

Critical Ecosystem Partnership Fund

Eighteenth Meeting of the Donor Council

Nagoya, Japan

26 October 2010

10:30 a.m. – 12:00 p.m. JST

Revision of Selection Process and Terms of Reference of the Regional Implementation Teams

Recommended Action Item:

The Donor Council is asked to **review and approve** the modification of the Operations Manual in relation to the Selection Process and Terms of Reference for the Regional Implementation Teams.

Background:

The 2006 independent evaluation of CEPF recommended that coordination of CEPF activities in the hotspots be decentralized. To this end, the Secretariat developed new Terms of Reference for the local teams based in the hotspots. The objective of these teams, called Regional Implementation Teams, is to “convert the plans in the ecosystem profile into cohesive portfolios of grants that exceed in impact the sum of their parts.” The duties of the Regional Implementation Team (RIT) are numerous and complex, and exceed those assigned to the CEPF Phase I Coordination Units. Specifically, the RITs were assigned increased responsibility for decision-making, via management of all small grants, and for monitoring and evaluation of grantee performance on several levels.

In April 2010, in response to concerns raised about whether allocations provided to the RITs are sufficient for them to accomplish all of the tasks specified in the RIT TOR, the Donor Council requested the Secretariat to review the performance of the RITs and assess whether the budgets allocated allowed for the RITs to truly *convert the plans in the ecosystem profile into cohesive portfolios of grants that exceed in impact the sum of their parts*.

As instructed, the Secretariat conducted an assessment of the performance of the RITs in three portfolios launched under CEPF Phase II - Indo-Burma, Polynesia-Micronesia and Western Ghats- and also included the analysis of two RIT budgets that were under development at the time - Caribbean Islands and Maputaland-Pondoland-Albany. This assessment also aimed to identify areas where duplication of effort with the Secretariat was occurring.

The assessment covered compliance with the TOR, and reviewed strengths and weaknesses related to conducting outreach and monitoring, and in leading strategy in the region. It revealed that while all RITs are undertaking the required work, and that they are reviewing applications, providing capacity building to civil society, monitoring grantees via site visits and other tools, communicating widely and delivering outreach to a wide array of stakeholders, that there are many tasks that RITs are finding challenging to complete, or to complete on time. In relation to the duplication of efforts with the Secretariat, the assessment found that there are several tasks that are being undertaken by both the RIT and the Secretariat.

In order to remove possibility of duplication of effort, and to clarify the TOR so that all current and potential applicants for the RIT fully understand the scope of the tasks that the RIT responsibility entails, the Secretariat has revised the RIT TOR. In addition, the Selection Process and criteria have been revised, to correlate with the revised TOR.

The revised Selection Process and Terms of Reference are presented in Annex A. The new TORs modify the previous TORs ensuring that potential candidates understand their critical role shepherding the strategy outlined in the Ecosystem Profile and seek sustainability of CEPF efforts in the hotspots where the fund invests. The attached proposed TORs were reviewed by the Working Group during the meeting of 16th July and have incorporated their suggestions.

Annex A

**Regional Implementation Team
Terms of Reference and Selection Process**

Nongovernmental organizations selected to function as Regional Implementation Teams for the Critical Ecosystem Partnership Fund (CEPF) beginning in 2007 will provide strategic leadership for the program in each of the biodiversity hotspots approved for investment.

Each Regional Implementation Team (RIT) will consist of one or more civil society organizations active in conservation in the region. For example, a team could be a partnership of civil society groups or could be a lead organization with a formal plan to engage others in overseeing implementation, such as through an inclusive advisory committee.

TERMS OF REFERENCE

The objective of the Regional Implementation Teams will be to convert the plans in the ecosystem profile into cohesive portfolios of grants that exceed in impact the sum of their parts.

The teams will provide local knowledge and insights and will represent CEPF in each hotspot region. They will have primary responsibility for building a broad constituency of civil society groups working across institutional and political boundaries toward achieving the shared conservation goals described in the ecosystem profiles.

