



## REPORTING TEMPLATE FOR PROJECTS IN START-UP PHASE FUNDED BY THE CENTRAL AFRICAN FOREST INITIATIVE (CAFI)<sup>1</sup>

This template is intended for projects in start-up phase, i.e. those that have been in existence for less than one year between receiving the first funds from the MPTFO and the deadline for semi-annual (31 August) or annual (31 December) reporting.

The reporting requirements (narrative and financial) for projects receiving CAFI funding are outlined in a note available to the public [here](#)

**Report Please select**

**Period from 14 April 2025<sup>2</sup> to 31 December 2025**

<b>Project Title:</b>	PRO-CONGO: Catalytic Private Sector Investment in the Congo Basin Natural Capital
<b>Project Number:<sup>3</sup></b>	141114
<b>Implementing Organization:</b>	UNCDF, UNEP
<b>Report submitted by:</b> Name: Title: Organization: Email address:	Fredrika Stopforth Programme Analyst UNCDF <a href="mailto:fredrika.stopforth@uncdf.org">fredrika.stopforth@uncdf.org</a>
<b>Contact in case of need of clarification:</b> Name: Title: Organization: Email address:	Valeria Rosa Cerza Partnership and Outreach Coordinator UNCDF <a href="mailto:valeria.cerza@uncdf.org">valeria.cerza@uncdf.org</a>

<sup>1</sup> This template relates to the presentation of annual and half-yearly reports by organisations implementing programmes funded by CAFI, including via FONAREDD in the DRC. Annual reports cover the period from 1 January to 31 December. Half-yearly reports cover the period from 1 January to 30 June.

<sup>2</sup> The project was approved by the CAFI board on 11 February 2025 (EB.2025.03) and as per ProDoc guidance the official start date is the date of transfer of funds by the MPTF Office, which is 14.04.2025.

<sup>3</sup>UNCDF Internal ProjectNumber 04000100

*Reporting Template – CAFI-funded start-up project*

Please indicate whether this report has been approved by the project steering committee:

Yes X

No

If so, when: 5th March 2026

If not, early date of examination by the project steering committee:

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## 1. Key project data

Project Title	PRO-CONGO: Catalytic Private Sector Investment in the Congo Basin Natural Capital
Project MPTF number	141114
Project document hyperlink <sup>4</sup>	<a href="https://drive.google.com/file/d/1d7d9Ats59Sl195r3OY-cUKfScrh5qGrV/view?usp=drive_link">https://drive.google.com/file/d/1d7d9Ats59Sl195r3OY-cUKfScrh5qGrV/view?usp=drive_link</a>
Project intervention area(s)	Democratic Republic of Congo (DRC), Republic of Congo (RoC), Gabon, Cameroon
Major participating partner organizations <sup>5</sup>	UNCDF, UNEP
Total Project Budget (USD)	\$14,996,738
Total project duration (months)	48 months
Date of approval of the project by the CAFI Board of Directors	Adopted on 11 February 2025 (EB.2025.03)
Date of receipt of first MPTF funds	14 April 2025
Date of approval of the 1st Annual Budgeted Work Plan by the project COPIL	23 July 2025
Initial Closing Date	28 February 2029
Revised closing date if applicable	N/A
Expenditure from 01/01 to 31/12 of the reporting year	\$ 623,080
Cumulative Overall Expenditures (USD) as of 31/12 of the reporting year	\$ 623,080
Consumption rate of the 1st tranche received	5%

<sup>4</sup> All project documents can be found on the CAFI Drive:

[https://drive.google.com/drive/folders/1RhAT\\_Hc5jycgw40xr7YZM57jV4zQFadQ](https://drive.google.com/drive/folders/1RhAT_Hc5jycgw40xr7YZM57jV4zQFadQ)

<sup>5</sup> These are the organizations that received direct funding from the MPTF Office as part of the project.

## 2. Executive Summary

During the reporting period (April - December 2025), Pro-Congo focused on establishing the operational, governance, safeguards and pipeline foundations required to unlock private investment in nature-based solutions in the Congo Basin.

**Governance and programme set-up:** The first Pro-Congo Steering Committee meeting (23 July 2025) endorsed the project governance structure, approved the 2025 annual budget, confirmed CAFI as an observer on the Advisory Board, and agreed on joint visibility and capacity-building actions. Key project staffing was also completed, including the recruitment of an Investment Specialist and two M&E Experts based in Kinshasa, strengthening in-country delivery capacity. The team participated in a technical orientation led by the CAFI Secretariat to align reporting requirements and quality standards. In addition, UNCDF and UNEP jointly briefed the four UN Resident Representatives offices and the UN Resident Coordinator's Offices to present Pro-Congo's objectives and delivery approach, and to identify practical synergies with UN's ongoing country programmes and field activities.

**Venture support ecosystem (Output 1.1):** UNEP established the delivery ecosystem for incubation and acceleration by completing a structured process to identify, assess and select **five Entrepreneurship Support Organisations (ESOs)** across the four target countries. Following selection, the ESOs were onboarded on a non-contractual basis through technical briefings and alignment sessions covering Pro-Congo's venture-support architecture, CAFI safeguard requirements, and anticipated roles in cohort delivery. While selection and onboarding were completed in 2025, contractualization required additional time; as a result, the operational start of venture-level capacity-building activities was rescheduled to **Q1 2026** to safeguard delivery quality, fiduciary compliance and safeguards integrity.

**Financial ecosystem engagement (Output 2.1):** A mapping of relevant stakeholders - public financiers and private investors - was completed, covering DFIs, MDBs, impact investors/investment advisors and commercial banks with either current exposure to the Congo Basin or demonstrated interest in increasing engagement. Stakeholders were identified through UNEP FI networks, relationships established by UNEP's Climate Finance Unit (particularly with impact investors), UNCDF's existing DFI relationships, leveraged UN Resident Coordinator Office (RCO) networks across the four programme countries, and CAFI's in-country network, which facilitated introductions with key national counterparts. This work provides the basis for targeted engagement in 2026 to (i) encourage voluntary, non-binding commitments to scale deforestation-free economic activities in the region, and (ii) explore synergies between early-stage venture support and potential co-financing alongside UNCDF financial instruments.

