

**Annual Portfolio Overview
Wallacea Biodiversity Hotspot
30 June 2018 (FY 18)**

1. Introduction

The Wallacea region, which includes the whole of Timor-Leste and the central portion of Indonesia, including the major island groups of Sulawesi, Maluku, and the Lesser Sundas, qualifies as a hotspot due to its high levels of plant endemism and extensive habitat loss. The chief causes of habitat loss include overexploitation of natural resources, degradation, fragmentation, and conversion, and pressure from human population growth and economic development. Wallacea is an island landscape, with over 1,680 islands and 30 million people, the majority of whom live in coastal areas earning their living from farms, forests, wetlands, and the sea.

The Wallacea region, first described biologically by Alfred Russel Wallace in 1869, is noteworthy for having fauna and flora that are distinct from the Asian biogeographic realm to the west and the Australian-Pacific biogeographic realm to the south and east. The many islands are varied – volcanic, non-volcanic, continental crusts, and composites – and are separated by shallow seas in some cases and trenches as deep as 7,000 meters in others. Powerful currents connecting the Pacific and Indian Oceans flow through the region, creating barriers to dispersal of species.

The complex geography and barriers to movement have led to the region’s high biodiversity. Among the hotspot’s endemic species are 1,500 vascular plants, 127 mammals, 274 birds, 99 reptiles, 33 amphibians, 50 freshwater fish, and 110 marine fish. There are also as many as 400 species of coral in the region. Notable endemic species include tarsiers, macaques, Flores hawk-eagle (*Nisaetus floris*), and Komodo dragon (*Varanus komodoensis*).

The hotspot is a terrestrial conservation priority that includes lowland evergreen and semi-evergreen forests, lowland monsoon forest, montane forest, karst areas, and mangroves and other coastal habitats. Natural habitats extend from mountain ridge to reef, although they are fragmented by agricultural conversion and human settlement in many places. These “ridge-to-reef” ecosystems are notable for their resilience to the effects of climate change and for delivering a wide range of ecosystem services to human communities. Marine conservation is of equal importance – Wallacea lies within the Coral Triangle, a region that supports 75 percent of known coral species and an estimated 3,000 species of reef fishes. Thus, the geographic scope of the hotspot is considered to include near-shore marine habitats, such as coral reefs and seagrass beds, in addition to terrestrial habitats.

Like much of Indonesia, Wallacea reflects a mixing of numerous cultures over the ages – indigenous, Javan, Malay, Indian, Chinese, Melanesian, Polynesian, European, and Arabian – resulting in an interweaving of languages, religion, and ethnicity. The area has also seen dramatic political change, new local authority devolved from the national government in Jakarta, and rapid economic growth in the last twenty years. This varied biogeographic, cultural, and political landscape is significant as government and civil society make decisions about achieving the twin demands for economic growth and stewardship of biodiversity.

2. Niche for CEPF Investment

2.1. Overview

The ecosystem profile for the hotspot was formally approved in June 2014 and the five-year investment period began in December of that year with the commencement of the Regional Implementation Team (RIT) grant. The total spending authority for the hotspot is \$6,850,000 with the plan being to have obligated all funds and closed all grants by November 2019.

The land area of the hotspot encompasses 338,000 km² and, as identified during the ecosystem profile process, contains 391 Key Biodiversity Areas (KBAs) in three bioregions: Sulawesi, Maluku, and the Lesser Sundas. There are also over twenty conservation corridors: spatial priorities for conservation defined at the landscape scale. The stakeholders who participated in the profile – led by Burung Indonesia, the Wildlife Conservation Society, the Samdhana Institute, and the Bogor Agricultural Institute and including over 300 individuals from civil society, government, and donor agencies – prioritized these KBAs and corridors, considering the limited pool of CEPF funds, the immediacy of need for some locations, and the fact that some KBAs, like the larger national parks, are relatively well-resourced. The result is that CEPF investment focuses on eight *clusters* of terrestrial KBAs (covering 85 sites) and four marine corridors, to be addressed within the context of CEPF’s niche for investment in the hotspot; namely *to support a diversity of civil society organizations with varying levels of capacity to achieve conservation outcomes and environmental sustainability within national agendas of economic growth*. This is expressed via seven Strategic Directions, each with funding allocations from the CEPF Donor Council:

Table 1. Strategic Directions and Initial Allocations

Strategic Direction	Allocation
1. Address threats to high priority species	\$400,000
2. Improve management of sites (KBAs) with and without official protection status	\$1,000,000
3. Support sustainable natural resource management by communities in priority sites and corridors	\$750,000
4. Strengthen community-based action to protect marine species and sites	\$1,450,000
5. Engage the private sector in conservation of priority sites and corridors, in production landscapes, and throughout the hotspot	\$1,000,000
6. Enhance civil society capacity for effective conservation action in Wallacea	\$750,000
7. Provide strategic leadership and effective coordination of conservation investment through a Regional Implementation Team	\$1,500,000
Total	\$6,850,000

2.2. Portfolio Status

CEPF grant-making formally began with the RIT Grant to Burung Indonesia (Burung) in December 2014. The grant is for the full amount of Strategic Direction 7 – \$1,500,000 – with no plans for any further obligation as of this time. The RIT then mobilized its team and the CEPF Secretariat provided formal training in February 2015.

Per the RIT proposal, Burung Indonesia has divided the hotspot into smaller management units for grant-making, which the team refers to as “Priority Funding Areas,” or PFAs, as follows:

- PFA 1 Sangihe Talaud and Northern Sulawesi Marine Corridor
- PFA 2 Poso and Malili Lakes System (Central Sulawesi)
- PFA 3 South Sulawesi
- PFA 4 Togean Banggai Marine Corridor (Central Sulawesi)
- PFA 5 Halmehera and Halmahera Marine Corridor (North Maluku)
- PFA 6 Seram and Buru Marine Corridor (Maluku)
- PFA 7 Flores and Solor-Alor Marine Corridor (Nusa Tenggara Timur)
- PFA 8 Timor-Leste and Timor-Leste Marine Corridor

To date, Burung has released most RfPs, but not all, naming specific PFAs and strategic directions, as shown in Table 2. The narrow-casting allows for more focused pre-RfP outreach by the RIT and, upon receipt of LOIs, allows for comparisons of more similar proposals.

