







List of main acronyms

ADAG: Agricultural Development Agency of Gabon

AFD: French Development Agency

ANPN: Gabonese National Agency for National Parks AGEOS: Gabonese Studies and Space Observations Agency

BUR: Biennial Update report

CAFI: Central African Forest Initiative CAR: Central African Republic

CBFP: Congo Basin Forest Partnership

CNAT: National Land Use Commission (of Gabon)

CNIAF : Centre National d'Inventaire et d'Aménagement des Ressources Forestières et Fauniques, Republic of Congo

COP: Conference of the Parties (to the United Nations Framework Convention on Climate Change)

DRC: Democratic Republic of the Congo

DIAF: Forestry Department in the DRC Ministry of Environment

EB: (CAFI) Executive Board

ENABEL: Belgian bilateral cooperation agency

FAO: Food and Agriculture organization of the United Nations FONAREDD: French acronym for the DRC's National REDD+ Fund

GDA: French acronym for the Project on Sustainable Management of Agriculture (DRC)

GHG: Greenhouse Gases

GIBEC: Groupe Inter Bailleurs pour l'Environnement et le Climat (RDC)

GIZ: German International Cooperation Agency

Ha: hectares

HCS: High Carbon Stock

HCV: High Conservation Value ID: Initiative Development (NGO) IO: Implementing Organization LPG: Liquefied Petroleum Gas

LoI: Letter of Intent

LULUCF: Land Use, Land-Use Change and Forestry

NFMS: National Forest Monitoring System NIF: National Investment Framework

MCH: Micro Hydro Electric

MEDD: Ministry of Environment and Sustainable Development (DRC)

MEF: Ministère de l'Economie Forestière, Republic of Congo

M&E: Monitoring and Evaluation

MRV: Measurement, Reporting and Verification

(I)NGO: (International) Non-Governmental Organizations

PGDF: French Acronym for the Project on Sustainable Management of Forests (DRC)

PIREDD: French acronym for province-wide multisectoral ("integrated") REDD+ projects, used in the DRC

PNAT: National Land Use Plan (in French, Plan National d'Affectation des Terres)

REDD+: Reducing Emissions from Deforestation, forest degradation and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries

RoC: Republic of Congo

SNORNF: National Natural Resources and Forestry Observation System

TI: Transparency International ToR: Terms of Reference

UNCDF: United Nations Capital Development Fund UNDP: United Nations Development Programme

UNFCCC: United Nations Framework Convention on Climate Change

UNFPA: United Nations Fund for Population UNOPS: United Nations Office for Project Services

WB: World Bank

WRI: World Resources Institute

Table of Contents

LIST OF MAIN ACRONYMS	2
TABLE OF CONTENTS	4
EXECUTIVE SUMMARY	10
1. CAFI'S PURPOSE	13
2. FUND OVERVIEW	15
2.1 2022: CONTINUING FUND MOBILIZATION	15
2.2 The CAFI portfolio	
Overview	16
Co-financing and collaboration with other donors	30
2.3 Investments per country	
2.4 Funding and delivery per implementing organization	
Funding	32
Overview of delivery	34
2.5 Investments per outcome	37
3. RESULTS	40
3.1. THE CAFI INITIATIVE: CATALYSING POLITICAL MOBILISATION	40
3.2 The CAFI Fund: contributing to climate change mitigation and poverty reduction	
A. Contribution to the CO2 impact	41
B. Contribution to the development impact	44
Number of beneficiaries with improved livelihoods	44
Beneficiaries per outcome	46
Improved revenues	47
C. Results per outcome of the CAFI Theory of Change	47
C.1 Sustainable agricultural practices lead to less land conversion and increased food security	48
Background	48
Support Overview	51
DRC results	51
Gabon results	53
C.2 Sustainable alternatives to current wood energy practices are adopted	55
Support overview	55
DRC results	55
Republic of the Congo	58
C.3 Forestry sector and protected areas institutions and stakeholders have the capacity and the legal framework to pror	
monitor and enforce the sustainable management of forests	59
Background Support everyious	59 60
Support overview DRC Results	60
Gabon results	61
Republic of the Congo	62
C.4 Land use planning decisions ensure a balanced representation of sectoral interests and keep forests standing	63
Support overview	63
DRC Results	63
Gabon results	64

	Republic of the Congo	64
	C.5 Tenure	65
	Support overview	65
	DRC results	66
	C.6 Demography	67
	Support overview	67
	This outcome saw an increase from 33.8 to 38.6 M, directed towards the DRC Family Planning project.	67
	DRC results	67
	C.7 Governance	68
	Support overview	69
	DRC results	69
	Republic of the Congo	70
	Gabon	71
	Equatorial Guinea	71
	Central African Republic	71
	Cameroon	71
1 CVEI C	GOVERNANCE	72
4.CAFIC	OVERNANCE	72
4.1 Tv	NO HYBRID EXECUTIVE BOARD MEETINGS, 36 DECISIONS	72
4.2	IMPROVING RULES AND PROCESSES	
4.3 G	ENDER ASSESSMENT OF THE CAFI PORTFOLIO	76
	FI's 2022 gender objectives	76
4.5	SAFEGUARDS	
4.5	Accreditation	
		78
	Analysis of safeguards tools	79
5 SH	APING THE GLOBAL NARRATIVE: COMMUNICATIONS AND VISIBILITY	80
5.1 W	/EB SITE	80
5.3 M	EDIA ENGAGEMENT	82
	Seoul World Forestry Congress – May 2022	83
	Oslo Tropical Forest Forum – June 2022	83
	Libreville, Gabon 19 th Meeting of the Parties of the Congo Basin Forest Partnership – July 2022	84
	Sharm el Sheik, Egypt, COP 27- November 2022	85
	Communication tools	85
e colin	NTRY DETAILS	86
	RC	86
	1.1. Overview of the DRC portfolio	86
	1.3. Performance of the Governance structures of the FONAREDD	99
6.1	1.4 Results against the milestones of the Letters of Intent	103
	Overview	103
	Agriculture	104
	1st Letter of Intent	104
	2 nd Letter of Intent	104
	Energy	106
	1 st Letter of Intent	106
	2 nd Letter of Intent	106
	Forest sector	107
	1st Letter of Intent	107
	2 nd Letter of Intent	108

Mining and hydrocarbons	112
2 nd Letter of Intent	112
Land use planning	113
2 nd Letter of Intent	113
Tenure	115
2 nd Letter of Intent	115
Demography	115
1st Letter of Intent	116
2 nd Letter of Intent	116
Governance	117
1st Letter of Intent	117
2 nd Letter of Intent	117
6.1.4 Risks and challenges in the DRC	119
6.2 GABON	120
A. Background	120
B. Policy dialogue	120
B. Portfolio overview	120
D. Funding per outcome in Gabon	121
E. Main results in Gabon	122
1 CAFI Phase 1: First partnership under the 2017 letter of Intent	122
National Land Use Plan (PNAT) and a National Observation System for Natural Resources and Forests - AFD	122
D.2 CAFI 2: Two additional programs under the 2017 Letter of Intent	124
Improved Forestry Management: Implementation of a National Scale Certification Process in Gabon" - "Forest	Certification
Project	124
Protected Area Expansion and Land-use Optimization for Food Crop Production in Gabon	124
D.3 CAFI 3 – Results - based payments and projects under the 2019 Addendum to the Letter of Intent	126
Safeguarding and expanding Gabon's Protected areas network – with UNDP	126
Urban Greening	126
Forestry Management – with The Nature Conservancy	126
Forest Ecosystem Research & Monitoring - with The Nature Conservancy	126
Coordination - UNDP	127
F. Milestones and partnership monitoring	128
6.3 Republic of Congo	130
A. Background	130
B. Portfolio overview	131
C. Progress and results	132
Portfolio development	133
Results from active projects	133
Operationalization of the national MRV system (SYNA-MRV)	133
Coordination support project	134
PROREP – Wood energy project	134
Risks, Challenges and Opportunities in Republic of the Congo	134
6.4 Cameroon	135
A. Context	135
B. Policy dialogue	136
6.5 Equatorial Guinea	
A. Background	137
•	
B. Policy dialogue and exploratory studies	137
C. Main challenges and risks	138
C C CENTRAL AFRICAN PERUPUS	120

A. Context	135
B. Two preparatory grants	139
6.7 Regional	140
7. RISKS, CHALLENGES & LESSONS LEARNED	143
8. LOOKING AHEAD	146
ANNEXES	147

TABLE OF FIGURES

Figure 1: CAFI Project cycle	14
Figure 2: total annual deposits (in US\$) into the CAFI Trust Fund	15
Figure 3: Cumulative donor deposits (in US\$) into the CAFI Trust Fund (2015-2022)	16
Figure 4: number of projects by status, country and type, by end 2022	17
Figure 5: funding transferred to countries, in US \$ by 31 December 2022	31
Figure 6: Approval, Transfers to Countries and expenditure per country- Cumulative as of December 31, 2022 (U	\$ \$). 32
Figure 7: Amounts of net transferred amount per agency (in US\$), cumulative (2015-2021), for projects above 10	
million US \$ (top) and below (bottom)	
Figure 8: cumulative delivery rate per implementing organization	
Figure 9: Number of days between fund transfer and effective project launch as of 31 December 2021. Color codindicate implementing organizations listed in alphabetical order: AFD (far left), Enabel (yellow), FAO (purple), GIZ	
(grey), JICA (green), UNCDF (turquoise), UNDP, UNOPS (dark blue), UNFPA, UN-HABITAT and World Bank (green,	
right).	
Figure 10 : delivery rate and time maturity across project. Color changes indicate a different implementing	
organization, with, from left to right: AFD, GIZ (purple), Enabel (blue), FAO (turquoise), Farm Africa(pale green), I	UCN
(grey), JICA, One Acre Fund, TNC, UNDP, UNESCO, UNFPA, UNOPS, and Word Bank	
Figure 11: Number of CAFI-funded projects by outcome	
Figure 12: 2017 -2022: Evolution of CAFI's investments (in US \$) per CAFI outcome	38
Figure 13: Cumulative transfers per outcome of the CAFI Theory of Change, in US \$	39
Figure 14 : DRC annual emissions from deforestation and degradation, 2015-2020	
Figure 15: annual emissions from deforestation by DRC province (in tCO2), 2015-2020	
Figure 16: estimated deforestation and degradation annual ares in Republic of Congo. Note that this preliminary	
is extracted from the regional study and may be improved with additional validation data in the 2 nd phase of the	
projectproject	44
Figure 17: data extracted by FAO from ResourcesWatch	49
Figure 18: Top row: observations of small-scale agriculture associated with deforestation (left) and degradation (right)
between 2015 and 2020. Bottom row: observations of industrial agriculture associated with deforestation (right)	and
degradation (left). Data extracted from CAFI validation data (arcgis.com)	50
Figure 19: occurrence of observations of small-scale agriculture by forest fragmentation type. Data extracted fro	m CAFI
validation data (arcgis.com)	51
Figure 20: Hectares supported in agriculture by CAFI-funded projects	52
Figure 21: Top row: observations of artisanal forestry associated with deforestation (left) and degradation (right)	1
between 2015 and 2020. Bottom row: observations of industrial forestry associated with deforestation (right) an	
degradation (left). Source: CAFI validation data (arcgis.com)	
Figure 22: Progress on community forestry	
Figure 23: mission to install permanent plots for the Natural resources Inventory in the Nyanga province, Gabon	62
Figure 24: DRC terroirs with validated simple land-use plans	
Figure 25: results in access to family planning services	
Figure 26: type of decision adopted by the Executive Board in 2022	
Figure 27: evolution of gender markers over time in active CAFI projects (%)	
Figure 28: Existence of safeguards tools across CAFI-funded projects	
Figure 29: Tweet impressions for @CAFISecretariat on Twitter	
Figure 30: CAFI's investments per outcome in the DRC	87

Figure 31: Funds transferred (in M US \$) per implementing organization in the DRC cumulatively as of 31 December	r
2022	88
Figure 32: Project quantitative results and financial delivery	97
Figure 33 : status of 2021 and 2022 milestones of the 2 nd Letter of Intent	. 103
Figure 34: CAFI's investments in Gabon by outcome (transferred amounts, US\$)	. 121
Figure 35 : Photocredit UNDP – Expansion des aires protégées et optimisation de l'utilisation des terres au Gabon	. 125
Figure 36: status of achievement of milestone per objective of the Gabon Letter of Intent	. 128
Figure 37: annual deforestation and degradation in republic of Congo. Preliminary datadata	. 131
Figure 38: investments per outcome in the Republic of Congo	. 132
Figure 39: estimated areas (hectares) of deforestation and degradation cumulatively in CAFI's 6 partner countries	. 142

Executive Summary

Fund's key progress and achievements in 2022

Best of 2022

Programmatic framework agreed and call for proposal launched for 500 M US\$ under DRC Letter of Intent.

5 first projects launched under the first agreement for Results-Based Payment with Gabon.

Major 53 M US\$ agreement to enhance private sector partnerships in the agricultural sector with the &Green Fund.

The total number of hectares under local land-use management plans in the DRC jumped from 3.8 million hectares in 2021 to 8.5 million hectares (6% of all DRC villages) in 2022.

361,045 hectares of local community forestry concessions - 195,621 hectares more than in 2021 - now established with titles, reaching 43,5 % of the funded projects target.

Over 66,5000 mostly rural households/people estimated as direct beneficiaries in the DRC in 8 provinces. Indirect beneficiaries are conservatively estimated between 3 million and 6.5 million.

The Central African Forest Initiative (CAFI) remains by far the largest climate Fund United Nations Multi Partner **Trust Fund** (MPTF), its 3rd largest Trust Fund. The CAFI Fund is the only broad-ranging UN fund focused specifically on the world's 2nd largest tropical rainforest and its 247.8 (±3.65) million ha of forest cover¹, with more than 50% classified as core, intact forests.

With Sweden joining in 2022, **CAFI now includes nine donors** (Belgium, European Union, France, Germany, Norway, South Korea, The Netherlands, United Kingdom and Sweden). Donor contributions are pooled and channeled to implementing organizations to promote joint action and multi-stakeholder partnerships.

Backed by high-level policy dialogue, forty CAFI-funded projects, implemented now by **16 implementing organizations** (five more than in 2021), comprise UN, Multilateral, national cooperation agencies and non-governmental organizations.

Funded projects range from Regional and National levels (supporting development of National Investment Frameworks and policy reforms) to concrete, on-the-ground implementation in provinces, districts and villages. Since its inception in 2015, the CAFI Fund has committed \$718 million, of which \$406 million has been transferred, including \$151 million in 2022 alone.

Progress on many CAFI-funded projects soared in 2022, pursuing CAFI's double objective to promote sustainable development and the protection of forests in six Central African countries that partner with CAFI - Cameroon, Central African Republic, Republic of Congo, the Democratic Republic of the Congo, Equatorial Guinea, and Gabon -, through its unique combination of high-level policy dialogue and direct investments on the ground.

2022 was marked by a massive joint effort to program the 500 million USD of the 2021 Letter of Intent (LoI) with the Democratic Republic of the Congo (DRC) and develop a pipeline of projects that will help the country meet the milestones set forth in the 2nd Letter of Intent signed in 2021 during the COP26 in Glasgow. This also meant ramping up efforts in

¹ Using national definitions of forests, that vary across the six CAFI partner countries

the 18 active projects in the country in 2022, covering 7 sectors, that started in 2016. On the ground, some of the most salient results of CAFI-funded projects include:

- 66,571 households, the vast majority in rural areas, estimated as direct beneficiaries in 9 provinces, and an additional 635,000 women of childbearing age benefiting from a chosen long-term family planning solution and counselling². Indirect beneficiaries are conservatively estimated at between 3 and 6.5 million people.
- Land use planning: **8.5** million hectares of rural land in the DRC (approximately a quarter of the size of the Republic of Congo or the United Kingdom), of which **4.7** million in **2022** alone, are now under a validated land use plan in eight provinces at the local level, elaborated in a participatory manner by over **2,179** local development committees, covering **11%** of DRC's villages. This major structuring of how land represents the foundation for a more sustainable use of land and natural resources. In Gabon, the National Land use planning commission started its arbitration to resolve some land allocation conflicts.
- To reduce the pressure of agriculture on forest land while improving food security, close to **33,000 direct** household beneficiaries in agriculture (an additional 5,500 from numbers reported in 2021), in eight of the DRC provinces with deforestation hotspots, benefit directly from support on a more productive and sustainable agriculture that spares forested land. These households have established close to **35,000 hectares of pilot** agroforestry, perennial crops and subsistence agriculture (of which 11,000 hectares in 2022 alone), which represents 15% of initial targets, to date. Available estimates in the most mature projects estimate that revenues from subsistence agriculture have more than doubled thanks to better-yielding crops.
- In the energy sector, close to 33,000 hectares are now dedicated to providing sustainable wood energy and replacing unsustainable fuel wood and charcoal, of which 12,500 were established in 2022 alone. This comes in support of the national energy policy document validated on 9 December 2022. In previous years, access to funding for entrepreneurs developing clean cooking technology had seen 1.2 million US\$ awarded to 12 entrepreneurs to produce and market over 90,000 improved cooking solutions and creating and strengthening Congolese sustainable energy businesses, and household energy spending on fuelwood dropping by between 10 and 20% in targeted areas in 2022, demonstrating the potential of CAFI's support.
- Over 361,000 hectares of local community forestry concessions are now established with titles thanks to CAFI support, of which over 195,000 hectares in 2022 alone, reaching 43,5 % of the current final target.
- With 2,3 million couple-years of protection (CYP) distributed with counselling in 2022 alone and 4.8 million cumulatively, CAFI now funds 41% of the family planning solutions produced in the DRC.
- The land tenure reform was approved for adoption by the Council of Ministers and takes into account consultations with Indigenous peoples.

In the Republic of the Congo, the portfolio keeps expanding, with the continued implementation of three projects on governance, Measurement, Reporting and Verification (MRV) and wood Energy, and two new projects approved in 2022 on Sustainable Land Use Governance (PUDT in French) and Land Use Investments (PI-PUDT in French).

CAFI strengthened its partnership with Gabon through reinforcing support to two active projects, focused on Land-Use Planning, with positive first results. As a result, 470 villages have already been mapped by drones and 144 by villagers and agricultural research, that saw the construction of a new laboratory for soil analysis in 2022. In a historic decision, in 2022 Gabon was also the first African country to receive a Results-Based Payment (RBP) of 17 M US\$ from CAFI for verified emissions reduction of more than 5 million tons of CO2e in 2016-2017, the first of an RBP-focused agreement

worth 150 M US\$. Gabon's National Climate Council subsequently **approved five new projects** to be financed by this payment, bringing the total to 8 projects, for a total amount of 48 M US\$.

In Cameroon, CAFI moved forward with a pilot phase of the partnership with the Government based on a number of initial projects being defined for 2023. CAFI's Executive Board together with the Cameroonian authorities endorsed the launch of two calls for Expressions of Interest for a total amount of approximately 60 M US\$ as part of the startup phase of the CAFI-Cameroon Partnership.

In Equatorial Guinea, CAFI selected AFD to develop a full proposal to support policy dialogue and conduct studies to identify preliminary data and the most suitable relevant opportunities in the land-use and forestry sectors.

In Central African Republic, progress was made on feasibility studies and policy dialogue, with results expected in 2023.

CAFI-funded regional projects now total 62 M US\$. They include:

- 1) the funding of the project Nature+ Accelerator with IUCN, for which a regional market barrier study was initiated in December 2022
- 2) the first CAFI partnership with the private sector that came in the form of the **commitment of 47 M USD of donor capital to the &Green Fund, based in the Netherlands,** with a view to more than double the amount with other investors. A partnership that includes UNCDF as the investment agent, &Green provides loans to local entrepreneurs to implement forest-positive projects with de-risked loans
- 3) Robust and updated scientific evidence on the extent and major drivers of deforestation and degradation in the region under the Regional Trends and Drivers of Deforestation study with FAO.

The impact of this support on forests cannot be attributed to CAFI's efforts alone. They, however, contribute to a stabilization of areas affected by deforestation and forest degradation observed at the regional level, according to data generated by CAFI's regional trends and drivers' study noted above.

In 2022, all of CAFI's projects achieved the status as either *gender-sensitive* or *gender-responsive* projects. The target set in July 2022 by the Executive Board to **achieve 20% of highly sensitive and 40% of gender responsive projects** were met, and work is in progress to ensure that new and existing projects abide by their gender guidelines to project implementation, budgeting and reporting.

CAFI transferred 3.5 million US \$ to support its donor's commitment under the Indigenous Peoples and Local Communities Forest Tenure Pledge signed in Glasgow, of which 86% (3.02 million US\$) come from the 4 CAFI donors that have signed the IPLC pledge. This brings CAFI's total contribution, since 2021, to 11.3 million dollars³.

Looking ahead, CAFI is expanding rapidly, building capacity with the necessary expertise both within its Secretariat and in partner countries to drive project development and implementation. As the fund expands, diversification of partnerships is facilitating project implementation, as CAFI seeks to make a positive impact in reducing forest loss and improving lives and livelihoods in Central Africa.

³ In 2021, total disbursement were reported at 321 million dollars: https://www.fordfoundation.org/wp-content/uploads/2022/11/indigenous-peoples-and-local-communities-forest-tenure-pledge-annual-report-2021-2022-1.pdf

1. CAFI's Purpose

The forest of the Central African region is the second largest in the world and covers an area the size of Western Europe. Each year, it absorbs 1.1 billion tons of CO2eq from the atmosphere, or 3% of the world's emissions⁴. According to research published in 2021⁵, the degradation of tropical forests in Amazonia and Southeast Asia may soon make them net emitters of carbon, leaving the Congo Basin forest as possibly the last significant land-based tropical carbon sink in the world. In addition to being indispensable to mitigate the climate crisis, this forest harbors 10,000 different species of plants, trees, and animals, which makes it essential to halt and reverse the massive loss of biodiversity in line with the 2021 Kunming Declaration adopted at COP15 of the Convention on Biological Diversity. Last but not least, the Central African forest is the source of food, energy, shelter and spirituality for over 60 million people living in and around it, in countries with some of the lowest Human Development indices, conflict areas and the highest number of people in urgent need of food security assistance worldwide⁶. While trends in deforestation and forest degradation and their drivers vary widely with national contexts and that region-wide, forest loss seems to be stabilizing: the latest CAFI-funded data from the FAO-implemented trends and drivers' study for 2015-2020 shows the region continues to lose over half a million hectares of forest each year.

Slowing down the loss of forests can only be attained through transformational reforms and scaled-up, ambitious investments. To support these objectives in its 6 partner countries, CAFI uniquely combines direct funding in countries and at regional scale through its multi-donor Trust Fund with a political negotiation platform that aims to drive high-level policy dialogue.

This means that in parallel, and in complement, to funding 42 reforms and rural development projects focused on enabling local populations, studies, and preparatory grants as well as the CAFI Secretariat, CAFI negotiates and encourages high-level commitments that place forests at the center of countries' development policies. The most recent examples include the commitment from the DRC, endorsed by President Tshisekedi at COP-26 in Glasgow in November 2021, to stabilize forest cover loss at its 2016-2018 levels⁷ and restore 30 million hectares of land; and Gabon's commitments to avoid or cap the conversion of forest with high carbon stocks and high conservation value.

As a collaborative partnership, CAFI gathers:

- Central African partner countries: Cameroon, Central African Republic, Republic of Congo, the Democratic Republic
 of the Congo, Equatorial Guinea, and Gabon, who have engaged over 30 Ministries.
- A coalition of donors: Belgium, the European Union, France, Germany (Chair until 2023), the Netherlands, Norway, South Korea, Sweden (who joined as a contributor in 2022) and the United Kingdom.
- Brazil as South-South partner.

The CAFI Trust Fund is managed by the Multi-Partner Trust Fund Office of the UN, which also hosts the CAFI Secretariat.

At the country level, CAFI enters phased dialogues that ensure the mainstreaming of climate and forestry objectives into sectoral and development plans. This catalyzes a long-term process necessary for the changes required, and develops relatively quickly as the programming processes, already ongoing through the CAFI portfolio, and opportunities for cofunding have been identified.

⁴ https://pfbc-cbfp.org/actualites-partenaires/Synth%C3%A8se-chiffre-etat-foret2023.html

⁵ https://public.wmo.int/en/media/news/role-of-amazon-carbon-sink-declines-nature-study

⁶ http://www.fao.org/news/story/en/item/1392394/icode/

 $^{^{7}}$ Based on the estimates generated by the CAFI-funded Project to support the National Forest Monitoring System

- 1. Partner countries develop their **National Investment Frameworks (NIFs)** addressing drivers of deforestation and forest degradation according to their priorities.
- 2. Following a review of the NIF and discussions with the partner country, the CAFI Executive Board (EB) agrees to support certain **policy reforms** and **large-scale programs**.
- 3. Through a **Letter of Intent** (e.g., with the DRC in 2016 and in 2021, Gabon and the Republic of Congo) signed between the CAFI EB and by Ministers with coordination mandates (e.g., Minister of Finance) or Heads of state or government, agree on time-bound targets in policy reform and programmatic performance, and the corresponding financial support by CAFI if jointly defined milestones are met.
- 4. CAFI and partner countries agree on a programming framework and then partner countries develop and implement **programs** (sectoral and landscape/jurisdictional) to achieve the milestones in the Letter of Intent and jointly monitor progress with the EB.

Throughout the process, CAFI offers a framework that allows for a combination of field investments and high-level policy dialogue. Multi-donor coordination strengthens CAFI's convening power.

CAFI is an opportunity to drive systemic change through whole-of-government approach and donor coordination. Through CAFI, donor countries pool their financial resources, coordinate their policy dialogue and align their bilateral funding and thus multiply the impact of their individual contributions.

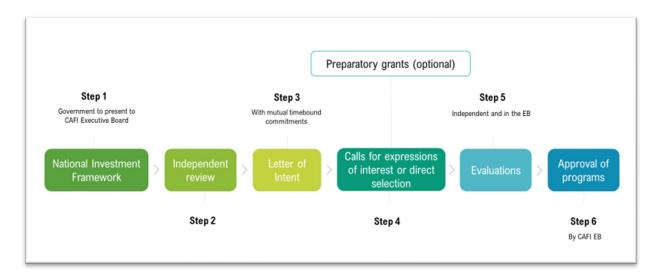


Figure 1: CAFI Project cycle

2. Fund Overview

2.1 2022: Continuing fund mobilization

The CAFI Fund in 2022 alone received total deposits of over 151 M US\$ (see Figure 2 and <u>Annex – Financial report</u>) and over 653 M US\$ cumulatively since 2015.

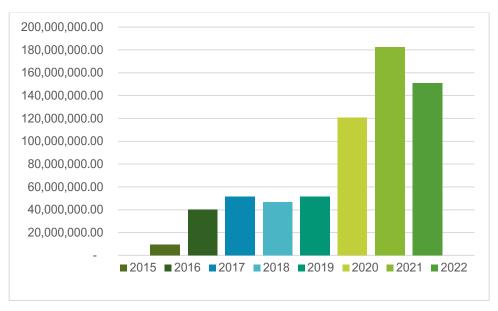


Figure 2: total annual deposits (in US\$) into the CAFI Trust Fund

In 2022 alone, deposits per donor occurred as below:

- Belgium signed the first addendum to the funding agreement (now totaling US \$ 6,552,831) and deposited its final instalment of 3,193,083 US\$.
- The Netherlands signed the first addendum to the funding agreement (now totaling 34 M US\$) and deposited 8 M US\$.
- Germany signed the third addendum to the funding agreement (now totaling 279,166,892 US\$) and deposited 76,708,921 US\$).
- France deposited the last installment (3,047,148 US\$), totaling over 16.5 M US\$.
- The Republic of Korea deposited the third installment (412,190 M US\$), totaling 1,264,191 US\$ as deposits.
- Norway has deposited 30,549,587 US\$ out of its commitment of 56,850,508 US\$ and remains CAFI's top donor, with over 336.5 M US\$ deposited since the creation of the CAFI Fund.
- Sweden, CAFI's newest donor, deposited its 2022 installment and anticipated its 2023 funding for a total of 3,663,027 US\$.
- The European Union (EU) deposited the last instalment (10,834,815 US\$), totaling over 15,096,178 US\$.
- The United Kingdom signed the 1st addendum to the contribution agreement (totaling 42,007,423 US\$) and deposited two instalments in 2022 totaling 14,697,640 US\$.

Norway and Germany remain the top contributors with 51.5% and 36.2% of total deposits into the CAFI fund, respectively.

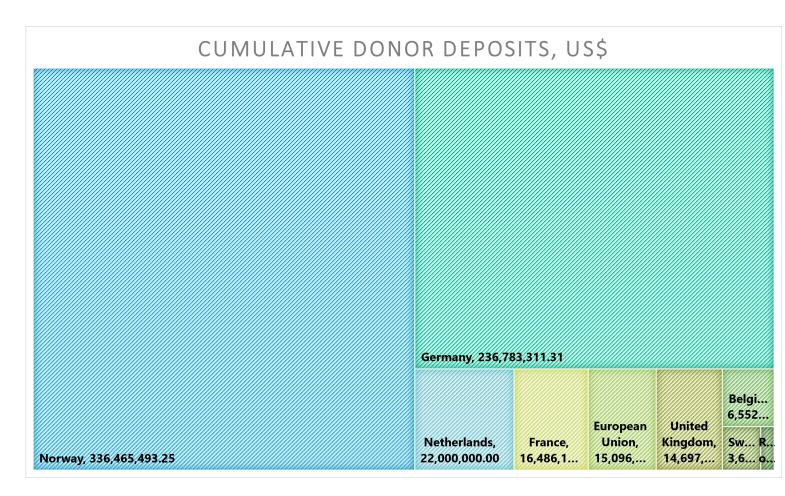


Figure 3: Cumulative donor deposits (in US\$) into the CAFI Trust Fund (2015-2022)

In 2022, Norway and Germany continued their contribution of two Junior Professional Officers (JPOs) to the CAFI Secretariat, based in Geneva and Kinshasa, enhancing the capacity of the CAFI Secretariat on monitoring and evaluation, gender, and the partnerships with partner countries. France contributed by issuing the recruitment notice for an International Technical Expert (NRLA modality) to support CAFI in Brazzaville (Republic of the Congo), whose recruitment will be finalized in 2023.

2.2 The CAFI portfolio

Overview

As of 31 December 2022, CAFI has funded 42 projects (amongst which 35 projects were active in 2022), implemented by 16 implementing organizations for a total of 843 million dollars committed.

These projects vary widely in their size, scale, and scope. They are displayed in Figures 4 below by status (approved, active, closed), country and type (Large scale rural development; Sectorial and support to policy reforms; Forest monitoring; Enabling conditions and governance; Small preparatory grants and Feasibility studies; Investments with the private sector, through capitalization of another Fund). Figure 4 shows a balanced spread across countries and type of

projects, with preparatory grants used to initiate and plan activities, coordination & governance projects supporting larger-scale investments, and research and monitoring projects helping to collect data CAFI's impacts.

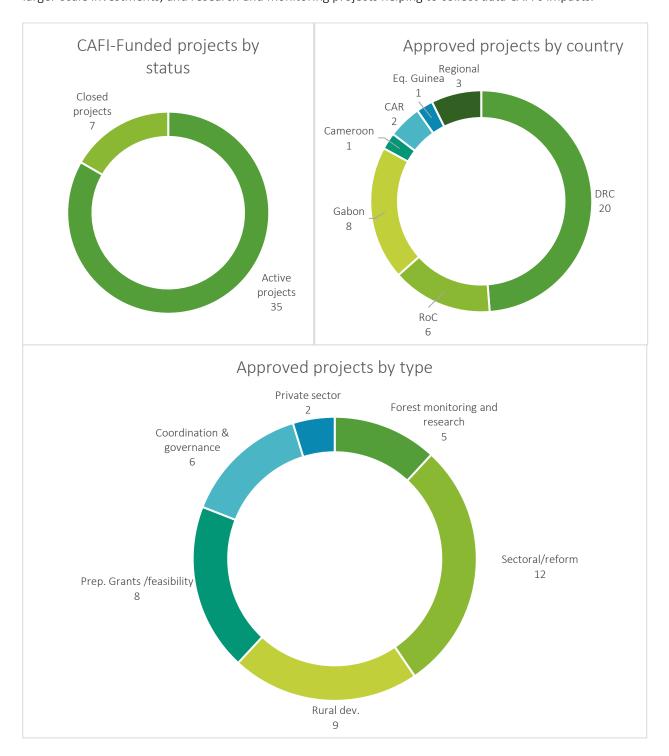


Figure 4: number of projects by status, country and type, by end 2022

The table below showcases the entire CAFI portfolio of approved projects, their most salient objectives and targets as set in project documents, the overall approved budget for each project and the amount transferred.

Net transferred amount to each of these projects is reported in the financial report (see this Annex). Details for DRC's FONAREDD disbursement to projects is found the FONAREDD 2022 financial report (available here: http://mptf.undp.org/factsheet/fund/3CD00).

In the case of the DRC, the CAFI Fund transfers to the National REDD+ Fund (FONAREDD), who then, based on decisions of its Steering Committee, transfers to implementing organizations. This transfer to the FONAREDD represents, cumulatively, 171.2 M. This additional step is not reflected in the table below, which displays the amounts effectively received by the implementing organizations in the last column.

The Table below showcases the entire CAFI portfolio, including projects objectives, budgets, implementing organizations, transfers and expenditures. Closed projects are in grey.

