



Letter of Intent

for

the Partnership between Cameroon and the Central African Forest Initiative (CAFI)

between

the Government of the Republic of Cameroon

and

the Central African Forest Initiative (CAFI)

Hereinafter jointly referred to as the "Signatories".

PREAMBLE

Recognising :

- The choices expressed in the objectives set out in Vision 2035 and translated into Cameroon's National Development Strategy 2020-2030 (NDS30), through the willingness to *'Strengthen measures to adapt to and mitigate the effects of climate change and environmental management in order to guarantee economic growth and sustainable and inclusive social development'* and the need to *'develop appropriate strategies to deal with threats such as deforestation'*;
- The orientations of the Nationally Determined Contribution (NDC) and the declared will of the Government of Cameroon to implement it with a view to achieving the objectives of the Paris Agreement;
- Cameroon's commitments under the United Nations Convention on Biodiversity (CBD), and more specifically the country's commitment to protect at least 30% of its territory by 2030 (30x30 objectives);
- Regulation (EU) 2023/1115 of the European Parliament and of the Council of 31 May 2023 on the making available on the Union market and the export from the Union of certain commodities and products associated with deforestation and forest degradation and repealing Regulation (EU) (the European Union Imported Deforestation Regulation);
- The requirements of the Partnership Agreement between the European Union and the Republic of Cameroon on forest law enforcement, governance and trade in timber and derived products to the European Union (VPA/FLEGT);
- The COMIFAC 2015-2025 Convergence Plan for the Sustainable Management of African Forest Ecosystems and its six priority areas for action;
- The Declaration of Commitment for the Forests of Central Africa by the COMIFAC Member States and the call for equitable funding of 26 August 2021;
- The drivers of deforestation and forest degradation as presented in Cameroon's National REDD+ Strategy¹,

The Signatories express their willingness to establish a partnership on the basis of this Letter of Intent, following the decision of the Executive Board of CAFI EB.2024.34.

This Letter of Intent sets out the purpose, principles and terms of the partnership for the period of 2025-2035. The overall scope of the partnership will depend on the progress made in achieving the objectives and milestones set for the first phase of the partnership 2025-2027 (known as the start-up phase); this

¹The National REDD Strategy lists the many direct and indirect causes of deforestation, including first and foremost the expansion of agriculture (shifting and permanent agriculture), the extraction of wood (commercial, fuel wood, charcoal) and the expansion of infrastructures (transport, housing, private companies and public services) and demographic growth, as well as the causes of forest degradation such as the extraction of wood and minerals, associated with livestock, transhumance and the expansion of cocoa plantations.

progress will condition the transition to a phase of gradually scaling up the partnership over the subsequent periods through to 2035.

I. PURPOSE OF THE PARTNERSHIP

Aligned with the strategic objectives of Cameroon, notably the Vision 2035 and the NDS30 on the one hand; and the climate change commitments on the other, such as the Paris Climate Agreement and the Glasgow Leaders' Declaration on Forests and Land Use, the long-term objective of the partnership between CAFI and Cameroon from now to 2035 is to support the development of Cameroonian value chains (in the field of agriculture, forestry and mining) to make them more inclusive, competitive and free from deforestation. To this end, the signatories will work collectively based on substantial, additional, new and predictable funding:

- To halt and reverse forest loss and land degradation in line with the Glasgow Leaders' Declaration on Forests and Land Use,
- To compensate for residual losses of forest cover through natural regeneration, afforestation-reforestation and agroforestry;
- To preserve the functioning of wetlands and peat bogs by managing them sustainably, preserving them wherever possible and restoring drained areas;
- while ensuring and promoting the development of sustainable, competitive and inclusive agricultural, forestry and mining value chains, that also create jobs, to contribute to Cameroon's objective to transition to an emerging economy by 2035.

To achieve this, the partnership's medium-term objectives include working collectively to:

- stabilise the loss of forest cover by 2026 and then progressively and significantly reduce it by 2029, using the historical average of deforestation estimated at 110,000 ha per year over the period 2016-2022 as a reference², with the reference level to be submitted by the Government of Cameroon to the UNFCCC in 2025; and based on the mobilisation of effective resources, including from international sources, to achieve the said objective in accordance with the principle of “common but differentiated responsibilities and respected capabilities, in the light of national circumstances” enshrined in the UNFCCC;
- make major efforts, progressively, to compensate for the residual loss of forest cover through natural regeneration, afforestation-reforestation and agroforestry;

² FAO data.

- make a major effort to preserve the functioning of wetlands and peatlands by managing these areas on a long-term basis, preserving them wherever possible and renaturing areas that have already dried out;
- implement the objectives of the SND30 and this Letter of Intent with a view to contributing to Cameroon's transition to an emerging economy.