**Pipeline conversion and investment readiness (Output 2.2):** UNCDF advanced an initial pipeline of **three priority enterprises** in agriculture/forestry and clean/renewable energy with strong potential for CO<sub>2</sub> emissions reductions, forest conservation, biodiversity protection and local job creation. One transaction in the DRC was approved by the UNCDF Investment and Disbursement Impact Committee (IDIC) in 2025 and loan/grant agreements are being finalised. Two additional transactions were in advanced structuring and internal clearance at the end of 2025, one in the DRC and the other in Cameroon. Across these three pipeline companies, UNCDF will disburse USD 2.7 million, including USD 1.9M in first-tranche financing in early 2026 covering : (i) **Virunga Energies** (DRC, North Kivu, clean energy), currently at final signature stage, supporting electrification and clean cooking solutions with expected impacts on deforestation reduction, CO<sub>2</sub> emissions mitigation and improved household air quality; (ii) **M.Y. Success** (DRC, Kinshasa, agro-processing), in advanced structuring, scaling solar-powered dehydration and inclusive agricultural value chains with expected impacts on zero-deforestation sourcing, reduced post-harvest losses and women's economic inclusion; and (iii) **AgroPME / Cocoa Ranch Industry** (Cameroon, Littoral Region, agroforestry), recently approved by IDIC, promoting deforestation-free cocoa production and circular economy practices with expected impacts on forest conservation, climate-resilient agriculture and smallholder income generation. In parallel, UNCDF launched the **Expression of Interest (EOI)** in December 2025 for sourcing nature-positive enterprises in the DRC, Congo, Gabon and Cameroon, serving as the first pilot of UNCDF's new digital investment sourcing tool in Quantum+. The EOI remains open and has attracted 96 applications to date (11 fully

submitted; 85 in progress). Applicants assessed as too early-stage for UNCDF financing are systematically referred to UNEP and the selected ESOs for consideration under the incubation and acceleration track.

**Monitoring, safeguards and integrity systems (M&E and E&S):** Core programmatic tools were developed during 2025 to enable compliant delivery and results reporting. This includes the **Pro-Congo Multi-Year M&E Plan (2025 - 2029)** and the **Multi-Year Monitoring & Results Framework (Excel)**, shared with the CAFI Secretariat. In addition, the **Pro-Congo Environmental and Social (E&S) Framework** was finalized, including a **Gender Analysis and Action Plan** and an **Indigenous Peoples and Local Communities (IPLC) Engagement Framework**, which are mandatory for delivery partners and supported ventures. A targeted package of ESG training was also completed to build internal capacity on CAFI-related requirements (including ISO 14064, ESG for SMEs, gender equality, IPLC guidance and carbon fundamentals). These safeguard tools were also shared with other CAFI private sector applicants (CFC, Canopy Trust and IDH) to support broader learning and harmonization.

### 3. Implementation challenges

*This section should present the challenges and difficulties or any other information useful for understanding the progress of the project during the reporting period (half-year/year) and, where applicable, the measures taken to overcome them.*

#### 3.1 Challenges related to the country context

During the reporting period, implementation of the project was influenced by a combination of structural and contextual challenges inherent to operating across four countries with heterogeneous institutional environments and varying levels of maturity in the enterprise support ecosystem. In relation to **Output 1.1 (UNEP)**, effective delivery relies on collaboration with local Enterprise Support Organizations (ESOs) that possess strong contextual and sectoral knowledge. However, many of these partners operate in environments with limited prior exposure to United Nations contracting procedures, fiduciary standards, and reporting requirements. As a result, additional time and technical support were required to align delivery ambitions with compliance, risk management, and accountability standards applicable to CAFI-funded activities.

With regards to **Output 2.1** it took some time to identify the right set of public financiers and private investors - who are either active or planning to be active in the Congo region. However, initial outreach took place with a limited number of financial institutions (e.g. Cygnum Capital, formerly known as Lions Head, a private debt/private equity fund manager), BDEAC, Equity Bank and others. The key during initial calls will be a) to increase exposure and understanding about the objectives of Pro-Congo; b) understand what needs public financiers and/or private investors have; c) compare that with what the ProCongo initiative can offer; d) based on a-b-c; determine whether there is a sufficient basis to create a MOU. To the extent possible, the FIs will be stimulated to make voluntary, non-binding commitments to scale up DCF economic activities in the ProCongo-identified priority sectors within the established time frame.

For **Output 2.2 (UNCDF)**, The preparation and advancement of investment transactions took longer than initially anticipated due to country-specific external factors affecting due diligence and transaction structuring. In Cameroon, the electoral period led to administrative slowdowns and reduced availability of counterparties and documentation, delaying both on-site and financial due diligence. In parallel, the ongoing insecurity and conflict in and around Goma in eastern Democratic Republic of Congo constrained physical access and required adaptations to due diligence modalities, including greater reliance on hybrid and virtual assessments. This, in turn, affected the pace of engagement with investee companies and local stakeholders.

Despite these challenges, the project team continued to actively progress implementation through adaptive management measures, including close coordination with companies and partners, flexible scheduling of due diligence activities, and phased planning of internal UNCDF investment committee processes. These measures have allowed the investment pipeline to remain active and moving forward, albeit on a revised timeline that realistically reflects the operating conditions in fragile and politically sensitive contexts.

### 3.2 Project Challenges

A key challenge during the reporting period related to the contractualization of incubation and acceleration partners (ESOs) responsible for delivering Output 1.1. Although the identification and technical selection of five qualified partners was completed in 2025, the transition from selection to contractual engagement required more time than initially anticipated. This was due to a combination of factors:

- Complexity of contractual arrangements: The scope of work combines technical assistance delivery, grant management to third-party entrepreneurs, and the application of CAFI environmental, social, gender, and IPLC safeguards. Translating this integrated delivery model into contracts that are both operationally workable for partners and fully compliant with UN rules required extensive legal and fiduciary review.
- Risk management considerations: Given the early-stage nature of supported enterprises and the reputational and safeguard sensitivities associated with private sector engagement in forest landscapes, the project team adopted a cautious approach to contractualization to avoid premature commitments that could compromise quality, fiduciary integrity, or CAFI safeguard standards.