Project short name	MPTF Code	Objectives ⁸	Approv ed Budget 9	Impl. Org	Approval date ¹⁰ & duration	Transfe rred ¹¹	Spent 12
		DEMOCRATIC REPUBLIC OF CONGO (17 active pr	ojects)				
Support to civil society	103801	National civil society platform fully functional (national coordination, governance and oversight bodies) Organization expanded and new partnerships sought Active provincial and territorial coordination, especially for REDD+ intervention areas Training projects implemented	3.3	UNDP	Approved in October 2016 Duration: 47 months	3.3	2.6
Land use planning reform	105282	Land use planning policy developed Regulatory and legal framework strengthened to coordinate sectoral and territorial policies to resolve land conflicts and promote a balanced land use development Strengthen capacity for dialogue and negotiations of stakeholders, primarily MATUH, CONARAT and their regional units as well as territorial entities Ensure that social and environmental safeguards are taken into account in land use planning	8	UNDP	Approved in February 2017 * Duration: 48 months	5.7	4.5
Integrated program - Tshopo, Ituri and Bas Uele (ex-Orientale)	107819	A reduction of app. 10.8 million tCO2eq, or app. 10% of emissions in the target areas, with focus on hotspots along roads and large urban area Strengthened local governance of land use planning and natural resources management Increases in the yields of staple crops (9000 ha), cash crops, sustainable subsistence agriculture (160,000ha) and agroforestry (6000 ha) Reduced consumption of fuel energy (fuelwood plantations, natural regeneration (45,000 ha) and 5000 cookstoves 150,000 ha of community forestry established	33	UNDP	Approved in February 2017 * Duration: 60 months	26	17.6

⁸ Numbered targets are provided as examples, and not exhaustive as not always defined at onset of projects

⁹ Million US\$, exact amounts are found in Annex I

¹⁰ Approval by FONAREDD Steering Committee marked with *, approval by CAFI Executive Board marked with **

¹¹ M US\$. In the DRC, these figures include the amount transferred by the FONAREDD to projects, whether they have been transferred or not. Amounts transferred from the FONAREDD to projects are available here: http://mptf.undp.org/factsheet/fund/3CD00

¹² In M US\$ unless specified otherwise. As of 31 December 2022.

Project short name	MPTF Code	Objectives ⁸	Approv ed Budget	Impl. Org	Approval date ¹⁰ & duration	Transfe rred ¹¹	Spent 12
Integrated program - Mai Ndombé	103850	Deforestation and forest degradation stabilized in the former Maï-Ndombé District, through a holistic vision centered on land use planning and strengthening local governance resulting in an estimated decrease in emissions of 27.7 million tCo2eq Living conditions and incomes of close to 150 000 people (incl. 75,000 women) improved by 20%, especially those of farmers, while ensuring the sustainable management of resources and land Sustainable rural development promoted by increasing agricultural productivity through improved practices, developing perennial crops (1650ha), agroforestry (5000 ha), subsistence agriculture (11,650ha) 180,000 households (or 360,000 adults) trained on family planning	30	WB	Approved in October 2016 * Duration: 60 months	3013	19.2
Integrated program – Kwilu province	113547	Carbon sequestration and avoided deforestation (223,000 tons of CO2) through promoting agroforestry (5000 ha) Improved livelihoods (improved median revenue of supported farmers by 10%)	414	JICA	Approved in 2018 * Duration: 57 months	3.1	2.3
Integrated program – Equateur province	117600	Support sedentary agriculture in savannahs and fallow lands, using PES and improved crops 3000 ha of wood energy plantation and 7000 ha under natural regeneration 10,000 households (or a total of 80,000 people) adopt improved cookstoves 480,000 ha of community forestry supported Increase contraceptive prevalence in 10% of targeted communities	10	FAO	Approved in June 2019 * Duration: 48 months	8.5	7.1
Integrated project - Mongala province	117080	A two-phase project based on a territorial approach and capacity strengthening, to support sustainable agroforestry systems (banana, fruit trees), non-timber forest products (caterpillar trees) and a territorial development planning	12	ENABEL	Approved in 2019* Duration: 54 months	915	4.8

¹³ 16 M US\$ were approved for transfer to the FONAREDD in December 2020 but pending a number of conditions whose fulfilling need confirmation (See EB decision EB.2020.18), so these 16M are not counted in the transferred amount reported here

¹⁴ This project benefits from another 3.4 M in co-financing from JICA

¹⁵ Including 5 M US\$ approved for transfer to the FONAREDD in December 2020 as per <u>decision EB.2020.18</u>

Project short name	MPTF Code	Objectives ⁸	Approv ed Budget 9	Impl. Org	Approval date ¹⁰ & duration	Transfe rred ¹¹	Spent 12
		Up to 250 hectares of fuelwood plantations through community forestry					
Integrated project – Maniema province	126783	A 15% income increase in targeted rural populations 20,000 ha of sustainable agricultural practices, including agro-forestry and conservation agriculture 7.000 + 13.000 ha APAC 250,000 ha of community concessions 5,000 ha reforested 50,000 hectares of forest reserves managed sustainably	30	GIZ	Approved in August 2020* Duration: 60 months	1216	6
<u>Land tenure</u> <u>reform</u>	105381	Strengthen CONAREF to prepare and implement tenure reform Support communities to elaborate methodological guidance to strengthen cadasters, and capitalize on lessons learned in pilots (conflict resolution and harmonization of secure tenure) to feed into the tenure policy document Tenure policy document and associated legal text elaborated in a participative manner	7	UN- Habitat	Approved in February 2017* Duration: 36 months	7 ¹⁷	7
Support to Indigenous Peoples	103851	Develop national capacity to identify models of sustainable natural resource management by Indigenous peoples Experiment these models to disseminate them more widely	2	WB	Approved in October 2016* Duration: 60 months	2	0.6
Sustainable wood energy	113546A-B	Provide alternatives to unstainable wood energy by developing markets for LPG and improved cookstoves. Access to 87,000 clean energy solutions	15	UNDP and UNCDF	Approved in November 2018 * Duration: 48 months	10.6	6.7

 $^{^{16}}$ Including 10 M US\$ approved for transfer to the FONAREDD in December 2020 as per <u>decision EB.2020.18</u> 17 Including 2 M US\$ approved for transfer to the FONAREDD in December 2020 as per <u>decision EB.2020.18</u>

Project short name	MPTF Code	Objectives ⁸	Approv ed Budget	Impl. Org	Approval date ¹⁰ & duration	Transfe rred ¹¹	Spent 12
Agriculture in savannah and degraded forests	120055	Small and medium agricultural enterprises sustainably manage savannahs and degraded forests - Kwilu and Tshopo provinces, with the establishment of 7000 hectares of agroforestry	15	AFD	Approved in June 2019*; duration: 60 months	8	1.4
Scaling up Family planning	116875 A-B	Reduce the effects of unplanned demographic growth on forests 8 million Couple Year Protection ¹⁸ 193 health centres supported	33	UNOPS and UNFPA	Approved in December 2018* Duration: 39 months	33	30
Sustainable Management of Forest	123066	A strategy is elaborated to strengthen the governance of the sector Transparent and participatory elaboration of a Forest policy Developing the forest/timber artisanal sector with legal practices Communities and territorial entities manage forests sustainably Large forest concessions are managed according to Congolese law Strengthen the capacity of local forest and decentralized administration	1219	AFD	Approved in December 2019* Duration: 48 months	6	0.4
DRC National REDD+ Fund Secretariat	133419	Coordination, technical assistance, transparency and policy dialogue	15.9	UNDP	Approved in 2016 * Duration: Ongoing	6.6	4.8
Support to NDC (not through FONAREDD)			0.5	UNDP		0.5	
National Forest		Monitoring of the changes in forest cover	10	FAO	Approved in October 2016*	10	9.99

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¹⁸ A Couple year Protection (CYP) is the estimated protection provided by contraceptive methods during a one-year period, based upon the volume of all contraceptives sold or distributed free of charge to clients during that period. The CYP is calculated by multiplying the quantity of each method distributed to clients by a conversion factor, to yield an estimate of the duration of contraceptive protection provided per unit of that method. More at https://www.usaid.gov/global-health/health-areas/family-planning/couple-years-protection-cyp ¹⁹ Benefits from another 4 M USD in co-financing from AFD

Project short name	MPTF Code	Objectives ⁸	Approv ed Budget 9	Impl. Org	Approval date ¹⁰ & duration	Transfe rred ¹¹	Spent 12
Monitoring System (NFMS)		Proactive monitoring of major deforestation events Meet UNFCCC criteria to allow access to results-based payments related to reduction in deforestation (including submission of FREL)			Duration: 48 months (Closed)		
Integrated program - Sud Ubangui province		Management capacity strengthened Support agricultural development that respects management plans and promote sustainable and perennial crops (cocoa and coffee) 22 sustainable development plans and 100 simple management plans Strengthen technical capacities of decentralized authorities	7	WB. ENABEL	Approved in February 2017 * Duration: 48 months (closed on 30/06/2022)	4	2.6
Sustainable agriculture policy		Develop and implement an agricultural policy that takes into account forests including the promotion of savanna-based agriculture	2.3	FAO	Approved in 2019*; duration 36 months (closed on 31/12/2022)	2.3	1.5
Sub-total DRC			249.9			162.1	113.2

		GABON (8 funded projects)					
Project short name	MPTF Code	Objectives ²⁰	Approve d Budget 21	Impl. org	Approval date ²² & duration	Transfe rred ²³	Spent 24
Land use planning and forest monitoring	111269	Develop, adopt and implement a National Land Use Plan (PNAT) and a National Observation System for Natural Resources and Forests (SNORF) that will contribute to the reduction of GHG emissions from LULUCF in Gabon	18.4	AFD	Approved in 2018 Duration: 60 months	18.4	6
Expansion of protected areas and optimization of agriculture	122613	400,000 new ha of forests are placed under protected area status and logging concessions reclassified A transboundary park is planned along contested borders The capacity of the Ministry of Agriculture is strengthened: agricultural legal unit, lab for <geographic and="" crop="" engage="" ensure="" food="" for="" in="" increased="" information="" intensified="" land="" optimization="" production="" security<="" systems,="" td="" to="" use=""><td>5</td><td>UNDP</td><td>Approved in 2020 Duration: 36 months</td><td>5</td><td>1.2</td></geographic>	5	UNDP	Approved in 2020 Duration: 36 months	5	1.2
Forest certification	132798	An expected 30 million tons of CO2 emissions reduced per year by 2025 with a target to ensure that 100% of logging concessions are FSC certified. Elite law enforcement team of 30 officers equipped and trained	7	Transfe rred from AFD to TNC in 2021	Approved in 2020, reallocated in 2021** Duration: 48 months	4.4	0
Safeguarding and Expanding Gabon's Protected Area Network	133386	The program aims to conserve and enhance the potential for carbon sequestration in forests by protecting important HCV and HCS forests from encroachment (National Protected Areas) and expanding the network of protected areas by: - Completing the headquarters of the Technical Department located in Cape Santa Clara;	9	UNDP	Approved in 2022 Duration: 12 months	9	0

²⁰ Numbered targets are provided as examples, and not exhaustive as not always defined at onset of projects

²¹ Million US\$, exact amounts are found in Annex I

²² Approval by FONAREDD Steering Committee marked with *, approval by CAFI Executive Board marked with **

²³ M US\$. In the DRC, these figures include the amount transferred by the FONAREDD to projects, whether they have been transferred or not. Amounts transferred from the FONAREDD to projects are available here: http://mptf.undp.org/factsheet/fund/3CD00

²⁴ In M US\$ unless specified otherwise. As of 31 December 2022.

		 Ensuring the monitoring of forests by aerial surveys. Protecting the parks from illegal activities. Supporting cross-border parks 					
Urban Greening	133387 A-B	Providing Education and Access Opportunities of Urban Populations to Forested Gardens and City Parks. To enhance Gabon's carbon absorption potential and improve urban health and well-being, the project specifically aims to contributing to urban reforestation and the development of city parks with native species.	1.82	UNDP UNESC O	Approved in 2022 Duration: 60 months	1.82	0
Reducing Emissions Through Improved Forestry Management	133560	Reduced GHG emissions and increased biomass sequestration from the forest sector through: 1) the development and implementation of a national forest certification and Community Forestry program and the implementation of sustainable management plans for logging concessions. 2) the fight against illegal logging and non-compliance with national forest laws through the creation and deployment of an elite Forest Law Enforcement Unit within the Ministry of Forestry, Sea and Environment	2.9	TNC	Approved in 2022 Duration: 60 months	2.9	0
Forest Ecosystem Research and Monitoring Program (FERM)	133561	To reduce emissions from the forestry sector by setting up: a fully operational National System for the Observation of Natural Resources and Forests (SNORNF) and a standardized monitoring framework and support for research sites and long-term ecological monitoring (LTERM)	2.4	TNC	Approved in 2022 Duration: 60 months	2.4	0
Coordination	133375	Strengthening institutions for coordination and implementation of climate programs and policies	1.4	UNDP	Approved in 2022 Duration: 60 months	1.4	0
Sub-total Gabon			47.9			45.3	7.2

	REPUBLIC OF THE CONGO (5 active projects)						
Project short name	MPTF Code	Objectives ²⁵	Approved Budget ²⁶	Impl. org	Approval date ²⁷ & duration	Transferred 28	Spent 29
Coordination in support to the Prime Minister Office	129481	Support a leadership, coordination and monitoring at high level, intersectoral and inclusive, that increase mobilisation and alignment of interventions and funding (private and public, domestic and international) on the objectives of the LoI. Coordination and monitoring of the objectives and milestones of the LoI, including the respect of its commitments in national policies, climate commitments and planning processes. Mobilize and coordinate funding to implement, monitor and assess projects and initiatives that will help achieve the milestones (inc. additional domestic funding.	1.45	UNDP	Approved in 2021, Funds transferred in November 2021 Duration: 24 months	1.45	0.006
SYNA MRV	129333	Modernize the National system for monitoring, reporting and verification so that it: • Produces data that allow the monitoring of REDD+ in the DRC; • Revises and submits the FREL to the UNFCCC; • Evaluates and strengthens the capacities of the Government to report on emissions from the LULUCF sector; • Publishes data in transparent manner on a web geo-portal.	2	FAO	Approved in 2021, funds transferred in November 2021 Duration: 24 months	1.5	0.1

²⁵ Numbered targets are provided as examples, and not exhaustive as not always defined at onset of projects

²⁶ Million US\$, exact amounts are found in Annex I

²⁷ Approval by FONAREDD Steering Committee marked with *, approval by CAFI Executive Board marked with **

²⁸ M US\$. In the DRC, these figures include the amount transferred by the FONAREDD to projects, whether they have been transferred or not. Amounts transferred from the FONAREDD to projects are available here: http://mptf.undp.org/factsheet/fund/3CD00

²⁹ In M US\$ unless specified otherwise. As of 31 December 2022.

Wood energy plantations - ProRep	130492	 Strengthen the country's potential in sustainable wood energy for the Brazzaville consumption basin. Establish 2700 fast start wood energy plantations with subsistence agriculture. Benefit 500 direct beneficiaries. Reduce emissions by 0.830 tons over 5 years.	7	FAO	Approved in 2021 Duration: 60 months	3	1.7
Sustainable Land Use Planning Program (PUDT)	134411	 Support the Republic of the Congo in the implementation of a town and country planning process and rural land use at the national level, in line with its low-carbon economic diversification policy. Specifically, the activities of this project aim to structure the national approach by supporting the development of the National Land Use Plan (PNAT), a National Land Use and Development Plan (SNAT) 2025 and two pilot local Plans (SDAT) for the Niari and Pool Departments. 	18.4	AFD	Approved in November 2022 Duration: 60 months	10.8	0
Lituka – Improved cookstoves	n/a	PRODOC is approved, but accreditation process is ongoing so the project implementation has not started as of 31/12/22.	1	Initiativ e Dévelo ppeme nt	Approved in 2021	0	0
		Preparatory grant for National investment Framework (closed)	0.7	WB	Closed (2016- 2020)	0.7	0.7
		Grant to prepare GCF proposal (closed)	0.3	FAO	Closed (2019- 2020)	0.3	0.3
Subtotal RoC			29.8			16.7	1

		CAMEROON					
		CAMEROON					
		Preparatory grant for National investment Framework (closed)	0.54 ³⁰	WB & AFD	Closed (2016- 2020)	0.54	0.5 (by WB)
		EQUATORIAL GUINEA					
		Preparatory grant for National investment Framework (closed)	1.087	FAO	Closed (2017- 2020)	1.087	1.087
		CENTRAL AFRICAN REPUBLIC (1 active pr	oject)				
		Preparatory grant for National investment Framework (closed)	1	WB	Closed 2017-2020)	1	1
		Preparatory grant for policy dialogue and feasibility studies	0.7	AFD	Approved in 2020**	0.7	
Sub-total CAR			1.7			1.7	1
		REGIONAL					
Project short name	MPTF Code	Objectives ³¹	Approved Budget ³²	Impl. org	Approval date ³³ & duration	Transferred 34	Spent 35
CPIC Conservation Initiative	131425	To unlock greater volumes of private finance for conservation investments in the Central African region via the Nature+ Accelerator Fund to achieve 30-60,000 ha of deforested and degraded landscapes under restoration, and 10 million ha of terrestrial, marine and coastal habitat with improved management integrating conservation and sustainable use of biodiversity at year 10.	7.5	IUCN	Approved in 2021	3.7	2.1

 $^{^{30}}$ Originally approved as 1 million dollars but the portion of the AFD grant was, in agreement with the Executive Board, not used and refunded to the Trust Fund

³¹ Numbered targets are provided as examples, and not exhaustive as not always defined at onset of projects

³² Million US\$, exact amounts are found in Annex I

³³ Approval by FONAREDD Steering Committee marked with *, approval by CAFI Executive Board marked with **

³⁴ M US\$. In the DRC, these figures include the amount transferred by the FONAREDD to projects, whether or not they have been transferred. Amounts transferred from the FONAREDD to projects are available here: http://mptf.undp.org/factsheet/fund/3CD00 ³⁵ In M US\$ unless specified otherwise. As of 31 December 2022.

				1	1	1	1
Study to assess	123542	Agree on joint, Central-Africa adapted, replicable and	1.2	FAO	Approved	1.2	1
recent trends and		transparent methodology with international and national			in July		
drivers of		partners based on cloud-based computing tools, and train			2020 **		
deforestation and		stakeholders to use it.					
forest degradation		• Produce a land cover map for 2015 that responds to each			Revised		
		country's definition of forests.			duration:		
		• Calculate hectares of degraded and lost forests annually for 2015-2020 across the region.			24 months		
		Estimate frequency of observations of drivers associated with					
		deforestation and degradation separately.					
		• Further analyze trends, historical drivers (2000-2020) and					
		socio-economic factors in pilot sites.					
		Develop tool to support land use planning processes.					
Scaling-up	133946	Scaling-up Commercial investment in Deforestation-Free Central	53	UNCDF	Approved	53	0
investments (with		African Commodity Supply Chains			in October		
UNCDF and				&Gree	2022		
&Green Fund)				n Fund			
					Duration:		
					60 months		
Innovative	131426	Feasibility study on innovative agriculture	0.5	One	Approved	0.5	0.2
agriculture (prep)				Acre	in 2021		
				Fund			
Innovative	131427	Feasibility study on innovative agriculture	0.43	Farm	Approved	0.43	0.39
agriculture (prep)	151427	reasibility study on milovative agriculture	0.45	Africa	in 2021	0.43	0.59
agriculture (prep)				AITICa	111 2021		
Sub -total regional			62.6			58.8	0.6
Sub total – projects			358.2				
CAFI SECRETARIAT							
		CAFI Secretariat	48.6	UNDP	2015&	32.6	12.2
					2021 **		
		·	-	-		-	

Table : CAFI portfolio with project objectives, as of 31 December 2022

Co-financing and collaboration with other donors

CAFI has leveraged co-financing from several sources, demonstrating other donors' confidence in CAFI's model and projects. The table below presents confirmed sources of co-financing, both to projects currently under implementation and projects in the pipeline to be implemented.

Source and amount of co-financing	Project benefiting from a co- financing	Status		
JICA: 3.3M US\$	PIREDD Kwilu in the DRC	Project under implementation		
AFD: 5M US\$	Sustainable forest management project in the DRC	Project under implementation		
GIZ: 18M US\$	PIREDD Maniema in the DRC	Project under implementation		
Sweden: 4M US\$	PIREDD Equateur in the DRC	Project under implementation		
AFD 7 M US\$	Land Use planning governance project in Republic of Congo	Project approved in 2022, funds transferred in 2022		
European Union: 15M EUR (16.3 M US\$ ³⁶). AFD: 8M EUR (8.69M US\$).	Land use planning Investments in Republic of Congo (KOPEKOBA)	Project approved in 2022, funds transfer expected in 2023		

Various partners' confidence in CAFI's approach is also reflected in their adoption of or commitment to CAFI's objectives and milestones. For example, the World Bank included CAFI LoI milestones in their budget support triggers for their cooperation with the DRC government.

 $^{^{36}}$ At the exchange rate of 1 EUR = 1,08712 USD

2.3 Investments per country

With 246 M US\$ transferred to the DRC National REDD Fund (FONAREDD) (and 200 M USD passed on by the FONAREDD to 18 projects), as well as a small grant to UNDP that did not go through the FONAREDD, the DR Congo remains the main recipient of CAFI's investments (61% by 31 December 2022, compared to 80% in 2021), followed by regional projects at 14.5% with 58.8 million and Gabon at 11.2% with 45.6 million.

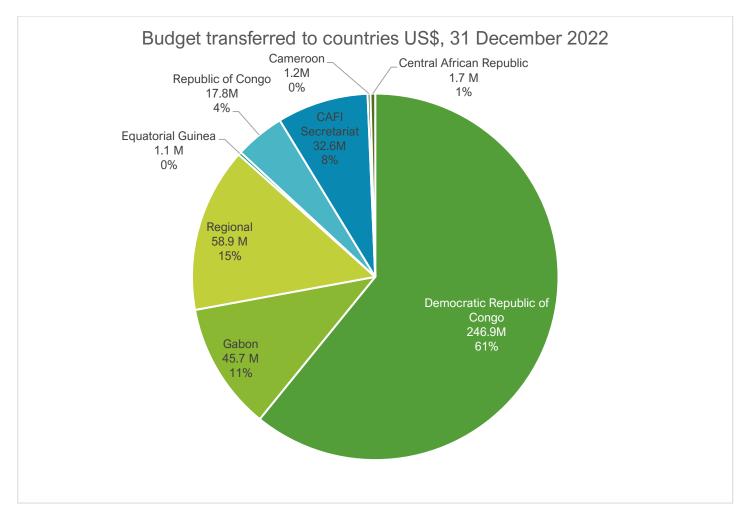


Figure 5: funding transferred to countries, in US \$ by 31 December 2022

The effective transfer to projects of the payment of the 1st tranche of results-based payment to Gabon and the transfers to regional projects **drastically modified the distribution compared to 2021**. Indeed, when zooming on 2022 alone (see <u>this Annex</u>), over half of (51%) transferred funds in 2022 were directed to projects of regional scope (namely the UNDCF-&Green Fund), while DRC, Republic of the Congo, Gabon and the CAFI Secretariat received similar shares of the remaining transfers.

In terms of cumulative expenditure per country, shown in Figure 6 below:

- With the largest portfolio, the DRC totals a 55.9% rate of expenditure/transfers.
- Projects in the Republic of the Congo showcases a cumulative 22.3% expenditure rate.
- Gabon projects have a 21% expenditure rate.

Regional projects have an overall 7% expenditure rate.

Low figures for the latter three are explained by the **earlier stage at which these projects stand**, with funds transferred in 2022. More details, project by project, are provided in Figure 9 below.

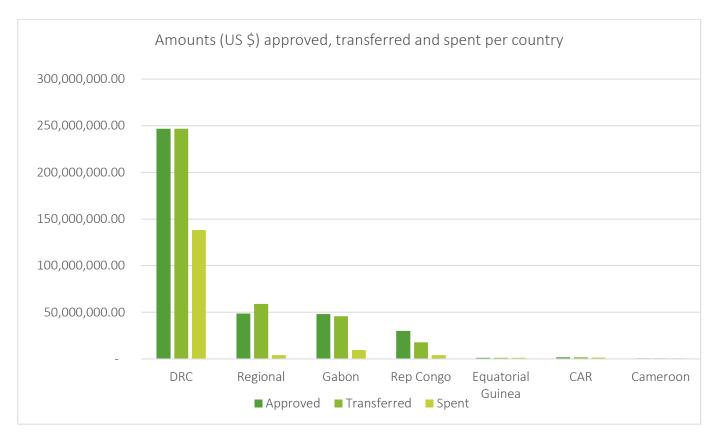


Figure 6: Approval, Transfers to Countries and Expenditure per Country - Cumulative as of December 31, 2022 (US \$)

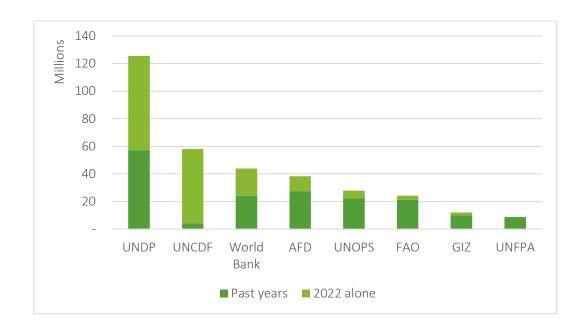
2.4 Funding and delivery per implementing organization

Funding

CAFI funds are now channeled to national or regional projects via sixteen implementing organizations, five more than in 2021. While multilateral and bilateral cooperation agencies have been acting as implementing agencies since 2015, international non-governmental organizations have, since 2021, access to the CAFI Fund.

In terms of accreditation, the International Union for the Conservation of Nature (IUCN), One Acre Fund and Farm Africa were granted access to the CAFI Fund at the end of 2021, and UNESCO and The Nature Conservancy in 2022.

In 2022 alone, CAFI funding (including via the FONAREDD) was transferred to projects via 12 implementing organizations, including, for the first time, to the 5 in the paragraph above. See this Annex for more details and Figure 7 below.



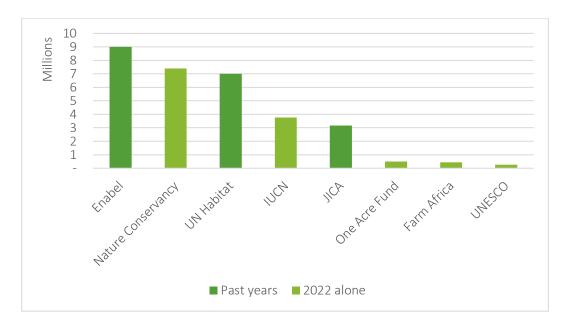


Figure 7: Amounts of net transferred amount per agency (in US\$), cumulative (2015-2021), for projects above 10 M US\$ (top) and below (bottom)

With over 125 M US\$ received cumulatively and 68 M US\$ in 2022 alone³⁷, **UNDP projects remain the largest recipient of CAFI funding**. It is followed by UNCDF, thanks in large part to the 53 M US \$ transferred in 2022 as part of the partnership with the &Green Fund.

³⁷ This figure does not comprise the CAFI Secretariat. By adding it, the total cumulative funding (2015 to 2022) to UNDP is of 158,421,778 US\$. See this annex for all details.

While funding transfers are spread across the different types of implementing organizations, UN and bilateral cooperation agencies receive the most funding (figure 7, top). After UNDP, UNCDF is the largest recipient out of the UN organizations implementing CAFI-funded projects, AFD is the largest recipient among bilateral cooperation agencies, and the Nature Conservancy tops transfers to the non-governmental organizations as it implements major projects in Gabon.

Overview of delivery

Delivery rates per implementing organization (i.e. amounts spent by the implementing organization vs amounts transferred), including CAFI direct transfers and the FONAREDD, are presented in this Annex and Figure 8 below.

While they show large variations, it is important to note that these delivery rates are cumulative and are therefore associated with projects at different stages of time and maturity, as explained further in Figures 9 and 10 below.



Figure 8: cumulative delivery rate per implementing organization

Several benchmarks are considered when flagging concerns in projects - based here on financial figures, not on results:

Benchmark 1: Time between fund transfer and effective launch (inception period). The fund transfer date means the date of transfer of funds to the implementing organization. These are available on the MPTF Gateway for the CAFI and FONAREDD funds. Effective launch is the date when the project effectively starts its operation, i.e. usually when its first steering committee is held.

The median of this time lapse is 90 days for all projects, and 120 days when excluding preparatory grants.

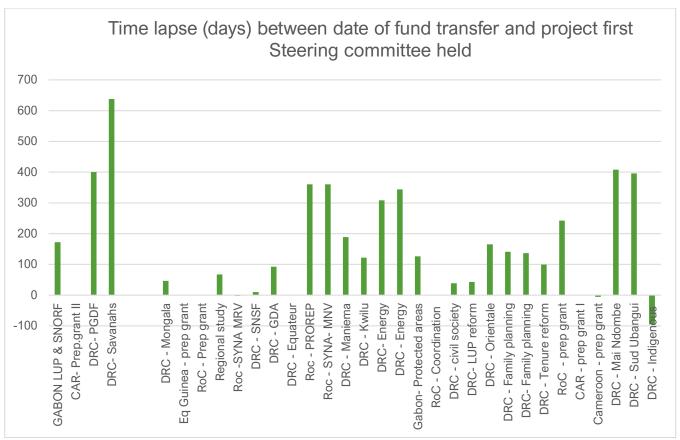


Figure 9: Number of days between fund transfer and effective project launch as of 31 December 2021.

With this time lapse benchmark, the two new FAO-implemented projects in the Republic of Congo projects are flagged as they exceed the median of all projects. The DRC AFD projects were flagged from previous years, with long inception phases.

Benchmark 2: Cumulative spending compared to the time maturity of the project since effective launch. Time maturity is the percentage of time consumed by the project compared to its expected duration.

A "50%-50%" benchmark is based on the assumption that a project that has spent 50% of its expected time duration since effective launch should have spent around 50% of its funds. Based on this benchmark, Figure 10 below provides a visual check of the time maturity and financial expenditure. According to this benchmark, projects are flagged when their time maturity (counted at the time of transfer) exceeds 50% <u>and</u> is largely below their financial delivery rate.

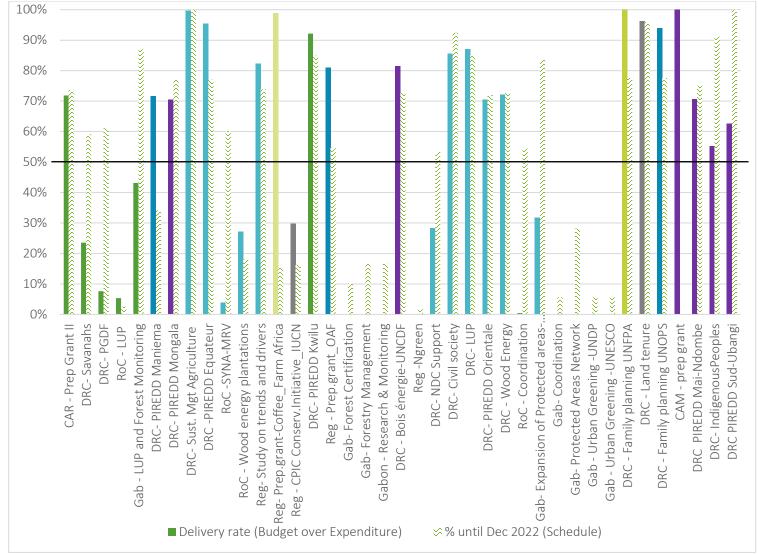


Figure 10: Delivery rate and time maturity across project. Color changes indicate a different implementing organization, with, from left to right: AFD (green), GIZ (blue), Enabel (purple), FAO (turquoise), Farm Africa (pale green), IUCN (grey), JICA (blue), One Acre Fund, TNC, UNCDF(purple), UNDP (turquoise), UNESCO (green), UNFPA, UNOPS, and World Bank (purple).

According to this benchmark, **five projects are flagged** when their time maturity (counted at the time of transfer) exceeds 50% **and** is largely below their financial delivery rate. This is the case of:

- 1. The AFD DRC projects on Sustainable Management of Forests and on Investments in Savannahs and Degraded Forests, towards which funds were transferred in February 2020 but that only started its activities in 2022 due to long AFD procedures. It is expected that activities pick up in 2023.
- 2. The AFD Gabon Land Use Planning and Forest Monitoring project. To note, this project received a second tranche of funding in 2022, and the delivery rate of the 1st tranche improved in 2022 over previous reporting periods.
- 3. The FAO-led project in the Republic of Congo on the national MRV system, that did not hold a steering committee meeting in 2022 due to issues on implementation modalities
- 4. The UNDP-implemented project in Gabon on Expansion of Protected Areas and Agriculture.
- 5. The World Bank DRC project to support Indigenous peoples, due to a financial management system that allows the World Bank to cover activities from its own fund and be paid back by the FONAREDD.

Details for these projects are found in the project factsheets.

To better understand and address these delays, several steps were taken, including raising the issues through CAFI Secretariat participation in project steering committee (Gabon) and a dedicated discussion with implementing organizations at the 21st Executive Board meeting in Geneva. In DRC, as part of the legal framework, delivery challenges need to be undertaken through the Technical Committee of the FONAREDD, to review the matters and issue resolutions and follow them up.

2.5 Investments per outcome

CAFI-funded projects contribute differently to the 7 Outcomes defined in CAFI's Theory of Change, as seen in Figure 11 below. As seen below, **forest management**, **conservation and monitoring are addressed by 20 CAFI-funded projects** while governance is addressed by 15 projects and agriculture by 12 projects. This does not mean, however, that these projects are solely dedicated to these outcomes.

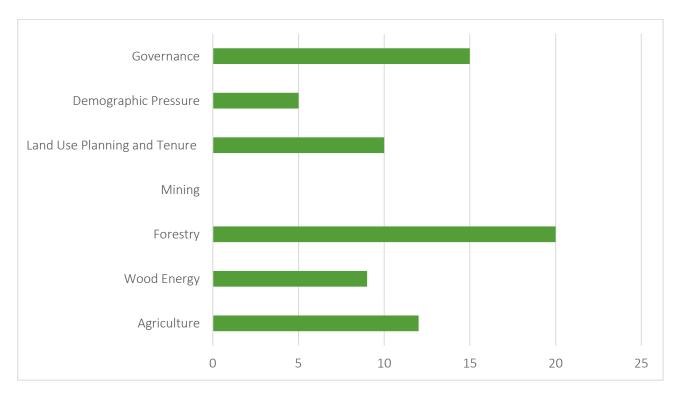


Figure 11: Number of CAFI-funded projects by Outcome.

In 2022, CAFI invested in all Outcomes of its Theory of Change, with the exception of mining and infrastructure. This exception continues to be attributed to the due to the slow programming (in the DRC and Republic of the Congo) focused on this Outcome.

Figures 12 and 13 showcase funding transfers (in US \$) from the CAFI or FONAREDD funds to projects, across the Outcomes of its Theory of Change, annually and cumulatively. They are calculated based on the budgeting undertaken in project documents and the transfers from the fund (CAFI or FONAREDD) to projects.

