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|---|---|
| **Title of preparatory grant:** | Zero-deforestation smallholder agriculture in Kongo Central (DRC) |
| **MPTFO number of the preparatory grant:** [2] | 140885 |
| **Implementing organisation:** | One Acre Fund |
| **Report submitted by:**<br>Name:<br>Title:<br>Organisation:<br>Email address: | Alexander Jackson<br>Senior Partnerships and Innovations Associate<br>One Acre Fund<br>alexander.jackson@oneacrefund.org |
| **Contact for clarification:**<br>Name:<br>Title:<br>Organisation:<br>Email address: | Leoni Clavel<br>Country Director<br>One Acre Fund<br>leonie.clavel@oneacrefund.org |

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|---|---|
| Project title | Zero-deforestation smallholder agriculture in Kongo Central |
| Preparatory Don Number | 140885 |
| Project document hyperlink[1] | https://drive.google.com/file/d/1Ol1chEg3CxDZnke7fIWFKLtsvjW_wQWR/view?usp=sharing |
| Project intervention area(s) | Kongo Central, DRC |
| Major participating partner organisations[2] | One Acre Fund |
| Total project budget (USD) | $2,104,534 USD |
| Total project duration (months) | 16 |
| Date of approval of the preparatory grant by the CAFI Board of Directors | 2024.08.15 (August 15, 2024) |
| Date of receipt of first funds from the MPTF | 2024.12.11 (December 11, 2024) |
| Date of approval of the 1st Annual Budgeted Work Plan by the project COPIL | 2025.11.07(November 07, 2025) |
| Initial closing date | 2025.07.15 (July 15, 2025) |
| Revised closing date, if applicable | 2025.03.31 (March 31, 2026) |
| Expenditure from 01/01/2025 to 01/31/2026 | $1,399,909 USD |
| Cumulative total expenditure (USD) as of 31/12 of the reporting year | $1,399,909 USD as of January 31, 2026 |
| Consumption rate across all tranches received | 67% |

[1] All project documents can be found on the CAFI Drive: https://drive.google.com/drive/folders/1RhAT_Hc5jycgw40xr7YZM57jV4zQFadQ

[2] These are organisations that have received direct funding from the MPTF Office as part of the project.

## ACRONYMS AND ABBREVIATIONS

**A/B season** – Agricultural growing seasons (A = Oct–Jan; B = Feb–Jun)

**CAFI** – Central African Forest Initiative

**CARG** – Conseil Agricole Rural de Gestion (Rural Agricultural Management Council)

**CFCL** – Concessions Forestières des Communautés Locales (Local Community Forest Concessions)

**CLD** – Comité Local de Développement (Local Development Committee)

**CLG** – Comité Local de Gestion (Local Management Committee)

**COPIL** – Comité de Pilotage (Project Steering Committee)

**DRC** – Democratic Republic of Congo

**E&S** – Environmental and Social

**ESAP** – Environmental and Social Action Plan

**ESMP** – Environmental and Social Management Plan

**HQ** – Headquarters

**MPTFO** – Multi-Partner Trust Fund Office

**NGO** – Non-Governmental Organization

**PES** – Payment for Ecosystem Services

**PRODOC** – Project Document

**UNDP** – United Nations Development Programme

**UNEX** – UN's electronic reporting system (for MPTF reporting)

**UNSDG** – United Nations Sustainable Development Group

**USD** – United States Dollars

## 1. Executive Summary

This report presents the first narrative update on One Acre Fund's Transition (Bridge) Phase for the project *"Zero-deforestation smallholder agriculture in Kongo Central (DRC)"*, a 16-month CAFI-funded initiative (USD 2.1 million) implemented from December 10, 2024, to March 31, 2026.

The project serves as a foundational bridge, supporting smallholder farmers' transition from traditional slash-and-burn cultivation (*culture itinérante sur brûlis*) in forest zones to sedentary, sustainably intensified production systems in savannas and degraded lands. The bridge phase ensures operational continuity, strengthens delivery systems, and generates practical learning ahead of scale-up.

