

**Critical Ecosystem Partnership Fund
28th Meeting of the CEPF Donor Council
Brussels, Belgium
20 January 2016
2:00 to 5:00 pm CET**

Ecosystem profile for the Cerrado Hotspot

Recommended Action Item:

The Donor Council is asked **to approve the ecosystem profile** for the Cerrado biodiversity hotspot. Similarly, the Donor Council is asked to increase CEPF's spending authority by \$8 million for the implementation of this profile.

Background

The ecosystem profile for the Cerrado Hotspot was developed during FY15 and FY16, following the Donor Council's approval of investment in the hotspot at its 23rd meeting on 25 June 2013 (CEPF/DC23/5).

The ecosystem profile was prepared by a consortium comprising Conservation International Brazil and the Institute for Society, Population and Nature. The development of the profile engaged more than 170 people representing civil society, government, private sector and donor partners from Brazil, Bolivia and Paraguay.

The Cerrado is the largest hotspot in the Western Hemisphere, and the biologically richest tropical savanna region in the world. The hotspot includes the headwaters of three of South America's major river basins (the Amazon/Tocantins, São Francisco and Plata), and is thus of high importance for regional water security. Besides its biodiversity values, the Cerrado has great social importance. Many people depend on its natural resources to survive and thrive, including indigenous groups, traditional artisanal fishers and women's groups who extract palm fruit, who share traditional knowledge of its biodiversity.

Currently, the Cerrado is one of the planet's leading areas for agricultural and livestock production. The Brazilian Ministry of Environment estimates that, by 2010, 47 percent of the Cerrado had already been converted, and most the remaining areas of natural vegetation had been fragmented. Pressure on natural vegetation continues to be intense because of expansion of soy, beef, sugarcane, eucalyptus and cotton. As a consequence, annual deforestation rates and greenhouse gas emissions are higher in the Cerrado than in the Amazon. These trends are exacerbated by an under-developed protected area network: only 8% of the Cerrado biome is legally protected, including less than 3% within fully protected conservation units. This is one of the lowest levels of protection of any hotspot. The Cerrado thus needs urgent action to ensure environmental sustainability and the well-being of its population.

The Ecosystem Profile was shared with the Working Group for review on 17 November 2015 and comments from its members have been incorporated into the final draft for the Donor Council's review. A matrix showing how comments from the Working Group have been addressed has been circulated as part of the Donor Council materials (CEPF/DC28/7b), together with an extended summary of the profile (CEPF/DC28/7c). The full text of the ecosystem profile for the Cerrado Hotspot can be downloaded from:

<https://www.dropbox.com/sh/n45yjj651r9wgcu/AABVzgtPIn8O56nc-Ejw9h2a?dl=0>

A representative of CI-Brazil will be present at the Donor Council meeting to share the results of the profiling exercise and present the investment strategy outlined in the ecosystem profile.