

Discussion Paper

Long-term Implementation Structures for CEPF Phase III

1. Background

At present all hotspots receiving CEPF investment have a Regional Implementation Team (RIT): an organization or consortium responsible for delivering CEPF's strategy on the ground. The current RIT TOR serve to address CEPF's immediate implementation priorities, having been developed via a process of evolution from TOR prepared in 2007 at the start of CEPF's Phase II and amended in 2010 and again in 2014, informed by a survey of the views of active RITs, which sought to more accurately articulate the work that the RITs do. The eight components of the current TOR (2014) are listed here:

1. Coordinate CEPF investment in the hotspot
2. Mainstream biodiversity into public policies and private sector business practices
3. Communicate the CEPF investment throughout the hotspot
4. Build the capacity of local civil society
5. Establish and coordinate a process for large grant (>\$20,000) proposal solicitation and review
6. Manage a program of small grants (≤\$20,000)
7. Monitor and evaluate the impact of CEPF's large and small grants
8. Reporting

In January 2014 the CEPF Donor Council approved a Strategic Framework for CEPF's Phase III. The Phase III strategy envisions a strengthened implementation structure for each hotspot, led by the RIT or a similar organization, which becomes the steward of the long-term strategic vision for the hotspot, able to coordinate and support civil society organizations, connect them with government and private sector partners, and help them prepare for future challenges. To this end, RITs during Phase III will have an expanded scope of work over and above their current responsibilities, in order to meet the ambitious objectives of CEPF's Phase III strategy.

In April 2014, the GEF approved the Project Identification Form (PIF) for the project "Effectively mainstreaming biodiversity conservation into government policy and private sector practice: piloting sustainability models to take the Critical Ecosystem Partnership Fund (CEPF) to scale". CEPF is presently implementing the Project Preparation Grant for this project, and is in the process of elucidating the components of the project framework (see Table 1, below). The objective of the project is:

To mainstream biodiversity conservation into government policy and private sector practice in three pilot biodiversity hotspots through civil society by investing in and

innovating public-private partnerships and replicating approaches and innovations in other biodiversity hotspots.

Table 1. Selected components of the GEF Project Framework

Component	Outcome	Output
Component 2: Ensuring the financial and institutional sustainability of multisectoral conservation programs.	<p>2.1 Increased capacity and credibility of conservation-focused civil societies in the Cerrado, Eastern Afromontane and Indo-Burma Hotspots.</p> <p>Targets:</p> <ol style="list-style-type: none"> 1. 3 pilot hotspots show at least 20% improvement in collective civil society capacity tracking tool scores. 2. 60 CEPF grantees show at least 10% improvement in civil society tracking tool scores. 	<p>2.1.1 Long-term implementation structures in place for the 3 pilot hotspots.</p> <p>2.1.2 Civil societies in the 3 pilot hotspots with sufficient organizational and technical capacity for conservation and sustainable use of biodiversity.</p>
Component 4: Replicating success through knowledge products and tools.	<p>4.1 CEPF investments in other hotspots strengthened through the adoption of successful models and tools developed in the pilot hotspots.</p> <p>Targets:</p> <ol style="list-style-type: none"> 1. 9 additional hotspots with long-term implementation structures. 2. 9 additional hotspots with regional resource mobilization strategies. 3. 2 successful policy demonstration models adopted in at least one additional hotspot. 4. 2 management best practices adopted in at least one additional hotspot. 	<p>4.1.1 Long-term implementation structures incorporating experiences from the pilot hotspots in place in other biodiversity hotspots where CEPF invests.</p>

Clarification of what is meant by “long-term implementation structure” is a priority and must be addressed prior to implementation of the upcoming GEF-supported project. As is evident in Table 1, Component 2 of the GEF project involves the establishment of long-term implementation structures in three pilot hotspots, while Component 4 entails replication of this model to nine additional hotspots where CEPF invests.

