



Policy for performance-based programming in Agriculture, Forestry and Land-Use projects

A stepping stone towards the implementation of CAFI's payment for environmental services (PES) programme

Adopted by the CAFI Executive Board on 25 June 2025
via Decision EB.2025.26

To improve the quality of programming in the portfolio of the CAFI Trust Fund, this policy consolidates existing measures adopted by the Executive Board and introduces new performance enhancing measures. These measures apply to all Agriculture, Forestry and land use projects in the portfolio and specific set of measures only apply to Payments for Environmental Services (payments and centralized information management system).

Context

Based on all major datasets (Global Forest Watch, the European Union Joint Research Centre's moist tropical forests, and FAO/CAFI Regional study) deforestation and degradation levels in Central Africa have stabilised since 2015 but remain very high (over one million hectares a year). As opposed to other tropical forest regions worldwide, this is mainly driven by poverty and small-scale inefficient food, charcoal and timber production to meet the needs of the domestic market. While deforestation is mainly driven by subsistence agriculture practiced by smallholders, commercial agriculture is playing an increasingly large role. We are likely to witness the expansion of commodity industries to meet rising local and global demand for food and commodities such as timber.

The challenge that lays ahead for Central African countries is therefore to meet the food security and basic cooking energy security needs of the population as well as their legitimate development aspirations while sparing forests.

1. Agriculture Forestry and Land-use projects: the bulk of CAFI's programming

To address the drivers of deforestation and increase the prospects for the long-term conservation of forests in Central Africa, alternatives to current practices (such as slash-and-burn agriculture, unsustainable charcoal) have been successfully adopted by farmers in the context of CAFI projects since 2015. Indeed since 2015, CAFI has financed many projects which have implement a series of measures based on:

- A. The structuring of actors in the management of land and forests within inclusive governance platforms at the provincial, local level or community level.
- B. Land Use Planning (LUP) at the national, provincial and local or village level.
- C. Improvement of agricultural and forestry practices. These include agroforestry, development of deforestation-free crops, forest plantation and regeneration.

Projects focusing on agriculture, forestry and land-use (AFOLU) form the core of CAFI programming today. These projects adopt many different strategies and deploy different financial instruments including loans, grants as well as payment for environmental services.

2. Payment for Environmental Services: a subset of the AFOLU projects

Some of CAFI's past AFOLU projects have shown that **if direct incentives are provided at scale, rural actors can engage in an alternative development pathway that spares forests**. This has led to the growth of CAFI's interest in such direct incentive mechanisms. However, **the traditional Official Development Assistance (ODA) model to support local farmer communities** through grant projects with 5-year cycles is **ill-adapted to a massive scale-up**. Indeed, it prevents long-term agreements with the land users, is not performance-based, seldom makes use of best available technologies, and involves high transaction costs through the multiple administrative layers required to deliver support. Using this traditional delivery mechanism to distribute the benefits of carbon or biodiversity payments does not generate economies of scale.

What remains to be achieved is therefore **an efficient mechanism to deliver direct support to farmers and communities in a performance-based manner** (if and only if results are achieved). This is the reason why CAFI's regional programme for payment for environmental services (PES) is developed. Conceived as a standardised mechanism to deliver direct performance-based payments in Central Africa, it creates common rules, eligibility requirements, quality criteria, transparent monitoring, reporting and verification procedures, as well as digital payment solutions for a set of activities.

PES will fill a critical gap to channel international carbon or biodiversity incentives from the national / jurisdictional levels down to the agents of deforestation on the ground when these incentives arrive at scale¹. This provides both a financial alternative strategy for Official Development Assistance funding as well as means to greatly increase the effectiveness, transparency, and ultimately the legitimacy of jurisdictional forest carbon programs.

CAFI has developed a comprehensive PES approach over the past 8 years. Through its integrated rural development programs, CAFI has identified and tested six activities that address the drivers of forest loss and thus contribute to the maintenance of the forest's ecosystem services and that can be easily incentivized by PES:

- Agroforestry
- Reforestation
- Zero-deforestation perennial crops
- Regeneration
- Sustainable forest management, and
- Forest conservation (or collective management).

