



CAFI Executive Board Decision

Regional

Approval of the “South–South Cooperation Initiative on Payments for Environmental Services (PES)” implemented by the UNDP

Adopted by email on 13.10.2026

EB.2026.30

Considering:

- The CAFI Declaration and the persisting challenge of forest loss and food security in Central African region;
- The National roadmap for the deployment of PES in the DRC, Cameroun, Republic of Congo, Central African Republic and Gabon 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 Government of DRC, Cameroun, Republic of Congo, Central African Republic and Gabon 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;
- [Decision EB.2024.39](#) adopted on the 11th of November 2024 approving a preparatory grant to UNDP for “Building a South-South cooperation initiative on payment for environmental services” and inviting UNDP to develop a project document for the project with a detailed budget of up to USD 4.5 million for a period of 3 to 5 years.

The Executive Board:

1. **Thanks** the UNDP (referred here as “Implementing Organization”) for submitting the project document with a budget of USD 4,240,555.54, comprising a proposed CAFI contribution of up to USD 4,190,556 and USD 50,000 in co-financing to be implemented over a period of 40 months.
2. **Approves** the project document for a first phase of the South–South Cooperation Initiative on PES for an amount of USD 2,126,556 including USD 2,076,556 from the CAFI Fund and 50,000 USD

in co-financing. This amount is to be used over a period of 18 months, starting from the date of first transfer to the implementing organization.

3. **Decides** that the total amount of this phase 1 project of the South–South Cooperation Initiative on PES will be disbursed upon signature of the PRODOC.
4. **Decides** that the implementing organisation may be invited to submit a project document for a second phase of this South–South Cooperation Initiative on PES with CAFI financing of up to USD 2,114,000 subject to the availability of resources and based on the achievement of the milestones described in paragraph 5 below.
5. **Invites** UNDP to submit, no later than two months before the end of the approved Phase 1 project, a proposed Phase 2 project document and budget, supplemented as necessary by evidence of the achievement of the following milestones:
 - a) **National ownership**: designated PES focal points in at least three CAFI partner countries and at least two country-owned PES institutionalisation plans formally submitted and reviewed by the South–South PES Technical Committee;
 - b) **Technical assistance delivery**: an operational South–South PES Technical Committee; at least four country-driven technical assistance requests validated; and at least two validated assignments completed in two different CAFI partner countries, with documented deliverables;
 - c) **Institutional uptake**: verifiable improvements in PES institutional or operational systems in at least one CAFI partner countries, supported by evidence that relevant technical-assistance outputs have been adopted, integrated into procedures or systems, or demonstrably applied by national institutions;
 - d) **South–South exchange**: delivery of at least one PES Clinic leading to at least three actionable outputs incorporated into national PES plans, technical-assistance requests or technical products; and an operational Community of Practice with at least four countries participating actively and four practical knowledge products produced and disseminated;
 - e) **Evidence** of application of the USD 50,000 co-financing to project activities, consistent with its agreed financing arrangements.
6. **Requests** the CAFI Secretariat to ensure that the changes to the project document are satisfactory before initiating the fund transfer request.
7. **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).
8. **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.

9. **Reminds** the implementing organization of its reporting obligations under the current CAFI Operations Manual, 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: