Orlaín Gutierrez	Tropical Andes	Fundación Serraniagua
Ana Elvia Arana	Tropical Andes	Fundación Trópico
Luz A. Forero	Tropical Andes	Fundación Trópico
Western Ghats Hotspot Mission		
Stan Thekaekara	Western Ghats	ACCORD
Tribal community members: K T Subramaniam, T K Ayyapan, K C Krishnan, Malaichamy, Suresh, Shivrajan, Kichan, Maran, Jayachandran, N Kumaran & Madha	Western Ghats	ACCORD
Manikandan	Western Ghats	Arulagam
Subbiah Bharathidasan	Western Ghats	Arulagam
Bhaskar Acharya	Western Ghats	ATREE
Jagdish Krishnaswamy	Western Ghats	ATREE
Kartik Shanker (Current Director of ATREE; former PI of the IISc/CES Grant Team)	Western Ghats	ATREE
V Srinivas	Western Ghats	FERAL
Anita Varghese	Western Ghats	Keystone
Pratim Roy	Western Ghats	Keystone
Sumin George	Western Ghats	Keystone
Forest Watcher Shivaparvathi	Western Ghats	Kotagiri Forest Department, LongWood Shola
Balachandra Hegde	Western Ghats	N/A
Narasimha Hegde	Western Ghats	N/A
R Prabhakar	Western Ghats	Strand LifeScience
Ravi Chellam	Western Ghats	Strand LifeScience
S Harikrishnan	Western Ghats	Strand LifeScience
Thomas Vattakaven	Western Ghats	Strand LifeScience
B A Daniel	Western Ghats	ZOO/WILD
Priyanka Iyer	Western Ghats	ZOO/WILD

Appendix C. Survey Results

This survey was administered electronically (using Survey Monkey) to the primary contacts listed for organizations that received a grant from the CEPF during the DGF-funded period (as provided by the CEPF Secretariat). A link to the survey was sent to 631 email addresses and bounce-back or undeliverable messages were received from 134 of those addresses. One hundred and sixty-six survey responses were received, for an adjusted response rate of 33.4 percent.

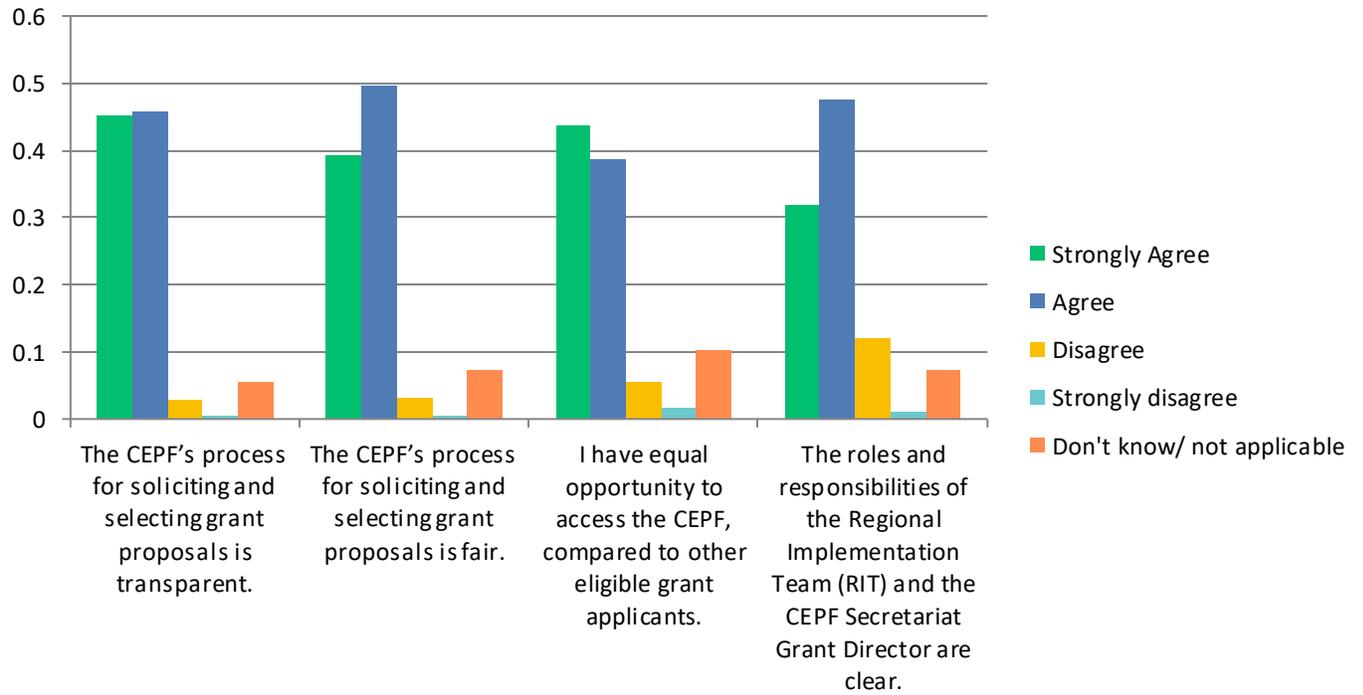
Question 1: Please identify your primary affiliation for the purpose of this survey.

