



CAFI Executive Board Decision

Regional - Private Sector Facility: Approval of Budget Adjustment for Faja Lobi's Agro-Industrial Zone Project

EB.2024.25

Adopted by email on 30.07.2024

Considering:

- The Call for expression of interest ([2023//03/PRIVATE SECTOR](#)) which was launched on 19/09/2023, which was widely advertised.
- The initial approval of the Faja Lobi's project budget amounting to \$444,000 for the preparation phase of the "[Deforestation-free Agro-Industrial Zone at Faja Lobi](#)" as per [decision EB.2024.07](#)
- The recent correspondence by Faja Lobi, identifying an oversight in the budgetary provisions for direct costs related to the Project Management Unit (PMU), specifically the lack of dedicated administrative infrastructure.
- The specific needs arising from the industrial nature of the project, which requires separate administrative handling distinct from other Faja Lobi initiatives, thus necessitating an enhanced structural and equipment setup.

Acknowledges:

- Faja Lobi's proactive disclosure of the oversight and their commitment to project management.

- The quotation provided by Faja Lobi estimating an additional need of \$37,694 to cover the rental costs for setting up two additional offices and related facilities at Bitshambele, the central village of the future Agro-Industrial complex.

The Executive Board:

1. **Approves** the additional funding preparation grant request of \$37,694 USD for Faja Lobi's Agro-Industrial Zone project to ensure adequate administrative infrastructure is established, facilitating project success and efficient management.
2. **Confirms** that CAFI funding will not be used for constructing permanent infrastructure. All necessary infrastructure needs will be met through rentals and temporary setups not exceeding the duration of the preparation phase, which is six months.
3. **Requests** Faja Lobi to submit a revised budgetary outline for the preparation phase incorporating the additional costs with justifications and a projected timeline for the establishment of the new administrative units.
4. **Mandates** UNOPS and the CAFI Secretariat to monitor the deployment of the additional funds and the timely setup of the administrative infrastructure, ensuring compliance with CAFI's set guidelines.
5. **Instructs** UNOPS to finalize the amendments to the grant agreement with Faja Lobi reflecting this budget adjustment.