This memo outlines the proposed functions of the long-term implementation structures, presents several models, and proposes steps necessary for the establishment of the structures.

2. Terms of reference

The current RIT TOR were approved for use at the 25th meeting of the Donor Council on 24 June 2014. In this section we compare the current TOR for the RITs to what is envisioned for the long-term implementation structures. As stated in *Terms of Reference and Selection Process for the Regional Implementation Team*, “the objective of the Regional Implementation Teams will be to convert the plans in the ecosystem profile into cohesive portfolios of grants, noting that these will contribute to CEPF’s long-term goals for each hotspot (or sub-region). The ecosystem profiles will support the

implementation of the long-term vision of the hotspot and the RIT and associated organizations will play a key role in becoming the stewards over the long-run of these long-term visions. The teams will provide local knowledge and insights and will represent CEPF in each hotspot. They will have primary responsibility for building a broad constituency of civil society groups working across institutional and political boundaries toward achieving the objectives described in the ecosystem profiles and any regionally appropriate long-term conservation and development visions”.

The current TOR have been reviewed in light of the above-mentioned description, and in the context of the Phase III strategy which charges the long-term implementation structures with being the stewards of the long-term strategic visions for the hotspots. In Phase III, these long-term structures will aim to support civil society in a hotspot until such time as it is able to graduate from CEPF support. Reaching this stage will require a more active role and in particular will entail:

- Ensuring availability and accessibility of information, especially about current and potential investment.
- Working to create and build a network of partners that share the long-term vision for the hotspot.
- Building resilience within the conservation community to increase capacity to meet the challenges of the future.

CEPF’s Phase III structures will have an expanded role that goes beyond supporting long-term goals, to actively driving the process. The long-term implementation structure must be able not only to perform all functions of the current RIT TOR, but also to build a resilient civil society capable of understanding the global context and trends, and charting a course to meet the challenges of the future. These structures are meant to be functioning during the period during which CEPF is working to “graduate” civil society from CEPF support, therefore, CEPF will be present and supportive. This phase precedes the period post-CEPF, when civil society will have the tools, capacity, funding and conditions to meet conservation challenges. In Table 2, the current RIT TOR are compared with those of a long-term implementation structure.

Table 2. Comparison of current RIT TOR and TOR for a long-term implementation structure

Components	Current RIT Functions	Proposed Functions of a Long-term Implementation Structure
1. Coordinate CEPF investment in the hotspot	<ul style="list-style-type: none"> • Serve as the field-based technical representative for CEPF in relation to civil society groups, grantees, international donors, host country governments and agencies, and other potential partners within the hotspot. • Ensure coordination and collaboration with CEPF’s donors, in coordination with the CEPF Secretariat and as appropriate in the hotspot • Promote collaboration and coordination, and opportunities to leverage CEPF funds with local and international donors and governments investing in the region, via donor roundtables, experiential opportunities or other activities. • Engage conservation and development stakeholders to ensure collaboration and coordination. • Attend relevant conferences/events in the hotspot to promote synergy and coordination with other initiatives. • Build partnerships/networks among grantees in order to achieve the objectives of the ecosystem profile. 	<ul style="list-style-type: none"> • Serve as the field-based technical representative for CEPF in relation to civil society groups, grantees, international donors, host country governments and agencies, and other potential partners within the hotspot. • Ensure coordination and collaboration with CEPF’s donors, in coordination with the CEPF Secretariat and as appropriate in the hotspot • Promote collaboration and coordination, and opportunities to leverage CEPF funds with local and international donors and governments investing in the region, via donor roundtables, experiential opportunities or other activities. • Engage conservation and development stakeholders to ensure collaboration and coordination. • Attend relevant conferences/events in the hotspot to promote synergy and coordination with other initiatives. • Build partnerships/networks among grantees in order to achieve the objectives of the ecosystem profile. • Collect and make available information about current and potential investment in the region.
		<p><i>Explanation:</i> An additional function pertaining to information and investment is included to ensure that the Expanded RIT can coordinate and support civil society to be better informed, and in a better position to interact with potential donors.</p>
2. Mainstream biodiversity into public policies and private sector business practices	<ul style="list-style-type: none"> • Support civil society to engage with government and the private sector and share their results, recommendations, and best practice models. • Engage directly with private sector partners and ensure their participation in implementation of key strategies. 	<ul style="list-style-type: none"> • Support civil society to engage with government and the private sector and share their results, recommendations, and best practice models. • Engage directly with private sector partners and ensure their participation in implementation of key strategies.
		<p><i>Explanation:</i> No changes needed.</p>

