Funding Proposal

FP311: RACINE: Resilient Agriculture for Climate, Investment, Nature and Equity

Cameroon | The Republic of Cameroon, acting through the Ministry of Economy, Planning and Regional Development (MINEPAT) | Decision B.46/04

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Note to Accredited Entities on the use of the funding proposal template

- Accredited Entities should provide summary information in the proposal with cross-reference to annexes such as feasibility studies, gender action plan, term sheet, etc.
- Accredited Entities should ensure that annexes provided are consistent with the details provided in the funding proposal. Updates to the funding proposal and/or annexes must be reflected in all relevant documents.
- The total number of pages for the funding proposal (excluding annexes) **should not exceed 60**. Proposals exceeding the prescribed length will not be assessed within the usual service standard time.
- The recommended font is Arial, size 11.
- Under the GCF Information Disclosure Policy, project and programme funding proposals will be disclosed on the GCF website, simultaneous with the submission to the Board, subject to the redaction of any information that may not be disclosed pursuant to the IDP. Accredited Entities are asked to fill out information on disclosure in section G.4.

Please submit the completed proposal to:

fundingproposal@gcfund.org

Please use the following name convention for the file name:

"FP-[Accredited Entity Short Name]-[Country/Region]-[YYYY/MM/DD]"

A. PROJECT/PROGRAMME SUMMARY

A.1. Project or programme	Project	**A.2. Public or private sector**	Public
A.3. Request for Proposals (RFP)	Not applicable		

A.4. Result area(s)

*Check the applicable GCF result area(s) that the overall proposed project/programme targets below. For each checked result area(s), indicate the estimated percentage of **GCF and Co-financers' contribution** devoted to it. The total of the percentages when summed should be 100% for GCF and Co-financers' contribution respectively.*

	GCF contribution	Co-financers' contribution[1]
Mitigation total	0 %	0 %
☐ Energy generation and access	0 %	0 %
☐ Low-emission transport	0 %	0 %
☐ Buildings, cities, industries and appliances	0 %	0 %
☒ Forestry and land use	50 %	50 %
Adaptation total	0 %	0 %
☒ Most vulnerable people and communities	25 %	25 %
☐ Health and well-being, and food and water security	0 %	0 %
☐ Infrastructure and built environment	0 %	0 %
☒ Ecosystems and ecosystem services	25 %	25 %

A.5. Expected mitigation outcome *(Core indicator 1: GHG emissions reduced, avoided or removed / sequestered)*	15.70 MtCO2eq over total lifespan of the project/programme[2]	**A.6. Expected adaptation outcome** *(Core indicator 2: direct and indirect beneficiaries reached)*	Total beneficiaries : 2,800,000 individuals	
			1,405,000 Direct beneficiaries	Indirect Beneficiairies 1,395,000
			4.7%	4.67%
A.7. Total financing (GCF + co-finance[3])	214,882,000 Euros	**A.9. Project size**	Medium (Upto USD 250 million)	
A.8. Total GCF funding requested	87,000,000 Euros			

[1] Co-financer's contribution means the financial resources required, whether Public Finance or Private Finance, in addition to the GCF contribution (i.e. GCF financial resources requested by the Accredited Entity) to implement the project or programme described in the funding proposal.
[2] The total lifespan of the project/programme is defined as the maximum number of years over which the outcomes of the investment are expected to be effective. This is different from the project/programme implementation period.
[3] Refer to the Policy of Co-financing of the GCF.

A.10. Financial instrument(s) requested for the GCF funding	*Mark all that apply and provide total amounts. The sum of all total amounts should be consistent with A.8.* ☒ Grant 8,700,000 ☒ Loan 78,300,000 ☐ Guarantee 0 ☐ Equity 0 ☐ Results-based payment 0		
A.11. Implementation period	6 years	**A.12. Total lifespan**	20 years
A.13. Expected date of AE internal approval	*This is the date that the Accredited Entity obtained/will obtain its own approval to implement the project/ programme, if available.* 10/20/2026	**A.14. ESS category**	*Refer to the AE's safeguard policy and GCF ESS Standards to assess your FP category.* B
A.15. Has this FP been submitted as a CN before?	Yes ☒ No ☐	**A.16. Has Readiness or PPF support been used to prepare this FP?**	Yes ☐ No ☒
A.17. Is this FP included in the entity work programme?	Yes ☐ No ☒	**A.18. Is this FP included in the country programme?**	Yes ☐ No ☒
A.19. Complementarity and coherence	*Does the project/programme complement other climate finance funding (e.g. GEF, AF, CIF, etc.)? If yes, please elaborate in section B.1.* Yes ☒ No ☐		
A.20. Executing Entity information	The main executing entity for the initiative is Cameroon's Cocoa and Coffee Development Fund or "Fond de développement des filières cacao et café" du Cameroun (FODECC) (www.FODECC.cm). FODECC is a public financial institution created by the Cameroonian government to support the development of the cocoa and coffee sectors. FODECC has legal and financial autonomy, in accordance with its status as a "établissement public à caractère économique et financier" in Cameroon. FODECC was reformed as part of the European Union's sector reform contracts, which supported the establishment of a robust system of direct agricultural subsidies. This system is fully digital and managed via a smartphone application, enabling efficient and transparent financial flows. FODECC has demonstrated strong operational and institutional capacity, notably through the successful implementation of its "Guichet Producteurs" platform. This innovative digital financing mechanism has enabled performance-based subsidies to be granted to 45,773 cocoa and coffee producers in 2023 in cocoa and coffee-producing regions. Its proven experience in managing large-scale results-based aid systems underscores its ability to ensure effective project implementation, monitoring and long-term sustainability. MINEPAT is also executing entity for this project. MINEPAT brings strong strategic planning and public investment management capacity, ensuring alignment with national development priorities and effective coordination of all government stakeholders involved in the project. None of the executing entities are the national designated authority.		

A.21. Executive summary (max. 750 words, approximately 1.5 pages)

Climate Change Problem

Agriculture accounts for over 60% of forest loss in the Congo Basin which stores vast carbon stocks and provides critical ecosystem services, primarily through slash-and-burn practices, but also the expansion of plantations. Cameroon's cocoa and coffee sectors are major drivers of this deforestation. Rising global cocoa prices since 2023 have intensified pressure on forests, releasing millions of tonnes of CO_2 annually. Climate projections indicate temperature increases of 1.5–2°C by 2050, erratic rainfall, prolonged droughts, and pest outbreaks—threatening productivity and livelihoods. Cameroon ranks 146th on the ND-GAIN index, reflecting high vulnerability and limited adaptive capacity. Without urgent action, the sector risks economic exclusion under the EU Deforestation Regulation (EUDR), which bans imports linked to post-2020 deforestation.

Proposed Interventions

The RACINE Initiative aims to **transform cocoa and coffee value chains into deforestation-free, climate-resilient systems** through two integrated components:

1. **Enabling Environment (Component 1):**
    - Align national policies with zero-deforestation and EUDR standards.
    - Deploy a national traceability system for cocoa and coffee.
    - Support participatory land-use planning via PLADDTs in rural municipalities.
2. **Financial Incentives & Technical Support (Component 2):** Build capacity for cooperatives, municipalities, and a national network of 2,000 private agricultural advisors and scale up FODECC's digital **Producers' Window**, a performance-based subsidy system using e-vouchers and georeferenced farm data which provides three subsidies:
    - **Production Window:** Subsidies for certified inputs and equipment to intensify production on existing land.
    - **Agroecological Transition Window:** Three-year co-financing of farm-level plans promoting agroforestry, organic inputs, and soil conservation.
    - **Community Window:** Co-financing post-harvest processing centers, municipal green investments (reforestation, watershed restoration), and PLADDT preparation..

These component are support by an extensive monitoring, evaluation and learning plan (see annex 11) which will allow:

- Establish a robust MRV system integrated into FODECC's digital platform for real-time tracking of financial flows, land-use compliance, and climate outcomes.
- Independent annual verifications (ISO 14000) trigger results-based payments from the Central Africa Forest Initiative (CAFI).
- Scientific impact monitoring and South-South exchanges for replication across the Congo Basin.

Climate Outcomes & Benefits

- **Mitigation:**
    - Avoid 15.70 **million tonnes CO_2e** through prevention of deforestation and adoption of agroforestry systems.
    - 494,160 hectares of directly subsidized cocoa-coffee orchards, 559,000 hectares transitioning to integratedagroforestry systems under agroecological transition contracts, 30,000 hectares of agroforestry restored by municipalities, and 1,000,000 hectares of forest areas preserved by municipalities. Ensure compliance with EUDR for 80% of cocoa exports, safeguarding market access.
- **Adaptation:**
    - Support **43,000 farms** to adopt agroecological practices across **172,000 ha**, improving soil health and water retention.
    - Establish **180 post-harvest centers** to reduce losses and improve product quality.
    - Enable **100 municipalities** to implement green investments, reducing vulnerability to floods and erosion.
- **Socio-Economic Co-Benefits:**
    - Reach directly **1,405,000 individuals**, increasing climate resilience and incomes by 25% and creating jobs, and 1,395,000 indirects beneficiaries.
    - Promote gender equity (40–45% women farm managers supported) and youth inclusion (25% of farm managers supported).
    - Strengthen financial inclusion through banking and digital platforms.

Strategic Impact

RACINE delivers a **paradigm shift** by combining digital finance, performance-based incentives from the Central Africa Forest Initiative (CAFI), and robust MRV systems to accelerate the transition to sustainable agriculture. It positions Cameroon as a leader in climate-smart cocoa and coffee production, ensuring compliance with international standards while promoting inclusive rural development. The model is scalable and replicable across the Congo Basin, contributing to global climate resilience and sustainable development. The transformation is expected to endure beyond the project period because the core delivery functions will be institutionalized within FODECC's permanent Producers' Desk, financed through export levies, producer co-financing, municipal budgets, FEICOM support and future results-based climate finance.

B. PROJECT/PROGRAMME INFORMATION

B.1. Climate context (max. 1000 words, approximately 2 pages)

In Cameroon, "dense and humid" forests covered approximately 43% of the national territory (20.34 million hectares) in 2020[4] . Deforestation and forest degradation in Cameroon are primarily the result of cumulative rural dynamics, dominated by small-scale agriculture, human settlements and associated infrastructure, and artisanal logging. Industrial drivers play a more localized but often catalytic role (Figure 1 below shows the factors of deforestation in order of importance in Cameroon.

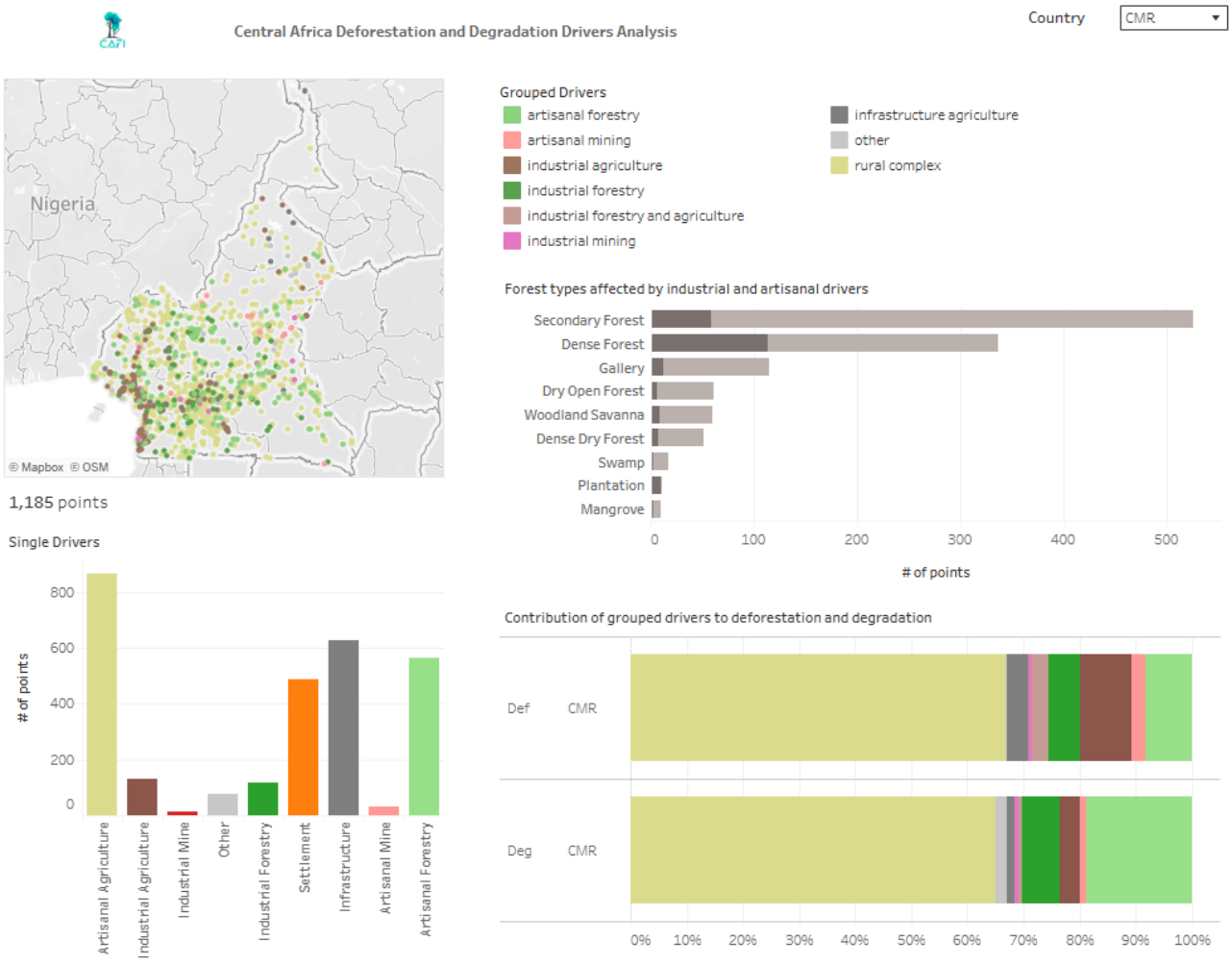


Figure1. Factors of deforestation in Cameroon (source FAO)

Without transformative land management and sustainable economic models, deforestation will worsen biodiversity loss, climate change, and socio-economic instability. Solutions require global cooperation, innovative financing, strong governance, and incentives for conservation, as proposed by the RACINE project. Africa is highly vulnerable due to its reliance on climate-sensitive sectors like agriculture and forestry, coupled with limited adaptive capacity. Increasing droughts, floods, heat waves and erratic rainfall jeopardize food security and economic stability. In Cameroon, rainfall has become less predictable over the past five decades, with longer droughts and shorter wet seasons. Future projections suggest only slight increases in overall rainfall, but more frequent extreme events, especially in the north, complicating flood control and agricultural planning. Rising temperatures across Cameroon will exacerbate climate stress, with projections indicating an increase in the frequency of extreme heat events. By mid-century, central regions are expected to experience the largest increase in the number of extreme heat days, followed gradually by other regions over the following decades. In addition, the northern and coastal regions will experience increasingly hot nights, with this trend gradually spreading to the rest of the country. Furthermore, the northern and coastal regions will face conditions of extreme heat and humidity, a challenge that is expected to eventually affect the entire country[5] (see Figures 2 and 3).

[4] FAO. 2020. Global Forest Resources Assessment 2020: Main Report. Rome.

[5] Climate Risk Profile: Cameroon (2025): World Bank Group.

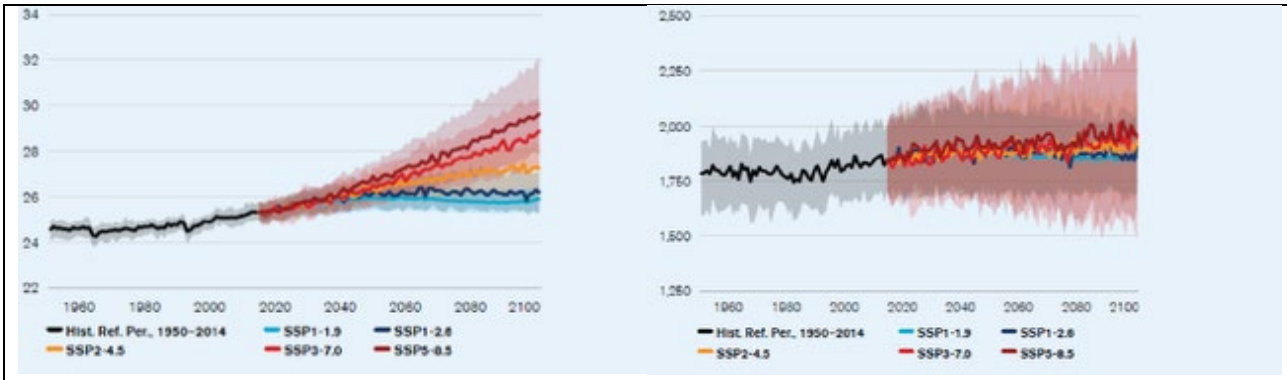


Figure2 : Projected average surface air temperatures for different climate change scenarios (left). Projected annual precipitation for different climate change scenarios (right) (source: World Bank Climate Change Knowledge Portal (CCKP))

These climate changes are already posing serious challenges to Cameroon's development, particularly in the agricultural sector, which provides more than 70% of the population's employment and income. The vulnerability of the agricultural sector is accentuated by its dependence on constant water availability and its sensitivity to erosion and flooding risks. Currently, approximately two million people, or about 9% of Cameroon's population, live in drought-prone areas, exposing about 8% of the country's GDP to climate-related risks. Forest-dependent communities also face increased risks of poverty, as climate change, characterised by temperature variations, variable rainfall and intensified droughts, has a negative impact on their livelihoods. Regions such as the Far North are particularly vulnerable, with frequent and severe droughts exacerbating food insecurity and disrupting livelihoods.

According to the 2020 ND-GAIN index[6] , Cameroon ranks[146th]out of 182 countries, highlighting its high vulnerability to climate change. This vulnerability stems mainly from its high exposure to climate risks, its sensitivity due to its economic and social structures, and its limited adaptive capacity to effectively respond to and manage these challenges.

Cameroon’s cocoa and coffee production spans eight regions with distinct agroecological zones. Cocoa dominates in the South-West (45–50% of output), followed by the Centre (20–25%) and South (10–15%), with smaller areas in Littoral and East. These regions feature humid forests, fertile soils, and bimodal or monomodal rainfall patterns, though infrastructure and ageing plantations pose challenges. Robusta coffee (90% of national output) grows mainly in the South-West, Centre, and Littoral, often intercropped with cocoa. Arabica thrives in the high-altitude West and North-West plateaus, known for volcanic soils and dense rural populations. Both crops face pressures from land fragmentation, ageing farms, and climate variability.

The cocoa sector: The cocoa sector in Cameroon is an important agricultural sector with profound implications for both the economy and the environment, particularly with regard to forests. As the world's 4th cocoa producer, Cameroon's cocoa industry plays a crucial role in the livelihoods of thousands of smallholders and contributes substantially to the country's export earnings. It produced and marketed 306,000 tonnes of cocoa during the 2024-2025 season. This economic importance comes with an environmental cost, particularly in relation to the forest areas where cocoa is produced. As global demand and cocoa prices rise, Cameroonian farmers are often incentivised to expand their cocoa plantations into adjacent forest areas. This expansion involves clearing primary and secondary forests to make way for cocoa crops. , traditional practices in Cameroon often involve slash-and-burn agriculture, a method that involves clearing land by cutting and burning existing vegetation to create more open fields. While this method increases fertility in the short term thanks to the ashes, it contributes significantly to habitat destruction, soil degradation and the emission of large quantities of carbon dioxide, thereby exacerbating climate change[7] .

[6] https://gain.nd.edu/our-work/country-index/

[7] EFI, 2022. Traceability, Transparency and Sustainability in the Cocoa Sector in Cameroon, 70 p.

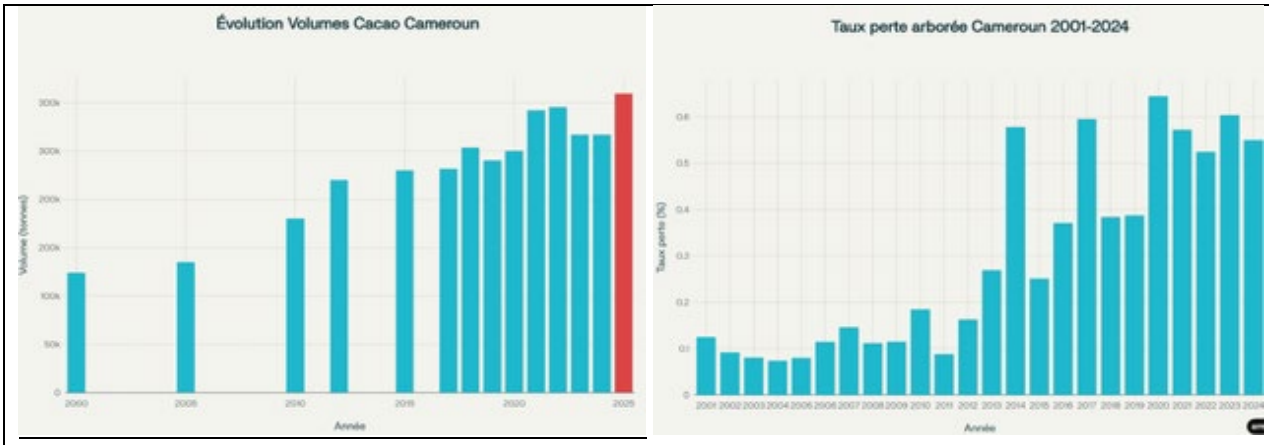


Figure3 : Evolution of cocoa production in Cameroon (left) and evolution of the annual rate of tree cover loss (right) since 2000 (source FAO)

Many cocoa producers in Cameroon do not have the resources to implement sustainable agricultural practices. This is reflected in the lack of systematic agroforestry practices, low crop diversification, and minimal use of sustainable pest and disease control techniques. These practices could mitigate the environmental impact of cocoa cultivation, but they are not widely adopted due to various constraints, including lack of access to training, financial resources, and support. In addition, the cocoa value chain in Cameroon faces several sustainability challenges, including ageing trees, diseases, pests, and soil depletion, all of which can lead to lower productivity and encourage further expansion into forest areas as farmers seek new fertile land. The lack of sustainable agricultural practices and the need to improve agricultural inputs and techniques exacerbate the situation, leading to inefficient land use and increased pressure on forests. In this context, addressing climate impacts in Cameroon's cocoa value chain appears to be a strategic imperative for sustainable development. Cocoa production contributes significantly to the country's economy, but it faces a double challenge: reducing its impact on the environment and strengthening its resilience to climate threats.

The table below summarises the main initiatives currently underway in Cameroon in relation to the RACINE initiative.

Table 1: Ongoing projects/programmes that complement the RACINE initiative.