In addition to testing approaches and different incentive systems, CAFI's rural development programs also contributed to establishing essential enabling conditions based on which the PES can be deployed at a massive scale. These include zoning and land use planning on close to 10 million hectares, as well as community forest concessions established with recognized title over close to 600 000 hectares of land in DRC alone². CAFI has also developed a network of over 20 international and more than 60 national organizations that have become familiar with many aspects of PES and can thus support local actors.

¹ At the time of adoption of the performance-based programming policy, CAFI is still in the process of developing a policy on the generation and use of carbon credits.

² As of 31 December 2024

CAFI's regional programme for payment for environmental services (PES) assemble the following four building blocks:

1. To manage this PES programme, detailed guidance has been developed on the program's purpose, policies, and procedures to ensure transparency, consistency, and ease of use for staff and stakeholders. This summarized in the following documents:
 - Standardised PES Call for expressions of interest (EoI) template
 - Standardised PES project document (PRODOC) template (which include guidelines for implementing organisation)
2. To manage the vast amount of information required to operate the PES programme, CAFI has developed a **centralised information management system** using the most cost-effective technology such as mobile data collection, web-based remote sensing services and mobile payments. This system enables a transparent, results-based and efficient PES scheme, but also aims to reduce the role and costs of intermediaries while empowering local actors on the ground. This system is being tested.
3. To make payments more transparent, less time consuming, less costly, and less prone to corruption, CAFI is currently testing a **direct payment modality** based on existing mobile payment capacity in the region. These savings will enable more money to be channelled directly to beneficiaries on the ground.
4. To support the design of a large-scale PES initiative for the Congo Basin, CAFI has also developed a **modelling tool** that enables to assess, for the next ten years and for each CAFI partner country as well as the whole region:
 - The potential for deployment of the six PES activities considered.
 - The magnitude of PES deployment necessary to satisfy in a sustainable manner the essential needs associated with the main drivers of deforestation (staple food, charcoal, timber) or other targets such as addressing deforestation and the budget necessary to achieve the desired reforestation targets.

The tool also allows the estimation of expected benefits: forest carbon, additional revenues, number of direct beneficiaries, etc. as well as to test different parameters and manage the overall PES scheme.

Existing mandatory Policies and Guidelines for CAFI projects

Existing policies and guidelines already provide several tools for the EB to promote a performance-based funding allocation approach required to support the process of getting IOs ready for PES.

Nonetheless, some gaps remain that are filled through additional requirements and guidelines, as proposed in this document (see section on Additional policy for performance-based programming in AFOLU projects and Transition to PES).

Nota bene implementing organisations must justify any departure from these requirements in the project documents.

1. Summary of existing guidelines and their relevance for performance-based programming in AFOLU projects and PES

The Executive Board has already adopted decisions and guidelines that are directly relevant to promote the transitions towards performance-based programming in AFOLU projects and PES:

1. [Policy on Project Budgeting](#) (cf Decision [EB.2023.22](#)) ;
2. **MEL Policy and [Guidelines](#)**, including the use of the “mandatory indicators for land-use projects” and the [spatial reporting guidelines](#) (cf Decision [EB.2023.31](#));
3. **Independent verification Decision ([EB.2024.33](#))** which foresees the disbursement of second tranches to the IOs based on verified results.

2. Policy on Project Budgeting

Applies to any project for which funding has been approved after September 2023.

CAFI’s [Policy on Project Budgeting](#) provides clear and standardised guidelines on project budgeting and reporting. As such, it serves to guide (i) CAFI partners in their budgeting and reporting activities, as well as (ii) CAFI governance bodies in assessing the conformity and efficiency of the project proposals and financial reports received and inform discussions and decisions on the matter.

