

**Conformed Copy**

**MEMORANDUM OF UNDERSTANDING**

**between**

**CONSERVATION INTERNATIONAL FOUNDATION**

**and**

**GLOBAL ENVIRONMENT FACILITY**

**and**

**INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT**

**ON A STRATEGIC PARTNERSHIP FOR  
CRITICAL ECOSYSTEMS**

**Dated December 14, 2000**

## **Guiding Principles**

5. The objective of the CEPF will be to provide strategic assistance to non-governmental and other private sector organizations for the protection of selected vital ecosystems listed in Schedule 1.
6. Funding for the CEPF is expected to be provided among the principal parties on a pro rata basis. Funds will be utilized to provide small and medium scale grants to conservation projects managed by NGO, civil society and private groups working in critical ecosystems. Funding at the project level will result in significant financial leverage both through financial and in-kind contributions.
7. It is intended that the CEPF will be in effect for a period of five years.
8. Additional donors which wish to make contributions of similar size, or as may be agreed by the Donor Council, and which accept the terms and conditions determined by the Donor Council, may be invited to join the CEPF.

## **Contributions**

9. Each Party intends to mobilize resources in the amount of twenty-five million United States Dollars (US\$ 25,000,000) as their respective total contribution over five years.
10. Each Party agrees to make an initial contribution of five million United States Dollars (US\$5,000,000) to establish the CEPF. These contributions will be transferred under terms established by a financing agreement for the CEPF of even date herewith (the CEPF Financing Agreement). The amount of all subsequent contributions will be subject to final approval in accordance with the respective approval processes of each Donor.

## **Administration and Governance**

11. The Parties agree that CI will be responsible for the administration of the CEPF and that CI will carry out such administration in accordance with the CEPF Financing Agreement.
12. The Parties agree that all projects and activities financed under the CEPF will be carried out in compliance with the guidance of the Donor Council and an Operational Manual to be agreed by the Parties.

## **Annual Budget**

18. CI will prepare an annual budget for review and approval by the Donor Council, in accordance with the CEPF Financing Agreement.

## **Ecosystem Profiles**

19. In accordance with priorities agreed by the Donor Council, CI will prepare and submit for comments by the other Parties represented in the Donor Council a proposed Ecosystem Profile for each selected ecosystem within the Biodiversity Hotspots (see Schedule 1). Such profiles will be transmitted to the other Parties at least forty-five (45) days before the meeting of the Donor Council at which they are to be considered for approval.

20. CI will seek endorsement of each Ecosystem Profile by the relevant national GEF operational focal points in those countries in which activities are proposed to be carried out. Once the endorsements have been obtained, CI will submit each proposed Ecosystem Profile for approval to the Donor Council together with such endorsements.

## **Projects and Activities within Approved Ecosystem Profiles**

21. CI will be responsible for the identification, preparation, appraisal, selection and supervision of projects and activities under each approved Ecosystem Profile, in accordance with the Operational Manual.

22. Whenever CI considers that it has a comparative advantage in carrying out project activities under a specific Ecosystem Profile, CI will identify such activities at a programmatic level and disclose them within the budget for specific approval by the Donor Council. The amount of funding to be allocated to activities in this manner will not exceed fifty percent (50%) of the relevant budget categories, or as may be otherwise agreed by the Donor Council.

23. For each project to be carried out by third parties, CI will enter into a project agreement with the recipients, all in accordance with procedures and in the form to be set forth in the Operational Manual.

24. CI will enable the other Parties to visit facilities and sites included in the projects and activities.

### **Relationship of Parties**

31. This Memorandum of Understanding is not intended to create a legal partnership. Nothing in this Memorandum of Understanding will constitute or be deemed to constitute any Party as the legal representative or agent of the other, nor will any Party have the right or authority to assume, create, or incur any liability or obligation of any kind, expressed or implied, in the name or on behalf of any of the other Parties.

32. None of the Parties to this Memorandum of Understanding shall take positions on behalf of the others without their specific written consent. Each of the Parties will maintain the right to express its opinion individually on topics related to this Memorandum of Understanding; each of the Parties will strive to notify the others before taking any such position.

### **Communications**

33. To ease communications, the Parties have appointed the following points of contact for matters arising under this Memorandum of Understanding:

For Conservation International Foundation:

Vice President/Executive Director, CEPF  
address : 1919 M Street NW, Suite 600  
Washington, D.C. 20036 USA  
fax : (202) 912 1030

For the Global Environment Facility:

Team Leader Biodiversity  
address: Global Environment Facility  
1818 H Street, NW  
Washington, D.C. 20433 USA  
fax: (202) 522 3240

For the International Bank for Reconstruction and Development:

Director Environment Department  
Address: The World Bank  
1818 H Street NW  
Washington , D.C. 20433 USA  
fax: (202) 477 0565

**Schedule I**  
**List of Biodiversity Hotspots**

1. Caucasus
2. Atlantic Forest
3. Cape Floristic Region
4. Chocó-Darien-Western Ecuador
5. Brazilian Cerrado
6. Central Chile
7. Eastern Arc Mountains and Coastal Forests of Tanzania and Kenya
8. Guinean Forests of West Africa
9. Mountains of South-Central China
10. Indo-Burma
11. Madagascar and Indian Ocean Islands
12. Mesoamerica
13. Philippines
14. Polynesia/Micronesia
15. Succulent Karoo
16. Sundaland
17. Tropical Andes
18. Wallacea
19. Western Ghats and Sri Lanka
20. Caribbean \*
21. California Floristic Province \*
22. Mediterranean \*
23. New Caledonia \*
24. New Zealand \*
25. Southwest Australia \*

*Source: "Hotspots, Earth's biologically richest and most endangered terrestrial ecoregions" Mittermeier et. al. 1999*

\* These areas include countries not eligible for CEPF funding.