Project	Agency	Period	Area	Budget	Objectives	Synergy
PAIDATA project, a pilot project aimed at supporting sustainable agricultural intensification and agroecological transition	IFAD (funded by CAFI)	2025-2027	The 8 cocoa and coffee regions	€20.7 million	Provide technical and financial support to FODECC (Cocoa and Coffee Sector Development Fund), a national public institution, to strengthen its capacity and enable it to fulfil its national mandate as the main subsidy instrument for cocoa and coffee producers in all production regions.	The two PAIDATA projects and the RACINE initiative share a similar approach in their support for FODECC. The PAIDATA project is the pilot initiative, while the RACINE initiative submitted to the GCF aims to expand it by broadening its scope and increasing the number of beneficiaries.
Grand Mbam Integrated Landscape Management Project	KfW (funded by CAFI and Germany for the forest conservation component)	2025-2029	Two departments: (i) Mbam-et-Kim and (ii) Mbam-et-Inoubou	€17.4 million	Develop and test mechanisms for performance-based "jurisdictional" emission reduction programmes that link natural resource management efforts to investments in agricultural productivity. This project is complemented by a project to support conservation in and around protected areas in the zone.	This project directly complements the RACINE initiative through co-financing of PLADDTs (local land use and sustainable development plans) and collective investments in post-harvest processing infrastructure, subsidies for the agroecological transition of farmers and local communities, and support for the restoration of degraded landscapes. It provides for close collaboration with FODECC, particularly for the

						implementation of subsidies through electronic vouchers.
Project to support intersectoral coordination and planning within the framework of the CAFI-Cameroon partnership	GIZ (Funded by CAFI)	2025-2030	National	€11.83 million	Accelerating Cameroon's economic emergence through the development of a competitive and sustainable "green economy" at the national level, while ensuring food security and reducing the impacts of deforestation	The programme led by GIZ supports MINEPAT in the cross-sectoral and multi-stakeholder coordination of CAFI-funded projects in Cameroon. In addition to coordination, the two projects will explore potential complementarities and alignment between FODECC and the green economy financing mechanism envisaged under outcome 3 of the coordination project, particularly in light of the progress already made under the current pilot project and its preparation grant.
Project for the development and promotion of investments in the Bénoué Valley	MEADEN – northern region / MINEPAT (Funded by the World Bank)	2020-2027	Northern Region	€227 million	Provide sustainable irrigation and drainage services and improve agricultural production in irrigated areas of the Bénoué Valley	VIVA Bénoué draws on lessons learned from FODECC to develop its dedicated digital platform for managing agricultural subsidies for rice value chains and VIVA project beneficiaries.
Cocoa Development Support Project (PAD-CACAO)	MINADER/FODECC (Funded by FODECC)	2022/ongoing	All cocoa-producing regions	€5.2 million/ year	Double cocoa production by 2030 to reach at least 600,000 tonnes of beans per year.	The RACINE/FODECC initiative will call on the services of PAD-CACAO, particularly for awareness-raising and support for beneficiaries through its supervisory staff.
Project to support the revitalisation of the coffee sector (PARF-CAFÉ)	MINADER/FODECC (Funded by FODECC)	2023-ongoing	8 coffee-producing regions	€4.3 million/ year	At least double coffee production, from 11,557 tonnes (Robusta and Arabica) in 2021-2022 to a total of over 22,000 tonnes of high-quality coffee in 2030	The RACINE/FODECC initiative will call on the services of PARF-CAFÉ, particularly for awareness-raising and support for beneficiaries. PARF-CAFÉ agents serve as supervisors for FODECC's field activities
Project for the development and promotion of investments in the Logone Valley (VIVA Logone)	MINADER/MINEPAT + SEMRY (Funded by the World Bank)	2021-2029	Far North Region, Mayo-Danay Department	€189 million	Improve irrigation and drainage services and boost agricultural production in irrigated areas of the Logone Valley	VIVA Logone builds on lessons learned from FODECC to develop its dedicated digital platform for managing agricultural subsidies for rice value chains and VIVA project beneficiaries

Strengthening the climate resilience of local communities through youth entrepreneurship and integrated natural resource management (ACREGIR)	IFAD / MINADER (Funded by IFAD)	2021-2026	Northern and North-Western regions	-	Climate change adaptation measures are being implemented using incentive-based instruments to strengthen the climate resilience of targeted communities and areas.	The project also contributes to updating local and regional development plans in the intervention areas to integrate climate change adaptation, an approach that the FODECC Agroecological Window will be able to develop on a larger scale.
Land use planning support project	GIZ/DAT MINEPAT (Funded by CAFI)	2026-2030	National	€6 million	Strengthening the planning and implementation processes for land use planning tools	The project will collaborate in particular on land use planning objectives at the municipal level with PLADDTs and productive and green investments
Initiative for sustainable cocoa	FAO Investment Centre/ EU funding	-	Regions : Centre, West, Coast, South, South-West, North-West, East	-	The approach will use fully open source software from the Open Foris suite (SEPAL, Collect Earth Online) and Google Earth Engine to develop transparent and reproducible methods for identifying and quantifying cocoa-related activities, including cocoa grown in full sun and shade . This approach will be complemented by the integration of real-time alert data, enabling the monitoring of cocoa plots and adjacent forest areas.	A partnership is planned between FAO and PAIDATA/IFAD to develop monitoring tools based on georeferenced data from farmers registered on the FODECC platform. This partnership may continue and develop with the RACINE initiative.
PATNUC (Cameroon Digital Transformation Support Programme)	MINPOSTEL + MINADER and MINEPIA (Funded by the World Bank)	2023-2028	National	€87 million	Strengthen the national network by targeting the last kilometre in rural areas Support priority agricultural and livestock sectors Support the emergence of digital start-ups and the digitisation of agriculture Improve the legal and organisational environment for digital technology in Cameroon	As FODECC also falls under the supervision of MINADER, collaboration will focus on developing a national platform for managing agricultural subsidies, integrating the FODECC platform, the PATNUC platform and other ad hoc platforms.
Project to support the development of the central plain	MINADER/MINCAF	2026/2031	Grand Mbam	351 billion CFA francs	Develop 400,000 hectares of agricultural land to enable the establishment of 800 large-scale agro-industrial farms to produce marketable products in savannah areas	The development of the central plain will involve all stakeholders in the agricultural sector and all product chains suited to savannah and transition zones. FODECC

	Funded by the AfDB					will be involved in this initiative through its producer window.
PARPAC Programme to support the strengthening of agricultural production	MINADER Funded by the AfDB	2024/ 2025	National	€19.1 million	Strengthen agricultural productivity of major food and market garden crops	The first phase of PARPAC has been completed, but for the second phase, FODECC is expected to provide the services of its digital agricultural subsidy management platform
NATURAFRICA and other conservation and forestry support projects	MINFOF /MINEPAT With EFI, GIZ, CTFC, AWF , etc. Funded by the EU	2023-2028	East, South, North and Far North	-	Strengthen the conservation of protected areas in the far south-east and far north, strengthen the development of a green economy in peripheral territories and the governance of the rural commune concerned	FODECC is already active throughout the greater south-east, where cocoa and some coffee are produced, and must develop appropriate collaboration with municipalities and stakeholders in these isolated and sparsely populated forest areas The CTFC, a partner of FODECC, is the technical advisor to all forest municipalities that are members of ACFCAM. It is also implementing an EU-funded reforestation project in the border municipalities of the Far North, after having implemented a first project with 17 municipalities

In summary, Cameroon's cocoa and coffee-producing regions are highly vulnerable to climate change and contribute significantly to GHG emissions, mainly due to deforestation and unsustainable agricultural practices. Scientific models developed for West Africa predict a sharp decline in cocoa productivity under these new climate regimes, particularly when rising temperatures are accompanied by prolonged periods of drought, conditions that compromise pod development, yield stability and the long-term viability of plantations[8][9] . At the same time, studies have highlighted increased pressure from pests and diseases, such as black pod virus and swollen stem virus, linked to warmer and wetter conditions that increase plant vulnerability. Cameroonian farmers regularly report that yield losses due to pests, drought and declining soil fertility are driving them to clear forest areas in the hope of accessing new, more productive land, which fuels deforestation and further weakens ecological resilience[10] .

This cycle of declining yields due to climate change and forest conversion is a significant source of GHG emissions. Indeed, cocoa-related deforestation in Cameroon contributes directly to the country's LULUCF emissions, which account for approximately 62% of its national carbon footprint. In this context, the European Union's regulation on deforestation, officially adopted in mid-2023, requires that cocoa imported into EU markets does not come from land deforested after 2020. It requires accurate geographical tracking and compliance with legislation by supply chains[11] . With nearly 80% of Cameroon's cocoa destined for the EU, failure to meet these criteria risks not only harming the environment but also leading to significant economic exclusion. Thus, the convergence of intensifying climate change effects, unsustainable land expansion and tighter trade regulations creates a decisive moment for the cocoa sector in Cameroon.

However, it is important to clarify that deforestation is not treated as a climate hazard. It is a land-use outcome primarily driven by non-climate factors, namely: (i) economic incentives (especially high cocoa prices since 2023), (ii) governance and structural deficits (weak land-use enforcement, limited municipal capacity, absence of georeferenced traceability until recently, limited access to credit and extension), and (iii) land-tenure and market failures.

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[8] Ariza-Salamanca, A.J., Navarro-Cerrillo, R.M., Quero-Pérez, J.L. *et al.* Vulnerability of cocoa-based agroforestry systems to climate change in West Africa. *Sci Rep* **13,** 10033 (2023).

[9] Schroth, G., Läderach, P., Martinez-Valle, A. I., Bunn, C., & Jassogne, L. (2016). Vulnerability of cocoa to climate change in West Africa. *Science of The Total Environment,* 556, 231–241.

[10] Ingram, V., Janssen, V., Neh, V. A., & Pratihast, A. K. (2025). Deforestation linked to cocoa cultivation in Cameroon: practices and policies. *Forest Policy and Economics,* 177, Article 103533.

[11] https://efi.int/sites/default/files/files/flegtredd/Sustainable-cocoa-programme/Factsheets/Unpacking%20the%20EUDR%20for%20the%20cocoa%20sector%20in%20Cameroon.pdf

Climate hazards described below—heat stress, rainfall variability, drought intensity, and pest/disease proliferation—are distinct. They do not cause deforestation directly. Instead, they reduce yields in existing orchards, reinforcing the "yield-decline → new-clearing" loop only when the above non-climate drivers are already active.

We therefore distinguish between:
• Primary BAU expansion drivers (non-climate): price incentives, structural/governance deficits.
• Secondary amplifying drivers (climate hazards): climate stress factors that exacerbate the incentive to expand when governance and economic drivers remain unaddressed.

The causal chain presented in the table below underpins the adaptation rationale and the tailoring of agroecological transition plans.

Table 2. Climate Hazard–Impact–Vulnerability Pathways for Cocoa and Coffee Systems

Climate Hazard	Biophysical Impact on Cocoa/Coffee	Resulting Farmer Vulnerability
Higher temperatures	Flower abortion; reduced bean filling; reduced shade-tree vigor	Lower yields → income instability → pressure to expand
Rainfall variability	Water stress; uneven pod development	Reduced productivity; longer lean seasons
Drought intensity	Mortality of young cocoa trees; soil moisture deficit	Replanting costs; elevated risk of total crop failure
High humidity + heat	Ideal conditions for black pod and fungal diseases	Increased plant protection costs; reduced resilience
Heavy rainfall/storms	Soil erosion; nutrient leaching; post-harvest damage	Higher losses; quality downgrades; food insecurity

In summary, in the baseline scenario without the project, the dynamics of the cocoa/coffee sectors and associated food crop systems remain largely dictated by price signals and local land constraints, in the absence of structured climate incentives and systematic land-use control mechanisms. The baseline economic analysis shows that, without the RACINE initiative, growth in value added within the cocoa value chain relies primarily on the continuation of current practices, characterised by: (i) ageing and under-intensified plantations, (ii) sub-optimal use of inputs, (iii) limited integration of food crops into agroforestry systems, and (iv) a recurring reliance on clearing new areas, particularly on fallow land and sometimes at the expense of secondary forests.

This conversion of forests and old fallow land releases significant amounts of carbon previously stored in biomass and soils. Unsustainable agricultural practices further exacerbate soil degradation, reducing soil organic carbon and increasing the carbon footprint. Although the use of synthetic fertilisers in cocoa production remains relatively low, any increase without sustainable management could further amplify GHG emissions. The cocoa sector in Cameroon alone is responsible for millions of tonnes of CO_2 equivalent per year, even though new plantations are often established on old fallow land (more details on the baseline scenario can be found in Annex 2 Section 2.2.)

The RACINE initiative aims to address gaps and remove barriers that currently limit deforestation-free and climate-resilient cocoa and coffee value chains in Cameroon. Despite multiple ongoing initiatives (see table above), significant challenges remain in moving cocoa and coffee value chains from a status quo scenario to a greener and more resilient scenario. Current efforts remain fragmented, with limited regional coverage, weak policy alignment, and insufficient coordination among ministries, private actors, and civil society.

RACINE addresses these gaps by operationalizing CAFI's Letter of Intent, strengthening inter-ministerial collaboration under MINEPAT, and integrating zero-deforestation commitments into national agricultural policies to ensure compliance with international frameworks like the EU Deforestation Regulation. More details on the RACINE interventions are presented in the Theory of Change below.

B.2 (a). Theory of change narrative and diagram (max. 1500 words, approximately 3 pages plus diagram)

The Theory of Change responds to the BAU deforestation pathway summarized in Section B.1. and described in detail in Annex 2. Under BAU, high commodity prices create incentives for expansion, weak governance allows these incentives to translate into forest conversion, and climate-related yield stress reinforces the pressure to seek new fertile land.

The challenge is to make better use of fallow land (less than 20 years old), to optimize the productivity and resilience of the usable agricultural area (UAA). This is the only intervention strategy which offers the potential to send the country on a low emissions development pathway while ensuring food securiry and the fulfillment of the legitimate development aspirations of Cameroon as an agricultural exporting country. While investing in this sustainable intensification and increased resilience of the UAA is necessary for the long-term prospects of reconciling development and forest conservation in Cameroon, it is not sufficient. Higher yield could increase deforestation by making agriculture more profitable (the rebound effect). Indeed, where strong demand is increasing market prices it is much more attractive for landowners to convert forest into agricultural land to produce tradable commodities.This is why land-use governance must also be strengthened to restrict expansion into forest through land-use planning.

The RACINE project theory of change can be summarized as follows: **"If Cameroon (1) strengthens land-use governance enforcement as well as (2) traceability an monitoring systems that prevent any agricultural expansion into forested areas, while at the same time it (3) enables cocoa and coffee producers to adopt climate-resilient practices through targeted financial incentives and technical support, then GHG emissions from deforestation will be reduced and farm resilience to climate variability will be increased."**At the heart of this initiative is a **payment for environmental services for sustainable, climate-resilient, and deforestation-free value chains are implemented at scale in the cocoa and coffee value chains.** Indeed, the FODECC's "Producers' Desk", which provides targeted financial and technical support to farmers in order to support the cocoa and coffee value chains while strengthening their resilience to climate change. The FODECC Producers Desk uses a payment for environmental services approach, structured into 3 windows to support the agroecological transition of cocoa and coffee sectors.

1. Production Window – “Guichet Production” (G1) → Sustainable intensification of the usable agricultural area

- G1/a – Input Subsidy: supports agricultural intensification through electronic vouchers. The main goal is mass enrolment of producers, registration of plots, bank details, and IDs. By end of 2025, 320,000 producers and 500,000 plots have been registered. The Subsidy covers 40% of input costs (fertilizers/pesticides) for up to 2 ha in Year 1, then 20% in Year 2, 10% in Year 3, and zero thereafter to avoid dependency while demonstrating yield benefits. The electronic voucher system is personalized. The voucher is issued by the microfinance institution managing the producer’s bank account once the producer has deposited the full amount of their required co-payment (60% in the first year). The e-voucher is issued in the producer’s name and can be used exclusively (100%) with the agro-dealer who is part of the network and has been previously designated as the producer’s approved supplier. The producer then personally collects the goods from their agro-dealer. The agro-dealer is only fully paid by bank transfer from the producer’s bank/MFI after submitting the delivery documentation electronically (and a paper copy). No cash circulates. The producer cannot transfer the e-voucher to anyone else. The bank/MFI is then reimbursed monthly by FODECC for the subsidy amount (40% in the first year).

- G1/b – Business Plan Support: provides subsidies for small producers/groups to acquire production equipment and post-harvest processing tools, improving yields and product quality.

2. Agroecological Transition Window - “Guichet Transition Agroécologique” (G3) → Adoption of climate resilient agricultural practices

- G3/a – Transition Plan: producers prepare a 3-year plan with an advisor, including georeferencing plots, tree planting, organic inputs, orchard densification, cover crops, etc. The commitments are validated online; payments via vouchers and direct transfers are made based on verified results.

- G3/b – Advisory Support: Advisor services are mandatory; producers pre-finance Year 1, reimbursed via vouchers. FODECC subsidizes advisor costs in Years 2–3, ensuring monitoring and reporting.

The agroecological transition plans can include a range key adaptation measures to manage climate risks, the most noteworthy are:

- Agroforestry addresses heat stress & drought by lowering canopy temperature and reducing evapotranspiration. Note that shade levels need to be optimized to avoid excessive humidity promoting fungal diseases.
- Soil Fertility & Organic Inputs (compost, biofertilizers) address drought & rainfall variability via higher soil organic matter which promotes improved water retention and nutrient cycling.
- Water Retention & Micro-Water Management (mulch, bunds, infiltration trenches) addresses drought and extreme rainfall, buffering moisture in dry months and reducing runoff/erosion in wet months.
- Integrated Pest Management (IPM) addresses climate-amplified pest/disease cycles, reducing vulnerability to black pod and mirids under hotter/humid conditions.

3. Municipal & Cooperative Support Window – “Guichet Collectivités” (G2) → Improving land governance to mitigate the deforestation “rebound effect” (mitigation) and reduce humiditiy induced post harvest loss through collective investments

- G2/a – Municipal Processing Centers: municipalities can co-develop business plans with cooperatives to build post-harvest centers. Post-harvest infrastructure (dryers, fermentation centres) address humidity-induced post-harvest losses in quality, especially in South-West/Littoral high-rainfall districts (adaptation).FODECC provides subsidies of up to 80% for municipalities (infrastructure) and 30% for cooperatives (equipment). A lease agreement is established by the municipality in the name of the cooperative or partner EIG, accompanied by a specifications document and performance obligations. Each year, the municipality collects rent, which constitutes municipal revenue and is included in its annual budget. The cooperative/EIG is responsible for equipment investments and for the operational running of the enterprise. In the event of failure by the cooperative/EIG, the municipality reserves the right to terminate the lease agreement and assign management of the infrastructure to another operator.

- G2/b –Cooperatives Business Development: offers a subsidy capped at 30% of the cooperative's equipment investments to co-finance the business plan of a cooperative/EIG (Economic Interest Group) for the operation of the post-harvest processing center already funded by FODECC under G2/a.

- G2/c – Land-Use Planning (PLADDT): subsidies for development of municipal sustainable land-use and development plans. PLADDTs provide a balanced landscape-level allocation of land between production, conservation, and restoration, accounting for demographic pressure, ecological constraints, climate vulnerability, and future productivity needs. Municipal land-use plans (PLADDTs) play a central role in preventing rebound-driven deforestation by establishing legally binding, geospatially precise zoning boundaries that clearly delineate agricultural production zones, permanent forest areas, riparian buffers, restoration zones, and strict no-conversion areas. Once validated by the municipal council, these boundaries operate as non-negotiable hard limits: even when yields and farm profitability increase, producers cannot legally expand cultivation beyond the designated agricultural zone, effectively closing the frontier and transforming expansion into a sanctionable violation rather than an economic choice. Beyond cartographic control, PLADDTs also function through collective enforcement, as local councils acquire the legal authority, community legitimacy, and explicit mandate to monitor land use, prevent forest encroachment, and sanction non-compliant expansion—capacities further strengthened through project-supported training under G2/c. This governance anchoring ensures that expansion is not only administratively constrained but also socially regulated, since municipalities have a direct stake in compliance to protect the investments financed under G2/a and G2/d .

- G2/d – Green Investments: co-financing for forest conservation, landscape restoration, afforestation, and riverbank planting to increase forest cover.These investment address a series of climate hazards including flooding, drought, heat, by increasing landscape hydrological regulation and microclimatic buffering. The main co-financier is the municipality itself, using its own municipal budget. However, it may also request financial support from Fonds spécial d'équipement et d'intervention intercommunale (FEICOM) through its Climate Window, particularly to help finance its remaining share. In certain specific cases, it is possible that some municipalities may also seek support from other partners to help cover their remaining share. This may include projects or programmes funded by international donors, or even private investors.

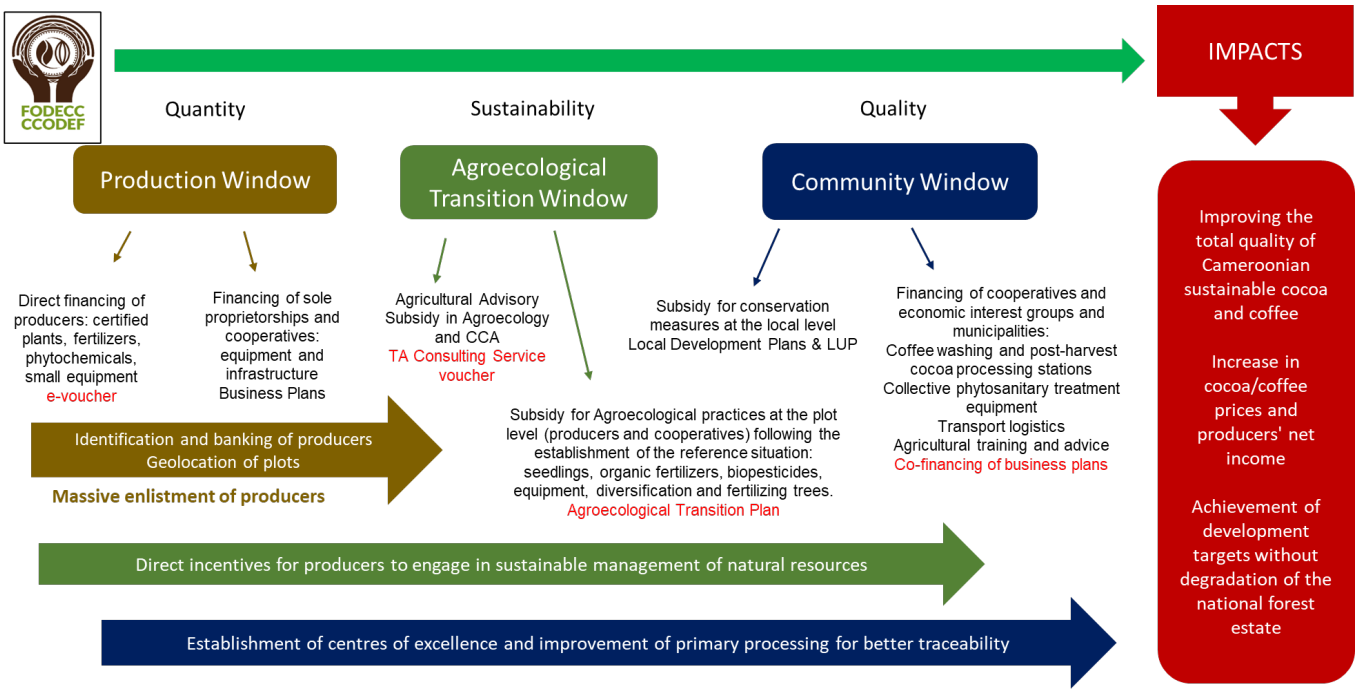


Figure 4 : Strategic diagram of the FODECC Producers' Desk

The FODECC Producer Window model offers a grant as co-financing for the producer or community investment plan in order to directly generate leverage, which averages around 70% private contribution for a public grant of around 30%. The private contribution is made by mobilising producers' savings and, often, by taking out a short-term loan from their bank or microfinance institution. Based on estimates of the budgets that could be allocated to the Producer Desk between 2026 and 2031, the volume of public subsidies would be around EURO 87 million over six years, representing a private contribution directly mobilised by beneficiaries of around EURO 296 million (excluding other untraceable direct and indirect contributions).

On the mitigation front, the FODECC Producer's Desk system operates through several strategic mechanisms:

- Prevention of deforestation by:
    - Developing and implementing municipal land-use and sustainable development plans (PLADDTs). These act as the core safeguard against the rebound effect by legally fixing agricultural boundaries in a participatory manner. The development of plans are accompanied by productive investments in processing and direct support for forest conservation, landscape restoration, afforestation, and riverbank protection.
    - Making the geolocation of cocoa and coffee plantations mandatory, the initiative ensures that production takes place only on legally recognised agricultural land (usage rights). This monitoring mechanism prevents the expansion of plantations into forest areas, thereby directly contributing to the reduction of emissions linked to deforestation.
- Sustainable intensification: financial support for climate-smart inputs, improved agricultural techniques and agroforestry enables farmers to increase yields of cash and food crops on existing land, reducing pressure to clear new forest areas.
- Agroforestry systems: Integrating shade trees into cocoa and coffee plantations not only sequesters carbon above and below ground, but also provides essential microclimatic benefits that enhance the climate resilience of farms.

  Monitoring and traceability: the deployment of a fully digital and georeferenced traceability system enables real-time monitoring of land use. This technology promotes compliance with deforestation commitments and facilitates emissions accounting in accordance with international requirements such as the EU Deforestation Regulation.

For adaptation, FODECC, the Producers' Desk, offers a range of tools and interventions tailored to the specific vulnerabilities of cocoa and coffee farming systems. With the support of the RACINE, FODECC's capacities will be strengthened in the following areas:

- **Improving the resilience of farms:** financial products support the use of organic fertilisers, compost, shade trees and improved cocoa plants, which improve soil health and increase resistance to climatic stress.
  Adaptation logic: In zones facing rising temperatures and erratic rainfall (hazard), degraded soils (vulnerability) lead to declining yields (impact). Targeting smallholders with low-input systems, these measures restore soil fertility and microclimates (response), resulting in improved yield stability and reduced sensitivity to drought and heat stress (risk reduction), measured through yield variability and soil health indicators.
- **Water management:** practices such as mulching, improved drainage and water retention techniques are encouraged to mitigate the effects of irregular rainfall and periods of drought.
  Adaptation logic: In areas exposed to rainfall variability and drought/flood cycles (hazard), farms lacking water control infrastructure (vulnerability) suffer crop losses (impact). Targeted water management practices (response) enhance moisture retention and drainage, reducing exposure to extremes and stabilising production (risk reduction), measured through reduced crop losses.
- **Pest and disease control:** integrated pest management (IPM) techniques are being promoted to mitigate the effects of climate-aggravated epidemics.
  Adaptation logic: Climate change increases pest and disease incidence (hazard), disproportionately affecting farmers with limited access to knowledge and inputs (vulnerability), leading to higher yield losses (impact). IPM adoption (response) strengthens farm-level control capacity, reducing outbreak severity and frequency (risk reduction), measured through reduced pest-related losses and lower input dependency.
- **Livelihood diversification:** by encouraging intercropping and the introduction of complementary crops, FODECC… is helping to reduce economic vulnerability to fluctuations in cocoa and coffee yields.
  Adaptation logic: Climate variability and market shocks (hazard) affect monocrop-dependent households (vulnerability), causing income instability (impact). Diversified production systems (response), targeted to highly cocoa/coffee-dependent households, spread risk across crops and income streams, reducing volatility (risk reduction), measured through income reduced revenue variability.

For the Producer's Desk to bear maximum fruit, **enabling conditions need to be strengthened for deforestation-free and climate-resilient cocoa and coffee value chains in Cameroon.** Indeed it will be critical to align policies and systems with international market requirements, including the EU Regulation on Deforestation and Forest Degradation (EUDR), while

strengthening inter-ministerial coordination and land use governance. This can be achieved by institutionalising traceability and participatory planning tools that will ensure environmental commitments are integrated into development frameworks (agriculture, livestock, forestry, mining, infrastructure) and that decentralised actors (local authorities, professional organisations) have the tools and authority necessary to comply with deforestation-free production standards.