As a result, while partners were technically selected and onboarded on a non-contractual basis in 2025, the formal launch of venture-level capacity-building activities was shifted to early 2026.

Under Output 2.2, UNCDF launched the Expression of Interest (EOI) in **December 2025** for enterprises to apply under Pro-Congo's funding window until 28 February 2026. Applicants assessed as too early-stage for UNCDF financing will be systematically referred to UNEP and the selected ESOs for consideration under the incubation and acceleration track. Initial implementation experience has underscored the importance of targeted dissemination through appropriate private-sector channels across the four countries, and outreach is being strengthened through Advisory Board discussions and government focal points.

### 3.3 Corrective actions taken or considered

Relevant to Output 1.1 (UNEP) **on-contractual onboarding and alignment** - selected partners were engaged through non-contractual onboarding activities, including technical briefings, methodological alignment sessions, and safeguards orientation. This ensured early operational readiness without creating legal or financial exposure. The operational start of incubation and acceleration activities under Output 1.1 was formally rescheduled to Q1 2026, with no change to the project's overall objectives or expected results.

**Regarding Output 2.2 (UNCDF)** Delays encountered in due diligence and internal transaction screening. While first-tranche disbursements for the initial pipeline were originally targeted within 2025, timelines were extended primarily due to the learning curve associated with the complexity and profile of the selected companies (including documentation readiness and verification needs).

In response, UNCDF adjusted transaction sequencing and work planning by prioritizing documentation readiness, clarifying conditions precedent earlier, and advancing parallel workstreams - including term

sheet finalization, environmental and social screening, and implementation/logistics planning - to reduce time between due diligence steps and limit late-stage rework.

UNCDF also reinforced early-stage internal review and pre-assessment to identify gaps sooner and improve the consistency and efficiency of internal approvals. In addition, UNCDF launched a new digital investment sourcing platform, including the Expression of Interest (EOI) process in Quantum+, enabling investment officers and internal approvers to review, assess and structure transactions more transparently and efficiently.

Together, these measures are intended to shorten processing time from sourcing to investment decision and accelerate disbursement readiness as the initial pipeline progresses into early 2026.

#### 4. Progress of the project based on the indicators of the logical framework

Using the project's logical framework as validated in the project document (or possibly revised and validated at the last project steering committee meeting), please add as many lines as necessary to list all the project's outputs. Please add additional lines if an Output contains several indicators. The outputs, indicators and targets should be presented as they appear in the project's logical framework in order to report on achievements in relation to the project's objectives. Some indicators in the project's logical framework may be the same as those in Annex 1 or 2. If this is the case, please ensure consistency between the annexes and this table.

This revised framework is in line with the approved Pro-Congo Project Document and CAFI Executive Board decision EB.2025.03, which explicitly require an early revision of the Results Framework and allow adaptive refinement as the portfolio is clarified. It was shared with the CAFI Secretariat on 29 Dec 2025 for review/feedback, and formal validation will be through the project Steering Committee (as per CAFI reporting guidance) at the SC meeting on 5 March 2026. This is described in more detail in section 7.1.

Products	Indicators	Year 1 Targets <sup>6</sup>	Results	Percentage of Indicator Completion <sup>8</sup>	Comments <sup>9</sup>
			Value as of 31/12 (cumulative) <sup>7</sup>		
Output 1.1 Ventures/companies capacitated with higher readiness levels to meet CAFI's Private Sector Investment Framework and requirements, long-term training capacity and market opportunities established	Indicator 1.1.1 Number of MSMEs in CAFI-eligible sectors that graduate from one of the Pro Congo's business capacity building program	0	0	0%	No MSMEs graduated in 2025 as incubation and acceleration cohorts are scheduled to start in 2026 following completion of contractual arrangements with delivery partners.
	Indicator 1.1.2 Survival rate of supported MSMEs (MSMEs that are still commercially active with a legal status by the end of ProCongo)	0	0	0%	Not applicable in the reporting period, as no MSMEs had yet been supported or enrolled in ProCongo programs.

<sup>6</sup> Specify the values as validated in the project document

<sup>7</sup> Indicate the value at the end of the reporting period.

<sup>8</sup> Indicate a value between 0% and 100% (0% if the activities contributing to the achievement of the outcome in question have not started and 100% if the activities have been completed and the result achieved)

<sup>9</sup> Comments should include reasons for significant progress, delays or changes if any.

Reporting Template – CAFI-funded start-up project

			Results			
Products	Indicators	Year 1 Targets <sup>6</sup>	Value as of 31/12 (cumulative) <sup>7</sup>	Percentage of Indicator Completion <sup>8</sup>	Comments <sup>9</sup>	
	Indicator 1.1.3 Number of Pro-Congo trained MSMEs that benefit from Pro-Congo's investment window (loans and/or grants)	0	0	0%	This indicator is contingent on prior completion of capacity-building programs; no MSMEs reached this stage in 2025.	
	Indicator 1.1.4 Average projected achievable carbon reduction units (from information in business plan), per trained MSME	0	0	0%	Carbon projections will be generated from MSME business plans developed during incubation and acceleration phases, which had not yet commenced in 2025.	
	Indicator 1.1.5 Number of women and Batwa/indigenous entrepreneurs joining the programs	0	0	0%	Participation data will be available once cohorts are formally onboarded; gender and IPLC inclusion criteria were finalized during the reporting period.	
	Indicator 1.1.6 US (\$) value of investments made in trained MSMEs	0	0	0%	No investments were made in 2025, as MSMEs had not yet completed capacity-building and investment-readiness stages.	
	Indicator 1.1.7 Number of jobs created by MSMEs participating in the Pro Congo's training programs, with one sub-indicator for Indigenous peoples/Batwa (and local communities)	0	0	0%	Job creation will be tracked once MSMEs enter and progress through the programs; baseline and monitoring tools were prepared during the start-up phase.	
	Indicator 1.1.8 Number of MSMEs whose businesses include NBS principles and social and environmental safeguards and best practices as part of the core business model	0	0	0%	Integration of NbS principles and safeguards will be assessed at MSME level once ventures are onboarded; safeguard frameworks were finalized in 2025.	
	Indicator 1.1.9 US\$ value of external investment (grants/loans/guarantees) secured by the incubated and accelerated MSMEs at the end of ProCongo	0	0	0%	This indicator applies at later stages of implementation and will be measured at the end of MSME participation in the programme.	
Output 2.1: collaboration	Financial network Indicator 2.1.1 Number of partnerships (MOUs/LOIs) made between investment	0	0	0%	Stakeholders (public financiers / private investors) have been mapped and initial outreach has taken place, but no MOUs or LOIs have yet been signed in 2025.	

