



Phase 2 of the partnership with the Democratic Republic of Congo

Adopted by email on 16 July 2020

EB.2020.12

Whereas:

1. The Democratic Republic of Congo (DRC) adopted its National REDD+ Strategy in 2012 in the Council of Ministers and finalized its National Investment Framework in 2016
2. CAFI entered into a first partnership with the DRC through the funding allocation decision [EB.2016.05](#) and the signature of the first Letter of Intent (LOI)
3. The results of independent verification of the LOI conducted in 2019 demonstrate progress, and a second verification is on-going
4. The need for support has increased, as demonstrated by recent deforestation and forest loss and the economic repercussions of the COVID-19 crisis, and so has by extension the urgent nature to raise the level of commitment and the ambitions of both the DRC and its partners;
5. The CAFI Executive Board (EB) has reached sufficient level of consensus on the strategic framework and the main principles guiding the partnership, more specifically:
 - a. In terms of contents:
 - i. Align the objectives of a renewed partnership with the national priorities set in the national development planning frameworks and in the future revised Nationally Determined Contribution (NDC)
 - ii. Acknowledge the importance of demonstrating alignment between the objectives of the LOI and the achievement of NDC target
 - iii. Align future programming on the background for programming set by the National REDD+ Strategy and its National Investment Framework, that notably highlight the need to address, in a comprehensive manner, all drivers of deforestation (governance, agriculture, forestry, energy, land use Planning, land tenure, demography, mining and oil)
 - iv. Combine the support to reform process with investments on the ground, through thematic programs as well as integrated programs that address several drivers and sectors in a given geographical area

- v. Establish a large and broadened partnership, open to different public and private Government partners, to attract sizeable funding towards the achievement of thematic priority objectives, that would focus on the below and be further detailed jointly:
 - Establish and operate Payment for Environmental services schemes to support transition towards self-sustaining, zero-deforestation production system and the sustainable management of forests
 - Incentivize private sector investment towards the development of agriculture in savannah areas
 - Scale up access to sustainable energy
 - Support demographic transition and women empowerment.
- b. In terms of delivery mechanisms:
 - i. CAFI would aim to support the DRC in the establishment of a broad partnership to raise public and private resources at scale up and align various funding sources to achieve agreed objectives and meet the DRC climate end development ambitions
 - ii. CAFI will aim to channel as much funding as appropriate through FONAREDD, on the basis of demonstrated needs and absorption capacity
 - iii. CAFI existing delivery mechanisms (i.e. access modalities and performance-based approaches) are currently being revised and informed by the mid-term review of the Trust Fund and the new contribution agreements that are being negotiated and signed,

The Executive Board:

- Recognises the considerable development challenges of the DRC and the imperative of addressing climate change and forest conservation within the wider context of a green, inclusive and low-deforestation economy that not only preserves the DRC's national forests and biodiversity, but also meets concrete objectives of fighting poverty, creating jobs and revenues, and promoting sustainable rural development;
- Decides to initiate the negotiations of a Letter of Intent with the Government of the Democratic Republic of the Congo for a new phase of the partnership for 2021-2030, based on the strategic framework developed jointly between DRC and CAFI and discussed during the 15th meeting of the Executive Board;
- Is working on a Note on the establishment of a partnership for “A New Rural Development Green Deal with the Democratic Republic of the Congo for 2021-2030” as a draft background internal working document to consult with DRC financial partners and wishes to present progress of these deliberations to the Government of the DRC by September 2020 at the latest;
- Suggests that the Government of DRC establishes a high-level working group, with representatives of the offices of the Head of State and Prime Minister well as Chiefs of Staff from few key Ministries, whose formal relationships with the FONAREDD Steering Committee shall be further defined in order to start identifying key respective commitments that would underpin the new phase; this in order to reach ambitious objectives in the following areas:
 - The conservation of high value forests
 - Agriculture

- Demography
- Energy
- Business climate and domestic resources mobilisation.

These objectives, once further specified by the DRC, could be further discussed with the CAFI Executive Board from September 2020 onwards.

- Underlines the importance of inclusive processes when identifying and negotiating these objectives, thus in order to i) ensure due consideration of the inputs of civil society and private sector from the first stages of discussions and during the entire process ii) ensure sound ownership by all stakeholders of said objectives, hence enhancing the potential for success of the implementation of a future partnership.