The government of Cameroon and CAFI have agreed that transition to a performance-based approach whereby disbursements are made based after the independent verification of achieved results. This represents a major departure from development aid programs which advance funding on the basis of objectives to be achieved in the future. Indeed, many development assistance initiatives are loosely monitored or not at all, payments are up-front instead of periodic, and they are made in good faith rather than being truly contingent on monitored service provision. **This shift towards performance-based disbursements strengthens impact evaluation, promotes credible reporting, and offers a large replicability potential across Central Africa.** However, it requires increased ensures accuracy, accountability, and integrity in monitoring, reporting and verification systems. To achieve this, we need strengthened MRV systems and regional knowledge exchange enhance transparency, accountability, and replicability of this sustainability linked loan model across Central Africa.

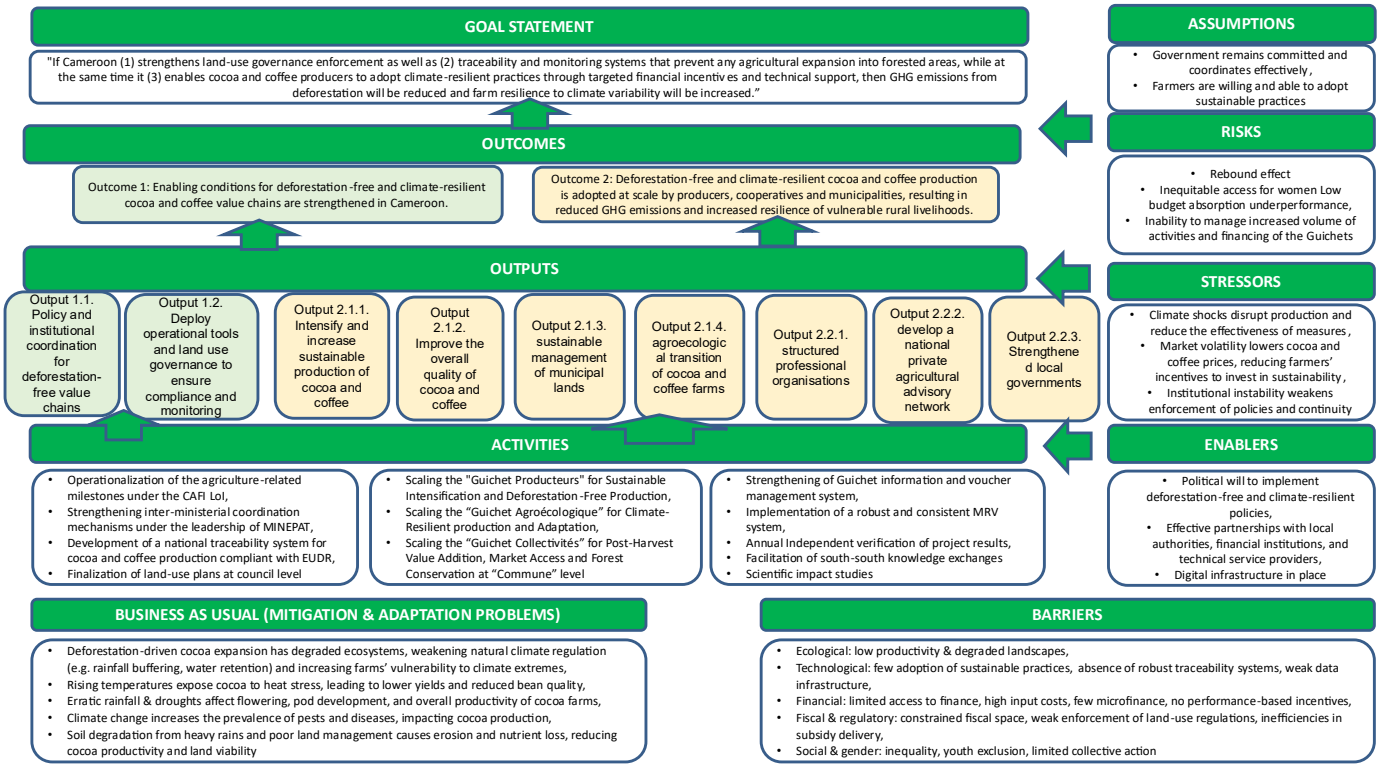


Figure 5 : RACINE Theory of Change

*For traceability across the Theory of Change, budget, logframe and implementation timetable, Subcomponent 2.1 is divided into Outputs 2.1.1 to 2.1.4, while Subcomponent 2.2 is divided into Outputs 2.2.1 to 2.2.3.

This holistic approach, which combines mitigation and adaptation within a single, scalable financial mechanism, positions the FODECC institution and system as a model for the intelligent transformation of the cocoa and coffee sector in the face of climate change. By supporting this system, thew project will generate a paradigm shift through a clearly defined and interconnected chain of results that systematically addresses the following obstacles:

- First, ecological barriers, including deforestation due to low agricultural productivity, are addressed by facilitating access to climate-smart inputs and promoting cocoa agroforestry through targeted financial incentives. Through the Producers' Desk, the project empowers farmers to adopt sustainable approaches by subsidising certified inputs and linking financial support to environmental and social performance. This model improves the productivity of existing agricultural land, reducing deforestation pressure on virgin forest areas. By making improved inputs more accessible and promoting agroforestry and the use of former fallow land as a viable and profitable production model, the project indirectly supports large-scale soil restoration and climate resilience.
- Technological barriers, such as limited adoption of sustainable practices and weak data infrastructure, are overcome through the scaling up of the innovative Producer Desk or "Guichet Producteurs" model and its digital platform. Through a fully digital and georeferenced financing and traceability system, the project provides farmers with access to climate-smart technologies, sustainable agricultural inputs and advisory support. The establishment of a robust national

traceability and system, compliant with international standards such as the EUDR, strengthens compliance monitoring and accountability.

- Financial barriers, including limited access to credit and high input costs, are systematically addressed by the incentive mechanisms of the Producers Desk and the project. The model incorporates public subsidies from export levies and matching funds from international partners, as well as mandatory co-financing from farmers and other co-financing beneficiaries, leveraging microfinance institutions and strengthening financial inclusion. Performance-based incentives, such as PSEs, further motivate farmers to adopt deforestation-free practices and sustainable agricultural methods, making climate-smart inputs financially accessible and attractive.
- Land-use governance barriers are overcome through the participatory development and implementation of local sustainable land use and development plans (PLADDTs). By ensuring that adequate land is available for farming within legally defined boundaries, and by coupling this with support for agroecological intensification, PLADDTs make it unnecessary and economically irrational for farmers to expand into forests, thereby embedding land-sparing and climate-mitigation objectives directly into the local spatial planning framework.
- Fiscal and regulatory barriers are overcome through strengthened policy frameworks and improved inter-ministerial coordination. Implementation of the CAFI Letter of Intent milestones and concerted land use planning at the decentralised local government (CTD) level address implementation gaps, ensuring comprehensive and harmonised policy implementation. Transparent and direct distribution of subsidies, through electronic vouchers and co-financing of business plans, minimises corruption and strengthens the confidence of the private sector and donors.
- Social and gender-related barriers are explicitly addressed by ensuring equitable access to incentive schemes, particularly for women and young people. The project proactively promotes the financial and technical inclusion of marginalised groups, strengthening their participation in decision-making processes and improving livelihood diversification and economic resilience.
- Institutional barriers, including fragmented governance and capacity gaps, are mitigated by strengthening coordination mechanisms between relevant ministries and improving the capacities of local authorities and producer organisations. Advisory support and training for farmers, with support for cooperatives and professional organisations, ensure the widespread dissemination and adoption of climate-resilient agricultural practices, thereby strengthening local institutional capacities. This effort is complemented by other CAFI-funded projects, such as (i) the project to support intersectoral coordination and planning within the CAFI-Cameroon partnership, which specifically targets institutional coherence and interministerial collaboration, thereby ensuring that the enabling environment promoted by this project is strengthened at the national level, (ii) the land use planning support project, (iii) the Grand Mbam project, and (iv) the PAIDATA project, which serves as a pilot phase for the RACINE initiative.

Thanks to these targeted activities and their results, favourable institutional and policy conditions are significantly strengthened, promoting greater adoption of sustainable agricultural practices by cocoa and coffee producers. These changes are reflected in intermediate results such as reduced pressure on deforestation, improved climate resilience for farmers, and enhanced transparency and accountability through robust monitoring and verification frameworks.

Ultimately, the RACINE initiative will significantly reduce deforestation rates and GHG emissions, improve resilience to climate variability, and ensure sustainable compliance with strict international market standards. By systematically addressing ecological, technological, financial, regulatory, social and institutional barriers, RACINE clearly explains how and why the desired paradigm shift towards sustainable, resilient and deforestation-free cocoa and coffee production will occur in Cameroon.

B.2 (b). Outcome mapping to GCF results areas and co-benefit categorization

Fill in the GCF results area table below to map each project/programme outcome identified in section B.2(a) to the contributing GCF results area(s) by referring to the description of eight results areas provided in the guidance note.

Outcome number	**GCF Mitigation Results Area (MRA 1-4)**				**GCF Adaptation Results Area (ARA 1-4)**			
	MRA 1 Energy generation and access	**MRA 2** Low-emission transport	**MRA 3** Building, citiies, industries, appliances	**MRA 4** Forestry and land use	**ARA 1** Most vulnerable people and communities	**ARA 2** Health, well-being, food and water security	**ARA 3** Infrastructure and built environment	**ARA 4** Ecosystems and ecosystem services
Outcome 1: Enabling conditions for deforestation-free and climate-resilient cocoa and coffee value	☐	☐	☐	☒	☐	☐	☐	☒

chains are strengthened in Cameroon.								
Outcome 2: Deforestation-free and climate-resilient cocoa and coffee production is adopted at scale by producers, cooperatives and municipalities, resulting in reduced GHG emissions and increased resilience of vulnerable rural livelihoods	☐	☐	☐	☒	☒	☐	☐	☒

If any co-benefits have been identified in section B.2(a), fill in the Co-benefit table below to map each co-benefit to the corresponding category as defined in the FP guidance note.

Co-benefit number	**Co-benefit**					
	Environmental	**Social**	**Economic**	**Gender**	**Adaptation**	**Mitigation**
Co-benefit 1 women have equitable access to financial incentives, agricultural inputs	☐	☐	☐	☒	☐	☐
Co-benefit 2 improved biodiversity & soil quality	☒	☐	☐	☐	☐	☐
Co-benefit 3 Increased farmer incomes through improved yields, reduced input costs and better access to high-end international markets that comply with EU regulation	☐	☐	☒	☐	☐	☐
Co-benefit 4 increased financial	☐	☐	☒	☐	☐	☐

inclusion of rural communities						

B.3. Project/programme description (max. 2500 words, approximately 5 pages)

The proposed project, by supporting FODECC, aims to shift the cocoa and coffee sectors in Cameroon towards deforestation-free, low-emission and climate-resilient production models, combining enabling policy reforms, direct financial incentives linked to environmental performance and investments in climate-smart practices. This objective will be achieved by scaling up the FODECC system and its Producers' Desk, an innovative and fully digital platform that provides farmers and their organisations with performance-based payments, technical support and traceability tools. The RACINE initiative is structured around two complementary components:

1. Component 1: Strengthening the enabling environment for deforestation-free and climate-resilient cocoa and coffee production in Cameroon. This component will be led by MINEPAT itself, more specifically this is led by the same team in charge of the CAFI partnership within MINEPAT, with technical advice from the CAFI Secretariat and support from the UNDP country office for procurement. MINEPAT acts as an accredited agency of the Green Climate Fund and as the ministry responsible for coordinating economic development and international cooperation for the Government of Cameroon.

2. Component 2: Scaling up payment for environmental services for sustainable, climate-resilient and deforestation-free value chains. This component is led by FODECC and includes sub-component C2.1, which provides direct funding to the Producers' Desk and its 3 windows and eight specialised technical sub-windows, and sub-component C2.2, which builds the capacity of the various field partners and/or beneficiaries of the Producers' Desk to help them achieve the expected results. The selection criteria for beneficiaries are specified in the operations manuals of the Producer Desk. A summary of these criteria is included in Annex 2.

Furthermore, the project includes a significant monitoring, reporting, verification, impact assessment, management and knowledge production activities which are included in a detailed Monitoring, Evaluation and Learning plan. The implementation of this plan is led by FODECC with technical advice from CAFI and support from the UNDP country office for procurement. The plan will enable the continuous production of the information required for results-based payment processes and prepare for the annual independent audits mandated by the Government of Cameroon, the GCF and CAFI to document the release of successive payment tranches. In addition, a scientific team will monitor the impact of the subsidy schemes on several representative samples of beneficiaries in order to independently measure the impact on the development of agroforestry systems with and without technical and financial support (see annex 11 for further details).

Component 1. Strengthening the institutional and regulatory environment conducive to deforestation-free and climate-resilient cocoa and coffee production in Cameroon.

To achieve a paradigm shift towards deforestation-free and climate-resilient cocoa and coffee value chains in Cameroon, it is important to have an enabling environment based on coherent policies, effective coordination, strong governance, good traceability and sustainable land use management. Component 1 aims to consolidate the actions undertaken over several years at the institutional and regulatory level to support and expand climate-smart interventions. It focuses on aligning policies and systems with international market requirements, including the EU Regulation on Deforestation and Forest Degradation (EUDR), while strengthening inter-ministerial coordination and land use governance. By operationalising the key milestones of the CAFI-Cameroon Letter of Intent and institutionalising traceability and participatory planning tools, this component ensures that environmental commitments are integrated into development frameworks (agriculture, livestock, forestry, mining, infrastructure) and that decentralised actors (local authorities, professional organisations) have the tools and authority necessary to comply with deforestation-free production standards. In doing so, Component 1 creates the conditions necessary for the incentives implemented under other components and other national and sectoral programmes to bear fruit on the ground.

Objectives: Alignment of national policy, regulatory and institutional frameworks with the commitments made by the Cameroonian government in the CAFI Letter of Intent (LoI), the EU-Cameroon Roadmap for Deforestation-Free Cocoa and the requirements of the EU Deforestation Regulation (EUDR).

Budget: **EURO 3.767 million** (GCF grant)

Implementation of Component 1 of the RACINE initiative: MINEPAT (Coordination Team) with technical advice from the CAFI Secretariat and support from the UNDP country office for procurement in close collaboration with the GIZ team of the national interministerial and multilevel coordination support project financed by CAFI.

Output 1.1: Align policy and institutional frameworks for deforestation-free value chains.

Consolidating the alignment of policy and institutional frameworks is essential to ensure that the transition to sustainable, deforestation-free cocoa and coffee value chains is both credible and scalable. Output 1.1 supports the implementation of key policy commitments made by the Cameroonian government in the CAFI Letter of Intent and the EU-Cameroon Roadmap for Deforestation-Free Cocoa. It builds on national strategic and operational planning documents (SND30, SNADDT, SSDR/PNIA, PNZT, National Climate Plan, CDN 2.0, SRADDTs, SIF-GDT, etc.) and emphasises improved inter-ministerial coordination under the leadership of MINEPAT to ensure coherence between agriculture, environment, forestry, land use, land management, spatial planning, infrastructure, trade, mining and finance. It builds on the achievements of the coordination of the pilot phase of the partnership between CAFI and Cameroon (PAPRINS project) and amplifies the opportunities offered by the coordination project currently being launched by GIZ with MINEPAT. This synergy in strategic continuity aims to strengthen the systematic integration of zero deforestation and sustainable forest management objectives into national agriculture and land use strategies and programmes, while harmonising them with new international requirements such as the EU Regulation on deforestation and forest degradation (EUDR), which in Cameroon particularly concerns cocoa, robusta and arabica coffee, timber and all their derivative products.

In doing so, output 1.1 addresses the lack of coordination and effectiveness of institutions and ensures that 'deforestation-free production' is no longer seen as a parallel or isolated programme, but as an integral part of the country's broader and integrated rural development and climate strategies. The following activities fall under this outcome:

- Activity 1.1.1. Support the implementation of key agriculture-related milestones under the CAFI Letter of Intent, including measures to control agricultural expansion, enhance fallow land use, strengthen monitoring of permanent forest areas, and integrate zero deforestation requirements into national agricultural policies.
- Activity 1.1.2. Strengthen interministerial coordination and planning mechanisms under the leadership of MINEPAT, ensuring policy, strategy and programme coherence in the agriculture, trade, environment, forestry, land use planning and finance sectors.

Output 1.2. Deploy operational land use governance tools for compliance and monitoring.

To ensure that deforestation-free production is not only mandatory but also effectively implemented and monitored, output 1.2 focuses on developing and institutionalising the operational tools and governance mechanisms necessary for traceability and compliance with sustainable land use. This includes the establishment of a national traceability system for cocoa and coffee that meets the requirements of the EUDR Regulation, ensuring full geolocation and verification of the legality of supply chains. This work requires active consultation leading to close collaboration between the various public institutions (ONCC, FODECC, SODECAO, SOWEDA) and private institutions (CICC, GEX, major export companies, main processing operators, and other local and regional professional organisations). In addition, this result also supports the coordination of the implementation of local land use plans (PLADDT) at the level of rural municipalities, which serve as the basis for all activities in the field and require careful and participatory planning of the territories. This activity complements the FODECC Community Window supporting municipalities. By combining technological infrastructure and inclusive land use governance, output 1.2 provides the necessary framework for the transparent, enforceable and accountable implementation of commitments to deforestation-free production in the cocoa and coffee sectors in Cameroon. The following activities fall under this output:

- Activity 1.2.1. Develop, improve and institutionalise a national traceability system for cocoa and coffee production, fully compliant with the EU Deforestation Regulation (EUDR) and the national roadmap for deforestation-free cocoa.
- Activity 1.2.2. Coordinate the preparation and implementation of local land use plans (PLADDT) at the level of rural municipalities in order to operationalise agreements for the preservation of permanent forest areas in general, and specific agreements concluded at the local level for forests and agricultural land in non-permanent forest areas.

Component 2. Develop payment for environmental services for sustainable, climate-resilient and deforestation-free value chains (see Section B.2(a) for details).

Building on the achievements of FODECC's Guichet Producteurs (Producers' Desk), Component 2 focuses on the direct deployment of financial and technical incentives aimed at changing production practices through the application of methods that promote intensification through agroecological and climate resilient practices. Using FODECC's integrated, digital and performance-based "Producers' Desk" system, funding from the RACINE project makes it possible to reach a larger number of farmers and local actors to encourage them to adopt sustainable, deforestation-free and climate-resilient cocoa and coffee production practices. The FODECC's Producers Desk offers three complementary funding windows: G1/ Production Window, G2/ Communities Window, and G3/ Agroecological transition. Together these windows provide tailored support to producers, promote agroecological adaptation practices and enables rural municipalities and cooperatives to invest in added value (market quality, traceability, environmental and social quality, and the preservation and restoration of forest areas). Component 2 is designed not only to increase farm productivity, but to do so within a controlled land-use and traceability framework, so that intensification does not generate a rebound effect in the form of further agricultural expansion into forest areas.

NB: Detailed descriptions of the functioning of the Guichet Producteur are provided in Annex 2. See Annex 21 for the FODECC operation manuals used to manage the Producer's Desk *(updated version of January 2025)*:

- Operational Manual Volume 1 – Quantity, general and specific provisions for production sub-windows G1/a-ebons and G1/b-PA
- Operational Manual Volume II – Communities, Quality sub-windows (G2/a-CTD and G2/b-Coop) & Agroecological Transition sub-windows (G2/c-PLADDT and G2/d-Green Investment/TA)
- Operational Manual Volume III – Sustainability, Agroecological Transition sub-windows G3/a-TA & G3/b-Agricultural Advice/TA

By combining public co-financing with private contributions, Component 2 helps guide local actors towards agricultural intensification that combines increased production with compliance with environmental and social requirements, traceability requirements, total quality requirements for marketed products, and reduced pressure on riparian forests. The FODECC Producers' Window subsidy consolidates the way resources are distributed and controlled in the agricultural sector, with transparency, efficiency and inclusion. Ultimately, it promotes a rural investment model that links climate outcomes to financial incentives and empowers smallholder farmers to be active agents of change in achieving local, national and international sustainability goals.

Objectives: 227,000 cocoa and coffee-producing households (1,405,000 directs beneficiaries) intensify their production systems without deforestation, 43,000 adopt climate-resilient agroecological practices, 43,000 improve the quality of their cash crop production and their incomes, 180 post-harvest processing centres are set up jointly by municipalities and their local cooperatives, and 100 rural municipalities make green investments in reforestation and restoration of degraded forest landscapes.

Budget : **EURO 73 million** (GCF loan), **EURO 36.2 million** (CAFI grant) + **EURO 88.7 million** from direct co-financing from FODECC to the Producers Window.

NB: it is also important to note that there are other important parralel funding streams which contribute to the general policy goals supported by RACINE, these include

1. additional contributions from projects under the supervision of sector support. Indeed, FODECC also finances conventional projects such as PAD Cacao, PARF Café, PVSGS-2C, CECAFIN, and quality bonuses for cocoa producers, in addition to its own operational costs as a public institution — all funded from the portion of export levies on cocoa and coffee that is allocated to FODECC. It is not currently possible to determine precise values for the additional contributions these various projects may provide within the RACINE initiative, the very purpose of these FODECC-funded projects is to support the cocoa and coffee value chains — through MINADER, MINCOMMERCE and MINRESI. In practice, the contribution from these projects consists mainly of advisory and technical support services, while the Producer Window contributes financial support.
2. Direct contribution from local actors benefiting from grants (non-budgetary leverage effect) : **EURO 650 million**. Local actors' contributions correspond to the sum of the remaining co-financing shares owed by beneficiaries (producers, cooperatives, municipalities). These amounts must always be deposited and secured in their respective bank accounts before banks and microfinance institutions can trigger payment of vouchers or business plans — including the subsidy or co-financing they are entitled to through the Producer Window. Banks and microfinance institutions are then reimbursed by FODECC for the portion it covers.This system is also designed to facilitate loans to producers from banks and MFIs, helping beneficiaries finance their remaining share. In practice, subsidy disbursement always occurs only after the beneficiary's deposit of their required co-financing share in their bank account has been verified.

Subcomponent 2.1: Funding for the Producers' Desk – "Guichet Producteur" and its eight sub-windows for sustainable intensification and deforestation-free production.

Subcomponent 2.1: aims to expand the scope and impact of the **Producers' Desk – "Guichet Producteur"** and its eight financing windows (see ToC above), designed to support sustainable intensification and ensure compliance with deforestation-free production standards. This digital platform delivers targeted, **performance-based subsidies** (results-based payments) to small cocoa and coffee producers in the form of electronic vouchers that are exchanged for certified inputs such as organic fertilisers, agroforestry plants, small equipment and pest control products, for example. The procedures for accessing subsidies through electronic vouchers are very simple and straightforward, eliminating intermediaries and significantly reducing transaction costs and the risk of leakage.The Producers' Desk also co-finances business plans, local development plans and agroecological transition plans for producers, municipalities, cooperatives or economic interest groups, including advisory support services, based on a transparent process of evaluating applications that are reviewed at the regional level by an ad hoc committee chaired by the Regional Council with key local actors from the public and private sectors, and then processed at the central level by FODECC.

This model operates with average co-financing by beneficiaries of around 70% (variable depending on the sub-windows and components, and based on a principle of degressive subsidies over three years), ensuring ownership and alignment of incentives, while incorporating traceability and geolocation requirements that link financial support to verifiable environmental results. By

linking access to finance to sustainability commitments, the Producers Window overcomes long-standing barriers to rural credit, encourages productive investment without land expansion, and creates conditions conducive to meeting the zero deforestation target in Cameroon's cocoa and coffee production areas. Scaling up this mechanism at the national level, based on the achievements of FODECC since 2022 using its own funds, then with the support of PAIDATA and CAFI since 2025, not only increases the impact at the farmer level, but also establish a financial architecture capable of channelling climate finance and private investment on a larger scale in the future.

The following activities are planned using resources from the GCF loan and the CAFI grant, in addition to FODECC's national resources, the implementation of which is defined in the specific procedure manuals of the three specialised windows of the Producers Window, which were updated in May 2026:

Output 2.1.1: Intensify and increase sustainable production in cocoa and coffee orchards

Activity 2.1.1.1. Annual contribution to the Production window, component G1/a-ebon: subsidy for certified plants, quality inputs and very small production equipment.

Activity 2.1.1.2. Annual contribution to the Production Window, component G1/b-PA: co-financing of productive equipment for the business plans of small producers and small production cooperatives.

NB: this result 2.1.1 is primarily co-financed from FODECC's own resources derived from export levies and supplemented to a limited extent by resources from the GCF loan and the CAFI grant. The Cameroonian Government's priority is to revitalise the productive sector by encouraging producers to rehabilitate old orchards, increase their density and renew them to make them more efficient, favouring extensions within fallow land while prohibiting planting in permanent forest areas. The voucher system applies to all producers wishing to intensify their orchards. The business plan co-financing system is available to all producers and small cooperatives that are committed to modernising and intensifying their production systems and initial on-site processing of their crops.

Output 2.1.2. Improve the overall quality of cocoa and coffee products placed on the market

Activity 2.1.2.1. Annual contribution to the Communities window, Sub-Window G2/a-CTD: co-financing of of post-harvest processing centres in rural cocoa and/or coffee-producing municipalities. Municipalities retain ownership of post-harvest centres; cooperatives or EIGs operate the centres under a performance-based lease agreement. Service fees are cost-recovery only, regulated by the municipality. Cooperatives manage O&M for equipment; municipalities maintain infrastructure.

Activity 2.1.2.2. Annual contribution to the Communities window, Sub-Window G2/b/Coop: co-financing of investments and movable equipment in the business plans of cooperatives or partner economic interest groups in the municipalities for the management of their post-harvest processing centres.