Following the transfer of funds in late December 2024, the project focused on establishing core infrastructure, staffing, systems, and field-level demonstrations to support a subsequent USD 30 million, multi-year FONAREDD-financed phase.

**Key Strategic Achievements**

- **Farmer scale**: During the reporting period, the program exceeded initial bridge-phase targets, enrolling and serving **925 unique farmers**, 52% of whom were women, compared to an original target of 519 participants. Geographic coverage expanded from **8 to 19 villages,** consolidated into 15 operational sites overseen by trained One Acre Fund field agents.
- **Agroforestry field count**: A total of **1172 agroforestry fields** were verified through in-person tree counts across the 25A and 25B seasons, as part of the PES voucher system. While the total area under improved subsistence farming reached **125 hectares**, slightly below the 129-hectare target.
- **PES payments:** PES payments were executed for **34,125 surviving trees across 925 farmers** (including pilot participants) at a rate of **1,000 CDF per tree** (≈ **USD 0.44**, reflecting exchange rate adjustments) or roughly USD 16.23 per participant. A **pilot payment approach** was also implemented, disbursing **USD 1,100** in total (**USD 10 per participant**).
- **Field Staffing:** Expansion to **24 specialized field staff**, including 16 PES agents, two nursery entrepreneurs, two field officers, and one warehouse personnel.
- **Research and Data Collection**: Completion of **three agricultural surveys** (manioc 24A, groundnuts 25A, maize & groundnut 25B) to refine agronomic recommendations for savanna-based production.
- **Environmental and Social Management Plan (ESMP)** completed and approved by UNDP reviewers for the FONAREDD project.

**Operationalization of the National PES Mechanism**

During Q4 of 2025, an approved addendum to the PRODOC provided USD 104,534 in complementary financing to support targeted preparatory activities for integrating CAFI's national Payment for Environmental Services (PES) platform into One Acre Fund's agricultural operations. These activities focus on demonstrating the operational feasibility of the PES mechanism, testing the technical and institutional integration of CAFI's tools, aligning monitoring systems, and training field staff. The addendum also supported One Acre Fund's participation at COP30 in Belém, Brasil as a demonstration project, with the objective of generating practical, context-specific learning to inform the national institutionalization of PES in the DRC.

## 2. Overview of the PES Pilot and Addendum Activities

***Objective of the PES Demonstration***

The PES pilot aims to demonstrate the full operational logic of PES in agriculture, including:

- Farmer enrollment and eligibility screening;
- Contracting and land delineation;
- Monitoring and verification;
- Payment execution;
- Data integration and reporting.

The focus is on operational feasibility and learning, not quantitative impact targets.

***Scope and Coverage***

- Pilot sites/villages: Kiandu, Ntoyamoyo, Bamba (Kongo Central)
- Farmers enrolled: 111
- Monitoring visits completed: 17
- Payments executed: 1100 USD in total or USD 10 per participant (cash modality)

***Integration with CAFI's PES Platform***

Activities under the addendum include:

- Testing CAFI's national PES platform (UNPES) and providing regular user feedback;
- Testing CAFI's data collection tools (KOBO) and providing regular user feedback
- Aligning One Acre Fund's data systems with CAFI requirements;
- Training field staff and agents;

Documenting tech

- nical and operational constraints.

### Progress Since Receipt of Additional Funds

Since December 2024, the project has:

- Continued farmer enrollment and service delivery across bridge sites;
- Operationalized PES field roles (agents and village focal points);
- Conducted initial monitoring visits;
- Executed PES payments using context-appropriate modalities.

***Systems, Data, and Learning***

Key progress areas include:

- Identification of platform limitations (bulk actions, data extraction);
- Refinement of enrollment workflows (pre-candidature approach);

- Improved clarity on monitoring requirements and sequencing.