As a starting point in project budgeting, direct and indirect costs must be clearly differentiated:

- Direct costs involve programme, administrative and operational support activities, that are part of the project input; and can be objectively traced to the project activity itself.
- Indirect Costs, representing the costs to the organization that are not directly attributable to specific projects or services, but are necessary to fund the corporate structures, management and oversight costs of the organization. This type of cost is also known as Overhead. As per CAFI’s legal agreements, Indirect Costs are strictly capped at 7.00% of the total direct costs as per the Legal Agreements signed with MPTFO.

In addition to the traditional concepts of Direct and Indirect Costs, in order to support project budget management and in line with the industry’s practices, CAFI segregates Direct Costs in three sub-categories, namely:

1. Project Management Costs (PMC).
2. Monitoring & Evaluation (M&E), Safeguards & Gender and Communication Costs.
3. Costs related to technical Outputs.

For projects above 10M USD the maximum PMC is 18% while for projects below 10M USD the maximum is 20%. The indicative cap defined above for PMC is calculated based on the total amount considered for the direct costs. The 7% for indirect cost must then be applied to this total direct cost amount.

3. CAFI MEL Guidelines’ standard indicators for AFOLU projects and spatial reporting

Alignment on these guidelines is mandatory for all projects that received CAFI/FONAREDD funding after November 2023. These requirements have also been included in CAFI’s standard PRODOC template since 2023.

The theory of change of CAFI foresees two outcomes, namely, (i) contributing to the reduction and absorption of greenhouse gas emissions in the land use sector and (ii) generating development co-benefits. CAFI intends to monitor and report on the level of fulfilment of these impacts through a robust and verifiable approach.

With this in mind, [Monitoring and Evaluation Guidelines](#) have been approved by the CAFI Executive Board in November 2023. Annexed to these Guidelines is a standard logical framework with set

indicators for agriculture, forestry and land-use projects (AFOLU projects) that are relevant and mandatory in most of CAFI's programming (such as DRC's PIREDD projects, agriculture projects, payment for environmental services projects, all private sector projects in the portfolio and pipeline, etc.). This framework lists and describes the main results, indicators and definitions to be used and reported against by these agriculture, forestry and land-use projects (AFOLU projects).

In addition, the majority of AFOLU indicators, especially at output level, need to be reported with spatial information and related cartographic data. This cartographic data needs to be produced in a standardised manner by IOs so that it can be stored and exploited in a cartographic data management system, thus facilitating the evaluation and comparison of the impacts achieved. To guarantee the harmonisation of the cartographic data that will be produced by the AFOLU projects, CAFI developed [Spatial Reporting Guidelines](#), that will be revised periodically to take into account new tools and approaches and experience from the ground.

4. Independent verification decision

Applies to any project for which funding has been approved after August 2023.

Decision [EB.2024.33](#) on the independent verification of projects initiated CAFI's transition towards a more performance-based approach focused on results. This marks a significant shift in CAFI programming and will have significant impacts on whether the commitments made in PRODOCs translate into disbursements moving forward. More specifically, in the decision the EB:

1. *Decides that projects with a land-use component (reforestation, agroforestry, agriculture, regeneration, or even conservation and sustainable management of forests), including projects with a Payment for Environmental Services (PES) component, will be subject to periodic independent verification of a sample of the results reported.*
2. *Stresses that this verification is intended to guarantee the accuracy and quality of the results reported and to ensure the overall integrity of the project monitoring and evaluation system, and hence of CAFI, to identify opportunities for improvement and to make the chain of stakeholders responsible for results fulfilment more accountable.*
3. *Decides that this measure shall apply to any project for which funding has been approved after August 2023, whether directly by CAFI or via FONAREDD in the DRC, and for any request for disbursement of instalments (tranches) as from the entry into force of this decision, on the recommendation of the CAFI Secretariat. The cost of independent verifications will be borne by CAFI.*
4. *Decides that these verifications will be carried out in accordance with a methodology defined between CAFI and the independent auditor, taking into account ISO 14064 standards.*
5. *Decides that these independent verifications will inform CAFI's decisions regarding the disbursement of instalment (tranches) of funding and the possible renewal of projects. The results of independent verifications of individual projects implemented by an implementing organisation will also be considered in decisions on the approval of new projects by that same organisation.*
6. *Decides, therefore, that each relevant project will be subject to at least one full independent verification (audit of the means of verification provided as well as field visits), as defined in the project document and/or on the recommendation of the CAFI Secretariat.*
7. *Instructs the CAFI Secretariat to prepare a schedule for carrying out these independent verifications in discussion with the implementing organisations.*

