

Critical Ecosystem Partnership Fund

Sixteenth Meeting of the Donor Council
Conservation International
2011 Crystal Drive, Arlington, VA
15 January 2010
8 a.m. - 11 a.m. EST

Update on CEPF Fund-raising Strategy

Recommended Action Item:

The Donor Council is asked to **review** the Update on the CEPF Fund-raising Strategy and **identify** additional fund-raising prospects or approaches for the program as appropriate.

Background:

The Donor Council approved the CEPF Fundraising Strategy for fiscal years 2008-2012¹ at its Twelfth Meeting in November 2007.

The strategy sets out the overarching approach for the partnership to secure \$150 million for implementation of the CEPF Strategic Framework (FY 2008-2012)² approved by the Donor Council in July 2007. The Fund-raising Strategy set an initial goal of \$100 million in new funds for implementation of the global program, \$82 million of which had been secured based on new commitments from l'Agence Française de Développement, Conservation International, the Global Environment Facility and the John D. and Catherine T. MacArthur Foundation. The fund-raising goal identified in the Strategy was therefore agreed as twofold, with \$18 million as a first target and an additional \$50 million as a second target.

The strategic approach focuses on three areas:

- Expanding and diversifying the CEPF donor base to increase fund-raising opportunities.
- Working together with the government of Japan and the World Bank to identify and implement potential opportunities for these donor partners to commit additional funds.
- Coordinating strategic fund-raising and marketing opportunities among the CEPF donor partners to capitalize on existing strengths, relationships and networks.

Fund-raising Status to Date:

As of December 2009, CEPF has secured \$88 million toward the \$150-million goal for implementation of the current Strategic Framework. Additional funds expected from the World Bank but not yet secured through a formal agreement total \$19 million, which would bring the total secured to date to \$107 million and thereby meet the first fund-raising target of \$18 million.

This \$107 million would comprise:

- \$25 million from Conservation International (bringing its total CEPF commitment to \$50 million)

¹ CEPF Fund-raising Strategy (FY 2008-2012),
www.cepf.net/Documents/12_7_fundraisingstrategy.pdf

² CEPF Strategic Framework (FY 2008-2012),
www.cepf.net/Documents/cepfstrategicframework_fy08_12.pdf

- 19.5 million Euros (approx. \$25 million) from l'Agence Française de Développement
- \$25 million from the World Bank (bringing its total CEPF commitment to \$50 million)
- \$20 million from the Global Environment Facility (bringing its total CEPF commitment to \$45 million)
- \$12 million from the MacArthur Foundation (bringing its total CEPF commitment to \$37 million)

Following its confirmation of support for the replenishment of CEPF, the World Bank provided \$3 million from the Development Grant Facility (DGF) during FY 09 toward an overall expected contribution of \$25 million. In December 2009, the World Bank agreed to provide an additional \$3 million during FY 10 for activities of the Fund. The request for FY 11 funding, expected to be for \$6 million as for each of the previous years, will be submitted in January 2010. As for the first phase of CEPF funding from the World Bank (which was also from the DGF), the requesting World Bank network puts in an annual request for DGF funding. DGF grants are awarded on annual basis and grants are based on a) satisfactory evidence of performance and b) total DGF funding available against the number of nominated requests for any fiscal year.

The new World Bank commitment is an important part of the strategic approach detailed in the Fund-raising Strategy for the CEPF donor partners to work together with the government of Japan and the World Bank to identify and implement potential opportunities for these partners to commit additional funds. However, as the new World Bank funds are formally agreed only annually, CEPF is currently able to formally plan and commit funds only against those funds formally agreed per year, rather than the total contribution expected. In addition, \$43 million in new funds must still be raised for full and effective implementation of the Strategic Framework.

Currently, \$84 million of the \$88 million secured is programmed for ecosystem profiling costs; implementation of approved ecosystem profiles and those in development for four new regions; and Secretariat costs. Additional funds needed to expand to one more region beyond the next planned (Eastern Afromontane – FY 10) would be at least \$3 million, while the balance needed for two final regions would be at least \$14 million (assuming \$6.5 million per region for each of the final three regions).

