



2024

CAFI ANNUAL REPORT

31 May 2025



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CAFI's Purpose

The forest of the Central African region is the second largest massif of unbroken tropical primary forest after the Amazon, and the most important rainforest carbon sink in the world.

This forest absorbs the equivalent of all the fossil fuel emissions from the United Kingdom and France combined. They store forty billion tons of carbon in their trunks, roots and leaves. The world's largest tropical peatland, discovered under the central Congo basin, bank a further thirty billion of tons.

The Central African forest harbours 10,000 different species of plants, trees, and animals. Evapotranspiration from tropical forests contributes up to 50% of rainfall over the Congo Basin.

Locally, for over 60 million people living in and around it, this forest is home, larder, pharmacy and temple. Regionally, it creates rain reaching Ethiopia's highlands to the east and sends precious water as far as Egypt. Globally, it is a planetary cooling system.

But this forest is also rapidly disappearing. According to most recent research funded by CAFI, over 9.6 million hectares of forest were lost from 2016 to 2023 (an annual average of 1.2 million hectares). Over 6.9 million hectares were degraded over the same period.

Slowing the loss of forests can only be attained through transformational reforms and scaled-up, ambitious investments.

CAFI was created to support these objectives with its six partner countries.

How We Work

6 partner countries

Cameroon, Central
African Republic,
Democratic Republic of
Congo, Equatorial
Guinea, Gabon,
Republic of Congo



Belgium, Denmark (2024), European Union, France, Germany, Netherlands, Norway, South Korea, Sweden, United Kingdom (current Chair)

A dual approach

UN multi-donor Trust Fund combined with a platform for high-level political dialogue

Funding

National reforms
Rural development
Governance
Monitoring & research

Addressing

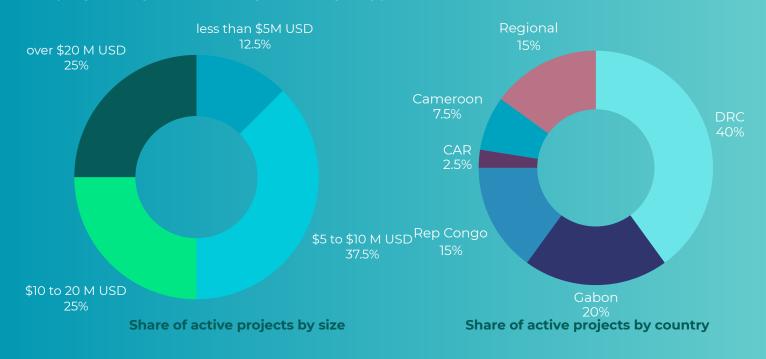
direct drivers: agriculture, wood energy, forestry and infrastructure/mining indirect drivers: land use planning, secure land tenure, governance, demography

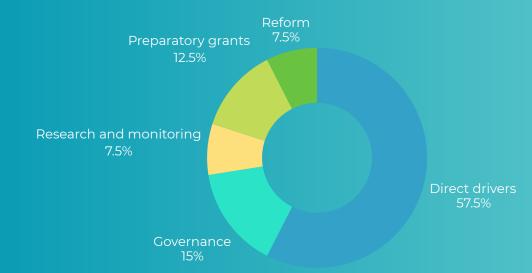


Reducing emissions from deforestation and degradation Reducing poverty

A large & diverse portfolio

Since 2015, CAFI has funded 66 projects, of which 40 projects were active in 2024, i.e. projects that have received funds before 31 December 2024 and have not been operationally closed. The charts below showcase these projects by size, country and major type.

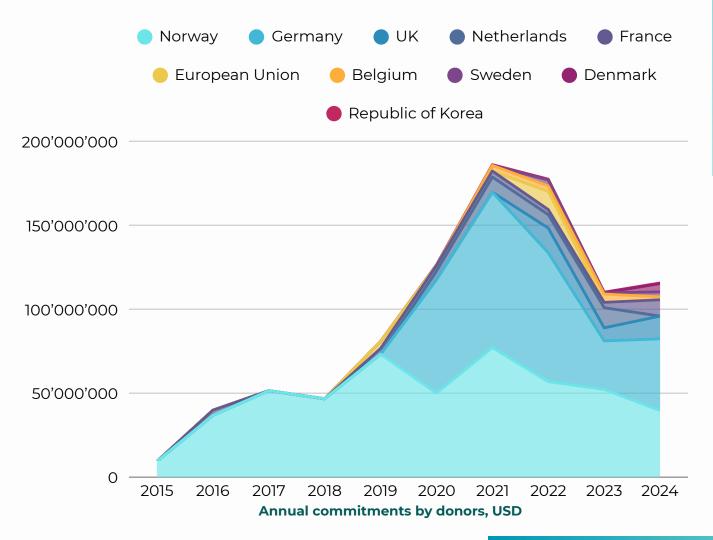




Share of active projects by type

To ensure coordination with other regional actors, a dynamic display of CAFI-funded projects is available on the project platform of the Observatory of Central African Forests (OFAC): https://www.observatoire-comifac.net/analytical_platform/projects. A table with all CAFI projects, organised by countries, is also available in Annex 1 of this report.

Donor contributions



Funding in 2024 remained solid, with over \$115 million USD in commitments (figure above) and over \$69 million USD deposited in the Fund.

In 2024, Denmark became a CAFI donor, with an overall commitment of \$15,967,504 USD and a first deposit in 2024 of \$4,931,850 USD.

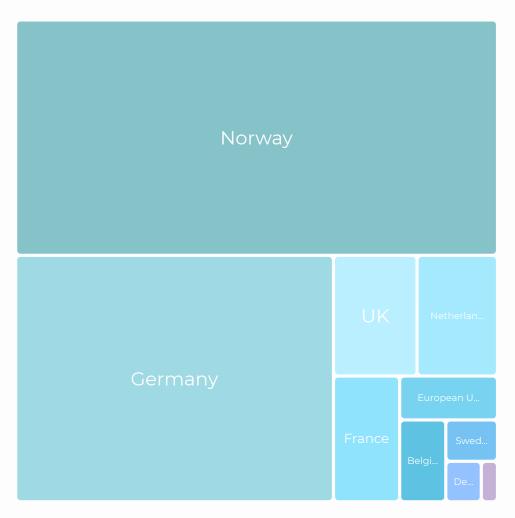
In 2024

Donor commitments \$115,602,817 USD

Donor deposits \$69,468,886 USD

All financial figures are available in the <u>Financial</u> <u>Annex</u>

Donor contributions



2015-2024 deposits by donors (USD)

With over \$943 million USD in donor commitments and over \$818 million USD in deposits, CAFI remains the United Nations' largest Climate and Environment Fund.

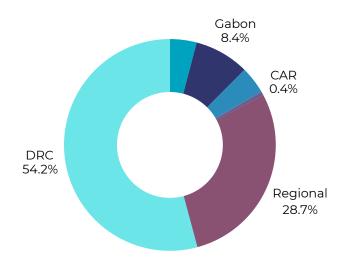
Cumulatively (2015-2024)

Donor commitments \$978,678,998 USD

Donor deposits* \$818,279,127 USD

^{*}The difference between the Norwegian commitment and deposits is due to the nature of the agreements; where fund disbursements are dependent on demonstration of financial need (DRC) and delivered emission reductions (Gabon).

Funding partner countries



Cumulative transfers to countries (USD) - 2016-2024

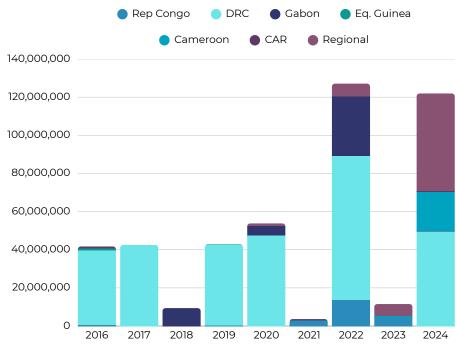


Chart 4 - Annual transfers to countries (USD)

In DRC, the CAFI Fund has to date transferred 99.15% of its funding to the National REDD+ Fund (FONAREDD), and 0.85% directly to implementing organizations. The figures above reflect those transfers. Based on decisions of its Steering Committee, the FONAREDD transfers funding to implementing organizations.

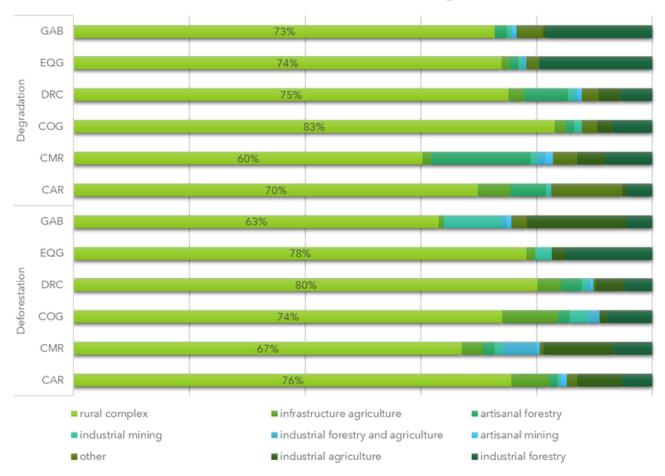
Transfers to countries and regional portfolio* 2024: \$121,936,462 USD

Cumulatively (2015-2024): \$455,402,956 USD

*minus refunds

Investments responding to diverse drivers

Driver Analysis



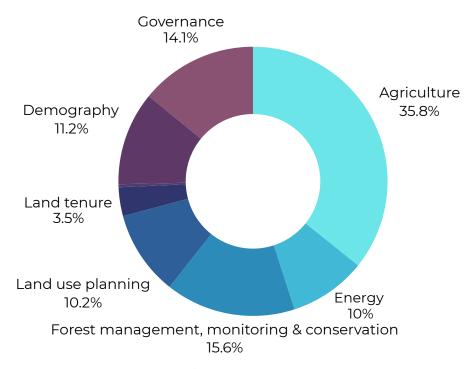
Distribution of observable direct drivers across partner countries (2016-2023), for degradation (top) and deforestation (bottom)*

The main direct driver of deforestation and degradation remains the rural complex, i.e. the agricultural land cover mosaic commonly found throughout the Central African region, and representative of smallholder shifting cultivation.

CAFI therefore focuses its investments in land use planning, small-scale agriculture, more efficient consumption or substitution to wood energy, forest governance and conservation, and the underlying tenure, governance and rights-based demography aspects.

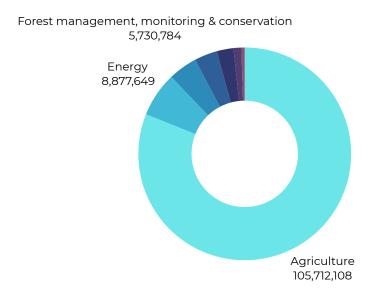
^{*}Source: Regional Drivers study

Funding CAFI outcomes



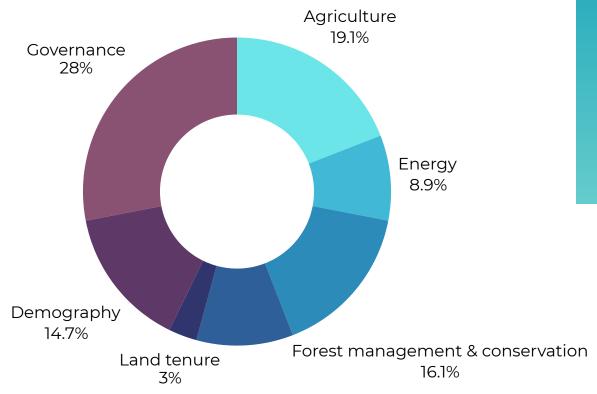
CAFI Transfers per outcome 2016-2024

The same analysis for 2024 only (below) showcases a much stronger focus on land use activities, with agriculture representing 81% of transfers in 2024.



CAFI transfers per outcome for 2024 only (USD). This takes into account 2024 transfers to projects approved before the 2023 budgeting policy.

Tracking expenditure



Projects reported expenditures per outcome (2017-2024)

For the first time in 2024, compliance to the 2023 CAFI Monitoring Evaluation and Learning Guideline has allowed an analysis of the CAFI outcomes towards which projects actually spend.

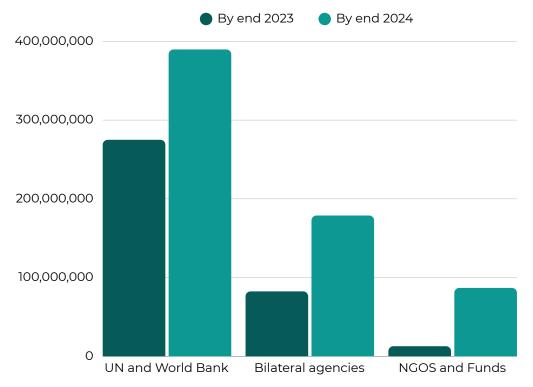
This data is also presented for each country in their dedicated sections, and sheds light on the progress and achievements in each country, presented below.

Projects total reported expenditures \$287, 071, 642 USD

Progress and results against the different indicators of CAFI's M&E framework are available here.

Diversifying the pool of implementing partners

23 implementing organizations are accredited to access the CAFI Fund (4 more than in 2023). 59.5% of approved funding is directed towards UN organizations and the World Bank, 27.3% towards bilateral cooperation agencies, and 13.3% towards non-governmental organizations and investment funds.



Approval by type of Implementing organization (US)









































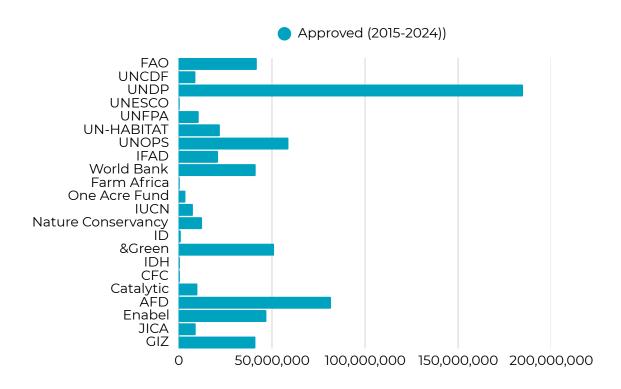


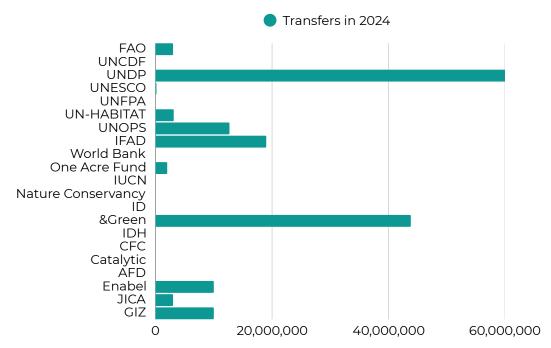




CAFI accredited implementing organizations. All but WCS have received funding by end 2024.

