

LESSONS LEARNED AND SUCCESSES OR CHALLENGES RELATED TO THE SUSTAINABILITY OF THE PROJECT



LESSONS LEARNED

In the 1st years, the RIT accumulated expertise in the operationalization of the Fund. For any program, it's essential to have an entry strategy. This would encompass some steps to accelerate the implementation, execution and fulfillment of the overall objectives. More time should have been invested in preparing the selection and awarding processes. More time between the training of the RIT by the Secretariat and the publication of the 1st call would have been required for the RIT to be better prepared to assume its role and not be, together with the Secretariat, so overwhelmed with the number of LOIs received. These challenges were overcome in the 1st year though. The 2nd part of the entry strategy relates to the execution, which encompasses the monitoring process. RIT and Secretariat had to cope with an ever-evolving Conservation Grants system that needed to be subsequently explained to grantees. Additionally, procurement processes, reporting and clarifications consumed a lot of time, derailing the attention from conservation objectives. The grantees were grateful to the RIT for the time invested in training and clarification. A 3rd step in the entry strategy would be a better analysis of the audiences related to each strategic direction. Similarly, a proactive approach towards other Foundations could have catalyzed more impactful investments. This would be a revolutionary approach considering the modus operandi of the international funds in Brazil.

If CEPF investment is consolidated or built upon with future investments the expertise acquired by RIT in coordinating the management of CEPF in the Cerrado should accelerate the selection, contracting, execution, and impact evaluation of future projects. With this in mind, the RIT and the Secretariat have worked on several strategies, such as increasing IEB's grant in terms of funds and time to allow for fundraising time. We also have monitored the portfolio closely to anticipate deobligations and reassign these funds to grantees. Another way was to promote capacity building with the Alliance Our Cerrado to strengthen CSOs in various aspects through the project conducted by Impact Hub Brasilia. The project empowered the organizations with issues like fundraising, communication, management, and organization strategies.

Communication also boosted results and was necessary to emphasize Cerrado's environmental services and threats. Understanding this importance, RIT developed a more specific work in this component, starting in the second half of the investment. The work consisted of qualifying the newsletters and brochures, investing in videos and website redesign, and building a dialogue with the national and international press about the Cerrado.

Therefore, RIT recognizes that communication is a key element in operational issues for the long-term vision. One of the lessons learned would be to invest specifically in a budget for this component in the long-term framework. Those responsible for communication should have dedicated time and know about each beneficiary, their relationship to CEPF, and their stories. This issue was raised during the mid-term review meeting with experts, who emphasized the need for proactive communication to promote a positive narrative about Cerrado's role in providing ecosystem services. They also highlighted that audiences outside Brazil should be directed to the conservation aspects of the Cerrado.

Furthermore, the RIT should consider providing grants to CSOs for a more extended period and working with fewer organizations. This would mean increasing the maximum value of small grants to around US\$100,000. This would increase the interest of CSOs in developing competitive proposals. Other specific observations were made by the experts during the mid-term assessment:

- It's essential to reinforce network connections; it's of particular significance in this political context.
- It's challenging to transform the network into actions on the ground and harvest possible synergies.
- KBAs covering vast areas don't dialogue with the limited geographical scope of the projects. Only a few institutions actively use the concept of KBAs, since the concept is not easily assimilated by the local communities.
- On operational issues related to the grant-making process, participants mentioned the need to speed up and simplify the contracting process, provide more training to facilitate the application process, invest in larger projects, and/or offer more significant grant awards.

The RIT realized it was not well equipped to have Indigenous populations as grantees. The cultural differences and peculiar circumstances demand specific skills and adaptation. A recommendation would be to integrate a part-time anthropologist into the team.

It was regrettable that after the midterm assessment, the partners of the CEPF in the Cerrado had little opportunity to meet again because of the Pandemic. The partners' last opportunity to meet was during the final assessment meeting, which took place online in November 2021 with 97 participants. During this meeting, additional lessons were drawn by the partners collectively, the RIT, and the CEPF Secretariat:

80% of the participants were impressed by the number of entities and people involved in the CEPF investment, the diversity of entities that benefited, and their different institutional cultures. All the participants were surprised by the number of projects carried out by the Secretariat and the RIT.