To achieve these ambitious objectives, the Government of Cameroon is committed, with the support of CAFI, to taking action in the following three areas:

1. **Cross-sectoral and multi-level governance of natural resources.** The aim is to ensure territorial coherence, the attractiveness and economic competitiveness of the country by improving the well-being of the population through sustainable management of natural resources, particularly forest resources, spatial planning and optimisation of land use. To this end, a framework for intersectoral and multi-stakeholder dialogue and consultation³ will be promoted to decide land use using a decentralised approach based on the National Zoning Master Plan and the Regional Land Use and Sustainable Development Plans. This way, the entire national territory will be covered with spatial planning tools at regional and communal level, and the full implementation of these plans will be ensured. This will also allow that local stakeholders and titleholders are able to lead the implementation through the introduction of incentives for councils.
2. **Sustainable intensification of agriculture within the non-permanent forest domain.** The Non-Permanent Forest Domain ('DFnP' in French) is made up of all the forested land within the so-called "common" areas in rural areas, governed by customary land rights or by titles under positive law. Within the DFnP, there are also 86 agro-industrial plots granted to the large-scale private farming companies, with a total useful agricultural area (UAA) of 527,886 ha. The main driver of deforestation in this area is the expansion of agriculture, primarily for family use and to a lesser extent for industrial purposes.⁴ The aim of the partnership is therefore to promote sustainable intensification and increased productivity of family and industrial agriculture on existing agricultural land. This is anchored in the land use and zoning plans, at national and regional level, as well as in agroforestry. In this manner, national food security will be ensured and growing regional demand met, while reducing demand for new land and incentives to deforest for agricultural production. Cameroon commits to completing a vast transition from conventional agriculture to environmentally friendly, deforestation-free production by 2035.
3. **Preservation and sustainable management of the Permanent Forest Domain (DFP in French).** In compliance with its legal framework and its international commitments in terms of forestry, climate and biodiversity conservation, Cameroon confirms its commitment to preserving and

³ The Law No2011-008 of 6 May 2011 on land use planning and land sustainable development policy already plans the establishment of a Land Use planning National Council, for which the draft decree for its organisation and functioning will be elaborated in the start-up phase of the CAFI- funded project.

⁴ Once published, the Lol intends to cite data from the FAO regional study financed by CAFI.

sustainably managing the areas and boundaries of its permanent forest domain (DFP)⁵ covering almost 18 million hectares, i.e. more than 78% of the forests and 39% of the national territory. Once these forests have been classified by the decree of the Prime Minister as part of the private domain of the State or the Commune, they can no longer legally change use. The entire DFP constitutes a reservoir of biodiversity that is representative of all forest ecosystems on a national scale. The National Parks are intended for the protection of biodiversity and for tourism, while the leased hunting areas (*ZIC in French*) are used primarily for game hunting. Forest concessions and communal forests are exploited by the private sector and councils, primarily for timber intended for export, and progressively more and more for the domestic market. All forest concessions and communal forests are subject to mandatory management and environmental and social impact assessments. The trend now is to seek to optimise investments by diversifying economic activities while reducing impacts within the DFP.

II. FUNDAMENTAL PRINCIPLES

The Republic of Cameroon and CAFI recognise the importance of respecting the following principles to guide the implementation of the partnership:

1. Conducting a high-level, ongoing multi-sector policy dialogue through a consultation framework facilitated by the Ministry of the Economy, Planning and Regional Development (MINEPAT), bringing together the relevant government departments and the country's technical and financial partners, in particular those who are members of CAFI's Executive Board, to jointly monitor the implementation of the Letter of Intent;
2. Respect for the principles of consultation, participation and transparency in the conduct of reform and policy processes;
3. Ensuring a participatory approach to land allocation and use, respecting the principles of consultation and transparency in the processes;
4. Recognition and respect for the rights and aspirations of all stakeholders, including women, young people and civil society, the land tenure rights of local communities and the right to free prior informed consent of indigenous peoples;
5. The inclusion of the private sector in implementation approaches with a view to ensuring the sustainability of interventions and their results;
6. A performance-based approach that will guide CAFI's efforts to mobilise resources on the basis of progress made and verified results, making it possible to trigger payments for environmental services;

⁵ In 2022, this permanent forest domain included 37 Protected Areas (4,820,66 ha of PA), 59 forest reserves (374,134 ha of FR), 121 forest concessions (7,076,782 ha of FMUs), and 68 hunting areas (5,366,427 ha of ZIC/DFP) and ZIC-GC partly on the DFP and DFNP, with some of the ZIC and ZIC/GC in the southern regions superimposed on DFP forest concessions). DFP land is privately owned by the State. The 72 communal forests (2,330,062 ha of CF), and potentially the future regional forests, also belong to the DFP as private property of the councils (and regions).

7. Increased coordination and the search for synergies by the Government and its public and private partners between the various policies, initiatives and programmes relating to land use, natural resource management and the country's climate commitments.

III. GENERAL APPROACH

The State of Cameroon and CAFI agree to enter into a partnership based on a progressive results-based approach.

Through this approach, the partners seek a proportional and progressive increase in funding, to support actions that will contribute to progress towards the achievement of milestones over time, conditioning CAFI's grant funding. Furthermore, the availability of grant funding from CAFI is a precondition at the beginning of each new phase. Through this results-based progressive commitment mechanism, CAFI and the Government of Cameroon negotiate respective commitments which are the subject of specific protocols for each financial contribution.