Funding by accredited IO (Including FONAREDD transfers to IOs in the DRC)





INNOVATING TO UNLOCK LONG-TERM SOLUTIONS



Towards Performance-Based Programming: Scaling Up PES Across CAFI Countries

In 2024, CAFI took major actions to operationalise Payments for Environmental Services (PES) as a central instrument in its programming toolbox.

Building on 8 years of experimentation and dialogue with partner countries, CAFI finalised a comprehensive PES framework and management system designed to harmonise implementation, improve transparency, and scale results across its partner countries.

A Common Framework and Toolbox for Scalable PES

The 2024-finalised PES framework lays out the strategic pillars for national and regional deployment, ranging from political and financial advocacy- including support to the first regional Inter-ministerial Conference on the deployment of PES, expected in January 2025 - to standardisation, planning tools, applied research and performance tracking.

PES are a financial mechanism to incentivise land users to adopt pre-identified sustainable land use practices.

Building on experiments in 8 CAFI-funded projects since 2016, PES are now a central component of 5 projects that received funding in 2024, including PIREDD Plateaux, DRC (spotlighted <u>here</u>) Small scale agriculture in the Kongo Central (DRC), FODECC (Cameroon), &Green (see Spotlight) and a preparatory grant to develop a PES project in the Banqui area of Central African Republic.



Standardisation of core elements of PES design and delivery now includes:

- A common list of the six eligible
 PES activities (see text box)
- A preliminary standardised framework for PES designed at the regional level
- A draft set of standardised templates with DRC stakeholders
- Thematic guidelines to support countries on key aspects of the contextualisation process, that will be used in 2025.

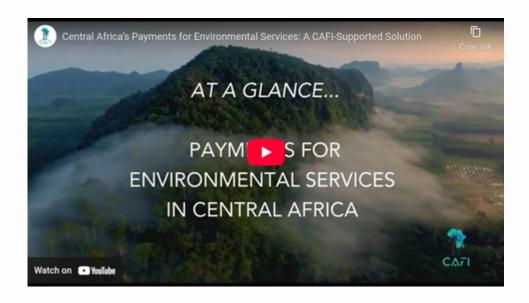
This standardised approach supports consistency, learning and replication across CAFI countries, while offering a foundation for South-South cooperation and knowledge sharing beyond the region.

Six agreed upon eligible activities

- Reforestation
- Agroforestry
- Deforestation-free perennial crops - eligible for direct payments
- Protection of community forests
- Forest management
- Regeneration of natural forests

These activities can be undertaken individually or collectively, depending on the local context.

A key feature of PES is that payments are made based on verified performance: e.g., agreed eligible activities conducted according to spatial plans, meeting the quality & safeguard requirements, and maintained over time.



Innovative Tools for PES Planning and Management

CAFI supported Central African countries to develop and pilot two state-of-the-art digital tools to make PES planning and implementation data-driven, transparent and results-focused. These tools support real-time decision-making, enhance accountability, and ensure efficient resource allocation, marking a significant evolution in CAFI's commitment to results-based financing.

Ground Impact - the PES Planning Tool

This planning and modelling tool helps identify the most costeffective PES strategies by simulating:

- Potential and scale of PES interventions needed to address major deforestation drivers (staple food production, charcoal, timber)
- Expected environmental and socio-economic benefits, including forest carbon sequestration, household income, food security, and job creation
- Cost-benefit trade-offs between different combinations of PES activities and payment terms

"Ground Impact" is designed to enable CAFI and partners to tailor PES schemes for maximum impact, aligning climate, biodiversity, and development objectives.

Examples of such simulations are presented below, both potential-based and target based.



Click and watch

Modelling PES Investments: Potential- based approach

The Congo Basin has a high potential to deploy the 6 CAFIeligible activities to receive Payment for Environmental Services. Biophysically, a total of 393 million hectares of land are technically suitable for PES activities. When excluding areas already affected to other activities, such as protected areas and forest concessions, a total of 271.2 million hectares of suitable lands are available for PES activities. This area is determined based on CAFI's core principle of deploying PES without generating additional deforestation or forest degradation, suggesting that no agroforestry or perennial crop plantation is allowed in the forest.

For modelling purposes only, it has been estimated that deploying PES activities in all suitable lands would have the potential to generate tremendous environmental, social and economic benefits, such as:

- 4.8 gigatons of CO2e sequestered annually, representing 7 times the 2022 GHG emissions of the Congo Basin, including emissions from land use change
- 6.77 million hectares of avoided deforestation, representing six times the 2022 deforestation of the Congo Basin
- Over 37.41 million hectares of deforestation-free direct employments, representing 7 times the labor force that is without work but available and seeking employment
- 274.13 million people, mostly within but also outside the Congo Basin region, with better access to food and sustainable cooking energy
- \$73 billion USD injected into the local economy, through performance-based payment and economic revenues, representing 3 times of the agricultural GDP of the Congo Basin.

Modelling PES Investments: Target- based approach

The Ground Impact PES Tool also offers target-based modelling; two examples are provided below.

Sustainable food production through PES activities

In the Congo Basin, cassava and other root-based food represent nearly 75% of the total food production of the region and play a key role in food security. A total of 73.3 million tons of root-based food are produced annually through traditional agriculture, which stands as the primary drivers of deforestation. To convert this into sustainable food production through the PES activities of agroforestry and perennial crop plantations, a total of \$8.3 billion USD of wisely targeted investments is estimated. These would deliver high food security and poverty reduction (such as 80% increase in the average annual GDP growth of rural populations), and absorptions of 947.7 million tons of CO2e annually, representing just over the annual emissions from deforestation and degradation in the Congo basin.

Sustainable charcoal production through PES activities

Charcoal remains the major source of energy in both rural and urban areas. A total of 4.87 billion tons of charcoal is produced annually, representing nearly 162 million trees burnt each year. To convert this into sustainable production through PES activities (agroforestry, reforestation and perennial crops plantations), a total of \$1.4 billion USD is estimated as needed. Beyond improving access to sustainably produced charcoal, this would generate the absorption of 26.3 million tons of CO2 annually.

2. CAFI PSE - The PES Management Tool

The PES Management Tool is an online digital platform that governs the full PES lifecycle. It includes five integrated modules:

- Administration Secure user management and configuration
- Admission Transparent validation of PES participants
- Monitoring- Real-time tracking of agroforestry, conservation & other PES activities (integrating remote sensing & field data)
- Reporting- Generates performance, financial & impact reports
- Map Viewer Geospatial interface displaying PES contract areas, land use cover, and zoning layers for full transparency.

Developed for efficiency, the PES Management Tool allows delivery of trustworthy performance-based payments at scale.



Click and watch

Looking ahead: PES as a Scalable Model for Forest Protection

CAFI's investments in PES in 2024, with 5 projects set to apply these standardised approach and tools, are positioning the Initiative to deploy results-based financing at scale.

By linking payments directly to measurable environmental services, PES ensure that funding is conditional on results, helping safeguard forests while supporting rural livelihoods.

As CAFI countries move toward transformative land-use programming, PES will ensure that every dollar spent contributes to verifiable environmental and social results.

Project Spotlight

PIREDD Plateaux : a new project piloting the CAFI PES approach



The 2023-approved PIREDD Plateaux project in the DRC province of Mai-Ndombe stands out as a **key project** for piloting the CAFI Payment for Environmental Services approach and tools.

Building on successes and lessons learned from prior World Bank and CAFI- funded projects, it focuses on rural economic development and environmental protection, promoting deforestation-free agriculture and sustainable livelihoods in 4 territories (Bolobo, Kwamouth, Mushie and Yumbi) that together hold 5.2 million hectares of forest.

National partners:

This programme is part of the DRC National REDD+ Fund portfolio, and is led by the Governorate of the Mai Ndombe Province. The local technical services of Environment, Agriculture-Fisheries, Land Tenure and Rural Development are engaged.

Timeline: 2024-2027

Implementing

organization: UNOPS with

WWF

Approved (2023): \$11 million

USD

Transferred (2024): \$5.5

million USD

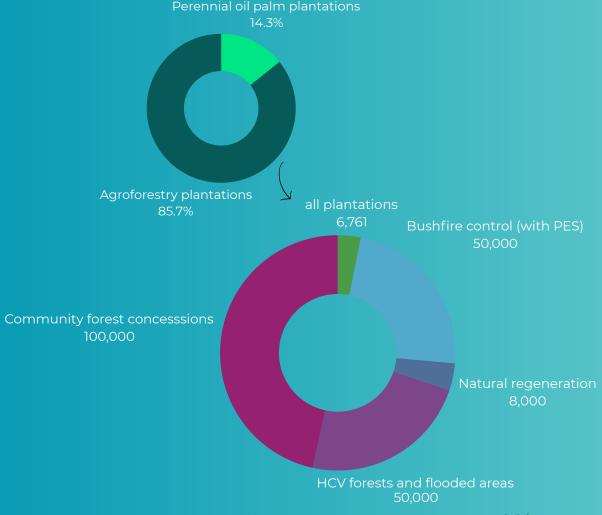
PIREDD Plateaux : Major land use and development objectives

The project seeks to:

Protect 94,976 ha of forests and reduce deforestation by 3,300 hectares per year (approximately 15%), through the establishment of agroforestry, deforestation-free perennial crops, and natural regeneration.

Pilot CAFI's Payments for Environmental Services: \$600,000 USD per year in performance-based payments to local populations for implementing the agreed sustainable land-use practices.

Generate economic development: approximately \$4.4 million USD in income from the production and commercialisation of sustainable charcoal, manioc and palm oil, benefiting over 20,000 direct beneficiaries.



Enhancing transparency and impact monitoring

In November 2023, CAFI adopted its Monitoring, Evaluation and Learning Guideline, which clarified mandatory quantitative and qualitative indicators and introduced in 2024 an annex on spatial monitoring and reporting requirements.

During the course of 2024, significant amounts of data was submitted by implementing organisations, quality-checked and analysed to generate estimates of project progress.

Building on this foundation, CAFI made significant strides in advancing transparency and data-driven decision-making with the launch, in July 2024, of the <u>CAFI Metrics Hub</u>. This online interactive dashboard serves as a centralised platform to visualise and track the quantitative targets and achievements of CAFI-funded projects across its partner countries.

Last update: June 20, 2025

Welcome!

The <u>CAFI</u> Metrics Hub is a first attempt at visualizing progress against shared quantitative indicators of specific projects, as well as an estimation of the emissions reductions deriving from these activities.

It does not, therefore, display qualitative indicators nor does it seek to capture processes. Reading of these results should also take into account the different start dates of projects, in line with the progress of the CAFI portfolio. Data is updated twice a year, based on annual and semi annual reports, and/or when updated and more reliable figures are shared.





The CAFI Metrics Hub provides stakeholders with real-time, open access to key performance indicators, facilitating a comprehensive understanding of project outcomes and progress toward agreed targets. By leveraging Power BI's capabilities, the dashboard offers dynamic visualisations that illustrate trends over time and the overall impact of interventions aimed at preserving vital forest ecosystems.

A notable feature of the Metrics Hub is **its ability to estimate CO₂ sequestration, cumulatively, project by project and year by year** targeted as well as resulting from various measurable interventions (agroforestry, perennial crops, subsistence agriculture, numbers of improved cooking solutions).

This functionality enables users to assess CAFI's climate impact through sustainable development practices.

The Hub now presents two estimates:

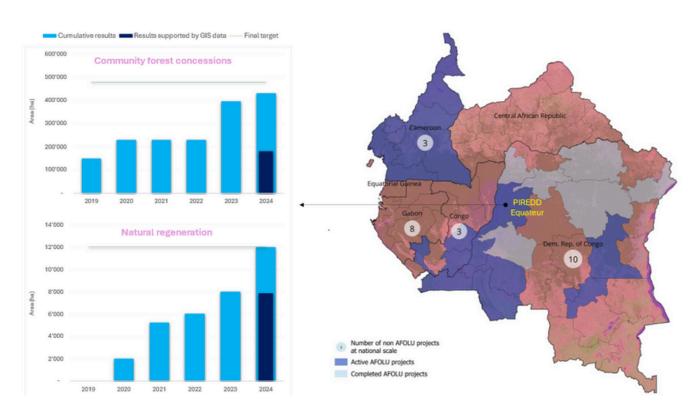
- a conservative estimate, where all activities are assumed to reverse at the end of the project, yielding a total sequestration figure based on delivered results of 4.48 million tons of CO2e, and a target of 11.2.
- an estimate more aligned to industry standards, where activities
 are expected to be sustained for a certain duration after the project
 closes, yielding sequestration results of 26.3 million tons of CO2e
 and an overall funded target of 147.7 million tons of CO2e.

These estimates will continue to be refined as scientific evidence is gathered on the sustainability of CAFI's support beyond projects lifetime.

The development and implementation of the Metrics Hub underscores CAFI's dedication to fostering accountability and informed decisions, with a transparent and accessible tool for partners, donors, and the broader community to monitor progress and engage.

Combining the quantitative data available in the CAFI Metrics Hub with the spatial data reported by implementing organisations enables a more in-depth assessment of project performance and spatial extent.

As of December 2024, locations of AFOLU projects funded by CAFI cover a total area of 174.3 million hectares, of which 87.5 million hectares are dense moist forests.



Location of CAFI-funded AFOLU projects and number of non AFOLU projects at national scales. The graphs highlight an example of progress data available in the CAFI Metrics Hub for the PIREDD project in Equateur.

Spatial reporting : paving the way towards a more robust and sophisticated monitoring of funded activities

Using spatial data reported by implementing organisations, CAFI has implemented sample-based visual verifications of the progress reported for land use activities.

This sample-based verification, applied to all projects, consisted of observing changes between different years using satellite images to detect activities' effectiveness and progress. This allowed detection of a number of inconsistencies and facilitated dialogue with implementing organisations.



An example of inconsistent pattern, where a total area of 15,4 ha of plantation was reported while the images show that trees were effectively planted on a smaller area (15% (bottom polygon) to 80% (top polygon) of reported areas).

This type of assessment is a proof of concept and a critical demonstration of the performance-based programming that CAFI is transitioning to.

AS next steps, CAFI is working on a remote sensing platform that will leverage the power of artificial intelligence and cloud-based remote sensing to systematise this monitoring approach.

Private Sector -Supporting innovative Finance Solutions

In 2024, CAFI significantly expanded its engagement with the private sector through the launch of its \$100 million USD Private Sector Investment Facility, aiming to unlock private capital and expertise for deforestation-free and inclusive development in Central Africa.

Many of the drivers of forest loss—such as agriculture, charcoal production, and logging—are rooted in market failures, where standing forests have no economic value. CAFI's private sector Facility responds to this challenge by directing investment into business models that make conservation economically viable, socially inclusive, and climate aligned.

The Facility is exploring results-based mechanisms, such as Payments for Environmental Services (PES), to further incentivise private investments aligned with climate and forest goals, helping shift the focus from process to verified outcomes.

CAFI engages with the private sector to create a deforestation-free economy.

Although CAFI does not directly fund private companies, it facilitates connections with implementing organizations (IOs) to accelerate private sector project development.

Collaboration with the private sector helps prevent deforestation by stimulating sustainable practices while leveraging private innovation to increase productivity without destroying forest areas.

Successful Blended Finance Call for Expressions of Interest

CAFI's Call for Expressions of Interest on innovative blended finance, launched in July 2024, resulted in the selection of Catalytic Finance as a key partner to lead capital acceleration and portfolio structuring in the region. The \$9 million USD project, approved by the Executive Board in December 2024, will support private and social enterprises to scale deforestation-free investments using tools such as concessional loans, grants, and PES-linked incentives.

Preparatory grants to develop new private sector-facing projects

- Initiatief Duurzame Handel The Sustainable Trade Initiative (IDH)
 received a \$500,000 USD preparatory grant to develop projects that
 will scale up deforestation-free cocoa and coffee production in
 Eastern DRC by strengthening sustainable supply chains and
 partnerships with private actors, cooperatives, and local authorities.
- The Common Fund for Commodities (CFC) was granted \$500,000
 USD to develop a project to facilitate access to affordable financing
 for small and medium enterprises in sustainable agriculture and
 forestry through catalytic blended finance and technical assistance.

These projects aim to lessen the risk for private investments, pilot innovative finance mechanisms, and scale deforestation-free commodity supply chains across high-forest landscapes.

Building a Pipeline of Bankable Projects

In 2024, feasibility studies by INTERHOLCO, ARISE, Mushiete & Co, GoCongo, and Criterion Africa Partners were completed to assess the viability of sustainable, deforestation-free business models spanning sectors such as sustainable forestry, agro-industry, and clean energy, spotlighted here.

These studies ground project design in solid evidence and align proposals with CAFI's Letters of Intent and Results Framework, ensuring that future investments are impact-driven, financially sound, and aligned with forest conservation and sustainable development goals

They also serve to identify the enabling conditions—such as legal frameworks, policy gaps, or technical barriers- for successful project deployment.

Feasibilities studies include

- qualitative and quantitative baseline data for proposed activities
- clear reference points for expected impacts
- technical feasibility of proposed models and innovations
- analyses of environmental impact, including risks and mitigation strategies
- social benefits, including potential for job creation and inclusion
- economic viability and business case for concessional financing
- scalability and replication potential beyond the initial intervention area
- financial and risk
 analysis, demonstrating
 why public support is
 critical to unlocking cofinancing.

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Spotlight: private sector feasibility studies

Democratic Republic of Congo

Criterion Africa Partners: mechanised harvesting and infield whole-tree processing of unwanted biomass followed by centralised conversion to charcoal, in 10 sites around Kinshasa

Mushiete & Co: deforestation-free production and transformation of cassava and charcoal nearby Kinshasa

- 5,625 hectares of sustainable plantation forests
- 6,844 tons of cassava bread flour
- 63,810 tons of clean charcoal
- Sequestration of 480,000 tons of carbon

GoCongo: Large-scale agroforestry and reforestation program (70,000 hectares) combining maize, cassava, cashew, timber, and palm oil with forest conservation in Lubumbashi

Republic of Congo

INTERHOLCO: A multi-dimensional feasibility package comprising:

- Increasing log transformation capacity of sustainably harvested wood to 300,000 m3
- Reducing non-biogenic emissions by 40% - cogeneration of electric power with sawmill waste to support sustainably harvested wood transformation and rural electrification for 11,000 people
- Upgrading biochar production from FSC-certified wood residues
- Adding biochar from FSC-certified wood residues for Carbon sink and biochar-based product development
- Densifying the open Marantaceae forests (exposed to fire vulnerability) to reduce fire risks for 8,000 forest inhabitants
- Conserving vital habitats and protected species via innovative approaches, such as eco-tourism

DRC, Gabon and Republic of Congo ARISE IPP: Large-scale forestry and timber processing

Securing and renewing high-level commitments

The Joint CAFI Declaration signed in September 2016 on the sidelines of the United Nations General Assembly enshrined the launch of the Initiative. CAFI continuously consolidates its partnerships with countries by securing and renewing high-level commitment to forest preservation; supporting the high-level monitoring reforms and engagements made in Letters of Intent; supporting partner coordination in political dialogues; and ensuring alignment of measures.

Cameroon – A Transformative New Partnership

On 7 October 204, a major turn in the partnership was taken with the signing of the 2025–2035 Letter of Intent (LoI) by CAFI and the Government of Cameroon at the Hamburg Sustainability Conference. Resulting from of a year-long, inclusive consultation process, the LoI lays the foundation for a ten-year partnership to mobilise up to \$2.5 billion USD. It aims to support a green economic transition, advance deforestation-free agriculture, and operationalise Cameroon's international climate commitments. The development of the Letter of Intent, which included vast inter-ministerial and stakeholder consultations, reflects a shared ambition to align national development strategies with forest preservation and climate resilience.



Minister Mey (Cameroon), State secretary Flasbarth (Germany) and Minister Dodds (UK) at CAFI- Cameroon LOI signing ceremony, Hamburg Sustainability Conference - 7 October 2024 - PhotoCredit @HSC2024

Central African Republic – A Renewed Political Engagement

The relaunch of CAFI's partnership with the Central African Republic (CAR) started with a high-level meeting with Prime Minister Félix Moloua and senior ministers on 5 February 2024. On 14 October 2024, a High-Level Dialogue on climate finance, afforestation, and biodiversity took place in Bangui, under the patronage of H.E. President Faustin-Archange Touadéra. The event marked a political milestone in CAR's climate agenda and reaffirmed the government's commitment to forests and biodiversity as cornerstones of sustainable development. Key outcomes included

- The creation of FONACAR, a national climate finance fund;
- A clear expression of national priorities for future collaboration with CAFI, including integrated and inclusive land-use planning, strengthened land tenure security, zero-deforestation agriculture and sustainable livelihoods, and the adoption of strong environmental and social practices:
- The designation of three ministerial focal points to lead engagement with CAFI;
- Broad participation from national institutions, development partners, and civil society.



H.E. Mr. Touadéra, President of the Central African Republic, with senior officials and CAFI representatives

Democratic Republic of the Congo – Elevating Forest Commitments to the Global Financial Arena

In an unprecedented move linking climate finance to national reform, four milestones from the second CAFI–DRC Letter of Intent were integrated into the reform matrix of the DRC's \$2.8 billion USD International Monetary Fund's Resilience and Sustainability Facility and Extended Credit Facility, subsequently approved in January 2025. These reforms—ranging from transparent forest concession allocation to digital forest monitoring and strengthened mining safeguards—reflect a direct alignment between international financial instruments and forest governance. This integration demonstrates CAFI's influence in embedding forest preservation at the heart of macroeconomic policy frameworks.

The 2023 Annual Review of the CAFI-DRC Partnership, held in March 2024, is further described in the DRC section of this report.



Regional and Global Policy Forums – Catalysing Dialogue and Visibility

Through active participation in high-level events such as the Congo Basin Forest Partnership (CBFP) Meeting in Kinshasa and the Oslo Tropical Forest Forum in June 2024, CAFI amplified political momentum and mobilised support for forest conservation. Bilateral ministerial engagements, panels on innovative finance, and civil society dialogues reinforced CAFI's unique position as a convener and driver of inclusive climate action in the Congo Basin.



CBFP event in Kinshasa - From left to right: Al-Hamndou Dorsouma, African Development Bank; Diara Ndiaye, RFI (Moderator); H.E. Arlette Soudan Nonault, Minister of the Environment, Sustainable Development and the Congo Basin, Republic of Congo; H.E: Diosbado Obiang Mbomio Nfono, Minister of Environment, Livestocks, Agriculture and Forests, Equatorial Guinea; Maggie Charnley, Director, FCDO, United Kingdom, CAFI Chair

Promoting Gender and Inclusion

Mainstreaming gender equality into CAFI programming is part of a human rights-based approach to development. Gender and inclusion efforts recognise vital contributions from women and other marginalized groups such as youth, indigenous populations and people living with disabilities. It also means they benefit from forest-related investments.

CAFI prioritises gender and inclusion:

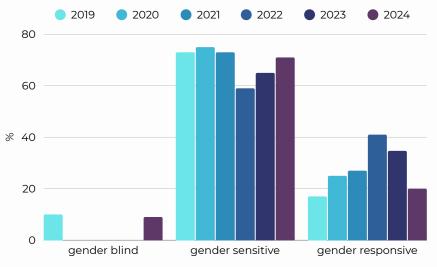
- through the accreditation process of implementing organizations
- at project approval and midterm evaluation stages
- by assessing gender annually across funded projects, and communicating on the outcomes
- by setting annual gender targets.

A "Gender Responsive" project:

- Includes gender issues in its design, including accounts of how women, men and marginalised groups will be affected differently by project activities.
- Budgets gender sensitive activities and mobilises gender expertise.
- Ensures and reports adequately on the participation of women, men and marginalized groups in project activities and decision-making.

In 2024, 6 projects out of a total of 27 assessed obtained a full "gender responsive" score with 4/4 criteria met. 22 projects displayed levels of sensitivity ranging from some sensitivity (4 projects) to medium (12 projects) to good (6 projects). 3 projects showed no evidence of a gender approach, and the remaining lacked critical implementation data to receive a score. The detailed 2024 assessment is available here.

Compared to previous years, the overall level of gender sensitivity has slightly declined. While 78% of projects were deemed sensitive, only 22% of assessed projects were deemed gender responsive and 9% were deemed gender blind. This is explained by overall performance delays (DRC and Gabon projects), absence of gender-disaggregated data, and rare allocation of dedicated budget lines. However, the recruitment in 2024 of gender expertise in 3 projects - currently assessed as gender sensitive - could forecast positive changes.



Annual evolution of the percentages of gender scores



2024 gender assessment



Elise Ngandu

President of the Saving and Credit Association of Umoja, Maniema province (project spotlighted <u>here</u>)

Thanks to to the trainings we received on village-level savings and credits, many women launched small livestock or fishery enterprises.

CLIMATE AND DEVELOPMENT IMPACTS

CAFI's Theory of Change defines the two impacts to which CAFI seeks to contribute.

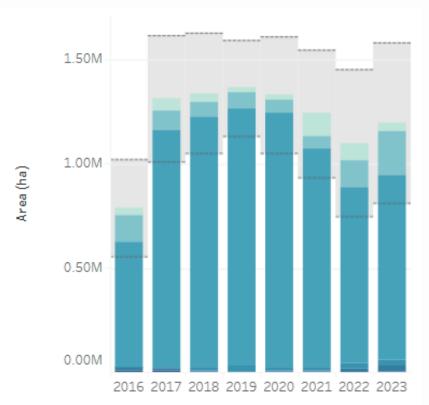
Climate impact is estimated by emission reductions and removals from the forest and land use sector, measured in tons of CO2 equivalent and proxies of surface areas of deforestation and forest degradation. CAFI funds scientific research to measure this impact.

Development impact is estimated through several proxies, including number of direct and indirect beneficiaries, increase in annual incomes or decreased spending, job creation, capacity development. While this data is currently based on project reporting, development impact studies will be launched in 2025.

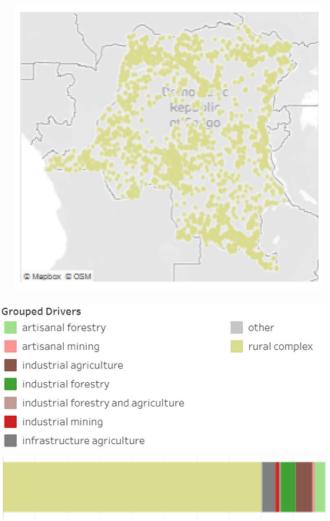


Deforestation

The regional study funded by CAFI points to a relative <u>stabilisation</u> <u>of deforestation</u> between 2016 and 2023, with differences observed across countries and forest types. In the DRC, where CAFI has had the most investments in the main deforestation driver (small scale agriculture), the inflexion in deforestation is more pronounced.



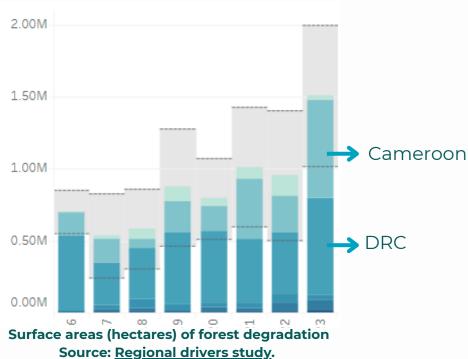
Surface areas (hectares) of deforestation. Individual countries, marked by different shades, may be explored through this link <u>Regional drivers study</u>.



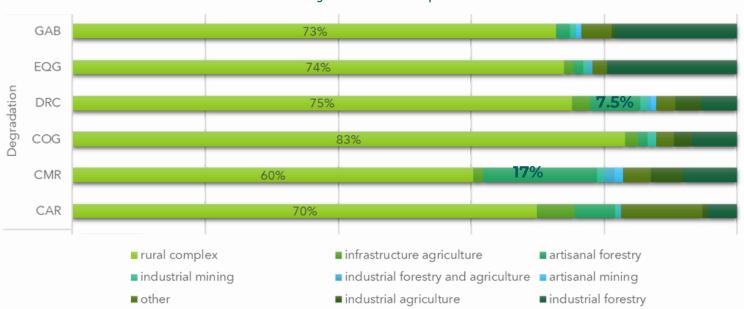
Spatial localisation and relative weight of each driver of deforestation. Source : Regional drivers study here

Forest degradation

The regional study funded by CAFI points to a rising trend in forest degradation region-wide from 2016 to 2023.

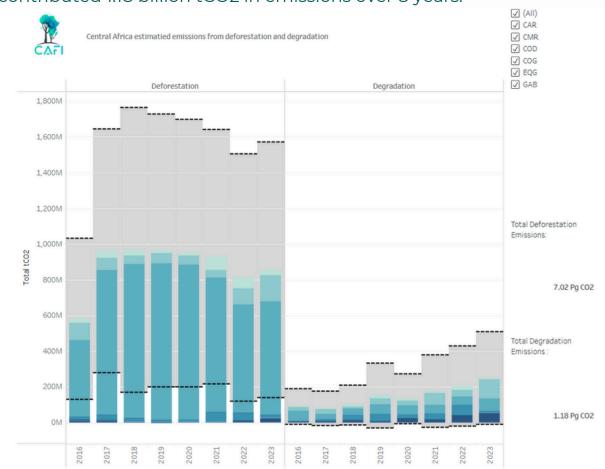


Degradation in Cameroon and DRC drive the regional trend. While the rural complex is most often associated with forest degradation, the latter is also often associated with artisanal forestry in these two countries, as shown below (DRC 7.5%), Cameroon (17%). This is a sector in which CAFI's investments have been relatively minor compared to other sectors.



Emissions

Country level emissions (below) were estimated by the Regional Drivers study, using IPCC and national emissions factors where available. Total emissions from deforestation reach 7.02 billion tCO2 over 8 years (2016-2023), i.e. an annual average of 877 million tCO2. Forest degradation has contributed 1.18 billion tCO2 in emissions over 8 years.



Emissions (tCO2) from deforestation (left) and forest degradation (right).

Source: Regional drivers study, emission dashboard.

To estimate CAFI's contribution to this impact, the <u>CAFI Metrics Hub</u>, updated twice a year, displays the results and estimated tCO2 sequestration (from direct absorption and avoided deforestation) of measurable interventions - such as conservation, agroforestry, perennial crops, subsistence agriculture and improved cooking solutions.

CAFI's direct contribution to emission reductions by end 2024 is conservatively estimated at 4.48 million tons of CO2e (up from 3.45 million tons by end 2023). However, when considering a capitalisation period that extends beyond end 2024, CAFI's results are expected to reach **26.3** million tons of CO2e of sequestration overall. Under the same assumption, CAFI's targets from funded projects to date total 147.7 million tons of CO2e, including from the large 2024-approved spotlighted &Green project.

Emissions in DRC

Emissions from deforestation alone in DRC are estimated to be 631 M tons of CO2eq in 2023*, seemingly stabilising compared to 2016 levels. The DRC Nationally Determined Contribution (NDC) aims at a 21% greenhouse gas (GHG) reduction by 2030, of which 2% unconditional and 19% conditional, vs a business as usual (BAU) of 709 Mt CO2, with a focus on forestry, energy and agriculture. DRC therefore plans to reduce its \sim 709 Mt CO2 BAU by \sim 149 Mt, to reach \sim 560 Mt by 2030.

Estimates of the direct impact of CAFI's interventions (summarised in the <u>CAFI Metrics Hub</u>) point to a direct contribution to date, based on reported land-use and cookstoves activities only, of 4.44 million tons of CO2, representing 3% of the country's NDC GHG reduction target. By the end of the capitalisation periods**, CAFI's support to date will have resulted in **26.08 million tons** (i.e. 65% of a target of **39.6 million tons** from all approved projects). The former represents 16% of the country's NDC overall GHG emission reduction target of 149 million tons.

Emissions in Gabon

Emissions from deforestation in Gabon were estimated to be 22 million tons of CO2eq in 2023*, and 53 million tons from degradation, with upward trends since 2020. In its NDC, Gabon does not set greenhouse gas (GHG) reduction, but pledges to remain a net carbon sink.

Following the payment of \$17 million USD to reward Gabon's reductions of 5 million tons of CO2 eq in 2016 and 2017, compared to annual emission levels from 2006 to 2015, a new results submission for 2018-2019 is anticipated in 2025.

^{**}Based on data available at the end of 2024. See Regional drivers study, emission dashboard

^{**}The capitalisation period, depending on the type of activity and project start date, may extend beyond 2030

Emissions in the Republic of Congo

Emissions from deforestation alone in Republic of Congo were estimated to be 11 M tons of CO2eq in 2023*, pointing to a stabilisation since 2020, and 23 M tons from degradation. The country's NDC aims at a 30% greenhouse gas (GHG) reduction by 2030 vs business as usual (of which 21.5% unconditional and 10.5% conditional), with a focus on forestry, energy and agriculture. The country hence aims to cut its emissions by ~32 Mt by 2030, to reach 68 Mt by 2030.

Two projects supported by CAFI have a direct and measurable contribution to emission reductions, totalling results by the end of the capitalisation periods of 196,06 tons** and a target of 1.03 million tons of CO2e, the latter representing 3% of the country's 2030 NDC emission reduction target of 32 million tons.

- The Improved Cookstoves (Lituka) anticipates a reduction of 214,186 tons of CO2eq over a decade, with an additional 356,976 tons of CO2eq emissions avoided. Cookstoves are currently in production.
- The Wood-Energy Plantations Project (PROREP) anticipates a reduction of 830,230 tons of CO2eq over five years. A cumulative sequestration of 36,040 tons of CO2eq results from the wood energy plantations established to date, and 196,060 tons taking into account the capitalisation period, which is based on an assumption that will be refined with the independent verification scheduled in 2025.



^{*}Based on data available at the end of 2024. See Regional drivers study, emission dashboard

^{**}The capitalisation period, depending on the type of activity and project start date, may extend beyond 2030

Development impact



Lily Monzanga

Advisor to the Local

Development community,

Mongala province, DRC

We've learned and practiced sustainable agriculture, planting several times in the same field. To do this, we've introduced fertilising plants, like the Cajan pea. This allows us to rotate crops, without burning the forests, to produce peanuts, corn and manioc. Meanwhile the forest is regenerating and produces snails, caterpillars and mushrooms.

Conservatively, it is estimated that CAFI has a direct impact on the livelihoods of **approximately 301,700 people,** cumulatively by the end of 2024. This number is largely dominated by DRC estimates. While 2023 data was missing due to lack of figures reported from the DRC, 2022 figures had estimated that CAFI-funded projects had reached, cumulatively by the end of 2022, 142,000 direct beneficiaries as per the adopted definitions.

In DRC, most territorial projects aim to increase the median cash income by at least 10 percent for households and farmers. To assess this impact, conducting studies to estimate baseline & results on socio-economic data is mandatory as per the 2023 CAFI Monitoring and Evaluation Guidelines. While data is being collected in projects approved in 2023 and 2024, the Kwilu project has estimated annual income baseline data for 984 targeted households (2020-2022) to be at 258 dollars, and livestock annual revenue at 37,6 dollars. This provides a point of comparison to measure impact at project closure.

In terms of food security, beneficiaries from mature rural development projects in the DRC reported **nutritional diversification** and **more predictable harvests**, especially in the dry seasons.

Development impact



Mayasa Mpine
Treasury of Local
Development
Commitee, Mai Ndombe
province, DRC

In this new acacia forest that we planted in the savanna, mushroom species that were hard to find are reappearing now. We hunt antelopes. We produce honey, that we eat and sell. Before, it was difficult to find cassava and other vegetables in the dry season. This plantation helps us feed ourselves better. 163,000 households have to date benefitted from cleaner cooking solutions in the DRC, with reported savings ranging from 8% to 15% in their energy spending, depending on the type of new clean cooking energy.

It has also been estimated that **1.05 million people** stand to benefit at the local level, directly or indirectly, from the 38 local community forest concessions that have received a formal title thanks to CAFI support. This number remained unchanged in 2024.

3,193,965 individuals are direct beneficiaries of contraceptive methods, including **435,441 young women** who benefit from longacting contraceptive methods in 11 DRC provinces. This number remains the same as in 2023, as 2024 was a gap year for demography activities, due to approval of the project next phase (see here).

In the Republic of Congo, adhering to CAFI's strict definitions, the number of direct beneficiaries has reached 632 individuals, of which 27% are women. Projects with landuse activities, such as the wood energy plantations project, tend to display higher percentages of female beneficiaries than enabling projects.

Gabon projects are at different stages of implementation, with most funding spent towards enabling rather than territorial activities. The number of direct beneficiaries is estimated at 1,100.

In Cameroon, the 2024-approved project on zero deforestation agriculture with FODECC is anticipated to **support 350,000 growers**, already enrolled in the system.

Direct and indirect beneficiaries

The CAFI Monitoring and Evaluation Guidelines, adopted in 2023, define what constitutes a direct and an indirect beneficiary.

Direct beneficiaries are individuals who are targeted by a project, can be defined by name and location, who receive regular support of high or medium intensity, and are cognisant of this support. Examples include eco-guards supported to patrol national parks in Gabon, farmers receiving seeds, tools and regular training, artisans with businesses launched in the energy sector, or people gaining employment (excluding project-paid employment).

By contrast, indirect beneficiaries are untargeted and/or receive one-off support (such as attending an awareness-raising event). These include, for example, children living in the household of a direct beneficiary, households who have bought improved cookstoves or benefited from electrification, members of local communities where a community concession has received a formal title or living in a territory with a newly developed local land use plan.

Individuals that have been reached by communication campaigns are reported but not considered beneficiaries, their impact on their livelihoods being too diffuse to measure.

Workshops and support were provided in 2024 to clarify and contextualise these definitions with implementing organizations and national partners. It is anticipated that the at-scale deployment of Payments for Environmental Services, based on automated systems and formal contracts with clearly identified contract holders, will further standardise and streamline the collection of data on beneficiaries of land use activities.

COUNTRY & REGIONAL OVERVIEWS



Democratic Republic of Congo



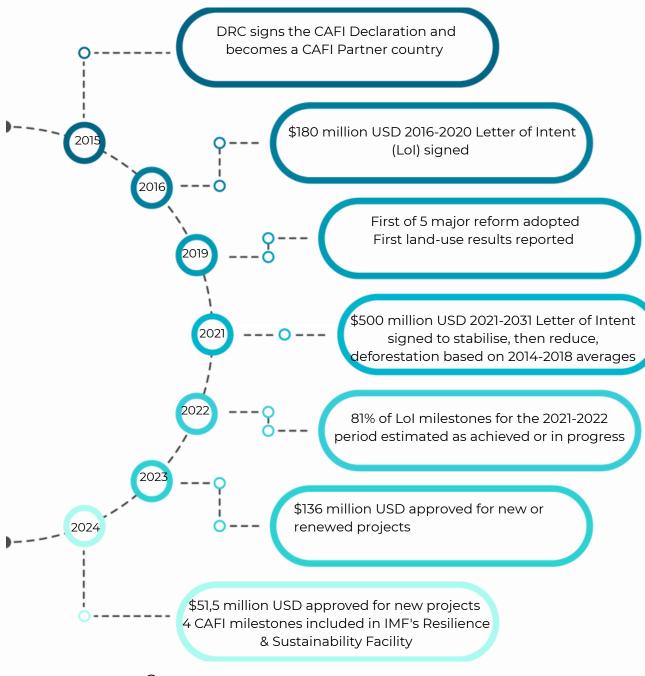
- Ministry of Agriculture
- Ministry of Energy and Water Resources
- Ministry of National Economy
- Ministry of Hydrocarbons
- Ministry of Public Health, Hygiene & Prevention
- Ministry of Gender, Family & Children
- Ministry of Planning
- Ministry of Budget
- Ministry of Education
- Ministry of Land Affairs

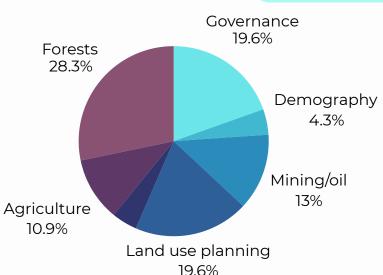
Funding

Pledged (signed Letters of Intent): \$690 million USD
Transfers from CAFI to DRC: \$296.3 million USD, of which:

- To FONAREDD: \$293.8 million USD
- Direct transfers from CAFI to projects: \$2.5 million USD

Partnership overview





The Annual Partnership review was conducted in March 2024.

High-level monitoring of reforms and engagements of the Letter of Intent

The CAFI- DRC Letter of Intent specifies the mechanisms for monitoring commitments, notably through Annual Partnership Reviews that involve all ministries concerned and whose conclusions are validated at the highest level. This included the 2023 Annual Review of the CAFI-DRC Partnership held in March 2024, whose report was <u>validated and published</u>.

The Review highlighted that, by March 2024:

- 81% of milestones for the 2021-2022 period achieved or in progress (see our Methodological snapshot below), with 52% fully completed. 50% of the 2021-2022-2023 milestones achieved or were in progress.
- Flagship results, such as the adoption of key national policies such as the Sustainable Agriculture Policy, National Energy Policy, and the Land-Use Policy.
- Improved transparency in the forestry and extractive sectors, with the publication of forestry titles and mining contracts by the Extractive Industry Transparency Initiative
- Reduction in charcoal consumption recorded in major consumption urban centres

The March 2024 Annual Review also formulated 117 recommendations,

to guide the implementation of the partnership's objectives. These recommendations were designed to complement the milestone framework by addressing operational, institutional, and sectoral challenges. They span all milestone pillars while also covering project implementation, portfolio development and resource mobilisation, management costs, and the restructuring of FONAREDD.

By year's end, **83 out of 117 recommendations (71%) have been either fully achieved or are showing significant progress**, confirming the strong engagement of national institutions and partners in advancing actions that contribute to the achievement of the LoI milestones.

Methodological snapshot: how milestones status is determined

Public policy's and legal/normative framework development:

- milestone "in progress": a first draft is under consultation
- milestone "achieved": the policy has been validated by the Council of Ministers, a new law validated by the Parliament and promulgated by the Government and officially published.

Governance bodies (eg Advisory Council on Agriculture, National Forest Advisory Council, and the National Population Council)

- o milestone "in progress": the body is formally established through a Ministerial Order.
- milestone "achieved": the body meets in accordance with its founding texts and duly fulfils its statutory functions.

Publication of agricultural, agro-industrial, forestry, mining, oil permits

o milestone achieved when documents are made publicly available.

The most advanced recommendations related to projects development, with 21 recommendations either achieved or in significant progress, with four flagship projects:

- Support for the Achievement of Milestones: a cross-sectoral project designed to support the achievement of political milestones was approved in 2024 to support major milestones including several forestryrelated milestones and recommendations, and is expected to help overcome current bottlenecks.
- Sustainable agriculture PDL 145 Territories: support for a national programme on local governance and rural development across all 145 territories of the DRC, that received funding in 2024 after its 2023 approval.
- Carbon Market Development: A project aimed at strengthening the enabling environment for carbon finance in the DRC, including regulatory frameworks and institutional capacity
- **Energy Transition**: A project initiative aimed at reducing charcoal consumption and promoting sustainable energy alternatives, contributing directly to milestones under the energy and forest pillars by supporting behavioral change and access to clean energy solutions.

Recommendations on FONAREDD restructuring and land-use planning have also shown much progress. Other pillars have shown more delays:

- **Forestry**, due to delays in the implementation of the sustainable management of forests, that supports the national forest policy, definition of high conservation value (HCV) forests, degraded forests, and peatlands and associated management rules, and the publication of conservation concession contracts through the EITI.
- **Mines and Hydrocarbons**, for which the development of socioenvironmental safeguards was postponed due to delays in accreditation of GIZ, with implementation now expected in 2025
- **Governance**, where delays are linked to the domestic resource mobilisation plan, committed by the Government for the fourth quarter of 2025.

Although a fast-track support project to support the achievement of milestones was approved in late 2023 to accelerate progress across sectors, funding transfer did not occur in 2024, and is expected in early 2025.



Portfolio Overview



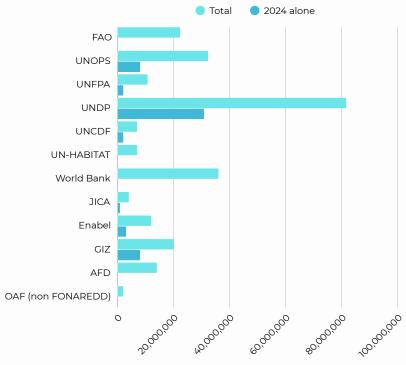
Annex 1 displays the list of all CAFI-funded projects in DRC. Of the 13 active projects, 12 are funded via the FONAREDD.

DRC projects funded through the FONAREDD represent

- \$467.4 million USD approved
- \$268.7 million USD transferred (of which 55.4 in 2024)
- \$231 million USD spent by projects

In 2024, the active project funded directly through CAFI is a \$2 million USD bridge grant to One Acre Fund.

Portfolio Overview



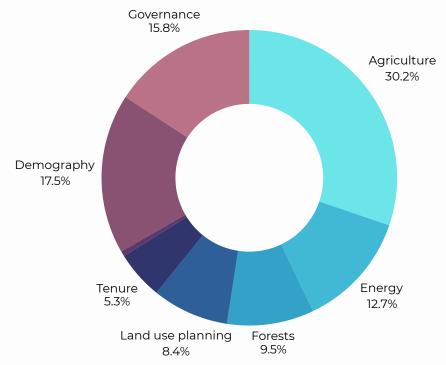
Following the large volume (136 million USD) of funding approved in 2023, 55.4 million USD were transferred from the FONAREDD to projects in 2024 and 2 million USD from CAFI to a bridge grant on innovative agriculture (with One Acre Fund).

Transfers (\$ USD) per organization

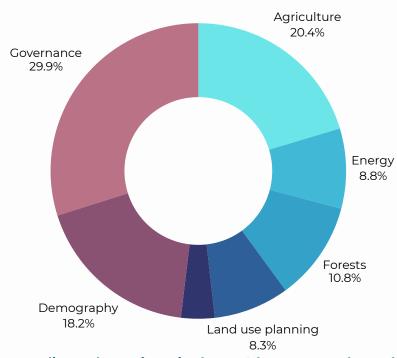
At its 27 November 2024 session, the Steering Committee of the FONAREDD approved \$57.7 million USD towards:

- A novel \$29.8 million USD innovative project on "Zero Deforestation Small Scale agriculture" in the province of Kongo Central, with Once Acre Fund, aiming to develop sustainable sedentary production models in savannahs and degraded lands, with an emphasis on distribution of quality certified seeds, the promotion of a "farmer-entrepreneur" model and Payments for Environmental Services
- \$8 million USD support to **reaching LOI milestones**, providing technical assistance and coordination support to the Government of DRC (with UNOPS),
- A \$5.5 million USD governance project with CIFOR, focusing on improving land tenure security, forest monitoring systems, and legal frameworks for participatory forest management and climate finance transparency.
- A \$3 million project, via UNOPS, to support health infrastructures
- A \$3 million contribution to the UNDP Pro Congo program, towards resultsbased financing for clean cooking & renewable energy markets.
- \$9.2 million USD in renewed support for **PIREDD Équateur** (FAO with WWF)
- \$2 million USD to national implementing entities, through UNDP, to support key ministries and national institutions in developing their **financial**, **fiduciary**, **and technical systems** to become eligible to access to CAFI funds

Funding and expenditures by outcome



CAFI transfers to DRC projects by outcome, by end 2024



Expenditures by projects in the DRC by outcome, by end 2024

Results: Local Governance and Land Use Planning

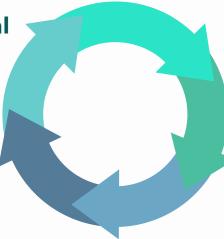
Empowering communities to sustainably manage land and natural resources while reducing conflicts and improving local development

Transformed community governance

31 Local Development Committees (LDC) established in 2024 (58% of 2024 target), and a total of **2,633** created or strengthened >> better, inclusive planning for governance of local natural resources.

Enhancing participatory spatial planning

Methodological guidance and training for decentralised actors, including provincial and territorial services



Consolidating legal foundations

Development of implementation texts for the Land Use Planning Law adopted in 2023

Major studies finalised

>> strengthened alignment between landuse planning, agriculture, and forestry strategies at local and provincial levels >> cross-sectoral coherence

Community planning how to use their land

889 local land use plans

validated, including 239,204 hectares in 2024.

- >>Better agricultural practices
- >>Enhanced community forest protection around villages
- >>Increased community engagement and ownership
- >>Reduction in conflicts

Results: Land Tenure

Increasing land security for rural populations by bridging statutory law and customary tenure systems.

Advancing the Land Tenure Reform

Continued strategic backing to National Land Tenure Commission (CONAREF)

Support to drafting the **new Land Tenure Law** and associated
decrees

Tools developed

Digitisation of land data collection tools for transparent and accessible land information systems

Participatory mapping and **land-use diagnostics** scaled up across provinces (Equateur, Maniema).

Decentralising processes

Piloting of **provincial land observatories** (*Commissions Foncières Locales*) in several provinces, enhancing multi-actor platforms for participatory land conflict resolution and planning.

Integration of gender equity and Indigenous Peoples' rights into governance mechanisms, including in the elaboration of local land-use plans and recognition of customary tenure.

Support to National reform Commission begins

2023

New Land tenure law adopted by the Council of Ministers, integrates the outcomes of CAFI- supported consultations with Indigenous peoples

2016

CAFI-DRC Partnership Support to Land Policy Reform

Support to Provincia tenure Commission begins

2022

Land Tenure Policy Reform

Promulgated

2024

Land Information System
Capacity building plans for
local administration

Results: Agriculture

Reducing pressure on forests by increasing rural incomes through sustainable and climate-resilient agricultural practices



Improved revenues

27,213 hectares of perennial crops planted (e.g., cocoa, coffee, palm, fruit), which represents 52% of total target 4,892 hectares in 2024, in savannah areas and degraded forests.

Better governance

22 Rural Agricultural Management Councils established.

Improved food security

44,934 hectares of subsistence food crops cultivated (10,021 hectares in 2024), often intercropped with wood energy plantations.

Accelerated policy reform

National Agriculture policy adopted in February 2023 by Council of Ministers. It includes protection of peatlands and high value forests, orientation of industrial agriculture towards savannahs and degrade forests, and integration of land use planning principles

Project Spotlight

PIREDD Maniema: transforming rural economies



The Multisectoral Programme in the Maniema Province is emblematic of cross-sectorial, provincial - level projects (or PIREDD) supported by CAFI in the DRC. Initiated in 2021, the project ramped up results in 2024. contributing to the reduction of emissions and the increase of absorptions by establishing protected forests (APAC, CFCL, community reserves) and through measures of restoration of forestry landscapes and promotion of sustainable agriculture.

With income- enhancing green value chains, the project has directly improved the livelihoods of 52,000 direct beneficiaries, of which 24,736 women.



National partners

This programme is part of the DRC National REDD+ Fund portfolio, and is led by the Provincial Ministry of Environment and Sustainable Development and Provincial Ministry of Agriculture.

Timeline: 2021-2026

Implementing
organization: German
Agency for International
Cooperation (GIZ)

Financial performance*

Approved: \$30 million

USD

Transferred: \$30 million

USE

Spent: \$22.7 million USD

*by 31 December 2024

PIREDD Maniema: Sustainable land-use results

Building from the Ground Up: Local Governance and Land Use Plans

1,102 local development committees were established and supported (representing **110%** of the project target), with 35% women's participation in decision-making bodies. To ensure accountability, 152 joint monitoring missions were conducted with authorities and members of the Steering Committee, and seven land conflicts supported for resolution.

As a result, **68 local land use plans covering 584,786 hectares (4% of the province surface area)**, were developed across 104 villages, with 75,641 hectares in 2024 alone, in addition to 8 plans at territorial level (of which one, Wakabango II, in 2024).

Transforming Rural Agriculture: From Subsistence to Sustainability

The project has exceeded its targets, establishing

- i) **5053 hectares of perennial crops** (coffee, cocoa, palm, moringa and jackfruit) reaching **101%** of project target
- ii) **5650 hectares of subsistence crops** (rice, corn, soybean) with improved yields representing **107%** of target
- iii) 7324 hectares of agroforestry or 144% of target



Surface areas (hectares) of established land-use activities, cumulatively (left) and in 2024 alone (right)

Market access to commercialise agricultural and charcoal products was eased with 94 km of rural roads rehabilitated (over half of these in 2024), representing 19% of the project target, and 52 storage & processing buildings (of which 48 in 2024), representing 104% of target.

Fostering Energy Transition: Clean Cookstove Distribution and Green Charcoal Micro-Enterprises

To reduce dependency on unsustainable charcoal, 4,074 improved cookstoves were produced and distributed. This represents 20% of final target but momentum picked up in 2024, with 1,967 cookstoves. 400 local manufacturers of improved cookstoves were trained.

Five green charcoal micro-enterprises were created, (including 3 in 2024), producing over 100,000 kg of charcoal and generating approximately \$12,000 USD in revenues.



Reforestation, with maize and peanuts
722
Total surface areas (hectares) of established energy activities

Forest protection and sustainable management

253,802 hectares of forest are under active protection and sustainable use by 10 local community forest concessions and 4 Indigenous and Community conservation areas (APAC in French), 11 of which are formally published in the Official Journal.

Enabling Local Leadership and Gender Equity for Lasting Impact

14,915 individuals across 524 associations were trained in sustainable land use, entrepreneurship and governance, including 11,341 in 2024. 148 partner organizations received equipment support.

The project has been consistently assessed as gender-responsive, implementing its gender and Indigenous Peoples strategies and training 102 women leaders and 808 local stakeholders on gender and inclusion.

A complaint mechanism is operationalised and the Provincial Consultative Forest Committee (CCPF in French) strengthened to ensure social safeguards.

Results: Sustainable Energy

Promoting energy transition and sustainable livelihoods with agroforestry wood energy plantations and clean cooking



Reduced consumption 163,189 clean cooking solutions

sold: improved cookstoves, liquid gas petroleum (LPG) stoves and briquettes.

Up to **8% reduction in charcoal consumption** amongst users of these new cooking solutions in Kinshasa, Goma and Bukavu, between 2020 and 2023.

Social benefits

1,072 jobs created, of which 31% of women and 69% young people, **85%** job satisfaction rate.

8 to 15% of reduction in household spending on cooking energy of users of improved stoves and LPG stoves, respectively.

Accelerated policy reform National Energy policy, integrating clean cooking and wood energy, validated on 9 December 2022. It is awaiting validation by the Council of Ministers pending completion of the Environmental Assessment, submitted to the Congolese Environmental authority in October 2024

Coordination mechanism on sustainable energy, including clean cooking, established and operational

GPL plan and roadmap for Kinshasa adopted.

Sustainable production

21,047 hectares of fast-growing wood energy plantations, of which 7830 in 2024 alone (52% of annual target).

41,113 hectares of savannahs set aside for natural regeneration, of which 3932 in 2024 (46% of annual target).

Project Spotlight

Supporting productive alliance in savannahs and degraded forests



The "Sustainable transformation of savannahs and degraded forests" project in the DRC focuses on Kwilu and Tshopo provinces.

Productive alliances are created between farming operations integrated into farmer organization networks, as well as agricultural small and medium entreprises, value chain economic operators or forestry concession holders, and an advisory service provider. These alliances develop projects based on inclusive investment models, combining personal contributions, loans, and/or grants.

National partners: This programme is part of the portfolio of the <u>DRC National</u> <u>REDD+ Fund</u> and is led by the Ministry of Agriculture, Livestock and Fisheries

Implementing organizationAFD

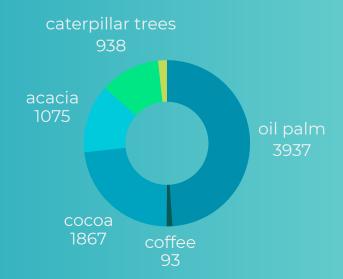
Funding*

Approved : \$15 million USD Transferred : \$11.5 million USD Spent : \$7.5 million USD

*by 31 December 2024

Sustainable Agriculture and Productive Alliances

28 productive alliances have been financed to establish **8,256 hectares**, including **3,395** hectares planted in 2024 and georeferenced, and an additional 2,689 expected from nurseries.



Institutional and Financial Innovation

The participation of microfinance institutions, through grant mechanisms linked to loans financed from their own resources, ensures sustainability. A draft memorandum of understanding is finalised with Equity BCDC to enable mobile-based disbursement of grants and support financial inclusion for farmers. To date, six innovation projects were funded, totalling \$480,000 USD, with a new call for projects planned in 2025 to reach the target of 10 projects.