Table 2. Wallacea Calls for Letters of Inquiry

No.	Release Date	Due Date	Geographic Focus	LOIs Received	
				Large	Small
1	January 16, 2015	February 9, 2015	Entire hotspot	18	0
2	May 25, 2015	June 26, 2015	Northern Sulawesi, Southern Maluku	1	30
3	July 31, 2015	August 31, 2015	Northern Sulawesi, Southern Maluku	13	0
4	November 2, 2015	December 1, 2015	Central Sulawesi, Flores-Solor-Alor	24	47
5	February 4, 2016	March 3, 2016	Southern Sulawesi, Northern Maluku	16	0
6	March 7, 2016	April 8, 2016	Southern Sulawesi, Northern Maluku	21	51
7	September 1, 2016	September 30, 2016	Togean Banggai	6	10
8	November 1, 2016	December 13, 2016	Timor-Leste	4	0
9	December 27, 2016	January 31, 2017	Priority sites KBAs/Corridors only	33	0
10	January 20, 2018	February 20, 2018	Priority sites KBAs/Corridors only	0	67
11	February 5, 2018	February 28, 2018	Priority sites KBAs/Corridors only	17	0
	Sole Source	Not applicable	Not applicable	1	2
Total				153	207

Solicitations 2 -8 were purposefully limited either by geography and/or technical area. The intent was (a) to provide focused outreach to a set of stakeholders (i.e., applicants) in a given geography, ensuring that local groups – the core constituency of CEPF – understand what CEPF is trying to achieve so that they can submit better LOIs, and (b) to allow a fairer comparison of proposals (i.e., comparing “like with like.”) Solicitation 9 and 10 covered the whole hotspot, but the RIT was purposeful in communicating to applicants that they should only submit proposals in KBAs and corridors where there were gaps.

As shown in Table 3 (and in Table 9), to date, 32 of the 154 large grant LOIs have moved forward to full proposal (almost 21 percent), and 51 of the 207 small grant proposals have moved forward to negotiation (almost 25 percent); an overall “success” rate that reflects the quality of applications and the work-rate of the RIT to develop appropriate projects. This compares favorably with other CEPF portfolios and may demonstrate the value of the RIT’s region-specific outreach to applicants prior to the release of RfPs.

Included in the above numbers are two small grants and one large grant that were awarded via sole-source solicitations. The small grants have been to a well-known wildlife photographer to generate images for hotspot awareness and to an organization to run a conference – in a small, remote town – on marine protected areas. The large grant was to a formally established public forum providing input into the revision of the national biodiversity conservation law.

Table 3. Granting by Strategic Direction (as of 24 October 2018)

SD	Title	Pipeline	Active	Closed	Total	Ecosystem Profile Allocation
1	Species	\$0	\$333,944	\$80,062	\$414,006	\$400,000
2	Sites	\$0	\$1,088,259	\$101,037	\$1,189,296	\$1,000,000
3	CBNRM – Terrestrial	\$0	\$414,809	\$856,177	\$1,270,986	\$750,000
4	CBNRM – Marine	\$0	\$729,573	\$378,288	\$1,107,861	\$1,450,000
5	Production landscapes	\$0	\$0	\$105,879	\$105,879	\$1,000,000
6	Civil society strengthening	\$0	\$479,034	\$5,043	\$484,077	\$750,000
7	RIT	\$0	\$1,499,389	\$0	\$1,499,389	\$1,500,000
	Total	\$0	\$4,545,008	\$1,526,486	\$6,071,494	\$6,850,000

Note the variances between the total obligation and the amount allocated in the Ecosystem Profile. There are reasons for this.

- There is significant overlap between SD 1 and 2 in relation to SD 3 and 4. For example, many grants that address terrestrial CBNRM (SD 3, overspent) are also about improved KBA/site management (SD 2, underspent).
- SD 6 (capacity building) applies equally to the other strategic directions, particularly SD 4.
- With SD 5, it is likely that the Ecosystem Profile allocated too much money to this area without proper consideration of the demand, or ability, of CEPF’s core constituency to implement such work.

2.3. Coordinating CEPF Grant-Making

Burung Indonesia (Burung) holds the \$1,500,000 grant to serve as the Regional Implementation Team. Burung began as the country program of BirdLife International in the 1990s and then, in 2002, became an independently registered Indonesian non-profit organization with its own national governing body. It is headquartered in Bogor, sixty miles south of the national capital of Jakarta. While not headquartered within the geographic boundaries of the hotspot, Bogor is a strategic location as the home for the country’s premier agricultural university, the Center for International Forestry Research, and several major conservation organizations, and for its access to the capital’s policy-makers and business interests.

As the RIT, Burung is also responsible for managing the CEPF small grants mechanism in the hotspot. The current ceiling is \$1,250,000, from which Burung can issue grants of up to \$40,000.

Burung is a multi-faceted organization with multiple work-streams and staff who allocate their time to several donors. This enables economies of scale for CEPF, as Burung can then assign any one of several full-time experts to CEPF tasks for a discrete period.

The Team Leader, Adi Widyanto, based in Bogor, is bilingual and has long experience working for international donors on the management of development projects. He draws on multiple staff based in Bogor or in field locations within the hotspot, per Table 4.

Table 4. RIT Personnel

Location	Name	Position/Role
Bogor	Adi Widyanto	Team leader
Bogor	Ratna Palupi	Administrator
Bogor	Rini Suryani	Small grants manager
Bogor	Jihad	Biodiversity Mainstreaming Officer
Bogor	Deni Sukri Wijaya	Partners Development Officer / M&E
Bogor	Malvin Budi Suwandi	Finance
Bogor	L. Abdi Wirastami	Conservation Planner / GIS Specialist
Makassar	Andi Faisal	Sulawesi program manager
Ambon	Vincentia Widiasari	Maluku program manager
Labuan Bajo	Tiburtius Hani	Nusa Tenggara program manager

In addition to those named above, Burung also allocates time of its senior personnel, including its executive director (Dian Agista), conservation adviser (Agus Utomo), Knowledge Management adviser (Tom Walsh), senior scientist (Ria Saryanthi), and contracts manager (Henny Sembiring) to support the program in multiple ways. Burung also assigns other relevant staff to assist with CEPF tasks as appropriate, including for communications and accounting. All Burung personnel charging time against CEPF complete daily timesheets to ensure appropriate cost allocation.