<p>3. Communicate the CEPF investment throughout the hotspot</p>	<ul style="list-style-type: none"> • 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. • Prepare a range of communications products to ensure that ecosystem profiles are accessible to grant applicants and other stakeholders. • Disseminate results via multiple and appropriate media. • Provide lessons learned and other information to the Secretariat to be communicated via the CEPF website. • Conduct exchange visits with other RITs to share lessons learnt and best practices. • In coordination with the CEPF Secretariat, ensure communication with local representatives of CEPF’s donors. 	<ul style="list-style-type: none"> • 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. • Prepare a range of communications products to ensure that ecosystem profiles are accessible to grant applicants and other stakeholders. • Disseminate results via multiple and appropriate media. • Provide lessons learned and other information to the Secretariat to be communicated via the CEPF website. • In coordination with the CEPF Secretariat, ensure communication with local representatives of CEPF’s donors.
		<p><i>Explanation:</i> Move “Conduct exchange visits with other RITs to share lessons learnt and best practices” below to capacity building component as it is better placed there and more closely linked with other learning functions.</p>
<p>4. Build the capacity of local civil society</p>	<ul style="list-style-type: none"> • Undertake a capacity needs assessment for local civil society. • Support implementation of a long-term strategic vision for the hotspot geared toward enabling civil society to “graduate” from CEPF support. • 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. • Build capacity of civil society to engage with and influence government agencies. • Build capacity of civil society to engage with and influence the private sector. 	<ul style="list-style-type: none"> • Undertake a capacity needs assessment for local civil society. • Support implementation of a long-term strategic vision for the hotspot geared toward enabling civil society to “graduate” from CEPF support. • 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. • Build capacity of civil society to engage with and influence government agencies. • Build capacity of civil society to engage with and influence the private sector. • Conduct exchange visits with other RITs to share lessons learnt and best practices. • Collaborate with CEPF Secretariat to implement a Learning Program that builds civil society resilience and ability to address future conservation challenges. • Monitor social, economic and political trends with bearing on biodiversity conservation, and share findings with civil society to improve their ability to anticipate and respond to future threats and opportunities.
		<p><i>Explanation:</i> Three new bullet points added to address the need for civil society to have a solid understanding of the social, economic and political context in which conservation is taking place –investment trends, development challenges, global initiatives etc. – in order to be ready for the challenges of the future.</p>