Monitoring rebound effects

A forest cover monitoring and evaluation system was developed in project areas to prevent rebound effects (i.e., unintended deforestation elsewhere). Monitoring tools were developed including soil use maps, a deforestation modelling scenario, and a geo-referenced tracking system for planted plots.

Institutional Strengthening and Replicability

Two Provincial Technical Consultative Committees and a national selection committee were operationalised to guide project governance.

By the end of 2024, the project has reached 4,273 direct beneficiaries, including 26% women, and indirectly supported over 8,500 additional individuals.

A mid-term evaluation conducted in 2024 concluded on the project's accelerated momentum and potential, after initial delays in the first two years.

Results: Forest Management and Conservation

Catalysing community-based management and strengthening policy and institutional frameworks



Community forestry

Numbers remained at their 2023 levels, with **592,808 hectares** of local community forest concessions established with titles by three projects (including 253, 802 by the PIREDD Maniema, see spotlight). No new title were granted in 2024 due to closure of 2 projects, delays in fund disbursement and administrative bottlenecks.

Social benefits

1,048,501 people in communities benefiting from newly acquired community concessions titles (unchanged from 2023)

Policy reform

Decree establishing the multistakeholder National Consultative Council on Forests signed in March 2023.

First version of Forest Policy drafted in 2023, coordination unit for its development formally created in April 2024, provincial consultations conducted

Enhanced knowledge

4 major studies finalised in 2023 on forest capital:

- Challenges and opportunities
- 26 cartographic atlases
- Biodiversity
- Economic potential

Results: Demography



The large scale demography project in DRC, PROMIS, closed in December 2023, therefore results below remain the same as in the CAFI 2023 report.

A \$3.5 million USD project was approved in November 2024, aiming to build health infrastructures (regional distribution centre and maternity ward) in priority areas.

Enhanced reproductive health

13,571 health care providers (including more than 10,000 community providers) trained in the provision of contraceptive methods based on informed choice and quality of service.

7,089,427 of Couple-Years of Protection (CYP) offered.

3,193,965 direct beneficiaries of contraceptive methods including 435,441 beneficiaries of long-acting contraceptive methods in 11 provinces.

Policy acceleration

Adoption of the National Strategic <u>Family Planning</u> Plan in April 2022.

Republic of Congo



Forest: (2019) 24.37 million hectares of forest, extending over 70.85% of its land area.

National partners

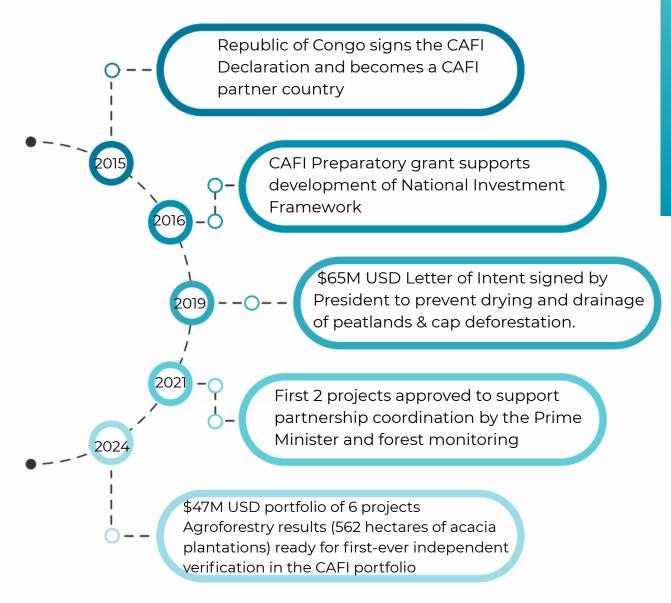
- Leadership: Prime Minister of the Republic of Congo
- Ministry of Environment, Sustainable
 Development and the Congo Basin
- Ministry of Forest Economy
- Ministry of Agriculture, Livestock and Fisheries
- Ministry of Land Planning, Infrastructure and Road Maintenance

Financing:

Funding pledged (from Letter of Intent): \$65 million USD

Funding approved: \$47.4 million USD Funding transferred: \$22.3 million USD Spent by projects: \$9.6 million USD

Partnership overview

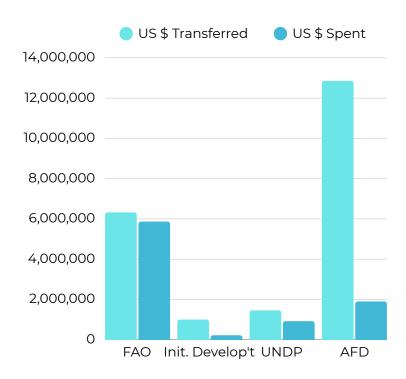




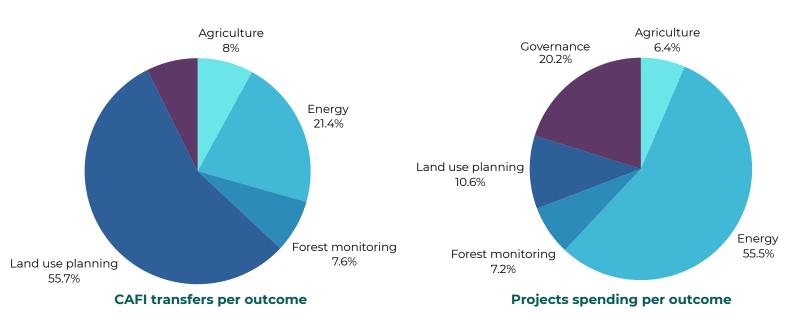
Milestones per outcome in the 2019 Roc - CAFI Letter of Intent

In 2024, CAFI continued supporting the dialogue through the Permanent Secretariat of the Partnership between CAFI and the Republic of Congo, focusing on accelerating milestones under the Letter of Intent. The joint Annual Review, as well as an independent mid-term evaluation of the Partnership, are scheduled in 2025.

Portfolio overview



Transfers and expenditures per implementing organization



A project by project overview of the portfolio, with links to financial data, is presented <u>here</u>.

In addition to funding of IOs directly through CAFI, private sector support with UNICONGO was launched in December 2024 through a two-year, \$800,000 USD, project implemented under the <u>UNOPS regional technical assistance facility</u>.

Equipping the country with capacity, systems and data to monitor forests, report emissions, and access climate finance

- Revised Forest Reference Emission Level submitted to the UNFCCC in June 2024, indicating a total value of emissions from 2016- 2021 deforestation of 13 787 792 tCO2 eq annually.
- Web portal launched for forest monitoring, offering geospatial tools based on FAO's EarthMap and centralised access to Congo's forest datasets relevant to UNFCCC reporting
- First field mission for tracking forest loss organised; production of activity data for 2022–2023 completed
- Capacity building delivered on land cover classification system, Collect Earth Online, SEPAL, and methods for spatial sampling for estimated aboveground biomass
- Congo's expression of interest submitted to the LEAF Coalition in 2022, supported by a draft TREES concept note and safeguard analysis.



Field data collection for forest monitoring- Photocredit FAO

Results

Promoting energy transition and sustainable livelihoods through agroforestry plantations

- 562 hectares of wood energy plantations established, for which independent verification is scheduled in mid 2025
- 310 beneficiaries selected for agroforestry training and secure land access, with 100 individuals trained, of which 45 women
- 13 standard business plans developed for the most relevant agroforestry crop combinations, such as cassava-based models
- 1.8 million seedlings produced between 2023–2024 to support reforestation and fuelwood supply.
- Launch for Expression of interest to identify local artisans to produce improved cookstoves and launch their businesses



Surveying stakeholders on coosktove testing - Photocredit Initiative Development

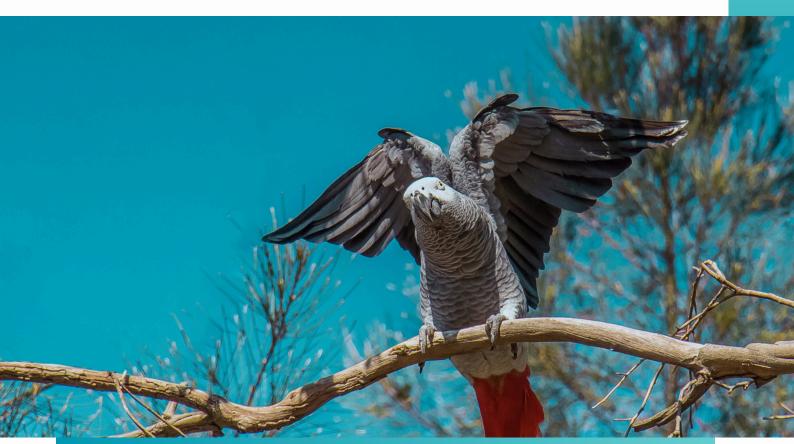
Laying the groundwork for sustainable, inclusive land-use planning across all sectors

- Territorial diagnostic finalised in September 2024 with national methodologies and reviewing planning tools
- Inventory of over 580 land use permits and concessions completed across mining, forestry, agriculture, and protected areas
- Methodology for land conflict resolution validated; national land conflict classification report in progress
- 13 sectoral experts identified to support the 2025 territorial analysis process

Strengthening institutional oversight and crosssector coordination for REDD+ and land-use reforms

- Prime Minister's Office supported to oversee and coordinate the implementation of the CAFI-RoC partnership
- Land-use planning consultation body (*GACAT in French*) formally established by decree in January 2024; first session took place in May 2024.

Gabon



Forest: High Forest, low deforestation country with 88% forest coverage

9 National partners

National Climate Council

Ministry of Economy

Ministry of Agriculture

Ministry of Forests and Waters

Ministry of the Environment, Climate and Elephant Conflict

Agency for Spatial Studies and Observations

Agricultural Development Agency

Gabon National Parks Agency

Gabon Normalisation Agency

Funding:

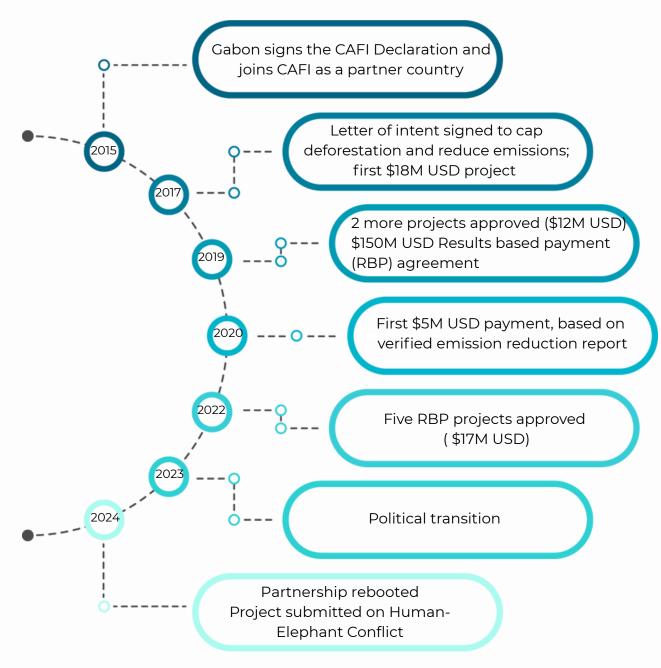
Total funding pledged (Letter of Intent): \$184 million USD

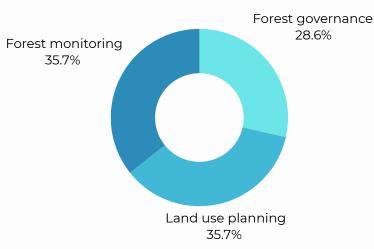
Total funding approved: \$48.3 million USD

Total funding transferred: \$45.8 million USD

Total funding spent: \$26.8 million USD

Partnership overview

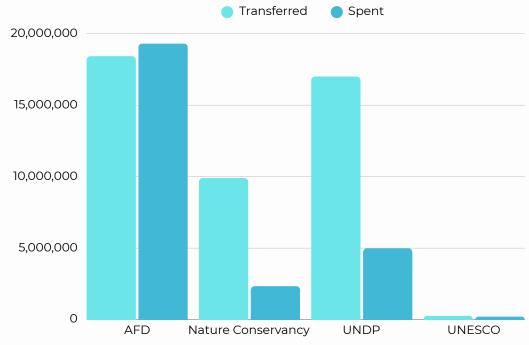




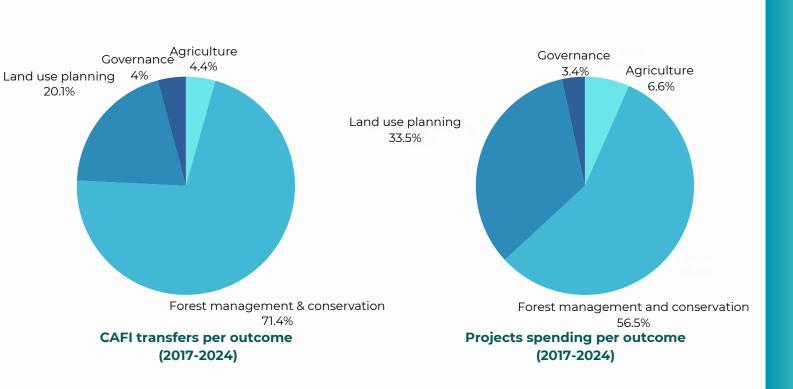
Due to the political transition of August 2023 and subsequent reshuffling of ministerial positions, the closing of the Letter of Intent, initially planned for 2024, was postponed to 2025.

Portfolio overview

A project by project overview of the portfolio, with links to financial data, is presented <u>here</u>.



Transfers and expenditures per implementing organization in Gabon



Results: Forest Management & Conservation

Protected areas

- 109 surveillance missions conducted in 13 national parks in 2024, reinforcing presence and deterring illegal hunting, fishing, gold mining, and logging.
- Health insurance secured for 500 eco-guards
- Parks base-camps rehabilitated
- 4 reconnaissance and mediation missions conducted in contested areas, to secure safe access for park staff and researchers
- 932,438 hectares mapped in transborder areas.