2.4. Performance Assessment

Performance per the logical framework and the goals of the Ecosystem Profile is tracked per Section 7 of this report. In the first 3.5 years of the program, the primary focus has been (1) mobilization throughout the hotspot, and (2) engagement of CEPF's core constituency, local civil society groups. Even with most grants active for less than three years, progress toward the priorities named in the Ecosystem Profile is significant.

- **Efficiency of operations.** While the RIT was formally engaged in December 2014, the team effectively began working in February 2015 with the recruitment of staff and the delivery of training by the CEPF Secretariat. In the subsequent three years, the team released eleven calls for proposals, reviewed 360 letters of inquiry, and awarded 83 individual grants. These 83 grants represent \$4,572,105 out of an available \$5,350,000 for Strategic Directions 1-6, or 85 percent of available funds. The pace of award is laudable – roughly two grants per month since inception – demonstrating the appropriateness of the strategy, the quality of applicants, and the efficiency of the RIT.
- **Engagement of civil society.** CEPF has made awards to 63 organizations. Of these, 58 are organizations founded and based in either Indonesia or Timor-Leste, the majority of which can be characterized as first-time recipients of international funds or as smaller groups which can use their association with CEPF – and its donors – as a springboard to a broader and more demanding pool of funders. Further, six recipients of small grants “graduated” to receiving large grants. On the other hand, the grants to the international organizations – Conservation International (CI), Fauna & Flora

International (FFI), the International Union for the Conservation of Nature (IUCN), Rainforest Alliance, and Wildlife Conservation Society (WCS), – serve strategic purposes and reflect the unique abilities of those groups (i.e., CI building the protected area system of Timor-Leste, FFI and IUCN conducting detailed scientific studies in unique and poorly understood karst and lake ecosystems; Rainforest Alliance marketing cacao and coffee; and WCS dealing with wildlife crime and building a network of marine protected areas).

- **Breadth of operations.** The mandate of the Ecosystem Profile is to address 22 priority terrestrial species and 198 priority marine species (176 of which are corals), and to work in a minimum network of 50 priority KBAs [to protect all CR, EN, and VU species in the hotspot] and 8 priority corridors. The tables below show significant progress in each of these areas.

To date, CEPF has made grants to improve the status or habitat of 17 of the 22 priority species, as shown in Table 5. One of those not addressed, the Rote Snake-necked Turtle, has received significant investment by the Government of Indonesia.

Table 5. Investment in Priority Terrestrial Species

No.	Latin name	Common name	Grantee
1	<i>Babyrousa togeanensis</i>	Togean Babyrousa	AJI Gorontalo,
2	<i>Cacatua alba</i>	Umbrella Cockatoo	Profauna, Bidadari Halmahera, IDEP, AMAN
3	<i>Cacatua moluccensis</i>	Salmon-crested Cockatoo	Toma Lestari, YASTRA
4	<i>Cacatua sulphurea</i>	Yellow-crested Cockatoo	Multi-grantee partnership
5	<i>Chelodina mccordi</i>	Rote Snake-necked Turtle	No CEPF investment to date
6	<i>Cuora amboinensis</i>	Amboina Box Turtle	EISiel Kie Raha, AMAN Maluku Utara, UNIERA, Bidadari Halmahera
7	<i>Eos histrio</i>	Red and Blue Lory	IDEP Foundation, KOMPAK
8	<i>Eulipoa wallacei</i>	Moluccan Scrubfowl	Baileo, UNIERA, AMAN Maluku Utara
9	<i>Indotestudo forstenii</i>	Celebes Tortoise	No CEPF investment to date
10	<i>Leucocephalon yuwonoi</i>	Sulawesi Forest Turtle	Multi-grantee partnership
11	<i>Lorius garrulus</i>	Chattering Lory	Profauna, Bidadari Halmahera, IDEP, AMAN
12	<i>Macaca nigra</i>	Celebes Crested Macaque	WCS-WCU
13	<i>Macrocephalus maleo</i>	Maleo	Species conservation integrated into livelihood/production landscape projects
14	<i>Nepenthes danseri</i>	Pitcher plant	No CEPF investment to date
15	<i>Nepenthes eymae</i>	Pitcher plant	Species conservation integrated into livelihood/production landscape projects
16	<i>Nepenthes glabrata</i>	Pitcher plant	No CEPF investment to date
17	<i>Nepenthes hamata</i>	Pitcher plant	Fauna & Flora International, Payo-Payo, Jurnal Celebes
18	<i>Nepenthes tomoriana</i>	Pitcher plant	Species conservation integrated into livelihood/production landscape projects
19	<i>Ornithoptera aesacus</i>	Obi Island Birdwing	No CEPF investment to date
20	<i>Ornithoptera croesus</i>	Wallace Golden Birdwing Butterfly	Bidadari Halmahera, YASTRA
21	<i>Troides dohertyi</i>	Talau Black Birdwing	IDEP Foundation, Perkumpulan Sampiri
22	<i>Troides pratorum</i>	Buru Opalescent Birdwing	AJI Gorontalo

After 3.5 years, CEPF is funding work of grantees in fourteen priority KBAs.

Table 6. Investment in Priority KBAs

No.	KBA	Grantee
1	Karakelang Utara	IDEP Foundation
2	Gunung Sahendaruman	Perkumpulan Sampiri
3	Pulau Siau	CELEBIO
4	Danau Poso	IMUNITAS, Karsa Institute, YPAL, Rainforest Alliance
5	Kepulauan Togean	AJI Gorontalo
6	Feruhumpenai–Matano	Perkumpulan Wallacea, Fakultas Kehutanan Universitas Andi Djemma, IBCSD
7	Danau Mahalona	IUCN
8	Danau Towuti	Fakultas Perikanan Universitas Andi Djemma
9	Bantimurung Bulusaraung	Fauna & Flora International, Payo-payo, Jurnal Celebes
10	Karaeng–Lompobattang	Balang Institute, AMAN Sinjai, Rainforest Alliance, SCF
11	Aketajawe	Bidadari Halmahera, IDEP foundation
12	Pulau Buano	LPPM
13	Manusela	YASTRA, KKI, YPPM
14	Mbeliling -Tanjung Kerita Mese	YAKINES, Koperasi BAM

Of course, CEPF grants do not only focus on priority KBAs. Many of the Wallacea KBAs are small, often either in small island clusters or contiguous terrestrial locations; for example, there are ridge-to-reef areas where the coastal KBA is a CEPF priority site, but the contiguous mountain KBA is not. Certainly, the RIT encourages grantees to work in multiple KBAs, not only the priorities. In this way, CEPF is supporting grants that have a positive impact on 54 ridge-to-reef KBAs, as shown below.

