

# 20th CAFI Executive Board Meeting - Public Report

3 & 6 May (Part I), 23-24 & 27 June (Part II) and 7 July (Part III) 2022



## Introduction and agenda

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The 20<sup>th</sup> meeting of CAFI's Executive Board (EB20) took place in three parts, covering the following topics:

- **Part I (3 & 6 May 2022, in Seoul and online):** Review of the Fund's financial status; annual report exercise, trust fund operational issues;
- **Part II (23-24 & 27 June 2022, in Oslo and online):** Country sessions with the DR Congo, Republic of Congo, Gabon, Equatorial Guinea, Central African Republic and Cameroon; Fund level sessions on the annual report, risk management strategy, the regional study on drivers and trends of deforestation and degradation of forests, gender integration, CAFI Scientific Network, communication campaign on social change, fund governance, and accreditation of new implementing organizations;
- **Part III (7 July 2022, in Libreville and online):** High level roundtable on the vision for CAFI 2030.

This report presents the key points raised and the conclusions reached during the three parts of EB20.

## Part I

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The first part of EB20 took place in Seoul and online on 3 and 6 May, at the margins of the World Forestry Congress. The meeting was hosted by the Korea Forest Service.

### The CAFI Fund's financial status

- Total donor commitments to CAFI amount to USD 787 103 627 (as of 31 Aug 2022), of which 65.2% (USD 513 499 361) have been deposited, coming from the UK, France, Netherlands, Germany and the European Union. Norway and Germany remain the two most important donors, with total deposits to the CAFI Trust Fund of more than 300 million USD and more than 150 million USD, respectively.
- As of end of April 2022<sup>1</sup>, CAFI's total approved budget amounts to 349 million USD. Out of this, 251 million USD have been allocated to the DRC, followed by Gabon (21 million USD) and the Republic

of Congo (12 million USD). Budgetary implementation figures are expected to increase, as financial reporting deadlines are approaching. A total of 236 million USD had been transferred to programs and to the DRC's National REDD+ Fund (FONAREDD) as of end of April.<sup>2</sup>

### Annual reporting exercise

- The *CAFI Highlights Report 2021*, of which a draft version was presented to the Board, provides a condensed version of the fund's annual report, targeting decision makers in the CAFI donor governments. To emphasize CAFI's character as a two-pronged instrument, the 2021 report puts policy results (e.g., commitments in the [new LOI](#) with the DRC) on equal footing with the results of investment programs. For the first time, the report includes data from the [publicly available portal](#) from the FAO-led regional study on deforestation drivers, to contextualize the results.
- 2021 was a record year for fund mobilization, and CAFI delivered programs through eleven different implementing organizations (the most recent program approvals for IUCN, TNC, One Acre Fund and Farm Africa will augment this number). CAFI's 2021's main policy results include the adoption of the ambitions enshrined in the [new LOI](#) signed with the DRC on 2 November 2022, in the context of COP26.

### Operational issues

#### Risk Management Framework

- The CAFI Secretariat has prepared a revised Risk Management Framework for the Fund, based on the recommendations and terminology of the Copenhagen Circle for Risk Management, thus categorizing risks into contextual (applying to partner countries), institutional (applying to CAFI and the implementing organizations) and programmatic (applying to all actors) risks.
- The CAFI Secretariat will update the Risk Management Framework based on the Board's comments and prepare a draft decision for review and adoption by non-objection by the Board.

#### Monitoring, evaluation and learning (MEL)

- The CAFI Secretariat has developed a draft MEL Policy and will continue its work to review and strengthen its MEL tools, including guidelines targeted at implementing organizations that, for enhanced and harmonised reporting across programs.

#### Asset management reporting

- The Executive Board agreed to review possibilities for introducing additional requirements for implementing organizations to report on fixed asset management on a regular basis throughout the duration of a program.
- In line with Decision EB.2022.06, adopted by EB20, the CAFI Secretariat will collect information on relevant funds and organizations' procedures and policies for the management and reporting of fixed assets, conduct a pilot inventory of the fixed assets of CAFI's implementing organizations and report back to the EB with the conclusions of the information collection exercise. This is likely to take place in the last quarter of EB20. ...