NB: This result 2.1.2. is jointly co-financed by FODECC's own resources from export levies and by GCF loan and CAFI grant resources in order to meet the investment needs for sustainable productive infrastructure capable of supporting cocoa and coffee production in the long term. With the deployment of a large number of post-harvest processing centres at the municipal level, aimed at creating an effective territorial network, Cameroon wishes to develop a national network capable of ensuring that cocoa and coffee products comply with total product quality requirements, both at the commercial level and at the environmental level (zero deforestation, reduction of pesticide residues) and social standards (no child labour, no gender-based violence), and that, in doing so, they can be better paid, allowing producers to be better remunerated. By increasing the number of post-harvest processing centres, production is channelled from the orchards to the centres and then from the centres to the ports or factories, ensuring that all products comply with the total traceability standards required by the EU deforestation regulation from the field to the end customer. While upstream interventions target production practices, this result addresses critical bottlenecks throughout the value chain by supporting collective investments in facilities such as solar dryers, storage units, washing units, and fermentation and drying centres, which are essential for building quality, reducing post-harvest losses, and meeting international standards.

Output 2.1.3. Strengthen the sustainable management of communal lands and forest cover

Activity 2.1.3.1. Annual contribution to the Communities window , sub-window G2/c-PLADDT component: co-financing of the preparation of Local Plans for the Development and Sustainable Management of Municipal Land, setting out land use allocations between different agricultural, forestry, urban and infrastructure uses, etc.

Activity 2.1.3.2. Annual contribution to the Communities window, sub-window G2/d-Green Investments section: co-financing of green investments provided for in PLADDTs and PCDs (or other local planning documents) such as reforestation, revegetation, forest cover protection and conservation measures, assisted natural regeneration actions, restoration of degraded forest landscapes and watersheds, planting on riverbanks and roadsides, etc.

NB: This result 2.1.3. is mainly co-financed from GCF loan resources and CAFI grants, reinforcing the efforts made by MINEPAT in terms of spatial planning and land use at national level (SNADDT 2018), regional level (SRADDT in the 10 regions) and local level with the PLADDTs. Several international partners also contribute to the financing of municipal PLADDTs, including CAFI

resources (KfW, GIZ, EFI, etc.). Of the country's 360 municipalities, and therefore almost as many PLADDTs to be prepared, the RACINE project will give priority support to the most dynamic municipalities in humid or transition forest areas, which have both permanent forest areas that need to be preserved and cocoa or coffee production that is being revitalised and expanded. Based on the validated PLADDTs, but also on the PCDs (municipal development plans) or other validated local planning documents, result 2.1.3. will be able to respond to requests for co-financing of green investments by partner municipalities (landscape restoration, watershed restoration, reforestation, forest cover protection, riverbank and roadside planting, forest conservation, etc.) by prioritising areas in the public and/or private domain of the municipality and areas under regulated community management.

NB: For all municipal public investments, each municipality must include its planned investments, as approved by its municipal council, in its PTBA for the following year, along with the value of its contribution from its own resources and the value of the co-financing requested from the FODECC, within the authorised limits (see the Local Authorities Manual). Each municipal file is presented to the regional commission chaired by the Regional Council before being forwarded to the FODECC. The contract established between the municipality and the FODECC binds the parties to achieve the expected results, particularly in terms of respecting the limits of the permanent forest domain and the obligation to sustainably restore forest cover in areas subject to co-financing. By supporting municipalities and producer organisations as co-managing partners in sustainability outcomes, the Local Authorities Window strengthens territorial governance, reduces pressure on forests and generates related socio-economic benefits, particularly in terms of employment, income diversification and strengthening of producer institutions. This is a key element in scaling up locally appropriate solutions that align rural development with climate and biodiversity objectives.

Disbursements for PLADDT preparation and green investments occur only after verification of milestone completion (municipal council approval, budgeting of municipal share, draft PLADDT stages, georeferenced evidence of restoration activities). FODECC pays suppliers directly upon validation.

Output 2.1.4. Supporting the agroecological transition of cocoa and coffee farms

Activity 2.1.4.1. Annual contribution from the Sustainability Window, sub-window G3/a-Agroecological Transition component: 3-year results-based co-financing of agroecological transition plans for cocoa and/or coffee producers at the farm level (orchards, food crops, fallow land) to make them more climate-resilient, by subsidising plant material for renewal/re-densification of orchards and enrichment with fertiliser and cover trees, the production of biofertilisers and biopesticides, the adoption of soil fertility conservation practices, etc., based on the principle of intensification and sustainable adaptation of existing agricultural land and refraining from expanding land area at the expense of natural or naturally regenerated forests (mitigation).

Activity 2.1.4.2. Annual contribution to the Sustainability Window, sub-window G3/b-Agricultural advice/agroecological transition component. Co-financing of agricultural advice to accompany each producer individually throughout the three-year transition process, from mapping the farm and preparing its agroecological transition plan (PTA) to implementing activities, monitoring them and then evaluating them periodically. The agricultural technical advisor reports regularly on achievements to the FODECC via its digital platform using georeferenced reports.

NB: this result 2.1.4 is mainly co-financed by resources from the GCF loan and the CAFI grant, which supplement FODECC's own resources. Access to the facilities of Window 3/Sustainability is reserved for the most dynamic producers who have already benefited from subsidies from the production window (G1/a-ebon) and who wish to continue their intensification efforts by integrating agroecological practices that will sustainably improve their productivity while reducing their use of costly synthetic inputs. A results-based payment contract is drawn up between FODECC and the producer, with an obligation to achieve results and an obligation to be supported by an approved agricultural advisor throughout the three-year transition process. The producer undertakes not to expand their plantations at the expense of permanent forest areas, natural forests and naturally regenerated forests. The agricultural advisor acts as both a knowledge broker and a facilitator of change. Rolled out across all eight cocoa and coffee-producing regions, the agroecological transition model will gradually spread throughout rural communities, supported by thousands of private agricultural advisors, all mobilised locally.

NB: by partially subsidising adaptation and mitigation at farm level, the RACINE initiative supports the restoration of soil fertility by increasing its organic matter content, water retention capacity and, more broadly, its biodiversity, while reducing the effects of erosion and climate change. Restored and preserved ecosystems are generally more productive and sustainable, reducing the temptation to convert land and thus aligning productivity objectives with environmental integrity.

Subcomponent 2.2: Strengthening the structure and capacities of FODECC's rural partner actors.

Output 2.2.1. Support the strengthening and structuring of professional organisations (cooperatives, umbrella organisations, inter-professional organisations)

Activity 2.2.1.1. Organisational development support and advice

Activity 2.2.1.2. Capacity building on agroecological transition, RDUE standards, financing systems, etc.

NB: The agroecological transition in the context of climate change adaptation requires different categories of actors to agree to a paradigm shift, abandoning certain harmful practices in favour of more virtuous ones. These changes are complex and take time.

FODECC will mobilise networks of associations and regional and local offices to support local professional organisations in their efforts. This will also involve support for organisational development, the redefinition of objectives and process support. FODECC will also ensure that support networks are mobilised in regions that are more difficult to access, such as the South-West and North-West. These support and capacity-building activities are jointly funded by RACINE (GCF and CAFI) and FODECC resources, in particular through support programmes for the cocoa and coffee sectors (using own resources outside the RACINE budget).

Output 2.2.2. Support the development of the national private agricultural advisory network in agroecological transition

Activity 2.2.2.1. Manage and develop the national network of agroecological transition advisers via the FODECC digital platform

Activity 2.2.2.2. Produce and disseminate technical training tools via the digital platform

NB: the national agricultural advisory system proposed by FODECC provides for the recruitment and local mobilisation of technicians available on site. Already qualified in agriculture, many have never been able to be recruited into the civil service and must now undergo online training in agroecological transition in order to be approved as advisers (see G3 sustainability/agroecological transition manual). This new network, based on the principle of local mobilisation of technical resources that are available but under-employed in the regions, must receive constant support from FODECC in order to develop. Result 2.2.2 is mainly financed by resources allocated to the G3.b-CTA window, but also by the FODECC's operating budget, supplemented by sector support programmes, particularly for accreditation and monitoring processes.

Several types of advisors are planned to support the system. Some are already supported by the projects under the supervision of the technical ministries and funded by FODECC (PAD Cacao, PAD Café, CECAFIN, PVSGS-2C). These projects, implemented by the supervising technical ministries, help strengthen the capacities of public services supporting the value chains (for example, validating farmers' self-declared data during their online registration).

G1/a-ebon and G1/b-PA: advisory support is therefore provided on the one hand by agricultural post heads and other MINADER agents, and on the other hand by technicians and staff from cooperatives and professional organizations when available. This constitutes the official advisory support system for agricultural value chains, with the limitations that this often entails.

G3/a-TA: advisory support is provided by agricultural advisors trained in agroecological transition and accredited at the regional level. This private system is new and is directly subsidized by FODECC in order to create a dense territorial network capable of compensating for the shortcomings of the official system.

G2/a-b-c-d: advisory support is provided directly by the Centre Technique de la Foret Communale (CTFC) for municipal assistance. Specialized NGOs may also be mobilized with RACINE to support professional organizations.

Output 2.2.3. Strengthen the capacities of decentralized local governments (CTDs) and their local partners

Activity 2.2.3.1. Support CTDs in the preparation of their PLADDTs

Activity 2.2.3.2. Support CTDs in the planning and implementation of their investments co-financed by the FODECC

Activity 2.2.3.3. Support partner organisations of local authorities in their planning and implementation processes for investments co-financed by the FODECC

NB: Support activities for decentralized local governments (CTDs) and their partners began in 2025 with CAFI funding via UNOPS so that investments could begin in 2026. Activities related to outcome 2.2.3. of the RACINE initiative are a continuation of the actions already undertaken and are also led by the CTFC, in accordance with the agreement between the Technical Centre for Community Forestry and the FODECC. They are financed by joint resources from the GCF and CAFI, as well as the FODECC.

The process of preparing a PLADDT at the municipal level follows a very precise official procedure, based on a guide established by MINEPAT. On average, it takes at least one year to prepare a PLADDT, and the municipality must register the cost in its municipal budget one year in advance. The subsidy proposed by FODECC can only be granted once per municipality, and its amount is capped at a value that remains below half the average cost of a PLADDT. The municipality must therefore finance the remaining share itself or request support from other partners to co-finance the exercise. FEICOM (the municipal bank) has confirmed its interest in co-financing PLADDTs.

The municipality must commit the expenditures that fall under its responsibility using its own budget.CTDs prepare their budgets one year in advance. The budget is adopted through a Municipal Council resolution, then transmitted to the Prefecture for official validation by MINAT. The co-financing from FODECC is paid directly by the bank to the suppliers, in accordance with the financing agreement signed between FODECC and the Municipality. Therefore GCF proceeds will not finance activities retroactively.

B.4. Implementation arrangements (max. 1500 words, approximately 3 pages plus diagrams)

Stakeholders in the RACINE initiative

The key stakeholders involved in implementing this initiative are the accredited entity (MINEPAT), the executing entities (MINEPAT and FODECC), the ministries providing technical oversight of FODECC (MINADER, MINCOMMERCE, MINRESI), and financial oversight (MINFI), the international co-financier (CAFI),

The Accredited Entity (AE): MINEPAT

The institutional anchor point of the initiative is the Accredited Entity (AE), the Ministry of Economy, Planning and Regional Development (MINEPAT), which has overall responsibility for the GCF. MINEPAT provides strategic oversight, inter-ministerial coordination, compliance with national commitments (CAFI letter of intent) and ensures that the conditions for access to sustainability-linked loan resources are properly applied. As the AE, MINEPAT signs the loan/grant agreement with the GCF and undertakes to comply with the donor's fiduciary, environmental and social requirements, to produce financial and performance reports, and to coordinate annual external audits. MINEPAT's central role in coordination and implementation is in line with its national mandate to steer investment and land use policies.

In financial and procedural terms, and in particular for sovereign loans/public financing, all disbursements relating to borrowed resources are centralised in the national debt and payment management systems at the **Caisse Autonome d'Amortissement (CAA),** which is the public body responsible for receiving, holding and servicing loans and managing project accounts in accordance with Cameroonian law . In practice, withdrawal requests or disbursement requests initiated by the EE (e.g. FODECC for Component 2) are forwarded to MINEPAT (AE) for instruction, then to the CAA for the opening or funding of the project account, and finally executed according to the agreed modality (designated account, direct payment from the donor, reimbursement upon justification, or instruments such as letters of credit). This centralisation via the CAA ensures traceability, consolidation of debt information and compliance with debt service obligations.

All GCF loan and grant proceeds are deposited into an interest-bearing project account at the Caisse Autonome d'Amortissement (CAA). MINEPAT manages this account with full withdrawal authority; no external authorization is required. Funds are held in CFA francs.

Executing Entities(IEs): MINEPAT, FODECC

The **Executing Entities(EE)** are divided by component: MINEPAT will act as the EE for Component 1 (institutional strengthening, traceability, PLADDT), while the **Cocoa and Coffee Sector Development Fund (FODECC)** is the EE for Component 2 (the three windows – Production, Agroecology, Communities and for the implementation of the monitoring and evaluation plan. A Funded Activity Agreement (FAA) will be signed between GCF and MINEPAT; MINEPAT will subsenquently enter into subsidiary agreement FODECC as the Executing Entity for C2 to pass down the requirements in the FAA. (e.g.responsibilities, fiduciary procedures, disbursement modalities, audit and compliance clauses). The loan agreement (or FAA) provides for, among other things: a description of the activities and expected results, the disbursement schedule (linked to milestones or expenditure supporting documents), procurement requirements, financial and technical reporting obligations, and mechanisms for suspending or recovering funds in the event of non-compliance. Financial flows from the GCF are contractually channelled through the main AE-GCF agreement; the AE then delegates, by agreement, financing ressources or disbursement vouchers to the EEs, which will be responsible for operational management and transfer to the final beneficiaries. This specific agreement is signed between MINEPAT, the project owner and borrower on behalf of the Government from the GCF, and FODECC, the project manager for C2, specifying the terms and conditions for the transfer of responsibilities and resources to be administered by FODECC as grants. For components C1 and C2, the UNDP country office will provide assistance to the executing entities for procurement and the CAFI Secretariat will provide dedicated technical assistance through the CAFI Secretariat. UNDP which hosts the CAFI secretariat will sign dedicated agreement with MINEPAT covering both procurement and technical assistance services.

The government co-financiers are: the Ministry of Trade (MINCOMMERCE), the Ministry of Agriculture and Rural Development (MINADER), and the Ministry of Scientific Research and Technological Innovation (MINRESI), which are the supervisory authorities and authorising officers of **FODECC, and FEICOM** (Special Fund for Inter-municipal Equipment and Intervention).

MINCOMMERCE, MINADER and MINRESI are the technical supervisory ministries of FODECC, as well as authorising officers and members of the Management Committee. The MINCOMMERCE decree of 13 January 2025 sets and distributes the cocoa export levy, which amounts to 225 CFA francs/kg, of which 126.5 CFA francs/kg are allocated to the FODECC to cover the quality premiums paid to the best cocoa producers during each season (10 CFA francs/kg), direct subsidies to producers (35 CFA francs/kg for the Producers' Window), the financing of projects by FODECC technical authorising officers (60 CFA francs/kg, of which 55% goes to MINADER, 30% to MINCOMMERCE and 15% to MINRESI), and the operation of the FODECC Administration (21.5 CFA francs/kg). The levy is collected by Cameroonian customs and the corresponding portion is then transferred to the FODECC account at the BEAC. Through this mechanism, the Government of Cameroon will contribute approximately USD 102 million in co-financing to the Producers' Window financial mechanism supported by the RACINE initiative over the period 2026-2031.

FEICOM, through its functions as a municipal bank, finances municipal development through several financial tools based on loans and grants. A partnership agreement has been established between FODECC and FEICOM to facilitate the co-financing of

municipalities, particularly in the context of the implementation of FODECC's Local Authorities Window and FEICOM's Climate Window. As FODECC offers grants to municipalities for the co-financing of post-harvest processing centres, the preparation of PLADDTs and green investments, municipalities will be able to apply for additional funding from FEICOM to cover their remaining costs.

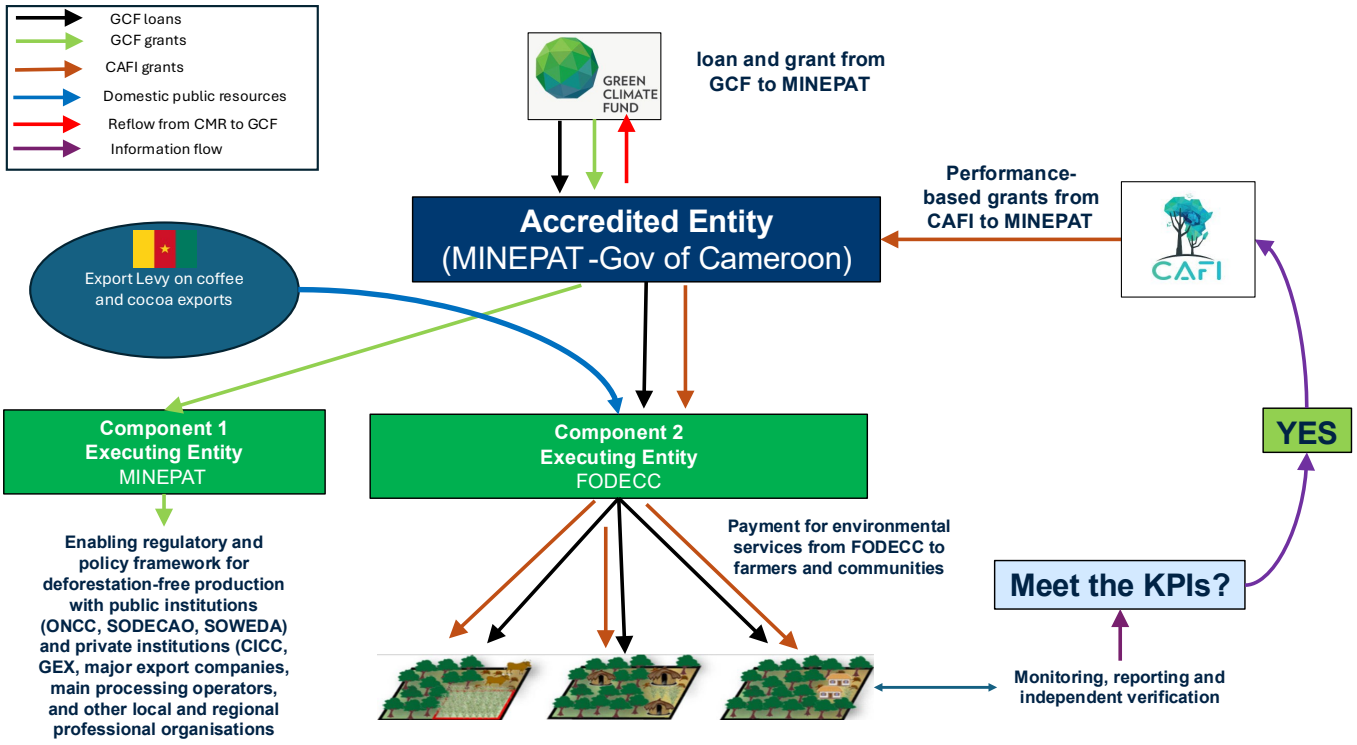


Figure 6 Simplified Illustration of implementation arrangements

Local private co-investors: cocoa and coffee producers, cooperatives and professional organisations

The main players in the subsidy system are the producers/farmers themselves, who cover on average around 70% of the value of subsidised purchases. The system is designed so that they themselves are the ones who trigger the subsidy process that will make them beneficiaries. Producers must register and identify themselves online on the FODECC application, open and register their own bank account and deposit their remaining share, georeference their plots, designate their agrodealer and agricultural technical advisor, designate their nurseryman, etc.

Cooperative groups and professional agricultural production and service organisations access co-financing from the Producers' Window by submitting productive investment plans (business plans) that are evaluated at the regional level, particularly in terms of zero deforestation commitments and improvements in productivity and product quality. The group must be structured, banked, legalised and able to deposit its share of the subsidised investments into its bank account in order to trigger the subsidy.

Local public co-investors: rural municipalities

For investments of general and collective interest, the main actors are rural municipalities which, with the decentralisation law and according to the principle of subsidiarity, are seeing their areas of responsibility constantly expand. Municipalities have management autonomy and follow public procedures. To access FODECC co-financing, they must prepare ad hoc files and include their share of the planned investments in their budget. Applications are assessed at regional level and may concern co-financing for their PLADDT, their post-harvest processing centre projects for cocoa and coffee (which must then be managed by a cooperative or partner EIG), and their green investment projects (restoration of degraded landscapes, development/conservation of communal forests, reforestation and revegetation of areas, development of eroded micro-watersheds, roadside and riverside plantations, etc.). The subsidy granted to the municipality by the FODECC can be up to 80% of the value of the planned acquisitions, thus limiting the remaining share to be paid by the municipality in order to encourage decision-makers to make virtuous investments. And, as already mentioned above, municipalities will be able to apply to FEICOM for help in financing the portion remaining at their expense.

Banks and microfinance institutions

Banks and microfinance institutions that open accounts for producers free of charge (in accordance with their partnership agreement signed with FODECC) collect and record producers' contributions towards their remaining share and issue the corresponding vouchers to be redeemed with approved suppliers designated by the producer themselves. At the same time, MFIs may also grant loans to producers they trust and pre-finance part of their share. The MFI pays suppliers directly by bank transfer. Periodically, the MFI documents its request for reimbursement of the cumulative value of the subsidy over the period and sends it to FODECC for repayment.

Agrodealers, nursery growers, and other suppliers of equipment and materials

Agrodealers, nursery operators and other suppliers of equipment and materials in the formal sector are key players in the agricultural subsidy system. Agreements are signed by FODECC at national or regional level with these different categories of actors. They must be registered on the FODECC digital system, be approved by MINADER, and offer products that are approved and listed as eligible for co-financing. These specialist retailers must operate in the formal sector and guarantee the quality of the products they offer, which must be identified by barcode and traceable. In addition, agrodealers are contractually obliged to take back used packaging in order to limit fraud attempts and health and environmental problems. Suppliers deliver the products to producers after receiving the purchase order issued electronically by the producer's microfinance agency. They obtain a signature for receipt and periodically send the delivery notes to the EMF for payment, with a copy to FODECC.

The international co-financier and technical partner: the Central African Forest Initiative (CAFI).

The CAFI Trust Fund is the co-financier of the environmental services generated by the FODECC windows. In autumn 2025, the CAFI Executive Board approved a pilot direct-access mechanism enabling governments to receive and manage CAFI funding through a results-based model centered on one National Coordination Entity (NCE) and multiple Recipient National Entities (RNEs). In Cameroon, MINEPAT serves as the NCE, responsible for defining national priorities, approving funding allocations, ensuring alignment with national strategies, receiving CAFI funds, channeling them to RNEs, and overseeing overall progress. FODECC acts as the RNE, receiving funds via MINEPAT, implementing projects in line with fiduciary and UN safeguard standards, and reporting to CAFI. CAFI will maintain contractual relationships with MINEPAT as NCE.

More specifically, CAFI conducts the following tasks:

- Defines, together with national stakeholders, the project's performance indicators and targets, as well as the methodology to be used to verify results.
- Signs a results-based payment agreement with MINEPAT (CAFI project document)
- Supports the operation and improvement of the information management tools developed by FODECC.
- Ensures compliance with the monitoring, reporting and verification procedures necessary to guarantee that payments are conditional on the provision of environmental services (second-level quality assurance). To this end, CAFI has created and will maintain, throughout the life of the project, a centralised and standardised data management system for payments for environmental services in continuous interaction with the FODECC digital platform.
- Provides targeted technical assistance to MINEPAT and FODECC to ensure the seamless integration of CAFI's Results-Based Payment (RBP) monitoring framework with the Green Climate Fund (GCF) Monitoring, Reporting and Verification (MRV) requirements. This support will enable the project to establish a single, integrated monitoring system that serves both the verification of environmental performance for CAFI payments and the reporting of greenhouse gas (GHG) mitigation impacts to the GCF as well as multiple other reporting purposes such agricultural certification and future EUDR compliance. Contracts the independent verification body and ensures compliance with the schedule of verification.
- Makes annual payments to MINEPAT based on independently verified results.
- Reports consolidated results to the CAFI Executive Board, and the Government of Cameroon on the verified results and payments made.

The terms and conditions for disbursement and management of cash flows to beneficiaries.

The methods for disbursing and managing cash flows to beneficiaries are based on FODECC's own operational model for Component 2: performance-based subsidies are distributed via a digital platform ("Guichet Producteurs") which centralises information and enables banks or microfinance institutions to issue e-vouchers/electronic vouchers that can be exchanged for inputs or services, after the remaining share has been deposited. The system integrates parcel geolocation and traceability (registration of producers, validation of commitments, distribution of inputs, etc.). Contractually, FODECC receives financing lines (or grants) from AE and administers sub-transfers to banks and microfinance institutions, which generate payments to suppliers designated by the final beneficiaries in the form of e-vouchers or conditional payments, with clear co-financing rules (e.g. 60% contribution from the producer/ 40% public subsidy in the first year of the G1/a-ebon Production Window) and automated controls via the digital platform. For collective investments (Collective Window), the funds granted are paid into dedicated accounts in the bank of the beneficiary cooperative or municipality. Payments to suppliers are made by bank transfer by the bank itself in

accordance with the provisions of the business plan and the financing agreement signed with the FODECC. FODECC financial support is linked to commitments to agricultural intensification and forest conservation/restoration, and to the implementation of local land use plans (PLADDT) or equivalent. EE–beneficiary agreements include documentation requirements, completion reports, and the possibility of independent ex-post audits and verifications (see fodecc.cm).

