



Approval of disbursement to DRC National REDD+ Fund – 5th sub-tranche

Adopted at EB 17 on 13 November 2020

EB.2020.18

Whereas

- CAFI signed a letter of intent with the Government of the DRC on 22 April 2016;
- On 3 October 2020 the Ministry of Finance of the DRC, as Chair of the Steering Committee of the DRC National REDD+ Fund (FONAREDD), requested the MPTF Office, as Administrative Agent of the CAFI Trust Fund, to disburse 41,306,821 US\$ for the implementation of the National REDD+ Fund portfolio based on the fund balance and the financial needs and programmatic projections (programs already approved and to be approved) with supporting documentation;
- This request included:
 - i. 5,000,000 US\$ of funding for first tranche of programs in the current pipeline
 - ii. 15,999,490 US\$ of funding for the second tranche of on-going programs
 - iii. 11,000,000 US\$ of additional funding for on-going programs
 - iv. 20,000,000 US\$ of funding for new programs (in addition to current pipeline)
 - v. 3,700,000 US\$ of funding for the direct cost of the FONAREDD Secretariat

minus the balance of the FONAREDD Trust Fund (14,393,179 US\$)

- The CAFI Executive Board examined the request of the Government of DRC;
- Taking into consideration the current balance in the FONAREDD Trust Fund, the lack of information available at the time of this decision to assess the implementation of the recommendations of the FONAREDD Technical Committee and the progress towards expected results; as well as the need to receive the conclusions of the mid-term evaluations of on-going programs :

1. The CAFI Executive Board approves the transfer of 19,606,311 US\$ from the CAFI Trust Fund to FONAREDD, to support the implementation of the programs as follows (see Annex 1):
 - 1,000,000 USD for the Program on Civil Society Engagement as per FONAREDD request;
 - 1,999,490 USD for the Program on Land tenure Reform as per FONAREDD request;
 - 5,000,000 USD for the PIREDD Mongala as per FONAREDD request;
 - 16,000,000 USD for the PIREDD Mai Ndombe under the following conditions, to be confirmed by the CAFI Secretariat to the Trustee that payment conditions have been met before disbursement to the agency:
 - Provision to the FONAREDD Technical Committee (TC) of a Preliminary Financial report as of December 2020 for its assessment;
 - Assessment of progress made in implementing the recommendations of the Mid-term evaluation by the TC;
 - Demonstration of financial needs and cash transfer as per MPTF guidance prior to the operationalization of the second tranche;
 - Agreement between the implementing agency and FONAREDD Steering Committee on the use of the interest generated by the cash deposited on the project account
 - Fulfillment of the recommendations from the Technical Committee;
 - 10,000,000 USD for the PIREDD Maniema, provided that a future funding approval to the Program (30,000,000 USD) will be counted in the new partnership in the decision of the FONAREDD Steering Committee.

2. The CAFI Executive Board recalls the final resolution of the 31st meeting of the FONAREDD Technical Committee in July 2020, that requested the final versions of the project documents to be reviewed by October 2020 and a revised note on the funding allocations for the second tranches of programs. This has not been made available to date.

3. The CAFI Executive Board notes that further disbursements can be made under the 5th sub-tranche after fulfilling the recommendations listed below;

4. The CAFI Executive Board recalls the recommendations from the FONAREDD Technical Committee, that, on the basis on the information available to the CAFI EB, have not been fulfilled:
 - **Program on Land Use Planning Reform:** Considering that neither the resolution of the 31st meeting of the FONAREDD Technical Committee (TC 31) on this project nor the revised note on second tranches is available, CAFI recalls the position it expressed during TC 31:
 - submission of an updated version of the program Annual Work Plan and budget to cover the costs of the sectoral studies (Forest and Agriculture) to assess the needs for 2020.
 - Launch of the mid-term evaluation at the earliest to assess the recommendations before the end of the year.
 - **PIREDD Kolomami:**
 - Considering the Technical Committee recommendations of its 30th meeting in May 2020, that requested a revision of the Terms of Reference of the program to be submitted and reviewed by email to make swift progress with the implementing agency in the project development;

- CAFI’s potential support to this programme would be recognized under the new partnership with the DRC.
In addition to the above recommendations, the CAFI Executive Boars thanks ENABEL for its expression of interest and reiterates its willingness to collaborate with the agency.
 - **Program on Norms** : Following the review of the Program Terms of Reference (ToR) during the 25th meeting of the Technical Committee held in November 2019, CAFI takes note of the transmission to the Technical Committee of a final version of these ToR on 10 November 2020 ; and looks forward to their endorsement by 24 November 2020 and to the subsequent launch of the Call for Expression of Interest.
5. The CAFI Executive Board recalls the position expressed to the members of the Steering Committee of the FONAREDD Secretariat program as follows:
- The program steering committee originally planned for August is organized at the earliest;
 - The membership of the program Steering Committee is reviewed; the CAFI EB asks in particular that one board member and the CAFI Secretariat represent CAFI in Committee. The CAFI EB asks the CAFI Secretariat to report back from these meetings;
 - The annual report for 2019 is shared (in due time before the meeting) and approved by the program Steering Committee;
 - The reports (narrative and financial) from previous years required by the MOU are uploaded on the MPTF Gateway;
 - An updated workplan and spending for 2020 and an evaluation of actual needs for 2021 are shared;
 - Substantial progress in the agreed recruitment process of international technical support is made
 - The project document to be reviewed to reflect the staffing needs to meet the expected results and ambitions of a new partnership in the organigram and budget.
6. The CAFI Executive Board thanks the FONAREDD Secretariat for sharing this decision with the FONAREDD Technical Committee as well as with the Implementing Agencies and national counterparts in charge of the programs listed in the FONAREDD funding request.

Signed by

UN Executive Board member

Njoya Tikum

Chair of the Executive Board

Bernhard Worm

Manager of the Sub-Regional Hub for West & Central Africa, United Nations Development Programme (UNDP)

Date

Senior Policy Advisor in the Service of Rural Development, Land Rights, Forests and Animal Husbandry, German Federal Ministry of Economic Cooperation and Development (BMZ)

Date

ANNEX 1 – APPROVED CAFI TRANSFER TO FONAREDD AS PER FUNDING REQUEST

PROGRAM	FONAREDD request	CAFI Transfer (13/11/2020)
PIREDD Mai Ndombe	10,000,000	10,000,000
Civil Society Engagement	1,000,000	1,000,000
Land Tenure Reform	1,999,490	1,999,490
Land Use Planning Reform	3,000,000	0
FONAREDD Secretariat	3,700,000	0
PIREDD Mongala	5,000,000	5,000,000
PIREDD Mai Ndombe (Plateau)	6,000,000	6,000,000
PIREDD Maniema	10,000,000	10,000,000
Kasai Oriental-Lomami	10,000,000	0
Norms	5,000,000	0
Total	55,699,490	33,999,490
FONAREDD Trust Fund Funding balance		- 14,393,179
Demonstrated needs		= 19,606,311