#### CAFI's Terms of Reference and Manual of Operations

- The Executive Board reviewed the Trust Fund's TORs and MOP (first adopted on 14 January via decision [EB.2021.01](#), and revised on 17 December 2021 via decision [EB.2021.30](#)), aimed at detailing access modalities for Non-UN Organizations (NUNOs) in line with new MPTF requirements, notably to include an assessment of the NUNOs' capacity to prevent and respond to sexual exploitation, abuse and harassment (SEAH), require the NUNO's legal registration in the country of operation as

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<sup>2</sup> Updated figures are made available on MPTF's website: <https://mptf.undp.org/fund/afi00>

well, request the legal consent of the partner government and improve the procedures for assessment of conformity with social and environmental safeguards. The review of the documents is still ongoing; the revised versions will be adopted by the Board in due course.

### Decisions adopted during the meeting

- [EB.2022.06: Development of Reporting Requirements on Fixed Asset Management for CAFI Implementing Organizations](#)

## Part II

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EB20 Part II took place in Oslo and online, on 23-24 and 27 June, at the margins of the Oslo Tropical Forest Forum. The meeting in Oslo was hosted by the UNDP Oslo Governance Centre, in partnership with Norway's International Climate and Forest Initiative (NICFI) and the Norwegian development agency (Norad). The first two days of the meeting consisted of country sessions, involving representatives of CAFI's partner countries. The third day of the meeting was devoted to Fund level operational and thematic discussions.

### Country session on the Democratic Republic of Congo

The country session was attended by Deputy Cabinet Director of the Ministry of Finance, Ginette Nzau (in person), Advisor to the Minister of Finance, Jean-Paul Boketsu (online) and Climate Advisor to the Minister of Environment and Sustainable Development, Dr. Joseph Malassi (online).

### Update on the partnership between the DRC and CAFI

- CAFI has 18 ongoing programs in the DRC, including 7 PIREDDs and 11 sectoral programs. As of June 2022, 171.2 million USD of the total approved budget of 249.9 million USD had been transferred to the FONAREDD. The total expenses of FONAREDD's portfolio amount to 113.2 million USD.<sup>3</sup>
- In 2021, important program progress was achieved with regards to new contracts and activities on the ground. CAFI's field investments (through the PIREDDs) have benefited 30 000 people in nine provinces. Other major results are linked to the development of new key policies on land use planning, energy and agriculture. Furthermore, the land tenure policy from 1980 was updated and adopted to help local communities secure access to land and investments; and drafts of the new agriculture and energy policies were developed at the national level. Besides, a significant share of CAFI investments goes to building and strengthening community structures and capacity, which is cost intensive, but does not readily show up in the quantified results that are monitored and published.
- A total of 33 million USD of second tranche funding (i.e., the second tranche of the approved program budgets) has already been transferred to existing programs in the DRC. Another 67 million USD is expected to be transferred to ongoing programs once and if these meet the conditions for receiving the second tranche of funding.
- The new [Letter of Intent signed between the DRC and CAFI on 2 November 2021](#), as well as the first Call for expression of interest (Eoi) (see [Decision EB.2022.12](#)), was endorsed by the government of DRC on 30 May during a formal signing ceremony with Her Excellency the Vice-Prime Minister, Minister of Environment and Sustainable Development, Eve BAZAIBA, as well as His Excellency the Minister of Finance, Nicolas KAZADI.

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<sup>3</sup> Updated figures are made available on the MPTF's website: <https://mptf.undp.org/fund/afi00>

- Subsequently, a workshop with interested technical partners was held in Kinshasa on 16 June 2022 to ensure a common understanding of programming priorities for the new partnership. Discussions were primarily centered around the modalities for access to funding for national entities, the managing agent modality, as well as the accreditation process for non-UN organizations. More information on the call for expressions of interest is available on the [CAFI website](#).

#### Continued discussions between CAFI and the Government of the DRC

- The CAFI EB and the Government of the DRC maintain their dialogue on modalities for governance and implementation in the context of the new LOI, notably on opportunities for reinforcing the capacities of national entities and civil society organizations in the context of programming efforts, as well as securing enhanced national ownership of results.
- Considering that several programs will reach their closure date in 2022 or 2023, the CAFI EB and the DRC Government are working on developing measures to avoid the interruption of support to key program efforts, notably through a pipeline of fast-track programs.
- The two parties will hold technical meetings to jointly monitor the progress towards the milestones due in 2022. The process and timeline will be clarified with the government. The latter is ensuring necessary follow-up with sectorial ministries and sees it as a priority to achieve important milestones ahead of COP27. COP27 in Egypt and the associated PRECOP in the DRC will provide valuable occasions to present progress achieved in the context of the LOI. Objectives expected to be achieved shortly include the publication of the legal review of forestry concessions, the launch of the Program on Sustainable Forest Management (PGDF), the finalization of the new national family planning strategy, and progress in the process related to the national land use planning council.