These successive protocols form an integral part of this Letter of Intent and will be added each time a new financial commitment is made. They define the results to be achieved and upon which additional funding is conditioned.

The *CAFI-Cameroon Start-up Protocol* attached to this Letter of Intent defines the respective commitments of CAFI and the Government of Cameroon during the start-up phase of the partnership over the 2025-2027 period. The achievement of the milestones of the start-up phase will condition the transition to the scale-up phase. Nevertheless, the partnership will evolve in a "modular" way so as to allow each sector to progress as quickly as possible towards the scale-up phase independently of the progress made in the other sectors.

In the scale-up phase of the partnership over the period 2027-2035, each additional financial grant from CAFI will be the subject of an additional protocol agreed between the parties and of eventual amendments to this Letter of Intent. Cameroon and CAFI agree to make joint efforts to mobilise domestic and international, public and private resources for the scale-up phase, according to the vision described in section VI of this Letter of Intent. In particular, Cameroon and CAFI have agreed to work towards structuring sustainability-linked loans, in partnership with international financial institutions, notably in the agriculture and land use planning sectors.

CAFI financing will consolidate the efforts already undertaken by the Government of Cameroon within the framework of the NDS30 and financed by domestic public and private resources with a view to scale them up by mobilising various sources of financing.⁶

CAFI funding will be deployed on a grant basis in accordance with section 6.2 of the Letter of Intent, promoting verified results-based approaches to triggering disbursements.

⁶ These other sources of finance include funding from international financial institutions, private investment, jurisdictional carbon markets, internationally transferable mitigation outcomes (ITMOs) under the Paris Agreement, and any other financial mechanisms developed under international conventions, in particular the Convention on Biological Diversity (CBD).

In addition to the support provided by CAFI to the State of Cameroon under this Letter of Intent, CAFI also intends to support the Cameroonian private sector via its ad hoc regional private sector facility in order to invest in activities that reduce greenhouse gas emissions, as well as create jobs and sustainable value chains in the following sectors: wood energy, agriculture, forestry, ecotourism, mining, livestock and other innovative models. The Cameroonian government will continue its active support for the Cameroonian private sector, i.e. the farmers registered with the national Development Fund for the Cocoa and Coffee Sectors (*in French "Fonds de Développement des filières Cacao et Café" or FODECC*).

IV. COMMITMENTS OF THE PARTNERS

For the start-up phase up to 2027, the commitments of the parties are as follows:

- Cameroon is committed to achieving the milestones relating to the governance of natural resources, sustainable intensification and agro-ecological transition of agriculture, land use planning and rural infrastructure planning defined in the *Protocol for the CAFI-Cameroon start-up phase*.
- The CAFI Executive Board, in its decision EB.2023.08 of 22 March 2023, approved an initial allocation of USD 60 million from the CAFI Trust Fund to support the achievement of the milestones of the *Protocol for the CAFI-Cameroon start-up phase*.

It is understood that the resources from CAFI are in addition to the efforts already undertaken and to be continued by the Government of Cameroon, estimated at around 61 million US dollars for the period 2025-2027 in support of the Guichet Producteurs and the agro-ecological transition of Cameroon's small coffee and cocoa farmers. It is also understood that these small-scale coffee and cocoa producers in Cameroon contribute more than 333 million dollars to this effort over the same period.⁷ Finally, it should be noted that, in line with the Government of Cameroon's agricultural development policy, the agro-ecological transition subsidy model plans to integrate the main agricultural sectors responsible for deforestation, as mentioned in the *Protocol for the CAFI-Cameroon start-up phase*.

As set out in the general approach, the respective commitments for the scale-up phase will be specified in additional protocols to be negotiated between the parties.

⁷ These amounts come from the business model of the Development Fund for the Coffee and Cocoa Sectors (*Fonds de Développement des filières Cacao et Café - FODECC*) established by the Government of Cameroon. The subsidies granted to farmers by the Government and international funding through e-vouchers for the purchase of fertilisers cover only 40% of the cost; the remaining 60% must be covered by the farmers (financed by their savings or by banks and micro-finance institutions).

V. VISION FOR SCALING UP THE PARTNERSHIP

For the scale-up phase of the partnership up to 2035, the State of Cameroon and CAFI plan to implement concerted actions to achieve the objectives set out in *Section I* relating to the purpose of the partnership.

In order to finance these actions, the State of Cameroon and CAFI intend to make a joint and concerted effort to gradually mobilise a projected amount of USD 2.5 billion, made up as follows:

- USD 500 million in grants⁸, a significant part of which will support the structuring of sustainability-linked loans and/or other innovative and performance-based financing, creating a financial leverage effect;
- USD 500 million in sustainability-linked loans from international financial institutions;
- USD 1.5 billion from the private sector.