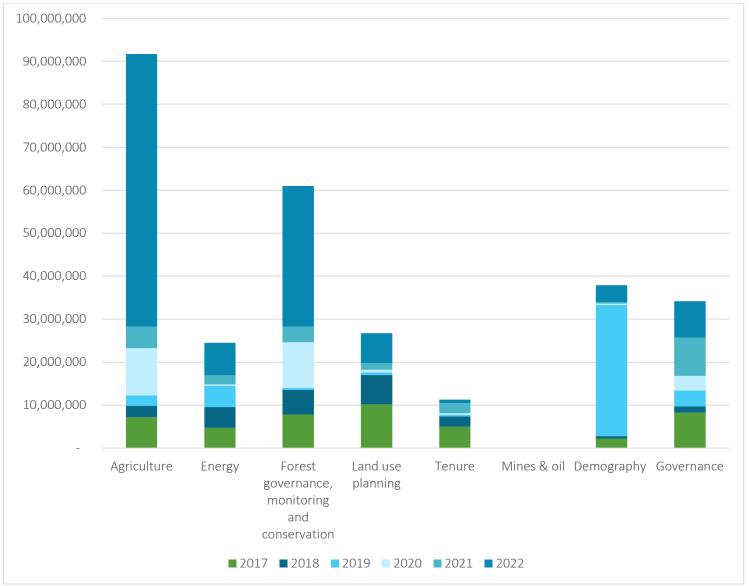


Figure 12: 2017 -2022: Evolution of CAFI's investments (in US \$) per CAFI Outcome.

It should be noted that several projects address more than one Outcome, such as the integrated provincial projects in the DRC or the Urban Greening project in Gabon (forestry and governance). The graphs include FONAREDD Secretariat costs but do not include CAFI Secretariat cost.

Figures 11 and 12, that are available for each country in country sections below, show that:

- Agricultural investments that reduce pressure on forest lands remain CAFI's top-funded outcome (from 45.5 M US\$ in 2021 to 92.7 M US\$ in 2022). While funding to agriculture goes to 11 projects, including 9 in the DRC, the increase is due in large part to CAFI's new investment of 53 M US\$ in the regional &Green Fund in 2022. With this, agriculture now represents 31.2% of funding transferred (compared to 25% in 2021).
- Second in terms of funding: investments towards better Forest Management, Forest Governance, Forest
 Monitoring and Conservation have seen a large increase in 2022 and now represent 60.9 M US\$ (or 21.3% of all
 of CAFI's transfers). The large increase in 2022 is primarily due to transfers to the five new projects in Gabon
 funded through the results-based payment agreement with CAFI.

- Investments to reduce demographic pressure on forests, all concentrated in the DRC, now represent 37.9 M US\$. Despite a small increase in 2022 due to a transfer to the Family Planning project in the DRC in support of the national Family Planning strategy, this outcome shows a relative decrease from 17.8% in 2021 to 13% of CAFI's transfers in 2022.
- Investments in Governance and Coordination at local, provincial and national scale have reached 34 M US\$ and represent 11.9% of CAFI's investment transfers. They include governance structures at different levels in provincial projects in the DRC, the Secretariat of the National REDD¹ Fund and support to the Prime Minister in Republic of Congo,
- The Land Use Planning Outcome received an additional 6.9 M US\$ in 2022, leading to a total of 26.7 M US\$ and a share of 9.3% of CAFI's investment transfers.
- The Energy Outcome benefited from an additional 7.5 M US\$ in 2022, bringing it to a total of 24.5 M USD since 2016. It represents 8.6% of CAFI's investment transfers.
- Land Tenure now totals 11,2 M US\$, just below 4% of CAFI's investments transfers.

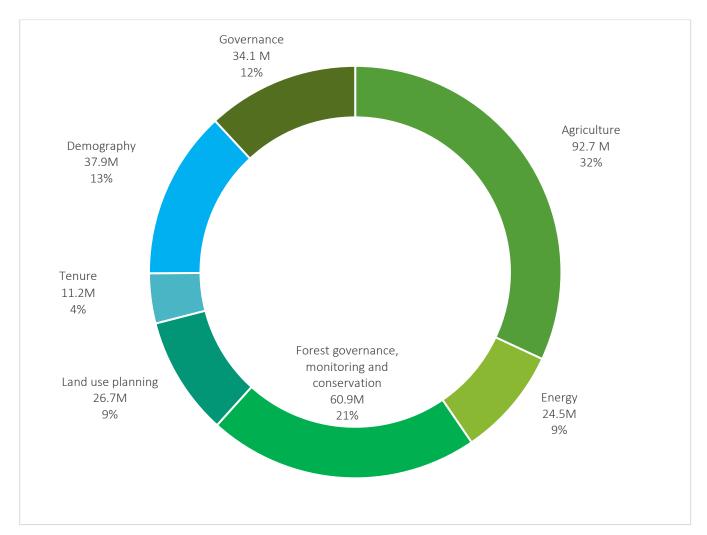


Figure 13: Cumulative transfers per Outcome of the CAFI Theory of Change since 2017, in US\$.

3. Results

3.1. The CAFI Initiative: catalysing political mobilisation

CAFI is not solely a Trust Fund but also an Initiative that seeks to mobilize and catalyze political commitments at the highest level of Government in Central African countries.

In the DRC, while 2021 was marked by the endorsement of the second DRC-CAFI Letter of Intent by DRC President Tshisekedi, which demonstrates the solid commitments agreed to by all sectors of the DRC's economy and the Minister of Finance, 2022 saw a continuous mobilisation of Ministries and Embassies to monitor progress against these commitments. In September 2022, Heads of Office and Heads of Administration of all line ministries were convened by the Offices of the Ministers in charge of Finance and Environment to a high-level workshop to take stock of progress made on the milestones and present sectoral roadmaps to accelerate efforts towards the achievement of the political commitments. High-level and ongoing mobilization continues, as well as enhanced country ownership, leading to substantial progress by the end of 2022 towards the achievement of political milestones: 19 milestones out of 23 from the 20121-2030 DRC Letter of Intent were rated as being met or in good progress. These efforts were supported by enhanced coordination of technical and financial partners in their policy dialogue with the authorities, all of which culminated in results such as the alignment of triggers of the 2022 World Bank budget support to DRC on the milestones of the Letter of Intent, including i) the cancellation of illegal contracts in the forestry sector, ii) the adoption of the revised Decree for the establishment of the National Consultative Forestry Council, iii) the adoption of the Sustainable Agricultural Policy. CAFI donor members and the Secretariat were also very active in aligning the policy dialogue led by the Inter-donor Group on Environment and Climate (GIBEC) with the Authorities on monitoring of key milestones of the Letter of Intent – especially in dialogue with the Minister of Environment and Sustainable Development (two meetings held on 2022) and also with the initiation of a dialogue with the Head of Office of the Head of State (one meeting).

In May 2022, the Minister of Finance together with the Deputy Prime Minister of Environment and Sustainable Development convened the authorities (Heads of Office of the Head of State and of PM, sectoral ministers) as well as Ambassadors from CAFI donor countries and the UN Resident Coordinator in an event to launch the Calls for Expression of Interest for the 500 M USD portfolio and to approve the renewed institutional framework for the CAFI-DRC partnership. In October 2022, on the sidelines of the pre-COP27 organized by the DRC Government, the Minister of Finance convened Heads of Delegations from Congo Basin countries, as well as from CAFI donor countries, to exchange on the mobilization of climate finance for the region.

In the Republic of the Congo, the Letter of Intent was signed in 2019 by President D. Sassou-Nguesso, and its implementation is piloted by the Prime Minister. This is now supported by a dedicated project for cross-sectoral coordination and arbitration. An Inter-ministerial Committee convenes 13 line-ministers for a biannual policy dialogue with CAFI, and a Steering Committee includes representatives of the private sector and civil society.

In Gabon, the National Climate Council coordinate climate action. Policy dialogue with CAFI concentrates on the milestones of the Letter of Intent and culminates in the annual review that has both a technical and political segment. In 2022, the annual review was organized at the margin of the CBFP meeting of the parties in Libreville in July, with attendance from key ministries (Environment, Economy and Agriculture) as well national agencies (ANPN, ADAG, AGEOS) and international implementing organizations (AFD, UNDP, TNC, UNESCO). The independent verification of the milestones was finalized, and recommendations were adopted to reach remaining milestones.

In Cameroon, following the 19th meeting of the Executive Board in October 2021, during which the CAFI Board asked the Minister of Economy, Planning and Land Use planning (MINEPAT) to confirm interest in leading the partnership with

CAFI and supporting the coordination of line ministries to better integrate climate concerns in the development planning processes and implementation of the SND30, the Head of State's Office confirmed appointing MINEPAT as the official national focal point and counterpart with CAFI in 2022. This enabled MINEPAT to confirm the interest from Government and actively mobilize teams within the Ministry to enter a partnership with CAFI in a phased approach and fix the main programming priorities to be funded. Based on this, the CAFI executive Board approved the launch of a programming phase for 60 M US\$ during its 22nd meeting in December 2022.

With the lifting of travel restrictions, high-level mobilization resumed and accelerated in 2022. CAFI's participation in wide-reaching global events, detailed in section 7 through public meetings and ministerial exchanges, also contributed to maintaining the mobilization of partner and donor countries.

3.2 The CAFI Fund: contributing to climate change mitigation and poverty reduction

CAFI's theory of change defines two impacts that CAFI seeks to <u>contribute to</u>: 1) emission reductions and removals from the forest and land use sector, measure in tons of CO2 equivalent and 2) development co-benefits, measured through various proxies.

A. Contribution to the CO2 impact

In the DRC, figures compiled from projects³⁸ show targets of emission reductions of 75 million tons of CO2eq and an increase from 10 to 20% in household revenues. These numbers however are conservative, as they only take into account the figures estimated by some provincial projects in the DRC (est. 45 Mt of emission reduction, or ER³⁹), the Gabon Forest certification project (an estimated 30 Mt of emission reduction per year starting in 2025) and the Republic of Congo Wood-energy plantations project (est. 0.8 M tons).

More robust methodology to estimate the contribution of CAFI's projects to reduced emissions (or their proxy, reduced areas of deforestation) are being developed, and will be presented in 2023.

In the DRC, emissions calculated by FAO in 2022 (see Figure 14) using the data from the CAFI-FAO regional study show that emissions from deforestation (alone) in the DRC are estimated to be 44,210,746.22 \pm 6,196,609 tCO₂e⁴⁰ in 2020. Again, this possible decrease when compared to 2016 levels cannot be attributed to CAFI's interventions.

CAFI 2022 Annual report

³⁸ Not all projects have quantitatively estimated their ER impacts – see footnote for DRC below.

³⁹ This is a conservative estimate based on the targets provided by the PIREDD Mai Ndombe and Orientale and the Savannah and Energy projects. The absence of published reference levels for each province makes it impossible to estimate the emission reduction targets (of 10%) as absolute figures.

 $^{^{}m 40}$ These are different from what the DRC reported in its Biannual Update Report Annex to the UNFCCC

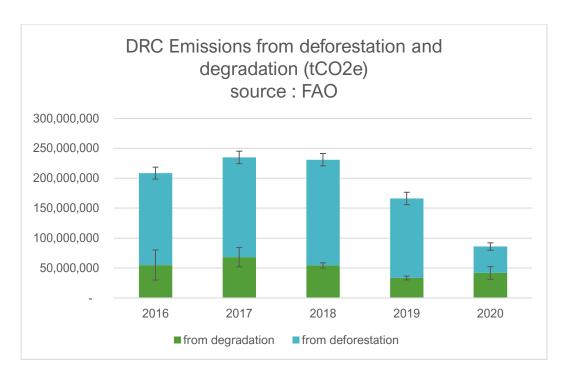


Figure 14: DRC annual emissions from deforestation and degradation, 2015-2020

These results are presented below at provincial level, with provinces benefiting from a CAFI-funded project marked with an arrow.

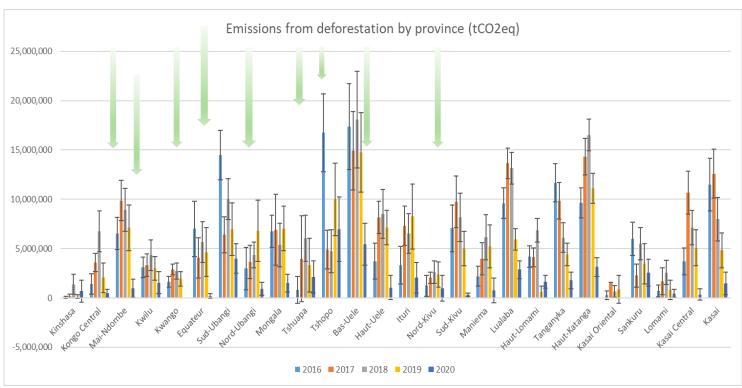


Figure 15: annual emissions from deforestation by DRC province (in tCO2), 2015-2020

The following can be inferred from Figure 15:

- There is no increase in emissions in provinces with a PIREDD.
- There could be a decrease in emissions, but confidence intervals (error bars) are high.
- It is not possible to infer from this figure that decrease in deforestation correlates with CAFI's support in these provinces, since other (non-CAFI-supported) provinces show similar profiles.
- The 2nd phase of the regional study will provide in October 2023 figures of areas of deforestation and degradation with better confidence intervals and additional data for 2021 and 2022.

These results, however, cannot all be attributed to CAFI.

Few (or no) territorial projects have set up a system to estimate or report against areas of avoided deforestation that can be attributed to their activities and outputs, let alone the associated emission reduction. Sectorial reform projects do not report quantitatively against the emission reduction outcome because their contribution to climate change mitigation and reduced deforestation, although it is an expected element of the sectoral reforms, is too indirect.

In Gabon, emissions have been calculated for 2016 and 2017, and served as a baseline against which to measure project performances against their emission reduction targets. These reductions were rewarded by CAFI in 2021 with a payment of 17 M US\$ under the 2019 results-based payment agreement with CAFI worth 150 M US\$.

In the Republic of the Congo, emission data is not available but areas of deforestation and degradation, extracted from the regional study led by FAO and validated by the Ministry, are presented below. ²⁶ Additional analyses, expected in October 2023, will add two additional years (2021 and 2022) to obtain a better understanding of the trend.

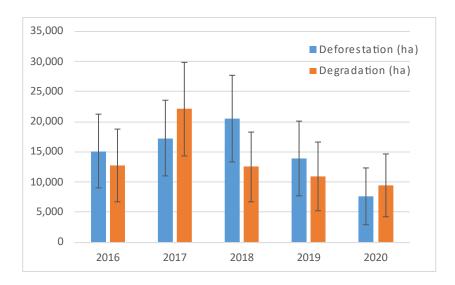


Figure 16: estimated deforestation and degradation annual hectares in Republic of the Congo. Note that this preliminary data is extracted from the regional study and may be improved with additional validation data in the 2nd phase of the project.

B. Contribution to the development impact

Number of beneficiaries with improved livelihoods

Based on reports from CAFI-funded projects on the number of beneficiaries and further analysis by the CAFI Secretariat, estimates of direct and indirect beneficiaries are provided below.

It is estimated that CAFI-funded projects have reached, so far, 66,571 people, the vast majority in rural areas, estimated as direct beneficiaries⁴¹ in 9 provinces, with an additional 635,000 women of childbearing age benefiting from a chosen long-term family planning solution and counselling⁴². Indirect beneficiaries are conservatively estimated at between 3 and 6.5 million people.

CAFI uses a restrictive definition of "direct beneficiaries" and only count individuals who receive targeted support of high intensity, who can be identified and counted by the project <u>and</u> who know they are receiving support as direct beneficiaries. However, caution should be exercised when considering these figures, as interpretation by reporting projects of what represents a direct or indirect beneficiaries was not homogenous, despite the guidance that CAFI and the FONAREDD provided. Additional guidance and exchanges with implementing organizations, which was not performed ahead of the submission of this report, will be organized in 2023.

Project	Direct beneficiaries	Indirect beneficiaries	Definitions used and comments
PIREDD Orientale (DRC)	18,286	710,000	18,286 direct beneficiaries ⁴³ . As reported by the project, among the beneficiaries of food and perennial crops, 67% of the people supported respect the prescribed areas, agroforestry and cropping without burning/slashing and in alleys.

⁴¹ Definitions are reported in this Annex.

⁴²

⁴³ High intensity support provisionally comprises farmers of members of local communities who have received direct support

PIREDD Mai Ndombe (DRC)	21,286	238,000	21,286 individuals (including 3,256 women and 506 Indigenous people) evaluated as direct beneficiaries (members of local development committees that receive direct support and payment for ecosystem services)
			5,785 households (or an estimated 40,495 people) benefiting from awareness on family planning services (low intensity)
PIREDD Mongala (DRC)	4,329	50,000	4,329 including 1,167 women direct beneficiaries (high intensity), and around 50,000 trained in various capacities (low intensity)
PIREDD Maniema (DRC)	7,264	720,000	7,264 direct beneficiaries of rural support (high intensity) and large awareness campaigns that have reached an estimated 720,000 people.
PIREDD Kwilu (DRC)	3,036	214,800	3,036 individuals are considered direct beneficiaries. The project used a conversion factor of 8 to calculate the number of individuals. To be more conservative, we used a factor of 2 here.
PIREDD Equateur (DRC)	4,200	55,000	4,200 direct beneficiaries including 646 farmers and planters, 46 agronomists trained to support communities, 167 coal producers, 15 nursery owners and 60 manufacturers of improved stoves
Energy programme (DRC)	9,613	95,107	1867 partial and fulltime jobs created of which 61% are youth, 41% women amongst which 21.8% hold director level position. 7,746 with enhanced access to finance 95,107 ⁴⁴ individuals have been estimated ⁴⁵ to have access to cleaner cooking energy, which is considered here indirect support
Savannahs and degraded forests (DRC)	-	-	Target of 1900 direct beneficiaries and 1370 indirect beneficiaries, but none achieved yet
Sub-total (estimate) excluding family planning	Est. 66,571 direct beneficiaries	Est. 3 million indirect beneficiaries	
Family Planning (DRC)	634,763 women of child bearing age now using modern long-	3,400,000 ⁴⁷ (client visits)	Direct beneficiaries of the project are women of childbearing age living in the communities of the target provinces using modern long lasting contraceptive methods. Others (client visits) receive targeted support through the counseling received and the choice of contraceptive methods. We

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 $^{^{44}}$ 3500 in PIREDD Equateur and 91 607 from Energy project

⁴⁵ Figures can be estimated by the number of clean cooking solutions sold (improved cookstoves, Liquid Gas Petroleum) sold.

⁴⁶ People who buy cookstoves cannot be identified nor do they know they are receiving support by buying cookstoves, hence they do not meet the CAFI definition of direct beneficiary.

⁴⁷ The figures reported by the project use the indicator "number of client visits" as an approximation of the number of direct beneficiaries of PROMIS project interventions. This indicator is calculated based on the number of methods provided, e.g. one DMPA injection = one "client visit", one pill cycle = one "client visit") before conversion to APC. Condom customers are excluded from this calculation as the same customer may have received multiple units at the same time.

	acting methods.	Community population= 18.9 M ⁴⁸	have not categorized them as high intensity support, but these could be argued. Health personnel and administrators of national and provincial offices of the Ministry of Health directly trained by PROMIS project partners also receive high-intensity direct targeted support.
			Indirect beneficiaries include partners and children of clients reached by PROMIS service delivery activities, who receive untargeted medium-intensity support. Communities in the target health zones receive medium-intensity targeted support through information and mass communication activities on family planning.
			Communities living in PROMIS target areas receive low-intensity indirect support through improved women's health and medium-term benefits for family well-being, children's health and education, economic development of communities.
Land use planning and monitoring (Gabon)	Not reported	Not reported	

To note, an average household in rural DRC comprises 6 children, who may be considered indirect beneficiaries.

Beneficiaries of reform projects cannot be inferred as precisely (at one extreme, one could estimate that the whole population of a country would benefit from a land-use planning project or forest monitoring project), except for counting individuals in various institutions whose capacity has been strengthened through trainings, equipment, etc.

Beneficiaries per outcome

An estimate of the beneficiaries per outcome is presented below.

	Estimated number of direct beneficiaries (cumulative since 2016)	Estimated number of indirect beneficiaries ⁴⁹	
Agriculture	33,048	Est. 3 million	
Energy ⁵⁰	7,746 with enhanced access to finance 1,867 jobs created	95,107 households with cleaner cooking solutions Est 2.4 million	
Forests	4,746	Est. 300,000	
Mining and Hydrocarbons	No support to date		
Land-use planning	13,435	Est. 1.6 million	

⁴⁸ Based on estimates, and considering the project's coverage of 152 health zones, the project estimated the number of indirect beneficiaries in this category at: 18.9 million people (152 x 124,387 = 18,906,774).

⁴⁹ Indirect beneficiaries should not be totaled to avoid double counting. For example, people benefiting from land use planning are likely to be the same as those benefiting from support on agriculture.

⁵⁰ This figure is likely underestimated, as it excludes support from PIREDD to avoid double counting,

Land tenure	137	Est.45,000
Demography	5,934 reported by PIREDDs 12,387 service providers trained by PROMIS-PF ⁵¹ 634,000 women of child bearing age using a chosen long lasting contraceptive method = 652, 797 direct beneficiaries	Est 3.4 million of client visit Based on estimates, and considering the project's coverage of 152 health zones, the project estimated the number of indirect beneficiaries in this category at: 18.9 million people (152 x 124,387 = 18,906,774).
Governance	3,881	Est. 168,000

Because the definition requested by CAFI in the project annual report template "How to define direct and indirect beneficiaries" (see this <u>Annex</u>) was not systematically understood or adhered to, <u>numbers in the above are, again, indicative estimates.</u>

Improved revenues

Beyond the number of beneficiaries, their increase in income (or decrease in spending, for example due to more efficient cookstoves or cheaper energy sources) has been estimated by some more mature projects.

For example, the PIREDD Orientale has estimated that yields for rural households supported with improved subsistence agriculture have multiplied and prices remaining constant: a rice field of 0,57 hectares⁵² supplied a revenue of 1,539,000 CAF francs in 2021 vs. 800,280 francs in 2019; and a corn field supplied a revenue of 264,000 francs vs. 144,000 francs in 2019. These represent a two-fold increase in revenues from two subsistence crops for 2,185 beneficiaries (295 women, 1,337 men, 528 young people and 26 indigenous people).

These numbers, however, are not yet systematically reported for each type of productive activity or by each project.

C. Results per outcome of the CAFI Theory of Change

The Terms of Reference of the CAFI Trust Fund identify seven outcomes that contribute to the achievement of the two impacts based on the assessment of the drivers of deforestation and forest degradation.

These 7 outcomes are:

- Sustainable agricultural practices lead to less land conversion and increased food security.
- Sustainable alternatives to current wood energy practices are adopted.
- Forestry sector and protected areas institutions and stakeholders have the capacity and the legal framework to promote, monitor and enforce sustainable management of forests.
- Future infrastructure and mining projects minimize their overall footprint on forests.
- Land use planning decisions ensure a balanced representation of sectoral interests and keep forests standing, and better tenure security does not incentivize forest loss by individuals, communities or companies.
- Population growth and migration to forests and forest fronts are slowed down.

⁵¹ We estimate that such training has an impact on the trainees's own awareness and access to CYP

⁵² Estimated from the compilation of data and information of the first 2020 planting cycle.

Better inter-ministerial coordination and governance resulting in a permitting, enforcement and fiscal regime of economic activities that do not push economic actors to forest conversion and illegal activities; and a business climate favourable to forest-friendly investments.

Further details on the indicators and outputs associated with each of the 7 outcomes are available in the CAFI Results

Results are summarised below, by outcome and for each country. Details on results per outcome and output indicators are available in the Annex: Reporting against the M&E framework.

C.1 Sustainable agricultural practices lead to less land conversion and increased food security

Background

Data extracted from Resource Watch by FAO⁵³ below allows, for the first time, to establish areas of cropland gains and losses over forests and non-forests. This could be a starting point to establish a baseline (2016-2019)⁵⁴ for CAFI's interventions and can be compiled by province.

⁵³ Available here:

https://public.tableau.com/app/profile/aur.lie.shapiro/viz/Forest Croplands Change/CroplandextentDRCprovince?publish=yes ⁵⁴ Baseline years cannot currently be changed as they depend on data availability from ResourcesWatch



Figure 17: Data extracted by FAO from ResourcesWatch

Data extracted from the CAFI-FAO Regional Trends and Drivers⁵⁵ study shows that, between 2015 and 2020, small-scale agriculture has remained the largest driver of disturbances, associated with approximately 92% of observations of deforestation and 74% of observations of degradation, while industrial agriculture is associated with 6% of deforestation observations and 5% of degradation events.

 $^{^{55}\} Explore\ the\ data\ at\ https://storymaps.arcgis.com/stories/08c4d90f9caf4d6ab9e5bbdb21f222fa$

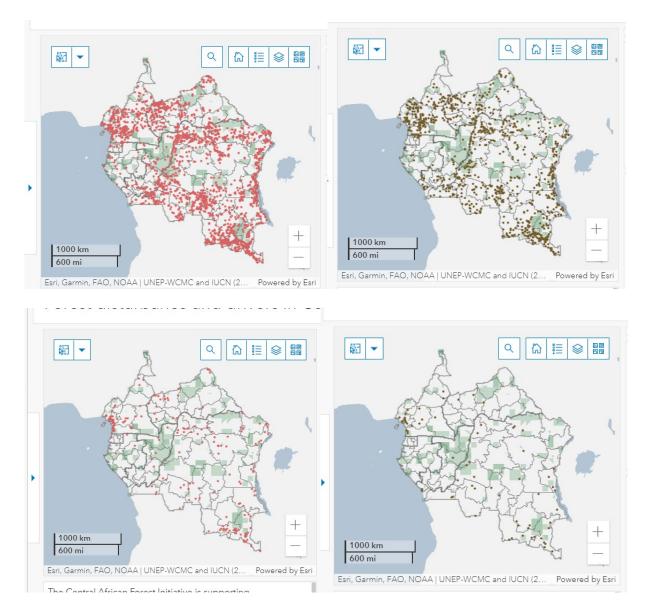


Figure 18: Top row: observations of small-scale agriculture associated with deforestation (left) and degradation (right) between 2015 and 2020. Bottom row: observations of industrial agriculture associated with deforestation (right) and degradation (left). Data extracted from CAFI validation data (arcgis.com)

The study also shows that small scale agriculture associated with deforestation and degradation is predominantly observed in corridor forests ⁵⁶ (57%) and outer edge forests (20%), as per Figure 19.

⁵⁶ For the purposes of the study, these are long and narrow (less than 540 meters-wide) areas of forest that link together areas of intact forests.

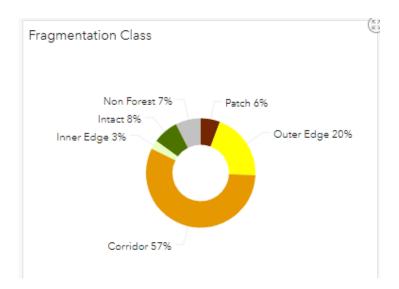


Figure 19: Occurrence of observations of small-scale agriculture by forest fragmentation type. Data extracted from CAFI validation data (arcgis.com)

Support Overview

	Number of projects approved/funded/active contributing to this outcome by end 2022	Disbursed to implementing organizations by end 2022
DRC	11/9/9	US\$ 36.7 M
Gabon	1/1/1	US \$ 2 M
Republic of Congo		0
Regional	3/3/3	US \$53 M
Total	15/15/9	US 92.7 M ⁵⁷

DRC results

CAFI investments under the first Letter of Intent (2016-2020) funded two sectoral projects dedicated to agriculture that aim at i) accompanying the normative and regulatory environment towards sustainable, low deforestation agricultural practices and ii) encouraging activities of small and medium commercial private actors in savannahs & degraded forests. In addition, support to agriculture is currently provided by seven projects operating in nine provinces. These projects have to date resulted in:

 At the policy level, the first draft of the National Sustainable agriculture Policy (SAP), that takes into account land-use planning, forest and peatland protection and the development of sustainable commercial agriculture outside forests and towards savannahs areas, has been finalized, validated at the national level, submitted to

⁵⁷ The incomplete data made available in project annual reports – i.e., their expenditure, cumulative over the duration of the project for each outcome, as is requested in the reporting template – makes impossible an analysis of how much funds have been effectively <u>spent</u> by projects towards the agriculture outcome.

the cabinet which presented it to the Council of Ministers⁵⁸. The Strategic Environmental and Social Assessment (SESA) of the policy was submitted to the CEA, which issued its report and comments.

- On the ground, an estimated 33,000 households⁵⁹ (an additional 5,500 from numbers reported in 2021) have been supported as beneficiaries on different types of agriculture (subsistence, perennial, agroforestry) which translates into close to 264,000 individuals (at an average of 8 people per rural household).
- The combined results at the quantitative output levels of all provincial integrated projects (PIREDD), cumulatively since they started implementation, is of 5,299 hectares of agroforestry, 14, 211 hectares of perennial crops and 20,558 hectares of improved subsistence agriculture. Unfortunately, annual targets not being provided consistently in project reports, it is not possible to estimate in his report if progress in 2022 has been achieved according to 2022 plans.
- These are established as demonstration activities that provide not only immediate better revenues and nutrition, but also incentives for rural communities to engage and continue engaging in a sustainably planned use of land and natural resources, through the land-use plans at various levels described below. As mentioned below, the impact of these activities on avoided deforestation in surrounding areas can be inferred but not measured.
- Figure 20 below displays the cumulative targets for these outputs obtained through projects at different time maturity and with one tranche of funding compared to the cumulative targets of all projects by their closure and with two tranches of funding.

	Cumulative targets (in hectares) by end of all projects, as set in project documents with two tranches of funding	Cumulative results by end 2020	Cumulative results by end 2021	Cumulative results by end 2022	Progress against final target by end 2022
Agroforestry	20,090 ha ⁶⁰	1850 ha	4,889 ha	5,299 ha	26,3 %
Perennial crops	54,796 ha	2,099 ha	7,236 ha	14,211 ha	26 %
Subsistence agriculture	184,400 ha	4,429 ha	16,607 ha	20,558 ha	11 %

Figure 20: Hectares supported in agriculture by CAFI-funded projects.

The low (11%) performance against the subsistence agriculture target is in part explained by the fact that the <u>PIREDD</u> <u>Orientale</u>, with an initial target of 160,0000 hectares, had only established over 13,000 hectares by end 2022.

⁵⁹ This is an estimate while clarification on some data is sought.

⁵⁸ Adopted in February 2023.

⁶⁰ The target in 2021 was 51,000 ha. Considering that the FONAREDD annual report was not finalized by end August 2023, the change in target figures could not be clarified

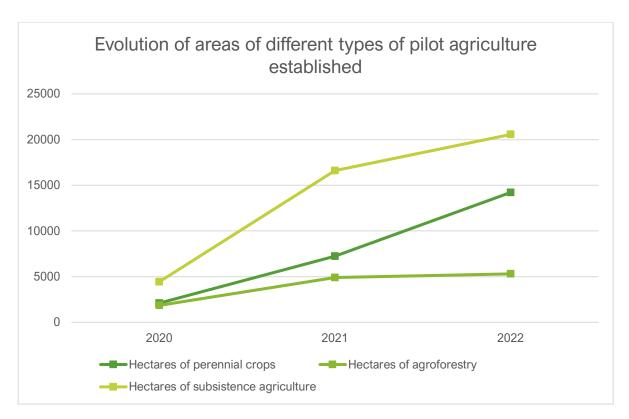


Figure 21: Evolution of areas of different type of agricultural support in DRC

Figures 20 and 21 showcase the evolution of different types of support as results of the different PIREDD. To note, subsistence agriculture is often established as part an agroforestry system for the first few years, until tree cover is too dense for some crop (e.g. maize) to grow underneath. Of interest is that supporting the establishment of perennial crops has been estimated by CAFI experts to have three times more impact on avoiding deforestation than agroforestry.

While not measured consistently yet, food security has been estimated by some projects. The PIREDD Orientale has estimated that yields for rural households supported with improved subsistence agriculture have multiplied.

Emmanuel, one of the farmers of the pilot programme and a beneficiary of CAFI funding through PIREDD Equateur province, DRC: "I first received support and advice, then seeds. I now have a fishing pond and livestock. If your farm becomes like what the land use plan describes, you have vanquished your hunger."

Gabon results

The UNDP-supported project under the 2nd phase of the partnership (CAFI-2) contains a 2M US\$ component on analyses of agricultural suitability that will complement the national land use planning process supported by CAFI (CAFI 1).

n 2022, while protracted delays slowed down agriculture outcome, the construction of the building the aboratory with the Geographic Information System (GIS) and soil analyses is now 80% completed expected in mid-2023). The establishment of the agriculture legal unit allowed its supervision of a biblio of agricultural tenure. In addition, several experts produced training manuals on sampling, conservation, to samples, and on strengthening GIS capacities towards a spatial study on agricultural feasibility for five principles.	(completion is graphic review ransport of soil

C.2 Sustainable alternatives to current wood energy practices are adopted

Support overview

	Number of projects approved/funded/active by end 2022	Disbursed to implementing organizations by end 2022 ⁶¹
DRC	8/8/8	US \$ 21.5 M
Gabon		
Republic of Congo	2/1 ⁶² /0	US \$ 3 M
Total	10/9/8	US \$ 24.5 M

DRC results

a. Studies

Wood-energy sector user surveys were finalized, in partnership with CIFOR, for Kinshasa, Lubumbashi, Goma and Bukavu, Productive users reports). They documented in 2021, for example, that 97% of Kinshasa inhabitants use charcoal regularly for cooking, and that improved cookstoves usage rate is only of 12 %. A Kinshasa inhabitant use on average 0,346 kg of charcoal and 0,016 kg of fuelwood per day, which extrapolates into between 9,84 and 13,39 million⁶³ tons of wood equivalent used each year.

The reports of the modeling studies and the analysis of the impact of the deployment of the LPG in Kinshasa⁶⁴, that aims to help plan how to reach the target of 250,000 households use LPG for cooking in substitution for fuelwood and charcoal, concludes that LPG has become a credible alternative for Kinshasa inhabitants, with a consumption rate that jumped from 750 tons in 2019 to 3000 tons in 2020. Success factors to reach the goal of reaching 250,000 households with GPL include the availability of new bottles, a dense and nimble distribution network, industrial capacity to fill bottles and ensure its safety for consumers, and a sustainable and safe logistical supply chain. These completed studies are important elements to feed into the Energy policy reform.