#### Country session on the Republic of Congo (RoC)

The session was attended by the Land Use Planning Councilor to the Minister, Antoine Goma (online), Permanent Secretary for coordination of the CAFI-RoC partnership, Jean de Dieu Nzila (in person).

#### Update on the partnership between the RoC and CAFI

- Recent progress achieved includes the improved high-level engagement at the political level, demonstrated capacity to adjust the partnership review process in order to respond to specific requests made by the Inter-ministerial Committee, and the approval of four programs, with six others at the final stages of development. Three of the programs are dedicated to support the involvement in the partnership of governmental actors (coordination support program), civil society (under development) and private sector (upcoming).
- The LUP Ministry seeks to use the upcoming LUP program to bolster inter-ministerial coordination for decision-making, and create a connection with the local levels, through the *Groupe d'animation et de concertation sur l'aménagement du territoire* (GACAT) concertation group that will be created by the program. The Ministry and its technical partner AFD hope to have both programs signed shortly, in order to establish the coordination units and enable effective launch of activities in due course.

#### Country session with the Republic of Gabon

The session was attended by Linsey Simone Embinga, head of the Program Management Unit for the CAFI 1 program (in person).

## Update on the partnership between Gabon and CAFI

- The activities of the project management unit of the CAFI 1 program were suspended from July to September last year, causing a delay in program implementation. However, adequate measures have been taken to address the challenges faced, and accelerated progress is expected shortly.
- Five programs have been developed by the Government and proposed for funding under the first results-based payment (of 17 million USD) under the partnership signed between Gabon and CAFI in 2019:

<b>Implementing organization</b>	<b>Title of program</b>	<b>Transfer as part of first results-based payment (USD)</b>
UNDP	Providing Education and Access Opportunities of Urban Populations to Forested Gardens and City Parks	<b>1 562 966.83</b>
UNESCO		<b>261 080.00</b>
UNDP	Safeguarding and Extending Gabon's Protected Area Network	<b>9 025 878.00</b>
TNC	Reducing Emissions Through Improved Forestry Management: Implementation of a National Scale Certification and Community Forestry Program in Gabon	<b>2 935 096.31</b>
TNC	Forest Ecosystem Research and Monitoring Program	<b>2 492 310.00</b>
UNDP	Strengthening of Institutions for Coordination and Implementation of Climate Policy Programs (CAFI Coordination Program)	<b>722 000.00</b>
<b>TOTAL</b>		<b>16 999 361.14</b>

- In addition to this amount, Gabon has requested 767 486 USD of non-results-based resources, to top up the budget of the coordination program.
- The five new programs correspond to the priorities of [Gabon's National Investment Framework pertaining to the results-based partnership with CAFI](#).
- The Coordination Program is expected to play an important role in strengthening and streamlining monitoring of the portfolio of CAFI programs, as well as the communication on progress, results and challenges with the Ministry of Economy (i.e., the ministry that signed the Letter of Intent with CAFI on behalf of the government of Gabon). This should in turn enable accelerated progress towards the remaining milestones of the LOI.
- The annual review of the partnership between CAFI and Gabon took place in Libreville on 7-8 July 2022.

## Country session with Equatorial Guinea

The session was attended by Ms Bindang Ndong Okiri, Secretary of State for Planification at the Ministry of Finances, Economy and Planification (in person).

- A call for expressions of interest was launched by CAFI ([EB.2021.09](#)) to conduct an exploratory study on government support and policy dialogue to collect data on forestry, logging and land use planning, map actors in these sectors as well as explore options for integrated programs.
- Following an assessment of the submissions received, the EB agreed to invite AFD to develop a program document as well as to offer support to FAO's ongoing LUP program in Equatorial Guinea.
- Equatorial Guinea's National Land Use Plan was launched in June 2021 with support from FAO. A workshop on land use planning was organized in February 2022 during which a land use methodology was validated. One of the main deliverables of the methodology is forming and activating the National Commission on Land use Classification. Furthermore, a National Forest

Inventory is being developed with FAO and with funding from GEF since 2019 and will be completed in 2023.

- As stated in Decision EB.2022.10, [adopted by EB20, CAFI has invited AFD](#) to develop a program document to support the policy dialogue between CAFI and Equatorial Guinea and to conduct exploratory studies, and invited the FAO to submit a formal proposal for a small grant to sustain and enhance their support to land use planning.

