



## CAFI International Support to the FONAREDD Secretariat

**Adopted by mail, 16 January 2017**

### **EB.2017.01.**

*Whereas* according to the CAFI MOU Section 1 article 4, and the CAFI SAA Section 1 article 8, the Executive Board may decide to allocate additional direct cost to support the Fund management. The Executive Board may request any of the Participating UN Organizations, to perform additional tasks in support of the Fund. Costs for such tasks will be agreed in advance and with the approval of the Executive Board be charged to the Fund as direct costs.

*Whereas* paragraph 6 of the Executive Board decision, EB.2016.21., requests the MPTF-O and the CAFI Secretariat to support the establishment of a permanent Executive Secretariat of the DRC National REDD+ Fund (FONAREDD) and increase existing capacity.

*Whereas* the UNDP has been requested by the Ministry of Finance of DRC, chair of the FONAREDD Steering Committee and designated Coordinating Entity, to support the management of the FONAREDD Executive Secretariat. To this end a direct cost budget has been submitted for approval to FONAREDD only covering national staff due to the national nature of the Secretariat. Three international experts (to increase the current two positions of the interim secretariat to three) will be recruited to support the FONAREDD Secretariat. In addition, UNDP DRC will receive support from the back stopping provided by the CAFI Secretariat. The three international experts will include:

1. A senior program advisor (overall oversight and fund mobilization)
2. one REDD+ Expert (programmatic support) and
3. one Expert in Trust Fund/Secretariat operations (initial operationalization of the Secretariat and day-to-day operations thereafter).

Their main functions will be described subsequently in Terms of Reference. They will include among others:

1. support the overall management of the Fund
2. provide strategic guidance on programs, partnerships, policies and reforms
3. provide technical input during the programming cycle and
4. support day-to-day trust fund operations

*Whereas* the work plan of the FONAREDD Secretariat and proposed budget for the international support is presented below. The costs will be shared between the on-going UNDP support project to DRC and CAFI direct costs as approved by the Executive Board.

The Executive Board approves US\$ 289,970 as direct costs to the United Nations Development Programme to support the setting up and management of the FONAREDD permanent Executive Secretariat.

*The FONAREDD Executive Secretariat work plan with the activities the international staff will support:*

| Annual Work plan 2017: REDD+ National Fund   |  |            |    |    |    |                             |                  |                              |        |
|--|--|------------|----|----|----|-----------------------------|------------------|------------------------------|--------|
| Expected outputs<br>(indicators, baseline, annual<br>and quarterly targets)  | KEY PLANNED<br>ACTIVITIES  | CHRONOGRAM |    |    |    | Implementation<br>Structure | Ministry         | Budget                       |        |
|  |  | T1         | T2 | T3 | T4 |                             |                  | Categories                   | Total  |
| <b>Output: The DRC is gradually investing in the green economy</b>   |  |            |    |    |    |                             |                  |                              |        |
| <p>Indicator 1: Volume of climate funds mobilized by FONAREDD (secured over a period of 5 years)<br/>                     Baseline 1: 200 Million USD over 5 years<br/>                     Target 1 for 2017: 500 million USD over 5 years</p> <p><a href="#">Target 1.1 for 2017: an additional \$ 300 million pledged for REDD +</a></p> <p>Indicator 2: Number of sectors integrating climate concerns and improved management of natural resources.<br/>                     Baseline 2: one sector (environment and nature conservation under MECNT)</p> <p><a href="#">Target 2 for 2017: 5 sectors</a></p> <p><b>Project FONAREDD Secretariat</b><br/>                     Lower level output 1: The REDD + Investment Plan is implemented effectively through quality programs.</p> |  |            |    |    |    |                             |                  |                              |        |
| <b>Indicators:</b><br>1.1 Amount approved<br>1.2 Number of operational programs<br>1.3 Number of follow-up reports submitted<br>1.4 Programming Monitoring Tools Developed and Implemented<br><b>Baseline:</b><br>1.1 The FONAREDD COFIL approved 44 million USD in October 2016   | Issue a call of proposals for the second round of programming (\$ 70 million)  | x          |    |    |    | FONAREDD                    | Finance Ministry | 1. Staff and other personnel | 94,000 |
|  | Governance program developed and approved  | x          |    |    |    | FONAREDD                    | Finance Ministry | 4. Contractual services      | 90,000 |
|  | Secretariat support to the Agencies in their programming (harmonization of indicators, methodologies, integration of Technical | x          | x  | x  | x  | FONAREDD                    | Finance Ministry |                              |        |