The teams will operate in a transparent and open manner, consistent with the CEPF mission and all provisions of the CEPF Operational Manual.

Organizations that are members of the Regional Implementation Team will not be eligible to apply for other CEPF grants within the same hotspot. Applications from formal affiliates of those organizations that have an independent operating board of directors will be accepted, and subject to additional external review.

TOR FOR ADMINISTRATIVE PROPOSAL	FUNCTIONS
1. Establish and coordinate a process for 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.

	<p>Evaluate all proposals.</p> <p>Facilitate technical advisory committee review, where appropriate (including convening a panel of experts).</p> <p>Obtain external reviews of all applications over \$250,000.</p> <p>Ensure that all application information is linked into the CEPF automated grants management system.</p> <p>Decide jointly with the CEPF Secretariat on the award of all grant applications of \$20,000 and above.</p> <p>Communicate with applicants throughout the application process to ensure applicants are informed and fully understand the process.</p>
<p>2. Manage a program of small grants; that is, grants of less than \$20,000.</p>	<p>Announce the availability of CEPF small grants.</p> <p>Conduct due diligence to ensure sub-grantee applicant eligibility and capacity to comply with CEPF funding terms.</p> <p>Manage the contracting of these awards.</p> <p>Manage disbursement of funds to grantees.</p> <p>Ensure sub-grantee compliance with CEPF funding terms.</p> <p>Monitor, track, and document grantee technical and financial performance.</p> <p>Assist the Secretariat in maintaining the accuracy of the CEPF grants management database.</p> <p>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.</p> <p>Convene a panel of experts to evaluate proposals.</p> <p>Conduct regular project site visits (at least once every six months) to monitor and document grantee technical and financial performance.</p> <p>Contact grantees regularly via email and</p>

	<p>telephone.</p> <p>Ensure that grantees complete regular (based on length of the project) technical and financial progress reports.</p> <p>Prepare bi-annual summary report to the CEPF Secretariat with detailed information of the Small Grants Programme, 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.</p>
<p>3. Reporting and Monitoring.</p>	<p>Collect and report on data for portfolio-level indicators.</p> <p>Ensure quality of performance data submitted by grantees.</p> <p>Support the CEPF Secretariat to monitor programmatic performance of grantees.</p> <p>Verify completion of products, deliverables, and short-term impacts by grantees.</p> <p>Review grantee financial reports in relation to programmatic performance.</p> <p>Support grantees to comply with requirements for completion of GEF tracking tools, including the Management Effectiveness Tracking Tool.</p> <p>Support a mid-term learning exchange workshop to build institutional capacity of grantees and convene a final assessment of the CEPF portfolio.</p> <p>Conduct a mid-term.</p> <p>Visit grantees to monitor their progress and ensure outreach, verify compliance and support capacity building.</p> <p>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</p>

	projects.
TOR FOR PROGRAMMATIC PROPOSAL	FUNCTIONS
4. Coordinate and communicate CEPF investment, build partnerships and promote information exchange in the hotspot.	<p>Serve as the lead point of contact for CEPF in relation to international donors, host country governments and agencies, and other potential partners within the hotspot.</p> <p>Facilitate information exchange among stakeholders.</p> <p>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.</p> <p>Provide regular communications and reports to the CEPF Grant Director on the progress of the project.</p> <p>Provide lessons learned and other information to the Secretariat to be communicated via the CEPF website.</p> <p>Disseminate results via multiple and appropriate media.</p> <p>Facilitate partnerships between stakeholders in order to achieve the objectives of the ecosystem profile.</p> <p>Build partnerships between and among grantees and other stakeholders.</p> <p>Promote collaboration and coordination among local or international donors.</p> <p>In coordination with CEPF's Secretariat, ensure communication and collaboration with the six CEPF donors, as appropriate in the hotspot.</p> <p>Promote opportunities to leverage CEPF funds with donors and governments investing in the region.</p> <p>Visit stakeholders, and attend meetings and events to ensure collaboration, coordination and outreach.</p>
5. Build the capacity of grantees.	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.
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SELECTION PROCESS

The teams will be chosen on a transparent and competitive basis.