This funding will consolidate domestic efforts already undertaken by the Government of Cameroon. The latter will work to estimate the domestic budgets mobilised by providing indications in the attached protocols.

Finally, the State of Cameroon and CAFI intend to make joint efforts to mobilise results-based payments for reducing emissions from deforestation and forest degradation, in particular by working to generate and sell carbon credits under the LEAF coalition.

VI. TERMS OF THE PARTNERSHIP

6.1. MECHANISM FOR ACCOUNTABILITY, DIALOGUE AND CONSULTATION

On signing this Letter of Intent, the signatories agree to establish a mechanism for dialogue and consultation. This mechanism, established with MINEPAT, will ensure the follow-up of the objectives, milestones and results set out in this Letter of Intent and its protocols. The Government and CAFI express their willingness to respect the framework of the Letter of Intent and to do their utmost to ensure the smooth running of the programmatic activities that will result from it.

6.2. DISBURSEMENT MECHANISM

In accordance with CAFI's terms of reference, the Fund is implemented via four types of partners:

⁸ As indicated under point 6.2 of this LOI, any contribution from CAFI is subject to the availability of funds in the CAFI Trust Fund. At the date of signature of the Letter of Intent, CAFI does not have these funds available and the donor members of the CAFI Executive Board are not in a position to commit to mobilising this amount. Nevertheless, as stated in section III, CAFI, jointly with the Government of Cameroon, undertakes to make every effort to mobilise international resources in the form of grants from a variety of sources. As indicated in Section III relating to the general approach of the partnership, grant funding, in particular from CAFI, will be conditional on the achievement of the results described in the protocols annexed to this Letter of Intent.

1. Participating United Nations bodies
2. The World Bank
3. International cooperation organizations
4. International non-governmental organizations legally registered in Cameroon and invited by the Executive Board to sign an administrative support services agreement with the UNDP Multi-Partner Trust Fund Office. Their selection and monitoring will be based on the HACT (Harmonized Approach to Cash Transfers) assessment and only the organization determined to be low risk will be authorized by the Executive Board to access the Fund.

In addition, the Government of Cameroon has indicated its willingness to explore ways of working towards national access to the CAFI Fund in accordance with the terms and conditions to be defined by the Fund.

CAFI plans to deploy its financial resources in the form of donations in three (3) ways:

1. "Traditional" grants that finance activities in accordance with established procedures.
2. Performance-based grants where access to funding is conditional on the achievement of predefined and verified results, including payments for environmental services.
3. Performance-based financing in the form of "sustainability-linked loans" in partnership with international financial institutions (IFIs).⁹ These sustainability-linked loans (SLL) will be structured around specific performance objectives.

In accordance with the Terms of Reference of the CAFI Trust Fund, the CAFI Trust Fund contribution will be subject to decisions of the Executive Board regarding the approval of projects and programmes. This contribution is subject to the fulfilment of the conditions of the standard CAFI Administrative Agreement, in particular the conditions relating to the availability of funds and the achievement of results agreed in each protocol annexed to the Letter of Intent.

6.3. MONITORING & EVALUATION OF THE PARTNERSHIP

The Government of the Republic of Cameroon and the Executive Board of CAFI express their intention to set up a performance monitoring mechanism building on the monitoring and evaluation mechanism of the NDS30. This mechanism will make it possible to assess, on the basis of a well-established results framework, the achievement of the milestones defined in the protocols to this Letter of intent and will inform CAFI's financial planning and resource mobilisation efforts.

An annual review of the partnership will be conducted under the authority of the Minister of Economy, Planning and Regional Development, in collaboration with CAFI¹⁰, in order to assess the progress of the

⁹ Potential partners include the World Bank, IFAD and the African Development Bank.

¹⁰ The mechanism will indicate CAFI's involvement in the monitoring of results. CAFI may be involved at the level of its secretariat and/or its Executive Board through the possible mobilisation of monitoring and evaluation experts.

partnership, i.e. the progress of investment projects and the level of achievement of milestones and targets. An annual report will be published on the MINEPAT website.

6.4. NOTIFICATION AND COMMUNICATION

Any notification or correspondence from the Government to the CAFI Executive Board will be sent by the Minister of Economy, Planning and Regional Development, the anchor of the Initiative in Cameroon.

6.5. AMENDMENT TO THE LETTER OF INTENT

This Letter of intent may be amended by an exchange of letters between the signatories. Letters exchanged in this way will form an integral part of this Letter of intent as an addendum.

This Letter of Intent shall be without prejudice to the performance of obligations under bilateral or multilateral agreements to which the Signatories are or will be parties. It does not create, nor is it intended to create, legal or binding obligations on any of the Signatories under national or international law.

Signed in Hamburg, Germany on October 7, 2024, in duplicate in the English and French languages, the latter prevailing in case of conflicting interpretation.