Reform

The roadmap was launched for the development of the energy policy and updated in 2021. The comprehensive Energy Sector Diagnostic Report was completed and submitted to the relevant authorities for validation in May 2022. The National Energy Policy document was validated in December 2022.

c. Investments for clean cooking entrepreneurs for more efficient use and substitution to wood energy

The Incubator Fund for Clean Cooking, launched in 2020, disbursed 1,201,400 US\$ (up from 700,000 dollars in 2020) to 12 enterprises that produce and promote the distribution of improved cookstoves and Liquid Gas petroleum (LPG), and co-financing mobilized.

⁶¹ Available figures did not allow to calculate the amount disbursed cumulatively by all projects on this outcome

⁶² The Lituka projects, both approved in 2021, had not received funding transfers by end 2022

⁶³ Depending on different population estimates

⁶⁴ Report of the impact of the deployment of the LPG in Kinshasa) show that LPG has become a credible alternative for Kinshasa inhabitants, with a consumption rate that jumped from 750 tons in 2019 to 3000 in 2020.

To date, a total of 91,607 improved stoves, 8,000 stoves and gas kits, 1,700 tons of gas and 998 tons of briquettes for cooking have been sold and more than 1867 partial and fulltime jobs created, of which 61% are youth, 41% women amongst which 21.8% hold director level position. All directly related to the program have been sold through the Challenge Fund.

	Cumulative targets (in hectares) ⁶⁵	Cumulative results by end 2020 (ha)	Cumulative results by end 2021 (ha)	Cumulative results by end 2022 (ha)	Progress against final target
Improved cooking solutions	103,200 ⁶⁶	29,859	67,700	91,811	89 % of revised target

In 2022, figures also show that household expenditures related to cooking energy in the target areas of the energy program have decreased significantly: Kinshasa 13%, Lubumbashi 10%, Bukavu 17%; Goma 20%. In addition, the roadmap for the LPG Master Plan and LPG Regulatory Development was finalized, and micro-hydro feasibility studies carried out for three sites⁶⁷.

The catalytic approach used by UNCDF has made it possible to mobilize \$1.1 million in partner funding from the \$1.2 million invested by FONAREDD/CAFI. It has also made it possible to mobilize \$650,000 in concessional credit for Congolese companies through the "bridge" mechanism of UNCDF's Least Development Countries Investment Platform, \$500,000 from SIMA and \$20,000 from the Virunga Foundation.

d. Changing behaviours on wood energy:

A communication, social marketing and behavior change strategy is available, and tools validated in a workshop. The implementation of this strategy ensured by the NGO Femmes de Media pour la Justice au Conqo.

- The artist Barbara Kanam composed a Awareness song on clean cookingwhich is used in behavior change awareness activities
- trade fairs were organized in Kinshasa, Lubumbashi and Kisangani.. Over 15,000 households and users were sensitized on Liquid Gaz petroleum LPG during the re-launch of LPG microfinance with Equity BCDC and COETE GAZ as well as in the bank's branches Several households and users (+15,000) were sensitized on LPG during the re-launch of LPG microfinance with Equity BCDC and COETE GAZ as well as in the bank's branches

e. More sustainable sources of wood energy

As shown in Figure 22, on the ground, savannahs areas planted with fast-growing trees have seen a modest increase to supply more sustainable wood energy; areas set aside for natural regeneration (mise en défens) saw a much larger increase, that can be in part attributed to the performance of the Kwilu PIREDD, whose areas established jumped from a reported 130 hectares in 2021 to 11,365 hectares in 2022. Unfortunately, annual targets not being provided consistently in project reports, it is not possible to estimate in his report if progress in 2022 has been achieved according to 2022 plans.

⁶⁵ by end of all CAFI-funded projects, as set in project documents with two tranches of funding

⁶⁶ Targets were revised downwards for Equateur (from 27,500 to 7500 and Orientale (from 5000 to 3000)

⁶⁷ Available here: technical feasibility studies

	Cumulative targets (in hectares) ⁶⁸	Cumulative results by end 2020 (ha)	Cumulative results by end 2021 (ha)	Cumulative results by end 2022 (ha)	Progress against final target
Wood energy plantations	20,090	1,850	4,889	5,299	26,3 %
Mise en défens	67,000	2,118	15,334	27,475	41 %

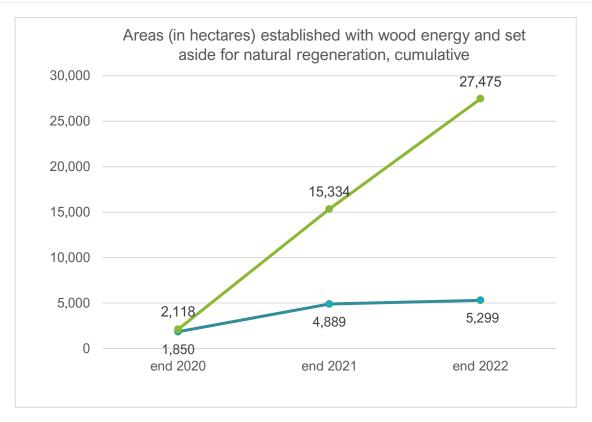


Figure 22: areas established to provide more sustainable wood energy

 $^{^{68}}$ by end of all CAFI-funded projects, as set in project documents with two tranches of funding

Republic of the Congo

Two projects related to wood energy had been approved in 2021, in line with the joint programming framework agreed to between CAFI and the Republic of the Congo.

1) In February 2022, funds were disbursed to the ProRep — Wood Energy plantations project, with FAO, that seeks to **establish 2,700 hectares of fast start wood energy plantations**⁶⁹ to supply the capital, Brazzaville, with sustainable wood energy. This 5-year, 7 M US\$ project, called "Project to strengthen the potential of sustainable wood energy in the Republic of the Congo" (in French "Projet de renforcement du potentiel en bois energie durable en République du Congo", or PROREP Bois-Energie in short-hand), is to be implemented by FAO with the Ministry of Forest Economy and GRET (an NGO). It is estimated that the PROREP could generate a reduction of 830,230 tons of CO2eq over 5 years and reach an estimated 500 direct beneficiaries. It complements a Green Climate Fund – supported project, implemented by FAO, that seeks to establish 11,800 hectares of wood energy plantations, with CAFI funding adding a focus on strengthening the emission reductions impact of both projects.

In 2022, 600,000 acacia seedlings were produced in nurseries in order to reach the objective of 500 ha of planting as planned during the first growing season 2022/23.

2) A 1 M US\$ project, called "Lituka- Improved cookstoves" in short, is to be implemented by Initiative Development (ID) together with the Ministry of Forest Economy. ID was not accredited by end 2022 and could yet not receive CAFI funding. The project seeks to equip 8,300 households in Brazzaville and Pointe Noire with improved cookstoves by structuring a supply chain and demand-creation.

⁶⁹ Associated with subsistence or commercial crops to improve livelihoods

C.3 Forestry sector and protected areas institutions and stakeholders have the capacity and the legal framework to promote, monitor and enforce the sustainable management of forests

Background

Data extracted from the CAFI Regional Trends and Drivers Results Dashboard⁷⁰ shows that, between 2015 and 2020, artisanal forestry has been associated 8 times more with observations of disturbances (degradation or deforestation) than industrial forestry. Artisanal and industrial forestry combined remain, however, less often observed than small scale agriculture.

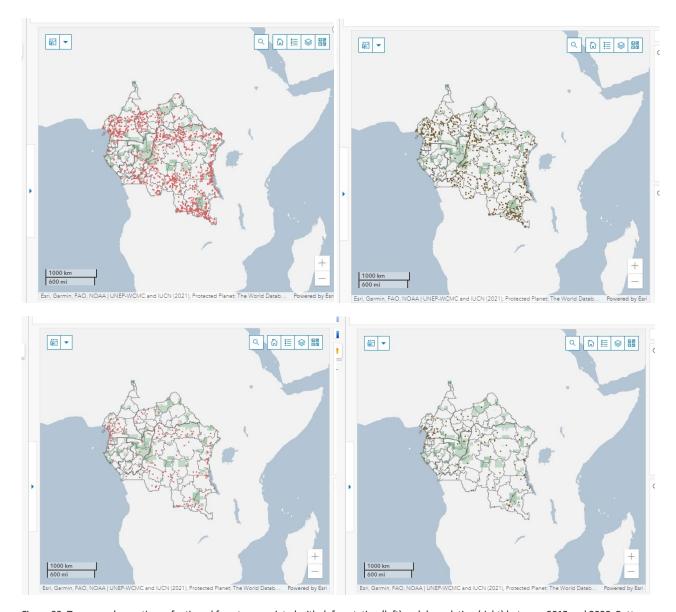


Figure 23: Top row: observations of artisanal forestry associated with deforestation (left) and degradation (right) between 2015 and 2020. Bottom row: observations of industrial forestry associated with deforestation (right) and degradation (left). Source: CAFI validation data (arcgis.com)

⁷⁰ ArcGIS Dashboards

The study also shows that artisanal and industrial forestry are observed more frequently in dense forests than in secondary forests, and that industrial forestry is the driver (of all direct, observable drivers) with the greatest presence in intact forests.

Support overview

	Number of projects approved/funded/active	Disbursed to implementing organizations by end 2021 ⁷¹ (US\$)
DRC	9/9/8 ⁷²	20.1 M
Gabon	5/5 ⁷³ /1	35.4 M
Republic of Congo	1/1/1	1.5 M
Total		60.9 M

With the approval of new projects in Gabon, this outcome saw a large increase in funding in 2022.

DRC Results

Monitoring of forests: The Project supporting the National Forest Monitoring System closed in 2021. No evaluation was undertaken in 2022. The project resulted overall in:

- 1) An operational National Forest Monitoring System that produced a first and revised Forest Reference Emissions Level (FREL) submitted to the UNFCCC, the first Biannual update report drafted for the UNFCCC (<u>submitted on 30 December 2022</u>), the production and updating of several forest cover change maps, including based on provincial estimates for the periods 2000-2010 and 2010-2014 (data available the NFMS Annual report), and including new strata for the periods 2014-2016 and 2016-2018. This dataset was complemented for 2019 and 2020 by the FAO regional trends and drivers study.
- 2) The National Forest inventory, completed on 85% of the country.

Forest governance reform: A process to launch of the process to reform the Forest policy was initiated. The legal review of the concessions, as per the forest sector roadmap agreed to with CAFI in 2019, was funded by the EU and expected to conclude in 2022. to support the key policy processes and reinforce the legality of the forest sector. The publication of the report of the Inspectorate general of Finance was set as a milestone of the second CAFI-DRC Letter of Intent and met in April 2022. The project for the Sustainable Management of Forests started in 2022.

⁷¹ Available figures did not allow to calculate the amount disbursed cumulatively by all projects on this outcome.

⁷² The project for the sustainable management of forests was not active by end 2021.

⁷³ The Forest certification project, whose implementation was transferred from AFD to The Nature Conservancy in 2021, had not received funding by end 2021.

Community forestry: On the ground, province-wide projects (PREDD) support communities with securing areas for local community forest concessions. With close to 361,045 hectares established with titles⁷⁴, CAFI-funded projects reached 25% of their cumulative target in 2022.

	Cumulative targets (in hectares)- by end of all PIREDD, as set in project documents with two tranches of funding	Cumulative results by end 2020	Cumulative results by end 2021	Cumulative results by end 2022
Local Community Forestry Concessions (CFCL)	830,006 ⁷⁵	123,424 ha submitted	165,424 ha	361,045 established with titles ⁷⁶ - 43,5 % of funded portfolio target
Number of supported communities identified /supported	Not available			555/501
Estimated number of individuals in supported communities	Not available			1,621,800

Figure 24: Progress on community forestry

The large jump in the areas of CFCL with titles (195,621 hectares in 2022 alone) are mostly attributable to the efforts of the <u>PIREDD Maniema</u> and Indigenous Peoples programme, that supported the establishment and titling of 83,861 hectares and 111,767 hectares, respectively, in 2022 alone.

Gabon results

Following the 2021 achievement of the first payment of \$17 million US dollars rewards Gabon's reductions in 2016 and 2017, compared to annual emission levels from 2006 to 2015, **5 new projects were approved in 2022. The projects will strengthen forest governance through community forestry and forest certification, promote urban green spaces, conduct monitoring and research on forest ecosystems, and safeguard and expand the protected area network.**

From project that has been running since 2019, salient results include:

- Establishment of 72 permanent plots for the Natural resources Inventory to collect data on biomass, forest carbon and biodiversity (up from 47 in 2021).
- Drone monitoring of the spatial footprint of settlements of 468 villages (a large increase from the 27 villages reported in 2021) of the Estuaire province, and data collection for the forest mask in three provinces.

⁷⁴ Some are, as reported in the draft FONAREDD report, awaiting validation by the Governor, but there is no data on what areas this covers

⁷⁵ Target was reported at 1,492,500 in 2021 but revised/ refined down. This is a conservative estimate, since for 146 administrative units (terroirs) in Mongala and Oriental, projects have not provided figures in hectares.

⁷⁶. Some titles are, as reported in the draft FONAREDD report, awaiting validation by the Governor, but there is no data on what areas this covers.



Figure 25: mission to install permanent plots for the Natural resources Inventory in the Nyanga province, Gabon

Republic of the Congo

A 2 M US\$ project (SYNA-MRV), with FAO, was approved by the Executive Board and aims to revise the Forest Reference Emissions Level and operationalize and modernize the National Forest Monitoring System. Funds were transferred in November 2021. The project experienced delays, however, project staff were recruited, an inventory of the *Centre National d'Inventaire et d'Aménagement des Ressources Forestières et Fauniques* (CNIAF)'s MRV unit was conducted, and a week training course on radar imagery for monitoring tropical forests to CNIAF (in collaboration with US Forest Service) was facilitated by the project. A Memorandum of Understanding (MoU) between the *Ministère de l'Economie Forestière* (MEF) and the FAO on institutional issues management is expected to be signed in early 2023. Training activities and the upgrading of the CNIAF are expected to start in the first quarter of 2023.

C.4 Land use planning decisions ensure a balanced representation of sectoral interests and keep forests standing

Support overview

	Number of projects approved/funded/active with a land use planning component	Disbursed to implementing organizations by end 2022 ⁷⁷ (US \$)
DRC	6/6/6	17.5 M
Gabon	1/1/1	9.20 M
Republic of Congo		10.85 M
Total	7/7/	26.7 M

This outcome saw a sizeable increase in 2022 - from 19.8 M in transferred funding in 2021 to 26.7 M in 2022.

DRC Results

Most importantly, **2,179** (of the **2,523**) planned local development committees are now established or revitalized (up from 745 by end 2021). This effort, at scale and inclusive, including with quotas for women representation, has allowed the production and validation of already **643** validated natural resource management plans (or simple land-use planning plans) whose purpose is to orient, in a sustainable and inclusive manner, agricultural, wood-energy, forestry and conservation activities. Because they were elaborated in a participatory manner by CLDs, these local-level plans can orient and guide practices that date back millennia.

A total of 643 simple land use plans have been elaborated and validated since the start of the integrated projects

PIREDD	Province	Number of simple land use plans ⁷⁸
Equateur	Equateur	6*
Kwilu	Kwilu	62*
Maniema	Maniema	3*
Maï-Ndombe	Maï-Ndombe	480*
Mongala	Mongala	8*
Orientale	Tshopo/Bas Uele	71*
Sud Ubangi	Sud Ubangi	13*
	Total	643*

Figure 26: DRC terroirs with validated simple land-use plans

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⁷⁷ Available figures did not allow to calculate the amount disbursed cumulatively by all projects on this outcome.

⁷⁸ Marked with an asterix when validated.

Three provincial land use plans (for Ituri, Tshopo and Bas Uele provinces) and eight territory plans are now validated, 9 local development plans validated in Mai Ndombe (5) and Equateur (4) provinces. As part of the PIREDD Mongala deliverables, an essential study for the completion land plans on the dynamics of fires and hot zones of deforestation was completed in 2022.

The <u>Annex titled Understanding Land use planning tools in the DRC</u> provides an overview of the articulation of different land use planning instruments in the DRC.

Gabon results

The National Land Use Commission (CNAT) is operational and provides a key venue to reach high level consensus across the different land use sectors on land allocations in line with the strategic objectives of the country set in various policy documents and the Letter of Intent. High Value Forests or HVF (High Carbon Stocks and High Conservation Value, HCS and HCV, respectively) that should not be converted are being identified, with compliance by the Ministry of Agriculture.

Results of the CAFI-supported project (whose details are in section 6) related to land use planning in 2022 include:

- As part of the mapping and data management unit within the Gabonese Agency for Spatial Studies and Observations (AGEOS), a platform for visualizing GIS (Geographic Information System) data of the National Plan of Land Use (PNAT) has been put in place. This platform, which is still being improved, is available online here: https://pnat.ageos.ga/. It contributes to the compliance of land use data in the agriculture, fisheries, mining, water and energy sectors, forestry, conservation, and infrastructure sectors.
- 117 villages in the Ogooué-Lolo province were mapped thanks to the provision of Very High Resolution (VHR) satellite images provided as part of the program. Four thousand four hundred hectares (4400) hectares of disaggregated surfaces have been mapped.
- The National Parks Agency of Gabon (ANPN) launched a participatory mapping exercise in the province of Ogooué-Lolo. A total of **446 villages were visited and participatory village maps** are being finalized.

Additional details about the project supporting this outcome are found in section 6.2.

The National Directives on palm oil investments in forested areas was adopted in the Ministerial Council and is applicable to other crops until crop-specific guidance is developed. The guidelines prevent HCS and HCV forests from being converted to palm oil plantations.

Republic of the Congo

Major advances have been achieved towards the land use planning outcome in the Republic of Congo in 2022 with the approval of two projects:

- The Sustainable Land Use Project (PUDT), led by AFD in partnership with the Ministry of Territorial Development, Infrastructure and Road Maintenance, with a CAFI Fund contribution of around USD 18 million was approved by CAFI's EB (EB 20) + 23 M EUR of co-financing (EU + AFD). Its main objective is to support the Republic of Congo in the implementation of a town and country planning process and rural land use at the national level. The funds were transferred on December 21, 2022, and the duration of the project is 60 months.
- The Land Use Planning Investment Project resulting from the Sustainable Land Use project was approved during EB 21 in December 2022 and is awaiting feedback from AFD on a revised submission.

C.5 Tenure

Support overview

	Number of projects approved/funded/active with a land tenure component	Disbursed to implementing organizations by end 2021 ⁷⁹ (US \$)
DRC	5/5/5	11.2
Gabon	1/1/1 ⁸⁰	
Republic of Congo	0/0/0	
Total	6/6/6	11.2 M

Available figures did not allow to calculate the amount disbursed cumulatively by all projects on this outcome
 The CAfi-1 project with AFD has land tenure benefits, such as the mapping of village lands, but these are not separated in the budget

DRC results

This outcome is supported by budget lines in 7 provincial integrated projects and a dedicated sectoral reform project.

The National Commission on Land Tenure Reform (CONAREF) is functional. It has an administrative and financial management procedures manual, an internal capacity building plan, a capacity building plan/guide for provincial coordination, a communication plan and a ten-year capacity building plan for land administration.

At the policy level, the Democratic Republic of Congo officially adopted its new land tenure policy document through its Council of Ministers on April 15, 2022. This validation, that concludes a process with consultations in 26 provinces⁸¹ and included inputs by Indigenous peoples, results from joint efforts including the political impetus of the DRC Government, the technical work of its CONAREF - funded by CAFI via the National REDD+ Fund through UN-Habitat - and the commitment of numerous civil society actors. This land reform policy document, that resulted from a large consultative process at national and provincial levels, updates a legal framework that dated back some 50 years. The policy document is now awaiting the inputs by the Congolese Environment Agency

Text box: The land reform bill in the DRC

Here are some of the key features and innovations of the draft bill:

- 1. Maintaining the nationalisation of the soil and subsoil
- 2. The recognition, respect and securing of the legitimate customary land tenures, collective and individual, of local communities
- 3. Consideration of the continuum of land rights based on ancestral traditions and local practices
- 4. Improving the legal security of land transactions
- 5. The recognition and consolidation of the land rights of vulnerable and marginalized groups, in particular women and indigenous communities
- 6. Modernization of land administration through the use of new information and communication technologies
- 7. Strengthening transparency in land administration and the administration of the provision of public land services, particularly in terms of simplification of procedures, costs and speed of services
- 8. Decentralisation of land management and state land services
- 9. Promotion of local land management
- 10. Carrying out legal and institutional reforms
- 11. Informed participation of citizens in the implementation of land reform and in improving the governance of the land sector
- 12. Respect for social and environmental safeguards in land allocation processes;
 - 13. The search for compliance of the entire land policy with regional and international commitments.

to allow its submission for adoption by the Council of Ministers.

In May 2022, CONAREF, with the support of CAFI, approved a draft land law bill. It has been pending in-depth reading in the Administrative and Legal Policy Committee (PAJ) of the National Assembly since October 2022. This draft bill helps prevent conflicts between mining law and land law and is the centerpiece of the land reform process. It amends and completes law n° 73-021 of 20 July 1973 on the general property regime, land and real estate regime and securities regime.

Land Information System tools have been developed and tested in the pilot provinces under the leadership of local implementing agencies: UCBC and CAGDFT. These NGOs have initiated a community cadastral plan by setting up a Local Land Committee and its commissions and the adoption of a local Land Charter was validated after workshops in Mambasa and Mai Ndombe. Securisation of titles for community forestry concessions, as seen in section C3, led to 364,000 hectares of community forest concessions established with secured titles.

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⁸¹ Up from 15 in 2020

Finally, a guide to define provincial strategies on land tenure was elaborated and validated, as well as a strategic plan on tenure rights for Indigenous peoples, and access to information enhanced through studies covering three provinces, an experimentation in two provinces of the new Tenure Information System and its tools, and a maintained web site (www.conaref-rdc.org/).

C.6 Demography

Support overview

	Number of projects approved/funded/active with a demography component	Disbursed to implementing organizations by end 2022 ⁸²
DRC	8/8/8	37.9M ⁸³
Gabon		
Republic of Congo		
Total	8/8/8	38.6 M

This outcome saw an increase from 33.8 to 38.6 M, directed towards the DRC Family Planning project.

DRC results

CAFI funding under this outcome, restricted to the DRC, has so far resulted in **12,863 service providers trained and providing counselling to accompany the distribution of over 4.8 million couple-years of protection (CYP)**⁸⁴ to date (totaling 61% of target completion after three years of project implementation) across 11 provinces, in support of the country's strategy on family planning.

A total of 175 health zones have received support from the project. 90% of health facilities in target provinces offered at least three different contraceptive methods and at least one long-acting method in 2022 (112,5 % of the 80% target). The contribution of FONAREDD/CAFI to family planning represents 41% of the total CYP delivered by all partners in 2022 in the DRC across the country, and 52% of those in targeted provinces.⁸⁵

⁸² Available figures did not allow to calculate the amount disbursed cumulatively by all projects on this outcome

⁸³ Not all 7 PIREDD have spent funds on demography.

⁸⁴ A Couple year Protection (CYP)s the estimated protection provided by contraceptive methods during a one-year period, based upon the volume of all contraceptives sold or distributed free of charge to clients during that period. The CYP is calculated by multiplying the quantity of each method distributed to clients by a conversion factor, to yield an estimate of the duration of contraceptive protection provided per unit of that method. More at https://www.usaid.gov/global-health/health-areas/family-planning/couple-years-protection-cyp

	Cumulative targets by end of all PIREDD, as set in project documents with two tranches of funding	Cumulative results by end 2021	Cumulative results by end 2022
Couple year protection	4,875,355 ⁸⁶	2,536,255 ⁸⁷	4,794,765
Modern contraceptive prevalence rate		Kinshasa: from 26% in 2020 to 27,3% in 2021 Kongo central: from 20% in 2020 to 26.3% in 2021 ⁸⁸	n/a
Health zones supported	10 provinces/ 152 health zones	11 provinces/ 165 health zones	11 provinces/ 175 health zones
Awareness on family planning	Not available	27,427 households 89	n/a

Figure 27: results in access to family planning services.

The 2024 Public Health Survey will inform additional indicators, such as the fertility rate and the percentage of married women or women with partners from 14 to 19 years old that use a modern contraceptive method.

In addition, two studies were launched to understand migratory movements. In the Ituri province, security risks did not allow for this study to be performed, while in Kwilu province the study is planned in deforestation hotspots.

« I am 22 years old, and I have 4 children and a husband who manages as a driver. I stay at home because of the housework load. After attending this meeting [of the Family planning project] I am now sure of the way forward for me. Meeting you was a chance for me to address a problem that has lasted too long". Marie, a beneficiary of the Family planning project in DRC, Kikwit, Kwilu province.

⁸⁶ The original target of the Family planning project was revised, from 6,434,688 down to 4,875,355 CYP, as a result of the revision of Tulane University's CYP target in 2021

⁸⁷ 2,533,106 from the Family planning project and 3149 from the Mongala project

^{88 2020} Performance Monitoring and Accountability study on contraceptive prevalence rate in Kinshasa and Kongo Central.

⁸⁹ Mai Ndombe: 9739 households (est. 40,000 individuals); Mongala: 9375 households; Family planning project: 8,313 health workers or students trained. Other projects: unreported.

C.7 Governance

Support overview

	Number of projects approved/funded/active with a Governance component	Disbursed to implementing organizations by end 2022 (US \$)
DRC	11/11/11	29.6 M
Gabon	2/2/1	3M
Republic of Congo	1/1/1	1.4
Total	14/14/13	34.1M

This Governance outcome is supported by several projects:

- In the DRC:
 - o Local governance structures established in provincial integrated projects (PIREDD), such as local development committees or at a higher level of governance;
 - o General awareness-raising about the impact of different sectors on forest and climate, and training activities;
 - o Projects to support to civil society and indigenous peoples in the DRC;
 - o The FONAREDD Secretariat project in the DRC;
 - o The support project to the NDC.
- In the Republic of the Congo: Support to coordination by the Prime Minister.
- In Gabon: Support the coordination of the National Climate Council, and educational component of the Urban Greening project.

The total above does not comprise the support to policy dialogue by the Executive Board provided by the CAFI Secretariat.

DRC

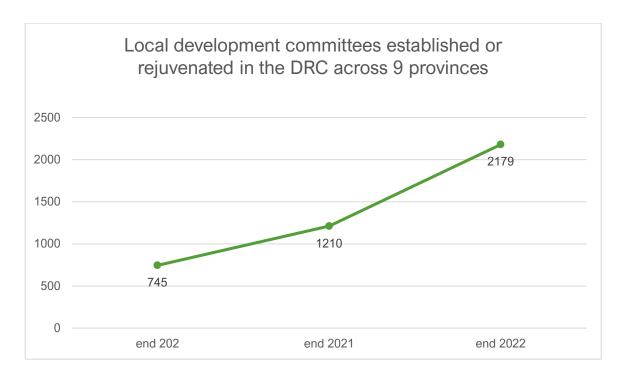
In the DRC, the most prominent result of 2022 was, the implication of all line ministers of sectors with an impact of forests during the negotiations of the 2nd Letter of Intent (LoI). In addition, a number of milestones from the 2nd LoI were integrated in the World Bank's budget support.

At the national level, the multi-ministerial and multi-stakeholders Technical Committees of FONAREDD remained fully active and operational in 2022, with the Technical Committee having held seven meetings⁹⁰. These meetings have allowed the Technical Committee to fulfill its monitoring functions, make recommendations on second tranches of projects and guide evaluations.

⁹⁰ Documentation is available here: https://drive.google.com/drive/folders/176WzcmiwjJlYWK6zFbPjqU3o2Sixom3-

At the local level, 2179 local development committees (88% of the target) are now active in 9 provinces and serve to promote inclusive governance systems. These bodies, nearly all newly established with CAFI support, are essential to the sustainability of CAFI's interventions, as they design local land use and natural resources management plans that determine the future of the use of forest and agricultural lands. They generally have a quota of 20 or 30% women.

19 Provincial civil society coordination groups of the Renovated REDD Climate Working Group (GTCRR) in the provinces of Mongala, Sud-Ubangi, Mai-Ndombe, Equateur, Bas Uélè, Tshopo and Ituri are operational and carried out independent monitoring and joint monitoring missions⁹¹ with the FONAREDD Secretariat. These coordination structures carry the voice of civil society, ensure and advocate for effective participation of indigenous peoples and local communities in project implementation and allow for independent observation of the achievements of the various actors involved in the province. Consultations of civil society partners on the policy reform processes were also held for land use planning, agriculture, land tenure, forestry, and energy, notably in the Maniema, Nord Kivu, Sud Kivu and Kasai central provinces.



Transparency of FONAREDD operations and projects was maintained through the FONAREDD and projects web sites.

Republic of the Congo

Following the 2020 adoption of the Decree on inter-ministerial coordination by the Prime Minister⁹², support has been provided to the Prime Minister Office in monitoring and achieving the objectives of the Letter of Intent in all sectors affecting forests. Since funding was transferred in late 2021, the governance bodies have been operationalized (CAFI-Inter-ministerial Committee, Steering Committee, Permanent Secretariat), marking the achievement of a first milestone

CAFI 2022 Annual report

⁹¹ Independent observation reports for Kwilu, Mongala and Sud Ubangui provincial projects are available here: https://drive.google.com/open?id=1KnlHrTau -nhGBeBMA9kkoyXMn5iceWM&authuser=secretariatcafi%40gmail.com&usp=drive_fs

⁹² It establishes a coordination structure within the national counterpart for the implementation and monitoring of progress on the LOI. These structures include a Minister-level Steering Committee as a multi-stakeholder concertation organ, involving the private sector and the civil society; it also establishes a national coordination unit, responsible for facilitating and monitoring these processes.

of the Letter of Intent on establishing a framework to monitor the partnership. A joint resolution of the Inter-ministerial Committee called for the preparation of sectorial action plans.

Gabon

Forest governance continues to be led at the highest level, and civil society is included in the work of the National Land use Commission as well as the Project steering committees. An Annual review of the Partnership was conducted in Libreville in July 2022 with the active participation of a wide range of national partner institutions demonstrating once again the great interest of the Gabonese authorities in forest governance issues. In this review, the CAFI Secretariat facilitated and participated in meetings between the CAFI Executive Board and the National Climate Council, the Ministry of Economy, the Ministry of Agriculture, the Ministry of Waters, Forests, Sea and Environment, the Agence Gabonaise d'Études et d'Observations Spatiales (AGEOS), Agence de Développement Agricole du Gabon (ADAG), Agence Nationale des Parcs Nationaux du Gabon (ANPN), and Agence gabonaise de Normalisation.

In addition, five projects funded by results-based payments were approved by Gabon's National Climate Council in 2022 under the validated National Investment Framework. One is dedicated to the coordination, monitoring and reporting on the entire portfolio of projects, as well as building government capacity on climate governance.

Equatorial Guinea

Dialogue was maintained through the French Embassy and concluded in agreement on the terms of reference for the Call for Expression of Interest, launched in early 2022. CAFI's initial support on the development of the National REDD+ Strategy has been catalytic for the country to mobilize funds for land-use planning, including domestic funding, and the National Forest Inventory, supported by FAO.

Central African Republic

The situation has remained similar to previous years. Many NGOs and associations are active within a national platform called Sustainable Management of Natural Resources and the Environment. A National REDD+ Committee, created by Decree and chaired by the Prime Minister, oversees the entire National REDD+ strategy, with 26 members⁹³. The preparatory grant to undertake policy dialogue will support institutional arrangements that will help the effective engagement of all stakeholders, and effectively started in 2022.

Cameroon

The Government displayed a greater understanding of the key role of climate change in its national development processes, and for the first time, the National Development Plan Strategy 2030 integrates a Strategic Axis on the integration of climate change concerns. Integration of forest/climate objectives into development planning is a government priority. In 2022, a draft programming framework was prepared in consultation with all relevant sectoral ministries for future investments in Cameroon, followed by a full draft project document for a national intersectoral and multi-level Coordination Project. Discussions on institutional arrangements and cross sectoral coordination are ongoing with the Cameroonian authorities including MINEPAT to further refine the partnership mechanism with CAFI.

⁹³ including 6 ministers, the President of the Commission in charge of the Environment at the National Assembly, the Economic and Social Council, representatives of producer groups, the private sector, civil society organizations, representatives of local communities, indigenous peoples. This committee will be made operational once the second preparatory grant (through AFD) is operational.

Global

CAFI transferred 3.5 million US \$ to support its donor's commitment under the Indigenous Peoples and Local Communities Forest Tenure Pledge signed in Glasgow, of which 86% (3.02 million US\$) come from the 4 CAFI donors that have signed the IPLC pledge. This brings CAFI's total contribution, since 2021, to 11.3 million dollars⁹⁴.

4.CAFI Governance

4.1 Two hybrid Executive Board meetings, 36 decisions

In 2022, the CAFI Secretariat prepared, organized, facilitated and documented (internally and externally) two meetings of the CAFI Executive Board. Both meetings were organized in a hybrid format. The 20th CAFI Executive Board meeting was organized in three parts:

- An internal segment on 3 and 6 May in Seoul, hosted by the Korean Forest Service (KFS).
- A segment with in-person country representatives (Equatorial Guinea, Republic of Congo, DRC, Gabon) from June 22 to June 27 in Oslo, Norway, hosted by UNDP.

 $^{^{94}}$ As a point of reference, in 2021, total disbursement from bilateral and private donors were reported at 321 million dollars: https://www.fordfoundation.org/wp-content/uploads/2022/11/indigenous-peoples-and-local-communities-forest-tenure-pledge-annual-report-2021-2022-1.pdf

- A high-level segment in July in Libreville, Gabon.



CAFI EB 21 meeting in Geneva, opened by UNDP Geneva Director Agi Veres (left hand side).

The 21st meeting, hosted by UNDP, was organized in Geneva, Switzerland.

In total, adding intersessional decisions made between EB meetings, the CAFI Executive Board adopted 36 decisions in 2022, listed in the table below, a new record since the establishment of the Fund⁹⁵. As per its rules, decisions are shared with a two-week notice with the Board, adopted, translated and published online on CAFI's website as soon as agreed by the Board and, for country-specific decisions, as soon as they are communicated to the authorities. Most importantly, the CAFI Secretariat took action based on the Executive Board's requests, as shown in the table below. Figure 26 below illustrates the type of each decision made by the Executive Board in 2022.