Another highlight is that 50% of the testimony of the participants related to the thousands of hectares of Cerrado directly conserved by the improved management and creation of protected areas or the enhanced management of landscapes. This represents the real impacts on conservation. More impressive was that these results came through communities and several institutions involved in complementary actions.

A third point, also indicated by 50% of the participants, was the involvement of empowered traditional communities in managing their territories.

Strategic directions 1 to 4 were very successful. On the other hand, strategic directions 5 and 6 naturally demand more time to be achieved fully and therefore were perceived as having a minor direct impact on the overall results. Monitoring and the support for public policies are long-term activities.

One point that drew attention was the number of supported projects and places. Since it was impossible to meet personally after the midterm assessment due to the Pandemic, most of the partners were unaware of the size of the network structure since then. However, the network's size and institutional diversity demanded the RIT and the Secretariat to closely support the institutions in the different regions.

The partners stated during the meeting that IEB's team did a great job, given the magnitude of the portfolio and the size of the team. They also perceived that the CEPF engaged very much with the traditional communities of the Cerrado while conserving the biomes landscape. The Secretariat and the RIT also emphasized the need to restore degraded habitats, which is strongly connected to the investment's objectives.

73% of the participants highlighted positive aspects of the IEB and CEPF team as being easily accessible and having straightforward and good communication with all partners. They also perceived a very open communication channel with IEB, constantly in contact, giving feedback, and following up in an organized and efficient way. This intense engagement testified to IEB's and CEPF's commitment to implementing the investment.

45% of the group perceived the comprehensiveness of approaches, the practical support for entities and communities to carry out these actions, the creation of networks of activities, and community strengthening in several issues like gender and the creation of territories of life - ICCAs as positive aspects. Most organizations addressed the gender issue for the first time while implementing projects financed by CEPF. It changed their perception of designing gender balance projects and included the gender aspects into the organization's strategic thinking.

36% of the participants mentioned the importance of technical and financial support in supporting the Cerrado, which is neglected in conservation investments. In a time of scarce financial resources, CEPF allowed the continuity of the organizations' actions, involvement of local communities in the projects, and

co-financing with other financial resources. Most of the intuitions testified that when CEPF arrived, most organizations were weak, afraid, and with great uncertainty about the future. CEPF allowed them to take a "breath" and continue their conservation work in their regions. It was possible to maintain the projects, combine efforts, and grow. CEPF significantly strengthened the communities that live in conservation landscapes in this historic moment in Brazil, where institutions needed support to keep up the fight for conservation.

During the final assessment event, the institutions were also asked about their challenges during the project's execution.

73% requested the expansion of the teams, both in Washington and Brasilia, to avoid overload and provide quicker returns to the organizations. They also demanded an increase in the frequency of monitoring of institutions' activities and financial reports. They endorsed the need for more knowledge exchange events and specific meetings with the organizations. Due to the enormous diversity of organizations contracted, monitoring work is more challenging. It is easier to monitor a more prominent organization than a smaller one just starting its conservation work.

63% of the participants asked for a more straightforward and "user-friendly" management platform (ConservationGrants), briefer progress reports, and a reduced number of mandatory documents, such as gender and civil society assessments and plans. Another point about the management platform (ConservationGrants) was its rigidity. It was impossible to upload videos of certain size.

And another issue that was brought up was the transfer of financial resources. The clearance time with the bank should be considered for execution and reporting.

54% of the participants pointed out the need for longer-term investments, including the timeframe of CEPF in the Cerrado, which could be at least ten years. The first phase of the CEPF was good for developing territorial and environmental management plans; more time is needed to implement them.

The beneficiaries were also questioned about their adherence to the long-term visions. 63% of the participants brought the theme of strengthening water resources, water conservation, and biodiversity as the central themes that will contribute to the conservation of the Cerrado, which is entirely in line with the Long-Term Vision. The groups argued that one of the focal areas that should be a priority for conservation is the humid areas (Veredas) due to their environmental fragility. The preservation of water springs was also mentioned as one crucial topic considering the advanced desertification processes in various Cerrado regions. Even more so with climate change forecasts of the new IPCC reports showing some of the hotspot's fragility in water issues.