Table 7. Investment in Ridge-to-Reef KBAs

No.	KBA No.	KBA Name	Province
1	IDN015	Pulau Siau	North Sulawesi
2	IDN019	Likupang	North Sulawesi
3	IDN038	Tanjung Binerean	North Sulawesi
4	IDN052	Panua	Gorontalo
5	IDN064	Pasoso	Central Sulawesi
6	IDN078	Kepulauan Togean	Central Sulawesi
7	IDN099	Lamiko–Miko	South Sulawesi
8	IDN120	Wakatobi	Southeast Sulawesi
9	IDN123	Pulau Kadatua	Southeast Sulawesi
10	IDN127	Mamuju	West Sulawesi
11	IDN140	Pulau Selayar	South Sulawesi
12	IDN143	Pulau Tana Jampea	South Sulawesi
13	IDN144	Pulau Kalatua	South Sulawesi
14	IDN186	Cabang Kuning	North Maluku
15	IDN188	Pulau Obit	North Maluku
16	IDN196	Teluk Kayeli	Maluku
17	IDN199	Pulau Buano	Maluku
18	IDN201	Luhu	Maluku

No.	KBA No.	KBA Name	Province
19	IDN203	Pulau Kassa	Maluku
20	IDN214	Tanah Besar	Maluku
21	IDN218	Kepulauan Banda	Maluku
22	IDN220	Kepulauan Tayandu	Maluku
23	IDN223	Pulau Manuk	Maluku
24	IDN227	Batu Gendang	West Nusa Tenggara
25	IDN234	Bumbang	West Nusa Tenggara
26	IDN235	Sekaroh	West Nusa Tenggara
27	IDN237	Tatar Sepang	West Nusa Tenggara
28	IDN248	Empang	West Nusa Tenggara
29	IDN268	Manupeu Tanadaru	East Nusa Tenggara
30	IDN271	Tarimbang	East Nusa Tenggara
31	IDN277	Tanjung Ngunju	East Nusa Tenggara
32	IDN280	Komodo–Rinca	East Nusa Tenggara
33	IDN296	Pulau Ontoloe	East Nusa Tenggara
34	IDN304	Egon Ilimedo	East Nusa Tenggara
35	IDN315	Pantar	East Nusa Tenggara
36	IDN317	Gunung Muna	East Nusa Tenggara
37	IDN327	Pulau Romang	Maluku
38	IDN329	Kepulauan Lemola	Maluku
39	IDN332	Pulau Damar	Maluku
40	IDN336	Tanimbar Tengah	Maluku
41	IDN338	Pulau Larat	Maluku
42	IDN349	Teluk Kupang	East Nusa Tenggara
43	IDN352	Rote Utara	East Nusa Tenggara
44	IDN356	Pulau Dana	East Nusa Tenggara
45	TLS001	Nino Konis Santana	Lautem
46	TLS007	Irabere–Iliomar	Viqueque and Lautem
47	TLS013	Subaun	Dili and Manatuto
48	TLS018	Sungai Klere	Manufahi and Manatuto
49	TLS022	Areia Branca no Dolok Oan	Dili
50	TLS024	Atauro Island	Dili
51	TLS027	Tasitolu	Dili
52	TLS029	Maubara	Liquica
53	TLS032	Be Malae	Bobonara
54	TLS033	Tilomar	Covalima

- Progress toward goals.** The logical framework provides more details, but in terms of progress toward higher-level targets in the ecosystem profile, the portfolio is well on its way toward reaching 40+ civil society organizations, strengthening the civil society sector as whole in the Indonesian part of Wallacea, and strengthening the management KBAs – whether classified as “protected areas” or as “production landscapes” – through community engagement. Of the six strategic directions (not counting the RIT), the only one with limited progress is SD 5, calling for engagement of resource extraction companies and convincing them to change their practices and provide funding to others. During the mid-term assessment, the grantee stakeholders and senior advisors agreed to reallocate resources originally planned for this Strategic Direction to other areas while still maintaining existing efforts.

3. Portfolio Highlights by Strategic Direction

3.1. SD 1 – Address Threats to Priority Species

Grantmaking within this strategic direction is meant to support field surveys and monitoring, generating data that leads to improved policies and implementation of policies, and changes in behavior by trappers, traders, and buyers through enforcement, education, incentives, and alternatives.

A highlight from this strategic direction is the grant to the ProFauna, which worked to stop the illegal trade of wild-captured white cockatoos (*Cacatua alba*) and chattering lorries (*Lorius garrulus*), endemic species of Halmahera, North Maluku. ProFauna trained 36 people from 21 agencies in species identification (i.e., because enforcement agents need to distinguish between legal and illegal birds) and raised the awareness of 684 community members on the value of intact bird habitat. If the source of the birds – North Maluku – represents the “supply” side of the issue, then critically, ProFauna also worked on the “demand” side: they reached over 963 university students in East Java with campaigns to dissuade them from buying illegal and wild birds. (University students are major consumers of caged birds.)

Further of note was the revision of Indonesia’s protected species list as a result of joint efforts of WCS, the RIT, and the Indonesian Institute for Science (LIPI). The country’s protected species list had not been updated in nearly twenty years and was an impediment to addressing issues of wildlife trade. With the revision of the list in June 2018, among other changes, all the parrot species of Wallacea are now protected.

3.2. SD 2 – Improve Management of KBAs

Grantmaking within this strategic direction is focused on sites, whether formally protected or not protected. It includes funds to facilitate collaboration between formal and informal managers, better planning, better management, community awareness, site-oriented research, engagement with local government on development planning, and monitoring.

A highlight from this strategic direction is the grant to Perkumpulan Inovasi Komunitas (known as Imunitas), which is working in the Lake Poso region of Central Sulawesi. Lake Poso is a relatively unpolluted lake with endemic fish and invertebrates. Unlike the Malili Lakes to the south, which are threatened by runoff from mining, the primary threat to Lake Poso is runoff from agriculture and human waste. Imunitas is working with four communities on the east side, leading creation of land management and forest user groups. They are promoting use of less intensive agriculture practices (e.g., lower till, lower use of fertilizers and pesticides), while creating alliances with groups like the Rainforest Alliance to sell high-value cacao and coffee. Imunitas actively organizes alliances between the communities and various public land management agencies – the goal is not putting hectares of land under formal “protection,” but of ensuring conservation of the lake’s biodiversity while allowing for sustainable use of the watershed.