For the Ministry of Economy, Planning and
Land-Use Planning of the Republic of
Cameroon

Alamine Ousmane Mey
Minister

For the Foreign affairs, Commonwealth and
Development Office of the United Kingdom

For the Federal Ministry for Economic
Cooperation and Development of the Federal
Republic of Germany

On behalf of the CAFI Executive Board

AnneLiese Dodd
Minister for Development

Jochen Flasbarth
State Secretary

Protocol for the start-up phase of the Partnership between CAFI and the State of Cameroon

1. Start-up phase commitments in cross-sectoral and multi-level governance of natural resources

Context

The milestones of CAFI's start-up phase consolidate and build on Cameroon's international commitments, national objectives and efforts already underway, in particular:

1. The National Development Strategy 2020-2030 (*Stratégie Nationale de Développement 2020-2030*, SND30), which ensures cross-sectoral and multi-level governance of natural resources through a number of tools, namely: regional development plans; sectoral and thematic strategies; cross-sectoral plans; development plans; regional and communal development plans; structuring projects; medium-term framework instruments (CBMT or CDMT in French); budget programmes at national and local level; cooperation programmes; sub-programmes of public establishments; management control mechanisms. The General Planning Framework Act defines the relationship between these various instruments and the national strategy.
2. Compliance with the Enhanced Transparency Framework (ETF) of the Paris Agreement on Climate Change, which stipulates that Cameroon will report on measures taken and progress made in mitigating climate change, adaptation measures and support provided or received through biennial transparency reports (TBRs) before December 2024 and every two years thereafter. The same framework also provides for international procedures for examining the reports submitted.
3. Cameroon's commitments under the agreement with the Resilience and Sustainability Facility (RSF) of the International Monetary Fund (IMF) to support reforms to reduce climate change-related risks to the future stability of Cameroon's balance of payments, in particular the following reforms:
 - a) Publish a regulatory act that: (i) defines the central role of MINEPDED as the key authority responsible for coordinating the climate agenda supported by the Ministry of the Economy and the Ministry of Finance; and (ii) defines the roles and responsibilities of the other sectoral ministries and public agencies in implementing the climate agenda. This reform is coordinated by the Prime Minister's Office.
 - b) Develop and adopt a National Climate Plan validated by the Prime Minister, in accordance with the NDC 2021, which (i) sets out the government's key climate actions, objectives, policies and measures to address the challenges of adaptation and mitigation; and (ii) defines the roles and responsibilities of sectoral ministries and public agencies in implementing the NCP. The NCP is to be published on the MINEPDED website. This reform is coordinated by the Prime Minister's Office and MINEPDED.

- c) Define and publish criteria for prioritising and selecting projects incorporating climate change criteria, and develop a manual of procedures for selection. This reform is under the responsibility of MINEPAT, who will drive it in collaboration with other relevant ministries. .
- d) Define a methodology for the ex-ante evaluation of [national] investment projects, including guidelines for climate change adaptation and mitigation of its impacts, and will incorporate it into the project maturation guide. MINEPAT is responsible for this reform.
- e) Revise Decree 2018/4992 of 21 June 2018 laying down the rules governing the project maturation process and Decree 2013/7987 on the creation, organisation and operation of monitoring committees for the physical-financial execution of public investments in order to integrate climate considerations at each phase of the investment project cycle (e.g. ex-ante evaluation, selection). MINEPAT is responsible for this reform, in collaboration with relevant administrations.
- f) Improve the SIGIF2 platform through i) operationalising all modules, including satellite imagery (ii) establishing procedures for the annual evaluation of the traceability function of the SIGIF2 platform, notably through the activation of the existing National Monitoring Committee for VPA-FLEGT, with the organisation of an initial evaluation no later than one year after the Committee's activation, and require the publication of the evaluation report on the VPA and MINFOF websites with an action plan to respond to the Committee's recommendations (iii) interconnecting the SIGIF2 platform with the customs and tax infrastructure and establishing a roadmap for using this data to improve forest sector taxation (MINFOF/ MINFI).

Milestones

Milestones for the start-up phase 2025-2027	Entities responsible for achieving the Milestone	CAFI projects supporting the milestone ¹¹	Other sources of funding supporting the milestone
Integrate the Government's key climate actions, targets, policies and measures to implement with CAFI's support into the National Climate Plan (NCP) to be validated by the Prime Minister by April 2025 as part of the IMF's DRF agreement.	MINEPAT / MINEPDED	UNDP-PAPRINS preparation grant	
Elaborate a strategy for the sustainable management and rewetting of wetlands and of peatland areas	MINEPAT / MINEPDED	UNDP-PAPRINS preparation grant UNOPS TA facility (GIZ coordination project?)	
Update of the Nationally Determined Contribution by April 2025, in line with the Glasgow Declaration and the long- and medium-term objectives ¹² of this Letter of Intent.	MINEPAT / MINEPDED	UNDP-PAPRINS preparation grant	
Draw up the national agro-industrial plan incorporating the objectives of the CAFI-Cameroon partnership, namely: <ul style="list-style-type: none"> • preservation and sustainable management of the permanent forest domain; • sustainable intensification of agriculture and agro-ecological transition within the non-permanent forest domain; and • compliance with the guidelines laid down by regional planning tools. 	MINEPAT/ MINADER/ MINEPIA/MIN FOF/	UNDP-PAPRINS preparation grant GIZ coordination project	
Draw up a mining-metallurgy-steel industry plan in 2027, incorporating the objectives of the CAFI-Cameroon partnership listed above.	MINEPAT/ MINMIDT	UNDP-PAPRINS preparation grant	

¹¹ In the event of non-approval by CAFI of the above-mentioned projects and the absence of funding to support the achievement of the said milestone, the Government of Cameroon may call on the Regional Facility managed by UNOPS and financed by CAFI to obtain support in terms of funding and/or technical assistance for the achievement of these milestones.