New Opportunities:

The year 2010 presents a remarkably opportune time for the Government of Japan to announce a renewed commitment to the global program and for CEPF to scale up its effort to attract new bilateral and other partners. The year will see the convergence of CEPF's tenth anniversary, the designation of the year as the International Year of Biodiversity and Japan's hosting of the tenth meeting of the Convention on Biological Diversity in October 2010. The GEF Assembly will also take place in 2010, presenting further opportunities to showcase the program and to design a platform for the announcement of new commitments and partnerships (further discussed under Agenda Item #8, Summary of CEPF Tenth Anniversary Plans).

The Vice President for Global Policy in Conservation International's Center for Conservation and Government (CCG) traveled to Japan in October 2009. He met with several representatives of the Ministry of Environment during his visit, including Kazuaki Hoshino, Director of the Natural Environmental Strategy Division and Keiichi Nakazawa and Daiji Kawaguchi, Deputy Director and Assistant Director, respectively, of the Global Biodiversity Strategy Office of the Nature Conservation Bureau. The meetings offered an informal opportunity to discuss mutual interests and the Government of Japan's important role in CEPF.

CI and CEPF representatives also continued discussions with other governmental and bilateral leaders with a view to securing additional support for CEPF to bring new resources and global and cultural perspectives to the CEPF partnership. These discussions are part of the strategic approach to expand and diversify the CEPF donor base to increase fund-raising opportunities. The primary approach is to secure additional donor partners contributing \$25 million for allocation across the full range of CEPF priorities and thereby matching the minimum commitment by each of the current donor partners. A partner with this type of commitment would be represented on the Donor Council and Working Group, both of which represent important opportunities for members to further harmonize funding and programmatic approaches.

Highlights of these ongoing discussions include an initial meeting in September 2009 in which CI representatives presented CEPF to the German Ministry for Economic Cooperation and Development in Bonn. In the meeting, the Ministry's technical staff members who are engaged in biodiversity conservation were particularly addressed. In addition, in October 2009 the CEPF Acting Executive Director and CCG staff met with Heiko Warnken, Head of Division 316 – Environment and Sustainable Use of Natural Resources. CEPF was perceived as an interesting funding mechanism and additional information was sent following both of these meetings. The Ministry asked to be updated on outcomes of Donor Council meetings. Updates will be provided. CI will also explore possibilities to engage with AFD representatives with regard to potentially sharing their CEPF experiences with their German colleagues.

Recognizing the importance of Singapore as a regional hub for business, policy, media and innovation, CI launched Conservation International Singapore, Ltd., an affiliate office, in October 2009. CI Singapore will provide science-based advice to businesses and governments on policies and practices for environmental protection and sustainable economic development. With Singapore's growing importance in the world of business and policy, the office will also serve as the center of CI's outreach for the Asia-Pacific region. CI Chairman and CEO Peter Seligmann and CI Board members Rob Walton and Enki Tan led a CI delegation in a series of events in Singapore highlighting the new presence in the country. Mr. Seligmann also met with Lee Kuan Yew, the founder of Singapore, to discuss potential mutual opportunities. In related developments, CI is forming an Asia-Pacific Business Council—with early membership commitments from Walmart Asia (Hong Kong), PepsiCo China and Wilmar—to provide a forum for corporate executives from a wide range of businesses to share ideas and experiences and to explore new ways to pursue environmental leadership. All of these developments present potential opportunities to interest new partners in CEPF together with CCG and CI's Center for Environmental Leadership in Business, as appropriate.

The CEPF Secretariat and CI senior leadership have also been exploring opportunities for new partners and additional donors at a regional level. This has been a particular focus in support of the ecosystem profiling process and future investment in the Mediterranean Basin Hotspot given its large size and complexity. Fund-raising proposals have been submitted to three European foundations: the Prince Albert II of Monaco Foundation, the MAVA Foundation and Total Foundation and a number of discussions undertaken with the first two foundations mentioned.