

**Critical Ecosystem Partnership Fund
40th Meeting of the CEPF Donor Council
In-Person, Hotel Place d'Armes, Montreal and Virtual Meeting
Monday 12 December 2022
8:30 a.m. – 11:00 a.m. Eastern Standard Time (EST)**

**Conservation Achievements of the Investment in
the Cerrado Biodiversity Hotspot**

Background

Covering more than 2 million square kilometers, the Cerrado Biodiversity Hotspot is one of the largest hotspots and among the biologically richest savanna regions in the world. The diverse ecosystems of the Cerrado are home to a great variety of species, including many found nowhere else. Its biodiversity resources support the livelihoods of the millions of family farmers, traditional communities, and Indigenous peoples. The ecosystem services delivered by the hotspot are even more far-reaching. The Cerrado is one of the world's largest producers of livestock and agricultural products and accounts for 30% of Brazil's gross domestic product. From a hydrological perspective, the ecology of the Pantanal, the largest wetland in the world, depends on water flowing from the Cerrado, while most of the Amazon River's southern tributaries originate in the hotspot.

With a total investment of US\$7.98 million from July 2016 to June 2021 (extended to March 2022 due to COVID-19 pandemic and favorable exchange rates), the CEPF investment strategy resulted in the award of 65 grants (34 large and 31 small grants) to 55 organizations—all but two of which were local organizations.

Halfway through the investment phase, Brazil saw a downscaling of its environmental policies with a reduction of civil society participations in the socio-environmental decision-making processes. In 2020, the COVID-19 pandemic paralyzed the country with accrued impacts on traditional and Indigenous communities. The hotspot also faces rising challenges in relation to climate change, with increased frequency and intensity of droughts and fires, particularly threatening ecosystems and livelihoods.

Despite these challenges, the organizations active in the Cerrado Biodiversity Hotspot remain resilient and determined to achieve great conservation results, working with communities, the private sector and the public sector at state and municipal levels.

CEPF Grant Director Peggy Poncelet will present highlights of the investment strategy and an overview of the impacts achieved by the portfolio.