Reporting Template – CAFI-funded start-up project

			Results			
Products	Indicators	Year 1 Targets <sup>6</sup>	Value as of 31/12 (cumulative) <sup>7</sup>	Percentage of Indicator Completion <sup>8</sup>	Comments <sup>9</sup>	
established through public-private initiatives (1 network / min 5 LOIs/MOUs) Output 2.1:	stakeholders from events and dialogues					
	Indicator 2.1.2 Number of financial and market products identified and tailored to local context	0	0	0%	Desk research and exploratory discussions have been initiated to identify existing products, as well as models proposed in publications produced by stakeholders such as WWF, The Forest Declaration Assessment etc. Based on this research, a concept note of the scoping study has been drafted and is currently reviewed by the UNEP and UNCDF teams. The concept note defines the scope of the study, its objectives, the research questions and a suggested methodology for the identification of the financial products that fit market conditions in the four targeted countries.	
Output 2.2: Catalytic blended financial instruments deployed into anchor investment opportunities.	Indicator 2.2.1. Number of CAFI-aligned environmental and social Key Performance Indicators (KPIs) embedded in financing agreements with Pro-Congo supported investees	15	7	28%	By 31 December 2025, one transaction had progressed to documentation where CAFI-aligned E&S KPIs were embedded (7/15), while the remaining agreements will be completed and updated following IDIC decisions and signing in early 2026. It is expected a quick turnaround in 2026 with the reinforcement of the investment capacity coupled with learning curve of 2025 due diligences activities.	
	Indicator 2.2.2 Total realized public and private co-financing for Pro-Congo - supported companies (USD) (Mobilizing additional finance for company activities (e.g., from national financial institutions, MDBs, other investors outside of UNCDF)	0	0	0%	No realized co-financing was recorded during the reporting period, as transactions had not yet reached disbursement/financial close in 2025. Co-financing discussions and investor engagement were initiated alongside transaction structuring, and realized amounts will be reported once investments close and co-financing is contractually confirmed in 2026.	
	Indicator 2.2.3 Realized co-financing leverage ratio (Total third-party co-financing, USD) / (Total UNCDF disbursed amount, USD) for the Pro-Congo supported investee(s) during the reporting period.	0	0	0%	Not applicable for 2025, as no UNCDF disbursements were executed during the reporting period. The leverage ratio will be calculated and reported once first-tranche disbursements occur and third-party co-financing is verified in 2026.	
	Indicator 2.2.4 Number of investments in bankable companies within the target	3	0	0%	The Year 1 target of three investments was not met in 2025 because due diligence and internal approval timelines extended beyond the reporting period. Three	

Reporting Template – CAFI-funded start-up project

			Results			
Products	Indicators	Year 1 Targets <sup>6</sup>	Value as of 31/12 (cumulative) <sup>7</sup>	Percentage of Indicator Completion <sup>8</sup>	Comments <sup>9</sup>	
	sectors demonstrating full compliance with the CAFI guidance on private sector investments.				priority transactions progressed through structuring and/or IDIC review (one approved and in final documentation; two pending decision), with first-tranche disbursements expected in Q1 2026 subject to completion of approvals and documentation.	
	Indicator 2.2.5 Hectares under sustainable forestry/agriculture practices (e.g., perennial crops without deforestation, agroforestry plantations, and hectares under recognized deforestation-free standards e.g., PAFC, FSC) by Pro-Congo-supported investees.	0	0	0%	These are Key performance Indicators (KPIs) for the companies in the pipeline. Results will be generated as disbursements are made and companies activities scaled progressively.	
	Indicator 2.2.6 Number of direct beneficiaries reached by Pro-Congo supported investees' solutions/activities.	0	0	0%	These are Key performance Indicators (KPIs) for the companies in the pipeline. Results will be generated as disbursements are made and companies activities scaled progressively.	
	Indicator 2.2.7 Number of households adopting and using clean energy solutions for cooking due to Pro-Congo supported investments (e.g. LPG gas cookers, electrical pressure cookers, compressed gas cookers)	0	0	0%	These are Key performance Indicators (KPIs) for the companies in the pipeline. Results will be generated as disbursements are made and companies activities scaled progressively.	
	Indicator 2.2.8 Percentage (%) increase in annual production/output of Pro-Congo supported investees compared to baseline, disaggregated by product type (e.g., EPCs distributed; makala, cassava, coffee, cocoa, palm oil, timber products).	0	0	0%	These are Key performance Indicators (KPIs) for the companies in the pipeline. Results will be generated as disbursements are made and companies activities scaled progressively.	
	Indicator 2.2.9 Area (hectares) of plantations established and/or managed for total or partial wood energy and/or	0	0	0%	These are Key performance Indicators (KPIs) for the companies in the pipeline. Results will be generated as disbursements are made and companies activities scaled progressively.	

			Results			
Products	Indicators	Year 1 Targets <sup>6</sup>	Value as of 31/12 (cumulative) <sup>7</sup>	Percentage of Indicator Completion <sup>8</sup>	Comments <sup>9</sup>	
	timber production supported by Pro-Congo investees.					
	Indicator 2.2.10 Total hectares under reforestation/afforestation/restoration supported by Pro-Congo investments.	0	0	0%	These are Key performance Indicators (KPIs) for the companies in the pipeline. Results will be generated as disbursements are made and companies activities scaled progressively.	
	Indicator 2.2.11 Percentage (%) increase in crop yields for Pro-Congo supported investees.	0	0	0%	These are Key performance Indicators (KPIs) for the companies in the pipeline. Results will be generated as disbursements are made and companies activities scaled progressively.	