Date (2022)	Decision Number and Actions for follow-up by CAFI Sec	Scope
10/01	EB.2022.01: No cost extension for trends and drivers study	Regional
22/02	EB.2022.02: Republic of Congo - Agency Selection - Civil Society Engagement Support Programme	Rep Congo

^{95 31} decisions had been adopted in 2021.

Date (2022)	Decision Number and Actions for follow-up by CAFI Sec	Scope
09/03	EB.2022.03: Gabon Working Group	Gabon
24/03	EB.2022.04: CAR Working Group	CAR
02/05	EB.2022.05: RoC - Sustainable Land Use Program	Rep Congo
06/05	EB.2022.06: Asset management reporting	M&E
13/07	EB.2022.07 - Gender targets	M&E
27/06	EB.2022.08 - RoC - Approval of Land Use Planning programme	Rep Congo
27/06	EB.2022.09 - CAR - no-cost extension of support project	CAR
27/06	EB.2022.10 - EG - PRODOC development	EG
04/07	EB.2022.11 - DRC - No-cost extension OAF	DRC
30/05	EB.2022.12 - DRC - Call for EOI	DRC
13/07	EB.2022.13 - Gabon - Approval of RBPs	Gabon
13/07	EB.2022.14 - DRC - FONAREDD transitional budget	DRC
29/07	EB.2022.15 - DRC - EOI extension of deadline	DRC
19/08	EB.2022.16 - DRC - Fast track programs.	DRC
27/07	EB.2022.17 - CAFI Secretariat budget revision	Operations
08/08	EB.2022.18 - Risk management and national ownership	M&E
05/08	EB.2022.19 - Direct support UNCDF	Regional
15/09	EB.2022.20 - DRC - Support to Min Env	DRC
19/09	EB.2022.21 - Adoption of 2021 Annual report	M&E
28/09	EB.2022.22 - RoC - civil Society Program	Rep Congo
14/10	EB.2022.23 - Presidency of CAFI	Operations
20/10	EB.2022.24 - Farm Africa No cost extension	DRC
04/11	EB.2022.25 - Extension of FAO regional drivers study	Regional
07/11	EB.2022.26 - UNCDF Green PRODOC approval	Regional
08/11	EB.2022.27 - RoC - PI PUDT Decision	Rep Congo
08/12	EB.2022.28 - Monitoring and Evaluation	M&E
08/12	EB.2022.29 - RoC - Approval of PI-PUDT	Rep Congo

Date (2022)	Decision Number and Actions for follow-up by CAFI Sec	Scope
08/12	EB.2022.30 - Gabon - Approval of second tranche of funding for CAFI 1	Gabon
16/12	EB.2022.31 - Access to CIFOR to the CAFI Fund	Operations
16/12	EB.2022.32 - DRC - Approval of disbursement to DRC National REDD+ Fund	DRC
23/12	EB.2022.33 - WCS High Value Forests Map Preparatory Grant	Regional
23/12	EB.2022.34 - Cofinancing policy	Operations
28/12	EB.2022.35 - Risk management strategy	M&E

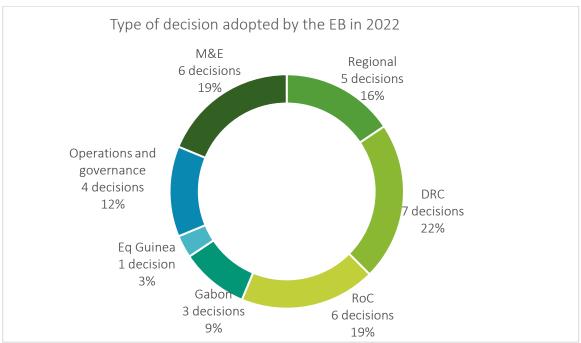


Figure 28: type of decision adopted by the Executive Board in 2022

4.2 Improving rules and processes

The Manual of Operations and revised Terms of reference of the Fund were revised in 2022. Major earlier changes in 2021 were piloted in 2022 – such as opening access to the CAFI Fund to new non-governmental organizations and new requirements for project development and reporting. The Monitoring, Evaluation and Learning (MEL) Policy and the revised Risk Management Strategy were adopted approved by the Executive Board in November end 2022 and will start implementation on 2023. While project monitoring is, in a pass-through Fund such as CAFI, primarily the mandate of implementing organisations, the CAFI Secretariat boosted its capacity on MEL through hiring two staff (one to start in early 2023) and one fellow, reviewing and clarifying templates and initiating a standardization process for new projects.

4.3 Gender assessment of the CAFI portfolio

Women play a central role in the sectors covered by CAFI and are, as such, important drivers for change. Neglecting gender perspectives causes a risk that project activities have a negative effect on the livelihoods and empowerment of women and other marginalized groups.

Gender responsiveness means that women and other marginalized groups such as youth, indigenous, or disabled people⁹⁶ can benefit from forest-related project investments that impact their lives and the forests. Therefore, a "gender responsive" project is a project that:

- includes gender issues in its design, including accounts of how women, men and marginalized groups will be affected differently by project activities.
- has budgeted gender sensitive activities and mobilized gender expertise.
- ensure and reports on the participation of women, men and marginalized groups in project activities and decision-making.

Based on the UN-REDD Project gender marker methodology, the gender responsiveness analysis of the CAFI portfolio was carried out for the 5th consecutive year. It assesses whether gender considerations have been applied to 4 project stages, corresponding to 4 criteria:

- gender analysis in the project document context
- implementation of activities
- monitoring and evaluation
- allocation of budget

Using the same methodology as previous assessments, projects were assessed as either gender blind (GEN 0; 0 criteria met), gender sensitive (GEN 1: 1 to 3 criteria met, with ¾ criteria labelled as "highly sensitive") or gender responsive (GEN 2; 4 criteria met).

CAFI's 2022 gender objectives

Through Executive Board Decision <u>EB.2022.07</u>, adopted on 13 July 2022, CAFI further raised its ambitions on gender compared to 2020, with new 2022 targets as follows:

- No active CAFI-funded program is gender-blind.
- At least 20 % of active CAFI-funded programs are highly gender sensitive, i.e., they meet 3 out of 4 criteria.
- At least 40 % of active CAFI-funded programs are gender responsive with 4 out of 4 criteria met.

Results

The 2022 gender assessment shows that, out of 24 assessed projects⁹⁷:

- No program was classified as GEN 0 gender blind with 0 criteria met.
- 15 programs were classified as GEN 1 73 % (compared to 18 programs or 75% in 2020) with;

⁹⁶

⁹⁷ Note that projects in inception phase (year 1) have not been assessed since one of the 4 criteria relates to implementation and could therefore not be compared with projects that are more mature.

- 4 programs or 16% with 1 criterion met (somewhat gender sensitive)
- 6 programs or 25% with 2 criteria met (gender sensitive)
- o 7 programs or 27% with 3 criteria met (highly gender sensitive)
- 10 programs 41 %- were classified as GEN 2 gender responsive with 4 criteria met

	2019 (18 assessed)		2020 (24 assessed)		2021 (22 assessed)		2022 (24 projects assessed)	
	Target	Result	Target	Result	Target	Result	Target	Result
Percentage of CAFI-funded projects that are gender responsive (4/4 criteria)	At least 15%	17%	30%	25% ⁹⁹	30%	27%	40%	41%
Percentage of highly gender sensitive projects (3/4 criteria)	Not set	11%	20%	38%	40%	37%	20%	27%
Percentage of gender blind projects	0%	5% (1 project)	0%	0%	0%	0%	0%	0%

⁹⁸ The number in parenthesis indicate the assessment including closed projects

⁹⁹ In the DRC: PIREDD Sud-Ubangi (with JICA), PIREDD Equateur (with FAO), Civil Society (with UNDP), Family planning (with UNOPS); the Equatorial Guinea Preparatory Grant (with FAO); the Republic of Congo GCF preparatory grant (with FAO)

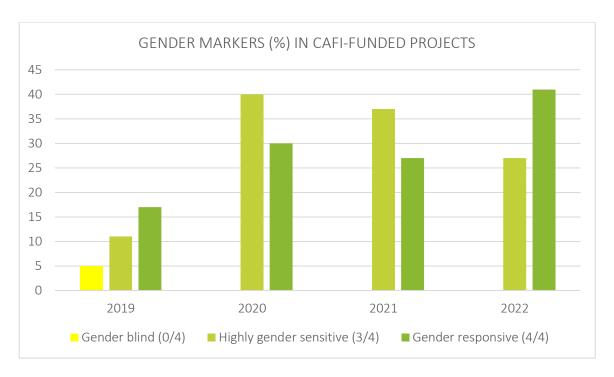


Figure 29: evolution of gender markers over time in active CAFI projects (%)

Revised project document templates elaborated in 2022 and stronger reporting templates that provide more specific guidance on gender for projects could be the reason for reaching the 2022 target overall.

Details of the gender analysis are provided in this Annex.

4.5 Safeguards

The CAFI terms of reference stipulate that "For the activities funded by CAFI, all recipient organisations must provide information on how their activities address and respect the social and environmental safeguards outlined in the Manual of Operations as part of the CAFI requirements for monitoring and reporting".

Accreditation

In 2022, several Non-UN Organisations (NUNOs) applied for CAFI accreditation, a process that includes a social and environmental (SES) assessment of the NUNO's safeguard framework. In 2022:

- AFD was approved via the fast-track procedure.
- Enabel and WWF started their Social and Environmental Safeguards assessments.
- As allowed by section 2.2.2 of the CAFI Manual of Operations, Initiative Development (ID), that does not have their own social and environmental framework, was authorized by the EB through decision EB.2022.17 to implement the Lituka project in a way that is fully compliant with UNDP's Social and Environment standards (SES). The Lituka project SESP template was submitted and reviewed by the CAFI Secretariat, confirming the project is categorized as Low Risk according to UNDP SES.

Analysis of safeguards tools

An analysis of safeguards tools was performed to examine the existence of the following tools:

- 1) Preliminary social and environmental screening
- 2) Social and environmental impact assessment
- 3) Complaints mechanism (project-specific or using the FONAREDD's)
- 4) Environmental and social management plan
- 5) Strategic environmental study of a new policy or law
- 6) Gender specific action plans
- 7) Indigenous-specific action plans

The complete analysis is available in this Annex: Monitoring safeguards tools – 2022 update

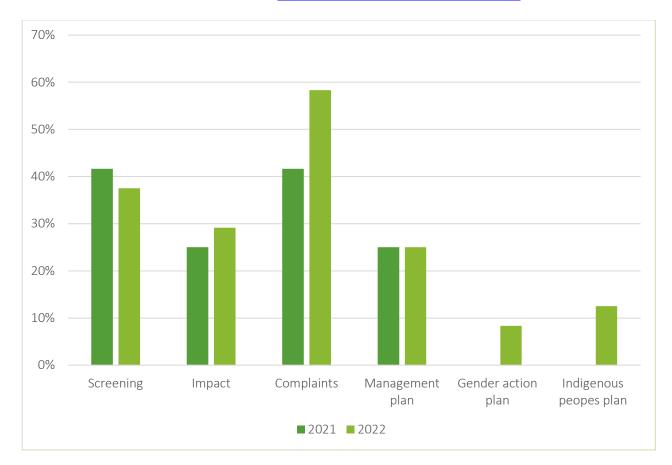


Figure 30: Existence of safeguards tools across CAFI-funded projects

Not all projects are expected to develop all tools (eg a strategic study of a new policy), and CAFI as a pass through fund relies on the accreditation process to ensure that the implementing organizations' own safeguards processes are of sufficient quality. The analysis of figure 28 (detailed in this Annex Monitoring safeguards tools – 2022 update) shows that initial screening and complaints mechanisms are the most adhered to.

In total, projects with a dedicated grievance mechanism (7 projects to date) have claimed to receive 128 grievances or complaints, and resolved 104, the remaining being pending. In the DRC, the FONAREDD has set up a system to implementing organizations that do not have their own complaints/grievance mechanism. It has not reported on number

of complaints in its report in 2022¹⁰⁰. CAFI has not received complaints from its complaints mechanism process by the timer of writing this report.

As mentioned above, focus in 2022 has been on the assessment as part of the accreditation process. 2023 will be a year to examine the implementation, rather than the mere existence, of tools.

4.6 Monitoring and learning

The CAFI Board adopted an ambitious Monitoring, Evaluation and Learning Policy in November 2022. This policy will start being implemented in 2023, under the strategic guidance of a MEL Working group comprising national partners, donors and implementing organisations. Recruitment of M&E staff, that started in 2022 and will continue in 2023, will allow to gradually implement the Policy, and elaborate Guidelines.

5 Shaping the global narrative: communications and visibility

With additional staff joining the CAFI Secretariat, the elaboration of a revised communication strategy was initiated in December 2022.

5.1 Web site

The CAFI Secretariat maintained its website (www.cafi.org), ensuring transparency and access to country and project information and the CAFI portfolio.

The web site includes:

- Over 30 pages, with background and results for each CAFI-funded project in both languages, providing easy access to CAFI's investments and results.
- Eight thematic pages highlighting CAFI's outcomes, developed and updated with results.
- Graphs updated to showcase commitments per countries and sector.

Twelve news articles were published on the web site in two languages, meeting the objective of one article per month.

	2017	2018	2019	2020	2021	2022 ¹⁰¹
Users	7934	10,322	15,917	18,778	15,822	24,000
Sessions	14,344	16,286	23,223	28,132	22,329	25,000
Page views	39,647	39,056	51,955	61,447	40,678	105,000
Average session duration	3.24 min	2.40 min	2.25 min	2.17 min	1.38 min	2.21 min
Pages visited / viewer	2.76	1.58	2.24	1.50	1.87	4.4

 $^{^{100}}$ To be revised upon receiving a final version of the FONAREDD report.

¹⁰¹ Due to an update in the metrics in Google Analytics, which is used to obtain this data, the data may not be entirely comparable to previous years.

User per month	661	860	Low:1 000; High:	Low : 1212 (April);	Low: 221 (June)	Low : 1700 (September)
			2800	High : 2213 (October)	High : 2947	High : 3300 (June)

While metrics are comparable to previous years, the highest number of 'Users per month' was reached in June 2022, with the launch of the Call for Expression of Interest in the DRC.

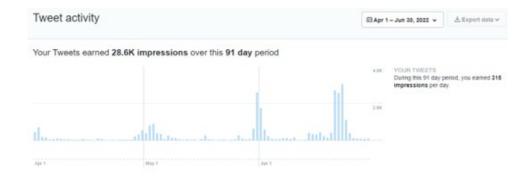
The CAFI Secretariat also provided substantive information serving to showcase CAFI's results on the <u>CAFI</u> dedicated page of the revamped MPTF Gateway.

5.2 Social media presence

The CAFI Secretariat continued to focus its social media presence on Twitter.

Data	2017 (April to Dec)	2018	2019	2020	2021	2022
Number of followers ¹⁰²	285	588	1022	1373	2004	2474
Total tweet impressions	147,122	205,800	187,000	121,000	204,600	66,088

The number of followers continued to increase, and the number of impressions over a 3-month period reached as high as 28.6k, peaking during the Oslo Tropical Forest Forum in June.



¹⁰² New followers minus departing followers

A temporary decrease in capacity in the CAFI Secretariat led to fewer tweets produced in 2022, causing a significant drop in Tweet impressions, but the numbers have been steadily increasing since the fall.

The CAFI Secretariat reached its objectives of 2400 followers on Twitter by 31 December 2022.

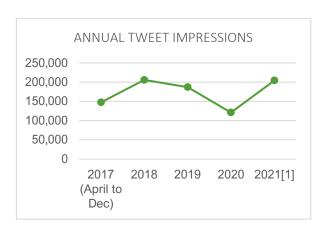
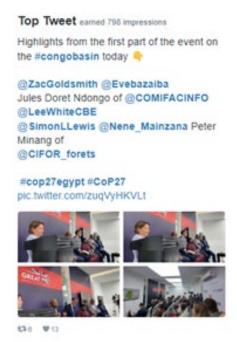


Figure 31: Tweet impressions for @CAFISecretariat on Twitter



5.3 Media engagement

The CAFI Secretariat engaged regularly with the press on an ad hoc basis, usually at least once per month, mostly via "off the record" interviews with top-level international journalists looking for background information on CAFI, issues related to deforestation in Central Africa, and what CAFI sees as the main forest issues today and into the future. These interactions proved useful in positioning CAFI as a critical resource, and often serve to balance negative press coverage.

For example, following the report on DRC's logging sector in early 2022 and the country's decision to open oil and gas blocks for auction, press focused on whether the agreements made at COP26 would work. An April 2022 article condemned a "lawless" logging industry in DRC. Yet despite continued criticism following the country's decision to open oil and gas blocks for auction in the DRC, press refrained from pointing fingers at CAFI directly, as demonstrated in this Guardian article from October 2022, which includes wording from a statement from CAFI that "No money has been released so far but DRC has made progress in meeting the agreement, which includes objectives to protect high-value forests and peatlands. In April, concerns were raised about the country's "lawless" logging sector but it is understood that donor countries are generally pleased with progress since the Glasgow summit."

As a result, these engagement of the CAFI Secretariat with media contacts succeeded in shifting the narrative. Press toward the end of the year therefore focused more positively on developments from COP27 and COP15 on biodiversity, CAFI's potential role in the announced One Forest Summit and the forest-focused coalition between Brazil, Indonesia and Central Africa, and more often than not cited CAFI as a resource for statistics and figures on forested areas in the region.

5.4 Events

Seoul World Forestry Congress – May 2022

In May 2022, the CAFI Secretariat organized and facilitated two public ministerial side events at the Seoul World Forestry Congress, hosted by CAFI-donor Korean Forest Service, that gathered the Environment Ministers of Gabon, Republic of Congo, Cameroon as well as Cabinet Director of the DRC.

The CAFI Secretariat also facilitated a plenary session that discussed the results of the CAFI- funded regional study on trends and drivers in Central Africa (sub theme 1: what causes deforestation and degradation, watch here), and provided remarks in the closing plenary for the Congress.

Altogether, these four events reached approximately 700 people in the audience and an additional few thousand online, raising awareness on the challenges and solutions inherent to the central African region.

Oslo Tropical Forest Forum – June 2022

The summer solstice, 21 June 2022, was chosen for CAFI's side event at the Oslo Tropical Forest Forum. This global conference hosted by Norad on behalf of the Norwegian International Climate and Forest Initiative (NICFI) was an opportunity to showcase what works for Central African forests and people, what does not, and what remains to be tried at scale. The event brought together high-level participants, such as Gabon's Minister of Environment and Permanent Secretary of the National Climate Council, the DRC Cabinet Director of the Ministry of Finance, but also agricultural producers, representatives of indigenous peoples, implementing agencies, donors, and NGOs, who debated:

- What is the latest data and developments on tropical forests in one of the poorest regions in the world?
- Can rural development solve the poverty/deforestation cycle in the DRC?
- Could Gabon's innovative and sustainable approaches in the forestry sector work elsewhere?
- New approaches in fighting poverty to reduce deforestation at the sub-national scale.



Well-attended CAFI event at the Oslo Tropical Forest Forum

Watch CAFI's full event at the Oslo Tropical Forest Forum: Win-win opportunities for people and forests in Central Africa (vimeo.com)

By the end of this interactive event, a quick poll revealed that 65% of participants declared themselves energized about solutions that can be developed, while 30% were curious to find out more.

Libreville, Gabon 19th Meeting of the Parties of the Congo Basin Forest Partnership – July 2022

CAFI's Annual Forum and High-level roundtable on the vision 2030 for CAFI were organized in Libreville on 6 July and 7 July 2022 at the 19th meeting of the Parties (MoP 19) Congo Basin Forest Partnership.

The roundtable provided a space for fruitful dialogue and joint reflection amongst high-level representatives from CAFI's donor and partner countries as well as key technical partners.

CAFI's Annual Forum 2022 successfully created a space for dialogue and exchange amongst more than 100 technical-level representatives from civil society organisations, implementing organisations, and governments in CAFI's partner countries in the Congo Basin, as well as technical-level representatives of CAFI's Executive Board. The event allowed stakeholders to address and discuss progress towards the objectives of the Letters of Intent signed between CAFI and three Central African countries (DR Congo, Republic of Congo and Gabon), lessons learnt and recommendations for the way forward. Furthermore, the event facilitated joint reflections on strengths and concerns raised by civil society with regards to the implementation of the objectives of the partnerships set up by CAFI.

The CAFI Secretariat produced a "Results" video showcased during the event, that can be watched here.

Sharm el Sheik, Egypt, COP 27- November 2022

The CAFI Secretariat organized, facilitated, and participated in several events at COP-27, including the highly mediatized ministerial event at the UK Pavilion titled "Congo Basin, raising Ambitions and driving solutions", with the UK, Cameroon, Gabon, and DRC Ministers, researchers and civil society but also:

- Contributed to a DRC event on the CAFI-DRC partnership
- Launched the partnership with the &Green Fund





CAFI Secretariat events at COP-27

Communication tools

The CAFI Secretariat developed and disseminated several communication tools in 2022

- A new general brochure about CAFI, in French and in English
- A "Results" Brochure, in French and English
- A brochure in English and French dedicated to the 2nd Letter of Intent with the DRC
- <u>A video about CAFI's results</u>, showcased online and at the high-level segment of the 20th EB meeting in Libreville

A communication strategy was developed in end 2022 (with the arrival of one new staff) and will be finalized and implemented starting in 2023.

6. Country details

6.1 DRC 103

DRC has the longest running partnership with CAFI, initiated in 2016 and renewed in 2021 with the endorsement of a second Letter of Intent that runs until 2031, the first phase of which runs until 2026.

2022 was marked by preparations for optimal implementation of the 2nd letter of intent. With the support of CAFI, the government has laid the foundations of the Programmatic Framework by launching the Call for Expressions of Interest and validating a note on the Fast-Track programming process for high-performance projects. As part of the second tranche of project funding, the governance bodies approved transfers of \$28.5 million. Lastly, the FONAREDD and CAFI governing bodies approved the demonstration of needs for programming fast-track projects to the tune of \$229 million for the next year.

The restructuring of FONAREDD's governance frameworks was initiated with the validation of a note on institutional arrangements, the independent review by FONAREDD's Administrative Agent (MPTF) followed by recommendations on the restructuring of the Fund's governance bodies, and the appointment of a new FONAREDD management by Ministerial Order in November 2022.

Finally, the milestones were reviewed by the college of Cabinet Directors and General Secretaries of all the sectors concerned, to assess the status of implementation of the 2022 milestones.

Main achievements are described for DRC (political commitment and results per outcome), in section 3 above.

6.1.1. Overview of the DRC portfolio

CAFI's funding, channeled almost exclusively through the FONAREDD at the exception of one small grant to UNDP, is spread across outcomes a per Figure 30.

¹⁰³ This section was prepared by the CAFI Secretariat. It may not be fully consistent with the FONAREDD 2022 Annual report, whose deadline is 31 May 2022.

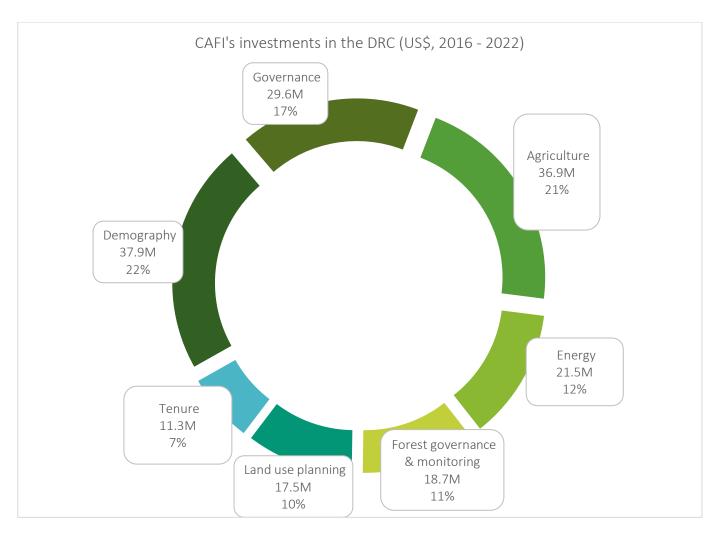


Figure 32: CAFI's investments per outcome in the DRC

The DRC portfolio comprises:

- 8 running rural development projects (7 integrated projects PIREDD and the Savannahs & degraded forest project)
- 11 running sectoral projects
- The FONAREDD Secretariat
- Three closed projects:
 - o The National Forest monitoring project, closed in 2021.
 - o The Sud Ubangui provincial programme (PIREDD), closed in 2022.
 - o The sustainable management of agriculture programme (PGDA in French), closed in 2022.

In total, since 2016:

- 246 M were transferred from CAFI to the FONAREDD and 0.5 M to UNDP
- 183 M were transferred to implementing organizations

• Total expenditures of projects reached 113.2M, i.e., 70% of transferred amounts and 45% of approved amounts.

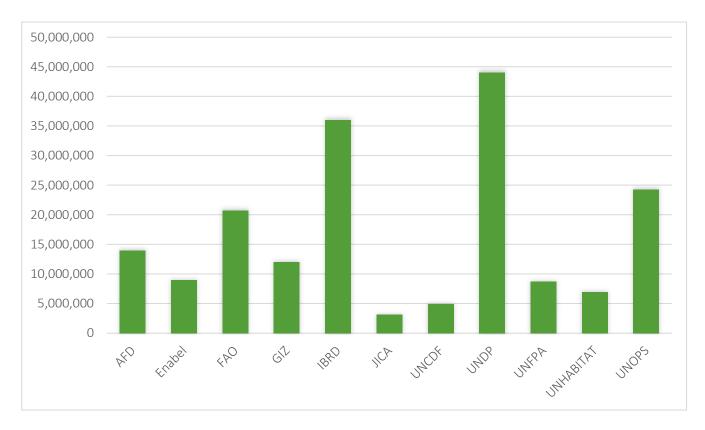


Figure 33: Funds transferred (in M US \$) per implementing organization in the DRC cumulatively as of 31 December 2022

6.1.2 Assessing project results delivery

Project performance was assessed in a table (Figure 32) below that puts in perspective:

- achieved results, quantitatively and against targets when possible
- how long the project has been running (funds transfer)
- its financial delivery performance indicating how much funding has been spent to achieve these results and comparing it to approved amounts and transferred amounts.

The table below <u>does not</u>, however, capture softer, non-numerical aspects, such as the sustainability and inclusiveness of a project, social and environmental safeguards put in place, its gender aspects, how it seeks to ensure ownership at various levels of governance, nor its transparency or adaptive management efforts. Mid-term evaluations, when they have been performed, examined these elements in details and are provided. In 2021, mid-term evaluations were undertaken for 5 projects, namely the project to support land tenure reform, the project to support land use planning reform, support to civil society, PIREDD Mai-Ndombe and the internal evaluation of the Family planning project¹⁰⁴.

¹⁰⁴ Links are provided below, but their access is restricted.



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Main quantitative and cumulative results and targets as of 31 December 2022

Budget approved, transferred and spent by 31 Dec 2022

Sectoral projects

Project for the sustainable consumption and substitution of wood energy (Energy project) 99

Implemented by UNCDF and UNDP

2022 Annual report

Clean Cooking Challenge and Incubation Fund

- 12 contracts for 1.2 M US\$ for Improved cookstoves will amount to dissemination to 99,300 households (or an estimated 764,400 people), bringing the project closer to its 500,000 target and usage of 10% in Kinshasa households.
- These funds enabled the production of 88,000 improved stoves, 19,000 stoves and gas kits, 480 tons of gas and 778 tons of briquettes for cooking and have created more than 1876 jobs created Kinshasa, Lubumbashi, Goma, and Bukavu, of which 61% are youth, 41% women amongst which 21.8% hold director level position.
- 650 000 USD mobilized from the Least Development Investment Platform, 500 000 USD mobilized from ALTECH, 20 000 USD from SIMA and BRISOL. This represents 3.9% of the 30 M US\$ target to support deployment of LPG by microfinance programs). A total of 16 partnerships in the form of performance-based funding agreements were signed.

A national energy policy document was validated on December 9, 2022. It will be submitted to the government after the strategic environmental and social assessment under the leadership of the MRHE.

- The <u>modeling study of the potential and impact of LPG deployment</u> in Kinshasa has been finalised
- LPG <u>Master Plan</u> for the City of Kinshasa validated in September 2022 with a <u>roadmap</u> for the development of legal texts and resource mobilization.
- An <u>Environmental and Social Impact Assessment (ESIA)</u> was carried out in accordance with ACE measures, who developed <u>ToR guiding this study</u>. The report examined in the workshop of July 6, 2022, submitted to <u>the CEA</u>, <u>which has deemed it acceptable</u> with amendments taken into account in the final version.
- Three exchange visits to Ghana, Côte d'Ivoire and Kenya were conducted to build the capacity of national experts on policy and regulatory aspects of the energy sector with a focus on clean cooking.
- Nine training modules on the design, production and distribution of improved cookstoves as well as business models in the clean cooking sector in general including LPG were developed.

15 M approved

10.6 M transferred

6.7 M USD spent (63 % of transferred amount and 44 % of approved budget)

	 83 people have been trained since the start of the program on product design/improvements, marketing, operations and documentation for the proper management and sales of cookstoves/renewable products on clean cooking technologies; 42 people (18 Ceramists and 24 Sheet Metal Workers) have been trained in product design/improvements, marketing, operations and documentation for the proper management and sales of renewable stoves/products on clean cooking technologies. Equip 4,000 households with micro-hydroelectricity – progress: feasibility studies conducted. Sponsorship of 7 Challenge Fund companies to exhibit at the Rencontre d'Affaires du Kivu (RAKI) during Global Entrepreneurship Week, where over 100 companies, ministries and research centers took part. Direct one-to-one technical assistance to 16 companies and online assistance to 30 companies was provided. 	
PROMIS -Scaling up family planning Implemented by UNOPS + UNFPA with INGO consortium 100 Mid-term evaluation (October 2021) 2022 Annual report	 In all, the program generated 4,794,765 CYP since the start of the project, (i.e. 75% of the initial target, or 104% of the revised target). It is estimated that this represents 41% of family planning solutions (CYP) produced in the DRC and 52% of those produced in provinces targeted by the project. Modern contraceptive prevalence rate rose from 26% to 27,3 % in Kinshasa and from 20 to 26.3% in Kongo Central from 2020 to 2021., the target being a 1.5% annual increase in target provinces¹⁰¹ 73% of health facilities in target provinces offered at least three different contraceptive methods and at least one long-acting method in 2021 (112,5 % of the 80% target). And, on average, 64% of health facilities experienced no stock-outs during the program's implementation period. A total of 175 health zones covered in 11 provinces. The target of 3,500 health providers to be trained was far exceeded with a total of 12,863 trained. In addition, 3775 students have been trained in 152 health science schools since the start of the project. The technical studies for the construction of one of the two Regional Distribution Centers (RDC) (in the province of Bas Uele) are finalized and validated. 	33 M approved 33 M transferred 30 M spent (90% of transferred amount and 90% of approved budget)
National Forest Monitoring system Implemented by FAO Final report (Project closed)	 Annual hectares of disturbances 2000-2018 National Forest Inventory 85% completed Terra Congo website online FREL submitted to the UNFCCC 	10 M approved 10 M transferred on 22 December 2016 9.99 M spent (99.9% of approved and transferred amounts)

Land Tenure project Implemented by UN-Habitat 2022 Annual report Mid term evaluation	The national Commission for land tenure reform (CONAREF) is fully operational. To date, CONAREF has a Manual of Administrative and Financial Management Procedures, an internal capacity building plan, a capacity building plan/guide for the provincial coordination, a communication plan and a ten-year capacity building plan for land administration. 11 thematic groups have been created to promote quality dialogue on land reform. A land tenure policy document was officially adopted by the Council of Ministers on April 15, 2022. The draft land law amending and supplementing the 1973 land law, approved by the Council of Ministers, has been awaiting a thorough reading in the PAJ committee of the National Assembly since October 2022. The draft 1 of the national land plan for the implementation of the land policy and law is already available and is being reviewed by thematic groups.	7M approved 7 M transferred on 25 Apr 2017 7 M spent (100% of approved and transferred amounts)
Land use planning project Implemented by UNDP 2022 Annual report Mid term evaluation	Land-use planning policy developed, adopted by Council of Ministers in July 2020. A communication plan for the reform was validated by all stakeholders during a workshop held in September 2022. -Methodological guides for the realization of provincial land use plans (PPAT) and local land use plans (PLAT) validated in September 2022; -Report of the sectoral assessment for the elaboration of the National Land Use Planning Scheme (SNAT) validated in September 2022The signing of a professional services contract with FRM in December 2022 for the completion of the DRC Forestry Capital Study. Study was launched in 2022. Establish the "Territory Observatory of the Ministry of Land use planning": completed	8M approved 5.7 M transferred on 18 Apr 2017 4.5 M USD spent (79% of transferred amount and 56 % of approved budget)
Sustainable management of agriculture Implemented by FAO Project closed in 2022 2022 report	 finalization of the diagnosis of the major agricultural issues and opportunities, finalization of the orientation note of the national sustainable agricultural policy and the finalization of the draft 1 of the national sustainable agricultural policy. The project target was the adoption of the policy. Consolidation of the regulatory texts of the Agricultural Law to support the implementation of the national sustainable agricultural policy Introduction and dissemination of the EX-ACT-Carbon tool to DRC managers and technicians (training manual) Website of the Ministry of Agriculture as a dissemination platform established and is updated 	3M approved 3 M transferred on 29 April 2019 1.5 M spent (50% of approved and transferred amounts)