<p>5. Build a network of partners to support implementation of the long-term vision for the hotspot</p>		<ul style="list-style-type: none"> • Publicize the objectives of the long-term vision, and promote awareness of opportunities for engagement to drive the vision. • Undertake an assessment of potential network partners, including other donors, leading civil society organizations, and relevant government institutions. • Create a network of partners to support implementation of the long-term vision. • Maintain the network by facilitating engagement, participation and opportunities for partners to lead on issues and topics where relevant.
		<p><i>Explanation:</i> This is a new component. Flexibility in institutional arrangements for delivering the long-term vision is essential. Reliance on a single organization may not be realistic if the work is too challenging (too much for a single organization to do), or sustainable if the organization collapses or loses interest in the role. Emphasis on identifying suitable and interested partners will ensure that there is a sound foundation for implementing the long-term vision.</p>
<p>6. Establish and coordinate a process for large grant (>\$20,000) proposal solicitation and review</p>	<ul style="list-style-type: none"> • 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. • Facilitate technical review of applications (including, where appropriate, convening a panel of experts). • Obtain external reviews of all applications over \$250,000. • Decide jointly with the CEPF Secretariat on the award of all grant applications of more than \$20,000. • Communicate with applicants throughout the application process to ensure applicants are informed and fully understand the process. 	<ul style="list-style-type: none"> • 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. • Facilitate technical review of applications (including, where appropriate, convening a panel of experts). • Obtain external reviews of all applications over \$250,000. • Decide jointly with the CEPF Secretariat on the award of all grant applications of more than \$20,000. • Communicate with applicants throughout the application process to ensure applicants are informed and fully understand the process.
		<p><i>Explanation:</i> No changes needed.</p>

<p>7. Manage a program of small grants (≤\$20,000)</p>	<ul style="list-style-type: none"> • Establish and coordinate a process for solicitation of small grant applications. • Announce the availability of CEPF small grants. • Conduct due diligence to ensure sub-grantee applicant eligibility and capacity to comply with CEPF funding terms. • Convene a panel of experts to evaluate proposals. • Decide on the award of all grant applications of \$20,000 or less. • Manage the contracting of these awards. • Manage disbursement of funds to grantees. • Ensure small grant compliance with CEPF funding terms. • Monitor, track, and document small grant technical and financial performance. • Assist the Secretariat in maintaining the accuracy of the CEPF grants management database. • 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. • Ensure that grantees complete regular (based on length of the project) technical and financial progress reports. • Prepare semi-annual summary report to the CEPF Secretariat with detailed information of the Small Grants Program, 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. 	<ul style="list-style-type: none"> • Establish and coordinate a process for solicitation of small grant applications. • Announce the availability of CEPF small grants. • Conduct due diligence to ensure sub-grantee applicant eligibility and capacity to comply with CEPF funding terms. • Convene a panel of experts to evaluate proposals. • Decide on the award of all grant applications of \$20,000 or less. • Manage the contracting of these awards. • Manage disbursement of funds to grantees. • Ensure small grant compliance with CEPF funding terms. • Monitor, track, and document small grant technical and financial performance. • Assist the Secretariat in maintaining the accuracy of the CEPF grants management database. • 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. • Ensure that grantees complete regular (based on length of the project) technical and financial progress reports. • Prepare semi-annual summary report to the CEPF Secretariat with detailed information of the Small Grants Program, 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><i>Explanation:</i> No changes needed.</p>