3.3. SD 3 – Community Based Resource Management of Terrestrial Sites

Grantmaking within this strategic direction considers site management (SD2) from the human side, focusing on improving community processes, institutions, rights over resources, sustainable resource use, alternative livelihoods, and local legal instruments.

A highlight is the grant to Centro de Desenvolvimento Comunitario (CDC) of Timor-Leste, which is working in the Mundo Perdido KBA, a mountainous area straddling the Baucau and Viqueque districts within Venilale and Ossu sub-districts of Timor-Leste. CDC is training farmers in sustainable agriculture practice, leading reforestation activities, and increasing environmental awareness. Timor-Leste is a young country that is in the process of formalizing and growing its protected area system. The country also suffers from difficult issues of rural poverty. Thus, groups like CDC are training farmers to use methods other than traditional, low-output slash-and-burn, helping them with access to market for their products, and changing their orientation to one of long-term “ownership” of their resources. CDC is promoting the application of customary law (“tara bandu”) in four small communities (“aldeias”) relating to small-scale logging, hunting, and environmentally harmful agricultural practices.

3.4. SD 4 – Community Based Resource Management of Coastal and Marine Sites

Whereas SD 3 focuses on terrestrial sites, SD 4 focuses on coastal sites. Grantmaking within this strategic direction promotes local engagement in the management of coastal and marine resources, including establishing marine protected areas (MPAs), improving the financial sustainability of these areas, and creating networks of MPA managers.

A highlight is the grant to Yayasan Alam Indonesia Lestari (LINI). LINI is working on Banggai Island, off the coast of Sulawesi, where reefs are home to the endemic Banggai Cardinalfish (*Pterapogon kauderni*), a valuable species in the illegal capture and trade of wild reef fish for the aquarium trade. LINI is giving community members an alternative to destructive reef fishing by teaching them to raise Cardinalfish in aquariums. These “cultivated” and captive-bred fish are legal for sale and of high value. The project involves crafting local decrees for reef protection and organization of cooperatives to breed and sell fish.

3.5. SD 5 – Private Sector Engagement in Production Landscapes

This strategic direction is meant to inform private sector players about the existence and importance of KBAs through business associations and local chambers of commerce; encourage more corporate and social responsibility funding; engage with mining and plantation companies [and their funders and buyers] to consider conservation values in management of concessions and rehabilitation of mined areas; establish links between local CSOs and organizations undertaking campaigns with consumers, financiers and consumer-facing companies to create market-related incentives and disincentives for private sector to support conservation actions; and support efforts for mediation or legal action to reduce threats from illegitimate mining operations.

As noted above, it has been difficult to find appropriately qualified organizations to undertake this work with the exception of the Indonesian Business Council for Sustainable Development. IBCSD’s work with PT Vale Indonesia and the Indonesian Mining Association continues. IBCSD has developed guidelines on sustainable mining that it is now promulgating with its partners. IBCSD is helping PT Vale to apply the guidelines to its site in Sulawesi as a demonstration that these methods can be applied with nominal cost to the mining companies.

3.6. SD 6 – Build Civil Society Capacity

This strategic direction allows for grants that build the management capacity of CSOs, the technical capacity of CSOs, networking of CSOs, and funding for CSOs.

A highlight is the grant to the Penabulu Foundation. Penabulu came to CEPF with deep experience of strengthening Indonesian civil society writ large, primarily in the democracy and governance space in the post-Suharto era. Penabulu works with all large and small grantees on core elements of capacity – management, project planning, financial management, technical skill areas, impact monitoring, and communication. When CEPF investment ends, organizations will have Penabulu as an extant mentor that can facilitate links with all facets of civil society across Indonesia.

4. Collaboration with CEPF Donors, Other Donors, and Local Government

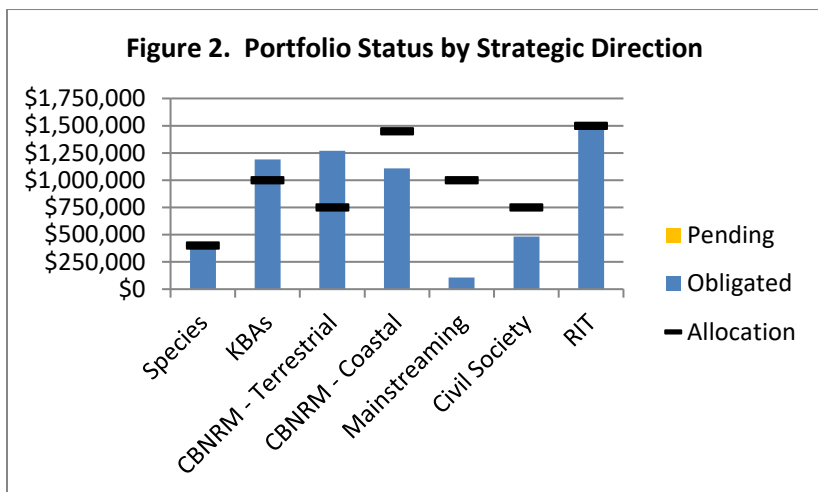
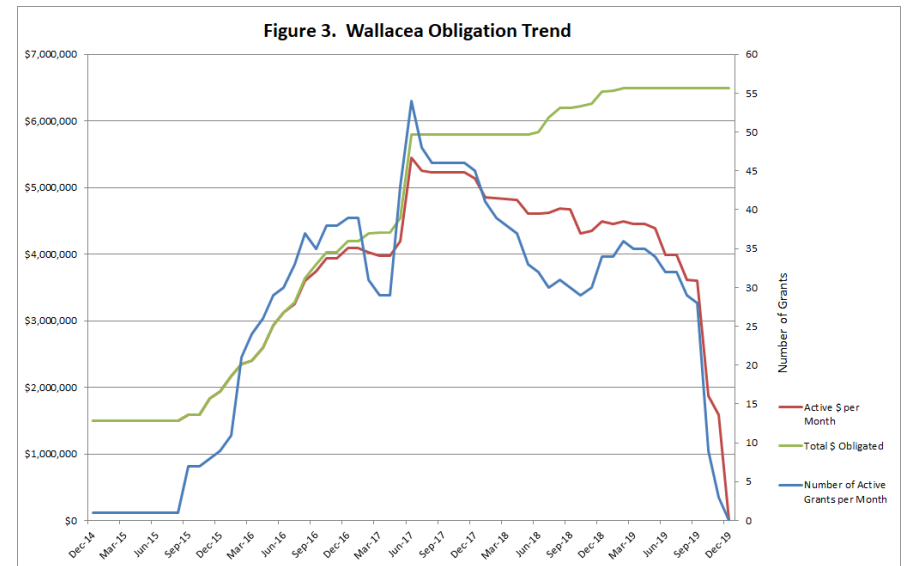
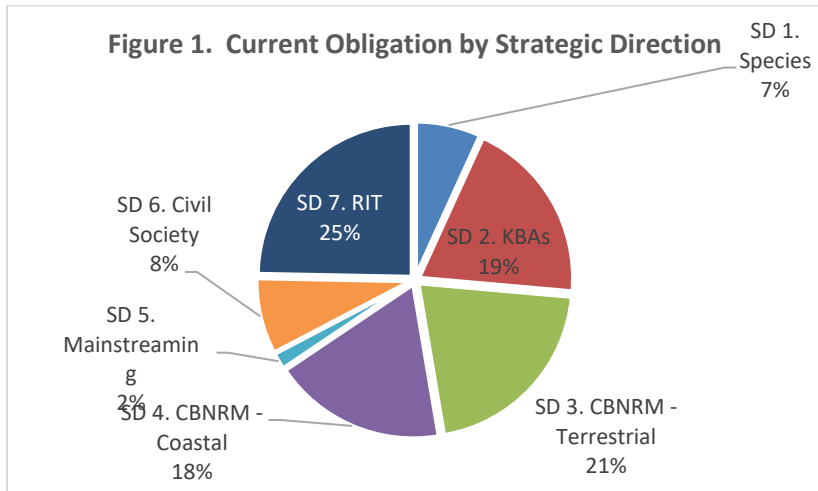
The CEPF Secretariat and Burung Indonesia have collaborated directly and indirectly with donors and host country government agencies at multiple levels. Burung maintains regular engagement with:

- The GEF Operational Focal Point within the Ministry of Forestry and Environment to promulgate the goals of the Ecosystem Profile more widely within the government.
- Relevant national government agencies, particularly for protected areas, forestry, and marine affairs.
- Multiple provincial and *kabupaten* level offices, including both local government and the field personnel of national government agencies (e.g., BKSDA).
- The leadership of major conservation organizations, including WCS, WWF, TNC, FFI, and Conservation International, and KEHATI, a conservation trust fund able to support civil society throughout the country.
- USAID-funded projects on coastal resources management (the SEA project) and climate change (the APIK project), both of which overlap technically and geographically with the goals of CEPF.
- The World Bank-funded Dedicated Grant Mechanism for Indonesia, implemented by Yayasan Samdhana, which makes small grants to traditional communities.

5. Conclusion

After 3.5 years of investment, CEPF is on target with the engagement of civil society to improve conservation of Wallacea. The challenge is that many initiatives require far longer than a two-year grant to achieve sustainability. Creation of protection areas, changing of public practice, instituting new land management practices, and building lasting CSO-public sector coalitions requires time. Burung Indonesia and leading grantees now must determine how to continue the efforts, either with continued funding from CEPF or its donors, or via lower cost and intensity presence with partner communities.

6. Summary Figures



7. Update on progress towards the goals in the Logical Framework

The logical framework below shows grants that should, in theory, lead to the achievement of the suggested indicators. We purposefully do not count results until individual grants are closed and all data is validated.

Note: GI* refers to the relevant global indicators in the CEPF Global Monitoring Framework.

Table 8. Logical Framework from Ecosystem Profile

Objective	Indicator	Result
Status of globally threatened biodiversity in Wallacea is more secure as a result of action by civil society organizations	Increase in the RLI over five years for all globally threatened species in the hotspot (GI1)	Ongoing grants addressing 36 priority species; grants studying freshwater and cave biodiversity
	Reduction in level of threat to target KBAs (GI6)	Ongoing grants in 14 target KBAs
	300% increase in the area of production landscapes (non-PA) managed for biodiversity between 2014 and 2019 (GI8)	Ongoing grants in multiple production landscapes, but indicator will ultimately be measured in hectares instead of percent
	Change in the number of people (GI9) and communities (GI10) with improved and more secure livelihoods as a result of CEPF grantee actions	Multiple grants working with communities in coastal and terrestrial landscapes
	Estimated volume of above-ground CO _{2e} stored in KBAs supported by CEPF grants is stable or increases (GI11)	Grants with significant impact on tree cover in Flores and Sulawesi
	Increase in the volume and quality of freshwater supply from KBAs supported by CEPF grants (GI12)	No progress to date
	The intensity and effectiveness of CSO networking and partnerships increases as a result of the CEPF program (GI22)	Grants to Penabulu, AMAN partners, and YKMI all leading to better networks
Intermediate Outcome	Intermediate Indicators	Result
1. Threats to high priority species are reduced	Main threats to at least five terrestrial and three marine species are reduced to a level where they do not endanger the species	Ongoing grants addressing 36 priority species
	Six existing species action plans are resourced and implemented by government	Species actions plans developed for flores hawk eagle and maleo, resourced and implemented for dugong (<i>Dugong dugon</i>), lowland anoa (<i>Bubalus depressicornis</i>), mountain anoa (<i>Bubalus quarlesi</i>), maleo (<i>Macrocephalon maleo</i>), yellow crested cockatoo (<i>Cacatua sulphurea</i>)

