

**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

Background

The ecosystem profile for the Cerrado Hotspot was shared with the Working Group for review on 17 November 2015 and comments from its members have been incorporated into the final draft. A matrix showing how comments from the Working Group have been addressed is attached.

RESPONSE TO WORKING GROUP COMMENTS ON THE CERRADO ECOSYSTEM PROFILE

TOPIC	WORKING GROUP COMMENTS	SECRETARIAT RESPONSE
<p>CEPF INVESTMENT NICHE</p>	<p>Is the ecosystem profile intended to be used as a broader strategy, where CEPF is only one actor supporting it? The analysis of the overall conservation investment gap and CEPF’s niche within this could be developed a little more.</p>	<p>The ecosystem profile is intended to inform investments in the Cerrado so that the biodiversity and ecosystem service values of the hotspot are more widely recognized and more effectively integrated into ongoing developments in the agriculture and other development sectors. To this end, the ecosystem profile is intended to reach three main audiences in addition to CEPF’s donors and potential grantees, although, in each case, this may require presenting the information contained therein in different formats and languages. First, the profile is intended to influence grant making by other donors with an existing or planned focus on the Cerrado, to complement the investment by CEPF. Most of the strategic directions in the investment strategy are sufficiently broad to accommodate complementary investments by other funders. In this regard, it should be noted that CEPF funding will focus on 4 of 13 conservation corridors in the hotspot, and only focus on the impacts of a single sector: agriculture. Second, the profile is intended to attract new resources to the Cerrado from environment donors that are not currently active there. To this end, Investment Priority 6.4 explicitly provides for dissemination of “information about the biological, ecological, social and cultural functions of the Cerrado to different stakeholders, including civil society leaders, decision makers, and national and international audiences” (p217). Third, the profile is intended to influence domestic development and social programs in Brazil that currently do little to integrate environmental safeguards or promote environmental protection in the Cerrado. The profiling team and stakeholders consulted during the profile process recognize that these programs, with their vast budgets, offer the best prospect of resourcing conservation efforts at the requisite scale, and that CEPF funds should be viewed as catalytic rather than sufficient to achieve conservation at scale. A more detailed description of how the CEPF investment strategy was developed, taking into account the analysis in the thematic chapters of the ecosystem profile and incorporating inputs from stakeholders at the final consultation workshop, has been included in Section 13.2 (p208). In addition, the CEPF niche (Chapter 12 (pp185-189)) has been further elaborated to include an analysis of the overall investment need for the Cerrado Hotspot and a description of CEPF’s niche within it.</p>
<p>RESULTS FRAMEWORK</p>	<p>Would like to see measurable targets for biodiversity conservation in intensively used landscapes. A results framework with indicators is needed. Definitely want to see results framework and proposed investment amount included in this profile and future documents.</p>	<p>A results framework has been developed with measurable targets and proposed investment amounts per strategic direction and included in the full ecosystem profile (pp224-230). The framework includes indicators relevant to the conservation of biodiversity within intensively used landscapes, such as “At least 500,000 hectares of production landscapes with improved management for biodiversity conservation or sustainable use within 4 corridors targeted by CEPF grants” and “At least 4 financial incentives for sustainable land-sparing agricultural and livestock practices promoted among commodity chains in priority corridors”.</p>