## Country session with the Central African Republic (CAR)

The session was attended by Gildas Igor Tola Kogadou, Coordinator of the National Climate Coordination unit (online)

### Preparations of a partnership between CAR and CAFI

- The CAFI Secretariat undertook its first technical mission to CAR in April 2022, helping to advance high-level dialogue aimed at designing the partnership between CAR and CAFI, for implementation as of 2023, initially in the form of governance mechanisms and a programmatic framework. The technical mission laid bare the need to provide experts orientations regarding which sectors to prioritise. The partnership could take two parallel approaches: policy dialogue and reform milestones at the central, national level (with a focus on land tenure and development), and local jurisdictional pilot programs with quantified targets for forest preservation, agroforestry, land use planning, etc. Corresponding outcomes could be designed at the central level and at the local level for coordination, LUP & land tenure, forests, agriculture and wood-fuel, environment and mining sectors.
- Proper security management will be imperative to increase chances to achieve goals. CAFI needs to determine what the acceptable risks will be prior to defining investments. Security risks will have effects at the partnership level, at the funding/programmatic level and at the program implementation level: all three levels need adequate management at all levels.
- The CAFI EB agreed to provide a no-cost extension to the implementation period of the preparatory grant for AFD to conduct prefeasibility studies as well as policy dialogue in CAR ([approved by CAFI in November 2020](#)).

## Country session with Cameroon

### Preparations of a partnership between Cameroon and CAFI

- The EB committed to accelerate the development of an ambitious partnership between CAFI and Cameroon. This partnership would aim to assist Cameroon in the development and implementation of strategic investment plans for priority sectors (e.g. mining, agro-industry, forestry, and energy), thereby contributing to the competitiveness of Cameroonian goods on international markets, while reducing deforestation - in line with Cameroon's commitments in the Nationally Determined Contributions (NDCs) submitted to the UNFCCC. CAFI is also committed to facilitating private sector access to large and affordable international funds, many of which are conditional on meeting climate and environmental commitments.

## Fund level thematic and operational sessions

### CAFI's annual report 2021

- Due to additional annual reporting requirements introduced by CAFI recently, some programs are still in the process of achieving compliance with the new requirements. Levels of compliance with the requirements seem to be program specific rather than specific to each implementing organisation; thus, it appears to depend on the capacity of each program team.

- Programs were requested to submit two types of financial reports for 2021: per UNDP category, and per outcome and outputs. Only one program did not submit financial information by outcome and outputs in its annual report for 2021. A few programs submitted incomplete information.
- For the programs in the DRC, FONAREDD's governance bodies ensure the review of program results and workplans, conduct field visits, provide recommendations and follow up on their implementation on a regular basis. In addition, the CAFI Secretariat ensures increasing dialogue with the programs.
- The Annual Report of the Fund was not adopted by the EB during the meeting, pending the incorporation of comments shared by Board members. The CAFI Secretariat will follow up on this in due course.

#### Risk management framework

- The Secretariat has updated the Fund's risk management framework, based on the draft presented to the Board at EB20 Part I (in Seoul), incorporating comments received by the board members.
- Once finalised, the revised risk management framework will be presented to the Board for adoption.

#### Regional study on drivers of deforestation and degradation of forests in Central Africa

- CAFI's FAO-implemented [project to assess deforestation and forest degradation trends and associated current and historical direct drivers in the six CAFI partner countries](#) has involved significant work on capacity building and replicability. The FAO maintains regular dialogue with the ministers from the six countries and organizes bi-monthly webinars to disseminate data. Moreover, the FAO is replicating the project in West Africa, as well as applying the same methodology at the country level.
- The study has resulted in the first ever deforestation dataset that has been statistically cross-validated; this is [easily available online](#). The data was presented at the Oslo Tropical Forest Forum in June, and at the CBFP meeting in Libreville in July.
- The study indicates that deforestation and degradation appear to have decreased since 2017, but the FAO still cannot draw conclusions as to why. However, it is possible to develop a coherent narrative based on the assessment of the drivers and the overlap between them..
- Ongoing project activities include the finalisation of two publications that will be submitted to peer-reviewed publications, work to determine how previous land use enables current disturbances, and how to spatialize indirect driver information.