Primary Affiliation	Responses	Percent
International organization	29	17.90%
Local, national, or regional organization	133	82.10%

Question 2: Please indicate the extent of your agreement with the following statements.

	Strongly Agree		Agree		Disagree		Strongly Disagree		Don't Know/ Not Applicable		Total
The CEPF's process for soliciting and selecting grant proposals is transparent.	45%	75	46%	76	3%	5	1%	1	5%	9	166
The CEPF's process for soliciting and selecting grant proposals is fair.	39%	65	50%	82	3%	5	1%	1	7%	12	165
I have equal opportunity to access the CEPF, compared to other eligible grant applicants.	44%	72	39%	64	5%	9	2%	3	10%	17	165
The roles and responsibilities of the RIT and the CEPF Secretariat Grant Director are clear.	32%	53	48%	79	12%	20	1%	2	7%	12	166

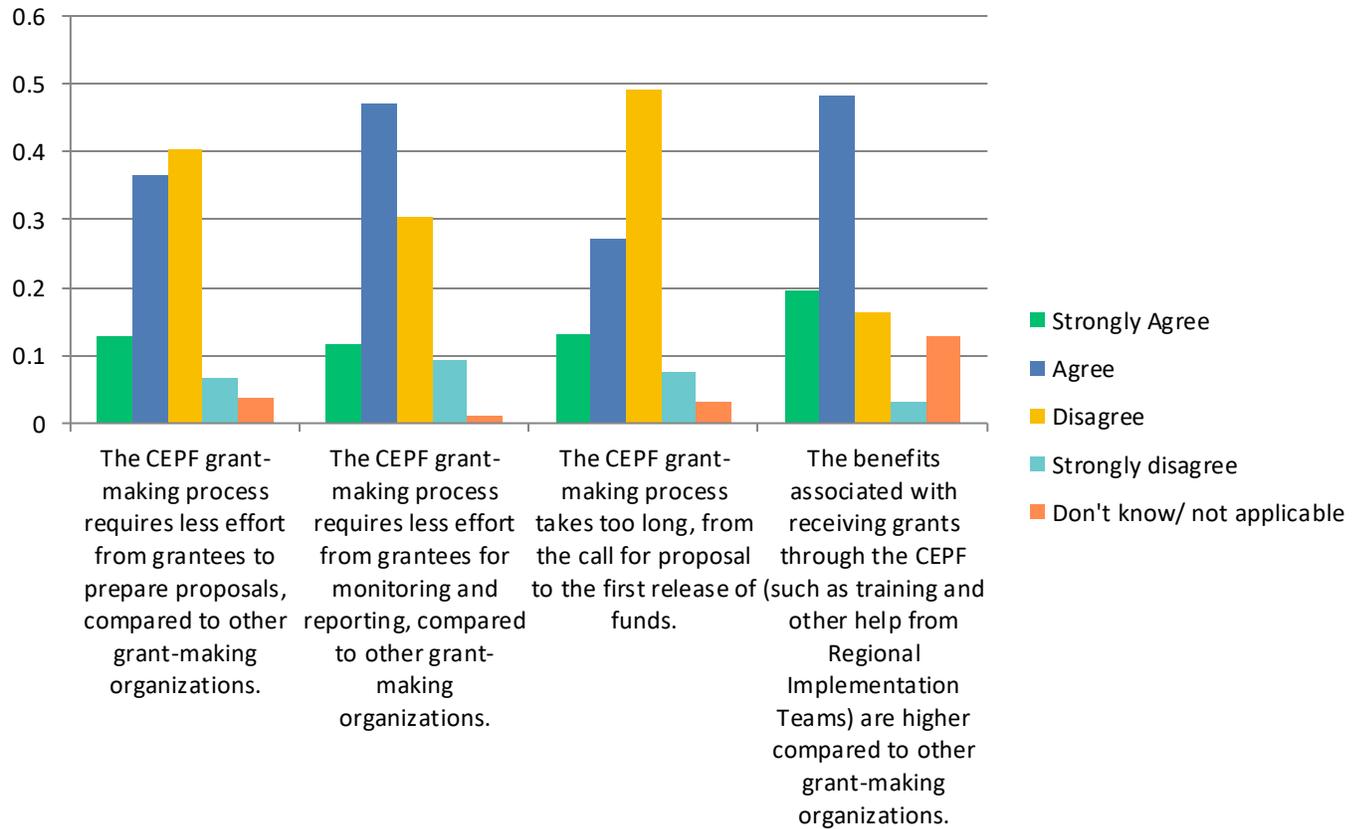
Please indicate the extent of your agreement with the following statements.