❖ The set of baseline data for the different outputs of the project was defined at the end of the start-up phase of the project (year 1):

Yes  
No

If not, why? : Baseline data has been **partially defined** at the end of the start-up phase: programme-level and system-level baselines (e.g., governance, delivery ecosystem set-up, M&E and safeguards tools) have been established, while several **Output 2.2 investment and impact baselines** (e.g., beneficiary numbers, hectares, production/yield changes, clean cooking adoption, and co-financing leverage) **cannot be finalized until transaction closing**. These baselines are dependent on completion of due diligence, confirmation of investee operational baselines, and the final investment terms and conditions at financial close; they will be fully set once the first transactions are signed and ready for disbursement in early 2026.

## 5. Project Implementation Scoreboard

Please provide the timeline of activities and outcomes outlined in the Readiness Grant application based on the actual progress of the activities and the month(s) in which the deliverable was completed. Please ensure that the results/outputs/activities match those highlighted in the previous section.

The project was approved by the CAFI board on 11 February 2025 (EB.2025.03) and as per ProDoc guidance the official start date is the date of transfer of funds by the MPTF Office, which was 14 April 2025. Implementation period for this report is therefore 14 April to 31 December 2025. View the Pro-Congo Multi-Year Workplan/Operationalization Plan [here](#).

Outcome 1:													
Products	Activities	Timeline for the implementation of activities in Year 1											
		1	2	3	4	5	6	7	8	9	10	11	12
Output 1.1 Ventures/companies capacitated with higher readiness levels to meet CAFI's Private Sector Investment Framework and requirements, long-term training capacity and market opportunities established	<b>1.1.1 Capacity building for Early-stage Cooperatives and Community Ventures</b>												
	Contract ESOs (to implement incubation program)												
	<b>1.1.2 Advanced capacity building provided</b>												
	Contract ESOs (to implement accelerator program)												
	<b>1.1.3 Bespoke training capacity addressing critical business and sustainability gaps for companies selected for one of the Pro-Congo schemes</b>												
	Up to 15 companies receive training by regional and international expert consultants												
	<b>1.1.4 Encouragement/seed grants</b>												

Disburse grants													
<b>1.1.5 Preperation grants</b>													
Disburse grants													
<b>1.1.6 ESOs Capacity building and grant allocation</b>													
Up to 5 LSO networks capacitated with sector-specific training programs													

Outcome 2:													
Products	Activities	Timeline for the implementation of activities in Year 1											
		1	2	3	4	5	6	7	8	9	10	11	12
Output 2.1 Financial collaboration network established through public-private initiatives (1 network / min 5 LOIs/MOUs)	<b>2.1.1 Research, mapping, and design best financial and market ecosystem model applicable to local context</b>												
	Market analysis report												
	<b>2.1.2 Partnership coalition for resource mobilization and best technical application</b>												
	Stakeholder engagement activities												
	1 network established												
	5 MoUs/Lols signed												
Output 2.2: Catalytic blended financial instruments deployed into anchor investment opportunities.	<b>Activity 2.2.1 Pipeline technical assistance and assessment</b>												
	Database of enterprises utilizing NbS												
	Pipeline approved by PIC												

Due diligence																			
ESAPs for companies																			
Pipeline approved by IDIC																			
2nd Expression of Interest Launched																			
Sourcing 2nd pipeline																			
<b>Activity 2.2.2 Grants</b>																			
Disbursement																			
Investment Monitoring																			
<b>Activity 2.2.3 Loans</b>																			
Disbursement																			
Investment Monitoring																			
<b>Activity 2.2.4 Support the pipeline accessing capital markets and resource mobilization</b>																			
Technical support to pipeline and to CAFI catalytic capital provider																			

Project conception/initiation/management/performance/monitoring																			
Products	Activities	Timeline for the implementation of activities in Year 1																	
		1	2	3	4	5	6	7	8	9	10	11	12						
PMC, M&E, E&S	Project Conception and Initiation																		
	UNCDF recruitment or project staff																		
	UNEP recruitment of project staff																		
	ToR for Steering Committee																		
	ToR for PMU (Project Management Unit)																		

Annual Project Budget 2025	█	█	█	█											
Establish Advisory Board to Steering Committee	█	█	█												
First Steering Committee Meeting	█	█	█			█									
Gender Analysis and Action Plan	█	█	█	█	█	█									
IP and LC Analysis and Action Plan	█	█	█			█	█	█							
E&S Risk Framework (principles, templates for E&S risks screening-DD-ESAP)	█	█	█	█	█	█	█	█							
Training material on E&S topics in line with CAFI requirements	█	█	█						█	█	█	█	█	█	█
Stakeholder Engagement Strategy	█	█	█	█											
Multi-Year M&E Plan	█	█	█		█	█	█	█	█	█					
Risk Management System	█	█	█		█	█	█	█	█	█					
Revised Results Framework	█	█	█							█	█	█	█	█	█
Recruitment of international and local experts to deploy bespoke expert training capacity	█	█	█					█							
Project Management															
PMU Meetings	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Workshop on E&S for PMU (carbon, gender, IPs)	█	█	█			█									
Stakeholder workshops	█	█	█		█		█		█		█	█		█	
Communication materials	█	█	█									█			█

Please add lines if necessary for all the products foreseen in the 1st AWPB (annual work plan and budget) of the project.

