CAFI Executive Board Decision

Democratic Republic of Congo – Approval of the "Kwango-Nioki agroforestry project" implemented by Common Fund for Commodities

Adopted by email on 18.11.2025
EB.2025.45

Considering:

- The CAFI Declaration and the persisting challenge of forest loss and food security in Central African region;
- The Democratic Republic of Congo (DRC) National REDD+ Framework Strategy and the DRC-CAFI 2021-2031 Letter of Intent, which both state that payments for environmental services (PES) are "the heart of the incentive system for REDD+ in the DRC";
- The National roadmap for the deployment of PES in the DRC developed during the International interministerial conference on the deployment of PES in Central Africa, which was held in Kinshasa on 27-29 January 2025;
- The launch of PES planning and management tools at the International Interministerial Conference on the Deployment of PES in Central Africa held in Kinshasa on 27-29 January 2025;
- The shared willingness of CAFI and the DRC Government to initiate a new project financing mechanism based on verified performance and to inform the development of an ambitious portfolio of sustainable land management projects fully integrating the new PES framework;
- The mandate received from the DRC Government on 2 March 2025 to develop a PES Programme for the Kinshasa supply basin (PROBAK);
- Decision EB.2025.20 approving the launch of the Call for Expression of Interest 2025/01/DRC for the selection of Implementing Organizations for the formulation of projects within the framework of the PROBAK;
- Decision EB.2025.27 adopted during the 26th Executive Board Meeting on 25 June 2025, selecting Implementing Organizations for the development of PES projects in the framework of the PROBAK;
- Decision EB.2024.33 on the independent verification of projects;
- Decision EB.2025.26 adopting the CAFI Policy for performance-based programming in Agriculture, Forestry, and Land-Use projects.

The Executive Board:

1. Thanks the Common Fund for Commodities or CFC (referred here as "Implementing Organization") for submitting the project proposal.

2. Approves the project document for an amount of $15,051,764 USD, of which 12,987,764 USD is to be managed by the Common Fund for Commodities and 2,064,000 USD is to be managed directly by the CAFI fund to make ex-post PES payments directly to beneficiaries. This amount is to be used over a period of 60 months, starting from the date of the first transfer to the implementing organization.

3. Requests that the total amount will be disbursed in tranches based on performance as follows; The disbursements are conditional and subject to the following conditions:
    a) Tranche 1 of 6,020,705 USD, equivalent to 40% of the project budget upon signature of the PRODOC;
    b) Tranche 2 will be transferred in the 1st quarter of the 3rd year of implementation of the project, based on the results achieved during the first 2 years of implementation, with the following conditions:
        I. If the Independent verification of the project results concludes that the project has achieved "weak" performance, no disbursement from CAFI to CFC will be made;
        II. If the Independent verification of the project results concludes that the project has achieved "average", "strong", or "excellent" performance, then 871 USD will be transferred for each ha of agroforestry planted meeting CAFI quality standards during the first two years of the project, up to a maximum amount of 4,354,412 USD;
    c) Tranche 3 (final) will be transferred in the 1st quarter of the 4th year of implementation of the project, based on the results achieved during the third year of implementation, with the following conditions:
        I. If the Independent verification of the project results concludes that the project has achieved "weak" performance, no disbursement from CAFI to CFC will be made.
        II. If the Independent verification of the project results concludes that the project has achieved "average", "strong", or "excellent" performance, then 871 USD will be transferred for each ha of agroforestry planted meeting CAFI quality standards during the 3rd year of the project, up to a maximum amount of 2,612,647 USD.

4. Signals to the Implementing Organization that, in accordance with EB.2025.26 decision adopting the CAFI Policy for performance-based programming in Agriculture, Forestry, and Land-Use projects, CAFI may invite the Implementing Organization to submit an amended project document increasing funding if the Independent verification of the project results concludes that the project has achieved "strong" or "excellent" performance.

5. Requests the Implementing Organization to notify the CAFI Secretariat at least six months prior to the anticipated disbursement date of the tranche concerned, to allow the timely conduct of the independent verification of project results, which is a prerequisite for disbursements.

6. Recalls that feasibility studies and the design of projects and programmes should place strong emphasis on (i) gender inclusion, including in terms of sex-disaggregated data, (ii) human rights and non-discrimination, (iii) conflict prevention and resolution, in particular with regard to land tenure, (iv) monitoring and learning, while ensuring strong alignment with the CAFI results framework, (v) analysis of the link with forest conservation, (vi) analysis of opportunities for scale-up and means to achieve them , (vii) analysis of risks of corruption and conflicts of interest, as well as the stakeholders likely to gain or lose as a result of the initiative, (viii) the use – to the extent possible – of local references and analysis with respect to potential beneficiaries, market opportunities and income opportunities for smallholders and economic viability, limitations and risks; (ix) clear integration and interlinkages between the various interventions proposed; (x) a clear exit/sustainability strategy; (xi) a robust analysis and management of risks (incl. land tenure and fire).

7. Recalls that, while respecting its rules and regulations, the implementing organization commits to apply zero tolerance towards fraud, corruption, sexual exploitation, and abuse; to protect whistleblowers; to inform the public; to promote gender equality and social inclusion; and to use appropriate complaint mechanisms. In addition, the implementing organization commits to carefully managing all other contextual and programmatic risks identified by the Board and should act proactively in reporting these risks to CAFI's Multi-Partner Trust Fund Office, in accordance with the Terms of Reference of CAFI's Trust Fund.

8. Decides that the implementing organization will have to report on progress toward project targets through **CAFI's PES information management tool** in accordance with CAFI guidelines. This includes all data and spatial information required for each selected PES activity, as well as information on how its activities address and respect CAFI social and environmental safeguards requirements.

9. Reminds the implementing organization of its reporting obligations under the current CAFI Manual of Operations, in terms of both narrative and financial reports.

10. Instructs the CAFI Secretariat to sign the project document on its behalf.

Chair, CAFI Executive Board	**UN Member, CAFI Executive Board**
Signature:	**Signature:**
Date:	**Date:**