¹² In particular those set out in section 1 "Purpose of the partnership".

		GIZ coordination project	
Draw up a forestry-wood plan incorporating the objectives of the CAFI-Cameroon partnership listed above.	MINEPAT/ MINFOF	UNDP-PAPRINS preparation grant UNOPS TA facility GIZ coordination project	
Within the project prioritisation and selection criteria and the MINEPAT project selection procedures manual, which is to be published as part of the agreement with the IMF's DRF, MINEPAT is incorporating by 2025 upstream, particularly in the planning-programming-budgeting-monitoring circular (to be revised), specific criteria linked to the objectives of the CAFI-Cameroon partnership, namely: <ul style="list-style-type: none"> • preservation and sustainable management of the permanent forest domain; • sustainable intensification of agriculture and agro-ecological transition within the non-permanent forest domain; and • compliance with the guidelines set out in land-use planning tools. 	MINEPAT	UNDP-PAPRINS preparation grant	
Inclusion of forest impact criteria in the methodology for the ex-ante evaluation of investment projects included in the project maturation guide to be revised by September 2025 as part of the IMF's FRD agreement.	MINEPAT	UNDP-PAPRINS preparation grant	
Inclusion of criteria relating to impacts on the forest in the revision of Decree 2018/4992 of 21 June 2018 laying down the rules governing the project maturation process and Decree 2013/7987 on the creation, organisation and operation of monitoring committees for the physical and financial execution of public investments, to be adopted by September 2025.	MINEPAT	UNDP-PAPRINS preparation grant	
Finalising and validating the methodology for the national forest inventory for Cameroon by the end of 2025 as well as a financing plan for carrying it.	MINFOF	LUP project (GIZ) (TBC)	

Conducting a pilot phase of the national forest inventory, using the chosen methodology, in the councils targeted by CAFI	MINFOF	LUP project (GIZ) (TBC)	
Submission of an emissions reference level to the UNFCCC by the end of 2025, in line with the long-term objectives set out in this Letter of Intent and consistent with the revised NDC in 2025 On the basis of data already produced by the FAO as part of the CAFI regional project	MINEPDED	UNDP-PAPRINS preparation grant \	
Submission of the first biennial transparency report to the UNFCCC by 2026	MINEPDED		UNEP GEF Project ¹³
Finalising a plan for the establishment and sustainable funding of national capacities, including research institutes, for monitoring the use of agricultural and forest land, so that robust, consistent data is available and published annually.	TBC	TBC	
Design of a national mechanism for restoring abandoned mining sites by 2026	MINMIDT	Coordination project (GIZ)	
Setting up a national monitoring system for industrial and semi-mechanised mining, including monitoring the implementation of mining companies' environmental obligations in terms of reforestation, restoring forest ecosystems and minimising their impact on forests.	MINMIDT	Coordination project (GIZ)	
Development of guidelines for structuring at least one loan for sustainable development, in conjunction with CAFI and at least one international financial institution by end 2025	MINEPAT	UNDP PAPRINS	
Development by 2025 of a joint Cameroon-CAFI plan to mobilise resources (domestic, international, public and private) for the scaling-up phase.	MINEPAT/ MINFI	UNDP PAPRINS Coordination project (GIZ)	
Development by 2025 and implementation of a roadmap to promote access to carbon markets in land-use sectors	MINEPAT & MINEPDED	TBC	
Revise and update national biodiversity strategies and action plans (NBSAPs) in accordance with Article 6 of the Convention on Biological Diversity, following the guidance provided in Annex I, aligned with the Kunming-Montreal Global Biodiversity Framework and its goals and objectives, including those related to means of implementation, and submit these documents through the Clearing House Mechanism.	TBC	TBC	

¹³ Umbrella programme for the preparation of National Communications (NCs) and Biennial Transparency Reports (BTRs) to the UN Framework Convention on Climate Change (UNFCCC).