8. *Instructs the Secretariat of CAFI to commission and instruct these independent verifications, including in the DRC in collaboration with the FONAREDD Secretariat.*
9. *Requests implementing organisations to include these requirements in the monitoring and evaluation section of the project document for approval. These measures will then define which disbursement instalment(s) will be subject to independent verification.*
10. *Requests implementing organisations to anticipate and facilitate the conduct of these verifications by the independent verifier. This includes, in particular, making information available, answering questions raised, supporting verifications in the field, etc.*
11. *Emphasises that, in accordance with decision EB.2023.21, an analysis of compliance with social and environmental safeguards will be carried out jointly, also commissioned by CAFI.*

Most of the projects in the CAFI and FONAREDD pipelines include a land-use and/or PES component. The implementation of decision [EB.2024.33](#) on the independent verification of projects provides important benefits for the transition towards payment for environmental services:

- Impact evaluation becomes an activity with significant material value because it underpins disbursements; this will likely result in more credible, systematic and standardised impact assessments. The ability of IOs to monitor and report results in a robust manner is a prerequisite to transition towards payment for environmental services where payments are made if and only if agreed land-uses are adopted and maintained (conditional).
- CAFI is no longer compelled to disburse the full project budget if there are insufficient results on the ground. CAFI transfers these risks to implementing organisations. Under this approach, it is unlikely that all funding commitments made in PRODOCs materialise into disbursements. This will allow CAFI to program funds much more efficiently and allocate resources to IOs that perform.

In order to operationalise Decision EB.2024.33 on the independent verification of projects, CAFI has recruited an independent verification body in November 2024 which will adapt its standardised methodology to verify the results achieved by AFOLU projects based on the indicators of the standard results framework for agriculture forestry and land-use projects (AFOLU projects) and go on to conduct the independent verification of the results of at least 5 projects over the course of 2025. All of these projects include at least one of the six PES activities (cf Annex).

Additional policy for performance-based programming in AFOLU projects and Transition to PES

1. Budgetary ratio between enabling and field investments in AFOLU

PES represent only 10% of the FONAREDD pipeline and portfolio at present, and field investments 30% on average (November 2024).

While the existing policy on project budgeting provides a cap on indirect costs and project management costs, it does not provide ratios or caps on the use of the rest of the budget. In the vast majority of CAFI projects, we notice that most of the budget is consumed to support enabling activities and a smaller portion is used to provide PES or other forms of direct support to farmers and communities. To correct this situation in the short term, **the policy sets an aspirational minimum 30/70% ratio between enabling activities and direct support to farmers and communities. Direct support is defined as cash, vouchers, agricultural inputs and materials (This list is non-exhaustive).** When feasible digital tracking of the support provided to farmers and communities is preferred (e.g. e-

voucher, mobile payments). This amount is calculated after deduction of Management Costs and indirect costs (GMS)³. The Secretariat will prepare a compilation of project document submissions to assess the cost structures to adjust the percentage and assess the justification for the deduction of PMC and indirect costs in 12 months.