## 3. Implementation challenges

### Challenges Related to the Country Context

#### Procurement and Input Sourcing

Despite competitive procurement processes and repeated follow-up with selected suppliers, the project continues to face challenges in sourcing agricultural inputs at the required **quality and scale**. Access to certified, pest- and disease-free planting material remains limited in the local market. Key issues encountered include:

- **Cassava:** Delivery of non-conforming varieties and cuttings that were not viable due to premature harvesting of stems. Despite these issues, initial indications are that the 25A cassava harvest looks to be strong. 25B cassava will not be harvested for another few months.
- **Groundnuts**: Suppliers from the 2025A and 2025B season met quality standards, however experience from 2026A shows that securing quality at scale is difficult.
- **Maize:** Suppliers for the 2025A season did not meet quality standards, though supplier performance improved and met standards in the 2025B season.
- **Tree seedlings:** Quality standards were met in the 2025A season, while partial quality issues were observed in 2025B, affecting a limited share of total orders.

These constraints underscore the need for **g**reater internal production capacity. In response, One Acre Fund is strengthening its farmer-entrepreneur multiplier model to produce tree seedlings internally. The 2026A season was the first in which all tree seedlings were produced in-house. Progress on cassava multiplication has been slower, primarily due to limited availability of certified base material from government-approved sources.

#### Human Resources and Recruitment

Hiring progressed more slowly than anticipated, particularly for headquarters-based roles in Kinshasa. Recruitment efforts remain ongoing, with increased outreach and targeted searches to secure qualified candidates. Hiring progress picked up in late 2025. Five key roles were hired in late 2025 / early 2026.

#### Infrastructure and Transport Constraints

While One Acre Fund has strong experience in scaling farmer service delivery, road infrastructure and transport costs pose significant constraints. Access to remote villages is particularly challenging during the rainy season, and trucking costs remain high. As a mitigation measure, operations are currently concentrated along secondary road corridors with higher population density. Servi*ng low-density and hard-to-reach areas will require further assessment of alternative delivery models.*

### Challenges Inherent to the Project

#### PES Deployment Model

At this stage, PES implementation has required a shift from an initial PES entrepreneur model toward a PES agent / village focal point model. This adjustment reflects the reality that PES activities—particularly monitoring and verification—do not yet generate sufficient independent revenue streams to sustain a purely entrepreneurial approach. The revised model has improved clarity of roles and operational accountability.

**Seasonality and Climatic Variability**

The proximity of the 2025B and 2026A seasons, combined with lower-than-expected rainfall during the B season, required adjustments to implementation planning. The project has therefore prioritized PES enrollment during the A season, while exploring adaptations to make the B season more effective, including adjustments to input packages and farmer preparedness for lower rainfall conditions.

**Land Eligibility for PES Fields**

PES fields must be established outside forest areas, defined as land with at least 30% canopy cover within the past four years. In areas experiencing recent deforestation, this significantly limits the availability of eligible land for PES-supported agroforestry. As a result, the program will need either to delay expansion into certain high-deforestation areas until land becomes eligible, or to explore alternative approaches for delivering agroforestry and conservation support to affected farmers.

## 4. Key Learnings to Date

**Phased enrollment is essential to manage operational complexity**

Attempting to complete full PES enrollment (identity documents, contracts, land verification, monitoring) in a single step proved operationally heavy and time-intensive. The introduction of a light-touch pre-candidature phase, followed by a full application only for eligible farmers, emerged as a critical improvement to reduce field burden, improve data quality, and better align with agricultural calendars.

**Small plot sizes significantly affect geospatial data quality**

The pilot confirmed that very small average plot sizes (often ≤0.1 ha), combined with a high number of individual plots across the programme, significantly increase the risk of GPS inaccuracies, polygon overlap, and data validation challenges. This has implications for audit readiness, monitoring efficiency, and platform usability. Group-based or aggregated plot approaches (e.g. adjacent farmers combining plots) show strong potential to improve both data quality and operational feasibility.