Intermediate Outcome	Intermediate Indicators	Result
2. Globally important sites are managed to conserve global biodiversity values	Rate of habitat loss in at least one terrestrial KBA supported by CEPF grants in each of eight priority clusters is reduced by 50% compared to a business as usual baseline (GI3)	33 grants in 23 different locations working toward this
	For at least one KBA in each of five priority marine corridors coral cover at the end of the project is no less than the cover at the beginning as a result of CEPF support.	10 grants in 10 corridors ongoing
	At least one successful CEPF funded ridge-to-reef project in each of the four marine corridors that are integrated with terrestrial corridors	6 grants in 6 ridge-to-reef contexts ongoing
	At least one KBA in each of eight priority clusters outside official protected areas is conserved through a successful CEPF funded project	32 ongoing grants leading to this
	Overall level of resources (protected area staff, budget, and resources from other stakeholder) dedicated to addressing priority conservation management issues at five CEPF-funded KBAs that are also protected areas increases by at least 10% within a year of the end of the project (GI18)	8 ongoing grants
	Annual budget allocation by PHKA and KKP (Indonesia) for conservation in Wallacea increases by 1% per year in real terms.	No results to date
	Local government at 10 CEPF-funded marine KBAs allocates resources for their conservation	Commitments indicated at 11 sights
	Evaluation of the management effectiveness of terrestrial (METT) and marine (EKKP3K) protected areas in Wallacea shows improvements in at least 50% of the indicators	Baselines collected in 12 sites
	Increase of 10% (from 2.7 million to at least 3 million hectares) in the area of terrestrial KBAs under formal protection (GI5)	Major expansions at Gandang Dewata and Tambora completed independent of CEPF assistance, but recorded as part of this logical framework
Increase of 50 % in the area of Marine KBAs with formal protection as KKP/KKPD within five priority marine corridors	10 marine KBAs expanded	
3. Indigenous and local natural resource-dependent communities are engaged with integrated	At all CEPF-funded sites indigenous and resource-dependent communities have documented and mapped customary ownership and/or use rights at the site (GI4)	22 ongoing grants
	At all CEPF-funded sites the rights of relevant local communities over natural resources are acknowledged and respected by other stakeholders (GI4)	22 ongoing grants

Intermediate Outcome	Intermediate Indicators	Result
management of key sites and corridors	Community institutions, capacity, plans and agreements with other stakeholders (as appropriate for the situation) are in place and resourced (GI4) in at least one KBA in each of three priority clusters	22 ongoing grants
4. Indigenous and local communities dependent on marine resources are engaged with integrated management of key sites and corridors	At all CEPF-funded sites indigenous and resource-dependent communities have documented and mapped customary ownership and/or use rights at the site (GI4)	10 ongoing grants
	At all CEPF-funded sites the rights of relevant local communities over natural resources are acknowledged and respected by other stakeholders (GI4)	10 ongoing grants
	Community institutions, capacity, plans and agreements with other stakeholders (as appropriate for the situation) are in place and resourced (GI4) in at least one KBA in each of three priority clusters	10 ongoing grants
	Community systems for management of marine resources are recognised and supported by government in at least three CEPF-funded marine KBAs	10 ongoing grants
	Conservation management of all CEPF-funded marine KBAs includes creation or strengthening of community groups	9 ongoing grants
5. Private sector actors take action to mitigate negative impacts and to support conservation of globally important sites and species in production landscapes	5 Private sector actors with resource management/extraction licenses over KBAs adopt mechanisms to safeguard global biodiversity values at sites targeted by CEPF grants (GI4)	1 ongoing grant
	Private sector actors (in or out of the NR sector) provide funding to address priority conservation actions at 10 KBAs targeted by CEPF grants in production landscapes	2 ongoing grants
	At least three models of best practice addressing key issues in production landscapes are documented and disseminated (GI19)	3 sites being addressed
6. Civil society in Wallacea has the capacity to identify, implement and sustain actions for	Increase in the capacity of 75% CEPF grantees to plan, implement and sustain conservation actions (GI20)	Baseline CSTTs collected from 57 separate organizations
	Improvement in the collective ability of civil society in Wallacea to plan, implement and sustain conservation actions (GI21) in at least three of the eight priority clusters, compared to baseline established by the RIT	To be assessed at conclusion of investment

Intermediate Outcome	Intermediate Indicators	Result
maintenance of global conservation values	Leaders of 75% CEPF grantees demonstrate knowledge of global and national issues and decisions which affect their work and plans, and articulate how they will respond , in the initial assessment and end of project assessment (GI23)	Ongoing grant to Penabulu
7. Incorporation of CEPF-identified priorities into key stakeholder policies and programs results in more, better targeted funding for conservation in the hotspot, as addressed by the RIT or appropriate entities	Six existing species action plans are updated with reference to CEPF data and project results	Burung leading in science and engaged with partners
	Data from CEPF is used to determine location of new MPAs by KKP and “essential ecosystem” by PHKA	Burung regularly engaged with Ministry (KHLK)
	Three major national development policies (e.g., MP3EI, NBSAP) take into account conservation of KBAs and corridors	No results to date
	Five examples of provincial or district land-use plans, marine/coastal spatial plan, development plans taking into account conservation of KBAs and corridors	Multiple engagements at district level
	Plan for resource mobilisation in NBSAP supports KBA conservation	No results to date
	Government’s “one map” process (reform of forest tenure in Indonesia) recognises the importance of maintaining forest cover in priority sites	No results to date
	Draft decree on protected areas in Timor-Leste is passed, resourced and implemented	No results to date
	At least five companies or CSOs take conservation of KBAs into account in their planning process	Multiple ongoing grants
	Assessment of options and potential sources of funding for a sustainable financing mechanism completed (GI14, GI15, GI16, GI17)	No results to date