The minimum 30/70% aspirational ratio is based on:

- The split proposed in the “Pilot Project to support the sustainable intensification and agroecological transition of agriculture implemented by IFAD project in support of FODECC in Cameroon”. As of June 2025, is the project of the CAFI AFOLU portfolio with the highest percentage of funding directly supporting farmers.
- The split observed in the Costa Rica PES programme administered by FONAFIFO. FONAFIFO has consistently aimed to keep administrative costs low to maximize payments to landowners, but costs can vary depending on the type of contract (e.g. forest protection vs. agroforestry). The administrative cost includes monitoring, contracting, technical support (often through regentes forestales), and institutional overhead. The average split observed is as follows⁴:
 - Payment to landowners (PES): 80–85%
 - Administrative and operational costs: 15–20%
- The Split observed in Mexico’s PES programme Administered by CONAFOR⁵:
 - Payment to landowners (PES): 70–75%
 - Administrative and operational costs: 25–30%

Mexico’s higher administrative cost share is partly due to a more decentralized structure involving NGOs and local technical intermediaries, complex targeting criteria, a community-level implementation with additional facilitation needs.

Project that manage to surpass the 30/70% ratio to provide a greater ratio of support to farmers will be assessed positively in CAFI’s internal and independent evaluation processes.

2. Expected costs of the AFOLU activities and associated enabling activities to meet prerequisites for PES

The cost incurred by the Implementing Organization (IOs) in implementing AFOLU activities vary widely in CAFI programming. To ensure CAFI investments offer good value for money, CAFI benchmarks input costs to achieve the delivery of the six PES activities: agroforestry, reforestation, zero-deforestation perennial crops, regeneration, sustainable forest management, and forest conservation (or collective management). To conduct this benchmarking, projects are required to fulfil the following minimum requirements in the budget, during PRODOC development:

1. Collect and present data on:

- Fixed costs of the implementing organisations and aggregators: infrastructure, equipment, personnel, etc.
- Variable costs of the implementing organisations and aggregators: fuel, training costs, etc.

³ A minimum 30/70% ratio after deduction of indirect costs and PMC is equivalent to a 47/53% ratio of total project budget.

⁴ Sources: FONAFIFO Annual Reports (various years), OECD (2020) Review of PES in Costa Rica, Porras et al. (2013) Evaluation of PES efficiency

⁵ Sources : CONAFOR official documents, Alix-Garcia et al. (2015), Pagiola (2008), and World Bank evaluations, OECD Environmental Performance Reviews

- Fixed costs of environmental service providers: Land, infrastructure, equipment, personnel, etc.
- Variable costs: seeds, fertilisers, labour, utilities, etc.

2. **Calculate cost per hectare for each activity.** To determine the economic/environmental efficiency of each project the cost of production per hectare for each of the six PES activities included in the project must be calculated following this formula (Total cost ÷ Total hectares).
3. **Normalise data.** To enable fair comparisons, costs need to be normalised based on the time frame. Projects are therefore **required** to present **annualised costs** and environmental returns (in terms of hectares) for each of the PES activities included.

Annex 1 provides indicative costs per hectare to achieve the 6 PES activities based on empirical evidence grounded in CAFI's experience in the western Democratic Republic of Congo. Divergence from these units cost brackets may be justified based on the following characteristics:

- Specific Geographic location and climate.
- Crop type or livestock species.
- Scale of operations (smallholder, medium, or large-scale farms).
- Type of farming (organic, conventional, mechanised, etc.).

As it gathers information from different projects, CAFI will conduct benchmarking exercises to establish normalised unit costs brackets for other national and sub-regional regions. Annex 1 will be updated periodically to reflect this new information.

3. Maximum first disbursement (%) and disbursement(s) based on verification

Based on the estimated indirect costs, PMC, cost of enabling activities and direct support to farmers and communities for the first 2 years of the project, the amount of first disbursement to AFOLU projects will be **up to a maximum of 40% of the total project budget**.

This will ensure that **60% of disbursements will be conditioned on the independent verification of results**.

For the six PES activities, the “performance-based payment methodology” including the performance indicator(s), methodology for monitoring, reporting and verifying the results, calendar to conduct verification and level of disbursement per unit of results are established in the project document based on a standardized methodology developed for all PES projects.

In all other cases, the “performance-based payment methodology” including the exact performance indicator(s), methodology for monitoring, reporting and verifying the results, calendar to conduct verification and level of disbursement per unit of results will be determined on a case-by-case basis.