	 Five sentinel posts for the monitoring of major deforestation events have been installed in 5 territories (Inongo, Masimanimba, Bumba, Budjala and Bomongo), equipped with agents trained and reinforced. 	
Savannahs and degraded forests Implemented by AFD 2022 Annual report	The general objective of the project is "to contribute, through improved services, to the appropriation by farms and agricultural SMEs of sustainable practices for the development of savannah lands and degraded forests, in order to consolidate local economies in two different agro-ecological zones (savannah in Kwilu province and forest in Tshopo province), maintain forest landscapes and mitigate pressure on the forest resource. The project was officially launched two years after funding transfers, in July 2022, and has cumulatively completed the following activities: Official launch of the program in the two program provinces; Recruitment and installation of program teams and technical assistance; Identification of beneficiaries; Identification of promising agricultural sectors in the two provinces of the program; Definition with microfinance operators of financial outputs and their mode of intervention. Establishment of a geographic information system; Establishment of the forest cover baseline; Selection of LRAs; Discussions with the provincial technical services of agriculture on the modalities and establishment of a memorandum of understanding of collaboration.	15M approved 8M transferred on 18 April 2020 1.4 M USD spent (18% of transferred amount and 9% of approved budget)
Sustainable management of forests (PGDF) Implemented by AFD 2022 Annual report	A national PGDF Coordinator was appointed in Nov. 2022 and the PGDF launch workshop took place on Dec. 5, 2022. A legal review of industrial logging concessions was finalized. A 2023 roadmap was validated in Nov. 2022 by relevant stakeholders including the leadership of the MEDD	12M approved 6M transferred on 23 Jul 2020 0.4M spent (7% of transferred budget and 3% of approved budget)
Support to Indigenous Peoples Implemented by the World Bank 2022 Annual report	 Inputs into the Law on the promotion and protection of the rights of Pygmy indigenous peoples, adoped by the National Assembly on 7 April 2021 and declared admissible at the Senate level on June 04, 2021. Perpetual Titles obtained for Local Community Forest Concessions (CFCL), covering an area of 111,760.8 hectares in favor of indigenous peoples of the Bakwa Ngombe Tshiefu Group in the Lubi sector, Dimbelenge Territory in the Province of Central Kasai have been obtained since the project started 	2M approved 2M transferred 0.6M spent (31% of transferred amount and 31% of approved amount)
	Development of the five-year strategic plan on the mechanism for the legal security of the lands and natural resources of indigenous peoples	

PIREDD Mai Ndombe	21,286 direct beneficiaries	30 M approved
Provincial integrated projects	(PIREDD)	
	progress towards fulfilling the milestones of the first and second Letter of Intent signed between DRC and CAFI Production of <u>five FONAREDD annual reports</u> .	
	Coordination of sectoral ministries related to REDD+ through regular meetings to monitor	
	Committees 106 Completion of five independent mid-term evaluations: PIREDD Maniema, Equateur Program, PIREDD Oriental, PIREDD Kwilu.	30% of approved amount)
	programs.; Organization of <u>51 meetings of the</u> FONAREDD <u>Technical Committee</u> and <u>14 Steering</u>	6.6M transferred 4.8M spent (72% of transferred amount and
FONAREDD Secretariat	Programming of 18 funded programs and monitoring and evaluation of 16 operationalized	budget) 15.9M approved
Evaluation	A total of 19 GTCRR provincial coordination platforms have been functional since 2021	transferred and approved
2022 Annual report	8 Independent observation missions in PIREDDs (not target specified) that focus on participation of civil society and indigenous peoples	December 2016 2.6M spent (81% of
Civil society support project Implemented by UNDP	Consolidation of the national platform and installation of provincial units in 16 provinces Went from gathering 480 organizations in 2016 to 600.	3.3M approved 3.3M transferred on 22
	provincial and local levels. 27 complaints received and 3 in the process of being resolved • Project's <u>website</u> is operational	
	 Training and material A Complaints Management mechanism and manual is operational at the national, 	
	 4750 indigenous people – 70% of which are women - supported on literacy Over 300 beehives distributed to produce and commercialize honey 	
	 19 microprojects for Indigenous Peoples elaborated in 5 territories benefit 2057 households (12,342 Indigenous people) 	
	 Launch of the process of obtaining a Provincial Edit on the promotion and protection of the rights of indigenous Pygmy peoples in the province of Tshopo. 	
	 Signing of an act of commitment by Traditional Chiefs in favor of indigenous Pygmy peoples in connection with the recognition of their living spaces 	

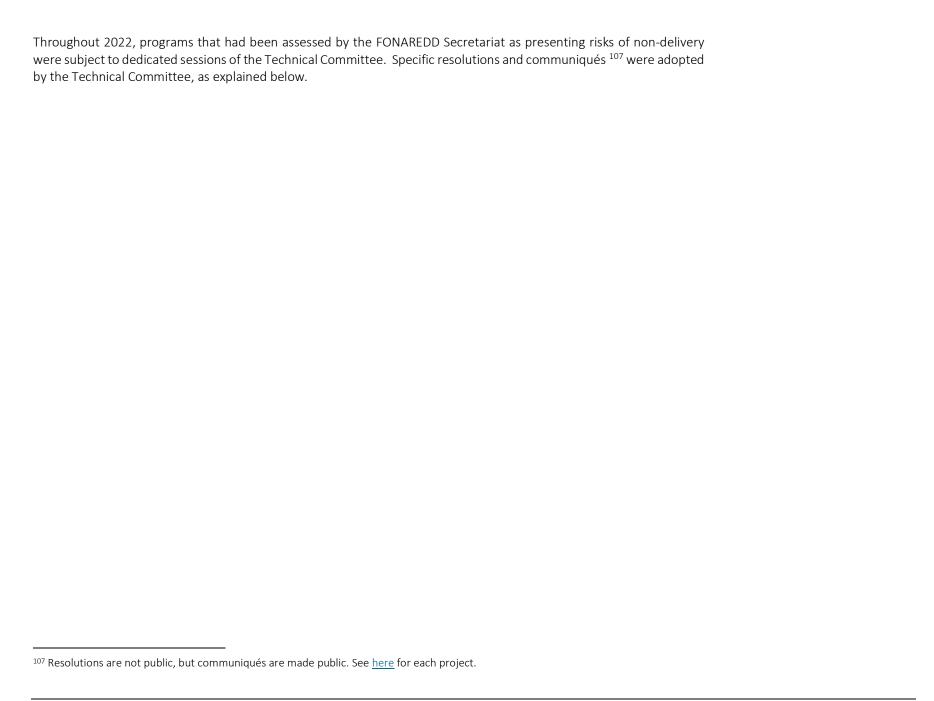
¹⁰⁶ Some funding approvals were made through no objection requests sent to Steering Committee (COPIL) members by email.

Implemented by World Bank ¹⁰² 2022 annual report Independent evaluation	 480 local development committees (CLD) supported (480 PSAT validated (80 % of 600 CLD target) 9 936 ha of savannah set aside for natural regeneration (33% of the 30,000 ha target) 2 194 ha community forestry set aside (21.9% of 10,000 ha target) 898 ha of perennial crops planted (9% of the 10,000 ha target) 1 693 ha of perennial crops in savannahs planted (102.6% of 1650 ha target) 1 800 ha in agroforestry planted (53.7% of 3350 ha target) This brings the total in hectares to 16 521 ha, or 30 % of the 55,000 ha target 21 bridges and 8 culverts built 4 km of dykes, 210 km of roads rehabilitated/maintained 5,785 agricultural households in the Maï-Ndombe District having benefited from awareness programs on family planning and the prevention of Ebola and HIV/AIDS 	30 M transferred on 18 May 2018 19.2 M USD spent (64% of transferred amount and 64 % of approved amount)
PIREDD Sud-Ubangi Implemented by the World Bank ¹⁰³ (Project closed)	98 Local Development Committees/CLD supported (54 % of the 100 target) 13 land use plans developed (52,4 % of the 21 plans target) 54 Natural Resource Management Plans developed (54 % of the 100 plans target) 1486 ha agroforestry crops planted (74 % of the 2000 ha (revised) target¹)	7 M approved 4 M USD transferred on 16 February 2018 2,6 M USD spent (65 % of transferred amount & 37,1 % of approved amount)
PIREDD Orientale Implemented by UNDP 2022 Annual report Independent verification report	 18,286 direct beneficiaries 162 multi-stakeholder platforms have been put in place and supported to support sustainable land use management (56,6 % of the 286-platform target) 124 territorial governance/development entities have local development plans (51,7 % of 240 entity target) 13,519 ha food crops under sustainable agriculture methods (16 % of the 160 000 ha target) 7,060 ha new perennial crops planted (25,4 % of 5000 ha target) 15,721 ha of savannas set aside for natural regeneration (of 30 000 ha target) 48 technical administrative services and territorial governance/development entities have strengthened their capacity (80 % of the 60-entity target) 175 technical administrative agents have had their capacity strengthened (59 % of 296 agent target) 	33 M approved 26 M transferred in 2017 17.6 M spent (68 % of transferred amount and 53 % of approved amount)
PIREDD Kwilu JICA	 3,036 direct beneficiaries No Territorial Development plans put in place to date (of the 30-plan target), but 62 land use plans at village level (PSAT) have been developed. 263 CLDs have been setup. 	4 M approved 3,17 M transferred on 20 December 2018

2022 Annual report	 2,702 ha planted (24,5 % of 5000 ha target) including 1,806 ha of agroforestry plantations 11,146 ha of savannas set aside for natural regeneration 100 villages were involved in creating community agroforestry plantations (40 % of the 250 villages target) 16126 have been evaluated as direct beneficiaries 122 broadcasts of one hour on natural resource management diffused (10 % of 1200-hour target) 450 communication boards on natural resource management installed across villages (90 % of 500 board-target) 	2.3 M spent (74 % of transferred amount and 57 % of approved amount)
PIREDD Mongala Implemented by ENABEL 2022 annual report Independent evaluation (2021)	 4,329 direct beneficiaries 60 CLD supported but 10 are operational (120 % of 50 CLD target) 8 land use plans (PSAT) validated and 17 additional in progress (20 % of 50 PSAT target) 214 ha of fruit trees planted (of 160 ha target) 154 ha of food crops under sustainable agriculture methods 3149 Couple Years Protection (CYP) distributed (no specific target) 	12 M approved 9 M transferred on 8 August 2019 4.8 M spent (54 % of transferred amount and 40% of approved budget)
Implemented by FAO 2022 Annual report Independent verification report	 4,200 direct beneficiaries 90 new local development committees (CLD) created (46% of the 194 target) 6 land use plans (PSAT) validated 14 Local Community Forest Concessions (CFCL) validated (23% of target) covering 80,424 ha 300 ha of food crops planted (4,8 % of 3000 ha target) 441 ha of agroforestry planted for sustainable wood energy use (15,7 % of 3000 ha target) 6054 ha savanna area set aside for protection (86 % of 7000 ha target) 3500 improved cookstoves produced (13 % of the 27 000 cookstove target) 80,424 ha of forest established as community forestry (of the 480 000 ha target), and 17 community files (covering 162 000 ha) have been identified by the competent local administrative department and have been submitted for approval. 	10 M approved 8.5M transferred on 27 August 2019 7.1 spent (85% of transferred amount and 71% of approved amount)
PIREDD Maniema Implemented by GIZ 2022 Annual report	 7,264 direct beneficiaries Local development plans put in place (60 % of the 10-plan target) 935 local development committees (CLD) supported 50 ha of trees planted (1 % of 5000 ha target) 399 ha of agroforestry managed sustainably (2 % of 20 000 ha target) 	30 M approved 12 M transferred in 2021 and 2022

	 168,861 ha of forest areas under protection (48 % of 350 000 ha target). 4 Local Community Forest maps are available. 439 persons had an increase in their revenues through community projects linked to green value chains (8,8 % of 5000-person target) 75 000 persons made aware of the importance of local governance (37,5 % of 200 000 persons target) 	6 M spent (50 % of transferred amount and 20 % of approved amount)
Implemented by UNDP (not through the FONAREDD) 2002 Annual (final) report	Support the DRC in the implementation of the Nationally Determined Contribution (NDC) by promoting strengthened leadership to ensure an ambitious climate change policy in the DRC. The specific objectives of the project were to promote, in accordance with the Glasgow Declaration signed at COP26, the forest-climate issues at the heart of the agenda of the two segments of PRECOP27 The project has supported the preparation of COP-27, through logistical support for the organization of the scientific segment (Yangambi, September 2022) by installing the V-SAT and ensuring internet access by V-SAT for the benefit of the Institute of Agronomic Studies and Research (INERA) of Yangambi and political segment (Kinshasa, October 2022) as well as supported the effective participation of Congolese Government experts to COP-27 in Sharm El Sheikh/Egypt (end of November 2022).	0.5M approved and transferred in 2022 0.2M spent (36% of approved & transferred amount)

Figure 34: Project quantitative results and financial delivery



6.1.3. Performance of the Governance structures of the FONAREDD

In 2022, no Steering Committee (COPIL) meeting was held. However, the FONAREDD Steering committee took several decisions by e-mail regarding disbursements and extensions to the duration of some projects. The table below shows the content of the various decisions taken by this body.

Meetin g date	Subject/Proje cts	Decisions	Status
April 2022	Sustainable Consumption and Partial Wood Substitution Program Approval decision	 Disbursement of \$US1.645 millions, a portion of second tranche of funding. Project extended to June 30, 2024, i.e. 18 months from January 2023, of which 12 months for programmatic activities and 6 months for closing administrative activities. Requests the Agency to gather all the necessary prerequisites in terms of feasibility, operationalization and sustainability of the Yame Micro-Hydro Power Plant before considering construction activities. Instructs FONAREDD's Executive Secretariat: i) in close collaboration with CAFI's Secretariat, to support the Agency in carrying out the necessary consultations to ensure that the prerequisites for the construction of the Yame Micro-Hydro Power Plant are met; iii) to accelerate the Program's mid-term evaluation process. 	 Disbursement of \$US1.645 M USD made. Extension completed. The agency has not yet provided all the technical elements required to the FONAREDD and CAFI secretariats in order to obtain technical feedback from the Technical Committee and approval from the Steering Committee (COPIL). I)The feasibility study and the environmental and social impact study for this infrastructure were submitted to the project's independent evaluation. Ii) The independent mid-term evaluation is still in progress.
	PROMIS" family planning scale-up project Approval decision	■ Approves: (i) the disbursement of the second tranche of "PROMIS" funding of \$US3 M; (ii) the relocation of MSI activities and (iii) the adjustment of Tulane's ACP production targets. ■ Recommends that the agency: (i) implement measures to strengthen project governance in order, in particular, to address the recurring delays in the organization of project Steering Committee (COPIL) meetings; (ii) accelerate, under the supervision of the FONAREDD and CAFI Secretariats, the final evaluation of the Project in accordance with the recommendations ofTechnical Commitee44; and (iii) propose concrete measures to respond to the improvements requested in the audits of the three implementing partners, by May 1, 2022, in particular for MSI,	 Disbursement of \$US3 M made Revision of targets and relocation of MSI activities effective Steering Committee (COPIL) measures taken and entrusted to Ministry of Health supervision PROMIS organizes its own independent evaluation which is still ongoing Action taken on audits of three effective partners

		whose audit emphasizes that many improvements are needed.	
	PIREDD Equateur Approval decision	 Conditional approval of the second tranche of US\$4 million of funding, and makes transfers conditional on positive recommendations from the TC. Requests the Technical Committee to (i) ensure that the recommendations of TC 47 and the independent audit report are properly taken into account in the revised version of the 2022 PTBA; (ii) submit to the President of the Steering Committee (COPIL) a disbursement schedule in order to plan cash flow requirements; and (iii) set up a monitoring group with monthly meetings to ensure proper implementation of the PTBA. Requests the Agency to make available to the FONAREDD Technical Committee by May 30, 2022: (i) the management response to the results of the independent audit; (ii) the operational documents to enable the Technical Committee to give its opinion on whether the observations contained in the results of the independent audit and in Technical Committee resolution no. 47 have been taken into account. Instruct the Executive Secretariat, in collaboration with the CAFI Secretariat, to closely monitor the project and prepare progress reports on implementation of the TC's recommendations for the Steering Committee at six-monthly intervals. 	 The Technical Committee has achieved what was expected of it. The Agency has also achieved everything expected of it.
	PIREDD Mai - Ndombe Approval decision	 Cancellation of decision N°01/11 approving \$16 million to the World Bank for PIREDD Mai-Ndombe Approval of a financial allocation of 10 million dollars to enable the PIREDD Mai-Ndombe, in accordance with the results and budget framework approved by the decision of the 2nd meeting of the Steering Committee (COPIL) of February 08, 2017 to continue the implementation of its activities. Requests the World Bank to take into account the conclusions and recommendations of the independent evaluation, particularly on women's participation in project activities 	•
09/202	PIREDD Mai- Ndombe	■ Extension of PIREDD Mai-Ndombe approved until 31 décembre 2024	■ Done

	Approval		
	decision		
	PIREDD Province Orientale Approval decision	 Approval of the final tranche of US\$13 million to enable PLEs to finalize their activities Approval of US\$6 million disbursement in accordance with the Project's adjusted AWP; 	■ Done
12/202	PIREDD Maniema Approval decision	 Approval of the disbursement of US\$3 million to GiZ in December, as the first transfer of the second tranche of US\$5 million to enable PIREDD Maniema to continue implementing its activities. Requests GiZ to: (i) Submit, as an appendix to the 2022 annual report, within the contractual deadline, the updated financial report presented by Results and Products, but also by UNDG category; and (ii) Share, by January 31, 2023, an explanatory technical note on (a) the operational mechanism for monitoring and certifying the activities of beneficiary households and local NGOs subsidized by the program Instruction to the SE FONAREDD, in collaboration with the CAFI Secretariat: (i) to enable the decision to disburse the balance of the second tranche, i.e. USD 2 million to be transferred to GiZ during January 2023; and (ii) to inform, by the end of January 2023, the Fund's governance structures of the results of the independent evaluation currently being carried out, so as to make the decision to allocate the other tranches of funding conditional on the mandatory integration of the main recommendations of the said 	
12/202	Support to civil society Approval decision	 Approval of a supplementary budget of \$300,000 to cover residual activities; Approval to disburse the full amount on the basis of the submitted AWP; Approval of the project extension 	■ Done

The Technical Committee held 7 sessions, 3 of which were held over two days. In addition to these sessions, members of CT were active in several other meetings, notably the ad hoc monitoring committees set up to monitor programs

requiring specific support in implementing the Technical Committee's recommendations. These included the Gestion Durable de l'Agriculture (GDA) project, PIREDD Oriental and PIREDD Equateur. Related documentation is available here.

Meeting	Date	Subjects treated
CT45	27 January 2022	 (i) Review of the Land tenure reform project mid-term evaluation report; (ii) Review of the reports of the independent evaluations of the PIREDD Mai-Ndombe PRODOC; (iii) Review of the follow-up note on the 2021 TECHNICAL COMMITEE resolutions; (iv) Presentation of the 2022 TECHNICAL COMMITEE calendar; (v) Information point on the Civil Society program and (vi) Information point on the Energy Program.
TECHNICAL COMMITEE46	24 February 2022	(i) Review of the PIREDD Mongala budget revision; Progress report on reviews of monitoring mechanisms and plans (including field missions) and program evaluations and (ii) Information point on the program preparation fund.
TECHNICAL COMMITEE47	07 April 2022	(i) Review of the report of the verification mission of the PIREDD Oriental achievements;(ii) Review of the report on the verification mission of PIREDD Equateur and(iii) Review of the analysis note on the Energy Program.
TECHNICAL COMMITEE48	31 May to 01 June 2022	 (i) Review of the management response and work plan (PTBA 2022 and Forecasts 2023) of PIREDD Equateur; (ii) Review of the PIREDD Oriental management response; (iii) Review of the revised Operational Plan 2021-2026 of PIREDD Maniema and (iv) Review of PIREDD Mongala's management response and no-cost extension request.
TECHNICAL COMMITEE49	26 to 27 July 2022	 (i) Review of the progress of the IP Support Program; (ii) Review of the Operational Plan (2nd Phase) and adjusted PTBA 2022 of PIREDD Oriental; (iii) Review of the progress of the GDA Program; (iv) Review of PIREDD Kwilu progress; (v) Review of the progress of the Programme d'appui à la (vi) Réforme Foncière and (vii) Review of the SE-FONAREDD mission report to PIREDD Maniema.
TECHNICAL COMMITEE50	29 to 30 September 2022	 (i) Review of the progress of the Programme d'appui à la réforme de l'Aménagement du territoire (PARAT); (ii) Review of the request for extension and amendment of the Land Reform Support Program; (iii) Review of the progress of the Civil Society Support Program and (iv) Progress review of the GDA Program.
TECHNICAL COMMITEE51	04 November 2022	(i) Review of the PROMIS Extension Program; (ii) PIREDD Mongala progress review;

6.1.4 Results against the milestones of the Letters of Intent

Major results per outcome are provided in section 3. The section below measures the continuous progress against the final milestones of the 1^{st} Letter of Intent¹⁰⁸, and the increased level of ambition agreed to in the 2^{nd} Letter of Intent.

Overview

Figure 33 below displays progress against the 2022 milestones of the 2nd Letter of Intent.

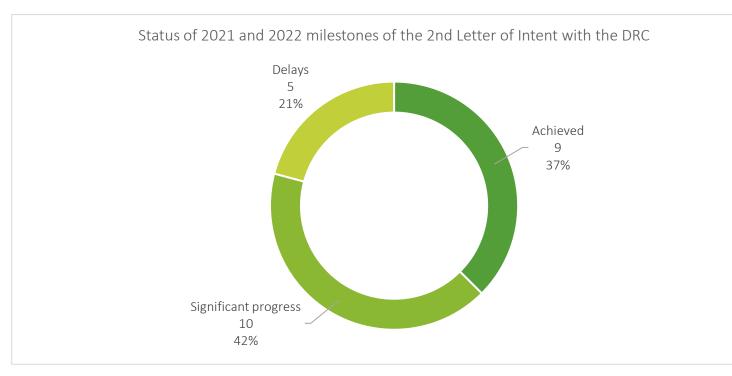


Figure 35: status of 2021 and 2022 milestones of the 2nd Letter of Intent

 $^{^{108}}$ The status of 2018 milestones is reported in the 2021 Annual report

Agriculture

1st Letter of Intent

	By end 2018 ¹⁰⁹	By June 2020 ¹¹⁰	By December 2020 ¹¹¹	By December 2021 ¹¹²	By December 2022
2020 milestones					
Agriculture policy adopted	Not evaluated	Sust. Agr project just started, long process ahead	Ibid	Official adoption of the policy is pending. Became a milestone for end 2022 in the 2 nd Letter of Intent.	Became a milestone in the 2 nd letter of intent, see below
System to monitor major deforestation events available on Terra Congo	Not evaluated	Not evaluated , informati on considere d scattered	System not publicly available	SNSF web portal: www.rdc- snsf.org/portal/#; Forest cover change maps (2014-2016 and 2016-2018); Provincial deforestation estimates	unchanged

2nd Letter of Intent

Ambitions were renewed by end 2021 for this outcome, through the 2021-2031 Letter of Intent. As seen in the table below, the two 2022 Agriculture milestones have been fulfilled. Indeed, the World Bank made these two milestones' conditions for its budget support to the government. Ensuring consistency between the legislation being considered in the March 2023 parliamentary session and the direction of the Agricultural Policy is the major challenge for this milestone during 2023.

Milestone	Status by end 2022
The Agricultural Policy is adopted [in the Ministerial Council] by the [end of 2022], integrating the principles of Land Use Planning and the protection of forests and peatlands (cf. Forest pillar), and promoting the development of sustainable commercial agriculture in savannah areas.	Met. Final version of the sustainable agriculture policy available; Finalization of the SESA: Draft SESA report available and submitted on Dec. 15, 2022 by MINAGRI to ACE for validation (here is a letter of transmission);

 $^{^{109}}$ As assessed by the 1st independent verification. The same applies to matrices for all outcomes

 $^{^{110}}$ As assessed by the 2nd independent verification. The same applies to matrices for all outcomes

¹¹¹As assessed by the FONAREDD Secretariat. The same applies to matrices for all outcomes

 $^{^{\}rm 112}$ As assessed by the FONAREDD Secretariat

	Validation of the PAD in the Council of Ministers: <u>Letter from the MinAGRI</u> to the SG of the Government and <u>Letter from the SG</u> for inclusion on the agenda of the Council of Ministers.
Agricultural concession contracts are published at least every year on the Sector Ministry website and are accessible to the public.	•
The National Agricultural Advisory Council is in place and operating by the [end of 2022].	Met. The <u>NACC decree</u> on the composition, organization and operation of the National Advisory Council on Agriculture has been issued.
A map of potential sustainable agricultural production, integrating the preservation of forests and peatlands, is prepared for key cash crops [for example coffee, cocoa, palm oil, rubber, etc] by the [end of 2023], and based on the study made of the agricultural potential in the framework of the Land Use Planning Pillar.	To be assessed in 2023
A participatory process of consideration and definition of the medium-sized (intermediate) agriculture, its specific requirements, and the manner to accompany it to reduce its impact on forests while responding to the country's requirements, in line with the objectives of this Letter of Intent, on the base of the specific context of the DRC and supported by good international practices in similar countries.	
The Sector Ministry formally notifies the development partners and Provincial Governors to ensure the consistency between public development assistance programs on the one hand and the provincial programs including the public and private investments, and on the other hand, the orientation of the national agricultural policy as well as the requirements of the Land Use Plans/Schemes [especially those developed in the framework of the PIREDD] by the [end of 2023].	To be assessed in 2023
A plan or roadmap to gradually increase the domestic budgetary allocation and execution to the agricultural sector is adopted by the [end of 2023].	To be assessed in 2023

Challenges

Practically all provincial projects reported constraints on supplying agricultural intrants, the quality of seeds, their multiplication and distribution.

The formulation of the Agricultural policy will need to ensure that the reduction of the dependance on the import of agricultural products is taken into account.

Energy

1st Letter of Intent

2020 milestones			End 2020	End 2022
Revised Energy policy	Not assessed	Not assessed	Roadmap launched and data being collected	Became a milestone in the 2 nd letter of intent, see below
Improved cookstoves (ICS) used in 10% of households	Not assessed	Objective impossible to attain, although a dynamic was initiated by the FIP	Incubator Fund and Energy projects have started the sale of cookstoves, but no relative %	Over 90,000 clean cooking solutions

2nd Letter of Intent

Ambitions on Energy were renewed with the 2nd Letter of Intent. As per the table below, the two energy outcome milestones to be met by the year 2022 are still in progress. The current priorities of the energy pillar are the development and adoption of a legal, regulatory and fiscal framework for liquefied petroleum gas as well as the planning and implementation of master plans for wood fuel supply with clear multi-stakeholder institutional support for their piloting and implementation.

Energy milestone	Status by end 2022
An intersectoral coordination mechanism on the issue of sustainable energy, that includes clean cooking, is defined by a legal act and made operational by the end of [2023], with at least [1 or 2] annual meeting(s) from [2022] and a clarification of the respective mandates and necessary synergies by [end of 2023].	In progress. The decree for the creation of a unique working group on LPG and Wood-Energy aspects was already available. But it was proposed to consider the integration of Woodfuels aspects in the missions of the National Energy Commission. Reflections on the purpose of this mechanism continue.
The National Energy Policy is developed and validated in the Council of Ministers by [end of 2022], integrating clean cooking with a view to reducing the impact on natural forests.	In progress. A national energy policy document was validated in a National workshop on 9 December 2022 and is at the Strategic Environmental and Social Assessment level.
The Energy Policy recognises the importance of establishing fuelwood supply master plans, with clear multi-stakeholder institutional support for managing their implementation	
The legal, regulatory and fiscal framework for liquefied petroleum gas (LPG), is adopted by [2023].	To be assessed in 2023
A plan or roadmap is adopted by [end of 2023] aiming at gradually increasing the allocation and execution of the national budget in support of the implementation of this Letter of Intent in the energy sector	To be assessed in 2023

Forest sector

1st Letter of Intent

2020 milestones	Status as of 31 December 2022
Adopted forest policy	Not met. Became a 2023 milestone in the 2 nd Letter of Intent
Revised forest code	Not met. Became a 2023 milestone in the 2 nd Letter of Intent
Illegal logging stabilized	Not measured. Adapted in 2 nd Letter of Intent (EITI)
Provincial FREL submitted to the UNFCCC	Met at national level
Biennial Update Report submitted to the UNFCCC	Validated since 2019 but not submitted

2nd Letter of Intent

Ambitions were renewed by end 2021 for this outcome, through the 2021-2031 Letter of Intent. As per the table below, the Forest objective pillar has a total of 9 milestones: 1 milestone for the year 2021, 7 for the year 2022 and 1 for 2023. The 2021 milestone and one 2022 milestone have been fully met; five milestones are in progress, 1 milestone postponed for 2023, and 1 not met.

The Ministry of the Environment and Sustainable Development is committed to ensuring the consultation and inclusion of forestry stakeholders in the proper development of projects (revision of the legality of contracts, forestry policy, forestry capital study, macro-zoning, etc.). It will forward to the Council of Ministers for validation the proposed revisions to the Decree establishing the National Forestry Advisory Council and will organize regular meetings to gather the opinions and recommendations of stakeholders, including on the processes underway to revise the legality of contracts.

Milestone	Status by 31 December 2022
The 2020 audit report of the Inspection Générale des Finances, to be published on a publicly available website before the end of 2021.	Met. Report published in April 2022
Define by 2025, by means of a participatory and multi-sectoral process: (i) the concept of high-value forests and peatlands; (ii) provide them with a legal protection status iii) provide them with associated rules of use and management aiming at the conversation of forest cover and its stock of carbon, differentiated by sectors (agriculture, mines and hydrocarbons, etc.) and actors (local communities, large scale private sector, etc.); (iv) Identify them spatially. This process will take into consideration the good local, national, and international practices regarding the consideration and valuation of carbon stocks and biodiversity values. It will aim to: (a) at a preliminary technical definition by the end of 2022; (b) a validation of the latter accompanied by a spatial identification and preliminary rules of use and management by the end of 2023, and a complete and participatory spatial identification by 2025.	
The conditions to launch ¹¹³ the Sustainable Forest Management Program are achieved by 31 January 2022.	Met. Appointment of National SFMP Coordinator (Nov. 2022). Organization of the work between the MEDD (Dircab & SG) and the firm hired to define the roadmap for 2023 (Nov. 2022) Organization of the SFMP launch workshop on Dec. 5, 2022.

¹¹³ These are the seven conditions precedent to the payment of a first advance on the bank account of the PGDF, as determined by the directives for the award of AFD contracts financed in foreign countries and registered in Clause 5.6 of the CCD 1087 01 E and CCD 1098 01 G Financing Agreements signed on July 14, 2021, between the AFD and Ministry of the Environment and Sustainable Development of the DRC.

The legal review of forestry concessions for industrial operations 114 Draft report discussed in a multi-stakeholder workshop in June 2022 and report circulated in is completed by mid-2022 in consultation with the various stakeholders; the results published; and the forestry concessions September 2022; Final report of the review transmitted to the that are judged illegal with regard to the national legislation, are Monitoring Committee. canceled by [end of 2022]. The achievement of this milestone is a prerequisite for any new allocation and reallocation of industrial forest concessions. - Accelerate the work of the Contract Review A legal review of the conservation forestry concession titles is completed by the [end of 2024], and considers notably agreements Board to have an interim report available for consultation; on social clauses, management plans and taxation, together with - Notification of draft decisions, appeals, the different stakeholders of civil society; with the results deadlines and additional information; published as soon as the review is finalized. -Publication of the final results. Session of the Commission for the examination of appeals. The concept of degraded forests will be defined and identified for various types of forests in the DRC, in the framework of a national participatory and multisectoral process, by end 2023 The concept of high-value forests and peatlands is defined through a participatory and multisectoral process, taking into account local, national, and international good practices on the consideration and valuation of the carbon stocks and biodiversity values by the [end of 2023]; The forest sector is clearly and strongly integrated in the Extractive In progress. Needed action: Industries Transparency Initiative (EITI) and in this regard, all the Publish a first initial report 2022. Financial support to the EITI industrial and conservation operating concession contracts, and Coordination for the implementation including the audit reports 115, review, and observation missions, of the 2023 roadmap for the are published on a publicly available internet site by the [end of production of the full EITI Forest 2022]. Report (PTBA approved; HACT in

Evaluate the efficiency of forest law enforcement and develop provincial strategies on this basis for prioritising controls based on the risk of illegality, this to ensure a more efficient use of the limited resources of the central and deconcentrated and decentralise services of the Ministry of Environment and Sustainable Development (MEDD) dedicated to forest control. In parallel, initiate thinking about the role of independent observers,

- progress). Establish a registry/cadastre of forest
- rights comparable to that of the Mines.

¹¹⁴ As established in the 2019 Forest Sector Roadmap

¹¹⁵ And including the Audit Report of 2020 of the General Inspection of Finances, to be published before the end of 2021.

mandated and non-mandated, under the National Forest Advisory Council framework to reinforce civil society support for forest monitoring, in coordination with the central, deconcentrated and delocalized services of the MEDD The Forest Policy is prepared and adopted by the [the end of 2023], resulting from a participatory and transparent process with all the stakeholders and, in particular, (i) the principles of land use planning and the protection of valuable forests and peatlands, as well as (ii) the local and community-based models of forest management.	
The Forest Code is revised by the [end of 2023] to integrate (i) the strategic orientations of the forestry policy, and including the advances and challenges related to the REDD+, the industrial, artisanal, and community management of the forests; (ii) the strengthening of the penalization of forestry and wildlife infractions; and (iii) the new dynamics of conservation, protection of the biodiversity, and nature-based solutions.	
Within the framework of allocation of new industrial forestry concessions, efficient measures of evaluation, quality standards, and procedures considered by the Forestry Code and its application texts (especially <i>Decree No. 08/09 of August 8, 2008, setting the attribution procedure for the forestry concessions and the Decree No. 011/25 of May 20, 2011, modifying the said Decree 08/09 of August 8, 2008</i> particularly in terms of (i) adjudication, (ii) a preliminary public inquiry, (iii) negotiation of the social clauses with the communities as part of the terms of reference, and (iv) independent observation of the process, are respected, as provided for in the regulatory framework for forest management.	
The decree formalising the lifting of the moratorium will be adopted only after the realisation, on the base of a consultative process, of the geographical programming ¹¹⁶ of future allocations in compliance with the Presidential Decree No. 05/116 of October 24, 2005], funded entirely by CAFI by the end of 2022.	See above: milestone n°2: effective start of the Sustainable Management of Forests project with definition and implementation of a 2023 roadmap.
Prepare in a participatory manner and adopt a Plan by the [end of 2022] to ensure the effective protection of the existing protected areas and extend the areas under protection status to at least 30% of the national territory by 2030 ¹¹⁷ .	In progress : Strategy being developed with support from GIZ.