Question 3: Please indicate the extent of your agreement with the following statements.

	Strongly Agree		Agree		Disagree		Strongly Disagree		Don't Know/ Not Applicable		Total
The CEPF grant-making process requires less effort from grantees to prepare proposals, compared to other grant-making organizations.	13%	21	36%	60	40%	66	7%	11	4%	6	164
The CEPF grant-making process requires less effort from grantees for monitoring and reporting, compared to other grant-making organizations.	12%	19	47%	76	31%	49	9%	15	1%	2	161
The CEPF grant-making process takes too long, from the call for proposal to the first release of funds.	13%	21	27%	44	49%	79	8%	12	3%	5	161
The benefits associated with receiving grants through the CEPF (such as training and other help from Regional Implementation Teams) are higher compared to other grant-making organizations.	20%	32	48%	79	16%	27	3%	5	13%	21	164

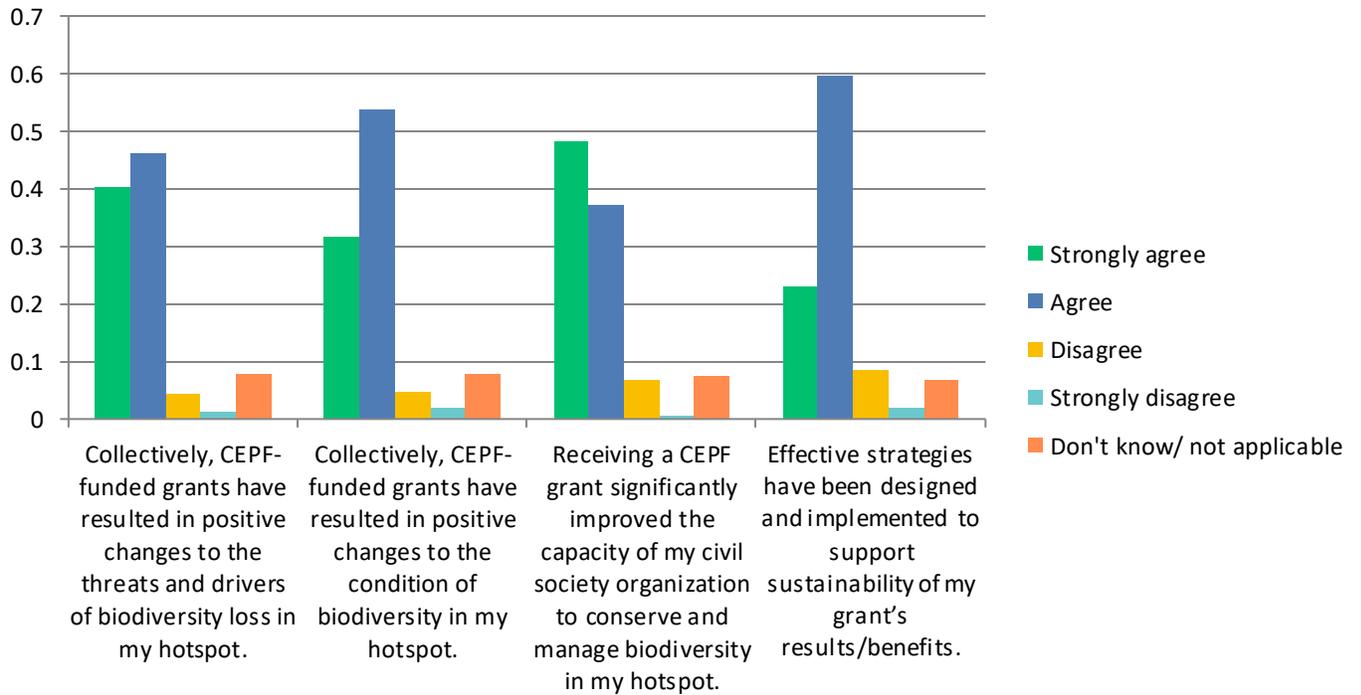
Please indicate the extent of your agreement with the following statements.



Question 4: Please indicate the extent of your agreement with the following statements.

	Strongly Agree		Agree		Disagree		Strongly Disagree		Don't Know/ Not Applicable		Total
Collectively, CEPF-funded grants have resulted in positive changes to the threats and drivers of biodiversity loss in my hotspot.	40%	66	47%	76	4%	7	1%	2	8%	13	164
Collectively, CEPF-funded grants have resulted in positive changes to the condition of biodiversity in my hotspot.	32%	52	53%	88	5%	8	2%	3	8%	13	164
Receiving a CEPF grant significantly improved the capacity of my civil society organization to conserve and manage biodiversity in my hotspot.	48%	79	37%	61	7%	11	1%	1	7%	12	164
Effective strategies have been designed and implemented to support sustainability of my grant's results/benefits.	23%	38	60%	98	9%	14	2%	3	7%	11	164

Please indicate the extent of your agreement with the following statements.