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<p>COLLABORATION WITH OTHER INITIATIVES</p>	<p>The profile should explain how CEPF investment will link to other ongoing initiatives.</p> <p>Encourage collaboration with the Forest Investment Program and, in particular, the Dedicated Grants Mechanism.</p> <p>The criteria used to prioritize KBAs for CEPF support could include potential for collaboration with other initiatives; this could be added as a seventh criterion.</p> <p>Provide an update on the PPCerrado.</p> <p>There is a need for coordination with ongoing initiatives, especially the GEF Small Grants Program. It practical coordination with the SGP can be shown on the ground, there is no risk of duplication with CEPF.</p> <p>Linkages with the Global Commodities Integrated Approach Program under GEF 6 should be explored; this program will focus on MATOPIBA.</p>	<p>Links between CEPF investment and other, ongoing initiatives are emphasized in several places in the profile. A new section (Section 12.3, pp188-189) has been expanded to describe the practical ways in which CEPF will collaborate with other initiatives in the hotspot. Collaboration with other initiatives (including the FIP and DGM) is explicitly emphasized by Investment Priority 6.3 (facilitate processes of dialogue and cooperation among public, private and civil society actors to identify synergies and to catalyze integrated actions and policies for the conservation and sustainable development of the Cerrado). The narrative description of this investment priority (pp216-217) reflects the fact that grants can be used to support exchanges and integration among conservation and sustainable use institutions, programs and initiatives, such as PPCerrado, FIP Cerrado and GEF Cerrado.</p> <p>The World Bank country office for Brazil has been closely consulted during the preparation of the ecosystem profile, to ensure alignment with the FIP and DGM. This collaboration is expected to continue into implementation with the establishment of a national advisory group, which will bring together key representatives of donors, government and civil society to provide strategic advice to the development of the CEPF grant portfolio and explore strategic linkages.</p> <p>The criteria used to prioritize KBAs for CEPF investment include alignment with national priorities, which takes into consideration potential for leverage or amplification of the results of CEPF investment. Moreover, the key geographic lens for CEPF investment will not be KBAs but conservation corridors, for which the prioritization criteria include potential for leverage, which takes account of potential for collaboration “with key public and private sector stakeholders to sustain, leverage, and/or amplify a CEPF best practice and/or conservation achievement” (p203).</p> <p>The ecosystem profile draws on experience gained by the GEF SGP in the Cerrado over the last 20 years, a fact that is explicitly noted in Chapter 2 (p33). As mentioned above in reference to the World Bank, it is intended that the SGP national coordinator be invited to sit on the national advisory group overseeing the development of the CEPF grant portfolio, as is the case in other hotspots where CEPF invests.</p> <p>The draft proposal for the Global Commodities Integrated Approach Program under GEF 6 is currently under negotiation among the Brazilian Ministries of Environment, Agriculture and External Relations and several GEF Implementation Agencies, including CI. The draft has strong synergies with the investment priorities set out in the ecosystem profile, including an emphasis on sustainable supply chains and a similar geographic focus. If this program moves forwards, it is expected to present excellent opportunities for synergies with the CEPF investment program, particularly by complementing CEPF investments in civil society in the MATOPIBA region with investments through key government agencies.</p>
<p>GEOGRAPHIC LENS FOR INVESTMENT</p>	<p>109 priority KBAs is really ambitious; would it not be better to focus on the 62 priority KBAs within the four priority corridors so as not to spread resources too thinly?</p>	<p>The geographic niche has been further refined, focusing on only the 62 priority KBAs that fall within the four priority corridors. The main geographic lens for CEPF investment is now the four priority corridors, which priority KBAs being used as a secondary filter for investment <i>within</i> the corridors (Section 13.1, pp190-207). As a result of this change, the total area of priority KBAs has reduced from 21.1 million to 9.3 million hectares. The ecosystem profile recognizes that the remaining 47 KBAs of Very High relative importance for conservation should be recognized as high priorities by other funders able to make complementary investments outside of the four priority corridors, and/or for investments by CEPF, should additional resources be leveraged from regional donors.</p>

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INDIGENOUS PEOPLE	The investment strategy should include clear targets and approach related to Indigenous People.	<p>A new section (Section 7.3.5, p109) on the policy framework for indigenous rights has been included in the ecosystem profile. This section recognizes that, although indigenous lands are not formally recognized as conservation units, they can be considered <i>de facto</i> protected areas, based on deforestation rates and other indicators of biodiversity conservation, which tend to be better in indigenous lands than official protected areas.</p> <p>In line with this observation, working in indigenous lands is an important part of the investment strategy. Promoting the inclusion of indigenous people in conservation is the focus of Investment Priority 2.2, which, among other things, envisions CEPF support for “the establishment of community agreements for resource use and help communities to declare their territories as ICCAs (Indigenous and Community Conserved Areas)” (p212).</p> <p>Three clear targets have been incorporated in the results framework (pp224-230) in relation to Indigenous People. At the objective level, there is the following indicator: “At least 60 local and indigenous communities are empowered and directly benefit from the sustainable use of resources and/or the restoration of ecological connectivity at the landscape scale”. Under Outcome 2, there is: “At least 10% of indigenous, <i>quilombola</i> and traditional community lands, located in the priority corridors, integrated in the planning and strategies for conservation and sustainable development at macro scale, respecting traditional knowledge and culture, as an alternative form of protection and management of lands outside of the official national system (SNUC)”. Under Outcome 7, there is “At least 60 civil society organizations, including at least 40 local and indigenous organizations actively participate in conservation actions guided by the ecosystems profile”.</p>
PRIVATE SECTOR	It is important to emphasize multi-stakeholder initiatives that engage the agriculture sector.	Multi-stakeholder initiatives are the focus of Investment Priority 6.3, which provides for “processes of dialogue and cooperation among public, private and civil society actors to identify synergies and to catalyze integrated actions and policies for the conservation and sustainable development of the Cerrado” (p216). They are explicitly emphasized in the corresponding indicator in the results framework (pp224-230): “At least 2 multi-stakeholder initiatives (MSI) that involve the private sector (global commodity chains), small farmers, traditional communities, governments and donors promoted to identify synergies and to catalyze integrated actions and policies for the conservation and sustainable development of the Cerrado”.
CLIMATE CHANGE ADAPTATION	There is a statement on p46 of the profile (“many pastures are degraded... ..Much of this land could be used for crops”) that is too sweeping and needs to be qualified.	This section has been rewritten, removing the statement about conversion of pasture land into crop land, and simply emphasizing the opportunity for reducing carbon emissions from clearing natural vegetation by, instead, intensifying production on land already cleared (Section 4.3, p53).
DOCUMENT STRUCTURE	Please include a glossary of terms, including a definition of family farmers. Include page numbers in the summary.	A glossary of terms, providing definitions for 63 technical terms used in the ecosystem profile, has been added (pp10-14). Page numbers have been added to the summary document.