2. Start-up commitments in the agriculture sector

Context

The milestones of CAFI's start-up phase consolidate international commitments, national objectives and efforts already underway in Cameroon, in particular:

1. The objective of the NDS30 for the agricultural sector is *"to modernise the sector, increase its productivity, create jobs and thereby improve living standards and reduce poverty in rural areas, by increasing productivity through the intensification of agro-industrial activities and the modernisation of farms driven by demand from agri-food industries. To achieve this, the Government intends to take measures to improve the business climate in the agro-pastoral sector, in particular by: (i) increasing the productivity, production and competitiveness of agricultural products (crops, forestry, livestock and fisheries); (ii) facilitating access to land, production equipment and infrastructure; (iii) structuring and strengthening the capacities of players in the sector"*.
2. The Nationally Determined Contribution under the Paris Agreement on Climate Change (NDC), whose key message with regard to the agricultural sector is *"Agriculture has been and remains the pillar of the country's ambition to emerge, but it is possible and even necessary to limit its carbon impact. Sustainable forest management will increase the carbon sink. This low-carbon growth will bring major co-benefits (economic and social development, job creation, improved environment and health, etc.)"*.
3. The recent results of the EU budget support process (Sectoral Reform Contract), and in particular on:
 - a) *The Rural Sector Development Strategy (SDSR in French), the National Agricultural Investment Plan (PNIA 2020-2030), and the SDSR's Database Management System (SGBD in French)*
 - b) *The Agricultural Subsidy Policy and its Guide d'Orientation pour la politique nationale d'octroi des subventions agropastorales MINADER and MINEPIA (2018)*
 - c) *The Manual of procedures for subsidising productive agricultural inputs and equipment in Cameroon, validated by PM/CG decree in August 2019, and Constitution of the Steering and Orientation Committee responsible for implementing the policy for granting agricultural subsidies in Cameroon (2020)*
 - d) *Creation of the FODECC's "Guichet Producteurs" (2020) to subsidise cocoa and coffee producers, and validation of the following mechanisms:*
 - a. *Intensification of production (G1/a & b); functional since 2022, **6.5 billion CFA per year in subsidies from resources coming from the levy on cocoa and coffee exports.***
 - b. *Quality improvement (G2/a & b); starting in 2024 with an allocation of **900 million CFA***
 - c. *Improving sustainability and agro-ecological transition (G3/a & b, and G2/c & d), starting in 2024 with an initial allocation of **100 million CFA (PES)***

- e) *Aligning the subsidy manuals of national agricultural programmes financed by several development partners with the principles of the manual of procedures for agricultural subsidies*
 - f) *Subsidy manual for materials, equipment and facilities for adapting to climate change and climate-smart agriculture (2023)*
 - g) *Agro-ecological transition advice sheets for cocoa, robusta coffee, arabica coffee, cassava and plantain banana (2023)*
 - h) *The Law on Interprofessional Organisations in Cameroon (2021) and the Decree establishing the conditions for the election of members and officers of the collegiate bodies of the Chamber of Agriculture, Fisheries, Livestock and Forestry (CAPEF)*
 - i) *The Joint Order creating i) the Interministerial Committee responsible for coordinating operations to open up agro-sylvo-pastoral and fishing production basins (2023), instituting ii) the national platform and regional platforms, and iii) the Methodological Guide for prioritising road operations to open up production basins, a tool for the platform coordinating operations to open up agro-pastoral production basins for the CTDs.*
 - j) *Implementation of the national plant seed policy (PNSV in French) and its national agricultural seed development plan (PNDSA in French)*
 - k) *Relaunch of agricultural statistics MINADER and MINEPIA*
4. *The ambition of the Cameroon government's agricultural development policy is to extend the agro-ecological transition subsidy model implemented in the cocoa and coffee sectors to include as a priority the main agricultural sectors responsible for deforestation.*

Milestones

The table below sets out the milestones, and for each milestone the entities responsible and the sources of funding.

Milestones for the start-up phase 2025-2027	Entities responsible for achieving the Milestone	CAFI projects supporting the milestone	Other sources of funding supporting the milestone
An institutional review and audit of the FODECC and the “Guichet Producteurs” implementation process are carried out by an independent party by the end of 2024 and the corrective measures recommended by the audit are adopted by the FODECC by June 2025.	FODECC		Domestic
Expansion by end 2025 of the FODECC funding model to other crops that cause deforestation, in particular rubber, oil palm and various food crops.	GoC (MINADER, MINEPAT, MINFI, MIN-COMMERCE, MINFOF)	IFAD project	Domestic
At least 300,000 producers are registered on the FODECC's Guichets digital management platform, enabling them to access the various direct agricultural subsidy mechanisms (electronic purchase vouchers, co-financing of business plans, co-financing of agro-ecological transition plans) by the end of 2025. NB: Over 220,000 producers were registered as of 1 September 2024.	FODECC	FODECC project (IFAD) Grand Mbam project (KfW)	Domestic
Demonstrated consistency and interoperability of information management systems for agricultural subsidy programmes by 2026.	MINEPAT, MINADER, MINFI	UNOPS TA UNDP-PAPRINS	
Official launch of the activities of the FODECC local authority “guichet”, extended to the financing of environmental services and agro-ecological transition for communes (CTDs in French) and collective enterprises, following validation of the ad hoc procedure manual.	FODECC	IFAD project	Domestic <i>The Steering Committee of Cameroon's agricultural subsidies has allocated 900 million CFA for this Guichet.</i>
Awareness raising and support to the creation or alignment of inter-professional organisations for agricultural commodities linked to deforestation under the terms of the 2021 law on inter-professional organisations (at least: cocoa, coffee, palm oil, rubber).	MINADER		Domestic