54% of the beneficiaries emphasized the importance of the bioeconomy linked to community engagement and strengthening. The recognition and autonomy of local groups in managing their territories and the natural resource in these territories are crucial to guarantee the protection of the Cerrado. Strengthening the governance of traditional communities, which today are being oppressed, showing that there are traditional communities in the Cerrado to Brazilian society, is very important for recognizing and preserving traditional people.

Another point is the improvement of environmental education aiming at the capacity-building of human resources to shape more aware professionals, better qualified to deal with land use and environmental protection issues. One of the groups pointed out that the Cerrado is all connected, so neither themes nor regions should be prioritized. The Cerrado is one biome, and prioritization also creates exclusion. Any Cerrado conservation project should be designed for different regions because of their various biophysical aspects. For instance, agriculture issues could be very place and crop specific. The conservation of the Cerrado occurs in the communities, but it happens in large farms and companies. In all these areas, we have management options for all these stakeholders. A fund should also support all these partners and reinforce possible connections. For instance, the traditional communities and family farmers supplying

seeds to restore areas of large farms and collecting Cerrado fruits like the Baru in the areas of large farms. The different players are also interconnected, and large farms doing better conventional agriculture would positively impact the conservation of the Cerrado.

SUCCESSES OR CHALLENGES RELATED TO THE SUSTAINABILITY OR REPLICABILITY OF THE PROJECT

The Cerrado was always the neglected biome in Brazil since most of the funding was and still is directed to the Amazon. Therefore, all CSOs thank CEPF's funding, and it can safely be assumed that CEPF's investment was the biggest continuous investment done in the Cerrado by one donor for decades. Unfortunately, with CEPF leaving the Cerrado, no other investment of this magnitude and specifically exclusively targeting CSOs will likely be made at the hotspot level. In this term, the sustainability of the investments is quite questionable since not only is the donor gone, but the CSOs also had to cope with a very adverse political and financial climate in Brazil. Without international funding, which is very scarce considering the political environment and the government's resistance to investing in positive environmental agendas, the boost that was given by the CEPF will decline during the next months. The IEB was active and persistent to find in the GEF a funding partner to implement the Baru Project assuring the maintenance of part of the RIT team and a long-standing implementation of a project in the Cerrado. In this case, the IEB will not be a facilitator of funding, its main responsibility during the implementation of the CEPF, but an executing party. This changes the role of the IEB and gives the institution a more solid basis for future projects in the Cerrado. Considering replication, the IEB currently sees itself not as a fund manager, but as an organization that executes projects in the Cerrado. The replicability of the IEB's function would presume a second phase of the RIT or the connection to other larger donors.

Long Term Strategic Vision for Graduating Civil Society from CEPF Support - Cerrado Biodiversity Hotspot

In April 2019, after three years of implementation of the first phase of CEPF investment in the Cerrado Biodiversity Hotspot, CEPF, the Regional Implementation Team (RIT) and invited local experts together with grantees proposed priorities for the long-term vision in the hotspot. The vision was built around the following three main priorities:

- The first and most important is the protection of ecosystem services and the promotion of their benefits and functions among different users in the hotspot.
- The second is the protection of species, recognizing that CEPF is the only fund supporting species conservation in the Cerrado.
- The third is engagement with civil society organizations, producers and traditional and Indigenous communities to protect biodiversity and ecosystem services.

Therefore, to graduate civil society working towards the conservation of the Cerrado Biodiversity Hotspot from CEPF support, it was suggested to focus on the following strategic directions:

(1) Promotion of the best management of water resources, with adaptation of agricultural practices, maintenance of aquatic and terrestrial ecosystems critical for water stability, improvement of governance over water, establishment of climate change adaptation strategies for water and promotion of new financial models to promote nature-based solutions.

(2) Support for the creation/expansion of other protected area management concepts, such as private reserves and territories preserved by Indigenous and local communities, and for the effective management of protected areas and sustainable landscapes.