<p>8. Monitor and evaluate the impact of CEPF's large and small grants</p>	<ul style="list-style-type: none"> • Collect and report on data for portfolio-level indicators (from large and small grantees) annually as these relate to the logical framework in the Ecosystem Profile. • Collect and report on relevant data in relation to CEPF graduation criteria for the hotspot. • Collect and report on relevant data for CEPF's global monitoring indicators. • Ensure quality of performance data submitted by large and small grantees. • Verify completion of products, deliverables, and short-term impacts by grantees, as described in their proposals. • Support grantees to comply with requirements for completion of tracking tools, including the Management Effectiveness Tracking Tool. • In coordination with CEPF Secretariat, conduct a mid-term and a final assessment of portfolio progress (covering large and small grants). • Conduct regular site visits to large and small grantees to monitor their progress and ensure outreach, verify compliance and support capacity building. • 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 projects. • In coordination with CEPF Secretariat, conduct a final assessment of portfolio progress and assist with preparation of report documentation. 	<ul style="list-style-type: none"> • Collect and report on data for portfolio-level indicators (from large and small grantees) annually as these relate to the logical framework in the Ecosystem Profile. • Collect and report on relevant data in relation to CEPF graduation criteria for the hotspot. • Collect and report on relevant data for CEPF's global monitoring indicators. • Ensure quality of performance data submitted by large and small grantees. • Verify completion of products, deliverables, and short-term impacts by grantees, as described in their proposals. • Support grantees to comply with requirements for completion of tracking tools, including the Management Effectiveness Tracking Tool. • In coordination with CEPF Secretariat, conduct a mid-term and a final assessment of portfolio progress (covering large and small grants). • Conduct regular site visits to large and small grantees to monitor their progress and ensure outreach, verify compliance and support capacity building. • 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 projects. • In coordination with CEPF Secretariat, conduct a final assessment of portfolio progress and assist with preparation of report documentation. • Coordinate with CEPF Secretariat to produce and disseminate products to communicate CEPF's impact and results.
		<p><i>Explanation:</i> CEPF must emphasize communication, especially of impacts, to generate sustained donor interest.</p>
<p>9. Reporting</p>	<ul style="list-style-type: none"> • Participate in initial week of RIT training. • Participate in two "supervision missions" per year; each to include at least two days in the office and a visit to grantees in the field (approximately two weeks). • Prepare quarterly financial reports and six-monthly technical reports. • Respond to CEPF Secretariat requests for information, travel, hosting of donors and attendance at a range of events to promote CEPF. 	<ul style="list-style-type: none"> • Participate in initial week of RIT training. • Participate in two "supervision missions" per year; each to include at least two days in the office and a visit to grantees in the field (approximately two weeks). • Prepare quarterly financial reports and six-monthly technical reports. • Respond to CEPF Secretariat requests for information, travel, hosting of donors and attendance at a range of events to promote CEPF.
		<p><i>Explanation:</i> No changes needed.</p>

3. Models

In conceiving the possible models for long-term implementation structures, several factors need to be considered:

- What form will the long-term implementation structure take?
- Will they fulfill the role for multiple investment phases?
- How will they be funded?
- Is standardization important?

3.1 Form

The long-term implementation structure is an evolution from the RIT model adopted during Phase II, with a TOR based on the current RIT TOR. Therefore the long-term implementation structures will be similar in form to RITs, if not larger in some hotspots. The expanded role will require additional emphasis on communications, learning, networking and capacity building. Yet, given that the route to a capacitated civil society may take more than ten years, flexibility is important. It may not be appropriate or desirable to have a single organization leading the process, and given the challenge, a consortium, or a network, may be the most sustainable model. Regardless of whether the long-term implementation structure is led by a single organization or a consortium, a focus on creation of a network is emphasized to ensure broad support and implementation. The long-term structure should be credible, and this means that the selected entity should have strong local representation. To this end, the CEPF Secretariat will seek opportunities to involve local civil society organizations in the establishment of long-term implementation structures wherever possible. In this context, it is worth noting that the last three RITs to have been selected by CEPF have been led by local organizations.

3.2 Appointment and timeframe

At present RITs are appointed through a competitive process, and are contracted for a period of five years. Implementation of a long-term vision is likely to take longer than this period. Therefore, to ensure credibility and support from the community, the issue of competitiveness must be addressed in a transparent manner. At the same time, it could be counterproductive to have a new competition for the structure every five years, which could set back the process, require starting over on many fronts, and miss opportunities that may have been in the works. The desired balance between continuity and accountability may be achieved by making renewal of CEPF support to the long-term implementation structures conditional on periodic evaluations, accompanied by periodic reviews of the marketplace, to ensure that performance remains high and on target, and that the long-term implementation structure is led by the most appropriately qualified institution(s). These periodic reviews will also mitigate the risk of staff turnover or other factors that might come into play after an organization, consortium or network has been selected to fulfill the role.