Milestones for the start-up phase 2025-2027	Entities responsible for achieving the Milestone	CAFI projects supporting the milestone	Other sources of funding supporting the milestone
Launch of the activities of the FODECC's Sustainability/Agro-ecological Transition "Guichet" to finance the agro-ecological transition plans of cocoa and coffee producers, and the financing of advisory support for producers by local agricultural and agro-ecological transition advisors.	FODECC	IFAD project	Domestic

3. Start-up phase commitments in the land use and infrastructure planning sector

Context

The milestones of CAFE's start-up phase consolidate international commitments on forestry, climate and biodiversity conservation, national objectives and efforts already underway in Cameroon, in particular:

- a. The commitment of the State of Cameroon to preserve the spaces and boundaries and ensure the sustainable management of its permanent forest domain (*DFP in French*), comprising protected areas, forest and wildlife concessions and reserves, areas of hunting interest and communal forests, which form part of the private domains of the State, councils or regions, as the case may be.
- b. The national framework for spatial planning, which includes a national plan for spatial planning and sustainable development (*SNADDT in French*), a national zoning plan (*PZNT in French*), regional plans (*SRADDT in French*) and local plans for spatial planning and sustainable development (*PLADDT in French*). These instruments provide a relevant spatial interpretation for sustainable land management. In particular, for the Regions and Councils, they highlight the following areas within the non-permanent forest domain:
 - a. The areas vital for local and indigenous communities providing habitat and allowing for subsistence farming, taking into account projected population growth and surface areas needs up to 2050;
 - b. Small and medium-sized areas suitable for second-generation agriculture outside primary and naturally regenerated forest areas (open savannahs, degraded forest mosaics and fallow land less than 20 years old);
 - c. Structural investments needed for local development (local and regional roads, bridges, power lines, water networks, fibre optics, production markets, health and education facilities, commercial, craft and industrial zones, peri-urban housing expansion zones, energy plants, waste and wastewater treatment zones, sports facilities, etc.);
 - d. The areas of primary and naturally regenerated forests to be preserved within the DFNP under an appropriate legal status (bearing in mind that the forests of the DFP are all already - or should be - classified by decree of the PM/CG and listed in the national forest zoning plan under the private domain of the State, Councils or Regions).
- c. The ambition to create a permanent national funding mechanism for the regions and municipalities to draw up and implement their regional and local planning and development. This mechanism must take into account the objectives of sustainable and optimum management of land and of forests in particular.

Milestones

Milestones for the start-up phase 2025-2027	Entities responsible for achieving the Milestone	CAFI projects supporting the milestone	Other sources of funding supporting the milestone
Elaboration and adoption by 2027 of the application texts of the Law on the planning and sustainable development of the Territory of 2011	MINEPAT	LUP project (GIZ)	
Establishment by end 2025 of the national platform and regional platforms for coordinating the enhanced access for of agricultural production basins, and application of the provisions of the Methodological Guide to prioritising road interventions to open up production basins, a platform tool for the CTDs.	MINTP MINADER MINEPAT MINDDEVEL	Coordination project (GIZ) LUP project (GIZ)	
Finalisation and validation of Cameroon's National Territorial Zoning Plan and harmonisation with the finalised SRADDTs (South and East) and the SRADDTs currently being finalised (Centre, Littoral, West, Adamaoua, etc.).	MINEPAT MINDDEVEL CTD (ARC/CVUC)		Domestic, KfW (excluding CAFI) for SRADDT North and South West
Finalisation and validation by 2027 of the SRADDTs for the Centre, Littoral, West and Adamaoua regions.	MINEPAT CTD (ARC) MINDDEVEL		Domestic, KfW (excluding CAFI) for SRADDT North and South West
Finalisation by 2027 of Local Land Use and Sustainable Development Plans (PLADDT) in at least 3 Communes	MINEPAT	AT project (GIZ)	
<p>Creation within a national financial institution of a “guichet” for the co-financing of structuring investments in the plans of councils (PLADDT/PDC- CU) and regions (SRADDT/PRD) conditional on the achievement of targets in terms of conservation, sustainable management, reforestation and restoration of forest ecosystems ("financing mechanism for councils based on ecological performance").</p> <p>NB: This financial mechanism must include a support-advisory service for municipalities and regions to help them: i) prioritise their structuring investments in ecological transition, sustainable</p>	MINEPAT MINE PDED MINFOF MINDDEVEL CTD (ARC/CVUC)	UNDP- PAPRINS preparation grant UNOPS TA facility	

Milestones for the start-up phase 2025-2027	Entities responsible for achieving the Milestone	CAFI projects supporting the milestone	Other sources of funding supporting the milestone
management, conservation and forest restoration; ii) put together their funding applications, iii) bring their applications into line with current standards.			