## 6. Financial implementation

### 6.1 Disbursements

On the transfers received, indicate the overall level of disbursement as well as the annual level of disbursement, including the estimated budget for the year and the actual disbursement. Amounts committed but not disbursed can be added in the last column of the table.

a) Table 8.1 - Project Disbursement Rates

A) Results	B) Total budget (USD) as in the project document (Tranche 1)	C) Budget planned for the reporting period (14/4/2025 - 31/12/2025)	D) 1st semester or annual expenditure	E) Balance as at 31 December 2026	F) Disbursement rate for the reporting period	G) Cumulative disbursement rate since the start of the project	H) Amounts committed but not spent
Outcome 1 Private companies transformed and capacitated to develop bankable nature-based solution business models that achieve nature, climate & people impacts	\$1,424,415	\$ 297,157.24	\$14,979.66	\$1,409,435.34	1%	1%	0
Output 1.1 Ventures/companies capacitated with higher readiness levels to meet CAFI's Private Sector Investment Framework and requirements, long-term training capacity and market opportunities established	\$1,424,415	\$ 297,157.24	\$14,979.66	\$1,409,435.34	1%	1%	0
Outcome 2 Impact financial mechanisms capitalized with nature positive investments creating self-sustaining growth	\$6,368,539	\$ 1,156,450.00	\$ 45,367.14	\$6,323,171.86	1%	1%	
2.1 Financial collaboration network established through public-private initiatives (1 network / min 5 LOIs/MOUs)	\$160,496	100,000\$	\$0	\$160,496	0%	0%	0
2.2 Catalytic blended financial instruments deployed into 4-6 large	\$6,208,043	\$ 1,056,450.00	\$ 45,367.14	\$ 6,162,675.86	1%	1%	

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anchor investment opportunities							
M&E Cost	\$1,357,644	\$ 298,180.00	\$218,348	\$ 1,139,296.42	16% <sup>10</sup>	16%	
Programme Management Cost	\$2,064,355	\$ 530,262.00	\$ 303,633	\$1,760,732	15%	15%	
<b>Total Direct Cost</b>	<b>\$11,214,953</b>	<b>\$ 2,313,742.77</b>	<b>\$ 582,317</b>	<b>\$10,632,636</b>	<b>5%</b>	<b>5%</b>	
<b>Total Indirect Costs</b>	<b>\$785,046</b>	<b>\$ 159,743.45</b>	<b>\$ 40,762</b>	<b>\$ 744,284</b>	<b>5%</b>	<b>5%</b>	
<b>Total</b>	<b>\$12,000,000</b>	<b>\$ 2,441,792.69</b>	<b>\$623,080</b>	<b>\$11,376,920</b>	<b>5%</b>	<b>5%</b>	

b) Table 8.2

Download and complete the Table 8.2 outline [in this folder](#) and submit it with this report. **This report will be considered incomplete without this document.** The certified financial report on the basis of the UNSDG budget lines is sent directly by the financial services to the MPTF via the UNEX system, with an electronic copy to the CAFI Secretariat. **Important note:** The total disbursements by instrument and output (plus costs) in tab 1 should equal the total disbursements by UNDG category transmitted by financial services to the MPTF via the UNEX system.

Table 8.2 of of the projects Financial Implementation can be viewed and accessed [here](#).

c) Table 9 – Cost-effectiveness: Table of progress and disbursements by outcomes and outputs

Results	Current progress of the indicator <sup>[1]</sup>	Cumulative expenditure in US dollars	Comments
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<sup>10</sup> M&E costs include travel for Due Diligence: financial, risks and S&E screening.

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Outcome 1 Private companies transformed and capacitated to develop bankable nature-based solution business models that achieve nature, climate & people impacts	Initiated	\$14,980	See comment on Output 1.1.
Output 1.1 Ventures/companies capacitated with higher readiness levels to meet CAFI's Private Sector Investment Framework and requirements, long-term training capacity and market opportunities established	Initiated	\$14,980	Expenditures under Outcome 1 during the reporting period reflect project management and coordination costs associated with the start-up and preparation phase. The amount reported (USD 14,980) corresponds to the salary costs of the dedicated project manager responsible for coordinating the design, structuring, and readiness activities underpinning Outcome 1, including partner identification and onboarding, development of delivery and monitoring frameworks, and alignment with CAFI environmental, social, gender, and IPLC requirements.
Outcome 2 Impact financial mechanisms capitalized with nature positive investments creating self-sustaining growth	Under implementation	\$ 45,367	See comment on 2.1 and 2.2
2.1 Financial collaboration network established through public-private initiatives (1 network / min 5 LOIs/MOUs)	Initiated	\$0	<p>Relevant public financiers and private investors have been mapped. Initial outreach to relevant financial institutions has been initiated - through established networks including through UNEP FI members active in the Congo Basin, through the network of impact investors (connected to RSCF) and through the network of UNCDF. No MOUs or LOIs have yet been signed in 2025.</p> <p>Desk research and exploratory discussions have been initiated to identify a long list of existing financial products, as well as models proposed by stakeholders. Based on this, a concept note of the scoping study has been drafted and is currently reviewed by the UNEP and UNCFD teams. The concept note defines the scope of the study, its objectives, the research questions and a suggested methodology for the identification of the financial products that fit market conditions in the four targeted countries.</p>
2.2 Catalytic blended financial instruments deployed into anchor investment opportunities	Under implementation	\$ 45,367	During the reporting period, UNCDF supported early-stage investment readiness for enterprises in target sectors through technical assistance and financial diagnostics. The three transactions in the first pipeline were approved by UNCDF's internal disbursement committees (PIC and IDIC). Recruitment of key project staff in Kinshasa was completed with a dedicated project Investment Officer and M&E expert to

			strengthen implementation capacity. The second expression of interest was launched in December 2025.
<b>Total</b>	<b>\$</b>	<b>\$60,346.80</b>	

**[1] Report the value indicated in Table 2.**

## 6.2 Contracts

List the entities that have been signed contracts (procurements) or agreements (partnerships) of more than \$100,000, indicate the theme, responsibility and budget assigned to each of them. If your procedures allow, attach a copy of the contract (which will not be made public).

Not applicable to UNCDF. Not applicable to UNEP for the reporting period.