¹¹⁶ Targeted land-use planning at the relevant national and/or provincial level identifying priority areas for forest sector development based on ecological, geographic, economic, social and financial criteria and taking into account the climate change. Financial support for this process will be provided entirely by CAFI.

¹¹⁷ That could include, as defined by the DRC, the protected areas and their buffer zones, conservation concessions, areas dedicated by local communities to forest preservation in simple, participatory land use plans, etc.

At least 5 million ha in total of Local Community Forest Concessions (CFCL) are allocated by [end of 2025], following best practices as defined in a <i>best practice guide</i> to be adopted by [end of 2023].	To be assessed in 2024
The data of forest deforestation and degradation generated at the provincial and national level by the SNSF, as well as the [key] data of the national forest inventory, are updated annually and gradually improved, after adoption of a unique methodology for the DRC, considering the new technologies and standards available, paying attention to the comparability between periods; they are made available on the Terra Congo platform by the [end of 2022], then annually.	Signed Ministerial Order No. 023 instituting the evaluation and dissemination of data every two years. The 2000-2020 DD data are not published.
The updated biannual reports (BUR) are submitted to the UNFCCC, integrating the most updated data issued for the national REDD+ process, considering the revised CDN.	
The National Advisory Council for Forests is operational and functional with a minimum of two sessions per year, and the Provincial Advisory Councils for Forests are functional in the PIREDD provinces by the [end of 2024], with at least two sessions per year.	To be assessed in 2024
The revised CDN is aligned with the most recent data from the national REDD+ process prior to submission to the UNFCCC, and the country meets its UNFCCC reporting commitments on a regular basis.	
The Forest Reference Emission Level of the DRC for reducing emissions from deforestation (FREL) is updated by the end of 2022 and submitted to the UNFCCC.	Not met. <u>FREL published in 2018</u> . In relation to the 5-year deadline, the FREL review is scheduled for 2023.

Challenges and looking forward

In its dialogue with the DRC Government to outline the contours of a future partnership, CAFI continued to focus on the importance of respecting the commitments jointly made at the time of the signature of the previous Letter of Intent as well as those recorded in the Roadmap for Improvement in the Forest Sector agreed between the Government and all partners in the environment sector in the DRC in December 2019. This roadmap provides for a review of the legality of forest titles, through a study commissioned with the support of the European Union. The Prime Minister also asked the General Inspectorate of Finance to conduct an audit of forest concessions. The conclusions of these reports, that were made public in 2022, provided valuable context for the definition of meaningful partnership objectives and concrete recommendations to restore forest governance.

The Project on the Sustainable Management of Forests started its operations in 2022. The project aims to find solutions to the complex challenges of a sector marked by the largely informal nature of logging and the chronic lack of human and financial resources to enforce the law, resulting in the unsustainable management of this vast resource. The Government of the DRC has committed to a review and discussion by the National Consultative Council on Forests at each stage of this central reform. This Council brings together all concerned stakeholders, an unprecedented innovation. In the meantime a review of the legality of forest titles, was conducted in 2021 by an external auditing firm recruited through a process involving the Ministry of Environment and Sustainable Development, the European Union

and the National REDD+ Fund. First meetings of the National Consultative Committee on Forests (*CCNF in French*) were organized with strengthened participation of the private and public sector and national and international civil society.

Mining and hydrocarbons

Mining and hydrocarbon investments should adopt and implement REDD+ standards in forest areas to prevent, reduce or compensate their impacts on forests. The FONAREDD has planned a 5 M USD project to strengthen the legal, institutional and operational process in place on the protection of the environment and implementation measures. This workstream was suspended pending the signature of the new agreement.

Status of the milestones of the Letter of Intent

Intermediate milestones (2018)	Status			
	2018 ¹¹⁸	June 2020	End 2022	
REDD+ standards defined	Partially met	Not met	No significant	
Final milestone (2020)			progress but new	
REDD+ standards adopted, disseminated and implemented	Not assessed	Not met	milestones in 2 nd Letter of Intent	

2nd Letter of Intent

Ambitions were renewed by end 2021 for this outcome, through the 2021-2031 Letter of Intent

Mining and hydrocarbon milestones	Status by end 2022
All contracts of hydrocarbon concessions are published, In compliance with the	Met
Agreement between the Government of the DRC and the EITI by the end of 2022.	
To demonstrate the implementation of the legal obligations to undertake social and	
environmental evaluations by operators practicing in the sector of hydrocarbons,	
mines, forest. agriculture, infrastructures and energy, etc	
To respect the ban of all hydrocarbon activity incompatible with the objectives of	
conservation in protected areas, in compliance with the legal framework in force ¹¹⁹ .	
To realize, with a view to supporting the land-use planning process, an analysis	To be assessed in 2023
determining to what extent mining and hydrocarbon titles overlap with and/or have an	
impact on protected areas, high-value forest and peatlands, as to adopt appropriate	
measures of prevention or mitigation, and to publish and apply the results which	
emerge from this by the end of 2023.	
To condition all hydrocarbon investment in the buffer zones of protected areas on the	
fact that there is no negative incidence in protected areas, and subject these	

 $^{^{\}rm 118}$ As assessed by the independent verification

¹¹⁹ Article 25 of Law number 14/003 of February 11, 2014 concerning the conservation of nature.

investments to a prior social and environmental impact study, associated with its duly approved management plan, complying with the legal framework in force 120 .	
The REDD+ Standards ¹²¹ are developed in a participatory manner, adopted and integrated in the Manual of Operations and Procedures of Social and Environmental Evaluation, taking into account the best national and international practices in relation to the prevention, attenuation and compensation (in order of priority) of the direct and indirect negative impact of hydrocarbon investments, by the end of 2023. The REDD+ standards are linked to an independent audit mechanism.	To be assessed in 2023

Land use planning

Status of the Land Use planning milestones

Final milestones (2020)	By end 2018 ¹²²	End 2020	End 2022
Land use planning policy respects forest resources and provincial rights. Directives schemes for land use planning at national level and in all areas with integrated projects	Not assessed	Land use planning Policy adopted by the Council of Ministers in July. Draft Law validated in January 2020, adopted by the Council of Ministers and submitted for approval. 3 provincial schemes elaborated.	Land policy adopted Became milestone in 2 nd letter of Intent

2nd Letter of Intent

Ambitions were renewed by end 2021 for this outcome, through the 2021-2031 Letter of Intent. As per the table below, the land-use planning outcome has a total of eleven milestones, 4 of which are for the year 2022. Of these 4 milestones, 1 has been met and 3 are partially met. In the realization of the milestones of this pillar, the main bottleneck is the fact that in the examination of the draft law on land use planning, the parliament required the opinion of the Constitutional Court to rule on the constitutionality of such a law.

Milestone	Status by end 2022
The Law on Land Use Planning (LUP) is promulgated by the President of	Draft law on LUP declared admissible by the
the Republic by end 2022;	National Assembly during the session of Sept 2021;
	debated in plenary during the session of March
	2022; reservation issued by the National Assembly

 $^{^{120}}$ Article 19 of Law number 14/003 of February 11, 2014 concerning the conservation of nature.

¹²¹ Social and environmental standards limited to the impact on forest ecosystems.

¹²² As assessed by the independent verification

which requested the opinion of the Constitutional Court to rule on the constitutionality of this draft law; Bill to be placed on the docket for the March 2023 legislative session; the National Council for Land-use Planning (CNAT in French) is set up by In progress: The establishment of the CNAT depends on the adoption of the law by the Ass. mid-2022 by a legal act, that also defines its missions, its organization Nat. and its promulgation by the President of the and its functioning as a multi-sector structure for consultation, Republic. orientation, advice and assistance to the government, ensuring synergies with other existing structures including the National Commission for Land Reform; a first meeting of the CNAT is organized by [end of 2022] and a meeting is held at least annually afterwards; Provincial and Local Land Use Planning Councils (CPAT and CLAT in French) are set up by legal acts in at least two pilot provinces by [end of 2023], and in all the other PIREDD by the end of 2026. A national directory of soil and subsoil natural resources, in terms of Directory outline approved by the Council of inventories of natural, renewable and non-renewable resources, is Ministers on June 17, 2022. performed by the end of 2023 on the basis of the information provided by the sectoral ministries by 2022, and makes it possible to draw up a preliminary draft of the Land Use Planning Atlas bringing together the cartographic representation of the directory data as well as the existing sector allocations and those projected Regarding existing land use disputes, an arbitration process is initiated and driven, in compliance with the law, by the relevant competent authority (Prime Minister, Provincial Governor, local authority) on the basis of directives proposed by the regional planning council of the level concerned (national, provincial or local) for at least [2-5] allocation conflicts in priority protected areas.

Tenure

1st Letter of Intent

Final milestones (2020)			End 2021	End 2022
Land tenure policy adopted	Not assessed	Draft 2 of the policy elaborated and draft 1 o the Law.	integrating the concerns of indigenous peoples	Met. Land tenure policy adopted, milestone in 2 nd Letter of Intent

2nd Letter of Intent

Ambitions were renewed by end 2021 for this outcome, through the 2021-2031 Letter of Intent. As per the table below, the 2022 Milestone on adoption of the Land tenure Policy was met. In 2023 are expected the adoption and publication of the national land plan, the adoption of the land law and the finalization of the land information system and its application tools.

Milestone	Status by end 2022
A national Land Tenure Policy is adopted by [the end of 2022] and linked to a national land plan for implementation, adopted and published by [the end of 2023].	Met
The Land Information System (<i>Système d'informations foncières - SIF</i>) and its tools for enforcement in urban and rural environments are developed and adopted by [the end of 2023], taking into account vulnerable people, including indigenous peoples, women and others.	
The procedures of land attribution take into account the pre-existing rights and requirements of the country in the area of land-use planning in force, as well as environmental obligations such as those defined in the law. In particular, as defined in the draft of land tenure policy, strengthening the preliminary inquiry system, and in particular integrating into it the principle of free, prior and informed consent, of the compensation of losses or restriction of local tenure rights and the organization of simplified remedies benefiting local peoples who might suffer harm.	

Demography

1st Letter of Intent

Intermediate milestones (2018)	Status by end 2018	Status by June 2020	Status by end 2021	Status by end 2022
National plan implemented in areas targeted by the National Strategy	Not assessed		2,533,106 years of CYP protection generated through PROMIS.	4.8 M CYP. It is estimated that this represents 41% of family planning solutions offered in the DRC

2nd Letter of Intent

Ambitions were renewed by end 2021 for this outcome, through the 2021-2031 Letter of Intent. In 2023, FONAREDD plans to identify an entity in the Ministry of Planning whose fiduciary and management capacities have been evaluated and judged sufficient to sign a letter of agreement and accelerate the achievement of the milestones.

Milestone Status by end 2022

The National Population Committee (Comité national de population - CONAPO), including its Not met Technical Secretariat, is revitalized by the end of 2022, and its local and provincial boards are revitalized and/or installed in at least six target provinces by the end of 2023, and at least four others by the end of 2025, to frame the development of the Policy, ensuring the coordination and framing of multisectoral planning in terms of linkage between questions of population and sustainable development, namely its economic, social and environmental dimensions, with the objective of making the DRC an intermediate economic country by 2035

The National Population Policy is updated and adopted by [the end of 2024], including the demographic aspect, with a view to accelerating the demographic transition, seizing the demographic demand and better evaluating and optimizing the impact of population growth on all the areas of development, including the economic dimension, the fight against poverty and inequality and the sustainable development of natural resources

Partially met

The new Multisectoral Strategic Plan for family planning for the period 2021-2025 is finalized and adopted by [early-2022] to accelerate the demographic transition through a rights-based approach

Met

A national strategy of raising of awareness of sexual and reproductive health is developed integrating the elements of the National Communications Strategy for the promotion of family planning (adopted in 2021), taking account of the associated socio-cultural concerns and the questions of population and development, and adopted by [the end of 2023].

To be assessed in 2023

An agreement protocol is concluded between the Ministry of Health and financial and technical partners, to support the implementation of the Multisectoral Strategic Plan for family planning 2025, so as to facilitate a substantial increase in family planning services through complementary private and public approaches.

An Advocacy Plan with the Government to (i) gradually increase the allocation and execution of the domestic budget to family planning, in line with the existing governmental decision, and to (ii) allocate a constant line of credit to CONAPO, is adopted by [the end of 2023].

To be assessed in 2023

To maximize internal and external advocacy, the national coordination of the Permanent Multisectoral Technical Committee (CTMP) for family planning is revitalized and is functional by the end of the first quarter of 2022, In compliance with its statutes of internal regulation

Governance

1st Letter of Intent

Final Milestone (2020)			End 2021	End 2022
Alignment of external interventions to the National REDD+ Strategy and investment framework	Not	Not assessed	 Territorial planning policy adopted by the Council of Ministers; National Land Policy adopted by the Steering Committee; National Agricultural Policy Draft 1 Roadmap of the National Energy Policy developed. Forest policy development process launched Benefit sharing under development (CNREDD) and FPIC manual Progressive alignment of agencies on REDD through co-financing of sectoral programs (AFD for the SFMP) and PIREDDs (JICA for the PIREDD Kwilu and GIZ for the PIREDD Maniema). 	Land use planning policy and land tenure policies adopted, Bill on Sustainable Management of Agriculture A national energy policy document was validated on 9 December 2022

2nd Letter of Intent

Ambitions were renewed by end 2021 for this outcome, through the 2021-2031 Letter of Intent. The governance outcome has 13 milestones, including four 2022 milestones, of which one has already been met, two are partially met and one has not been met.

Milestone	Progress by end 2022
The Government will suggest in 2022 to the IMF and the World Bank to integrate	Met: Integration of Letter of Intent
certain commitments of this Letter of Intent through the monitoring	milestones into WB budget support;
mechanisms of these partners, thus ensuring consistency in the conduct of	Proposal of milestones for the Letter of
reforms	Intent by the Government and by the EB
	of CAFI in exchanges with FMI on RST.

A legal review of exploration licenses and hydrocarbon contracts is performed by 2023 in consultation with the various stakeholders, and its results are published and applied by the end of 2025	To be assessed in 2023
The tools for payment for ecosystem services are piloted in at least 3 PIREDD by end 2023	To be assessed in 2023
By the end of 2023, at least 3 PIREDD provinces are supported to define, in an open, participatory and inclusive manner, provincial and local development plans, integrating the priorities of this Letter of Intent as per the National REDD+ Framework Strategy, with a view to consolidating the response to the drivers of deforestation and to provide direction to the land use planning process at different levels	To be assessed in 2023
A pilot model of the special economic zones and its plan of mobilisation of domestic and foreign resources is defined and adopted by the end of 2023	To be assessed in 2023
A mechanism of monitoring and evaluation of the participation of stakeholders (women, indigenous peoples, local communities and others) is defined and implemented by the end of 2022	In progress: Each program funded by FONAREDD develops a mechanism to ensure broad participation and inclusion of vulnerable segments of the population in the implementation of activities.
A review of the legal texts of inclusive governance at the local level is performed by the end of 2023 under the coordination of the Ministries of Planning and Rural Development, so as to clarify the institutional aspects, the function of coordination of activities, the role and responsibilities of the structures of representation of actors in local governance (including CLAT, CARG, CLD etc), while preserving the sectoral inclusiveness of local processes and the representativeness of stakeholders	To be assessed in 2023
A plan to mobilise domestic resources is defined and adopted by end 2022, to contribute to the implementation of this Letter of Intent. This plan will inform the development of a new Strategy of Medium-Term Revenue Mobilisation (Stratégie de Mobilisation des Recettes à Moyen Terme - SRMT) in partnership with the World Bank and the International Monetary Fund (IMF)	In progress: Funding with interest from the CAFI Fund of: O World Bank Climate Change Development Report (need for RST trigger) O WB regional project on the development of indicators integrating climate change for budget planning and macroeconomic risk management; - PIMA (public investment management assessment) integrating climate indicators; IMF / RST: Government proposals included "measure" on climate indicator
A mobilisation of private investment plan is defined and adopted by [the end of 2022], to contribute to the implementation of this Letter of Intent	Not met. Risk: no vision and strategy for mobilizing private funding and therefore 1) missed opportunities; 2) lack of leverage of grant resources; 3)

	lack of capacity to develop ambitious impact programs (e.g., Energy).
Innovative non-domestic resources are mobilised for the implementation of REDD+ priorities, in the form of direct contributions, co-financing and alignment	
The Law on Indigenous peoples is finalised and adopted, and its texts of priority application defined, developed and approved.	

6.1.4 Risks and challenges in the DRC

Programmatic risks

- The overall performance of some projects, including due to long internal procedures of implementing organisations to ensure quality control, continued to remain mixed. To help mitigate this risk, the Technical Committee (in which CAFI participates) carried on it strengthened its role in project oversight and mobilized the senior management of the IOs to alert on projects performances.
- Security risks in the Ituri province continued to be high in 2022, impacting the delivery of the PIREDD Orientale
- Coordination between different projects when the costs and time required for such coordination have not been included in the project documents. While previously addressed partially through a Framework for Exchange and Collaboration put in place by the Executive secretariat of the FONAREDD, these exchanges stopped in 2022.
- Delays in the development of the new DRC-CAFI partnership and, consequently, in the new Programming. To
 mitigate this risk, FONAREDD and CAFI launched a national EOI call in May 2022 to collect project proposals and
 validate strategic notes. Sectorial consultations were also organized on the objectives of the new Letter of
 Intent
- The operational context of FONAREDD in a restructuring phase could have a negative impact on the programming and execution capacity of FONAREDD. To mitigate this risk, a roadmap has been put in place by CAFI and FONAREDD to ensure the proper functioning of governance bodies pending the finalization of the process and mobilization of temporary expertise to meet programming and review needs.
- Delays in the disbursement of the second tranche of the projects, due to delays in the completion of the midterm evaluations of the programs and in the decision-making by the governance structures of FONAREDD. To mitigate this risk, planning process tools are being used. However, the risk continues to remain, and consultations continue with agencies for anticipatory planning of programmatic and financial needs.

Reputational risks

With the Letter of Intent signed at the highest level with significant funding, media attention is likely to increase, leading to some reputational risks when delays occur. To respond to these risks, the policy dialogue at high level - between CAFI donor Ambassadors and Ministers - should remain at the same level as was undertaken during the negotiations of the Letter of Intent.

On the other hand, a number of "contextual risks" listed in the Risk Management dashboard can be assessed as decreasing in probability thanks to the activities of projects under implementation. Therefore, risks related to increase in wood energy, inadequate land use planning and tenure rules, and uncoordinated forest and agriculture sectors should be increasingly mitigated.

Challenges and recommendations

• Mobilizing and retaining high-quality national and international expertise for the implementation of the projects remains a lengthy and challenging process

- Finding the balanced between expectation in terms of speed, cost and quality of implementation with tight budgets remains a challenge. In other words, nevertheless, monitoring missions and continuous dialogues and trust building with implementing organizations have helped boost the performance of some projects.
- With a view to requiring more accountability from implementing organizations towards the REDD+
 specifications, the FONAREDD governance bodies and the CAFI and FONAREDD secretariats are actively working
 on the development of SOPs including with regards to payment for environmental services (PES) which is based
 on the performance of the actors on the results defined beforehand.
- While waiting for all these tools to be put in place, measures are being taken at the CT level to demand results from less efficient projects. This is particularly the case for GDA, PARAT, PARF, PIREDD Oriental, PIREDD Equateur, PIREDD Mongala and PIREDD Maniema.
- In terms of management, the governance bodies and experts from the CAFI and FONAREDD secretariats invite greater commitment in accordance with the performance indicators and criteria defined in the project documents and partnership agreements.

6.2 Gabon

A. Background

Gabon has preserved the majority of its rainforest since the early 2000s with the creation of 13 national parks. The country has made significant advances in sustainable management of its timber resources outside the parks. As a result, whilst it only houses 12% of the Congo Basin forests, Gabon hosts almost 60 percent of the surviving forest elephants in Africa – a key indicator of sound natural resource governance. In its expected new Nationally Determined Contribution (NDC), Gabon seeks to reduce its emissions by more than 50% compared to 2005 – effectively cutting by half the emissions from the forest sector.

In June 2017, the Government of Gabon and the CAFI signed a Letter of Intent for 18 million US dollars on the basis of the Gabon Investment plan, to allow the country to meet its 50% emission reduction target, better plan and monitor the use of land and protect over 23 million hectares of tropical rainforest - nearly 90% of its national territory. Achieving the objective set in Gabon's Intended NDC will only be possible by preventing the conversion of high-carbon stock and high conservation value forest and limiting the conversion of forests outside of this category. Milestones to be reached include targets such as 50% economy-wide emission reductions compared to 2005, the non-conversion of HCS/HCV forests and the setting of "a long-term cap on carbon-neutral conversion of non-HCS/HCV forests, with no more than 10,000 ha converted on an annual basis".

B. Policy dialogue

An Annual review of the Partnership was conducted in Libreville in July 2022 during which CAFI Executive Board and the National Climate Council, the Ministry of Economy, the Ministry of Agriculture, the Ministry of Waters, Forests, Sea and Environment, the Agence Gabonaise d'Études et d'Observations Spatiales (AGEOS), Agence de Développement Agricole du Gabon (ADAG), Agence Nationale des Parcs Nationaux du Gabon (ANPN), and Agence gabonaise de Normalisation met. Three project steering committee meetings also took place in 2022. Partners reviewed the strengths and results of the two current projects (CAFI 1 on land use planning and forest monitoring and CAFI 2 on optimising land use and expanding the protected areas network). They identified areas for potential improvement and discussed perspectives for implementation the five new programmes recently validated under Gabon's first results-based payment from CAFI.

B. Portfolio overview

CAFI's ongoing partnership with Gabon is characterized by several sets of actions:

- Phase 1 ("Gabon- CAFI 1"): The ongoing 18.4M US\$ project approved in 2018 Gabon to "develop, adopt and implement a National Land Use Plan (PNAT) and a National Observation System for Natural Resources and Forests (SNORF) that will contribute to the reduction of GHG emissions from LULUCF in Gabon "
- Phase 2 (Gabon- CAFI 2): US \$ 12 million committed to 2 projects approved in 2020 on land allocation and management
- Phase 3 (Gabon CAFI 3): Following the signing of a landmark US\$ 150 million agreement for results-based funding
 in 2021, five projects funded by results-based payments were approved by Gabon's National Climate Council in
 2022 under the validated National Investment Framework. An accreditation process of The Nature Conservancy
 (TNC) was completed by the CAFI Secretariat to allow funding transfers.

D. Funding per outcome in Gabon

CAFI's investment in Gabon are, predictably considering the context, Letter of Intent and deforestation and degradation drivers, focused on forest monitoring, governance and conservation (71%) and land use planning (19%), s shown in Figure 34.

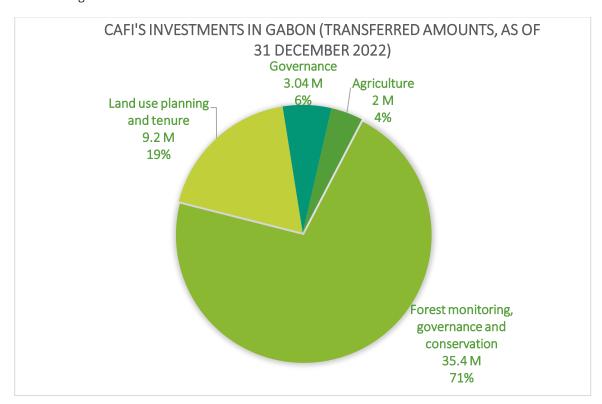


Figure 36: CAFI's investments in Gabon by outcome (transferred amounts, US\$)

E. Main results in Gabon

1 CAFI Phase 1: First partnership under the 2017 letter of Intent

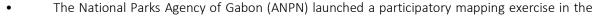
National Land Use Plan (PNAT) and a National Observation System for Natural Resources and Forests - AFD

The convention between AFD and the Government was signed in March 2019 (hence one year after the approval of the Project by the CAFI Executive Board), marking the operational beginning of the project. In addition, this project underwent a long inception period followed by a temporary freeze in 2021. The project resumed and is expected to end in August 2024. The release of the second tranche of the CAFI 1 project to AFD after meeting the disbursement conditions set by the EB was facilitated by CAFI's Secretariat in 2022.



Main results include:

- As part of the mapping and data management unit within the Gabonese Agency for Spatial Studies and Observations (AGEOS), a platform for visualizing GIS (Geographic Information System) data of the *Commission Nationale d'Affectation des Terres* (CNAT) has been put in place. This platform, which is still being improved, is available online here. https://www.cnat-gabon.com/ This contributes to the compliance of land use data in the agriculture, fisheries, mining, water and energy sectors, forestry, conservation and infrastructure sectors. A complaints management application will be implemented in 2023.
- The Land Allocation Bill has been drafted
- 117 villages in the Ogooué-Lolo province were mapped thanks to the provision of VHR satellite images provided as part of the program. Four thousand four hundred hectares (4400) hectares of disaggregated surfaces have been mapped.
- An assessment of this data highlighted forest losses linked to logging estimated at 1695.87 ha for the second quarter and 2734.88 ha for the third quarter of 2022. Maps highlighting this trend have been produced.



province of Ogooué-Lolo. A total of 446 villages were visited and

- participatory village maps are being finalized.
- 4 botanical survey missions were carried out by the Herbier National du Gabon (HNG) in the provinces. A total of 254 collections of fertile plants were carried out during the general collection of the undergrowth and 20 transects of forest vegetation (200 m long by 5 m wide) were carried out. accompanied by the collection

of 400 tree specimens.



See more in the project factsheet here



Although several risk categories were identified during the elaboration of the project, the ones that materialized and explain the observed delays were conflicts about some ineligible expenses that led to non-replenishment of program accounts for the financing of activities and a project freeze until October 2021, resulting in delays. Activities resumed in 2022 and financial and results delivery improved.



Source: Rapport annuel 2022 - Projet **Planification Nationale** de l'Affectation des Terres et Surveillance

Forestière



D.2 CAFI 2: Two additional programs under the 2017 Letter of Intent

Improved Forestry Management: Implementation of a National Scale Certification Process in Gabon" - "Forest Certification Project

This US\$ 7 million project was originally developed as a collaboration between the Gabonese Ministry of Forests, the National Climate Council, and the French Development Agency to bring together relevant stakeholders from the public administration and private sector to define a new set of certification standards to be applied in the logging industry. In addition, a national legal unit will be put in place to follow up on whether certification procedures are respected, and its staff will receive legal training and advise on emission monitoring and analysis.



While the project was approved with AFD in 2020, protracted delays in fund transfers prompted the Minister of Forests to request a change in implementing agency to the Nature Conservancy, that was granted by the CAFI Board in 2021. The project activities are being revised for their **effective start in the second quarter of 2023**.

Protected Area Expansion and Land-use Optimization for Food Crop Production in Gabon

This US\$ 5 million project is implemented by the Ministry of Forests, Ministry of Agriculture and National Climate Council (CNC) with UNDP and will tackle cross-border timber trafficking, by establishing 400 000 ha of new protected forest areas in border zones currently opened to logging and 500 000 hectares of forest concessions are reclassified as HCV forests

The project will also help intensify crops, to improve food security without expanding production into forest areas with high carbon content. As part of this process, efforts will be made to strengthen the Agricultural Ministry's technical capacity to reform the agricultural sector and participate in national land-use planning processes, to ensure that changes initiated are supported by rigorous institutional and legal structures. The national implementing partners are the Gabonese National Agency for National Parks (ANPN), the Agricultural Development Agency of Gabon (ADAG) and the Gabonese Studies and Space Observations Agency (AGEOS).



Current results include:

- Finalization of the recruitment of most personnel
- Procurement of equipment
- Bibliographic review of agricultural tenure.
- Construction begun to build the Laboratory for soil analysis (in progress)
- 10 field agents from the National Parks Agency (ANPN) trained in natural resource inventory (IRN) methodologies
- Agricultural Development Agency of Gabon (ADAG) staff in charge of Geographic Information Systems (GIS) trained in drone and GPS remote control as well as in initiation to GIS such as ArcGis to prepare for data collection missions.
- Legal review of the agricultural tenure in Gabon



Read more in the project factsheet <u>here</u>



Figure 37 : Photocredit UNDP – Expansion des aires protégées et optimisation de l'utilisation des terres au Gabon

D.3 CAFI 3 – Results - based payments and projects under the 2019 Addendum to the Letter of Intent

In 2021 Gabon received the first results-based payment for emission reductions under the 2019 Agreement¹²³. In 2022, five new projects funded under the <u>("Gabon- CAFI 3")</u> phase, or results-based payments phase, whose development was supported by CAFI were approved by Gabon's National Climate Council. These are:

Safeguarding and expanding Gabon's Protected areas network – with UNDP

This 9 M project, approved in 2022, aims to conserve and enhance the potential for carbon sequestration in forests by protecting important HCV and HCS forests from encroachment (National Protected Areas) and expanding the network of protected areas by:

- Completing the headquarters of the Technical Department located in Cape Santa Clara
- Ensuring the monitoring of forests by aerial surveys
- Protecting the parks from illegal activities
- Supporting cross-border parks

Urban Greening – with UNDP and UNESCO

This 1.8 M project, approved in 2022, seeks to providing education and access opportunities of Urban Populations to Forested Gardens and City Parks. To enhance Gabon's carbon absorption potential and improve urban health and well-being, the project specifically aims to contributing to urban reforestation and the development of city parks with native species.

Forestry Management – with The Nature Conservancy

This 2.9 M project, approved in 2022, seeks to reduce GHG emissions and increased biomass sequestration from the forest sector through:

- the development and implementation of a national forest certification and Community Forestry program and the implementation of sustainable management plans for logging concessions;
- the fight against illegal logging and non-compliance with national forest laws through the creation and deployment of an elite Forest Law Enforcement Unit within the Ministry of Environment

Forest Ecosystem Research & Monitoring - with The Nature Conservancy

This 2.5M project, approved in 2022, seeks to reduce emissions from the forestry sector by setting up a fully operational National System for the Observation of Natural Resources and Forests (SNORNF) and a standardized monitoring framework and support for research sites and long-term ecological monitoring (LTERM)

¹²³ The last pending payment condition, a Registry of carbon credits, will be designed by December 2021. To ensure the flow of further results-based payments, the CAFI Secretariat provided support to the finalize or update the results reports and several UNFCCC documents (National REDD+ Strategy, FREL, BUR and Technical annex) required by the convention to qualify for RBPs.

Coordination - UNDP This 1.5 M project, approved in 2022, seeks to strengthen institutions for coordination and implementation of climate programs and policies. Project staff is being recruited.

F. Milestones and partnership monitoring

As of December 31, 2022, 3 additional milestones of the Letter of Intent can be considered as met, giving a total of 11 milestones met since the start of the project, 12 partially met and 1 not met out of the 24 to be met. In total, of the 11 milestones globally met, 5 were met in 2020, 3 in 2021 and 3 in 2022.

The overall achievement rate of the milestones was 45.8%.

	Forest monitoring	Land use planning	Governance	Total
Met by 31 December 2022	3	5	3	11
Partially met by 31 December 2022	4	4	4	12
Not met by 31 December 2022	0	0	1	1

Figure 38: status of achievement of milestone per objective of the Gabon Letter of Intent

The reasons listed by the independent evaluators ¹²⁴ for the partial or no achievement of milestones can be summarized as follows:

- The lack of widespread knowledge of the milestones by technical agents in the administration
- Delays in the implementation of the AFD- CAFI 1 Project on land use planning and forest monitoring, due to disagreements between the AFD and the administration, heavy procedures for acquisition that required a lengthy process of ownership by the project management unit, and slow recruitments
- A lack of correlation of certain milestones with activities of the AFD- CAFI 1 project
- Difficulty engagement of civil society
- Difficulty in accessing information

F. Risks and challenges

Implementation challenges and delays remained in 2022, with concerns about funds spent on salary while some scheduled field missions were not conducted.

As the CAFI portfolio in Gabon has expanded in scope and financial investments, so has the necessity to improve program harmonization – specifically in cross program planning, oversight, and implementation – as well as civil society involvement.

A general challenge for all eight CAFI projects in Gabon is the fact that they, by design, build on each other and are intricately linked by law and Gabon emissions reduction and forest protection strategy. Yet, given they are all implemented by different accredited agency partners, they are managed by steering committees and organizational structures that are not harmonized. This has resulted in lack of cross-program coordination and budget and personnel inefficiencies. The creation of a series of technical cross cutting workgroups, could be envisioned to ensure technical orientation, coordination, and synergy development among programs with highly related activities.

¹²⁴ An independent verification of the milestones was carried out in 2021 to examine the status and progress of achievements of 24 milestones.

A large proportion of the responsibility for CAFI program implementation lies within the National Parks Agency. Given the general lack of cross-program harmonization and understanding regarding roles and responsibilities for project implementation and oversight, this could signal a significant challenge and potential bottleneck for project implementation. To remedy this, significant effort were made by the CAFI Secretariat to assisting the ANPN Executive Secretary and Technical Direction define CAFI program oversight needs, roles, and program management structures into the future.

6.3 Republic of Congo

A. Background

The Republic of the Congo has a high forest cover and area, estimated at more than 22 million hectares, or 65.4% of the land area. The gross annual deforestation rate is 0.07%, a historically low rate that is explained by economic growth based on the oil sector and the country's long-standing efforts to promote sustainable management of its forests.

The Republic of Congo intends to diversify its economy towards sectors based on land use, primarily agriculture but also the extractive sector, which is recorded in its National Development Plan (PND 2018-2022). The country has expressed its desire to put its development trajectory on a sustainable path, and to promote good management of natural resources, by preserving the forest, especially the most sensitive areas.

The commitments of the <u>Letter of Intent</u>, signed on 3 September 2019 by President D. SASSOU-NGUESSO for the Republic of Congo, and President E. MACRON for France as representative of the Board of Directors, are ambitious and underline the strong will of the country to manage its natural resources in a sustainable way with in particular:

- National land use planning through a multisectoral and inclusive spatial planning process
- Orientation of agricultural activities in savannah areas
- Identification and commitment not to convert its high carbon stock (HCS) and high conservation value (HCV) forests;
- Commitment not to drain or dry out peatland areas. The partnership between CAFI and the Republic of Congo is most ambitious in its multi-stakeholder and multi-sectoral approaches. Under the leadership of the Prime Minister, thirteen ministries, including those with the most impact on the Congolese economy, are engaged to turn the goals of the Letter of Intent into policy and practice at all levels.