Urban forests and youth education

- Nursery of the Raponda
 Walker Arboretum revitalised
- Early planting and seed collection
- Environmental education materials distributed for preschool and primary levels



Click and watch

Researching and monitoring forests health

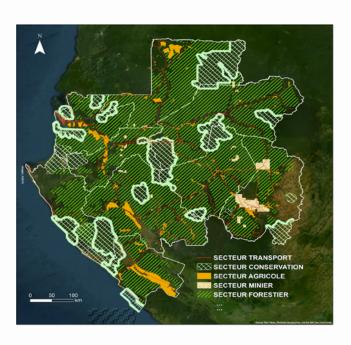
- 92,056 real time deforestation and degradation alerts, triggering 315 field operations (267 by end 2023)
- 10 forest cover maps updated thanks to a dedicated image processing system installed at AGEOS, enabling automated satellite analysis
- 338 national forest monitoring plots and biodiversity transects established as part of the Natural Resource & Forest Inventory to monitor ecosystem dynamics, with 52 kg of samples sent for analysis to the International Institute for Tropical Agriculture branch in Cameroon
- As a result, 1,488 species and subspecies of native trees registered
- Geographic Information System laboratory built and equipped

Results: Land-use planning, tenure and agriculture

Enhancing agriculture

- Soil analysis laboratory, built and equipped to analyse samples in-house and determine agricultural suitability
- Draft law on agricultural land tenure submitted to the Government in May 2024.
- Stakeholder mapping for cocoa and safou value chains completed





Land use planning

- <u>National land-use platform</u> operational and publicly accessible, with integration of data from over 10 sectoral partners including agriculture, forestry, mining, conservation, and hydrology.
- 8871 hectares demarcated across 5 provinces and 1080 villages (637 villages by end 2023).
- 468 participatory village maps in the Estuaire and Ogooué-Lolo provinces (same as 2023), through participatory land-use cartography, and 1122 villages prospected in total by end-2024.
- CNC/CNAT website, launched in 2023 on the land use planning process, including a digital platform to receive feedback.
- 5 <u>land use planning information</u> <u>centers</u> established

Reducing land conflicts

- 295 cases of land-use conflicts documented by the supported National Land Use Commission, impacting over 4,5M hectares of land. These figures are unchanged from 2023.
- Conflict resolution manual finalised and under technical validation
- Law on the management of land-use conflicts drafted in 2023, pending political validation

Cameroon



11 national partners

- Leadership: Ministry of Economy, Planning and Land Use planning (MINEPAT)
- Ministry of Decentralisation & Local Development
- Ministry of Agriculture & Rural Development
- Ministry of the Environment, Nature Protection
 & Sustainable Development
- Ministry of Forests & Wildlife
- Ministry of Land Affairs
- Ministry of Mines, Industry & Technological Development
- Ministry of Commerce
- Ministry of Finance
- Ministry of Research & Innovation
- Ministry of Housing & Urban Development

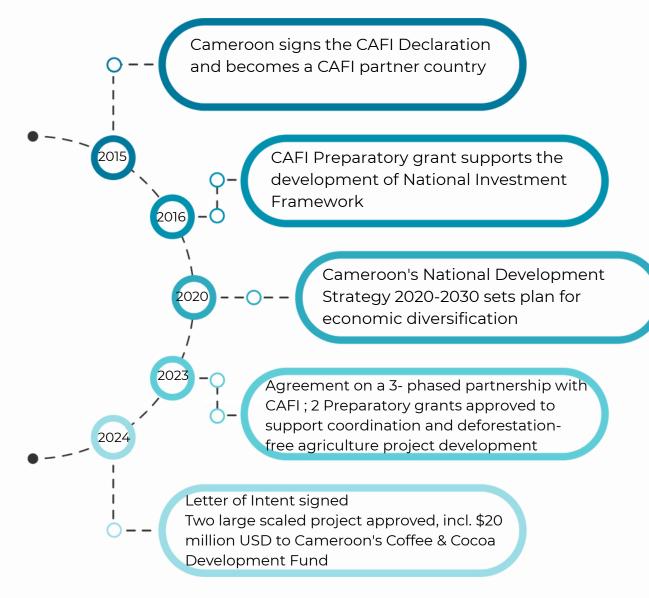
Funding:

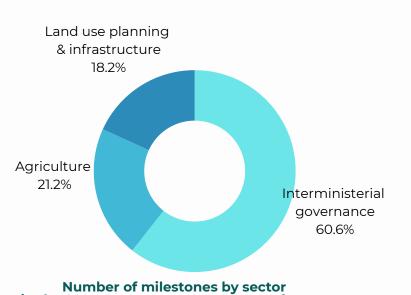
Total pledged (Letter of Intent): \$500 million USD

Total approved: \$25.7 million USD Total transferred: \$21.8 million USD

Total spent: \$2.7 million USD

Partnership overview





in the 2024 Cameroon - CAFI Letter of Intent

CAFI and Cameroon have agreed to a 3-phased partnership and are now in the engagement phase, in which Cameroon committed, through the Letter of Intent signed with CAFI, to policy actions on deforestation and forest degradation, supported by a budgeted program and CAFI funding pledges. An expansion phase beyond 2027 aims to scale up funding and activities based on demonstrated progress and evolving needs.

Letter of Intent signed

2024 marked a pivotal moment in the partnership between CAFI and the Government of Cameroon, with the formal signature of the Letter of Intent (LoI) covering 2025–2035, which took place on 7 October 2024 during the Sustainable Development Conference held in Hamburg, Germany.

The Letter of Intent establishes a structuring partnership between CAFI and the Republic of Cameroon, with the ambition of mobilising \$2.5 billion USD over a ten-year period to support Cameroon's transition to a green economy, promote deforestation-free agriculture, and advance the country's sustainable development efforts.

The partnership includes three main areas of action:

- Sustainable intensification of agriculture within non-permanent forests to ensure national food security, reduce land demand for agriculture, and prevent further deforestation.
- Preservation of permanent forests, ensuring the protection of over 18 million hectares of forests in Cameroon.
- Cross-sectoral governance of natural resources, with the goal of ensuring territorial coherence and enhancing the economic competitiveness of Cameroon.

Lol Highlights

- \$2.5 billion USD
 mobilisation by 2035
 to support Cameroon's
 green economic
 growth, with \$61
 million USD
 committed by CAFI for
 the start-up phase
 (2023-2027).
- Cameroon commits to deforestation-free agriculture by 2035, with the goal of reducing deforestation from 110,000 hectares per year (2016-2022) to sustainable levels.
- Focus on sustainable intensification of agriculture, including supporting 300,000 producers with agricultural subsidies and co-financing mechanisms by 2025.
- Preservation and sustainable management of Cameroon's permanent forest estate, covering over 18 million hectares, or 39% of the national territory.

Developping a strong portfolio

In 2024, CAFI and the Government of Cameroon took major steps with the approval of two large-scale projects and a preparatory grant, amounting to \$36 million USD.

June 2024: approval of a \$22.4 million USD project, implemented by IFAD, focusing on **deforestation-free cocoa production** in support of the National Coffee and Cocoa Development Fund (FODECC in French). Cameroon, as the world's fifth-largest cocoa producer, is committed to producing sustainable cocoa and ensuring that smallholder cocoa farmers meet European deforestation-free product regulations.

November 2024: As part of the private sector projects pipeline, the CAFI Executive Board approved a preparatory grant to Initiatief Duurzame Handel - The Sustainable Trade Initiative (IDH), to develop a project titled "ReVive Central Africa". This project is anticipated to support commercial investment in tropical agri-commodity supply chains that are deforestation-free, low carbon and climate-resilient, while improving income for farmers in Central Africa. It will set up Investment Development Hubs to provide technical assistance, seed capital investment and access to payment for environmental services in order to incubate scalable business models, design innovative financial mechanisms with high-impact potential and mobilise private sector investment at scale.

December 2024: approval of \$13.6 million USD project (11.1 million of which came from CAFI, and co-financing from Cameroon Government and German cooperation), with fund transfer to GIZ expected in 2025. Focusing on **governance and intersectoral coordination**, it is expected to strengthen the capacities of the MINEPAT, sectoral ministries and decentralised entities to enact reforms identified in the National Development Strategy and integration of climate issues in sectoral plans.

Central African Republic



National partners

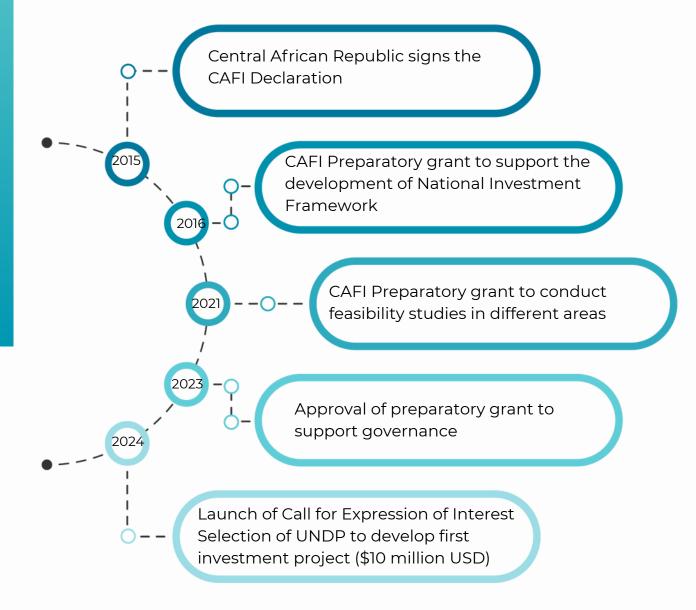
- Leadership: Prime Minister
- Minister for Environment and Sustainable Development
- Minister for Finances and Budget
- Minister for Forestry

Funding:

Approved: \$2.3 million USD Transferred: \$2.3 million USD

Spent: \$2 million USD

Partnership overview



Portfolio development

In 2024, the Central African Republic and CAFI entered a new phase of their partnership—transitioning from preparation to investment—with a focus on integrating climate and forest objectives into national development planning and laying the groundwork for results-based programming.

A \$600,000 USD preparatory grant to UNDP helped integrate climate and **forest priorities into the 2024–2028 National Development Plan** (NDP) by initiating key reforms, mobilising resources, establishing a high-level inter-ministerial committee, and strengthening the NDP Secretariat.

Building on this groundwork, CAFI launched a Call for Expressions of Interest (open from October to end-November 2024), in close consultation with national counterparts, to select the implementing organization that would carry out a \$10 million USD, 5 year pilot investment project pre-identified in the NIF. The project is to adopt a holistic approach around

- institutional capacity-building for government and local stakeholders
- Participatory and conflict-sensitive land-use planning
- Implementation of development plans and REDD+ measures, with a strong emphasis on the deployment of a Payment for Environmental Services mechanism.

Equatorial Guinea



Forest: 2.6 million hectares representing 94% of land mass

National Partners

Ministry of Agriculture, Livestock, Forests and Environment Ministry of Planning

Funding

Approved: \$1.1 million USD
Transferred: \$1.1 million USD

Following the June 2022 EB decision, AFD submitted a preparatory grant proposal in September 2023 to support forestry data collection, stakeholder mapping, and sustainable land use planning, while FAO was tasked with proposing a land use planning initiative, submitting a revised proposal for independent review in February 2024.

Regional projects



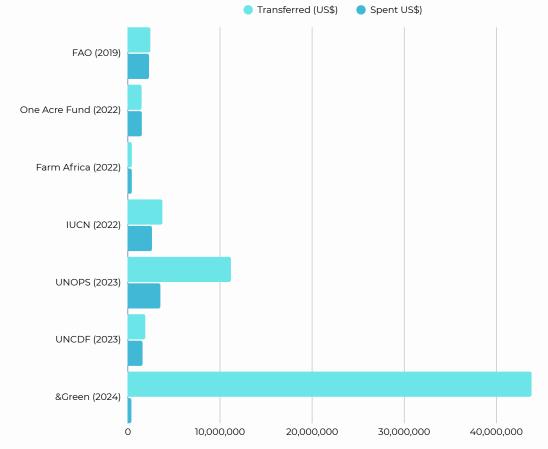
Funding

Approved: \$92 million* USD
Transferred: \$65 million* USD

Spent: \$12.5 million USD

*Taking into account refunds

Portfolio overview



Transfers and expenditures for regional projects (\$) Date of first fund transfer is indicated in parentheses

In 2024, CAFI strengthened its regional footprint through several targeted projects and initiatives designed to promote scalable solutions, deepen partnerships, and inform country-level programming. These included but are not limited to:

- the launch of the **Private Sector Investment Facility**, unlocking blended finance for forest-positive businesses across Central Africa (see <u>this section</u>)
- A new partnership with the &Green Fund (spotlighted <u>here)</u> with a total budget of \$51M USD of which 43M transferred in 2024, aimed at scaling deforestation-free commodity supply chains
- the FAO-led regional study on deforestation dynamics finalized 2021-2023 data to provide insights into land-use change at regional, national and subnational scale across CAFI partner countries. Results are summarized below and widely featured in the <u>Climate impact</u> section of this report.
- the UNOPS Regional Technical Assistance Facility delivering rapid, cross-country support to accelerate implementation and prepare future investments.

Major results

A facility to rapidly respond to countries requests

The UNOPS Technical Assistance Facility is CAFI's regional engine for agile, demand-driven support. It supports countries in meeting policy milestones, building institutional capacity, and developing investment-ready projects aligned with CAFI's Letters of Intent and Theory of Change. In 2024, the Facility responded to a growing volume of technical assistance requests, with a focus in 2024 on:

1. Advancing Investment Readiness through Feasibility Studies

The Facility helped complete over a dozen feasibility study components, advancing a diversified pipeline of investment-ready projects across sectors such as sustainable charcoal, agroforestry, ecotourism, and clean cooking, described here.

2. Knowledge Sharing and Strategic Dialogue

The Facility fostered regional exchange and visibility through knowledge events and dialogue forums, supporting the PES regional platform in the organisation of the January 2025 Inter-ministerial Conference on the Deployment of PES, and communications support to national stakeholders.

3. Transparency and Policy Engagement

The Facility also addressed cross-cutting governance issues. For instance, it supported the Permanent Secretariat of the Extractive Industries Transparency Initiative (EITI) in the Republic of Congo with outreach on financial and environmental reporting.

Project Spotlight

Scaling-up Commercial Investment in Deforestation-Free Central African Commodity Supply Chains - with the &Green Fund



2024 marked the official launch of the "Scaling-up Commercial Investment in Deforestation-Free Central African Commodity Supply Chains" with the &Green Fund, previously implemented by UNCDF. This represents a milestone for CAFI's shift toward large-scale, private-sector-led, deforestation-free investment.

Spanning across all six CAFI countries, the project aims to transform high-impact agricultural supply chains while ensuring forest and peatland conservation and social inclusion at a landscape level.