Governance of the RACINE initiative

Overseen by the **National Committee for Monitoring and Evaluation of the Implementation of the National Development Strategy 2020-2030 (CNSE/SND30)** in accordance with Decision No. 2021/1541/PM of 23 March 2021 on the creation, organisation and functioning of the National Committee for Monitoring and Evaluation of the Implementation of the SND30, which provides technical and operational monitoring and supervision of all work related to the implementation of the SND30, the **National Monitoring Committee for the Cameroon-CAFI Partnership (CNS/CAFI)** is the decision-making body for the CAFI Initiative in Cameroon. It monitors the UTC/CAFI and reports its findings to **the Technical Coordination Unit of the CNSE/SND30**. It is chaired by the Minister of Economy, Planning and Regional Development (MINEPAT), the Anchor Point of the Initiative in Cameroon, and is composed of the Secretaries-General of the technical sectoral administrations, the Coordinator of the SND30 Technical Coordination Unit, representatives of the CTDs, representatives of civil society organisations (CSOs) and the private sector, the relevant Technical and Financial Partners and all members of the CNSE/SND30.

To carry out its missions, the CNS/CAFI has a Technical Coordination Unit that provides technical secretarial services and coordinates the various partnerships. **The Technical Coordination Unit for the Cameroon-CAFI Partnership** (**UTC/CAFI**) is responsible for the political representation of the partnership and for **coordinating component 1 of the RACINE initiative**. It facilitates coordination and consistency of interventions with the government's strategic priorities, as well as capitalising on the contributions of the RACINE initiative to the implementation of the SND30 and the LoI, and aligning the cocoa and coffee sectors with zero deforestation and zero child labour strategies. The UTC/CAFI is provided by **the MINEPAT staff** (same staff in charge of the CAFI partnership), **which is supported by CAFI for technical advice and** the UNDP country office which will provide procurement support to MINEPAT and, where agreed, may undertake selected procurement services under a defined project services agreement to support the procurement **required in the implementation and execution of RACINE component 1**.

FODECC is the implementing agency for components C2 (matching funds for the Producers' Window and capacity building for professional and decentralised actors) **and** most elements of the monitoring and evaluation of the RACINE initiative (See M&E plan in Annex 11). FODECC is supported in this by CAFI for technical advice and the UNDP country office which will provide procurement support to MINEPAT and, where agreed, may undertake selected procurement services under a defined project services agreement. A project management unit has been set up to manage component 2 and monitoring and evaluation system. Like the PAIDATA PMU set up by IFAD with funding from CAFI, the RACINE PMU is housed in the FODECC premises in order to facilitate integration and day-to-day collaboration between the FODECC departments and the PMU dedicated to the Initiative. The RACINE Initiative's PMU, which is integrated into FODECC for component 2, reports on a daily basis to the ADM/DG of FODECC.

The **National Monitoring Committee of the Cameroon-CAFI Partnership (CNS/CAFI)** acts as **the Steering Committee for the RACINE initiative (COPIL)** and includes the CAFI Secretariat and FODECCwhich will meet at least twice a year.

As the AE for the GCF and the national coordinating entity for the CAFI Fund in Cameroon, MINEPAT is responsible for organising the initiative's steering committee (COPIL). MINEPAT will work closely with the CAA (for disbursement/loan servicing aspects) and will coordinate closely with FODECC to ensure full integration of the initiative's governance within the FODECC governance bodies specifically responsible for component 2 of RACINE.

MINADER, MINCOMMERCE, MINRESI, MINFI, ONCC, and CICC are directly involved in monitoring implementation through the FODECC Management Committee, so there is no need to duplicate supervisory and decision-making bodies.

The roles of the RACINE Steering Committee are as follows:

- Approval of annual work plans and budgets (PTBA);
- Review and adoption of semi-annual and annual technical and financial reports for the GCF and CAFI;
- Review and adoption of annual performance reports for the GCF and CAFI;
- Reviewing the implementation of the Steering Committee's recommendations and resolutions/decisions (i) of the governance bodies of the partnership between CAFI, the GCF and Cameroon, (ii) of the CAFI Board of Directors, and (iii) of the GCF Board of Directors, including, in both cases, the conditions precedent to the granting of funding;
- Review of (any) problems in the implementation of the RACINE initiative and adoption of agreements/decisions to improve implementation and impact;

- Analysis of institutional and operational implementation arrangements and revision if necessary (e.g. request for extension of the initiative, revision of targets and budgets (according to the scenarios described in the FAA with the GCF and/or in accordance with the CAFI Operations Manual);
- Ensuring that the RACINE initiative is aligned with the commitments and milestones set out in the Letter of Intent establishing the partnership between CAFI and Cameroon;
- Examination and review of internal audit reports on the initiative's activities;
- Examination and review of independent verification reports on the RACINE initiative conducted by CAFI.

The RACINE Initiative Project Management Unit (PMU) in charge of component 2 and monitoring and evaluation system is integrated into FODECC and reports to the ADM/DG of FODECC. At the operational level, it is placed under the responsibility of a (01) Coordinator, assisted by (01) administrative and financial manager, (01) monitoring and evaluation manager, (01) safeguards manager, (01) executive assistant, and (01) accountant also responsible for procurement procedures.

Assessment of the Management Capacities of FODECC, the main Executing Entity

FODECC has already set up and operated digital direct subsidy windows for tens of thousands of producers (recognised experience in digital agricultural subsidy management and traceability monitoring), which gives it the operational legitimacy to administer the Production, Agroecological and Community Windows.With regard to **capacity** assessment **and fiduciary risk management**, an institutional audit of FODECC was recently carried out in 2024/2025 by the accounting firm MAZAR'S. The implementation of the recommendations of this independent audit will strengthen FODECC's procedures, capacities and operating procedures with a view to its accreditation by CAFI in 2026.

Finally, **experience and track record**: MINEPAT, as AE, has a track record in coordinating and implementing international programmes, including steering initiatives funded by the World Bank, the African Development Bank, CAFI and many other partners (EU, AFD, KfW, IDB, EIB, etc.) and is responsible for accreditation and liaison with donors and funding agencies. This track record reinforces the viability of the proposed institutional arrangement and justifies the distribution of roles: MINEPAT for governance, policy and institutional monitoring coordination; FODECC for the operational execution of digital grants, direct liaison with producers, municipalities and their organisations, database management and operational MRV.

B.5. Justification for GCF funding request (max. 1000 words, approximately 2 pages)

Why the project requires GCF funding and market failure addressed

The RACINE initiative requires GCF funding because it addresses a persistent market failure that prevents Cameroon’s cocoa and coffee sectors from transitioning to deforestation-free and climate-resilient production models. The transformation involves significant upfront costs, long payback periods, and systemic risks that exceed the appetite of local financial institutions and private investors. Cameroon’s domestic financial sector is characterised by limited liquidity, high interest rates (12–18%), stringent collateral requirements, and short-term lending horizons (often less than three years), making it ill-suited for financing long-term agricultural investments (see Annex 3, Section 2.2.1 Working Assumptions). National public resources are equally constrained: with public debt at approximately 45.8% of GDP and competing priorities in health, education, and infrastructure, the fiscal space for climate-aligned investments is minimal.

International aid remains fragmented and cyclical, while commodity buyers and traders rarely provide the capital needed for structural change. Consequently, the cocoa and coffee sectors suffer from chronic underinvestment in sustainable practices, traceability systems, and compliance mechanisms required by international regulations such as the EU Deforestation Regulation (EUDR). The RACINE initiative addresses two interrelated market failures: (i) the lack of sufficiently large and concessional financing to mitigate perceived risks and reduce high upfront costs, and (ii) the absence of incentive structures that internalise environmental and social benefits. By introducing a Sustainability-Linked Loan (SLL) combined with targeted grants, the project creates a financing mechanism that explicitly links disbursements to verifiable climate and deforestation outcomes. While domestic resources from export levies (via FODECC) and international climate finance (e.g., CAFI performance-based grants) will complement the GCF contribution, these sources alone are insufficient to meet the scale and duration of investment required (see Annex 3, Table 2: Grants and Loans in the Project Scenario).

Rationale for proposed financial instruments and coherence with activities

The proposed financial structure—comprising a concessional loan (EURO 78.3 million) and a grant (EURO 8.7 million)—was selected to ensure coherence between productive investments and enabling activities. The loan component, with highly concessional terms (0.75% interest, 5-year grace period, 20-year tenor), finances economic activities that generate returns, such as farm-level intensification, agroforestry adoption, and post-harvest infrastructure. In contrast, the grant component covers non-revenue-generating public goods, including traceability systems, MRV frameworks, institutional strengthening, and capacity building. This allocation ensures that essential enabling conditions are funded without increasing Cameroon’s debt burden.

Co-financing amounts and pricing were determined through detailed economic and financial analysis (see Annex 3, Tables 3 and 4: Distribution of Grants and Loans by Window). The overall financing package mobilises approximately EURO 864.8 million over

five years, including EURO 88.7 million from FODECC (export levies), EURO 39.15 million in performance-based grants from CAFI, and EURO 649.9 million in private contributions from producers and microfinance institutions. The concessionality of GCF financing significantly exceeds that of co-financing sources: while GCF offers a grant element of 55.17% (see Annex 3, Table 13: Key Information on Concessionality), domestic and private financing is provided on market terms or through mandatory co-investment by beneficiaries. Market benchmarks indicate that prevailing interest rates for agricultural loans in Cameroon range from 12% to 18%, with maturities rarely exceeding three years—conditions incompatible with the long-term nature of agroecological transition investments. By contrast, the GCF loan's extended tenor and grace period align with the project's cash flow profile, making the investment viable and attractive to local actors.

Justification for minimum concessionality and risk-sharing

The level of concessionality proposed is the minimum required to make the investment viable, as demonstrated by the financial analysis in Annex 3, Section 6: Assessment of Concessionality. Without GCF support, the RACINE initiative would face prohibitive financing costs and fail to achieve its objectives. The grant element of 55.17% ensures compliance with the GCF's concessionality criteria and reflects the structural barriers to investment in Cameroon's agricultural sector, including high perceived risks, limited collateral, and vulnerability to climate shocks. The financial structure adheres to the principle of minimum concessionality by targeting resources where they are most needed: reducing risk for domestic financial institutions, supporting public goods, and enabling smallholders to access climate-smart technologies.

Concessionality primarily benefits vulnerable stakeholders—smallholder farmers, cooperatives, and rural municipalities—by lowering entry barriers and providing incentives for sustainable practices. It also mitigates systemic risks for the national financial system by establishing a credible track record of climate-aligned lending. Risk-sharing between public and private actors is embedded in the co-financing model: beneficiaries contribute 60–80% of investment costs, while FODECC and GCF provide matching funds through electronic vouchers and performance-based payments (see Annex 3, Table 8: Benefits and Costs for Actors in the Cocoa Value Chain). This approach ensures ownership, financial discipline, and long-term sustainability. Furthermore, the grant portion is indispensable for funding activities that generate significant climate and development benefits but no immediate financial returns, such as traceability systems, MRV, and institutional capacity building.

Cameroon's high indebtedness and exposure to multiple crises (COVID-19, security challenges, commodity price shocks) underscore the need for concessional financing to avoid exacerbating fiscal stress. By combining a concessional loan with targeted grants, the RACINE initiative creates a balanced financial package that leverages domestic resources, mobilises private investment, and aligns with the concept of minimum concessionality. This structure not only ensures the viability of the project but also establishes a scalable model for climate finance in the agricultural sector, paving the way for replication across other value chains and regions.

B.6. Exit strategy (max. 500 words, approximately 1 page)

The sustainability of the RACINE initiative beyond the period of support from the GCF and CAFI is ensured by a comprehensive and integrated exit strategy based on institutional, financial, technical and governance mechanisms anchored in Cameroon's national systems. The project does not introduce a new temporary implementation platform, but rather strengthens an existing results-based national financing mechanism, the Cocoa and Coffee Development Fund (FODECC) window system, with a clear path to self-sufficiency and long-term replicability. The core functions required for continuation after project closure are: digital subsidy delivery, traceability, advisory services, MRV, municipal land-use governance and financing of green investments. RACINE will ensure that each of these functions is assigned to a permanent national or local institution and linked to a recurring financing source building on the export levy model before project completion.

Institutional sustainability and long-term ownership

The FODECC is a public financial institution under the joint supervision of MINADER, MINCOMMERCE, MINRESI, MINFI and, for this project, MINEPAT. It is primarily funded by a national export levy on cocoa and coffee, which currently generates around €12 million per year. This provides a stable and recurring source of funding for input subsidies, technical support and environmental incentives. The Producers' Window, already operational at the national level, is the institutional backbone of the system. The RACINE initiative will strengthen its scope by increasing co-financing for the Agroecology and Communities Windows, which focus on climate change adaptation and forest conservation. These mechanisms are not managed externally, but are integrated into national public finance systems, ensuring their full ownership and continuity beyond the RACINE initiative's implementation period.

Financial sustainability and gradual reduction of subsidies

The Guichet model is based on a co-financing structure that requires farmers, particularly for G1/a-ebon, to contribute between 60% and 80% of input costs. Over a five-year cycle, the subsidy provided by G1/a-ebon is reduced from 40% to 0% (40% → 20% → 10% → 0%→ 0%), creating a clear, time-bound strategy for the phasing out of public support. This encourages financial discipline, reduces dependency and enables the gradual integration of producers into the formal financial system. The RACINE initiative will also facilitate market access for producers who do not engage in deforestation, particularly to the EU, by ensuring that compliance with sustainability is rewarded economically through price premiums and long-term contracts. This dynamic attracts

private investment and creates sustainable economic incentives for farmers to maintain deforestation-free and climate-resilient practices.

Operation and maintenance of key investments

All infrastructure investments made through the Community Window, such as fermentation or washing units, drying facilities and storage units, will be implemented under co-management agreements with rural municipalities and producer cooperatives. These agreements include operation and maintenance obligations, supported by capacity-building measures and performance-based incentives linked to forest conservation. On the digital side, the information system supporting the Guichet platform, developed since 2022 by FODECC in partnership with EDENRED, is already integrated into the national banking infrastructure and will be further institutionalised under public control. This includes the maintenance and updating of the digital MRV system used to monitor land use changes, the payment of vouchers and co-financing, and the compliance of beneficiary producers and organisations.

Technical and capacity sustainability

The RACINE initiative includes a significant capacity-building component for farmers, professional organisations, municipalities and partner actors. It includes training on agroecological methods, environmental compliance, digital literacy and financial management. By strengthening the capacities of end users and intermediaries, it ensures that the technical knowledge needed to maintain and expand practices persists well beyond the project implementation phase. Capacity gaps remain one of the most persistent barriers to the success and replication of supported models. When disseminated effectively, technical knowledge becomes one of the most sustainable and scalable tools for changing behaviour and adopting new practices. The R/F initiative therefore emphasises peer learning, local support networks and institutional anchoring of training systems as key strategies for ensuring the long-term dissemination and internalisation of climate-resilient production models in Cameroon and, potentially, beyond.

Governance and policy integration

It aligns with national development priorities and key international commitments, including the CAFI-Cameroon Letter of Intent, the NDCs and the Resilience and Sustainability Facility (RSF) with the IMF, the Roadmap for Sustainable Cocoa with the EU, and national planning tools, including the SND30, the SNADDT, the SRADDTs, the PNZT, the SSDR/PNIA, sectoral strategies and programmes, etc. Governance will be ensured by multi-stakeholder coordination platforms comprising representatives from ministries, FODECC, producer organisations and financial actors. This governance model ensures policy coherence, accountability and continuous alignment with new trade and climate standards such as the EU Deforestation Regulation (EUDR).

Monitoring, verification and adaptive management

A robust monitoring, reporting and verification (MRV) framework is integrated into the Guichet Producteurs digital platform (see monitoring, evaluation and learning plan in Annex 11). It includes georeferenced mapping of producers' plots, electronic monitoring of the execution of purchase orders and co-financing of business plans, investment plans and ecological transition plans, and third-party verification of performance. The MRV system enables adaptive management and corrective action where necessary.

Catalytic impact and replicability

The Guichet Producteurs system is designed as a scalable platform for future climate-aligned investments in the agricultural sector. Although this R/F initiative focuses on cocoa and coffee, the model can be extended to other value chains and replicated at the regional level, as decided by Cameroon's National Agricultural Subsidy Management Committee in June 2024. Depending on the financial resources available, whether endogenous or exogenous, FODECC will gradually be able to take on the task of supporting other priority agricultural sectors that are known for their impact on deforestation. Through South-South knowledge exchange and the documentation of best practices, the initiative will contribute to a broader paradigm shift from fragmented, project-based interventions to institutionalised, performance-linked and digitally enabled investment systems.

C. FINANCING INFORMATION

C.1. Total financing

(a) Requested GCF funding (i + ii + iii + iv + v + vi + vii)	Total amount	Currency
	87	million euro (€)

GCF financial instrument	Amount	Tenor	Grace period	Pricing
(i) Senior loans	78.3	20 years	5 years	0.75%
(ii) Subordinated loans	Enter amount	Enter years	Enter years	Enter %
(iii) Equity	Enter amount			Enter % equity return
(iv) Guarantees	Enter amount	Enter years		
(v) Reimbursable grants	Enter amount			
(vi) Grants	8.7			
(vii) Results-based payments	Enter amount			

(b) Co-financing information	Total amount	Currency
	127.89	million euro (€)

Name of institution	Financial instrument	Amount	Currency	Tenor & grace	Pricing	Seniority
FODECC	Grant	88.5	million euro (€)	2027 2028, 2029, 2030, 2031	N/A	N/A
CAFI	Grant	45	million USD ($)	2026 to 2030	N/A	N/A

(c) Total financing (c) = (a)+(b)	Amount	Currency
	214.89	million euro (€)

(d) Other financing arrangements and contributions (max. 250 words, approximately 0.5 page)

Farmers make a financial commitment through co-financing. On average, FODECC covers only 30% of the cost of subsidised agricultural inputs over three years, and therefore requires agricultural producers to deposit an average of 70% of the funds needed to purchase inputs into their bank accounts in order to obtain electronic vouchers. This clever rule significantly reduces the incentive for farmers to misappropriate resources. Indeed, the interests of farmers, who now have a "direct interest", are aligned with FODECC's sustainable intensification objectives.

Banks and microfinance institutions that open accounts for producers free of charge (in accordance with their partnership agreement signed with FODECC) collect and record producers' contributions towards their remaining share and issue the corresponding vouchers to be redeemed with approved suppliers designated by the producer themselves. At the same time, MFIs may also grant loans to producers they trust and pre-finance part of their share.

Farmer mandatory co-financing (including short-term loans from MFI) will amount to 649 million Euro (€) between 2026 to 2031. Because this co-financing is mandatory and proof of the deposit in farmer bank accounts is a prerequisite to access the subsidies of the Producer's desk. The project will be able to report precisely on this farmer co-fiancing.

C.2. Financing by component

All Costs in EUR for simplicity.

Component	Output		GCF funding	Co-financing

		Indicative cost Million EURO	Amount Million EURO	Financial instrument	Amount Million EURO	Financial instrument	Name of institutions
Component 1: (MINEPAT) Strengthening the enabling environment for climate-resilient and deforestation-free cocoa and coffee production in Cameroon	Output 1.1. Align policy and institutional coordination for deforestation-free value chains	2.175	2.175	GCF grant	0		
	Output 1.2. Deploy operational tools and land use governance to ensure compliance and monitoring	1.592	1.592	GCF grant	0		
Component 2. (FODECC) Scaling up PSEs for sustainable, climate-resilient and deforestation-free value chains/ Sub-component 2.1: Matching funds for the Producers Window and its eight co-financing components for sustainable intensification and deforestation-free production	Output 2.1.1. Intensify and increase sustainable production in cocoa and coffee orchards	89.027	8.7	GCF loan	80.327	Grant/ FODECC-Export Royalty + CAFI Donation	FODECC + CAFI
	Output 2.1.2. Improve the overall quality of cocoa and coffee products placed on the market	24.047	12.180	GCF loan	11.866	Grant/ FODECC-Export Royalty + CAFI Donation	FODECC + CAFI
	Output 2.1.3. Strengthen sustainable management of municipal territories and forest cover	28.955	20.864	GCF loan	8.091	Subsidy/ FODECC-Export Levy + CAFI Grant	FODECC + CAFI
	Output 2.1.4. Supporting the agroecological transition of cocoa and coffee farms	46.595	26.063	GCF loan	20.532	Subsidy/FODECC-Export Royalty + CAFI Grant	FODECC + CAFI
Component 2. (FODECC) Scaling up PES for sustainable, climate-resilient and deforestation-free value chains Sub-component 2.2: Strengthening the structure	Output 2.2.1. Supporting the strengthening and structuring of professional organisations	3.681	2.175	GCF loan	1.531	CAFI grant	CAFI + FODECC (excluding unaccounted budget)
	Output 2.2.2. Support the development of the national private agricultural advisory network in agroecological transition	1.239	0.87	GCF loan	0.369	CAFI grant	CAFI + FODECC (excluding unaccounted budget)

and capacities of FODECC's rural partner actors	Output 2.2.3. Strengthen the capacities of CTDs and their local partners	3.618	2.174	GCF loan	1.444	CAFI grant	CAFI + FODECC (excluding unaccounted budget)
Monitoring, evaluation and learning plan	MEL Output 1. Strengthening data systems and MRV for results-based management & evaluation (annual, mid terme, final)	3,881	2.980	GCF loan	0.901	CAFI grant	CAFI
	MEL Output 2. Facilitate knowledge production and South-South learning for the replication of SLLs	0.760	0.410	GCF loan	0.350	CAFI grant	CAFI + FODECC (excluding unaccounted budget)
	MEL Output 3. Independent scientific monitoring of impacts on agroforestry systems	2.220	2.220	GCF grant	0		
Project Management Costs		6.116	3.646	GCF loan	2.469	CAFI grant +FODECC	Integrated unit + UNDP procurement Support
IPPF (indigenous people plan)		0,130	0,130	GCF grant			
Gender action plan		0.865	0.865	GCF grant	0		
Indicative total cost (EURO)		214.92	87		126.15		

This table should match the one presented in the term sheet and be consistent with information presented in other annexes including the detailed budget plan and implementation timetable.

In case of a multi-country/region programme, specify indicative requested GCF funding amount for each country in annex 17, if available.

C.3 Capacity building and technology development/transfer (max. 250 words, approximately 0.5 page)

C.3.1 Does GCF funding finance capacity building activities?	Yes ☒ No ☐
C.3.2. Does GCF funding finance technology development/transfer?	Yes ☒ No ☐

At the institutional and cross-cutting level, capacity building is included in activities of Component 1 implemented by MINEPAT's planning division (the same team in charge of the CAFI partneship). This includes the coordination of policies and institutions for deforestation-free value chains, on the one hand, and the need to deploy operational land use governance tools to ensure compliance and monitoring, on the other.

Under Component 2, capacity building led by FODECC and its partners will target smallholder farmers, agricultural technical advisers, leaders of professional organisations and municipal officials. Activities will include training on climate-smart agriculture and agroecological practices (e.g. soil fertility management, shade management, integrated pest management), environmental monitoring and performance-based payment mechanisms. Particular emphasis will be placed on digital literacy to enable effective use of the Guichet platform, including the use of vouchers, geolocation in the field, and mobile financial services. Local institutions will be supported in integrating these training functions into their day-to-day activities, thereby promoting long-term dissemination and institutional learning. Specific support will also be provided to women and young people, particularly in the form of modules tailored to the specific barriers to adoption and participation faced by women. This includes, first and foremost, funding for the Agricultural Advice component of the Producer Portal (G3/b-Agricultural Advice/Agroecological Transition), which will provide one-to-one support to all producers engaged in the agroecological transition. Secondly, it covers all the activities of sub-component 2.2 on strengthening the structure and capacities of FODECC's rural partner actors, in particular cooperatives, municipalities, economic interest groups, agricultural support services, etc.

With the extensive monitoring, evaluation and learning plan the RACINE initiative will strengthen and expand the digital architecture of the existing FODECC Guichet system. This includes upgrading the smartphone-based electronic voucher platform, consolidating geospatial traceability and compliance tools, and developing a robust monitoring, reporting and verification (MRV) system compliant with CAFI, EU and GCF standards. These systems will be deployed nationwide and transferred to local actors through online and face-to-face operational training and institutional capacity building. The FODECC digital platform, developed since 2022 in partnership with Edenred, will be made interoperable with national information systems, including CAFI's geospatial tracking tools and traceability systems for export products, which will then enable scalable and replicable deployment in other value chains or jurisdictions. To this end, notwithstanding the need to maintain an operational partnership with EDENRED, particularly for data security reasons in the face of hacking risks, the platform and its databases will be managed from Yaoundé, with FODECC retaining full control over information and data management systems concerning producers and stakeholders in Cameroon's agricultural sectors.

In addition, the monitoring, evaluation and learning plan aims to facilitate knowledge production and South-South learning for the replication of SLLs.

D. EXPECTED PERFORMANCE AGAINST INVESTMENT CRITERIA

This section refers to the performance of the project/programme against the investment criteria as set out in the GCF's Initial Investment Framework.

D.1. Impact potential (max. 500 words, approximately 1 page)

The RACINE initiative has a strong potential to contribute to the achievement of the Green Climate Fund's objectives by delivering transformative results in both mitigation and adaptation. It directly addresses the Fund's result areas for low-emission sustainable development and increased climate-resilient development, targeting the agriculture, forestry, and land-use sectors, which account for the majority of Cameroon's greenhouse gas emissions. By promoting deforestation-free cocoa and coffee production, the programme aligns with national climate commitments under the NDC and the CAFI Letter of Intent as well as international frameworks such as the EU Deforestation Regulation, while also supporting inclusive economic growth and poverty reduction.