Table 10 - Contract Tracking

Contract No.	Title and theme	Type (International NGO, National NGO, Public Entity, Private Sector, Other)	Sub-type (see list below)	Contract Amount	Date of contract signature	Start date of activities	End date Contract	Expected Completion Time	Comments

### Subtype

National NGO	Public entity	Private sector
National non-governmental organization (NGO)	National Public Administration	National company
Local Development Committee (LDC)	Provincial Public Administration	Design office
Local Management Committee (LMC) for Local Community Forest Concessions (LFCL)	University	Cooperative
Other	Research Centre	International company
	Rural Agricultural Management Council (CARG)	Other
	Other	

## 6.3 Financial Management, Procurement and Human Resources

*Provide information on financial management, procurement and human resources (if applicable):*

- *Please assess whether the project's financial expenditures are aligned with the AWPB forecasts or behind the work plans;*
- *If expenditures are delayed or not in accordance with plans, please provide an explanation indicating the measures taken to (i) accelerate implementation; (ii) ensure that the expected results are achieved in quality and on time;*
- *Please indicate how much in dollars has been earmarked (in the project document) for activities focused on gender equality or women's empowerment and how much has actually been allocated to date;*
- *When do you intend to apply for the second tranche of the project remaining on the MPTF's account;*  
*d) Provide updates on the procurement/procurement plan for contracted services valued at more than US\$1 million listed in your project document, including a description of the process that was used to identify the vendor.*

During the reporting period (Apr-Dec 2025), financial management and procurement focused on establishing the operational foundations for delivery and advancing the first investment pipeline toward disbursement readiness. Overall expenditures were **behind the 2025 AWPB forecasts**, mainly because planned investee disbursements and some implementation activities depended on completing due diligence, contracting, and internal approval steps. First-tranche disbursements initially targeted for 2025 were delayed due to (i) country-context constraints affecting due diligence and documentation and (ii) strengthened UNCDF internal screening/pre-assessment processes introduced in 2025 to improve quality assurance and risk management.

To accelerate implementation while maintaining compliance and quality, UNCDF sequenced transaction workstreams in parallel (term sheets, E&S screening, implementation planning), strengthened early internal reviews to reduce rework, and launched the **digital EOI platform in Quantum+** to speed up internal review, assessment, and transaction structuring.

Human resources capacity was strengthened through recruitment of key staff, including an **Investment Specialist** and two **M&E Experts** based in Kinshasa. Procurement progressed in line with UN procedures to support start-up needs and contracted services.

The second tranche will be requested once tranche-linked milestones and implementation progress are met.

## 6.4 Resource mobilization

*Indicate whether the project mobilized additional resources or interventions from other partners.*

Resource mobilization activities were initiated in parallel with implementation preparations:

- Mapping of relevant stakeholders (public financiers and private investors) has been completed. This includes identifying DFIs, MDBs, impact investors/investment advisors, commercial banks - either with a present exposure in the Congo region and/or with an interest to increase their exposure in the region.

- Stakeholders have been identified through established networks such as UNEP FI members, relationship established by the UNEP Climate Finance Unit (especially related to impact investors), as well as UNCDF contacts with relevant DFIs.
- The focus will be placed on a) encouraging public and private FIs to make voluntary non-binding commitments to scale up DCF economic activities in the Congo region; b) understand their needs and to the extent possibly create synergies either with the early business development support to SMEs (especially relevant for impact investors) as well as potential co-financing on the back of financial products provided by UNCDF to investee companies.

Additional co-financing and partner engagement opportunities are expected to be further advanced during 2026 as the pipeline matures and initial investments proceed.

## 6.5 Budget Revisions

*Please indicate any revisions to the project budget.*

N/A

## 7. Project monitoring

### 7.1. Programmatic revisions (if applicable)

*Identify any significant changes in the project strategies, objectives or targets in dashes with the rationale for such changes and the dates of approvals obtained by the relevant project governance structure.*

In line with the approved Pro-Congo Project Document and the CAFI Executive Board decision EB.2025.03, the Pro-Congo Multi-Year Monitoring and Evaluation (M&E) Plan (2025-2029) and the accompanying Multi-Year Monitoring & Results Framework were developed and finalised during the reporting period. The Project Document explicitly allows for adaptive refinement of the Results Framework during early implementation, noting that targets and indicators may be revised as implementation progresses and the investment portfolio is clarified (p. 14-15 ProDoc). In addition, the CAFI Executive Board decision EB.2025.03 requires that the project Results Framework be revised within the first six months following project start, and for a detailed, multi-year M&E Plan to be provided within the first year of the joint programme. In accordance with these provisions, both documents were shared with the CAFI Secretariat on 29 December 2025 for feedback and review. According to CAFIs reporting guidelines the revised Results Framework should be validated by the project Steering Committee and will be presented to the Steering Committee members during the first meeting of 2026 on March 5th.

The Multi-Year M&E Plan sets out the methodological framework for monitoring and evaluation across the full programme cycle, including indicator definitions, data sources, data collection frequency, roles and responsibilities, quality assurance processes, and provisions for spatial reporting. It is designed as a living document to support adaptive management, learning, and evidence-based decision-making throughout implementation, and will be updated as required to reflect programme evolution and CAFI guidance.

As outlined in the M&E Plan, the Multi-Year Monitoring & Results Framework (Excel) constitutes the programme's core operational reporting tool and will be used jointly by UNCDF and UNEP to track

progress against outputs and outcomes through annual/bi-annual reporting cycles and, where applicable, tranche-linked milestone assessments. The revised framework reflects realistic mid-term and end-term targets based on the current UNCDF investment pipeline, consistent with the flexibility on target setting explicitly foreseen in the Project Document, which allow targets to evolve as investment transactions are confirmed and verified.

## 8. Cross-cutting themes

### 8.1. Gender

*The actions, policies and reforms planned in the Investment Plan to reduce deforestation have a particular impact on women. Please explain how the project has taken into account the gender aspect (disaggregation of indicators, recruitment of female staff, representation in decision-making bodies, specific consultations, etc.) by filling in Table 8 with the aim of giving an overview of the achievements and integrating some concrete examples (good/bad practices). Which target groups were involved? Have there been any obstacles in the preparation and implementation of these activities? How did the project overcome them?*

Gender considerations are integrated through the project’s investment and enterprise support approach, including intended tracking of job creation and beneficiary reach with sex-disaggregated data where applicable. Detailed gender results are not yet reportable during the start-up phase and will be captured as implementation progresses.