Appendix D. Roles and Responsibilities of the CEPF Donor Council, Working Group, and RITs

D.1. Donor Council

According to the Donor Council ToR in Section 5.1 of the CEPF Operational Manual, specific roles and responsibilities of the Donor Council include:

- Providing general guidance to CI on the operations of the Fund.
- Reviewing and approving each Annual Spending Plan of the Fund.
- Reviewing and approving a priority list of Ecosystem Profiles to be prepared.
- Reviewing and approving each Ecosystem Profile.
- Reviewing and approving amendments to the Operational Manual.
- Reviewing and approving the procedures for procurement of goods and services, above the threshold amount set forth in the Operational Manual.
- Reviewing and approving the conditions under which new donors may be invited to take part in the Fund and approving additional members of the Donor Council.
- Reviewing and approving the fund-raising strategy for the Fund.
- Electing the chairperson of the Donor Council.
- Reviewing and approving the selection of each Regional Implementation Team in accordance with the procedure established in the Operational Manual. Whenever CI applies to become the Regional Implementation Team, the CI Donor Council member shall recuse him or herself from the selection process.
- Reviewing and approving proposed grants for award to CI, if and when such application exceeds a total cost of \$20,000. In such cases, the CI Donor Council member shall recuse him or herself from the review and approval process.
- Reviewing and approving the terms of reference for a midterm evaluation, the external audit, and a CEPF program audit conducted by internal auditors or consultants acceptable to the Donor Council, as well as any subsequent material changes to those terms of reference.
- Approving terms of reference for the CEPF Working Group and, whenever it deems necessary, delegating specific powers and duties to the CEPF Working Group.