A request for proposals will be distributed widely by the CEPF Secretariat. This will include direct distribution to all stakeholders who participated in the ecosystem profiling process for the region, publicizing the request for proposals on the CEPF global Web site and in the CEPF e-newsletter, and encouraging CEPF donor partners and well-known organizations both internationally and within the region to distribute the announcement through their regional networks.

The call for proposals will detail the opportunity presented to lead implementation in the relevant hotspot, and will include the Terms of Reference, criteria for evaluation, and a closing date for the receipt of proposals by the CEPF Secretariat. It will also include the maximum budget amount allocated for the Regional Implementation Team in the region and a link to the approved ecosystem profile on the CEPF Web site, www.cepf.net.

Applicants will be required to submit a proposal in the approved CEPF application template, including detailed project objectives (goal, purpose, outputs), the organization's comparative advantage in carrying out the role as a Regional Implementation Team, and clear performance indicators. In addition, the proposal must include a detailed budget, logical framework and five-year work plan and identify a single regional coordinator who will be principally responsible for carrying out these plans.

The Secretariat will analyze and rank the applications using the criteria described below. To maintain an open and objective selection process, any potential advantage gained as a result of involvement in creating the CEPF ecosystem profile for the region will not be considered as part of the assessment.

The Secretariat will present the applications and its analysis to the CEPF Working Group, which will develop a recommendation for the CEPF Donor Council. The final selection will be approved by the Donor Council.

Criteria for Evaluating Applications

In assessing applications, the following capabilities will be considered:

1. Programmatic Capacity/Experience: Successful applicants will be nongovernmental organizations presenting substantial experience in biodiversity conservation in the region. Applicants should present a clear and compelling justification for their application. This should include how their institutional strategy would be advanced by the organization's stewardship of the CEPF strategy and would help to ensure sustainability of results beyond the CEPF implementation period. Other important indicators will include:

- A mission statement that is congruent with the objectives and priorities identified for the region in the ecosystem profile.
- Proposed key personnel, including their qualifications and proposed roles.

- An acknowledged position of leadership within the region's civil society sector.
- Demonstrated experience in working with partners (such as NGOs, community organizations, and the private sector) to improve the effectiveness of conservation programs.
- Demonstrated commitment to strengthening other less developed civil society organizations.
- Well-established professional relationships with national and local government agencies and other sectors in the region.
- Ability to represent and widely communicate the CEPF mission, objectives, and opportunities, as well as experiences, lessons learned, and results.
- A strong commitment to monitoring and evaluation as indicated by functioning systems to monitor and evaluate the applicant's own programs.
- An existing sustainable conservation program in the region, demonstrated by its duration and record of support by other donors.

2. Administrative Capacity/Experience: A sound and tested financial and administrative system will be a key area for assessment in each application. Applicants should describe in detail their existing administrative and financial structures and how these structures would support effective and efficient implementation work. Among the financial and administrative factors for consideration are:

- Demonstrated ability to track, record, and account for funds received and disbursed.
- Segregation of duties. (For example, the person who makes the grant cannot be the same person who approves the payments or authorizes disbursement).
- Defined administrative/financial roles and a chart indicating the leadership and employee structure of the organization.
- Regular completion of reconciliations of money received and disbursed, in comparison with bank statements.
- Internal controls and objective criteria that guide the review of payment requests and other invoices.
- Systematic record keeping.
- Fraud and embezzlement safeguards.
- Ability to carry out the CEPF mission using locally appropriate languages in work with applicants and government officials, and to use English for all evaluations of proposals and reporting on grantee performance.
- Certified audits conducted on an annual basis with no material findings. Two most recent audits should be provided as part of the proposal.

Applicants should detail how they would adapt or expand their own administrative systems to enable effective award, management, and monitoring of individual grants of up to \$20,000.