Implementing organization

&Green Fund

Financial figures

CAFI funding

approved: \$51,1 million

USD

transferred: \$43,8 million

USD

Expected leverage: \$96 million USD in private capital

Total investment impact: \$147 million USD

*by 31 December 2024

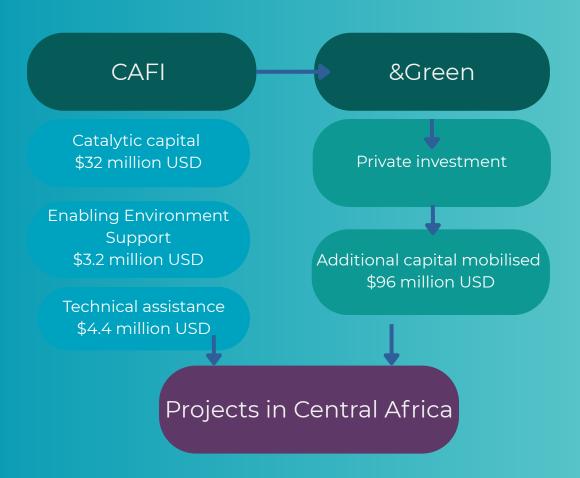
The project focuses on drivers such as livestock, palm oil, soy, rubber, cocoa, and plantation forestry — while ensuring alignment with national forest protection strategies through a jurisdictional eligibility process. The &Green Fund supports only those areas demonstrating a credible commitment to reduce deforestation.

Modelling performed by &Green, based on its KPI Framework, yields the following expected impacts:

- Protect or sustainably manage over 2 million hectares of forests
- Deliver 44.8 MtCO₂e in avoided emissions and removals over the investment lifetime of 15 years
- Reach up to 256,000 people with improved resilience and inclusion
- Serve as a replicable model for blending public and private finance to drive forest-positive investment.

The &Green Fund's "No Deforestation, No Peat, No Exploitation" Policy is at the core of all investments, ensuring companies commit to traceable, inclusive supply chains aligned with global standards like the EU Deforestation Regulation.

Gender and social safeguards are embedded across investment screening, technical assistance, and monitoring processes.

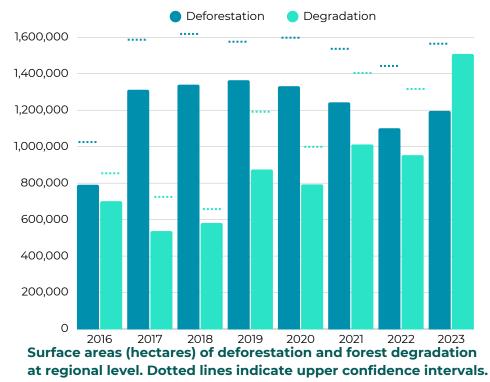


A regional study for updated data on trends and drivers

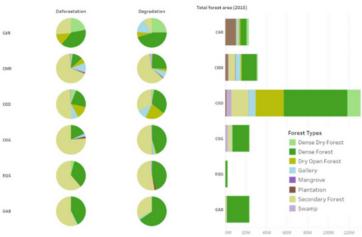
The FAO Regional study funded by CAFI uniquely distinguishes between deforestation and degradation while applying national definitions of forests, and may be the only methodology using visual validation of results, piloting a new sample-based approach resulting in significant advances in forest monitoring and identification of drivers. The method is entirely open-source, executed in the cloud through FAO's SEPAL platform. The study promotes a transparent approach to forest monitoring, and aligns to national monitoring initiatives, through active engagement of governmental experts from these countries and extensive capacity development through bilateral technical meetings and webinars.

Amongst other, the study generated

 National-scale estimates of forest cover change for 2016-2023 in all six CAFI partner countries. A summary of annual change by country, forest type and comparisons with global datasets is also featured <u>in</u> <u>this section of the report</u>, showing that **deforestation is relatively** stable (no large increases or decreases), while degradation trends are more dynamic.

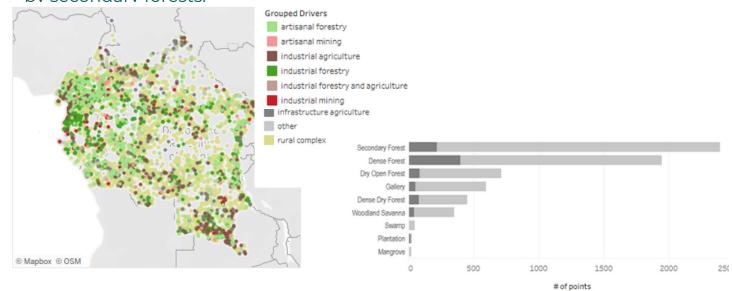


 Estimated <u>annual greenhouse gas emissions</u>, used in <u>this section</u> of the report, showing that **deforestation emissions are relatively** stable until 2023 while degradation appears to be slowly increasing (although uncertainties are rather large, particularly with tier 1 data). The regional study also assessed changes by forest type, showing that **dense** forest is more affected by degradation than deforestation, with secondary forest and dry open forest disproportionately more affected by deforestation



Changes by forest type

The study provided analysis and spatial visualisation of <u>Direct observable</u> <u>drivers</u>, showing that the **rural complex** (inhabited agricultural land cover mosaic found along the network of rivers and roads in the forest, and a product of traditional small-holder shifting cultivation) frequently observed in Central Africa, **is associated with over 70% of deforestation and degradation**. The study also showed that the contribution of drivers varies by type of change: industrial drivers are most present in dense forests, followed by secondary forests.



Spatial distribution of observable drivers

Type of forest affected by industrial drivers (dark grey) or artisanal drivers (light grey)

Visually interpreted data from all phases of the project (over 66,000 images) can be explored and <u>downloaded</u>, contributing to scientific research. Public information on the project is available on a <u>project website</u>, available in three languages, and presented in <u>a storymap</u>.

Dealing with risks and challenges

CAFI operates in complex, high-risk environments where structural fragilities and contextual uncertainties can significantly impact the effectiveness and sustainability of interventions.

An analysis of risk reported by projects reveals in particular the two critical, and recurring challenges of land tenure insecurity and contextual insecurity. These risks often interact, reinforcing local tensions and threatening implementation continuity.

Land Tenure: A Persistent Source of Conflict and Fragility

Land-related issues are a widespread and systemic source of risk across all CAFI partner countries. These include:

- Conflicts over land allocation and usage rights, especially in areas where customary and statutory systems overlap.
- Absence of secure land titles, leading to competing claims and disputes between communities, clans, or economic actors.
- Tensions related to the distribution of project benefits, particularly when expectations around land or resource access are not met.

These risks are particularly acute in project areas with Indigenous Peoples or in zones with high natural resource value. Even where land-use planning frameworks are in place, lack of legal clarity and institutional capacity continues to hinder effective land conflict prevention.

Projects have adopted a range of mitigation strategies, including participatory mapping, formal grievance redress mechanisms, support for land tenure reform, and targeted awareness-raising. However, operationalisation varies, and local anchoring of these mechanisms remains uneven. Strengthening the legal framework, reinforcing local capacities, and embedding conflict-sensitive approaches into project design are essential to address land tenure risks more sustainably.

Contextual Insecurity: A Barrier to Access and Continuity

Armed conflict, intercommunal violence, and general political instability are key contextual risks—especially in the eastern regions of the DRC, but also in other parts of the subregion.

These factors

- Limit access to intervention zones, disrupt field missions, and delay or suspend activities.
- **Undermine trust-building efforts** between communities and implementing teams.
- **Weaken institutional continuity**, as frequent changes in counterparts or unstable governance structures affect coordination.

While most projects integrate security monitoring into their operations, mitigation efforts are often reactive and rely heavily on external factors such as local authority support or shifts in the political landscape. Some projects have adapted by focusing on more stable geographic areas or withdrawing from zones with high risk, but these adjustments can reduce the scope and impact of interventions.

To address this, there is a need for **structured**, **budgeted**, **and flexible risk management mechanisms**, which can respond quickly to evolving threats while maintaining community engagement and safeguarding long-term outcomes.

Some examples of risk mitigation measures implemented by projects to mitigate or manage land- related conflicts

- Clear identification and mapping of land tenure rights
- Free, prior, and informed consent (FPIC) processes
- Accessible and formal complaint and grievance mechanisms
- Legal support and advice
- Interinstitutional dialogue and coordination platforms
- Support for community mediation and conflict resolution
- Targeted support to land tenure and decentralization reforms
- Withdrawal from high-risk areas when necessary

Conclusion

As CAFI approaches its 10-year anniversary, the vital forest of Central Africa continues to face pressure. 2024 was the hottest year ever recorded, compounded by El Nino and la Nina climate phenomena, a stark reminder that protecting forests is no longer optional—it is essential to climate stability, biodiversity, and human well-being.

In this context, CAFI deepened its commitment to country-led reforms and actions. While anchoring, as ever, its actions in high-level policy dialogue, the initiative developed innovative mechanisms such as Payments for Environmental Services and private sector partnerships.

These approaches signal a shift in how development is financed—by linking funding to measurable outcomes and ensuring that preserving forests brings real economic value.

The renewal of the Glasgow Leaders' Declaration on Forests is expected to reaffirm international will to halt forest loss. CAFI's work in 2024 aligned with this momentum.

In a world of growing uncertainty, CAFI continues to demonstrate that targeted, long-term cooperation delivers impact, when rooted in national priorities and guided by a shared vision for sustainable development.

Annex: project portfolio

DRC Land use projects active* in 2024

Ю	Short name, link to financial information and start date	\$ approved
JICA	<u>PIREDD Kwilu</u> (2018)	9 M USD
Enabel	<u>PIREDD Mongala</u> (2019)	12 M USD
FAO	PIREDD Equateur (2019)	10 M USD
AFD	<u>Agriculture in Savannahs and</u> <u>Degraded Forests (</u> 2020)	15 M USD
GIZ	PIREDD Maniema (2021)	20 M USD
UNOPS	<u>PIREDD Plateaux (</u> 2024)	11 M USD
ENABEL	<u>PIREDD Kasai Oriental & Lomami</u> (2024)	35 M USD

^{*}Approved and with funds transferred by 31 December 2024

DRC Enabling projects active in 2024

Ю	Short name and link to financial information	\$ approved
UNCDF UNDP	Sustainable Wood Energy (2018)	7 M USD
AFD	<u>Sustainable Management of</u> <u>Forests (</u> 2020)	12 M USD
UN- Habitat	<u>Land Use Reform 2 (2024)</u>	7 M USD
UNDP	Sustainable Agriculture Support Project (2024)	45 M USD
UNDP	FONAREDD Secretariat	16 M USD

DRC projects closed in 2024

Ю	Short name and link to financial information	Final amount
WB	PIREDD Mai Ndombe (2017-2024)	30 M USD
UNDP	PIREDD Orientale (2017-2024)	33 M USD
UNDP	<u>Support to Land Use Planning</u> R <u>eform</u> (2017-2024)	8 M USD

DRC projects closed prior to 2024

Ю	Short name and link to financial information	\$ approved
FAO	National Forest Monitoring System (closed in 2021)	10M USD
FAO	Sustainable Agriculture Reform (closed in 2022)	3M USD
WB	<u>PIREDD Sud Ubangui (2017 - 2021).</u>	7 M USD
UN- Habitat	Land Tenure Reform 1 (2017-2023)	7 M USD
WB	<u>Support to Indigenous Peoples</u> (2017-2023)	2 M USD
UNFPA UNOPS	Scaling Up Family Planning (2019-2023)	11 M USD
UNDP	Support to Civil Society (2016-2023)	3.3 M USD
UNDP	NDC support (not via FONAREDD) 2022- 2023	0.5M USD

Cameroon projects active in 2024

Ю	Short name and link to financial information	\$ approved
IFAD	Cocoa and Coffee Sectors Development Fund Support (preparatory grant)	0.5M USD
UNDP	<u>Coordination (preparatory grant)</u>	0.3M USD
IFAD	Cocoa and Coffee Sectors Development Fund Support (2024)	22M USD

Closed Cameroon projects

Ю	Short name and link to financial information	Final amount
WB	<u>Preparatory grant to develop Nat.</u> <u>Inv. Framework (closed in 2019)</u>	0.5M USD

Gabon projects active in 2024

Ю	Short name and link to financial information	\$ approved
AFD	<u>Land Use Planning and</u> <u>Monitoring (CAFI 1)</u>	18.5M USD
UNDP	Expansion of Protected Areas (CAFI 2)	5M USD
UNDP	<u>Coordination</u>	1.5M USD
UNDP	<u>Protected Areas</u>	9M USD
TNC	Certification and Legality (CAFI 2)	7M USD
TNC	<u>Community Forest Management</u>	3M USD
TNC	Research & Monitoring	2.5M USD
UNESCO UNDP	<u>Urban Greening</u>	1.7M USD

Rep. of Congo projects active in 2024

Ю	Short name and link to financial information	\$ approved
AFD	Sustainable Land Use Planning Governance	18.4M USD
AFD	Sustainable Land Use Investment	16.5M USD
FAO	Operationalization of the National MRV System	2M USD
UNDP	<u>Coordination</u>	1.4M USD
FAO	<u>Sustainable Wood Energy</u> P <u>lantations</u>	7M USD
ID	Improved Cookstoves	1M USD

Closed projects

FAO	Preparatory grant for GCF Proposal	0.3M USD
WB	Preparatory grant to Prepare NIF	0.7M USD

CAR projects Active in 2024

Ю	Short name and link to financial information	\$ approved
UNDP	<u>Feasibility grant</u>	0.6M USD
Closed		
AFD	<u>Feasibility Study Grant</u>	0.7M USD
IBRD	WB preparatory funding	1M USD

Equatorial Guinea project Closed

FAO

Development of REDD+ Investment Plan

1M USD

Regional projects active in 2024

Ю	Short name and link to financial information	approved
OAF	Innovative Agriculture \ (preparatory grant)	1.5M USD
UNCDF	Scaling Up Investments in Deforestation-free Supply Chains	1.9M USD
FAO	Regional Study on Deforestation	2.4M USD
IUCN	CPIC Conservation Initiative	7.5M USD
UNOPS	<u>Technical Assistance</u>	10M USD
&Green	Scaling-up Commercial investment in Deforestation-Free Central African Commodity Supply Chains	51M USD

Closed regional projects

Farm Africa	<u>Innovative Agriculture (preparatory</u> g <u>rant)</u> - closed in 2023	0.4M USD

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