This case-by-case definition process will be based on studies and benchmarking exercises which must be carried out during PRODOC development, validated by the independent verification body and included in the PRODOC prior to signature.

Two main methods can be used to establish the payment per unit of results:

- **Activity-based approach:** the payment per unit of result can be based on the cost incurred by the IO in implementing the activities that yield the results. The total budget for activities, plus a certain level of reward for assuming performance risks, can provide a fair benchmark.

- **Replacement value:** As a rule, the payment per unit of result should not exceed the estimated cost that CAFI has incurred to achieve similar results in past projects. Therefore, the total amount of the performance-based payment could be set as equal to or less than the investments made by other IOs to achieve the same level of results in other projects using conventional implementation methods, thereby creating savings for CAFI. However, CAFI currently lacks robust measurements of these costs.

In the medium term CAFI aims to establish a set a value for each environmental service (e.g. \$/hectare). To maximize the scale and impact of the programme this set value should be set low to avoid overpayment and incentivize IOs to make efficiency gains. This allows providing resources to the most cost-effective projects. The process for setting this value will be informed by the benchmarking exercises that will be carried as mandated by this policy.

4. Impact of the independent verification of project results

The independent verification will lead to one of the four possible conclusions below. These conclusions will inform the decision regarding the next tranche of disbursement to projects as follows:

1. Low Performance: Less than 30% of results verified

In the case of low performance, the project will be terminated or benefit from a minimal second tranche to honour current contracts with environmental service providers who have demonstrated verified results.

2. Average Performance: 30–50% of results verified

In the case of average performance, the project continues, but its targets are revised downward according to the overall proportion of verified results.

For example, if the project's cumulative targets over the verification period (3 years) were to establish 2000 hectares of agroforestry plantations and 500 hectares of natural regeneration, and the verification results show that only 50% of the targets were achieved, the revised targets for the second tranche would be 1000 hectares of agroforestry plantations and 250 hectares of natural regeneration. This allows the project to be rescaled according to the implementing organization's capacity.

In this case, the amount of the second tranche will equal the funds needed to continue the payments planned to honour the contracts constituting 50% of the verified results to which is added the amount needed to implement the new revised targets.

3. Strong Performance: 50–90% of results verified

In the case of strong performance, the project continues with the targets as originally defined or as revised by the project team. However, a remediation procedure must be put in place to address the causes of underperformance. The implementing organisation must commit to implementing the necessary corrective actions.

For instance, if one of the causes of underperformance is a fire that destroyed part of the agroforestry plantation due to inadequately sized firebreaks, the agency must commit to increasing the size of firebreaks in all areas where they are below the required minimum.

The list of remediation measures, based on the independent verification report, will be provided by CAFI to the implementing organisation and must be included in the project document addendum.

In this case, the amount of the second tranche will be the amount requested by the agency, calculated based on the defined or revised targets. However, the project will have one year to report on the implementation of the remediation measures. If it fails to do so, the project is at risk of being terminated.

4. Excellent Performance: More than 90% of results verified

In the case of excellent performance, the project continues, and the second tranche requested by the agency is approved according to the CAFI-approved procedure for second tranche disbursement.

5. Specific measures applying to PES

For the numerous projects that seek to implement PES, CAFI provides a framework that standardises the implementation of PES, by defining common rules, predictable and reproducible procedures, as well as information management tools that enable the channelling of financial resources to environmental service providers (local communities and landowners) in the 6 CAFI partner countries. These guidelines are included in the following documents:

- Standardised PES Call for expressions of interest (EoI) template
- Standardised PES project document (PRODOC) template (which include guidelines for implementing organisation)

The documents above define the generic rules, procedures, safeguards, reporting requirements and tools that apply to all PES projects. A specific annex is created and annexed to the standardised PES project document template to define how these generic elements apply in each partner country separately, to operationalize CAFI's standards into the specific country context.