On the mitigation side, the project is expected to achieve a lifetime net impact of approximately **15.70** million tonnes of CO_2 equivalent, as detailed in Annex 22. This impact is generated through a combination of interventions: avoided deforestation via sustainable intensification of cocoa and coffee production, the transition from chemical to organic fertilizers, the adoption of high-carbon agroforestry systems, and large-scale landscape restoration and urban greening initiatives. During the implementation period, the programme will deliver an annual net reduction of about **455,000** tonnes of CO_2 equivalent, positioning Cameroon on a low-emission development pathway. These outcomes are consistent with GCF's core mitigation indicator (IRMF Core Indicator 1) and represent a significant contribution to reducing emissions from land-use change, which currently accounts for 62% of the country's carbon footprint. By integrating georeferenced traceability systems and enforcing zero-deforestation commitments, the project ensures that productivity gains do not come at the expense of forest ecosystems, thereby decoupling agricultural growth from emissions.

For adaptation, the RACINE initiative will directly strengthen the climate resilience of 227,000 smallholder farmers who receive climate-smart subsidies and advisory services through the FODECC Producer Window. These farmers are individually registered, verified, and georeferenced within the digital FODECC platform. Each farmer's identity, farm location, and cultivated plots are mapped through the MRV system—an approach that vastly exceeds typical beneficiary estimation practices, which often rely on aggregated programme reporting rather than *individualised, geospatially verifiable records*. This level of precision reflects a world-class design standard in climate-finance programming and ensures a fully auditable, transparent, and high-integrity beneficiary count. In terms of direct beneficiaries, it is considered that the members of the household of the farmer are direct beneficiaries of the intervention (5 persons per household on average). Therefore, an estimated 1,135,000 individuals will directly benefit from improved farm productivity, reduced climate-related losses, and increased household stability.

Secondly, the project indirectly benefits approximately 2.8 million residents of rural communes participating in the Community Window (G2). These communes—each with an estimated average of 28,000 inhabitants, based on national demographic and municipal census data—benefit from land-use plans (PLADDTs), green and landscape-level investments (including watershed rehabilitation, reforestation, and soil restoration), and the establishment of municipal post-harvest infrastructure. Through these interventions, entire communities experience reduced exposure to climate hazards such as flooding, erosion, and heat stress, along with improved access to resilient local economic systems. However, some of these residents may also be direct beneficiairies of RACINE, in order avoid double counting, the project therefore deducts the full number of direct beneficiaries from the gross indirect beneficiary estimate (see the beneficiary estimation methodology in Annex 2 for further details).

In addition to these commune-level impacts, the project constructs 180 post-harvest collection centres, which will serve an estimated 54,000 farming households, or approximately 270,000 individuals. In line with GCF requirements for traceability and verification., once the centres are operational and digitally linked to the FODECC platform, the project expects to to provide the GCF with fully validated individually verified list of centre users.

Taken together, the RACINE initiative reaches 2,800,000 total adaptation beneficiaries—comprising 1.405.000 direct beneficiaries and 1,395,000 indirect beneficiaries(see the beneficiary estimation methodology in Annex 2 for further details). In addition to human-level benefits, the programme will have the following impacts: 494,160 hectares of cocoa-coffee orchards will be sustainably intensified (directly subsidized), 559,000 hectares will transition to an integrated agroforestry system under agroecological transition contracts, 30,000 hectares of agroforests will be restored by municipalities, and 1,000,000 hectares of forest areas will be preserved by municipalities. These interventions enhance soil fertility, water retention, and biodiversity through agroecological practices, while reducing vulnerability to erratic rainfall, rising temperatures, and climate-exacerbated pest pressures.

By supporting municipal-level planning and landscape restoration, strengthening governance structures, and implementing a digital, performance-based subsidy system, RACINE ensures that adaptation benefits extend well beyond the project period. The approach establishes a scalable and nationally anchored model for climate-resilient rural development in Cameroon.

In summary, RACINE combines large-scale mitigation with deep adaptation co-benefits, delivering measurable climate outcomes while promoting inclusive economic growth. Its integrated approach—linking financial incentives to verified environmental performance—supports Cameroon's transition to a deforestation-free, climate-smart agricultural economy. Calculations supporting these estimates, including cost-effectiveness ratios and mitigation breakdowns by activity, are provided in Annex 22 and are consistent with Section E.3 reporting requirements for GCF core indicators

D.2. Paradigm shift potential (max. 500 words, approximately 1 page)

Potential for paradigm shift

The Producer's Desk system managed by FODECC is unique in Central Africa because it already successfully manages a direct financing mechanism for cocoa and coffee producers which is revolutionising the agricultural subsidy system by putting local farmers back at the heart of the system and massively increasing transparency, thereby reducing opportunities for corruption. The FODECC's Guichet Producteurs was set up over several years of work under the supervision of MINEPAT, MINADER and MINCOMMERCE as part of the European Union (EU)'s sector reform contracts (budget support). This direct agricultural subsidy system is managed entirely via a digital platform and smartphone applications. A descriptive video has been produced by the technology services company Edenred, which supplies and manages FODECC's IT systems (see https://www.youtube.com/watch?v=LZZgh3Xy1rE). FODECC's approach[12] is based on:

- **National funding**. FODECC is currently funded entirely by national resources from a levy on cocoa and coffee exports. This provides it with approximately €12 million per year in 2025, but this amount varies depending on cocoa and coffee prices (cocoa prices are currently good).
- Information exchange with producers is conducted entirely via **smartphone applications**.
- **No cash!** FODECC uses an **electronic voucher system** for the purchase of inputs and services, which avoids cash transfers and thus reduces the risk of corruption.
- **Georeferencing of plantations**. Farmers are required to map their fields in order to participate, which is a starting point for monitoring production without deforestation.
- **Access to banking services** (banking). Opening a bank account with a participating bank or microfinance institution is a prerequisite for participation. The FODECC subsidy system provides a solid basis for leveraging micro/national financing.
- **Farmers make a financial commitment through co-financing**. On average, FODECC covers only 30% of the cost of subsidised agricultural inputs over three years, and therefore requires agricultural producers to deposit an average of 70% of the funds needed to purchase inputs into their bank accounts in order to obtain electronic vouchers. This clever rule significantly reduces the incentive for farmers to misappropriate resources. Indeed, the interests of farmers, who now have a "direct interest", are aligned with FODECC's sustainable intensification objectives.
- **There is an exit strategy!** Support for farmers under the G1/a-ebon production window is degressive: 5-year subsidy cycle: 40%–20%–10%–0%–0%. Combined with the requirement for farmers to co-finance, this creates a total financial leverage effect of 7:1 for smallholders.

Potential for expansion and replication

The pilot phase of the "Production Window" launched in 2022 in the department of Moungo has shown rapid deployment, then extended to the whole country in 2023. Since then, this system has made it possible to identify and open bank accounts for 227,000 producers, as well as to geolocate all their coffee and cocoa plots.

The FODECC model can scale nationally and replicate across the Congo Basin via CAFI's regional presence. Two key opportunities:
(i) Expanding financing mechanisms to other crops could reach 2.75 million households by 2035.
(ii) The sustainability-linked loan (SLL) framework could apply beyond agriculture and beyond the region, incentivising verified environmental outcomes.

Focusing solely on coffee and cocoa, **nearly 700,000 farmers** could be registered by 2030, but there is a significant funding gap to achieve this. MINEPAT and CAFI propose to start with a Euro (€) 78 million loan from the GCF to co-finance the Cocoa and Coffee Development Fund (FODECC) at the GCF's normal concessional rate (0.75% for 20 years), accompanied by a Euro (€) 8.7 million grant from the GCF for non-directly productive activities, and additional performance-based financial assistance of USD 45 million in grants from CAFI, which will be used to reinvest in the FODECC Producers Window, thereby multiplying the impact. This

[12] See the separate Annex 21 for the three FODECC Producer Window operational manuals (Volume 1 Production, Volume 2 Community, Volume 3 Sustainability) for details of the eligibility and grant award procedures for agricultural subsidies.

initiative would help more than 227,000 households dependent on coffee and cocoa production to switch to deforestation-free production in line with new EU regulations by 2030.

In the future if the RACINE project is succesfull, a second loan from GCF and CAFI following the same model could support such replication. CAFI's regional partnership enables knowledge transfer and harmonisation, fostering deforestation-free agriculture region-wide. Replication will occur through a sequenced approach. FODECC has already codified procedures for each Producers' Desk window through operational manuals, standard contracts, eligibility criteria, and digital workflows. During implementation these will be improved and completmented by environmental and social screening tools, and MRV protocols. These tools will allow the model to be transferred to other value chains with high deforestation risk, such as palm oil, rubber, plantain, cassava and livestock-related systems, subject to national prioritization and available financing.

Durable system-level transformation pathway

RACINE's paradigm shift does not rely solely on temporary project financing. The project is designed to convert the existing FODECC Producers' Desk into a permanent national delivery platform for deforestation-free, climate-resilient and performance-based agricultural finance. The causal pathway to sector-wide transformation is based on five mutually reinforcing institutional lock-in mechanisms.

First, the core financing and delivery mechanism is already embedded in FODECC, a national public financial institution with legal and financial autonomy and a recurrent revenue base from cocoa and coffee export levies. GCF and CAFI resources will therefore not create a parallel project facility, but will strengthen and scale a national mechanism whose functions — producer registration, e-vouchers, co-financing, georeferenced farm data, compliance screening and monitoring — are expected to continue beyond project closure.

Second, the project will institutionalize traceability and geolocation as standard operating requirements for access to public subsidies and, progressively, for market access under EUDR-compliant cocoa and coffee value chains. This creates a durable incentive structure: producers, cooperatives and exporters that wish to benefit from public support and maintain access to premium and regulated markets must remain within the national traceability system and comply with zero-deforestation requirements.

Third, the project will embed land-use governance in municipal systems through PLADDTs. These plans define agricultural production zones, conservation areas, restoration areas and no-conversion zones, and are adopted through municipal processes. Once validated, they become practical tools for local authorities to guide public investment, prevent rebound-driven agricultural expansion, and align productive investments with forest conservation and restoration objectives.

Fourth, RACINE will create a durable ecosystem of service providers and co-investors. The national network of accredited agroecological advisers, participating banks and microfinance institutions, approved agrodealers, cooperatives, municipalities and FEICOM will continue to support the Producers' Desk model after GCF financing. The model requires beneficiaries to contribute a significant share of investment costs, while public subsidies are progressively reduced in several windows. This reduces dependency, strengthens financial discipline and enables a gradual transition from grant-supported adoption to market- and levy-supported continuation.

Fifth, the project establishes a results-based finance pathway by linking verified environmental and climate outcomes to CAFI performance-based payments and by strengthening MRV systems compatible with future climate finance. The MEL system, independent verification arrangements and digital MRV architecture will provide the evidence required to attract additional results-based climate finance and to replicate the approach across other agricultural value chains and Congo Basin countries.

Together, these mechanisms create a practical pathway from project-supported innovation to sustained sector-wide transformation: public subsidies are conditioned on georeferenced compliance; producers and cooperatives invest in productivity and resilience on existing land; municipalities enforce land-use rules and finance green investments; market actors increasingly require traceable and deforestation-free products; and national institutions retain the systems, capacities and financing channels needed to continue implementation beyond the GCF investment period.

Potential for knowledge sharing and learning

RACINE advances regional learning through CAFI's South-South platform, including collaboration with Costa Rica and sub-regional partners. Insights from FODECC's financial and traceability systems will feed into a knowledge-sharing network, strengthening capacities for transparent, accountable climate finance and driving a broader paradigm shift across the Congo Basin.

Contributing to the creation of an enabling environment

Previous traditional agricultural subsidy systems in Cameroon and throughout the region have consistently suffered from inefficiency, capture by elites, poor traceability and limited alignment with sustainability objectives. These systems often operated with limited transparency, relied on intermediaries and offered little accountability for results. In contrast, the Guichet Producteurs system is fully digitalised, traceable and performance-linked. It directly empowers farmers while incorporating safeguards against

misuse of public funds. Its smartphone interface, geolocation capabilities and banking integration enable unprecedented transparency, real-time monitoring and financial inclusion. No other model (not even MAEs in Europe) combines these features on a large scale, making the Guichet Producteurs approach particularly well suited to supporting a results-based investment framework under the GCF and CAFI. Perhaps these improvements in transparency will be the greatest contribution of the project creating a general enabling environment for better governance of agricultural subsidies across the continent.

Contribution to the regulatory and policy framework

RACINE embeds zero-deforestation criteria into national agriculture and trade regulations, aligning with global standards like EUDR and boosting competitiveness. Through participatory land-use planning, capacity building, and traceability systems, it strengthens governance and ensures regulatory consistency across sectors. The Guichet Producteurs system supports compliance and market integration, fostering sustainable development and private sector confidence.

The Guichet Producteurs model is designed not only to produce short-term results, but also to catalyse long-term systemic transformation. Its built-in co-financing requirement ensures that farmers gradually assume greater financial responsibility, supported by a schedule for the phasing out of subsidies. This structure strengthens ownership and reduces dependence on public funds, paving the way for long-term financial sustainability. Furthermore, the model's integration into national public finances (through export levies), the formal banking system and decentralised governance mechanisms enables sustainable institutional anchoring. By strengthening these fundamental systems, the project enables additional support from microfinance institutions, national budgets and private agri-food actors, attracting further investment and reducing the need for external subsidies in the future. The Guichet Producteurs system is therefore not an isolated intervention, but an evolving platform for climate-aligned rural development (see exit strategy).

Overall contribution to climate-resilient development pathways

Supporting Cameroon's National Climate and Adaptation Plans, RACINE promotes soil health, water conservation, biodiversity, and productivity via agroforestry and sustainable intensification. By improving resilience through capacity building, climate-smart practices, and finance access, it delivers ecological and socio-economic stability. Its scalable, replicable approach accelerates the transition to low-emission, climate-resilient agriculture in Cameroon and the Congo Basin, advancing global climate goals. Ultimately, the initiative represents a fundamental step towards global climate resilience and sustainable development (see section D.5 for more information).

D.3. Sustainable development (max. 500 words, approximately 1 page)

The proposed RACINE initiative has transformative effects on several Sustainable Development Goals (SDGs) by integrating important environmental, social, economic and gender-related co-benefits into its design and implementation. Through a holistic approach, the RACINE initiative goes beyond deforestation-free cocoa and coffee production to lso contributes to the achievement of Cameroon's broader development priorities.

Environmental benefits

The RACINE initiative actively promotes environmental sustainability through:

- SDG 13 – Climate action. Significant reduction in GHG emissions through the prevention of deforestation and the adoption of climate-smart agricultural practices.
- SDG 15 – Life on land. Restoration of degraded soils and improvement of ecosystem services through agroforestry and sustainable land management practices.

These two goals are linked to related benefit 2. Improvement of biodiversity and soil quality, reduction of deforestation and GHG emissions (see section B.2b).

Economic co-benefits

It also stimulates sustainable economic growth:

- SDG 8 – Decent work and economic growth. Increased farmer incomes through improved yields, reduced input costs through digital subsidies, and better access to high-end international markets that comply with EU regulations and human rights law.
- SDG 9 – Industry, innovation and infrastructure. Promoting banking and financial inclusion by integrating rural communities into microfinance institutions and performance-based payment systems, thereby strengthening rural economies and their resilience to economic shocks.
- SDG 12 – Responsible consumption and production. Align public and private financing mechanisms with environmental performance, promoting responsible consumption and production practices.

This is linked to co-benefit 3. Diversification of smallholder incomes (see section B.2b).

Social and health co-benefits

The RACINE initiative significantly improves the socio-economic conditions of rural communities:

- SDG 1 – No poverty. Support smallholders by giving them access to finance, technical assistance and sustainable agricultural inputs through the "Guichet Producteurs" system. The co-financing model encourages investment, promoting economic empowerment, poverty reduction and improved livelihoods in rural areas.
- SDG 3 – Good health and well-being. Reducing exposure to harmful pesticides and mitigating soil degradation, thereby improving the health of farming communities.

Benefits of gender-responsive development

Finally, the RACINE initiative explicitly prioritises the inclusion of women and men through:

- SDG 5 – Gender equality. Facilitating equitable access to financial incentives, agricultural inputs, training and decision-making platforms specifically for women and young people within the Guichet system. This is co-benefit 1. Women are involved in deforestation-free value chains (see section B.2b).

D.4. Needs of recipient (max. 500 words, approximately 1 page)

Vulnerability of Cameroon and Beneficiaries

Cameroon faces significant vulnerability to climate change, primarily due to its heavy reliance on agriculture, which sustains over 70% of its population. Smallholder farmers, managing plots under two hectares, dominate the sector and are highly exposed to climate risks such as rising temperatures (1.5–2°C by 2050), erratic rainfall, prolonged droughts, and increased pest and disease pressure. These factors severely impact productivity, especially in the cocoa sector, the focus of this initiative.

Cocoa production, concentrated in forest-rich regions (Centre, South, East), has historically driven deforestation, worsening ecosystem fragility. Climate-induced soil degradation—erosion and declining fertility—creates a vicious cycle: falling yields push farmers to clear forests for new land, further degrading ecosystem services like water regulation, carbon storage, and biodiversity. This amplifies vulnerability and accelerates climate change impacts. Breaking this cycle requires transforming land management and production models to integrate sustainability and value forest ecosystems. The RACINE initiative promotes such transformation by valorizing fallow land for expansion, reducing pressure on forests, and embedding climate-smart practices across the cocoa value chain.

Gender and social vulnerability compound these challenges. Women and marginalized groups face barriers in land tenure, finance, and technical training, limiting adaptive capacity. Communities, with constrained resources, are disproportionately affected, threatening food security and resilience. The RACINE project through the implementation of its gender action plan seeks to reach hundreds of throusands of women directly and most importantly putting local women farmers back at the heart of the system and massively increasing transparency, thereby reducing opportunities for corruption and exclusion.

Economic and Social Context

The Government of Cameroon is committed to sustainable development and climate resilience amid global and domestic challenges. Economic growth remains steady at 4%, supported by structural reforms and diversification, while public debt is contained at 44% of GDP, well below regional thresholds. Despite fiscal pressures from debt servicing, security operations, and health emergencies, Cameroon is making efforts to invest in inclusive growth and stability. Recognizing climate risks and their impact on agriculture, the Government has integrated climate budgeting into the 2026 Finance Act and increased allocations for green investments under the National Development Strategy (SND30). However, environmental and climate spending historically accounts for less than 1% of the state budget, restricting large-scale sustainable agriculture initiatives. Smallholders—the project's direct beneficiaries—operate under severe financial constraints, lacking access to credit, insurance, and savings.The RACINE project therefore directly targets these actors by providing them with direct support.

Financing Constraints and GCF Role

Cameroon's limited financial capacity and underdeveloped capital markets hinder investment in climate-smart agriculture and forest conservation. High upfront costs and risk perceptions deter private sector engagement. In this context, GCF support is critical. Its concessional financing and risk mitigation tools make the RACINE initiative feasible, catalyzing domestic resources, export taxes, microfinance, and platforms like FODECC's digital "Guichet Producteurs." This blended approach unlocks private sector contributions and drives climate-resilient, deforestation-free cocoa and coffee sectors.

Institutional Strengthening and Capacity Building

The RACINE initiative addresses governance fragmentation by enhancing coordination among ministries, local authorities, farmer organizations, and private actors. It promotes transparent governance, policy coherence, and inter-ministerial collaboration. At the local level, it builds capacity through training in climate-smart agriculture, agroforestry, digital finance, and compliance with

international standards (e.g., EUDR). These measures ensure sustainability beyond the project lifecycle, fostering resilience and adaptive capacity.

In sum, RACINE delivers a comprehensive response to Cameroon's climate vulnerability through integrated adaptation and mitigation strategies, economic empowerment, innovative financing, and institutional strengthening—creating lasting resilience for communities and ecosystems.

D.5. Country ownership (max. 500 words, approximately 1 page)

The RACINE initiative is a nationally driven programme designed to modernize Cameroon's cocoa and coffee sectors through climate-resilient, deforestation-free production models. It is deeply embedded in the country's existing climate and development frameworks, ensuring strong national ownership and alignment with international commitments.

Alignment with National Climate Strategy and Policies

RACINE supports Cameroon's National Development Strategy 2020–2030 (SND30), which aims for structural economic transformation, environmental sustainability, governance reform, and social inclusion. The initiative contributes to these pillars by promoting sustainable agriculture, improving productivity, and enhancing value chains. It also aligns with sectoral strategies such as the National Agricultural Investment Plan (PNIA) and land-use planning frameworks (SNADDT, SRADDT, PNZT), reinforcing policy coherence and institutional capacity.

Integration with NDCs, NAMAs, and NAPs

Cameroon's Nationally Determined Contribution (NDC) commits to a 35% emissions reduction by 2030, primarily through forestry and land-use actions. RACINE directly supports these goals by promoting deforestation-free production and sustainable land management. Similarly, the initiative advances the National Adaptation Plan (NAP) by reducing agricultural vulnerability, fostering climate-smart practices, and integrating adaptation into national policies. Through farmer training, digital extension services, and agroforestry adoption, RACINE strengthens resilience and adaptive capacity in vulnerable agro-ecological zones.

CAFI Partnership and future GCF Country Programme

The initiative complements the CAFI Letter of Intent, which prioritizes halting deforestation and promoting sustainable agriculture. CAFI's support includes structuring innovative financial instruments in partnership with international financial institutions tied to performance targets, reinforcing Cameroon's commitment to a green economy. RACINE is positioned as a key mechanism for achieving these objectives, ensuring that financing is linked to measurable sustainability outcomes. MINEPAT is working jointly with MINEPDED, the NDA for GCF to ensure the future GCF country programme include more joint programming between CAFI and GCF.

Institutional Capacity and Implementation

Ownership is further demonstrated through strong institutional roles. MINEPAT, as an accredited entity, ensures compliance with fiduciary standards and coordinates multi-stakeholder efforts. FODECC, the implementing entity, has proven capacity through its successful "Guichet Producteurs" digital financing platform, which delivers transparent, performance-based grants to thousands of farmers. These institutions guarantee effective implementation, monitoring, and sustainability of results.

D.6. Efficiency and effectiveness (max`. 500 words, approximately 1 page)

Financial Structure and Minimum Concessionality

The financial structure of the RACINE initiative is designed to be both adequate and reasonable to achieve its objectives while addressing systemic barriers in Cameroon's cocoa and coffee sectors. The total financing package of approximately 894 million Euros combines a GCF contribution of EUR 87 (EUR 78.3 million concessional loan and EUR 8.7 million grant), CAFI performance-based grants of USD 45 million, national para-fiscal resources via FODECC of about EUR 88.5 million, and nearly Euro 649 million in private counterpart contributions. This blended structure tackles critical bottlenecks such as limited access to long-term affordable finance, weak traceability systems, and insufficient resources for municipal green investments. The GCF loan terms—0.75% interest, 5-year grace period, and 20-year maturity—result in a grant element of approximately 55.17%, meeting the minimum concessionality threshold required to make the project viable without crowding out private or public investments. Productive investments remain on a matching-funds basis with mandatory co-financing averaging 70% and degressive subsidies (40% to 0%), ensuring strong leverage of domestic capital and alignment with Section B.5's justification for GCF support.

Efficiency and Effectiveness Compared to Benchmarks

The RACINE initiative demonstrates high efficiency and effectiveness by delivering significant climate and development outcomes at low cost. Based on Annex 22, the programme achieves a lifetime mitigation impact of approximately 15.70 million tonnes of CO_2 equivalent and an annual net impact of 455,000 tonnes during implementation. Against total financing of USD 1.03 billion (EURO 894 million), this translates into a cost per tonne of CO_2 of about USD 12.71 for the entire programme and USD 1.24 for the GCF

share—figures far below the USD 70/tCO_2 social cost benchmark used in the economic analysis. Adaptation benefits are equally substantial, with 4,373,000 total adaptation beneficiaries—comprising 227,000 direct beneficiaries and 4,146,000 indirect beneficiaries. In addition to human level benefits, the programme will have the following impacts: 494,160 hectares of cocoa-coffee orchards will be sustainably intensified (directly subsidized), 559,000 hectares will transition to agroforestry under agroecological transition contracts, 30,000 hectares of agroforests will be restored by municipalities, and 1,000,000 hectares of forest areas will be preserved by municipalities.. These outcomes, combined with digital delivery systems and results-based payments, position RACINE as a highly cost-effective intervention compared to traditional subsidy models, which often lack transparency and performance linkage.

Expected Economic Rate of Return

The economic analysis in Annex 3, using a 10% discount rate and valuing climate benefits at USD 70/tCO_2, estimates an Economic Internal Rate of Return (EIRR) of approximately 14.69% for the project scenario, compared to 20.86% for the business-as-usual scenario. While BAU appears higher in pure financial terms, it does not account for externalities such as carbon sequestration, biodiversity, and resilience benefits. Annex 22's estimated mitigation potential is 15.70 MtCO2, the monetized climate benefits are significant and the reported EIRR is conservative and reinforcing the socio-economic justification for concessional financing.

Expected Financial Rate of Return and Need for GCF Support

From a financial perspective, the project remains viable but depends on GCF support to integrate components that generate public goods. Annex 3 reports a Financial Internal Rate of Return (IRR) of about 25.96% for the project with GCF support, compared to 28.26% under BAU. The slight reduction reflects the inclusion of Window 2 activities—municipal post-harvest infrastructure and land-use planning—which are loss-making individually but essential for traceability, EUDR compliance, and long-term sustainability. Without concessional GCF financing, these components would be excluded, undermining the project's transformational objectives. The concessional loan and grant therefore play a catalytic role in preserving overall bankability while delivering climate and social outcomes.