D.2. Working Group

According to the Working Group ToR in Section 5.2 of the CEPF Operational Manual, specific tasks of the Working Group include:

- Supporting the mission and objectives of CEPF and leveraging CEPF investment by identifying the technical and financial resources that member organizations can contribute in specific geographic regions.
- Representing and communicating the CEPF mission, objectives, and investment strategy within respective donor organizations to help leverage and amplify CEPF investment.
- Providing support to CEPF in the preparation of the Ecosystem Profiles by representing Donor Council members in reviewing the draft profile, discussing geographic priorities, providing

additional information and constructive input, and assisting in identifying current investment, threats to biodiversity, leveraging opportunities, and gaps that CEPF funding might address.

- Providing input and guidance on certain operational matters, such as modifications to the Operational Manual, and monitor and assist in implementation of Council decisions, and other issues as necessary.
- Providing support to CEPF and Donor Council members in preparing for meetings of the Donor Council by reviewing documents and recommended actions, resolving any issues, reflecting the position of respective organizations, and briefing Donor Council members.
- Selecting CEPF Regional Implementation Teams, to be approved by the Donor Council, in accordance with the procedure established in the CEPF Operational Manual. In the event CI applies to become a Regional Implementation Team, the CI representative on the Working Group shall recuse his or her self from such selection process.
- By authority granted by the Donor Council, reviewing and approving proposed grants for award to CI under each approved Ecosystem Profile, if and when such application exceeds a total cost of \$20,000. In such cases, the CI Working Group member shall recuse him or herself from the review and approval process.

D.3. RITs

According to the RITs ToR in Section 4.2 of the CEPF Operational Manual, RITs support the functions of nine components, including:

1. Coordinating CEPF investment in the hotspot.
 - Serve as the field-based technical representative for CEPF in relation to civil society groups, grantees, international donors, host country governments and agencies, and other potential partners within the hotspot.
 - Ensure coordination and collaboration with CEPF's donors, in coordination with the CEPF Secretariat and as appropriate in the hotspot.
 - Promote collaboration and coordination, and opportunities to leverage CEPF funds with local and international donors and governments investing in the region, via donor roundtables, experiential opportunities or other activities.
 - Engage conservation and development stakeholders to ensure collaboration and coordination.
 - Attend relevant conferences/events in the hotspot to promote synergy and coordination with other initiatives.
 - Build partnerships/networks among grantees in order to achieve the objectives of the Ecosystem Profile.
2. Supporting the mainstreaming of biodiversity into public policies and private sector business practices.
 - Support civil society to engage with government and the private sector and share their results, recommendations, and best practice models.
 - Engage directly with private sector partners and government officials and ensure their participation in implementation of key strategies.
3. Communicating the CEPF investment throughout the hotspot.
 - Communicate regularly with CEPF and partners about the portfolio through face-to-face meetings, phone calls, the internet (website and electronic newsletter) and reports to forums and structures.

- Prepare a range of communications products to ensure that Ecosystem Profiles are accessible to grant applicants and other stakeholders.
 - Disseminate results via multiple and appropriate media.
 - Provide lessons learned and other information to the Secretariat to be communicated via the CEPF website.
 - Conduct exchange visits with other RITs to share lessons learnt and best practices.
 - In coordination with the CEPF Secretariat, ensure communication with local representatives of CEPF's donors.
4. Building the capacity of local civil society.
- Undertake a capacity needs assessment for local civil society.
 - Support implementation of a long-term strategic vision for the hotspot geared toward enabling civil society to “graduate” from CEPF support.
 - Assist civil society groups in designing projects that contribute to the achievement of objectives specified in the Ecosystem Profile and a coherent portfolio of mutually supportive grants.
 - Build institutional capacity of grantees to ensure efficient and effective project implementation.
 - Build capacity of civil society to engage with and influence government agencies.
 - Build capacity of civil society to engage with and influence the private sector.
5. Establishing and coordinating a process for large grant proposal solicitation and review.
- Establish and coordinate a process for solicitation of applications.
 - Announce the availability of CEPF grants.
 - Publicize the contents of the Ecosystem Profile and information about the application process.
 - With the CEPF Secretariat, establish schedules for the consideration of proposals at pre-determined intervals, including decision dates.
 - Establish and coordinate a process for evaluation of applications.
 - Evaluate all Letters of Inquiry.
 - Facilitate technical review of applications (including, where appropriate, convening a panel of experts).
 - Obtain external reviews of all applications over \$250,000.
 - Decide jointly with the CEPF Secretariat on the award of all grant applications.
 - Communicate with applicants throughout the application process to ensure applicants are informed and fully understand the process.
6. Managing a program of small grants of \$20,000 or more (\$50,000 or less in select approved regions).
- Establish and coordinate a process for solicitation of small grant applications.
 - Announce the availability of CEPF small grants.
 - Conduct due diligence to ensure sub-grantee applicant eligibility and capacity to comply with CEPF funding terms.
 - Convene a panel of experts to evaluate proposals.
 - Decide on the award of all grant applications of \$20,000 or less (\$50,000 or less in select approved regions).
 - Manage the contracting of these awards.
 - Manage disbursement of funds to grantees.
 - Ensure small grant compliance with CEPF funding terms.
 - Monitor, track, and document small grant technical and financial performance.

- Assist the Secretariat in maintaining the accuracy of the CEPF grants management database.
 - Open a dedicated bank account in which the funding allocated by CEPF for small grants will be deposited, and report on the status of the account throughout the project.
 - Ensure that grantees complete regular (based on length of the project) technical and financial progress reports.
 - Prepare semi-annual summary report to the CEPF Secretariat with detailed information of the Small Grants Program, including names and contact information for all grantees, grant title or summary of grant, time period of grants, award amounts, disbursed amounts, and disbursement schedules.
7. Monitoring and evaluating the impact of CEPF's large and small grants.
- Collect and report on data for portfolio-level indicators (from large and small grantees) annually as these relate to the logical framework in the Ecosystem Profile.
 - Collect and report on relevant data in relation to CEPF graduation criteria for the hotspot.
 - Collect and report on relevant data for CEPF's global monitoring indicators.
 - Ensure quality of performance data submitted by large and small grantees.
 - Verify completion of products, deliverables, and short-term impacts by grantees, as described in their proposals.
 - Support grantees to comply with requirements for completion of tracking tools, including the Management Effectiveness Tracking Tool.
 - In coordination with CEPF Secretariat, conduct a mid-term assessment and a final assessment of portfolio progress (covering large and small grants).
 - Conduct regular site visits to large and small grantees to monitor their progress and ensure outreach, verify compliance and support capacity building.
 - Provide guidance to grantees for the effective design and implementation of safeguard policies to ensure that these activities comply with the guidelines detailed in the CEPF Operations Manual and with the World Bank's environmental and social safeguard policies. Provide additional support and guidance during the implementation and evaluation cycles at regular field visits to projects.
 - In coordination with CEPF Secretariat, conduct a final assessment of portfolio progress and assist with preparation of report documentation.
8. Leading the process to develop, over a three-month period, a long-term strategic vision for CEPF investment.
- Mobilize expertise and establish an advisory group to ensure that the long-term vision engages with appropriate stakeholders.
 - Undertake a review of relevant literature to ensure alignment of the long-term vision with other initiatives and avoid duplication of effort.
 - Consult with key stakeholders to solicit their input into the development of the long-term vision.
 - Synthesize the results of the literature review and stakeholder consultations into a long-term strategic vision document.
 - Present the draft long-term vision to key stakeholders and revise the document according to their comments.
 - Prepare a progress report for presentation to the CEPF donors' Working Group.
9. Reporting.
- Participate in initial week of RIT training.