#### Gender targets

- For the last annual program reporting cycles, the EB has adopted objectives with regards to the number of active programs listed as *gender responsive* (i.e., meeting four out of the four gender criteria defined by the [UN-REDD gender marker rating system](#)) and highly gender sensitive (i.e., meeting three out of the four gender criteria).
- The Board agreed to introduce an additional type of target for 2022 and onwards, namely objectives for gender integration into *new* programs, i.e., aim for all new programs to qualify as highly gender sensitive prior to being approved by the Board. This implies that all new programs will have to meet at least three gender criteria, by providing gender analysis, defining indicators for M&E related to gender, and allocate budgetary resources to gender integration measures.

#### CAFI Scientific Network

- The Board discussed the possibility of setting up a scientific network associated with CAFI, aimed at convening scientific partners, facilitating understanding of different scientific datasets and relates results, informing the development and implementation of letters of intent, and supporting and funding needed research. The discussions on this matter will continue.

#### Communication campaign on social change

- Germany has proposed to launch a communication campaign on social and behavioral change in the context of selected CAFI programs, aimed at contributing to the objective to reduce deforestation and degradation, while promoting sustainable development. A proposal for respective ToRs will be presented in Q3.

#### CAFI governance

- The Board discussed possible options to further strengthen its partnerships with the partner countries, in preparation of the CAFI high-level roundtable in Libreville in July.

### Decisions adopted during and following the meeting

- [EB.2022.07: Gender targets](#)
- [EB.2022.08: Republic of Congo – Approval of the program document of the Sustainable Land Use Planning Program \(PUDT\)](#)
- [EB.2022.09: Central African Republic – No cost extension of the prefeasibility studies support project](#)
- [EB.2022.10: Equatorial Guinea – PRODOC development](#)
- [EB.2022.13: Gabon – approval of results-based payment](#)

## Part III

### Summary of the event

Part III of EB20 took form as a high-level roundtable, organized at the margins of the 19<sup>th</sup> Meeting of the Parties of the Congo Basin Forest Partnership, hosted by the Government of Gabon, in Libreville.



The roundtable provided a space for dialogue and exchange amongst high-level representatives from CAFI's donor and partner countries as well as key technical partners. The high-level representatives addressed lessons learnt from the partnerships established by CAFI thus far, as well as the opportunities and perspectives for continued fruitful collaboration. Furthermore, they outlined their vision for CAFI going forward, emphasizing the strengths of the

initiative as well as areas of potential improvement.

The event was moderated by the Head of the CAFI Secretariat, Ms. Berta Pesti. The following high-level representatives attended the meeting:

Country/organization	Title and name
Republic of Gabon	His Excellency the Minister of Waters, Forests, Sea and Environment, Dr. Lee White
Republic of Gabon	Permanent Secretary of the National Climate Council, Mr. Tanguy Gahouma
Republic of Congo	Director of Cabinet of the Ministry of Forest Economy, Mr. Pierre Taty
Democratic Republic of Congo	Deputy Director of Cabinet of the Ministry of Finance, Ms Ginette Mtuta Nzau
COMIFAC and Cameroon	President of COMIFAC and Minister of Wildlife and Forests, Mr. Jules Ndongo Doret
Germany	His Excellency the State Secretary of Economic Development and Cooperation, Mr. Jochen Flasbarth
France	Director of Sustainable Development, Ministry of Europe and Foreign Affairs, Mr. Philippe Lacoste
Norway	Special Envoy of the Ministry of Climate and Environment, Mr. Hans Brattskar
United Kingdom	Head of International Forests Unit, Department for business, energy and industrial strategy Maggie Charnley
United Nations, Gabon	Resident Coordinator, Ms Savina Ammassari
United Nations Development Programme, Gabon	Resident Representative, Mr. Francis James



The Nature Conservancy (TNC), Gabon	Director, Ms Marie Claire Paiz
French Development Agency (AFD)	Director of the Department of Ecological Transitions and Natural Resources, Dr. Gillez Kleitz

## Conclusions

The high-level representatives of the donor and partner countries reached consensus on a set of proposed next steps aimed at improving their collaboration and strengthening the partner countries' national ownership of the partnerships. Amongst others, it was proposed to organise more frequent meetings with the donor representatives in the Central African region; enhance high-level representation in the policy dialogue between donor and partner countries; facilitate and promote the participation of eligible national technical partners in the implementation of program objectives, and ramp up capacity building of national entities. Finally, the partners agreed to continue the dialogue on these matters, and to translate their vision into concrete next steps in due course.