|  |  |   |   |   |   |          |                       |                              |         |
|--|--|---|---|---|---|----------|-----------------------|------------------------------|---------|
| <p>1.2 FONAREDD launched a programming cycle of 122 million USD in May 2016; No operational program in 2016</p> <p>1.3 Zero</p> <p>1.4 Draft risk management matrix; Results framework of the Investment Plan; CAFI indicators.</p> <p><b>Targets 2017:</b></p> <p>1.1 80 Million USD is programmed and approved by the Fund's Steering Committee</p> <p>1.2 Programs for an additional \$ 40 million start operations in 2017</p> <p>1.3 12 semi-annual reports are received and examined in Technical and Steering Committees</p> <p>1.4 12 monitoring missions are carried out in the operational programs</p> <p>1.5 A risk management matrix is developed and validated and the Fund's monitoring and evaluation framework is harmonized.</p> | committee comments, etc.)  |   |   |   |   |          |                       |                              |         |
|  | Review of the portfolio programmed under CAFI by the independent evaluators and by the Technical Committee                                       | x | x | x | x | FONAREDD | Finance Ministry      |                              |         |
|  | Implementation of the Letter of Intent Follow-up Matrix (three months)   | x |   |   |   | FONAREDD | CTR/ Finance Ministry |                              |         |
|  | Monitoring of programs: tools developed, follow-up by the Secretariat and Technical Committee, consolidated reports                              | x | x | x | x | FONAREDD | Finance Ministry      |                              |         |
|  |  | x | x | x | x | FONAREDD | Finance Ministry      |                              |         |
|  | <b>Subtotal 1</b>  |   |   |   |   |          |                       |                              |         |
| <b>Lower level output 2: DRC mobilizes additional resources for the implementation of the REDD + Investment Plan through FONAREDD</b>  |  |   |   |   |   |          |                       |                              |         |
| <p><b>Indicators:</b></p> <p>2.1 Additional amount excluding CAFI for the National Investment Framework (NIF) is programmed by FONAREDD</p>  | Expertise and technical assistance for programming for the Green Climate Fund (objectives, results, activities, milestones, baseline, compliance | x | x | x | x | FONAREDD | Finance Ministry      | 1. Staff and other personnel | 100,000 |

|   |   |   |   |   |   |          |                  |                              |        |
|---|---|---|---|---|---|----------|------------------|------------------------------|--------|
| <p>2.2 Additional amount negotiated and / or secured through FONAREDD</p> <p>2.3 Internal and external resources fund the implementation of the objectives of the National Investment Framework</p>   | <p>with the Warsaw Framework, etc.)</p>   |   |   |   |   |          |                  |                              |        |
| <p><b>Baseline 2016:</b></p> <p>2.1 The REDD + NIF was reviewed positively by the CAFI's Executive Board in 2016, three program idea notes were developed to mobilize 300 million USD from the GCF, and the ER Program of Mai Ndombé was approved by the FCPF Carbon Fund</p>   | <p>Expertise in project design (in anticipation of and in parallel with the development of the GCF's programmatic approach)</p>   | x | x | x | x | FONAREDD | Finance Ministry | 1. Staff and other personnel | 35,500 |
| <p>2.2 CAFI has signed a financial commitment of 190 million USD through FONAREDD, of which USD 120 million will be secured until 2018</p> <p><b>Targets 2017:</b></p> <p>2.1 A portfolio of 300 million USD of the REDD + Investment Plan is the subject of more detailed programming for submission to the Green Climate Fund</p> <p>2.2 The DRC negotiates additional financing through FONAREDD with the Green Climate Fund and the Carbon Fund of the FCPF for a minimum amount of 200 million USD</p> | <p>Political and technical advocacy for resource mobilization and negotiation of legal arrangements (Korea Songdo missions, meetings with Board members, missions to Washington with the WB, CAFI missions, etc.)</p> | x | x | x | x | FONAREDD | Finance Ministry | 4. Contractual services      | 45,000 |

|   |  |   |   |   |   |          |                  |                         |                              |         |
|---|--|---|---|---|---|----------|------------------|-------------------------|------------------------------|---------|
| <b>Subtotal 2</b>   |  |   |   |   |   |          |                  | <b>180,500</b>          |                              |         |
| <b>Lower level output 3: The Fund's management tools enable efficient and high-quality execution of the portfolio, as well as a portfolio implementation adapted to the sources of financing and needs</b>  |  |   |   |   |   |          |                  |                         |                              |         |
| <b>Indicators:</b><br>3.1 New funding and implementation modalities;<br>3.2 Existence of a national legal framework and legal capacity for FONAREDD<br>3.3 Manual of Operations and Financial Rules and Procedures revised and/or developed<br><b>Baselines 2016:</b><br>3.1 FONAREDD has a specific grant window for CAFI funding<br>3.2 The Congolese Government has designated FONAREDD as the financial vehicle for the implementation of REDD + financing under the Convention and hence of the GCF.<br>3.2 A national decree is being validated<br><b>Annual targets 2017:</b><br>3.1 FONAREDD obtains access through its administrative agent UN MPTF<br>3.2 The legal access and financing agreement with the Green Fund is signed<br>3.3 The program cycle under | Technical support for the establishment of the operational structures of the Fund and establishment of the permanent Secretariat of FONAREDD   | x | x | x | x | FONAREDD | Finance Ministry | 4. Contractual services | 60,000                       |         |
|   | Independent evaluation of program proposals and concept notes (2 call for proposal)  |   |   |   | x | x        | FONAREDD         | Finance Ministry        | 1. Staff and other personnel | 180,500 |
|   | Support to dialogue with technical and financial partners (national and international: CAFI EB meetings and COP)                               | x | x | x | x | FONAREDD | Finance Ministry |                         |                              |         |
|   | Support for the preparation of the Steering Committee and building of ownership of the different stakeholder members of the Steering Committee | x | x | x | x | FONAREDD | Finance Ministry |                         |                              |         |
|   | <b>Subtotal 3</b>  |   |   |   |   |          |                  |                         | <b>240,500</b>               |         |