- Participate in two “supervision missions” per year; each to include at least two days in the office and a visit to grantees in the field (approximately two weeks).
- Prepare quarterly financial reports and six-monthly technical reports.
- Respond to CEPF Secretariat requests for information, travel, hosting of donors and attendance at a range of events to promote CEPF.

D.3.1. Evolution of the Roles and Responsibilities of RITs

- When the second phase of CEPF was launched in 2008, one of the key changes was the development of RITs as a mechanism to allow for greater presence in the field, provide closer monitoring, and strengthen the conduit for building local civil society capacity.⁹⁶
- In April 2010, the Donor Council instructed the Secretariat to carry out an assessment of the RITs and propose changes necessary to improve results. The assessment found that the RITs ToR approved prior to the start of Phase II needed to be clarified and there was duplication of effort between the Secretariat and RITs.^{97,98}
- In 2011, the Donor Council approved a new ToR for RITs that were designed to remove duplication of effort between the RITs and the Secretariat, and clarify roles and responsibilities to ensure that applicants for the RIT understood the scope of the tasks required. Further, the ToR emphasized programmatic functions in addition to administrative ones, particularly those of (i) coordinating and communicating CEPF investments, building partnerships, and promoting information exchange in the hotspot; and (ii) building the capacity of grantees.⁹⁹
- In 2013, the Secretariat hosted a two-day RIT Exchange in Washington, DC that gathered RITs from 13 hotspots to discuss CEPF and theorize about the ideal RIT design. RIT trainings were also held by CEPF staff to train RITs in CEPF’s policies and procedures.
- Then in 2014, the Secretariat developed and distributed an assessment tool to a sample of RITs, and used the information gathered to revise the RITs ToR and help inform the future configuration of new RITs, particularly with respect to the expanding role of RITs in engaging with the private sector and influencing government. The assessment brought to light areas of the RIT that were in need of clarification, and helped the Secretariat formulate what constitutes the ideal RIT.¹⁰⁰ The new Strategic Framework for the third phase of CEPF (2014–2023) called for further strengthening RITs to increase direct coordination with government agencies and the private sector, as well as fundraising. New ToR for RITs were adopted by the Donor Council in 2014 that remained valid for

⁹⁶ CEPF/DC24/5. Confronting the Biodiversity Conservation Challenge: CEPF Phase III (2014-2023).

⁹⁷ CEPF/DC19/6. Critical Ecosystem Partnership Fund Nineteenth Meeting of the Donor Council. Arlington, VA. 18 March 2011.

⁹⁸ CEPF/DC18/5. Revision of Selection Process and Terms of Reference of the Regional Implementation Teams. CEPF 18th Meeting of the Donor Council, Nagoya, Japan. 26 October 2010.

⁹⁹ ICF 2017. Institutional Assessment to Inform the Design of a World Bank Project in Support of the Objectives of the Critical Ecosystem Partnership Fund: Assessment Report. Prepared for the World Bank. May 10, 2017.

¹⁰⁰ Critical Ecosystem Partnership Fund Assessment of RIT Capacity. July 2014.

the remainder of the evaluation period.¹⁰¹ In the 2014 ToR, the distinction between programmatic and administrative components was removed to increase clarity and address efficiency concerns related to reporting against both categories.¹⁰² The 2014 ToR also incorporated suggestions made at the RIT Exchange that the Secretariat hosted in 2013.

¹⁰¹ ICF 2017. Institutional Assessment to Inform the Design of a World Bank Project in Support of the Objectives of the Critical Ecosystem Partnership Fund: Assessment Report. Prepared for the World Bank. May 10, 2017.

¹⁰² CEPF/DC25/5b. Critical Ecosystem Partnership Fund Twenty-fifth Meeting of the CEPF Donor Council. Washington, DC. 24 June 2014.