

Critical Ecosystem Partnership Fund
Twentieth Meeting of the Donor Council
The World Bank, Washington, DC

6 February 2012

8 a.m. – 11:00 a.m. EST

Revision of the Focal Point Endorsement requirement

Recommended Action Item:

The Donor Council is asked to request the GEF Secretariat to either exempt CEPF from the requirement of Focal Point Endorsement as an investment prerequisite, or to have a time-bound no-objection process.

Background:

The financing agreement between the World Bank and Conservation International that rules the investment of the Global Environment Facility funds for CEPF states in section 7.03 that:

“CI shall seek endorsement of each Ecosystem Profile by the relevant national GEF operational focal points, in the manner set forth in the Operational Manual. CI shall submit the proposed Ecosystem Profile for approval to the Donor Council together with any prior endorsements. Any endorsements incurring thereafter shall be submitted no later than the next Donor Council meeting after receipt of such endorsement or endorsements, as the case may be. No funds shall be disbursed for any activities in a country until the GEF operational focal point for that country has endorsed the Ecosystem Profile.”

The text of the financing agreement is mirrored in the Operational Manual in section 5.3 and it further provides guidance to the Secretariat on the process for securing the endorsement with a template letter to be shared with the operational focal points to submit to the World Bank team task leader when requesting the endorsement.

During the mid-term review of the World Bank in June 2011, the Bank’s team observed that one of the reasons for the delayed disbursement of the GEF funds was the late receipt of focal point endorsements. The review points out that “(i)t has been challenging to secure these endorsements particularly because focal points mistakenly see CEPF as a potential threat to their national allocations”, and clarifies that CEPF funding does not come out of national STAR allocations. The mid-term review team report includes an agreed action for the Secretariat to “share all the data of GEF focal point endorsements for each country to be presented in a table and submitted to the donor council with a proposal that the GEF supports an exception to the need for endorsement since CEPF funds do not come out of national STAR allocations.”

In all but one hotspot where CEPF has invested during Phase II, focal point endorsements were not secured by when the Donor Council authorized the contracting of the RIT and the Secretariat was ready to launch the call for proposals in the approved region.

The late receipt of focal point endorsement in multiple country hotspots has delayed investment in the regions approved by the Donor Council. The lack of endorsement in some countries of a hotspot creates an uneven and confusing investment environment for civil society, because organizations in countries where endorsements have been received are able to propose projects and obtain funding, while those located in countries where their governments have not responded to the request for endorsement have been unable to apply for funds. These delays range from few months to years in the hotspots where CEPF has invested. The average wait for endorsement in the 47 countries of the five hotspots for which the CEPF Secretariat has requested endorsements is 19 months.

Lastly, it is important to mention that CEPF is the only global program of the GEF that requires country-level focal point endorsement.

Recommendation of the Working Group:

During the 29th meeting of the Working Group on 15 November 2011, the Working Group reviewed the information presented by the Secretariat and recommended that the Donor Council discuss the issue and request the GEF Secretariat choose one of two options:

- 1) Exempt CEPF from the requirement of focal point endorsement as a prerequisite for investment in a country, proposing the modification of the Operational Manual and amendment of the Financing Agreement with the World Bank; or
- 2) Allow for a time-bound no-objection process for focal point endorsement.

Additionally and acknowledging the need to ensure that relevant government agencies are aware of CEPF's investment in a country, and furthermore, be supportive of the work that civil society organizations do with CEPF funds in their countries conserving their unique biodiversity and preserving the health of their ecosystems, the Secretariat proposed to the Working Group an alternative plan to the request of focal point endorsement. The proposed plan attached in Annex A will be conducive of government support while avoiding the delays experienced by the request for focal point endorsement.

Annex A

Proposed plan to ensure that relevant government agencies are aware of CEPF's investment

The plan below, proposed to and reviewed by the Working Group, describes specific activities the CEPF Secretariat is either currently implementing or willing to implement if CEPF is exempt from securing endorsement of focal points before investing in a country.

Continue engagement of national authorities while the ecosystem profile is in preparation

CEPF profiling teams have consistently invited national authorities and GEF focal point representatives to participate in the consultations that take place during the preparation of ecosystem profiles.

Unfortunately, government agency attendance is very rare despite multiple attempts to contact and repeated invitations. The Secretariat proposes to continue engaging with national authorities and focal points and ensure that profiling teams document their efforts to invite and engage relevant government officers.

Present the approved ecosystem profile to government agencies

Once the ecosystem profile has been approved and the Regional Implementation Team has been selected, the RIT will be responsible for presenting to the relevant government agencies the summary of the ecosystem profile before, or while, a call for proposals is in place. In the event that a meeting with the relevant authority cannot be secured, the efforts for making such meeting occur will be presented to the Secretariat and the Secretariat will share them with the Working Group for their information.

Engage relevant government agencies as part of the advisory committees for each hotspot

It is CEPF practice to build a review committee that supports the revision of proposals in each hotspot. These committees have in some cases included participation of government officers. The Secretariat proposes to make the concerted effort of ensuring that relevant government agencies are invited to participate in the review committees and provide them with the opportunity of learning about CEPF investments throughout the life of the portfolio.

Invite relevant government agencies to join donor roundtables

The CEPF Secretariat is proposing to create donor roundtables, or participate in such roundtables if they already exist, in each of the hotspots where we invest starting with the Caribbean Islands, Maputaland-Pondoland-Albany and Mediterranean Basin hotspots. These donor roundtables will bring together donors in the regions, including but not limited to CEPF donors, to ensure that there is information flow about CEPF investments and the opportunities to build synergies and leverage investments. The meetings of the donor roundtables will be held every 18-24 months and will provide government agencies with the opportunity to learn not only about CEPF, but also about the other donors in their countries.

CEPF is confident that the proposed alternative plan of continued and intensified efforts to engage with focal point representatives during profiling, presentation of the approved profile to the focal point in each country in the hotspot, and inviting participation in the advisory committee and donor roundtable, will allow focal point representatives to be fully aware and supportive of CEPF's activities in their respective countries.