



---

**CAFI Executive Board Decision**  
**Regional**  
**No-Cost Extension of the Preparatory Grant Building a South-South  
cooperation initiative on payments for environmental services**  
**([Project ID: 00141031](#))**

**Adopted by mail on 05.08.2025**  
**EB.2025.35**

**Considering:**

- Decision [EB.2024.39](#) on the Approval of a preparatory grant to UNDP for Building a South-South cooperation initiative on payment for environmental services for an amount of USD 130,076 grant until 5 August 2025;
- The UNDP letter dated 21 July 2025 requesting a no-cost extension of the project until 31 December 2025.

**The Executive Board:**

1. Thanks UNDP for its letter and for the attached note presenting the justifications for the request for a no-cost extension of the project and the progress made in implementing the project;
2. Approves the no-cost extension of the preparatory grant until 31 December 2025;
3. Recalls that, while respecting its own rules and regulations, the implementing organization commits to applying zero tolerance towards fraud, corruption, sexual exploitation, and abuse. It must also protect whistleblowers, inform the public, promote gender equality and social inclusion, and establish appropriate complaint mechanisms. Furthermore, it commits to ensuring rigorous management of all contextual and programmatic risks identified by the Executive Board and must act proactively in reporting these risks to the CAFI Multi-Partner Trust Fund Office, in accordance with the Terms of Reference of CAFI's Trust Fund.
4. Recalls that feasibility studies and the design of projects and programs should place strong emphasis on:

- Gender inclusion, including through sex-disaggregated data;
  - Human rights and non-discrimination;
  - Conflict prevention and resolution, particularly regarding land tenure;
  - Monitoring and learning, while ensuring strong alignment with CAFI's results framework;
  - Assessment of corruption risks and conflicts of interest, as well as identifying stakeholders likely to gain or be impacted by the initiative;
  - Development of a well-defined exit and sustainability strategy.
5. Reminds the implementing organization of its reporting obligations under the current CAFI Operations Manual, for both narrative and financial reports.