(3) Support for investment in sustainable small and medium enterprises and supply chains to give traditional people and Indigenous populations income generation opportunities linked to conservation.

(4) Support for the restoration of ecosystems delivering services and water to the urban centers of the Cerrado as a mean to reconnect urban populations with the hotspot, and for the production of native seeds for restoration.

(5) Support for the implementation of National Action Plans (PANs) for priority threatened species, with a focus on habitat management and protection.

(6) Strengthening of the capacity of civil society organizations to promote better management of territories and of natural resources and to support other investment priorities in the hotspot.

To have a meaningful impact within the constraints imposed by limited financial resources and timeframe, a more restricted geographic scope is recommended (Figure 1). By concentrating efforts on the central-northern part of the hotspot, spreading across 98 million hectares and encompassing the four priority corridors of the first CEPF investment plus the Araguaia and RIDE DF – Paranaíba – Abaeté corridors, the future investment would focus on areas where: the agricultural frontier is expanding; there are limited investments considering best management practices or responsible landscape management practices; one can find the most pristine areas of the hotspot; and the states are in need of more assistance to implement the Forest Code or other pieces of legislation enforcing good landscape management. Work on species conservation and management of their habitats should remain at hotspot level, however, due to the lack of other dedicated funds for species conservation in the Cerrado.

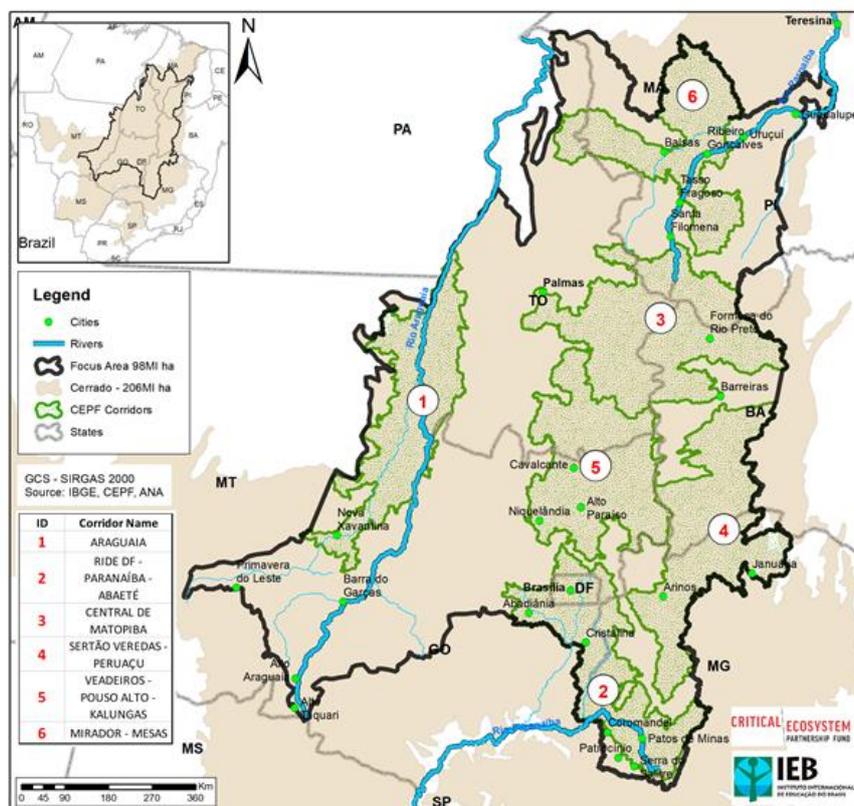


Figure 1. Proposed geographic scope within the Cerrado for the long-term vision

Considering the above geographic and thematic suggestions for the long-term vision and further operational considerations for the long-term structure responsible for coordinating this effort, the

financing plan presents two options: one for US\$8.5 million over a five-year period; and another for US\$5.3 million over three years. The latter would concentrate on consolidating the achievements of the first phase. Over the first three years of the first CEPF investment phase, a strong network of grantees has already been built and the long-term vision provides the basis for continuity, building on conservation results achieved so far. The strategies of several major donors in the Cerrado were considered, to avoid duplication of effort and to foster complementarity.