3.3 Funding

Secure and sufficient funding will be critical to the success of the long-term implementation structure. Availability of funding to support leadership is key, but just as important is the availability of funding to implement the vision. At present RITs are responsible for managing small grant mechanisms, funded by CEPF, and it is proposed that this program should be continued. Further, the role of the long-term structure in helping throughout all stages of the large grant process, is essential. At the same time, long-term implementation structures should not become competitors for funding with civil society

organizations that receive their support. If they need to seek funding to implement projects as a way to keep afloat, they will no longer be seen as an honest broker, and will always be viewed with a touch of skepticism. Long-term structures should have sufficient funding to perform their role without having to compete with partners for implementation funds. CEPF will initially fully fund these structures but will seek to secure regional donors, in order to diversify funding sources over time and enable CEPF support to be phased out over time.

3.4 Standardization

Will the long-term implementation structures look differently in different hotspots? While acknowledging the need for flexibility, due to the varying size of the hotspots and the number of countries in each, and the emphasis on looking for the “best” model for each situation, be it a single organization, a consortium or a network, the proposed TOR should be consistent and standard. This reflects the fact that, although flexibility is an important factor, CEPF should also strive for standardization of the scope of work, as this will ensure that implementation of the long-term vision is done in a comprehensive manner.

4. Sample models

4.1 SANBI: the South African National Biodiversity Institute

The former Cape Coordination Unit, CEPF’s “RIT” during its investment in the Cape Floristic Region, expanded to fulfill the RIT role for the Succulent Karoo. This parastatal has been able to secure quality staff, and sufficient funding, to be a lasting presence throughout the country, thereby linking the Cape Floristic Region, the Succulent Karoo and MPAH. The organization is regarded as a successful long-term structure due to:

- Reputation – SANBI is a solid and reliable institution that will be present in the region well into the future. They see themselves as a leader and have worked to take on the long-term role.
- Geographic scope – SANBI has a broad remit that covers the entire country, allowing them to maximize learning, sharing experiences, staff and funds.
- Funding – SANBI has been proactive in securing long-term government funding for staff and programs.
- Philosophy – SANBI promotes partnership and links people and nature. This emphasis is all-important for sustainability.

This model is regarded as being highly successful. Although it is a single organization, its remit is to promote partnership and networks. SANBI has been successful at supporting partners to share implementation duties, and this has broadened their reach, and increased sustainability of their efforts. Most important though, their goals are shared by the conservation community. SANBI has been instrumental in building and maintaining a conservation community.

4.2 The Conservation Trust of Puerto Rico

This model is only a thought at this stage, having just been proposed to CEPF. Nevertheless, there is merit in looking at their proposal because what they envision is relevant to what could be a model for a long-term structure. The Trust proposes to form a multidisciplinary network in the Caribbean, to address environmental governance, biodiversity conservation and sustainable livelihoods through practical actions, research, knowledge sharing, capacity building, advocacy, education and outreach. Its

vision is to be the leading Caribbean network catalyzing regional cooperation, influencing policy and taking collaborative action for conservation and sustainable use of the natural resources across the Caribbean Islands.

The proposed entity, Nature Caribe, lists initial actions important for the creation of the network which are 1) creation of by-laws for the network; 2) development of criteria for the selection of network members; 3) development of a fundraising plan; and 4) hosting a meeting of founding members. This proposed model provides a reference point for what could be done to create a network that could fulfill the role of long-term implementation structure.

5. The scenario post-CEPF

While CEPF is committed to supporting long-term implementation structures for multiple investment phases, CEPF cannot fund a long-term implementation structure indefinitely. Further, civil society will eventually reach a point where it will have “graduated” from CEPF support, meaning that the conditions for graduation have been met, and the need for continued CEPF support will be removed. Nevertheless, it will be important for there to be an entity or entities that could fulfill a leadership role in the region. This entity should display the motivation and competence to generate and sustain positive change in favor of conservation. If the CEPF investment is successful in reaching graduation, a coordinating entity should materialize organically and be fully capable of meeting future threats and opportunities. The form and functions of such an entity or entities will necessarily vary among hotspots, according to local conditions and the on-going needs of civil society there.