

Critical Ecosystem Partnership Fund

No Objection Approval Pursuant to Section 2.03(c) of the Financing Agreement

Selection of the International Union for Conservation of Nature (IUCN) as the Regional Implementation Team for the reinvestment in the IndoBurma Biodiversity Hotspot and increase in spending authority

Recommended Action Item

The Donor Council is asked to approve, on a no-objection basis, the selection of the International Union for Conservation of Nature (IUCN) as the Regional Implementation Team (RIT) for Administration and as the RIT for Programs for the Indo-Burma Biodiversity Hotspot.

The Council is asked to further instruct the Secretariat to work with IUCN to finalize its respective work plans and budgets for RIT-Administration and RIT-Programs, which would include a particular emphasis on staffing in Cambodia, procedures for small grants, engagement of local organizations, and engagement of donors via donor round tables.

The Donor Council also is asked to approve, on a no-objection basis, an increase of \$1.8 million in the spending authority for the Indo-Burma Hotspot, from \$8.6 million to \$10.4 million. The approval will allow CEPF to expand the Indo-Burma portfolio with additional funding granted by the Margaret A. Cargill Foundation.

The deadline for no-objection approval is 25 April 2013.

Background

On 25 October 2012, the CEPF Secretariat distributed calls for proposals inviting civil society groups to apply for the roles of RIT-Administration and RIT-Programs with respective maximum values of \$885,000 and \$515,000. CEPF received five sets of proposals by the closing date of 14 January 2013. AIT, BirdLife and IUCN applied for the roles of RIT-Administration and RIT-Programs, while CI applied for RIT-Programs only, and Chetthor submitted a proposal that did not respond to the call for proposals. The Secretariat omitted the proposal from Chetthor and evaluated the proposals submitted by the other four organizations. The Secretariat recommended IUCN to be selected as the RIT for Indo-Burma based on the analysis of the proposals.

On 20 February 2013, the Working Group met to discuss the assessment presented by the Secretariat and requested that the Secretariat ask BirdLife and IUCN to clarify issues related to staffing, and assess the value of BirdLife as the incumbent and the possible undue influence of IUCN's governmental membership base and participation on intergovernmental bodies.

On 6 March 2013, the Working Group met again to discuss the findings and new assessment of the Secretariat. The Working Group was unable to reach consensus about the Secretariat's recommendation that IUCN be selected, and instructed the Secretariat to negotiate with both

proponents for best and final offers addressing concerns related to full-time staffing, identification of lead staff, relationship with key partners and outreach to local organizations.

On 9 April 2013, the Working Group met for the last time to discuss the final assessment of the Secretariat and agreed with the Secretariat's recommendation of IUCN as the RIT for Indo-Burma for both the programmatic and administrative roles.

The Secretariat and the Working Group discussed at length the importance of maintaining continuity and ensuring that the new phase of investment of CEPF funds in Indo-Burma builds on the partnerships already established by BirdLife as the current RIT. While CEPF's experience with BirdLife as the RIT in Indo-Burma for the last five years has been extremely good, and the Secretariat advocates for continuity, important institutional changes in BirdLife's Asia program and their impact in the maintenance of current RIT staff; the inferior quality of their proposal; the lack of definition of key leading staff; lack of partners in the region to implement the portfolio in China and Myanmar; and general level of responsiveness positioned BirdLife as an inferior candidate.

In contrast, the quality of IUCN's proposal; satisfactory changes in staffing arrangements; quality of responses; level of responsiveness; and clarity regarding partnerships that would support the RIT were all superior, presenting a stronger case for IUCN to take on the role of the RIT in Indo-Burma for both the programmatic and the administrative roles.

The documents provided to the Working Group through this review process are available for Donor Council perusal at the following link:

http://www.cepf.net/resources/publications/donor_council_documents/Pages/Assessment-for-Indo-Burma-RIT.aspx These include:

February 20 Working Group meeting:

- Cover note, RIT assessment Indo-Burma
- Secretariat assessment of Indo-Burma RIT
- CEPF Indo-Burma RfP RIT Programs
- CEPF Indo-Burma RfP RIT Administration
- Application for RIT Program and RIT Administration: IUCN
- Application for RIT Program and RIT Administration: BirdLife
- Application for RIT Program: Conservation International
- Application for RIT Program and RIT Administration: Chetthor
- Application for RIT Program and RIT Administration: Asian Institute of Technology

March 6 Working Group meeting:

- Cover note, March 6 meeting, RIT clarifications
- BirdLife response to CEPF questions on Indo-Burma RIT application
- IUCN Indo-Burma RIT Clarifications - March 2013

April 9 Working Group meeting

- RIT Selection Indo-Burma, final memo

Increase in spending authority

The Secretariat has been working with the Margaret A. Cargill Foundation on a proposal to increase the size of the granting portfolio in Indo-Burma. The Margaret A. Cargill Foundation approved on 21 February 2013 a \$1.8 million contribution to CEPF to expand the Indo-Burma portfolio and support the implementation of the ecosystem profile in the Mekong Basin through grants that will propose implementing strategic direction 4, empowering local communities to engage in conservation and management of priority key biodiversity areas, and strategic direction 8, strengthening the capacity of civil society to work on biodiversity communities and livelihoods at regional, national, local and grassroots levels. A portion of the foundation's contribution will support the RIT and the CEPF Secretariat. The Secretariat is honored by the support of the Margaret A. Cargill Foundation and looks forward to replicating this experience in other hotspots, thereby further broadening the donor base of CEPF at the hotspot level.

Management of conflict of interest

Jack Tordoff, the current grant director for the Indo-Burma portfolio, is now based in the UK, where CI does not have established operations. To accommodate his continued support to CEPF from the UK, the Secretariat and CI entered into an agreement with the IUCN office in Cambridge via which he is technically an employee of IUCN, but working solely as a member of CEPF's staff. Since the Secretariat is recommending IUCN become the RIT for Indo-Burma and wants to maintain Jack as the grant director for the region to ensure continuity and strengthening of current partnerships, the Secretariat will make certain that every decision in relation to the RIT's contract is made by CEPF Managing Director Nina Marshall.