**Payment modalities must reflect local realities**

Low mobile-money penetration in western DRC -combined with gender disparities in phone ownership - made cash or voucher-based payments necessary during the pilot. Flexibility on payment modality was critical to maintain farmer trust and avoid delays. This reinforces the need for PES systems to allow multiple compliant payment options, particularly in early implementation phases.

**Individual-level PES creates high management load**

Managing PES at the individual farmer level generates substantial administrative and monitoring workload, especially where literacy and digital familiarity vary. New requirements, such as photos and detailed beneficiary information, increase the administrative burden to manage one PES farmer case. The pilot showed that village-level agents, local governance structures, and potential aggregators can play an important role in reducing transaction costs while maintaining accountability.

## 5. Progress of the preparatory grant based on the logical framework indicators

| Outputs | Indicators | Targets<br>Initial | Results<br>Current value (cumulative)[3] | Percentage of indicator completion | Comments[4] |
|---|---|---|---|---|---|
| **Output 1.1:** One Acre Fund Hub Warehouses are set up, stocked, and operational | # hub warehouses | 1 | 1 | 100% | |
| **Output 2.2:** PES Entrepreneurs receive the material and financial support to effectively operate on-the-ground monitoring activities for the PES activities | # PES Entrepreneurs | 4 | 16 | 400% | |
| **Output 2.3:** Farmer entrepreneurs receive the material and financial support to effectively operate tree nurseries | # tree nurseries | 2 | 2 | 100% | |
| **Output 3.1** Smallholder farmers set up agroforestry fields and cultivate sustainably in it | ha of agroforestry fields | 129 | 125 | 97% | |
| **Output 3.2** Number of direct and indirect beneficiaries | # direct participants | 519 | 925 | 178% | |

[3] Indicate the value at the end of the reporting period.

[4] Comments should include reasons for significant progress, delays or changes, if applicable.

## 6. Financial Status of the Bridge Grant

| A) Results | B) Total budget (USD) as in the project document (indicate if revised) | C) Budget including 104k addendum* | D) Expenditures, Jan 1 - June 30 | E) Expenditures, July 1 - Dec. 31 2025 | E) Total Expenditures as of Jan. 31, 2026 | f) Cumulative disbursement rate since the start of the project |
|---|---|---|---|---|---|---|
| A. COÛTS DES PRODUITS DU PROJET (project outputs) | | | | | | |
| Produit 1: Accès aux intrants | $332,811 | $332,811 | $161,221 | - | $161,221 | 48% |
| Produit 2: Services agro-commerciaux | $348,325 | $348,325 | $131,350 | - | $131,350 | 38% |
| Produit 3: Utilisation durable des terres | $264,691 | $369,225 | $20,462 | $26,415 | $ 322,348 | 87% |
| **Subtotal A** | $945,827 | $ 1,050,361 | $ 313,033 | $26,415 | $710,913) | 68% |
| | | | | | | |
| Suivi-évaluation, sauvegardes et genre, communication | $19,673 | $19,673 | $0 | $0 | $ 19,673 | 100% |
| Personnel technique | - | - | $0 | $0 | $0 | |
| **Subtotal B** | $19,673 | $19,673 | $0 | $0 | $ 19,673 | 100% |
| | | | | | | |
| Organisation de mise en œuvre | $903,659 | $903,659 | $410,256 | $558,622 | $ 968,878 | 107% |
| **Subtotal C** | $903,659 | $903,659 | $410,256 | $558,622 | $ 968,878 | 107% |
| **Total Costs Results** | $1,869,159 | $ 1973,693 | **723,289** | **$585,037** | **$ 1,308,326** | 66% |
| **Total Indirect Costs** | $130,841 | $130,841 | **$50,630** | **$40,953** | **$ 91,583** | 70% |

| | | | | | | |
|---|---|---|---|---|---|---|
| **Total** | $2,000,000 | $2,104,534 | **$773,919** | **$625,990** | **$ 1,399,909** | 67% |