



CAFI Executive Board Decision
Central African Republic – Approval of the
“Payments for Environmental Services (PES) Project for Bangui and its
Surrounding Areas”
implemented by the United Nations Development Programme (UNDP)
Adopted by email on 22.06.2026
EB.2026.16

Considering:

- The CAFI Declaration and the persisting challenges of forest loss, land degradation and food security in the Central African Republic;
- [Decision EB.2025.01](#) selecting the United Nations Development Programme (UNDP) as implementing organization for a pilot PES project in Bangui and its surrounding areas;
- The national and regional roadmaps for the deployment of Payments for Environmental Services (PES) in Central Africa developed during the International Interministerial Conference on PES held in Kinshasa on 27–29 January 2025;
- [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 project document submitted by UNDP in coordination with the Government of the Central African Republic.

The Executive Board:

1. **Thanks**, the United Nations Development Programme (referred to hereafter as the “Implementing Organization”) for submitting the project document;
2. **Approves** the project document for an amount of USD 10,000,000 of which 8,086,600USD is to be managed by UNDP and \$ \$1,913,400USD 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 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 4,000,000 USD equivalent to 40% of the project budget upon signature of the PRODOC;

- b) Tranche 2 will be transferred in the 1st half 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 as achieved “weak” performance (i.e. less than 30% of the results were verified), no disbursement from CAFI to UNDP will be made; the project will enter into closure and a "repechage" process will be launched to honour existing contracts with environmental service providers who have demonstrated verified results.
 - II. If the Independent verification of the project results concludes that the project as achieved “average” or “strong” performance, then the amount of the 2nd tranche of funding will be based (i) on the number of verified outcome units meeting CAFI quality standards and (ii) on the amount defined per outcome unit for the six PES activities, as follows:
 - i. Agroforestry: USD 110 /ha*yr;
 - ii. Regeneration: USD 15/ha*yr;
 - iii. Conservation: USD 20/ha*yr
- c) Tranche 3 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 same conditions as defined for tranche 2;
- d) Tranche 4 will be transferred in the 1st quarter of the 5th year of implementation of the project based on the results achieved during the 4th year of implementation with the same conditions as defined for tranche 2;
- e) The indicative amount of the 2nd tranche is USD 809,858; the indicative amount of the 3rd tranche is USD 1,582,406; the indicative amount of the 4th tranche is USD 1,694,336. The cumulative amount of the 1st, 2nd, 3rd and 4th tranches is capped at USD 8,086,600.

2. **Requests** that the implementing organization
 - a) strengthen the gradual integration of PSE programs into formal markets for raw materials and processed products, in order to increase market-based income as part of the project’s exit strategy;
 - b) to contribute, through documented feedback, to improving CAFI’s standardized approach to integrating PSE into value chains; and
 - c) to report on this in the mandatory annual narrative reports submitted to CAFI.
3. **Requests** that the implementing organisation seek formal approval by the CAFI Executive Board before it engages in carbon market transactions or make associated investments.
4. **Recommends** prioritizing the implementation of project activities in areas where meaningful progress on tenure rights has already been achieved. This approach will help ensure a more enabling environment for intervention, enhance the likelihood of successful outcomes, and allow for more efficient use of resources by building on existing institutional and legal advancements.
5. **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” performance (i.e. more than 70% of the results were verified).

6. **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.
7. **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.
8. **Recalls** that feasibility studies and the design of projects should place strong emphasis on (i) gender inclusion, incl. in terms of sex-disaggregated data, (ii) human rights and non-discrimination, (iii) conflict prevention/resolution, in particular with regard to land tenure, (iv) monitoring & 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 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/interlinkages between the various interventions proposed; (x) a clear exit/sustainability strategy; (xi) a robust analysis & management of risks (incl. land tenure and fire).
9. **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.
10. **Reminds** the implementing organization of its reporting obligations under the current CAFI Operations Manual, in terms of both narrative and financial reports.
11. **Instructs** the CAFI Secretariat to sign the project document on its behalf.

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