While the implementing organisations safeguards apply to the CAFI projects, the CAFI PES guidelines establish minimal safeguard requirements which must be met prior to signing PES contracts. These include:

- Free-Prior and informed consent
- Clear, recorded, and conflict-free usage rights
- Participatory zoning plans
- Safeguards concerning location of activities to avoid negative impacts on the environment

To simplify implementation, increase transparency & accountability in the implementation of safeguard measures, these measures are fully integrated into CAFI's PES information management tool. Furthermore, the tool allows for the management of positive measures to incentivize best practices such as the participation of women and vulnerable groups.

Additionally, the use of CAFI's centralised information management system and direct payment modalities will be mandatory for all PES projects approved after the approval of this policy. These tools aligned with the main international data protection standards⁶.

⁶ An external expert commissioned by CAFI provided legal and technical guidance and recommendations, which we followed, to protect the personal data and rights of the individuals involved in the PES programme (and the centralised database in particular). Following the completion of this service, further support will be provided for future developments of the PSE tool

Annexes (to be updated annually each December)

Annex 1: Indicative costs per hectare to achieve the 6 PES activities based on CAFI's experience in the western Democratic Republic of Congo

1. Agroforestry activity		
PES providers: Agroforestry plantations with households and communities (with inputs)	\$585 – \$715	Ha
PES providers: Agroforestry plantations SMEs model (with inputs)	\$700 - \$850	Ha
PES Implementing organisation and aggregators: variable support costs	\$385 - \$470	Ha
2. Afforestation/Reforestation activity		
PES suppliers: A/R with households and communities	\$585 - \$715	Ha
PES suppliers: A/R in farming condition	\$700 - \$850	Ha
PES Implementing organisation and aggregators: variable support costs	\$385 - \$470	Ha
3. Plantations of zero-deforestation perennial crop activity		
PES suppliers: perennial crops with households and communities	\$720 - \$880	Ha
PES suppliers: perennial crops SMEs model	\$900 - \$1 100	Ha
PES Implementing organisation and aggregators: variable support costs	\$710 - \$870	Ha
4. Natural regeneration of degraded savannahs and forests by fencing, with or without assisted natural regeneration activity		
PES suppliers: fencing for forestry regeneration	\$45 - \$55	Ha
PES aggregators: savannah in fencing for forestry regeneration	\$27-\$33	Ha
PES Implementing organisation and aggregators: variable support costs	Remains to be estimated	
5. Sustainable community forest management activity		
1\$ per ha up to a max of 50,000 ha, pending clarification of modalities, on a pilot basis	\$0,9 - \$1,1	Ha
PES Implementing organisation and aggregators: variable support costs	Remains to be estimated	
6. Conservation of community managed forests activity		
1\$ per ha up to a max of 50,000 ha, pending clarification on modalities, on a pilot basis	\$0,9 - \$1,1	Ha
PES Implementing organisation and aggregators: variable support costs	Remains to be estimated	

Annex 2: List of AFOLU projects approved after the adoption of the performance-based programming policy

ID	Project	Agency	Budget (USD)
1	Grand Mbam integrated landscape management – Cameroun*	KfW	20.000.000

**The Grand Mbam integrated landscape management in Cameroun was developed by KfW prior to the adoption of the CAFI guidelines on PES and the development of the performance-based programming policy. Nonetheless this project complies with most critical elements of the policy and the EB.2025.24 Decision approving this project request further alignment with the policies and guidelines will be made during the first year of implementation.*

Annex 3: Provisional pipeline of CAFI projects following the standardized PES approach

ID	Project	Agency	Budget (USD)
1	Gabon PES project	TBD	5000.000
2	Supporting SMEs in the Generation of Environmental Services	CFC	40.000.000
3	ReVive	IDH	25.000.000
4	Deforestation-free Palm Oil Smallholder Scheme with Pamol	KfW	20.000.000
5	PROBAK	TBD	25.000.000
6	Central African Republic PES Project	UNDP	10.000.000
Total			140.896.310