Best Available Technologies, Practices, and Innovations

The RACINE initiative incorporates best available technologies and practices adapted to the Cameroonian context. It leverages a fully digital, georeferenced e-voucher system for subsidy delivery, eliminating cash transactions and reducing leakage, while ensuring real-time monitoring and traceability in compliance with the EU Deforestation Regulation. Agroforestry and climate-smart agronomy practices—such as orchard re-densification, shade tree integration, composting, and integrated pest management—are promoted to enhance resilience and reduce emissions. The programme also introduces sustainability-linked financing and results-based payments, combined with independent ISO-aligned verification, to strengthen accountability. These innovations, coupled with degressive subsidies and mandatory co-financing, align with global best practices and create a replicable model for climate-aligned agricultural transformation in the Congo Basin.

E. LOGICAL FRAMEWORK

*This section refers to the project/programme's logical framework in accordance with the **GCF's Integrated Results Management Framework** to which the project/programme contributes as a whole, including in respect of any co-financing.*

E.1. Project/Programme Focus

Please indicate whether this proposal is for a mitigation or adaptation project/programme. For cross-cutting proposals, select both.

☒ Reduced emissions (mitigation)

☒ Increased resilience (adaptation)

E.2. GCF Impact level: Paradigm shift potential (max 600 words, approximately 1-2 pages)

This section of the logical framework is meant to help a project/programme monitor and assess how it contributes to the paradigm shift described in section D.2 above by applying three assessment dimensions - scale, replicability, and sustainability.

Accordingly, for each assessment dimension (see the definition per assessment in the accompanying guidance note), describe the current state (baseline) and the potential scenario (target) and rate the current state (baseline) by using the three-point-scale rating (low, medium, and high) provided in the guidance note. Also describe how the project/programme will contribute to that shift/ transformation under respective assessment dimensions (scale, replicability and sustainability). In doing so, please refer to section B.2(a) (theory of change).

Assessment Dimension	Current state (baseline)		Potential target scenario (Description)	How the project/programme will contribute (Description)
	Description	Rating		
Scale	FODECC already has a functional production support mechanism through its Producers' Desk, which has enrolled approximately 320,000 producers and directly supported nearly 67.000 through subsidies and digital vouchers (inputs, equipment, agricultural advice). The scheme covers the eight cocoa and coffee regions but remains limited to certain departments due to insufficient financial capacity, with no explicit link to sustainability, traceability or climate resilience objectives.	Medium	The Producers' Window is becoming a structuring instrument for agricultural climate finance at the national level, interoperable with traceability, MRV and emissions monitoring systems, and capable of supporting up to 227,000 farming households over six years. Backed by a harmonised regulatory framework and strengthened governance mechanisms, it is able to channel resources estimated at over EURO 191 million, while ensuring the implementation of the commitments of the CAFI Letter of Intent and	The RACINE initiative contributes directly to this scaling up by: Supporting the consolidation of the FODECC Producers Window as the national agro-climate financing window and increasing its capacity to at least EURO 193 million to open it up to 227,000 producers; that is, approximately 1,405,000 direct individual beneficiaries and around 1,395,000 indirect beneficiaries; Integrating zero deforestation, traceability and resilience criteria into financing and subsidy protocols;

	The lack of a common integrated climate finance framework further limits national coverage and cross-sectoral coherence.		the EU-Cameroon Roadmap on Deforestation-Free Cocoa	Strengthening inter-institutional coordination (FODECC, MINEPAT, MINEPDED, MINADER, MINFI) to ensure coherence between agricultural, forestry and climate policies; Supporting the roll-out of agroecological transition plans across more than 500,000 hectares and the restoration of 30,000 hectares at the municipal level. By accelerating the digital transition and integrated monitoring (MRV, GIS, traceability) to demonstrate large-scale impact on the cocoa and coffee value chains.
Replicability	The FODECC Producers' Desk operates in the supported pilot departments. Notwithstanding the adoption of the national agricultural subsidy manual by the Prime Minister in 2019, the national methodological framework is not yet properly harmonised for all agricultural and livestock value chains (procedures, eligibility criteria, unified monitoring and reporting systems), thus limiting the possibility of replicating this mechanism in different sub-sectors. In addition, FODECC's digital tools (e-vouchers, producer databases, payment tracking) still lack interoperability with national platforms (SIGIF, MRV, Forestry Information System, etc.).	Medium	Based on the decision of the National Grant Award Committee of June 2024 and the Presidential Decree of January 2025, FODECC is establishing an interoperable national digital architecture based on the Producer Counter model, which can be gradually extended to other agricultural sectors (cotton, maize, oil palm, rubber, cassava, bananas, etc.) and other national funds. The innovative Loans combined with a performance-based payment model can be replicated in other economic sectors (decentralisation, forestry, land use planning) and in other countries in the Congo Basin via the CAFI regional platform.	FODECC, with the support of its partners, proposes a national model for digital and traceable agricultural financing, combining subsidies, private co-financing and performance-based payments, which can be replicated in other sectors and institutional contexts thanks to its integration into the CAFI framework.
Sustainability	FODECC, created in 2006 and reformed in January 2025 by Presidential Decree, has a solid legal and institutional framework that guarantees the continuity of its operations	Medium	With the support of the project, FODECC is becoming a national instrument for sustainable climate finance, aligned with	The RACINE initiative proposes a sustainable financing model combining public resources, concessional loans and private contributions, ensuring the institutional continuity of the

	thanks to funding from parafiscal charges levied on cocoa and coffee exports. Nevertheless, investments remain primarily focused on productivity and sector recovery, without systematic integration of sustainability, climate resilience or zero deforestation objectives. Mechanisms for monitoring environmental and social impact remain weak, and the fund's governance, although functional, remains sectoral and has little connection with planning and climate institutions (MINEPAT, MINEPDED).		public policy frameworks (SND30, CDN, PNIA, Climate Plan, EU-Cameroon roadmap). Support from the RACINE initiative is enabling the establishment of a sustainable agricultural financing mechanism backed by FODECC export royalties, international finance and payments based on environmental performance. The gradual integration of private co-financing (60–80%) and the degressive nature of subsidies (40–20–10–0–0) guarantee financial autonomy.	Producers' Window and the sustainability of the system after the withdrawal of the GCF.

E.3. GCF Outcome level: Reduced emissions and increased resilience (IRMF core indicators 1-4, quantitative indicators)

Select appropriate IRMF core and supplementary indicators to monitor project/programme progress. More than one IRMF (core and or supplementary) indicators may be selected as applicable for each GCF results area and project/programme outcome (as defined in the table in section B.2(b)). If IRMF indicators are unable to measure any given project/programme outcomes, project/programme-specific indicators should be developed under section E.5 (project/programme specific indicators).

GCF Result Area	IRMF Indicator	Means of Verification (MoV)	Baseline	Target		Assumptions / Note
				Mid-term	Final[13]	
MRA4 Forestry and land use	Core 1: GHG emissions reduced, avoided or removed/sequestered	**FODECC Monitoring System**: FODECC has established a monitoring framework capable of tracking: ▪ Number of shade trees planted, ▪ Land use change (LUC), and ▪ Adoption of Good Agricultural Practices	Net removals of -2.67 MtCO2/year	Additionnal 0.55 $MtCO_2e$ net cumulative removals	Additionnal 3.53 $MtCO_2e$ net cumulative removals at the end of project implementation period 15.70 MtCO2 at the end of the	Additionnal net removals of 0.79 $MtCO_2e$/year MtCO2/yr on average over the project lifespan see Annex 22 for detailed assumptions and calculations.

[13] The final target means the target at the end of project/programme implementation period. However, for core indicator 1 (GHG emission reduction), please also provide the target value at the end of the total lifespan period which is defined as the maximum number of years over which the impacts of the investment are expected to be effective.

		Verification: For the carbon monitoring and to ensure data quality and cost effectiveness, a representative sample of farms will be selected for in-depth data collection. Sampling will be stratified across farm types (agroforestry vs. fallow-based farms, varying levels of existing tree cover) to ensure representativeness of results at landscape level. See Annex 22 for details			total lifespan period	
ARA1 Most vulnerable people and communities	Core 2: Direct and indirect beneficiaries reached	Producers' Database (e-vouchers, FODECC registers).	Approximately 67,000 households already supported by FODECC equivalent to 335,000 direct beneficiairies. The indirect beneficiaires of FODECC are 1,395,000 individuals (March 2026)	705,000 direct beneficiaries (individuals) of which approximately 50.2% are women. 697,500 indirect beneficiaries of which approximately 50.2% are women.	1,405,000 direct beneficiaries (individuals) of which approximately 50.2% are women. 1,395,000 indirect beneficiaries of which approximately 50.2% are women.	Notes: Household size is set based on the national average of 5 persons per household. **Sex-Disaggregated Beneficiary Figures:** Direct beneficiaries (1,405,000 individuals) And indirect beneficiaries (1.395.000 individuals) follow the national sex ratio (**50.2% women, 49.8% men**). All figures are expressed at the individual level, in full alignment with IRMF Core Indicator 2 requirements and disaggregated by sex.

						See beneficiary calculation methodology in Annex 2 for details. Assumptions: The Producer Window tools remain functional and extended to all intervention areas. Measures to promote the inclusion of women and young people are applied on an ongoing basis. The financial incentives offered by the Guichet remain attractive.
ARA1 Most vulnerable people and communities	Supplementary 2.1: Beneficiaries (female/male) adopting improved and/or new climate-resilient livelihood options	Producers' Database (FODECC registers for window G3/a-TA Agroecological Transition).	0 households already supported by FODECC under the G3/a-TA 0 indirect beneficiaires of FODECC G3/a-TA (March 2026)	21,500 households equivalent to 107,500 direct beneficiaries of which approximately 50.2% are women. 697,500 indirect beneficiaries of which approximately 50.2% are women.	43,000 households equivalent to 215,000 direct beneficiaries of which approximately 50.2% are women. 1,395,000 indirect beneficiaries of which approximately 50.2% are women.	Notes: **Sex-Disaggregated Beneficiary Figures:** follow the national sex ratio (**50.2% women, 49.8% men**). All figures are expressed at the individual level, in full alignment with IRMF Core Indicator 2 requirements and disaggregated by sex. For logical coherence, the beneficiaries that are calculated under Supplementary indicator 2.1 are a subset of the total beneficiaries under indicator

						Core 2: Direct and indirect beneficiaries reached. See beneficiary calculation methodology in Annex 2 for details. Assumptions: The FODECC Window tools remain functional and extended to all intervention areas. Measures to promote the inclusion of women and young people are applied on an ongoing basis. The financial incentives offered by the Guichet remain attractive.
ARA4 Ecosystems and ecosystem services	Core 4: Hectares of natural resources brought under improved low-emission and/or climate-resilient management practice	Data from the Producers Window (geolocated registration of beneficiaries), and from Communities window (GIS coordinates of areas reforested, broung under agroforestry or conserved) GIS and MRV tools consolidated with the project. Independent technical reports and verifications.	Lack of a consolidated database on areas under sustainable agroforestry management at the national level; existing initiatives remain localised and are not integrated into a georeferenced monitoring system FODECC has brought 0 ha of land under improved low-emission and/or	200,000 hectares of agroforestry systems are under agroecological transition contracts. 10,000 hectares of agroforestry restored by municipalities 500,000 hectares of forest conserved	559,000 hectares of agroforestry systems are under agroecological transition contracts. 30,000 hectares of agroforestry restored by municipalities 1,000,000 hectares of forest conserved	GIS/MRV tools are operational and interoperable; the Producers' Desk remains functional; the practices adopted are maintained over time and validated.

			climate-resilient management practice.	by municipalities.	by municipalities..	
ARA4 Ecosystems and ecosystem services	Supplementary 4.1: Hectares of terrestrial forest, terrestrial non-forest, freshwater and coastal marine areas brought under resoration and/or improved ecosystems	Data from the Producers Window (geolocated registration of beneficiaries), and from Communities window (GIS coordinates of areas reforested, broung under agroforestry or conserved) GIS and MRV tools consolidated with the project. Independent technical reports and verifications.	Lack of a consolidated database on areas under sustainable agroforestry management at the national level; existing initiatives remain localised and are not integrated into a georeferenced monitoring system FODECC has brought 0 ha of land under improved low-emission and/or climate-resilient management practice.	200,000 hectares of agroforestry systems are under agroecological transition contracts. 10,000 hectares of agroforestry restored by municipalities 500,000 hectares of forest conserved by municipalities.	559,000 hectares of agroforestry systems are under agroecological transition contracts. 30,000 hectares of agroforestry restored by municipalities 1,000,000 hectares of forest conserved by municipalities..	GIS/MRV tools are operational and interoperable; the Producers' Desk remains functional; the practices adopted are maintained over time and validated.

E.4. GCF Outcome level: Enabling environment (IRMF core indicators 5-8 as applicable)

Select at least two relevant IRMF core (enabling environment) indicators to monitor and elaborate the baseline context and project/programme's targeted outcome against the respective indicators. Rate the current state (baseline) vis-à-vis the target scenario and select the geographical scope of the outcome to be assessed. Describe how the project/programme will contribute towards the target scenario. Refer to a case example in the accompanying guidance to complete this section.

Core Indicator	Baseline context (description)	Rating for current state (baseline)	Target scenario (description)	How the project will contribute	Coverage
Core Indicator 5: Degree to which GCF investments contribute to strengthening institutional and regulatory frameworks for low emission climate-resilient development pathways in a country-driven manner	FODECC has a clear mandate for the cocoa and coffee sectors, and its Producers Window operates in accordance with this sectoral mandate. However, the system is not yet interconnected with other public planning and monitoring systems, such as the MINEPDED's climate and forest MRV system, the MINEPAT's investment planning and monitoring system ( ), or the CAFI partnership's geospatial tools. This lack of interoperability limits the national coherence of sustainable agricultural investment management.	medium	An integrated institutional framework is in place to guide agricultural investments towards sustainable, climate-resilient and deforestation-free practices. The Producers' Window is evolving into a national instrument for financing agricultural sustainability, aligned with Cameroon's sustainability commitments (EUDR, CDN, CAFI Letter of Intent).	The RACINE initiative aims to strengthen coordination between FODECC, MINEPAT, MINADER, MINFOF and MINEPDED in order to consolidate a coherent institutional framework, in the short term around deforestation-free cocoa and coffee sectors, and in the medium term around other priority agricultural sectors. The project supports the consolidation of monitoring systems (MRV, traceability) and information exchange between public institutions to improve the management of agricultural sustainability policies.	National level (one country)
Core indicator 7: Degree to which GCF Investments contribute to market development/transformation at the sectoral, local, or national level	The government's policy of encouraging change is based mainly on public subsidies and ad hoc project support. There is no structured mechanism linking environmental performance to access to finance. Private investment in the cocoa and coffee value chains remains low due to a lack of incentives, guarantees and traceability tools that meet	medium	The RACINE initiative establishes a national mechanism for sustainable financing of the cocoa and coffee (and other) value chains through the Producers Window, linking payments and co-financing to verified environmental performance criteria (zero deforestation, agroforestry). The scheme can be replicated in other sectors and jurisdictions.	The initiative strengthens the FODECC's Producers Window as a structuring instrument for sustainable agricultural financing, mobilising public and private resources conditional on performance. It creates leverage to direct investment towards sustainable practices that comply with international standards (EUDR, etc.).	National level (one country)

	international market requirements (EUDR).				
Core indicator 8: Degree to which GCF investments contribute to effective knowledge generation and learning processes, and use of good practices, methodologies and standards	Knowledge and experience of sustainable practices in the cocoa and coffee sectors remain scattered and poorly consolidated among the various public actors, projects and institutions. There is still no structured national framework for knowledge capitalisation or mechanism for disseminating or harmonising standards.	low	A national framework for the production and dissemination of knowledge on sustainable practices is operational, coordinated by FODECC, and interoperable with CAFI and GCF mechanisms. The MRV, traceability and PSE methodologies developed within the project are documented and integrated into national policies and training tools.	The RACINE/FODEC initiative supports the development of a national monitoring and capitalisation system, supports the training of public and private actors, and supports the dissemination of MRV and traceability standards through South-South learning mechanisms.	Multi-countries
Choose an item.		Choose an item.			Choose an item.

E.5. Project/programme specific indicators (project outcomes and outputs)

*This section should list out project/programme-specific performance indicators (outcomes and outputs) that are not covered in sections above (E.1-E.4). List down tailored indicators to monitor /track progress against relevant project/programme results (outcomes/outputs). AEs have the freedom to decide against which outcomes they would like to set project/programme specific indicators. If any co-benefits are identified in sections B.2(a)(b), and D.3, AEs are encouraged to add and monitor co-benefit indicators under the "**Project/programme co-benefit indicators**" section in table below. Add rows as needed.*

Please number each outcome and output as shown below to indicate association of outputs to the contributing outcome. The numbering for outputs under this section should correspond to the output numbering in annex 4 (detailed budget plan).

Project/programme results (outcomes/ outputs)	Project/programme specific Indicator	Means of Verification (MoV)	Baseline	Target		Assumptions / Note
				Mid-term	Final	
Outcome 1 The institutional and regulatory environment conducive to deforestation-free and climate-resilient cocoa and	Number of policies, regulatory frameworks and national plans explicitly incorporating sustainability	Sources of information and methods used to collect and communicate data/information to measure progress against objectives	Starting point or current value of indicators prior to project implementation	Estimated value of the indicator at mid-term of implementation	Estimated value of the indicator at the end of implementation	Externalities and factors beyond the control of project management that may affect the component

coffee production is strengthened in Cameroon.	requirements (zero deforestation, traceability, climate resilience) in the cocoa/coffee sector.	Official texts and decrees published (Official Journal, institutional websites) PF-CAFI/MINEPAT reports Minutes of the Interministerial Committee (MINEPAT, MINEPDED, MINADER, MINFI)	Several national frameworks (SND30, PNIA, Climate Plan, CDN) set sustainability commitments, but these have not yet been translated into operational regulatory frameworks for the cocoa/coffee sectors.	At least two (2) policy, regulatory or sectoral frameworks formally incorporate sustainability requirements (zero deforestation, traceability, climate resilience).	At least four (4) policy, regulatory or sectoral frameworks formally incorporate sustainability requirements (zero deforestation, traceability, climate resilience).	Data sources and methodologies used to estimate baseline values and targets Maintenance of political commitment to agricultural sustainability. Effective and continuous interministerial coordination (MINEPAT, MINEPDED, MINADER, MINFI). Institutional stability of FODECC and effective mobilisation of technical partners. Measurement methodology: documentary review of the official journal, minutes of interministerial committee meetings and PF-CAFI reports
Output 1.1 Interministerial coordination for the integration of sustainability objectives (zero deforestation, traceability, climate resilience) into agricultural, forestry and land- policies related to cocoa and coffee is strengthened and functional	Existence and operationalisation of a national traceability system for cocoa and coffee, in accordance with the European Union Deforestation Regulation (EUDR), ensuring the geolocation of plots and verification of the legality of supply chains.	Official texts institutionalising the system (decrees, interministerial decisions); Functional national platform hosted by a public institution; PF-CAFI technical reports on development and implementation; EUDR compliance audit reports or independent assessments; Geolocated producer registers and interoperable databases (ONCC, CICC, exporters).	No national traceability system covering cocoa and coffee. Existing systems are partial, non-interoperable and limited to certain private or pilot initiatives.	The EUDR national traceability system is developed, tested and hosted by a public institution. At least 40% of major exporters (operators subject to EUDR due diligence) and 30% of producers are registered and geolocated.	The system is fully operational, institutionalised and recognised as a national EUDR compliance mechanism. 100% of major exporters and at least 70% of producers are registered.	Effective adoption of a national EUDR regulatory framework and interoperability between MINEPAT, MINADER, MINEPDED, FODECC, ONCC and CICC; Private sector buy-in and active participation of exporters Technical and financial resources available for system maintenance and updating; Measurement method: documentary review, technical verification of the system and institutional audit.

Output 1.2 Operational tools are deployed and land use governance is strengthened to ensure compliance and monitoring.	Number of rural municipalities with validated and operational PLADDTs, incorporating deforestation-free production targets, participatory planning and ecological zoning compatible with EUDR compliance.	PLADDT validation decrees; Participatory validation reports (minutes, attendance lists, public consultation reports); FODECC reports attesting to technical support and co-financing (Guichet Collectivité). Cartographic files (georeferenced maps, ecological and agricultural zoning);	A few PLADDTs have been developed, but they do not yet incorporate sustainability requirements related to forest conservation, traceability and EUDR compliance.	Fifteen rural municipalities have validated PLADDTs that explicitly incorporate the principles of deforestation-free production. The plans are developed in a participatory manner and published at the municipal level.	30 rural municipalities have validated PLADDTs that are implemented and interconnected with the national EUDR traceability system. These plans include ecological and forest zoning compatible with the preservation of permanent forest areas, sustainable production corridors, and green investment priorities co-financed by the FODECC (Guichet Collectivité).	Political will and commitment of municipalities to develop and implement PLADDTs; Ongoing technical support from the administration and decentralised services; Availability of co-financing from the FODECC (Guichet Collectivité); Measurement method: documentary review (decrees, reports), GIS verification of zoning and monitoring of the use of PLADDTs in local planning.
Outcome 2 Deforestation-free and climate-resilient cocoa and coffee production is adopted at scale by producers, cooperatives and municipalities, resulting in reduced GHG emissions and increased resilience of vulnerable rural livelihoods	Cumulative amount (EURO) of payments for environmental services transferred to producers, cooperatives and municipalities through FODECC windows under the PSE mechanism.	FODECC database (Producers Window) FODECC financial reports SPS contracts signed and validated. Independent verifications	No integrated payment mechanism for environmental services is operational. Existing subsidies do not include formalised environmental conditions.	At least EURO 80 million in co-financing allocated to beneficiaries (producers, cooperatives, municipalities) under verifiable environmental commitments.	At least EURO 126 million in cumulative environmental conditional financing allocated through FODECC windows	All windows are fully operational. Traceability and conditionality mechanisms are applied. CAFI/GCF disbursements are on schedule. Measurement method: Annual compilation of approved amounts, validated by independent verification.
	Area (ha) of agricultural and forest land managed sustainably under the national PSE mechanism through the Producers Window, including: (i) agroecological transition plans, (ii) municipal PLADDTs, (iii) co-financed green investments.	FODECC database; agroecological transition plan databases; validated PLADDTs; independent verifications.	0 ha under PSE framework PLADDT and transition plans not yet implemented.	At least 200,000 ha managed sustainably	559,000 hectares of agroforestry systems are under agroecological transition contracts. Municipalities have restored around 30,000 hectares of agroforestry areas. Municipalities have preserved nearly	Continuous operation of the GIS system and consolidated spatial data without double counting; Validation and effective implementation of PLADDTs; institutional stability of partner municipalities; compliance with zero deforestation commitments. Measurement method: Annual aggregation of georeferenced and validated contracted and restored areas.

