

Critical Ecosystem Partnership Fund
35th Meeting of the CEPF Donor Council
European Commission
Brussels, Belgium
23 October 2019
14:00-17:00 Central European Summer Time (CEST)

Partnership Highlights

Global Donors:

The World Bank

The World Bank informed the other members that the second tranche of funding (**\$15 M**) from the Government of Japan would mark the last time it will manage CEPF-destined funds and that this funding would be used only in the Caribbean Islands Hotspot. The use of this funding will be guided by a project document.

The Secretariat is working with the World Bank to develop a Project Concept Note (PCN). It was hoped that a draft PCN could be shared with the CEPF Secretariat in September 2019, but the timing has been delayed due to a change in the World Bank Task Team Leader in charge of CEPF. Once the PCN is formulated, the next step will be the preparation of a Project Appraisal Document (PAD), which will need World Bank Board approval. The likely timeline for signing the grant agreement is the summer of 2020.

L'Agence Française de Développement (AFD)

AFD gave a **€200,000** grant to the CEPF Secretariat for the preparation of the proposal to be submitted to the Green Climate Fund (GCF) on "Strengthening Ecosystem-based Adaptation to Climate Change in Small Island Developing States through Civil Society." The requested amount is for **\$60M over 10 years**. Olivier Langrand and Grant Director Michele Zador joined consultant James MacKinnon in two hotspots: Madagascar and the Indian Ocean Islands as well as the East Melanesian Islands. They met with government representatives and stakeholders of the seven countries included in the proposal, presenting the concept and seeking approval for the concept's submission to the GCF Secretariat. A revised version of the concept is to be submitted by AFD, as the accredited agency, to the GCF Secretariat in October 2019. Final approval is expected to happen during the GCF Board meeting in February 2020.

AFD has generously approved the pledge of an additional **€14M**. Those funds are to be made available to CEPF by the end of 2019. The Donor Council will discuss today where to allocate those funds.

The European Union (EU)

The EU and AFD are finalizing the convention of **€13M** that was pledged to CEPF in October 2018. Once this convention is signed between the EU and AFD, acting in this case as a fiduciary agent, a convention

will be signed between AFD and Conservation International. Those funds are earmarked for the Mountains of Central Asia Hotspot. WWF-Russia has been selected as the regional implementation team for this hotspot.

Regional Donors:

Margaret A. Cargill Philanthropies (MACP)

CEPF's proposal for **US\$2.5M** for a regranting program in the Indo-Burma Hotspot, specifically in Cambodia and Laos, to support sustaining healthy fresh water in the Mekong region's ecosystem, was approved. The contract will be signed by the end of 2019, and the funds are to be disbursed in 2020. There is a reasonable prospect of the MACP grant being renewed in 2022 and, possibly, in 2025.

MAVA

The MAVA Foundation has granted **US\$650,000** to CEPF for its investment in the Mediterranean Basin Hotspot. This funding will be allocated specifically to the small-grants mechanism in the Balkans.

Prospects for Additional Funding:

KfW

The discussions with KfW on the **€7M** contribution to be invested in Ecuador, in the Tropical Andes Hotspot, are continuing. KfW consultant Olivier Arnold met with the CEPF Secretariat and went to Ecuador with Grant Director Michele Zador to meet with the Ecuadorian government, the regional implementation team and the German Embassy in Quito. KfW has made further inquiries regarding CEPF administrative costs, and CEPF is now waiting on KfW's final decision.

MAVA

The MAVA Foundation may provide additional funding (between **US\$1M and US\$1.5M**) to CEPF to fund projects in specific strategic directions in the Mediterranean Basin Hotspot. The discussions are progressing, and a decision should be made by the end of 2019.