As per the CAFI regional trends and drivers' study, deforestation and degradation seem to have stabilized since 2015 125, as seen in Figure 37 below. When/if this trend is confirmed with 2021 and 2022 data, it will mark an honoring of the Republic of Congo's commitment in the Letter of Intent to cap deforestation under 20,000 haper year.

¹²⁵ Source: Validation workshop for republic of Congo, regional drivers study led by FAO.

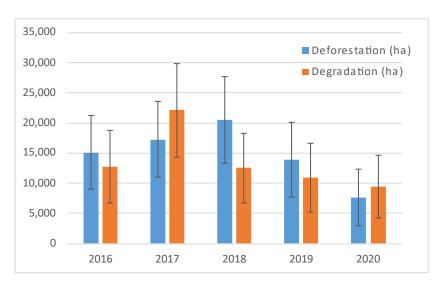


Figure 39: annual deforestation and degradation in republic of Congo. Preliminary data

B. Portfolio overview

Project	Amount	Lg	Ю	Objective / Status /Comments	
Projects approved & funds transferred – 29 MUSD (+29 MUSD GCF)					
Coordination support project	1.45	2	UNDP	Objective: Support a leadership, coordination and monitoring, that increase mobilisation and alignment of interventions and funding on the objectives of the letter of Intent Status: Approved in 2021, Funds transferred in November 2021. Duration: 24 months	
National MRV system (SYNA MRV)	2	2	FAO	Objective: Modernize the National system for monitoring, reporting and verification so that it produces data that allow the monitoring of REDD+ in the DRC Status: Approved in 2021, funds transferred in November 2021. Duration: 24 months	
Wood energy plantations (ProRep)	7 (Cofin. GCF)	5	FAO/ GRET	Objective: Strengthen the country's potential in sustainable wood energy for the Brazzaville consumption basin and Establish 2700 fast start wood energy plantations with subsistence agriculture Status: Approved in 2021. Duration: 60 months	
Land Use planning governance	18.5 (+ AFD: 7 MEUR)	5	AFD	Objective: Support the Republic of Congo in the implementation of a town and country planning process and rural land use at the national level Status: Approved in November 2022 & funds transferred. Duration: 60 months	
Projects approved & funds to be transferred in 2023 – 17.5 MUSD (+7 MEUR AFD)					
Improved Cook Stoves	1	3	ID	Status: Accreditation being finalized. Ongoing: updating and reviewing of the PRODOC with stakeholders	

Land Use planning –	16.5	5	AFD	Status: Initial PRODOC budget not compliant with EB Decision, revised PRODOC
Investment	(+AFD&			submitted Feb. 1st + conformity check shared by CAFI Sec. with AFD on Feb. 7,
	EU:23M			2023. Awaiting AFD feedback on revised submission.
	EUR)			
-				

Figure 38 below showcases CAFI's investments, measured by funding transferred¹²⁶ to projects until 31 December 2022. With the approval of two projects focused on land use planning, this outcome now dominates (63%) the mix. This outcome analysis shows that Land use planning dominates the mix, representing 64% of CAFI funding transfers.

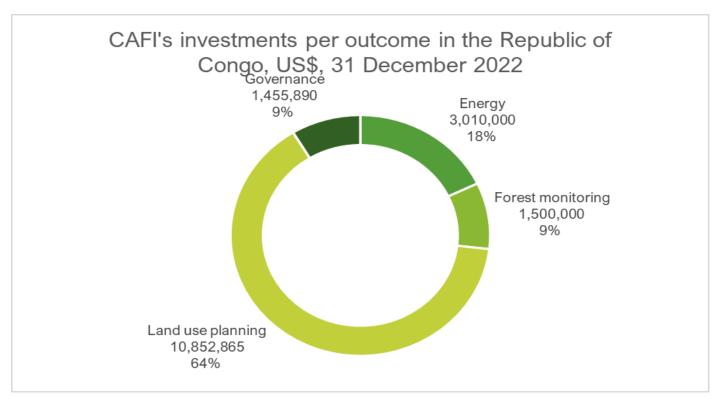


Figure 40: investments per outcome in the Republic of Congo

To note, the Energy outcome in the graph above does not include the project approved on improved coosktoves ("Lituka"), since accreditation of the NGO Initiative Development was not completed by end 2022.

The Energy outcome does not include the project approved on improved cookstoves ("Lituka") as accreditation of the NGO Initiative Development was not completed by end 2022.

C. Progress and results

The CAFI Executive Board, in its decision EB.2019.16 of September 03, 2019, approved a minimum initial allocation of 65 million USD over the period 2019-2025, including 45 million USD from the CAFI Trust Fund and 20 million USD in additional bilateral financing. **CAFI has today committed 53.5 M USD** (i.e. 30.3 M CFA francs)

¹²⁶ As opposed to funding approved

for the development of a portfolio of 9 support projects under implementation or development, which has made it possible to mobilize in co-financing an additional amount of donations of approximately 64 M USD (i.e. 36 M F CFA) distributed between AFD, the EU and the GCF.

Portfolio development

Major advances have also been achieved in 2022 from a fund mobilization and implementation of financing from the CAFI Fund perspectives, namely:

- Following a call for expressions of interest launched in October 2021 on the support project for civil society engagement, the Executive Board, through decision EB.2022.02, selected UNDP as implementing agency.
- The Sustainable Land Use Project (PUDT), led by AFD in partnership with the Ministry of Territorial
 Development, Infrastructure and Road Maintenance, with a CAFI Fund contribution of around USD 18
 million was approved by CAFI's EB (EB 20) + 23 MEUR of co-financing (EU + AFD). The funds were
 transferred on December 21, 2022, following the signature of the project document by all parties –
 official start date of the project.
- The Investment Project resulting from the Sustainable Land Use project was approved during EB 21 (following the Steering Committee (COPIL) meeting of the partnership) in December 2022.
- The PREFOREST project (FAO-GRET/MEF) was formally launched during a high-level ceremony, in the presence of the Minister of Forest Economy, on 26 April 2022.

Milestones

In 2022, progress was made on many of the milestones, particularly in connection with EITI, governance, regulation of the forest sector and governance of the partnership.

A detailed joint assessment of the 52 milestones will come out of the Annual Review planned in October 2023. A comprehensive approach to measure progress against the milestones is being implemented. However, an informal preliminary review of the 34 milestones planned to be met by 2023 is available below:

- 8 met + 3 partially met (Letter of Intent coordination, EITI, Voluntary Partnership Agreement continuous support)
- 19 awaiting programming results (esp. LUP project & private sector support)
- 3 not met Agriculture + Sustainable Mamagment of all forest concessions

Results from active projects

Operationalization of the national MRV system (SYNA-MRV)

Due to implementation modalities issues, the first project Steering Committee did not meet in 2022 and activities were delayed. However, a Memorandum of Understanding (MoU) between the *Ministère de l'Economie Forestière* (MEF) and the FAO on institutional issues management and LoA are expected to be signed in early 2023. Training activities and the upgrading of the *Centre National d'Inventaire et d'Aménagement des Ressources Forestières et Fauniques* (CNIAF) are expected to start in the first quarter of 2023.

Some activities were however undertaken in 2022: a senior Project manager was recruited, the Inventory of the CNIAF's MRV unit was drafted, and a one-week training course on radar imagery for monitoring tropical forests to CNIAF (in collaboration with US Forest Service) facilitated.



Coordination support project

This 1.45 M project has so far achieved commitment of all stakeholders in the implementation of the Letter of Intent's objectives and the development and approval of an action plan to achieve and monitor the implementation of the letter of intent's milestones.

The project is however experiencing significant delays in the implementation of activities. A review of the project's governance arrangements (ii) recruitment of dedicated staff for the operationalization of activities and (iii) a review and adjustment of the annual workplan and strategy are therefore underway and will be finalized in early 2023.



More information in the project Factsheet here

PROREP – Wood energy project

This 7 M project received funding in February 07, 2022. In its first year of implementation and despite delays, the project has recorded several groundwork results in 2022:

- Recruitment of the Project Management Unit (PMU) including the Principal Technical Advisor and the Operations Manager were recruited; all project staff are expected to be starting in 2023's first quarter.
- Signing of a memorandum of understanding with the GRET NGO, as implementing partner for all plantation-related operations
- Production of 600,000 Acacia seedlings in nursery in order to reach the objective of 500 ha of planting as planned during the first growing season 2022/23
- Diagnosis carried out to identify the beneficiaries of the project in 11 villages.



More information in the project Factsheet <u>here</u>

Risks, Challenges and Opportunities in Republic of the Congo

Key risks and challenges going forward include:

- New projects mean new ways for CAFI to collaborate with the Government. While the relationship
 was, until 2021, mostly between the Government, the CAFI Executive Board and Embassies, new
 projects being approved and rolled out have meant that implementing organizations have now
 become stronger stakeholders in the partnership.
- High-level commitment of Congolese authorities (Prime Minister and 13 Ministers in the interministerial committee), while desirable, has also generated significant delays in programming and a lack of clarity in the distribution of roles and responsibilities of each in the planning and implementation of projects. This bears the risk of losing the interest of some stakeholders. Defining and understanding respective roles and responsibilities remains a priority. Clarifying projects coordination mechanisms to ensure national public institution ownership will be key going forward.

- Ensuring alignment of national policies implementing the economic development strategies with key climate commitments, in order to demonstrate economic viability of sustainability-based practices in strategic sectors (agriculture, mining, peatlands management, etc.) requires sustaining a high-level policy dialogue with sectoral authorities, boosting cross-sectoral coordination including among financial partners and demonstrating tangible results that can be showcased as solutions for sustainable economic development.
- Governance and coordination risks continue to be addressed during the negotiation phase and continued in the programming exercise of 2022. Ambassadors (in particular Germany and European Union) continue to convey the need of inter-ministerial coordination at the highest level through participation in Steering Committees to enhance national ownership.
- The engagement of stakeholders from civil society and private sectors remains a key aspect in the implementation of the Letter of Intent. To ensure effective and sound participation CAFI is dedicating dedicate funding for specific projects, with in 2022 the selection of UNDP to develop the support project for civil society engagement.
- The NDC 2020 and National Development plan adopted in 2022 needs further harmonization with the commitments of the Letter of Intent.

Key opportunities going forward include:

- The organization of the Annual Review and CAFI Executive Board Meeting 23 planned in October 2023
 in Brazzaville will be an opportunity to draw lessons from the 2019-2023 period and reinforce the
 Partnership.
- CAFI's new financing instruments developed at regional level (PES, private sector support) represent
 opportunities to incentivized deforestation and promote sustainable energy solutions in the Republic
 of the Congo.

6.4 Cameroon

A. Context

Cameroon forests cover approximately 19 million hectares. Deforestation was relatively low until 2013, **but annual rates have doubled between the 2006-2012 period and the 2013-2019 period**. While there is no recent study on drivers, agriculture – small-scale food crop production (maize, sorghum, root-crops, bananas), cash crops such as cocoa in the forest zone and cotton in the Northern region, and large scale (oil palm, rubber), wood-energy production, as well as infrastructure projects and mining play an important role.

The rural sector is one of the mainstays of the Cameroonian economy, contributing approximately 21% of GDP (2012 to 2018). In terms of exports, the rural sector accounts for 55% of the country's export earnings - ahead of hydrocarbons (30%). However, the large imports in agro-food products impact the trade balance negatively, catalyzing a national ambition to increase domestic agricultural production. This is compounded by the fact that Cameroon's population is expected to double by 2046, with projections of an increase of 20 million people in urban areas and 17 million in rural areas, which will trigger a growing demand for food production.

Cameroon's ambition to increase its domestic agricultural production and reduce its dependence on food imports is part of the national vision to become an emerging and industrialized economy by 2035 and improve its balance of trade. The Government strategy aims to satisfy the growing national and regional market for oil palm and its industrialised derivatives, thereby driving expansion of large, medium and small-scale palm plantations – currently all concentrated in the humid forest zone. The Government's goal to double cocoa

production could drive increasing forest degradation. The Rural Development Strategy predicts that without increases in productivity of all crops is increased on existing farms, and expansion focused in already degraded forest, or afforestation in the savanna zone, these crops are likely to drive accelerated deforestation and degradation.n Promoting locally-developed cocoa agroforestry practices and irrigated palm oil in the savannah areas, are. Unlike other countries in the region, Cameroon is already experiencing very significant pressure on land, not only due to demographic factors but also related to the development of economic activities.

B. Policy dialogue

The closure of CAFI's existing preparatory grant in 2020 allowed to re-adjust CAFI's approach to support Cameroon and integrate other Ministries, such as the Ministry of Economy and Planning (MINEPAT) into the dialogue who eventually agreed to pilot and coordinate the future partnership with CAFI. As part of this renewed dialogue and based on the conclusions from the joint CBFP-CAFI mission to Cameroon in November 2021, the CAFI Executive Board agreed on a phased approach to move forward in the partnership with Cameroon, that would test and evaluate pilot investments and institutional arrangements and combine this with technical assistance for the finalization of sectoral strategies and policy reforms.

The CAFI Secretariat conducted two missions to Cameroon in 2022. The first mission, in May 2022, set out to advance the design of a partnership with the Cameroonian authorities, in consultation with all relevant sectoral ministries, in particular i) the final selection of pilot areas, ii) definition of a list of accompanying measures for the pilot phase of the partnership that will be used for negotiations between the Government and the CAFI Board; and iii) define the key elements of a preliminary program with a technical assistance project for MINEPAT and other Ministries according to the needs identified.

A draft programming framework was prepared for future investments in Cameroon and shared with the Executive Board (EB), followed by a full draft project document for a national intersectoral and multi-level Coordination Project. Based on EB guidance, CAFI Secretariat initiated discussions about the Coordination project with MINEPAT and further refined the partnership mechanism, which MINEPAT proposed to embed within the existing National Development Strategy (SND30) monitoring structures.

At its December 2023 meeting, EB also approved to present the country a stepwise approach to engagement for 2023: launch the calls for Expressions of Interest (EoI) (scheduled for May 2023) for a) the intersectoral and multi-level coordination project; and b)l set of pilot investments including 2 jurisdictional projects and 2 sectoral programs (Land Use Planning capacity building; and one value chain) up to a financial amount of 60 MUSD total. Policies and measures that could be agreed upon (in parallel of the approval of the project document of the pilot investments) were agreed to on institutional arrangements, cross sectoral coordination, integration of forest/climate objectives into development planning.

A CAFI Secretariat mission to Cameroon in Dec 2022 confirmed the majority of the selected projects via a transparent, participatory and objective process, against agreed criteria and, and a review of historical analyses conducted by both the Ministry of Environment during preparation of the REDD+ Drivers and Strategic Options Study in 2016, the MINEPDED studies conducted during the drafting of a National Investment Framework for Cameroon in 2019 and the CAFI-FAO Regional study of drivers of deforestation conducted with the Ministry of Forests in 2020.

C. Risks and Challenges The main risks remain the same as previously, including "lack of national appropriation" by some key Ministries, "environmental, political and/or economic changes/shocks" and "country's vision and

CAFI theory of change not harmonized". While climate change is now recognised as 'real' in Cameroon, climate smart development lacks high level Government "champions" for a common vision to be translated into coordinated policy and concrete practice.

Based on discussions with government and technical and financial partners, CAFI anticipates a period of adjustment to the realities of newly formed regional councils. This will influence work in the North of Cameroon where many CAFI partners have flagship programs and in potential areas for CAFI supported interventions.

Increasing the political ownership of the national investment framework across all sectors and ministries at the highest possible political level has remained a challenge for CAFI.

Finally, conflict and insecurity have remained a concern in 2022. The attention of the government and the international donor community continues to be directed to the complex humanitarian situation in the anglophone regions. Until the situation improves, there is a risk that this influence negatively on the pace of the donor community's development agenda, impacting also on the capacity of delegations from members of the CAFI Executive Board to mobilize support for the political dialogue around the national investment framework.

6.5 Equatorial Guinea

A. Background

Equatorial Guinea forests covered 93 % of the territory in 2014, making Equatorial Guinea one of the most forested country in the world. These 2.5 million hectares are estimated to store 364 million tons of carbon. These forests are however highly degraded, notably due to forestry activities (23%) and shifting agriculture. Forest degradation was estimated between 2004 and 2014 at 0.9% per year, or 23 000 hectares per year (entre 2004 et 2014). However, the country's FREL, submitted to the UNFCCC in 2020, estimates that 30 579 (± 8 530) hectares of forests, or 1.2% of forests, were degraded each year over the 2014-2018 period, marking a sharp increase from the 2004-2014 period. It is possible that this degradation accelerated with the boom of exports of round wood to Asia between 2014 and 2018. A ban on the export of roundwood was promulgated at the end of 2018 and lifted in 2020. Equatorial Guinea remains one of the most important African exporters of timber to China, especially *oukoumé*.

From 2016 to 2019, CAFI supported, through a (now closed) preparatory grant implemented by FAO, the development of key national REDD+ strategic documents to guide and move forward the REDD+ process in Equatorial Guinea. The project, of total costs of 1,087,000 M US\$ provided solid basis for strategic decision making about REDD+, through the publication of the "Study on drivers of deforestation and forest degradation in Equatorial Guinea 2004-2014" and the "Historical analysis of deforestation and forest degradation 2004-2014. The "REDD+ national strategy (EN-REDD+)" was developed through a participatory process involving multiple stakeholder, as well as the National Investment plan (PNI-REDD+) was developed and validated at national level, as a solid tool to plan and mobilize resources for the implementation of the EN-REDD+. It spells out the objective of the Government to maintain the current level of forest cover at 93% and to halve the degradation rate (to reach a rate of less than 0.045%) rate by 2025.

B. Policy dialogue and exploratory studies

CAFI continued the political dialogue with Equatorial Guinea, with support of the French Embassy in Malabo. This dialogue and technical exchanges lead to the adoption by the Executive Board and launch of terms of reference for a call for Expression of Interest (EoI) that were negotiated in 2021 and launched in January 2022–The EoI sought to identify an implementing organization to support policy dialogue and studies in Equatorial Guinea. The French Development Agency was selected by the CAFI Executive Board in June 2022 and asked to develop a full proposal to support the policy dialogue and conduct studies to identify preliminary data and the most suitable relevant opportunities in the land-use and forestry sector for a potential future collaboration.

C. Main challenges and risks

The main risks remained the same, i.e "weak capacity in government" and "lack of national appropriation". With no presence on the ground and delays, relationships have weakened. While a dialogue was renewed in June 2022 during the CAFI Executive Board, the lack of funding has triggered a declining interest from authorities.

The political risks linked to low levels of transparency and weak institutions and financial tracking systems of the country has a whole represents a constant risk. Insufficient governance, especially regarding the forestry sector, is also an ongoing risk in Equatorial Guinea.

6.6 Central African Republic

A. Context

Heavily impacted by the 2013 political-military crisis, CAR is one of the poorest countries in the world with a GDP per capita of US \$ 418 in 2017 with 4.6 million inhabitants in 2018.

The humanitarian crisis caused by the 2012-2013 political-military crisis continues, with population movements continuing to fluctuate with episodes of violence. At the end of August 2018, there were 621,035 internally displaced persons and 572,984 persons in neighboring countries. The World Food Project recently estimated the number of food-insecure Central Africans at more than 2 million and in 2018, more than half of the country's population still required humanitarian assistance (2.9 million people), according to OCHA a figure that increased by 16% compared to the previous year.

The country's economic growth rate has been around 4% and remains largely insufficient to meet the reconstruction needs (BM databank, 2018). This growth rate is supported by the recovery of activities in construction, trade and transport as well as by timber export. The country's public finance situation is still characterized by low domestic revenue mobilization, which represented only 9.1% of GDP in 2017 (sub-Saharan Africa average: 16%) and low investment from domestic resources.

The Central African Republic remains largely dependent on the support of technical and financial partners. During a joint donor conference in November 2016, the international community promised to mobilize 2,2 Billion US\$ to implement a National Crisis and Development Plan, called the National Peace Building and Recovery Plan for the Central African Republic (RCPCA). The plan's elaboration was supported by three donors (EU, UN, World Bank).

Forest cover approximately 28.3 million hectares, or 47 % of the national territory. Deforestation is relatively low in dense humid forests, with an average of 0.10 to 0.20% per year (in the best -known region of the South-West).

B. Two preparatory grants

CAFI provided a first grant to help CAR define its vision for green recovery, now closed. Details may be found in the CAFI 2021 Annual report.

A second preparatory grant, approved in 2020, is to support the continued efforts of the partnership between the former and the Government and CAFI for the implementation of the measures identified in the National Investment Framework, through

- 1. support for the development of a Letter of Intent and the associated coordination and monitoringevaluation mechanism, and
- 2. the conduct of three pre-feasibility studies for programs in three pilot areas.

Funds (700,000 US\$) were transferred in July 2021 to AFD. The support project effectively started in 2022.

Through activities preparing for the implementation of investments in the sectors identified in the National Investment Framework, the preparatory grant will provide data to **help define ambitions for reducing emissions and improving livelihoods** in the three target areas.

As part of the implementation of this agreement, AFD launched a call for proposals to identify a partner to operationalize the implementation of the measures identified in the CNI REDD+ (investment phase). The call for proposals resulted in the contractual commitment of the TEREA-IRAM-SALVATERRA consortium on 14 March 2022 for a period of 12 months.

In terms of progress, pre-feasibility studies to prepare 3 programs in 3 pilot areas (Bangui & periphery, Dzanga-Sangha and Mbaere Bodingue protected areas complex and corridor, Bangassou forest) started affectively in April 2022. The studies analyze the drivers of deforestation, stakeholders' capacities and needs, assess the potential for CO2 mitigation and storage and propose intervention approaches. Advanced draft version of the pre-feasibility reports for the Bangui area was issued on 4 December 2022 and in January 2023 for the Bangassou and Sangha-Mbaéré areas. The content of the Letter of Intent and results of the pre-feasibility studies are being disseminated to the populations and five capacity-building workshops were held in the different target areas in July 2022 to provide key stakeholders with tools to make decisions on deforestation, land use planning, agriculture, wood energy and timber exploitation, mining issues.

Risks and Challenges

Although in early 2019 a peace agreement was signed in Khartoum as result of a lengthy and direct dialogue between the CAR government and different rebel groups, the political situation remains unstable with frequent reshuffling of the cabinet. In addition, the government is slowing deploying its administrative capacity beyond Bangui, and weak administrative capacity on the regional level can be expected for the next years. Bearing the fragility of the new CAR state in mind, the CAFI Executive Board expects the national investment framework align strongly with country's National Recovery and Peace Building Plan (RCPCA).

Political risks include a potential increase of violence in the potential intervention zones.

Further potential risks include insufficient governance processes (e.g. decisions are not taken in an intersectoral coordinated manner or unclear mandates of the different inter-ministerial organs working on land-use planning and REDD+). This risk should be mitigated through the establishment of a high-level, intersectoral coordination organ.

Socio-environmental risks include potential land-use conflicts arising from the tenure reform, which will be mitigated by the elaboration of national land-use plan and the revision of the legal framework relating to tenure. Social and tenure-related conflicts could also emerge from the return of displaced persons.

Furthermore, a potential risk could be a lacking coordination of finance for development activities channeled through CAFI. However, CAFI is planning on providing dedicated support to the coordination, monitoring and evaluation of future investments. Furthermore, future activities will be aligned with the National Recovery and Peace Building Plan (RCPCA) that has been extended to 2023

Reputational risks increased with the slow onset of the 2nd preparatory grant, that had effectively started in 2022 although approved in 2020.

6.7 Regional

6.7.1 Regional study on trends and drivers

In Central Africa, as in other parts of the world, deforestation and forest degradation are complex, transboundary processes with various direct and underlying causes. Regional estimates of the drivers of forest loss in the Congo Basin are based on current global scientific literature, with data available only through 2014 and that often excludes the recent upward trend observed in tree cover loss. Studies also tend to omit the role of degradation resulting from induced by forestry operations, timber extraction and other commercial activities. There is no clear consensus on the relative weight of the main direct drivers and agents of deforestation and degradation of the Central African forests, including the possible growing relevance of mineral extraction, road development, agribusiness, commercial logging and biofuels, in addition to the recognized and leading drivers, which are traditional subsistence agricultural expansion and charcoal collection.

The CAFI Board approved in June 2020 a study, undertaken by FAO, *to assess deforestation and forest degradation and related direct drivers* aims to map disturbances and quantify direct drivers of deforestation and forest degradation in the Central Africa region. It aims at

- Reaching a good understanding of **why and where** forest disturbances occur and their extent is key to developing targeted policies and actions to reduce forest loss and related carbon emissions.
- Strengthening the capacities of national stakeholders and convene a large community of scientists and NGOs to develop a global, standard, large-scale methodology. The project partners with 20 national partners and implementing agencies convened through virtual monthly meetings
- Testing it to quantify deforestation and forest degradation trends and their current and historical direct drivers in the six CAFI partner countries.
 - \$ The implementation of the CAFI preparatory grant of 1,200,000 US\$ was awarded to FAO. Considering the results of the first phase and further data needs, the study was granted an extension in 2022 until 30 August 2023.



More details in this project Factsheet



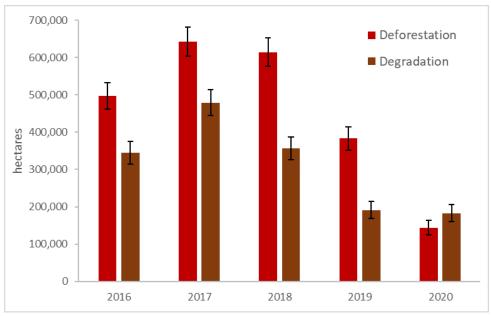


Figure 41: estimated areas (hectares) of deforestation and degradation cumulatively in CAFI's 6 partner countries

6.7.2 & Green Fund

The CAFI Secretariat facilitated the approval by the Executive Board of the capitalization of the Dutch "&Green" Fund, that will provide 53 million USD as donor capital to &Green, who will catalyse more than double that amount in additional capital the Congo Basin. The United Nations Capital Development Fund (UNCDF) acts as the CAFI investment agent.



More details in this project Factsheet

6.7.2 CPIC conservation initiative

The CPIC Conservation Finance Initiative is a global project which aims to unlock greater volumes of private finance for conservation investments. Additionally, it aims at improving knowledge on best practices for catalysing private-sector investment at scale in conservation, with improved recognition among private sector actors, and improved tools for assessing biodiversity and ecosystem impacts from conservation.

In line with CAFI's results framework and GEF guidelines, the Nature+ Accelerator Fund aims to achieve 30 to 60,000 ha of deforested and degraded landscapes under restoration, and 10,000,000 ha of terrestrial, marine and coastal habitat with improved management integrating conservation and sustainable use of biodiversity at year 10.

The Fund was operationalized in mid-2022, with the first closing and the signing of Fund agreement documents among parties concerned. Committee structures were set up to manage the selection and investment process of the Fund.

The first Request for Proposal (RFP) for Seed (USD 100-200k) and Early Venture (USD 1-2m) windows was launched in early 2022, and the Fund has received 95 applications. 48 of those projects were presented to preselection phase, 10 projects were presented to Expert Committee, 10 projects were approved as PON (Project Opportunity Note) stage, 2 projects were signed and disbursed, and further 2 projects were approved and are under negotiation.

Although the project remained in its start-up phase, the CAFI Secretariat provided input to a regional market barrier study for CAFI launched in early December 2022.



More details in this project Factsheet

6.7.4 Feasibility studies on innovative agriculture (focusing on DRC)

Two preparatory grants were transferred in 2022 to Farm Africa and One Acre Fund, respectively, to develop feasibility studies on innovative agriculture approaches.

One Acre Fund and Farm Africa submitted their respective feasibility studies, that were subject to exchanges with the CAFI Secretariat and the Executive Board. Although the launch for expression of interest was regional is scope, these studies focus on the DRC. These submissions will therefore be integrated into included in the pipeline of projects under the second Letter of Intent with the DRC.

The One Acre Fund feasibility study focuses on the development of a market for agriculture inputs and a support to wero deforestation agricultural production chains in savannahs, with the objective to support the supply of large consumption basins, including Kinshasa. The Farm Africa study feasibility study focuses on the development of deforestation-free coffee production.

7. Risks, challenges & lessons learned

The CAFI Secretariat revised the <u>Risk Management Strategy</u>, that was adopted by the CAFI Executive Board in December 2022. This Strategy separates contextual, institutional and programmatic risks and sets out responsibilities more clearly.

Besides the risks and challenges summarized at country level in section 6, as well as the risks presented in CAFI's internal risk dashboard, challenges and risk faced at the Fund level in 2022 and associated lessons learnt are summarized in the left column of the table below. Measures planned for 2022 to address these risks and challenges are presented in the right column.

Challenges and risk faced in 2022 and associated lessons learned	Measures planned for 2023 to address these challenges and risks
Lack of political alignment on priorities for programming under the DRC letter of Intent	
CAFI lacked information on and/or there was a lack of progress in the implementation of a small number of projects funded by CAFI through FONAREDD; this challenge was exacerbated by the insufficient follow-up by the FONAREDD Secretariat and required intensive CAFI engagement in the formulation and follow-up of decisions made by the Technical Committee.	The CAFI Secretariat will continue following up closely on FONAREDD's work. The recruitment of two international staff for the FONAREDD Secretariat, under CAFI's supervision, should strengthen their capacities.

Although CAFI's portfolio continues to grow and recruitment took place (communication specialist, carbon finance specialist), recruitment of CAFI Secretariat staff was not yet finalized in 2022. The fact that the Secretariat was understaffed prevented it from reaching its full potential and put high pressure on its staff members.

The recruitment of several new staff members for the CAFI Secretariat will accelerate in 2023, including a reporting specialist, a policy advisor, a coordination officer, M&E positions, Junior staff for donor countries and fellows from the Central African region.

The 2022 Annual reporting exercise was a test of compliance to the new reporting template, that was not entirely successful. Some projects failed to report on major sections of the reporting template or submitted it with delays (see This Annex VIII) which made compilation at the Fund level impossible.

Beyond policies and guidelines, more regular dialogues will continue to be undertaken with implementing organizations to ensure feedback, suggestions and finally uptake of the guidance provided by the Fund. This needs to continue and be enhanced in 2023 with additional capacity in the CAFI Secretariat.

The expansion of the CAFI portfolio and its multi-country, multi-stakeholder and multi (inter-related) outcomes, requires more sophisticated Monitoring, Evaluation and learning systems that mobilize various expertise (financial, programmatic, M&E). These should allow testing the theory of change, alert on pending and increasing risks in the appropriate timeframe and recommend adaptive actions by the Executive Board, Embassies or implementing organizations.

The CAFI Executive Board adopted a Monitoring and Evaluation Policy in 2022, whose implementation will start in 2023. MEL Guidelines for IOS including a revision of the existing Results framework, will be developed in 2023, aiming at an adoption by the Executive Board by end 2023. The learning component, as per the MEL Policy, requires guidance from the Executive Board. An internal lessons learned document was produced in 2022 to inform the programmatic framework of the partnership with the DRC under the 2nd Letter of Intent.

With a growing portfolio, ever-ambitious new milestones with short deadlines and high-level political engagement in CAFI donor and partner countries, reputational risks in the media also increase. Increased staffing at the CAFI Secretariat, media watch, swift information flows and a reactive Executive Board will be needed to address these risks. Trust building with international NGOs is also a desirable process.

Organizations currently active in the Congo Basin who possess the technical expertise, capacity and a proven track record necessary to successfully implement CAFI-funded are lacking

To diversify its pool of expertise, CAFI fostered partnership dialogues with prospective implementing partners including a number of NUNOs such as research institutions, INGOs, other bilateral cooperation agencies and international organizations. Additional revisions to CAFI's Terms of Reference and Manual of Operations made at the end of 2022 reflect this, with the inclusion of processes of accreditation for access to CAFI funds for all NUNOs.

The challenges met in the region cannot be met with business as usual development assistance.

Thanks to close contact and exchanges with the other tropical forest pools in South America and Asia, CAFI has successfully initiated a programmatic approach to implement

innovative finance projects beyond RBP highlighted in Gabon, to include payment for environmental services (PES), for example.

The <u>Annex on safeguards tools analysis</u> summarizes cases of complaints and their grievances and how they are being handled. They all pertain to projects funded via the FONAREDD. Two allegations appeared in project annual reports that relate specifically to alleged misuse of funds in 2022. The cases were being investigated and are following due diligence process.

8. Looking ahead

2022 was largely devoted to turning the success of the Glasgow Forest pledges into approved projects that can deliver fast, long-term and sustainable results, notably in the DR Congo, Gabon and Republic of Congo. The partnership with Cameroon is expected to enter a new phase in 2023, with a 60 million dollars launch for Expression of Interest, and CAFI continues, at a more modest pace, to deepen the partnership with Equatorial Guinea and the Central Africa Republic with new, tailored opportunities. Country ownership remains a strong focus of CAFI's support. CAFI's new procedures are now in place to allow access to the CAFI Fund for international non-governmental organizations.

The CAFI Fund and Initiative have expanded, with enhanced dialogue with all partner countries, additional projects in Gabon and Republic of Congo, and an additional donor. The transition to a new Unit at UNDP (the MPTF Office) concluded in 2021, with the staffing of the CAFI Secretariat that will continue to increase in 2023.

In addition to proudly communicating about its achievements, CAFI also decided to **tackle its structural and operational challenges** that have been identified in the first six years of operations. Workstreams started on access for national entities and in the meantime the introduction of the managing agent model to the DRC programming framework to ensure better national ownership. Discussions were initiated on fund governance and reforms necessary to deploy funds more efficiently (non-grant instruments). 2023 is expected to bring answers to these challenges.

The expansion of CAFI's portfolio and coverage is not devoid of risks and challenges, be they fiduciary, programmatic, political or reputational. Joint efforts of Partner countries, the Executive Board, its Secretariat, other donors, implementing organizations, and beneficiaries on the ground must continue to protect a forest that is possibly the last significant land-based tropical carbon sink in the world and the people who depend upon it.

Annexes

Reporting against the CAFI Monitoring and Evaluation Framework

Number of projects by type, status and country

Methodology to estimate numbers of beneficiaries

Monitoring safeguards tools – 2022 update

CAFI portfolio of projects by outcome

Understanding Land use planning tools in the DRC

Transfers per agency by end 2022

Submission of project annual reports

CAFI Financial report (MPTF-O)

Gender assessment 2022

Project names and references

Transfers per agency