

Caribbean Biodiversity Fund

(UK Registered Charity: 1149889 * UK Registered Company: 8204716)

Secretariat

6 Colonial Hill Plaza * Thompson Blvd. A * PO Box CB 11398 * Nassau * Bahamas

CBF Eligibility Approval Procedures (Final version – Approved September 24th, 2014)

The objective of this document is to provide the guidelines on the CBF Eligibility Approval Procedure. The document contains four main sections:

- Expected characteristics of the NCTFs
- Eligibility evaluation and approval steps
- Documents checklist
- NCTFs questionnaire

CBF Expectations

Drawing on internationally recognized standards for the governance and operation of conservation trust funds and recognizing that NCTFs are expected to support national environmental policies and priorities; and international environmental commitments, the following are the expected characteristics of the NCTFs that will seek CBF eligibility and disbursements.

- **Purpose:** The purpose should be aligned with the purpose of the CBF,
- **Board composition:** Broad composition and representation, with majority civil society board membership and no single majority interest group dominating the board.
- **Civil society board members¹:** Board members representing civil society should not be solely selected by the government.
- **Asset control:** Well-designed and independent asset control.
- **Audit requirements:** Well-defined annual external audit requirements.
- **Grants:** Ability to make grants to both government and civil society entities.

¹ For the purposes of the CBF, civil society is understood to include , but not be limited to, non-government organizations, private sector, academia, research and scientific organizations.

- **Match:** Ability to generate 1:1 match funding.

CBF Eligibility Procedures

The steps below describe the overall process for a NCTF to be declared eligible for CBF support. It is expected that the time frame for approving NCTF eligibility to the CBF (steps 2-7 below) will be approximately 2 to 3 months. As part of the process outlined below, the CBF makes itself available to assist NCTFs with technical advice and other types of support based on needs and availability of resources.

Steps:

- 1- Exploratory phase
 - Country stakeholders express an interest in joining the CBF.
 - CBF and local stakeholders discuss eligibility process.
 - In cases where an NCTF needs to be established, the CBF, other partners and government institutions, can advise local stakeholders on the process for establishing such entity.
- 2- NCTF submits a formal eligibility request letter to the CBF, including the required documents and filled questionnaire described below.
- 3- CBF Board of Directors evaluate the documents and decides whether or not it wishes to begin the Vertical Agreement negotiations between the respective NCTF and the CBF. At this stage the CBF may request additional information or seek clarifications.
- 4- CBF informs the NCTF of its decision to initiate the Vertical Agreement negotiations. Such notification may indicate areas that could require further discussions between the CBF and the respective NCTF.
- 5- Initiate Vertical Agreement negotiations
 - Negotiations on behalf of the CBF will be lead by the CBF CEO.
 - Negotiations on behalf of the respective NCTF are expected to be lead by a Board member of the NCTF or the Executive Director/Chief Executive Officer.
- 6- Resolutions from CBF and NCTF Boards approving Vertical Agreement Signature
 - Once the Vertical Agreement negotiations conclude, each party (the CBF and the local NCTF) will submit the agreed agreement text to its respective Board for approval.

- 7- Vertical Agreement signature

It is important to note that the CBF Eligibility Procedure has ended only once the Vertical Agreement has been signed.

Documents Checklist

Required Documents

- 1- National Conservation Trust Fund Articles of Association or By-laws
- 2- Relevant national legislation (if applicable)
- 3- Evidence of registration (if applicable)
- 4- Board of Directors list and resolution indicating who are the elected Board officers (Chair, Vice-Chair, Treasurer)
- 5- Documents related to selection procedures of civil society board members (i.e. meetings minutes, workshops proceedings, and others.)
- 6- NCTF Operations Manual
- 7- Evidence of external and independent asset control and audit procedures
- 8- Resolutions from NCTF Board approving Vertical Agreement Signature (to be presented prior to Vertical Agreement signature)

Optional Documents

- 9- Annual Work Plan if available (Note: while not required to begin Vertical Agreement negotiations, it is a requirement for CBF transfers to the NCTF)
- 10- Documents related to efforts on the establishment of Sustainable Financing Mechanisms to serve as match for the CBF

Questionnaire

The following questionnaire must be filled out by the National Conservation Trust Funds requesting eligibility to receive support from the Caribbean Biodiversity Fund. (Maximum 3-4 pages).

- 1- Indicate the purpose of the Trust Fund and how it is aligned to the purpose of the Caribbean Biodiversity Fund.
- 2- Has a Board of Directors been established? If so, please provide a summary description of its composition.

- 3- Please provide information on the procedure followed to identify, nominate and appoint the civil society (i.e. non-government) board members. Also provide any documents that support the procedures followed (i.e. meetings minutes, workshops proceedings, and others).
- 4- Please describe the asset control policies established by the fund.
- 5- Has an independent and external audit firm been identified and hired by the Trust Fund? Please provide the letter of engagement or any other evidence.
- 6- Is the Trust Fund authorized to make grants to both government and non-government entities? If available, please provide a description of the procedure to establish calls for proposals.
- 7- Please describe the efforts to date to establish sustainable finance mechanisms that would provide the 1:1 match required by the CBF starting on the first day of Year 3 of the signature of the Vertical Agreement.