

Critical Ecosystem Partnership Fund
No-Objection Approval Pursuant to Section 2.03(c) of the Financing Agreement
15 May 2014
Ecosystem Profile for Madagascar and Indian Ocean Islands Biodiversity Hotspot

Recommended Action Item:

The Donor Council is asked to **approve on a no-objection basis** the ecosystem profile for the Madagascar and Indian Ocean Islands biodiversity hotspot. Similarly, the Donor Council is asked to increase CEPF's spending authority by \$7.5 million for the implementation of this profile.

The deadline for the no-objection approval is June 30, 2014.

Background

The Ecosystem Profile for the Madagascar and Indian Ocean Islands Hotspot was developed in FY14, following the Donor Council approval for reinvestment in the Madagascar and Indian Ocean Islands Hotspot on 25 September June 2012.

Led by Conservation International Madagascar, in partnership with Biotope in the Seychelles and with the support of CI's Moore Center for Science and Oceans, the development of the profile was possible thanks to the participation of more than 200 individuals representing over 130 organizations from Madagascar, Seychelles, Comoros, Mauritius and La Reunion.

The Ecosystem Profile was shared with the Working Group for its review on 7 April 2014 and their comments have been incorporated in the final version for your review.

CEPF invested in the Madagascar portion of the Madagascar and Indian Ocean Islands biodiversity hotspot from 2001 to 2006, with a total of \$4.25 million, followed by a consolidation phase which took place between 2009 and 2012 after being delayed due to the political events in Madagascar. Given the needs and opportunities highlighted by the civil society partners as well as representatives of donors, the CEPF Donor Council decided at the end of 2012 to ask the CEPF Secretariat to prepare a new phase of investment.

During the first investment period CEPF support filled a key niche by supporting local civil society and NGOs to participate in conservation, and in increasing the technical capacity of Malagasy staff. CEPF was also instrumental in supporting contributions to the Durban Vision and the implementation phase of it that is now underway. Support enabled the involvement of a wide range of actors, many of whom had never been given the opportunity to expand and strike out on their own, and also allowed better known entities to take risks to strive for conservation objectives where the future was uncertain.

Specifically, CEPF's investment in Madagascar achieved the following results:

- helped lay the groundwork for the Durban Vision, the policy that launches government support for biodiversity conservation and for inclusion of local communities in the conservation and management of newly established protected areas.

- helped identify more than 1 million hectares of biologically rich land leading to the president of Madagascar's official decree to protect these areas, and for some of them,
- helped undertake the planning phase required for their successful realization. During the consolidation phase, CEPF supported strengthened management on a total of 1,574,435 hectares of KBAs.
- significantly increased the role of local NGOs and community groups in biodiversity conservation.
- supported grantees to address the issue of financial sustainability of the current and future protected area system, and specifically supported CI-Madagascar in securing financing for the capitalization of a biodiversity trust fund that has a target of \$50 million.
- supported local communities to manage and benefit from their natural resources, via community-based management contracts; during the consolidation phases six node programs awarded 339 micro-grants to 236 community associations.
- supported scientific surveys resulting in the discovery of 120 species new to science.
- increased the scientific and technical capacity of more than 60 individuals.
- focused on several flagship species, such as the Madagascar fish eagle, Madagascar teal, and Sakalava rail.
- improved the livelihood status of local communities surrounding several protected areas; during the consolidation phase a total of 790 communities were documented as showing socioeconomic benefits.

Overall, Madagascar has experienced many positive and exciting conservation impacts during CEPF's decade of investment. CEPF projects built confidence in local NGOs and strengthened partnerships, as well as helped to increase collaboration amongst the many groups present in the country. It is, however, the rise of the local NGOs and local talent that CEPF regards as the most significant of impacts – many of the conservation achievements realized during CEPF's investment period were achieved by these Malagasy institutions and individuals.

The new profile builds on these lessons learned and was complemented by the consultation process that informed this profile involved more than 200 individual stakeholders from about 130 organizations and institutions. In addition, three meetings were held with a Regional Advisory Committee comprising 21 experts from 15 institutions. The outcome is this document, the Ecosystem Profile for the Madagascar and the Indian Ocean Islands Hotspot. It presents an overview of the hotspot in terms of its biological importance in a global and regional context; its socioeconomic, civil society and policy context; major threats to and root causes of biodiversity loss; and current conservation investments. Based on this overview and the consultations, the profile results in a common conservation vision for the hotspot and a five-year investment strategy for CEPF. This strategy comprises 10 investment priorities, grouped under four strategic directions. The successful implementation of this strategy will require time, persistence and, above all, a commitment to genuine and lasting partnership. The cooperation and common vision that has been witnessed through the ecosystem profiling process inspires confidence that such success will be achieved.