Table 12 - Monitoring of Gender Aspects

Criterion	Actions taken to mainstream gender	Results	Cost in USD	Challenges faced
Implementation/Activities	Analyse gender issues specific to the ProCongo project, to understand the context, challenges and identify solutions.	A gender analysis and Gender Action Plan (GAP) was completed in August 2025, validated through stakeholders’ consultation (UN-WOMEN, UNEP GSU)	1000	Components and outcomes have different management teams. Coordination is stressed as important.
	Reinforce gender capacity across the team	Train the regional E&S specialist, who will be recruited, on gender issues	1700	
	Ensure gender equality in the project governance	Influence the selection process to ensure a gender balanced at the Advisory Board	2550	Most government officials are male, so options are limited.
	Train all project staff on gender equality at all levels	Develop and implement gender equality training, specifically in the land use finance sector, for all project staff	1700	
Monitoring and evaluation	Gender KPIs added to M&E Plan	ProCongo staff is aware gender needs to be monitored.		Inheritance of UNDP standardized SES templates

## 9. Risk Management

### 9.1 Update your risk management matrix based on the analysis performed.

Table 15 - Risk Management

Hazard identification			Risk treatment			
Risk description	Identification period	Risk category	Evolution of the risk (stable, increased, decreased) compared to the last report	Action(s)	Liability	Deadline
The project is unable to promote its development objectives and high standards of integrity and social and environmental sustainability, because criteria are too stringent and capacity too low to identify, measure, monitor and report on risks.	E&S Framework was developed and explained to project implementers	Moderate	Decreased			
Land tenure and land security is hard to achieve.	Too early to say, as engagement with business has been limited until now.	Moderate	Stable			
Indigenous people and local communities lose access to land for food and energy resources. Indigenous people and local communities are displaced.	Too early to say, as engagement with business has been limited until now.	Moderate	Stable			
Carbon accounting may trigger specific risks.	Too early to say, as engagement with business has been limited until now. n/a	Moderate	Stable			
Increased incomes might motivate farmers to expand operations and encroach on forest, causing additional	Too early to say, as engagement with business has been limited until now. n/a	Moderate	Stable			

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deforestation.						
Host governments are not committed to slowing deforestation, hindering sustainable change.	The project management team has had very little engagement with host governments in 2025 to the exception of DRC and Cameroon Ministries whom we met in October and December 2025 and who welcome the ProCongo as fully aligned with the country's priorities.	Moderate	Decreased	Invite newly appointed officials to the AB board		Q1-2026
Article 6 rules may be defined or redefined by UNFCCC, affecting existing or new carbon-related policies and private-led REDD+ execution in DRC and RoC.	No Article 6 project in 2025 pipeline	Low	Decreased			
Due to the nature of investments in enterprises/sub-projects utilizing Nature-based Solutions (NbS), there is a risk that they do not deliver expected returns.	Too early to say, as engagement with business has been limited until now. n/a	Moderate	Stable			
Funds are not managed and reported adequately.	Too early to say, as engagement with business has been limited until now. n/a	Moderate	Stable			
Lending and ESG criteria are too strict and constrain deal flow	Too early to say, as engagement with business has been limited until now. n/a	Moderate	Stable			
Projects involve political exposure, corruption or unethical practices leading to environmental damage or governance risks	Too early to say, as engagement with business has been limited until now. n/a	Moderate	Stable			

Volatility and cyclical of agricultural commodity prices impact borrowers' ability to meet repayment obligations.	Too early to say, as engagement with business has been limited until now. n/a	Moderate	Stable			
Currency risk: Fluctuations in foreign exchange rates affect value of financial commitments.	Too early to say, as engagement with business has been limited until now. n/a	Moderate	Stable			
Programme implementation and expected results are delayed due to the complex nature of NbS investments	Contractualization of incubators is taking longer than expected, postponing the start of the project until Q1 2026.	Moderate	Stable			
Upcoming elections and political unrest in the region may lead to civil or cross-border conflict.	Gabon elections in April 2025 caused delays in the creation of the new government. Cameroon elections in October 2025 caused social unrest and delays in the creation of the new government. DRC conflicts in the Eastern part of the country created economic disruption (banks closure).	Substantial	Stable	Invite newly appointed officials to the AB board		Q1-2026
Staff suffer from a low-safe or insecure environment.	n/a	Moderate	Stable			

## 9.2 Assessing Transparency and Integrity

Table 16

Cases of Fraud, Misuse of Funds and Corruption	Yes (how much for the reporting period and a brief description of each)	No
Allegations		X

Investigations		X
Penalties (including recoveries made and their amounts)		X
<b>Sexual exploitation, abuse and harassment</b>		X
Allegations		X
Investigations		X
Penalties		X

*As a reminder, in the event that the investigation department of an implementing agency determines that an allegation relating to the implementation of the activities for which that IO is responsible is sufficiently credible to warrant an investigation, the IO shall promptly inform the Board of Directors and the Administrative Officer of the Fund, to the extent that such notification does not compromise the conduct of the investigation, including, but not limited to, prospects for recovery of funds or the safety or security of persons or assets.*

## 10. Summary of deliverables

Establish the list of deliverables mentioned in the report **and provide hyperlinks to the finalized deliverables** (previously saved in [the project's Collaborative Space](#)).

**Pro-Congo collaborative space on CAFI google drive:**

<https://drive.google.com/drive/folders/1bvhZSN3cwDINOJvqjbT9WKmLTiqpcewP>

- [Multi-Year Monitoring & Evaluation \(M&E\) Plan \(2025–2029\)](#)
- [Pro-Congo Multi-Year Monitoring & Results Framework \(Excel\)](#)
- [Pro-Congo Multi-Year Workplan/Operationalisation Plan](#)
- E&S risks and safeguards:
  - [Pro-Congo E&S Framework](#) developed, including [gender analysis and action plan](#), as well as [Indigenous Peoples and Local Communities Engagement framework](#).
  - These were shared with other CAFI Private Sector applicants (CFC, Canopy Trust, IDH)
  - Set of ESG training completed on E&S topics and CAFI requirements: ISO 14064, ESG for SMEs, gender equality, IP guidance, carbon 101.