8. Awarded and Pipeline Grants

Table 9. Awarded and Pipeline Large and Small Grants by Strategic Direction

No.	PFA	Organization	Summary Title	Amount		Status
				Large	Small	
Strategic Direction 1 - Species						
1	2	Andi Jemma University	Luwu Timur species		\$19,407	Closed
2	1	CELEBIO	Siau scops owl		\$16,554	Closed
3	1	IDEP	Talaud Island conservation		\$8,498	Closed
4	1	Kompak	Talaud Island conservation		\$10,213	Closed
5	5	PROFAUNA	Halmahera bird conservation	\$94,684		Active
6	All	Riza Marlon	Endemic species photography		\$7,399	Closed
7	6	Toma Lestari	Taunusa endemic species		\$17,991	Closed
8	All	WCS	Wildlife crime	\$239,260		Active
Strategic Direction 2 – Protected Sites						
9	4	Aliansi Jurnalis	Togean public awareness		\$10,583	Closed
10	8	CI	Timor-Leste Protected Areas	\$299,988		Active
11	3	FFI	South Sulawesi limestone caves	\$100,000		Active
12	7	FPKM	Candlenut landscape productivity		\$16,275	Active
13	2	IUCN	Malili Lakes planning	\$190,922		Active
14	2	Imunitas	Lake Poso management		\$19,168	Closed
15	2	Imunitas	Lake Poso management	\$69,952		Active
16	1	Sampiri	Sahendaruman Forest Protection		\$14,018	Closed
17	1	Sampiri	Sahendaruman Forest Protection		\$15,125	Active
18	4	Salanggar	Togean conservation awareness		\$6,375	Closed
19	4	Salanggar	Permaculture promotion		\$20,882	Active
20	2	Perkumpulan Wallacea	Malili Lakes management	\$62,557		Active
21	2	Andi Jemma University	Community Development		\$15,905	Active
22	6	Pattimura University	Kassa Island management		\$15,955	Closed
23	7	Ayu Tani Mandiri	Community Forestry in Ili Wengot		\$19,664	Closed
24	7	Ayu Tani Mandiri	Community Forestry in Ili Wengot		\$19,202	Active
25	1	IDEP	Talaud Island permaculture	\$114,282		Active
26	7	SANDI FLORATA	Alor CBFM		\$15,274	Closed
27	7	Komodo Survival Program	Komodo Dragon habitat conservation	\$136,064		Active
28	5	YPKH	Protection of Gosong bird eggs		\$27,105	Active
Strategic Direction 3 – Terrestrial CBNRM						
29	5	AMAN Maluku Utara	Fritu people land rights		\$17,792	Closed
30	5	AMAN Maluku Utara	Community land use rights		\$36,730	Active
31	3	AMAN Sinjai	Customary land use planning		\$19,363	Closed
32	3	Balang Institute	Pattanetearang alternative livelihood		\$32,556	Active
33	3	Balang Institute	Pattanetearang alternative livelihood		\$17,650	Closed
34	5	Bidadari Halmahera	Aketajawe national park CBNRM		\$13,194	Closed
35	8	CDC	Timor-Leste sustainable agriculture		\$40,747	Active
36	7	JPIC	Komodo habitat CBNRM		\$13,817	Closed
37	3	Jurnal Celebes	Maros/Pangkajene awareness		\$7,437	Closed
38	6	Perkumpulan KKI	Parrot conservation		\$14,029	Closed
39	3	PAYO-PAYO	Bantimurung livelihood promotion	\$120,842		Active
40	2	Perkumpulan Wallacea	Lake Matano CBNRM		\$19,409	Closed

No.	PFA	Organization	Summary Title	Amount		Status
				Large	Small	
41	2	Rainforest Alliance	Danau Poso sustainable agriculture	\$69,982		Active
42	3	Rainforest Alliance	Bantaeng coffee and cocoa	\$94,307		Closed
43	2	Andi Jemma University	Lake Towuti species conservation		\$14,406	Active
44	2	Andi Jemma University	Lake Towuti fisheries management		\$18,503	Closed
45	7	YAKINES	Mbeliling Forest Area management		\$17,431	Closed
46	5	IDEP	Aketajawe Lolobata park mngmt.	\$88,967		Active
47	1	IDEP	Sangihe–Talaud permaculture	\$117,327		Closed
48	5	Yayasan Mia Wola	Desa Kao habitat conservation		\$5,498	Active
49	2	YPAL	Lake Poso agriculture		\$10,525	Closed
50	6	YPPM	Manusela CBNRM		\$15,886	Active
51	5	YPKH	Protection of Gosong bird eggs		\$15,832	Closed
52	6	YASTRA	Manusela CBNRM		\$17,786	Active
53	6	YASTRA	Manusela CBNRM		\$18,193	Closed
54	6	Tanah Air Beta	Seram-Buru Corridor ridge-to-reef	\$151,200		Active
55	7	Yayasan Tananua	Kelimutu CBNRM	\$150,017		Active
56	7	Yayasan Tunas Jaya	Ruteng CBNRM		\$11,912	Active
57	7	Wahana Tani Mandiri	Mt. Egon livelihoods	\$99,648		Active
Strategic Direction 4 – Coastal/Marine CBNRM						
58	6	Baileo	Maluku MPA management	\$73,271		Active
59	6	Baileo	Haruku Island indigenous knowledge		\$18,283	Closed
60	7	BARAKAT	CBNRM	\$42,644		Active
61	7	BARAKAT	Hadakewa Bay conservation		\$17,930	Closed
62	8	Coral Triangle Center	Atauro Island MPAs	\$170,410		Active
63	4	JAPESDA Gorontalo	Central Sulawesi CBNRM	\$89,784		Active
64	6	LPPM	Buano Island indigenous knowledge	\$58,407		Active
65	6	LPPM	Buano Island indigenous knowledge		\$18,580	Closed
66	5	eLSIS Kie Raha	Guruapin Village mangroves		\$12,630	Closed
67	1	Manengkel	North Sulawesi MPA management	\$49,257		Active
68	1	Manengkel	North Sulawesi MPA management		\$17,071	Closed
69	4	Perkumpulan RoA	Balantak coastal management		\$17,292	Closed
70	4	SIKAP Institute	Banggai Laut coastal management		\$16,532	Active
71	1	WCS	North Sulawesi MPA management	\$124,249		Closed
72	1	YAPEKA	Sangihe MPA management		\$34,091	Active
73	1	YAPEKA	Sangihe dugong habitat conservation	\$99,100		Closed
74	4	Yayasan LINI	Banggai Island CBNRM	\$62,730		Active
75	7	YPPS	Lebau Island CBNRM	\$99,113		Active
76	1	Rumah Ganeca	Desa Karor turtle habitat		\$16,667	Active
77	5	YSEMNK	Gotowasi mangrove conservation		\$16,667	Active
78	6	Yayasan Wallacea	Buru Island ecotourism	\$53,153		Closed
Strategic Direction 5 – Private Sector						
79	2	IBCSD	Sustainable mining practice	\$88,118		Closed
80	2	Karsa Institute	Lake Poso sustainable management		\$17,761	Closed
Strategic Direction 6 – Capacity Building						
81	All	Penabulu Foundation	CSO capacity building	\$320,000		Active
82	All	YAPEKA	North Sulawesi marine CSOs		\$5,043	Closed
83	All	YKMI	Biodiversity-forestry law/policy	\$159,034		Active
Summary						

No.	PFA	Organization	Summary Title	Amount		Status
				Large	Small	
			Active and closed grants (count)	32	51	
			Active and closed grants (amount)	\$3,689,269	\$882,836	
			Pipeline (count)	0	0	
			Pipeline (amount)	\$0	\$0	