					1,000,000 hectares of forest land.	
Output 2.1.1 Cocoa and coffee production is intensified in a sustainable manner without forest expansion.	Number of cocoa and coffee producers benefiting from subsidies from the Production Window (G1/a-ebon and G1/b-PA) for intensification without forest expansion, and cumulative amount (USD) of payments made through these sub-windows (broken down by farm size, gender and age group)	Producers Window database (G1/a-ebon and G1/b-PA components); Co-financing contracts for signed business plans (G1/b-PA); PF-CAFI reports; Beneficiary database (socio-economic profile, gender, age)	67,000 subsidised producers; No digital payments conditional on sustainability.	At least 100,000 beneficiary producers and EURO 26 million in cumulative payments (e-vouchers + co-financing).	At least 227,000 beneficiary households and EURO 52 million in cumulative payments via G1/a and G1/b counters	The windows remain fully operational and funded; Producers comply with forest expansion restrictions; average private contribution (70%) is maintained; Socio-economic monitoring (gender/age/size) is integrated into the database. Measurement method: Annual extraction of active beneficiaries and consolidation of approved amounts via the FODECC system.
	Area (ha) of sustainably intensified cocoa and coffee orchards on existing farms (broken down by crop and type of farm)	FODECC database; Independent verifications.	0 ha of orchards monitored under the "zero deforestation" criterion.	At least 40,000 ha of cocoa–coffee orchards receive direct subsidies.for sustainable and traceable practices	At least 100.000 hectares of cocoa–coffee orchards receive direct subsidies.for sustainable and traceable practices	GIS system and georeferenced monitoring system operational; Continuous availability of certified inputs. Measurement method: Annual total of areas verified via GIS and confirmed by independent audits.
Output 2.1.2 The overall quality and traceability of cocoa and coffee products placed on the market are improved.	Number of post-harvest processing centres built, equipped and operational in accordance with quality and traceability standards	FODECC database (G2/a component – Local authorities), Acceptance reports Communal project monitoring reports.	0	100	180	Co-financing is available; partner cooperatives ensure functional management Measurement method: Direct count of CTDs that have received a receipt t, supplemented by a verification of their functionality (equipment installed, operations recorded
	Cumulative amount (USD) of business plans co-financed by the G2/b-Coop component that have been validated and implemented (broken down by type of cooperative/EIG, size and gender of management).	FODECC financial reports, Contracts, payment tracking platform.	5	Cumulative EURO 5 million	Cumulative EURO 9 million	Each funded CTD has a cooperative business plan Cooperatives and economic interest groups remain operational and capable of mobilising their counterparts Measurement method: Compilation of data from the disbursement window

	Annual volume of cocoa and coffee processed in the post-harvest processing centres of equipped CTDs (tonnes/year)	FODECC database; Sector statistics (ONCC)	0 tonnes	10,000 tonnes/year processed	20,000 tonnes/year processed	The treatment centres that have been built and equipped are fully operational. Cooperatives ensure effective collection and traceability of volumes. Producers are reducing supply via informal channels. Production conditions remain favourable.
Output 2.1.3 Sustainable management of communal lands and forest cover is strengthened.	Cumulative amount (EURO) of co-financing paid to rural municipalities via sub-window G2/d for the implementation of green investments (reforestation, restoration, conservation, assisted natural regeneration).	FODECC database FODECC-municipality contracts/agreements	0	Cumulative EURO 10 million disbursed	Cumulative EURO 20 million paid	Availability of resources according to schedule Mobilisation of municipal counterparts Compliance with eligibility criteria Measurement method: Annual compilation of FODECC financial data (component G2/d)
	Total area (ha) restored, reforested or placed under sustainable management thanks to municipal green investments co-financed by FODECC.	FODECC database (GIS + Local Authorities Portal) Implementation reports produced by municipalities, Independent verifications	0	15,000 ha or equivalent restored or reforested	30,000 ha or equivalent restored or reforested	Availability of funding; Ongoing technical support; Measurement method: Cumulative count of areas validated and financed under sub-window G2/d. Compilation of GIS data
Output 2.1.4 Cocoa and coffee farms adopt agroecological and climate-resilient practices.	Number of cocoa and coffee producers who have signed an agroecological transition contract under the Sustainability Window and are complying with their contractual implementation commitments.	FODECC database (Sustainability Window) Transition contracts signed	0	22,000 producers who have signed contractual commitments	38,000 producers complying with their contractual commitments out of 43,000 supported	Budgetary availability allows the Sustainability Desk to continue operating. Producers continue to voluntarily adhere to the contractual arrangement. Measurement method: Counting the number of producers with an active contract Establishment of a **compliance score**
	Total amount of cumulative payments (in EURO) made through the Sustainability Window to support the implementation of agroecological transition	FODECC Sustainability Window database	0	EURO 15 million in cumulative payments to producers	EURO 37 million in cumulative payments to producers	Disbursements (FCV, CAFI) are made according to the agreed schedule. The e-voucher system remains functional and secure

	plans by cocoa and coffee producers, including subsidy tranches conditional on annual compliance with practices.					No major fluctuations in input costs. Measurement method: Sum of payments made and validated via the FODECC platform under Guichet 3 contracts, broken down by gender, farm size and region
	Total area (in hectares) of cocoa and coffee farms under agroecological transition contracts signed under the FODECC Sustainability Window and complying with contractual commitments	FODECC database	0	70.000 of total land under agroecological transition contracts including all farmland and fallow land	160.000 ha of total land under agroecological transition contracts including all farmland and fallow land	Climatic conditions remain favourable for production. GIS monitoring systems are operational and enable annual map updates. Measurement method: Annual cumulative area recorded via the FODECC system
Output 2.2.1 Professional organisations (cooperatives, umbrella organisations, inter-) are strengthened and structured.	Number of professional organisations (cooperatives, economic interest groups, inter-professional organisations) supported and with strengthened governance and internal operational management and monitoring mechanisms.	Data from the Producers' Desk Activity reports from FODECC and partners Updated membership registers and statutes Internal management tools Organisational assessment sheets	0	100, organisations strengthened and with improved internal mechanisms.	200 organisations with functional governance structures and integrated into the FODECC system (at least 30% of which are led by women).	Commitment by POs to undergo training and implement reforms Availability of advisers for local support; Continuous operation of the Guichet Producteurs digital system; Measurement method: count of organisations supported and deemed compliant
Output 2.2.2 A national private network of agroecological transition advisers is developed and operational.	Number of accredited private agricultural advisers active in the FODECC national network, broken down by region and gender.	FODECC database (G3.b-CTA digital platform), accreditation registers	0	At least 1,000 accredited and active CTAPs	At least 2,000 accredited and active CTAPs	Availability of resources and operation of the helpdesk Average supervision ratio: 1 adviser per 20 producers Speed of the approval process. Measurement method: Count in the FODECC database (active profiles, region, gender, active status).
	Number of modules and technical tools produced and distributed via the FODECC digital platform	Digital platform data List of validated and distributed modules	0	At least 8 modules or tools validated and distributed.	At least 15 modules or tools validated and distributed.	Content covers: agroecology, EUDR, cooperative management, finance, traceability. Operation of the digital platform.

						Availability of experts and compatibility of content with national standards. Measurement method: Counting on the FODECC platform.
Output 2.2.3 The sustainable planning and investment capacities of municipalities and their local partners are strengthened.	Number of municipalities and partner organisations that have planned and implemented their co-financed green investments with verified technical, environmental and financial compliance.	Technical and financial reports consolidated by the CTFC and FODECC; Minutes of investment validation.	0	At least 50	At least 100	The CTDs have validated and updated PLADDTs. Technical support maintained by the CTFC. FODECC/CAFI/GCF funding available according to schedule. Availability of municipal counterparts. Measurement method: Compilation of reports from municipalities and partners, GIS verification and environmental compliance audits.
Project/programme co-benefit indicators						
Co-benefit 1: Gender and financial inclusion: Strengthening the financial inclusion of women and young people in the cocoa/coffee sectors	Percentage of women and young people (aged 18-35) who have obtained financing through the Producers' Window	FODECC database (Producers' Window), Disaggregated by gender/age	0	Women ≥ 30% Young people ≥ 20%	Women ≥ 35% Young people ≥ 25%	Effective functioning of digital traceability and payment systems Targeted training and technical support are provided to encourage demand among women and young people. The availability of disaggregated data (by gender/age) is guaranteed. Measurement method: Number of women and young beneficiaries out of total registered beneficiaries
	Number of women's or mixed cooperatives supported (cocoa/coffee)	FODECC register (official list of cooperatives supported) Implementation reports Membership certificates/cooperative statutes confirming female participation	0	30% women's or mixed cooperatives supported (including ≥ 30 women members)	30% women's or mixed cooperatives supported (including ≥ 50 women)	Maintenance of the technical and financial support mechanism for cooperatives. Local structures ensure the regular transmission of activity reports. Gender criteria are clearly defined, i.e. ≥ 30% of members are women and at least one

						woman is on the executive board. Measurement method: Counting the number of cooperatives registered and supported by the project, based on validated FODECC reports and statutory documents certifying female or mixed governance.
Co-benefit 2 : Economic development and rural employment: Improved incomes and rural employment in the cocoa and coffee sectors.	Number of direct and indirect jobs created in the cocoa/coffee value chains thanks to investments by the RACINE initiative.	Implementation reports from FODECC and partner economic operators (post-harvest centres, processing units, cooperatives). Annual socio-economic surveys (representative sample of producers and workers). Employment-income impact studies conducted at mid-term and upon completion.	0	target on # jobs greated dissagregated by women and youth to be determined during inception	Final target on # jobs greated dissagregated by women and youth to be determined during inception	Maintenance of a stable economic environment and sustained demand for cocoa/coffee. Availability of a trained and motivated local workforce. Continuity of partnerships between FODECC, businesses and cooperatives. Measurement method: Counting the number of jobs created (full-time or equivalent) based on data reported by supported businesses, cooperatives and operators.
	Average annual income of supported producers, broken down by gender (men/women).	Income surveys conducted (representative sample of supported producers). Accounting records of cooperatives and beneficiary group . Economic monitoring reports from the Producers' Desk (changes in net income per farm).	0	Average annual income of producers: +15% compared to baseline	Average annual income of producers: +25% compared to baseline	Cocoa and coffee prices remain relatively stable on the market. Producers are effectively adopting the technical practices promoted (agroforestry, orchard rehabilitation, organic inputs). Access to financial services and post-harvest infrastructure is improving in line with the Producers Window investment plan. Income data is collected reliably using M&E tools. Measurement method: Calculation of the change in average annual income based on economic monitoring surveys of supported producers, comparing net operating income

						before and after the project intervention

E.6. Project/programme activities and deliverables

All project activities should be listed here with a description and sub-activities. Significant deliverables should be reflected in annex 5 implementation timetable. Add rows as needed.

Please number the activities as shown below to indicate association of activities to the related outputs provided above in section E.5. Similarly, please number sub-activities as shown below to associate to the related activity.

Activities	Description	Sub-activities	Deliverables
Activity 1.1.1: Support the implementation of key agriculture-related steps in the CAFI Letter of Intent	Support the implementation of the agricultural commitments in the CAFI-Cameroon Letter of Intent, including controlling agricultural expansion, promoting fallow land, integrating zero deforestation requirements in agricultural policies, and monitoring permanent forests.	Sub-activity 1.1.1.1 Support the development and validation of sectoral operational plans for the implementation of the CAFI LoI agricultural commitments Sub-activity 1.1.1.2 Train executives from the relevant ministries (MINADER, MINFOF, MINEPDED, MINEPAT) on the integration of zero deforestation and climate into agricultural policies Sub-activity 1.1.1.3 Establish a mechanism to monitor agricultural expansion and the development of fallow land in cocoa and coffee-growing areas Sub-activity 1.1.1.4 Strengthen the capacities of decentralised services for the environmental monitoring of agricultural programmes.	Sectoral operational plans validated for the implementation of the LoI commitments. Training modules and sessions held for sectoral managers. Functional mechanism for monitoring agricultural areas (including a dashboard and half-yearly reports). Consolidated monitoring reports on agricultural expansion and the development of fallow land.
Activity 1.1.2 Strengthen interministerial coordination and planning mechanisms	Strengthen interministerial coordination and public policy coherence under the leadership of MINEPAT, integrating zero deforestation and EUDR requirements into sectoral plans, strategies and programmes.	Sub-activity 1.1.2.1 Support the establishment or revitalisation of an interministerial coordination framework led by MINEPAT Sub-activity 1.1.2.2 Organise consultation meetings and thematic sessions on policy harmonisation between ministries and technical partners Sub-activity 1.1.2.3 Develop and disseminate a national guide for policy harmonisation on zero deforestation and climate resilience.	Operational and mandated interministerial coordination framework. Minutes and reports of interministerial consultation. National policy harmonisation guide published.

Activity 1.2.1 Develop, improve and institutionalise a national traceability system for cocoa and coffee in accordance with the EUTR	Design and institutionalise a national geolocation traceability system covering the production, processing and marketing of cocoa and coffee to ensure compliance with the requirements of the European Union Deforestation Regulation ( ) and national commitments.	Sub-activity 1.2.1.1 Conduct a scoping and functional design study for the national traceability system (architecture, standards, governance) Sub-activity 1.2.1.2 Set up an interoperable digital platform linking producers, processors, the ONCC, the FODECC and exporters. Sub-activity 1.2.1.3 Train public and private stakeholders (ONCC, FODECC, CICC, GEX, exporters) in the use of the platform and EUDR requirements. Sub-activity 1.2.1.4 Pilot the testing and adjustment phase of the system in production areas (Grand Mbam, Haut-Nkam, Lékié, etc.). Sub-activity 1.2.1.5 Institutionalise the system at national level with an order/decree/decision and a data management protocol.	Scoping and architecture report for the traceability system. Operational and interoperable national platform. Training modules developed and sessions conducted. Pilot test and adjustment reports. Institutionalisation order/decree/decision and governance protocol adopted.
Activity 1.2.2 Prepare and implement local land use plans (PLADDT)	Support the preparation, participatory development and validation of PLADDTs for rural municipalities that do not yet have them, in order to ensure integrated land use planning that is consistent with national land use planning policies and zero deforestation commitments.	Sub-activity 1.2.2.1 Select priority municipalities in consultation with MINEPAT, SDEs and CTFC. (see SC 2.2.3.) Sub-activity 1.2.2.2 Carry out territorial diagnostics and land use mapping Sub-activity 1.2.2.3 Organise participatory consultation and validation workshops. Sub-activity 1.2.2.4 Support the publication and dissemination of validated PLADDTs.	List of municipalities supported and territorial diagnoses carried out. Validated and published PLADDTs. Validation and consultation reports.
Activity 2.1.1.1 Contribution to the Production sub-window, component G1/a-ebon	Provide subsidies via the FODECC Producers Window in the form of electronic vouchers for the purchase of certified seedlings, quality inputs and small production equipment for the sustainable intensification of cocoa and coffee orchards ( ).	Sub-activity 2.1.1.1.1. Identify and register eligible producers via the Producers Window digital platform Sub-activity 2.1.1.1.2 Launch annual matching fund campaigns and distribute electronic vouchers. Sub-activity 2.1.1.1.3 Supervise the delivery and monitoring of the effective use of certified inputs and plants.	Georeferenced list of beneficiary producers validated on the platform. Annual matching fund reports from the counter and reports on the use of electronic vouchers. Field monitoring reports on inputs delivered and adoption rates.

		Sub-activity 2.1.1.1.4 Collect and validate georeferenced implementation reports.	Consolidated data on intensified areas and productivity.
Activity 2.1.1.2. Annual contribution from the Production sub-window, G1/b-PA component	Co-finance business plans for small producers and agricultural cooperatives for the modernisation and intensification of cocoa and coffee production and primary processing systems.	Sub-activity 2.1.1.2.1 Submission and selection of business plans (see SC 2.2.1 and SC 2.2.2) Sub-activity 2.1.1.2.2 Evaluation and approval of eligible projects Sub-activity 2.1.1.2.3 Ensuring the contracting and transfer of grants to beneficiaries Sub-activity 2.1.1.2.4 Monitoring and evaluating the productive and economic performance of co-financed plans.	Publication of selection results. Co-financing files and FODECC-producer contracts signed. Technical and financial implementation reports for business plans. Consolidated data on productivity, income and sustainable practices.
Activity 2.1.2.1 Annual contribution to the Local Authorities sub-window, G2/a-CTD component	Co-finance real estate investments in municipal investment plans for the creation, rehabilitation or extension of post-harvest processing centres (fermentation, drying, storage) in cocoa and/or coffee-producing municipalities, in accordance with sustainability and traceability standards.	Sub-activity 2.1.2.1.1 Identify eligible municipalities (see SC 2.2.3.) Sub-activity 2.1.2.1.2 Support the technical and financial preparation of municipal investment plans. Sub-activity 2.1.2.1.3 Launch annual co-financing campaigns for municipal infrastructure. Sub-activity 2.1.2.1.4 Ensure technical supervision and acceptance of works	List of validated beneficiary municipalities and approved investment plans. Technical and financial reports on post-harvest centre construction projects. Post-harvest processing centres built or rehabilitated and operational. Environmental and social compliance reports for investments.
Activity 2.1.2.2 Annual contribution to the Local Authority sub-window, G2/b-Coop component	Co-finance furniture and equipment for post-harvest processing centres managed by cooperatives or economic interest groups (EIGs) partnering with municipalities, in order to improve the marketability, traceability and added value of cocoa and coffee.	Sub-activity 2.1.2.2.1 Evaluate partner cooperatives in municipalities (see SC 2.2.3) Sub-activity 2.1.2.2.2 Support the preparation of cooperative business plans in conjunction with CTDs Sub-activity 2.1.2.2.3 Provide co-financing according to approved plans. Sub-activity 2.1.2.2.4 Monitor the technical and commercial performance of equipped centres	List of selected beneficiary cooperatives and economic interest groups. Validated business plans and contracts signed between FODECC and partners. Reports on the implementation and operation of post-harvest centres. Consolidated data on product quality, traceability and producer income.
Activity 2.1.3.1 Annual contribution to the Local Authority sub-window, G2/c-PLADDT component	Co-finance the preparation of PLADDTs for eligible municipalities willing to commit to sustainable land use planning	Sub-activity 2.1.3.1.1. Engage municipalities through deliberations and ad hoc budget planning (see SC 2.2.3) Sub-activity 2.1.3.1.2 Secure co-financing	List of municipalities supported for implementation. Co-financing contracts signed

		Sub-activity 2.1.3.1.3 Produce consolidated progress reports	Implementation and monitoring reports.
Activity 2.1.3.2 Co-financing of municipal green investments (component G2/d – Green Investments)	Co-finance, via the FODECC Local Authority Desk, the implementation of green investments included in municipal PLADDTs and PCDs, including reforestation, assisted natural regeneration, restoration of degraded forest landscapes and watersheds, and measures to protect forest cover.	Sub-activity 2.1.3.2.1. Identify eligible municipalities and their priority green investment projects, based on the validated PLADDT/PCDs. (see SC 2.2.3.) Sub-activity 2.1.3.2.2 Support the technical and financial preparation of co-financing dossiers (work plans, estimates, ESS studies). Sub-activity 2.1.3.2.3 Select projects. Sub-activity 2.1.3.2.4 Sign co-financing agreements with beneficiary municipalities. Sub-activity 2.1.3.2.5 Supervise the implementation of works (reforestation, restoration, etc.) and ensure environmental and social monitoring. Sub-activity 2.1.3.2.6 Produce consolidated reports on physical achievements, areas covered and effects on local governance	List of beneficiary municipalities and co-financing agreements signed (FODECC–CTD). Technical and financial reports on green investment projects implemented. ESS compliance reports and environmental audits. Consolidated data (areas restored/reforested, watersheds stabilised, temporary jobs created). Participatory monitoring reports and regional implementation reviews.
Activity 2.1.4.1 Annual contribution to the Sustainability sub-window, G3/a component: Agroecological transition	Co-finance over three years the agroecological transition plans of cocoa and/or coffee producers, covering the entire farm: orchards, food crops, fallow land. Co-financing supports the re-densification of orchards, the enrichment of fertiliser and cover trees, the production and use of biofertilisers and biopesticides, and the adoption of soil fertility conservation and agroforestry practices, with a view to the sustainable intensification of existing land and no expansion at the expense of natural forests.	Sub-activity 2.1.4.1.1. Identify eligible producers (see SC. 2.2.2) Sub-activity 2.1.4.1.2 Develop and validate individual agroecological transition plans (PTA) with mapping and three-year phasing Sub-activity 2.1.4.1.3 Release co-financing tranches based on results verified in the field Sub-activity 2.1.4.1.4 Monitor and evaluate ITPs via the FODECC digital platform and georeferenced reports	Georeferenced list of producers under agroecological transition contracts. Signed and validated agroecological transition plans. Technical and financial monitoring reports. Consolidated data on areas under agroecological practices, reduction in chemical inputs and improved yields.
Activity 2.1.4.2 Annual contribution to the Sustainability sub-window, G3/b component: Agricultural advice / Agroecological transition	Co-finance individual agricultural advice to support each producer throughout the transition process (3 years).	Sub-activity 2.1.4.2.1. Select and certify local agricultural advisers. (see SC. 2.2.2)	Database of approved and trained advisers. Technical training modules and reports.

	Certified agricultural advisers are mobilised locally and trained in good agroecological practices and digital reporting procedures.	Sub-activity 2.1.4.2.2 Ensure georeferenced reporting and quarterly supervision of PTAs. Sub-activity 2.1.4.2.3 Annually evaluate the performance of advisers and producer satisfaction	Annual advisor evaluation reports and recommendations for improvement.
Activity 2.2.1.1 Organisational development support and advice	Support cooperatives, umbrella organisations and inter-professional organisations in their structuring, internal governance and administrative and financial management. The activity aims to professionalise these organisations to enable them to better mobilise FODECC co-financing, ensure transparency in their management, and strengthen their role in representation and negotiation within the cocoa and coffee sectors.	Sub-activity 2.2.1.1.1. Conduct organisational and institutional assessments of local professional organisations. Sub-activity 2.2.1.1.2 Develop and implement organisational improvement plans (governance, financial management, legal compliance). Sub-activity 2.2.1.1.3 Train leaders and members on transparent management, participatory planning and monitoring. Sub-activity 2.2.1.1.4. Support the implementation of internal traceability and accountability mechanisms related to funding received.	Organisational and institutional diagnostic reports. Improvement plans adopted and monitored. Training sessions conducted and participation reports. Monitoring reports on institutional performance and financial transparency.
Activity 2.2.1.2 Capacity building on agroecological transition, EUDR standards and financing systems	Strengthen the technical and institutional capacities of professional organisations on agroecological transition, the requirements of the European Union Deforestation Regulation (EUDR), traceability, and sustainable financing systems in order to improve their compliance with international standards and their access to sustainable markets.	Sub-activity 2.2.1.2.1. Design training modules tailored to the needs of cooperatives and inter-professional organisations Sub-activity 2.2.1.2.2. Organise regional training sessions on EUDR standards, traceability and agroecological transition	Training modules produced and validated. Reports on regional sessions (participants, topics, evaluations). Cooperatives and inter-professional organisations trained in agroecological practices and EUDR compliance.
Activity 2.2.2.1 Manage and develop the national network of agroecological transition advisers via the FODECC digital platform	Establish and manage a national network of certified agricultural advisers trained in agroecological transition via the FODECC digital platform. This system makes it possible to mobilise available local agricultural technicians, who are qualified but often underemployed, and to give them the means to provide local technical support to	Sub-activity 2.2.2.1.1. Identify, recruit and enrol advisers on the FODECC platform Sub-activity 2.2.2.1.2. Set up an activity monitoring dashboard Sub-activity 2.2.2.1.3. Monitor the performance of advisers	National database of enrolled and georeferenced advisers. Operational dashboard Half-yearly supervision reports.

	producers engaged in agroecological transition.		
Activity 2.2.2.2 Produce and disseminate technical training tools via the digital platform	Design and disseminate online training tools on agroecological transition, sustainable farm management and environmental compliance standards. This content (videos, technical data sheets, interactive modules) is hosted on the FODECC platform to ensure continuous and equitable access to training.	Sub-activity 2.2.2.2.1. Distribute the tools on the digital platform and monitor their use. Sub-activity 2.2.2.2.2. Regularly evaluate the quality and impact of the training courses distributed.	Online modules validated and available. Digital platform functional and updated. Evaluation reports on the effectiveness of the tools produced.
Activity 2.2.2.3 Support the accreditation processes for agricultural advisers in the regions	Support regional accreditation processes for agricultural advisers, in accordance with the Guichet G3/sustainability manual.	Sub-activity 2.2.2.3.1. Issue approval certificates Sub-activity 2.2.2.3.2. Support regions in monitoring and supervising approved advisers.	Approval procedures validated. National register of accredited advisers. Reports from regional sessions.
Activity 2.2.3.1. Supporting CTDs in the process of preparing their PLADDTs	Support municipal executives in preparing co-financing applications and monitoring the preparation of their PLADDTs by specialised service providers	Sub-activity 2.2.3.1.1. Support for the preparation of PLADDT co-financing applications Sub-activity 2.2.3.1.2. Support for monitoring the PLADDT preparation process by local authorities and their specialist service providers	Sub-activity 2.2.3.1.1. Support for the preparation of PLADDT co-financing applications Sub-activity 2.2.3.1.2. Support for monitoring the PLADDT preparation process by local authorities and their specialist service providers
Activity 2.2.3.2. Support CTDs in the planning and implementation of their investments co-financed by FODECC	Support municipal executives in planning, budgeting, mobilising co-financing, contracting implementation partners and monitoring the execution of green investment projects	Activity 2.2.3.2.1. Support municipalities in their technical and budgetary planning processes Activity 2.2.3.2.2. Support municipalities in monitoring the implementation of their green projects	Municipal decisions Validated municipal PTBAs Monitoring reports on the implementation of green projects by partner municipalities
Activity 2.2.3.3. Support partner organisations in municipalities in their planning and implementation processes for investments co-financed by FODECC	Support leaders of partner organisations in municipalities in planning, budgeting, mobilising co-financing, contracting implementation providers and monitoring the execution of green investment projects	Activity 2.2.3.3.1. Support partner organisations of municipalities in planning Activity 2.2.3.3.2. Support partner organisations in monitoring the implementation of green projects	Planning reports Reports on the monitoring of the implementation of green projects
E.7. Monitoring, reporting and evaluation arrangements (max. 500 words, approximately 1 page)			

Monitoring, reporting, evaluation, and learning (MEL) arrangements for the RACINE project are designed to ensure transparent, accountable, and adaptive implementation of climate-aligned investments. It integrates monitoring, verification, and learning functions within a robust framework that supports results-based financing, particularly from the CAFI Trust Fund, which disburses funds only after verified results.

The MEL system builds on FODECC's digital architecture to establish a comprehensive Monitoring, Reporting, and Verification (MRV) framework. This system enables real-time tracking of financial flows, environmental performance, deforestation compliance, and adoption of climate-smart practices, while also anticipating compliance with the EU Deforestation Regulation (EUDR).

MEL will have a significant total budget of approximately **6,841,000 euros** (including 3,840,000 euros in grants and 1,750,000 euros in loans from GCF complemented by 1,251,000 euros in CAFI grants from CAFI) and is structured around three main outputs:

1. Strengthening data and MRV systems for results-based management
This component focuses on enhancing FODECC's digital platform to improve data integration, traceability, and performance monitoring across stakeholders (producers, cooperatives, financial institutions, etc.). It supports the development of a rigorous MRV system aligned with CAFI and GCF standards, ensuring reliable data for measuring impact and enabling future replication.

The monitoring framework operates through three layers:

- **Internal monitoring by FODECC**, which generates and reports project data, this will include data on gender and IPs as determined in the respective plans.
- **Standard evaluation by MINEPAT**, using real-time data to produce annual reports, along with mid-term and final evaluations;
- **Independent verification**, which underpins CAFI's performance-based payments.

A central feature is the annual independent verification of results using an ISO-compliant methodology. This process includes document review, field visits, analysis, and reporting, and directly determines CAFI disbursements. Payments depend on performance levels, ranging from no disbursement for poor results to full disbursement for excellent performance.

2. Knowledge generation and South-South learning
This output promotes the documentation and sharing of lessons learned from implementing Cameroon's Sustainability-Linked Lending (SLL) model in cocoa and coffee sectors. It aims to transform this national innovation into a regional public good by supporting replication across CAFI countries and beyond.

Activities include producing technical guides, organizing workshops, and facilitating exchange visits among institutions and practitioners. This component strengthens regional dialogue and capacity building for climate-smart agriculture and deforestation-free supply chains.

3. Independent scientific monitoring of impacts
Beyond operational monitoring, the plan includes rigorous scientific evaluation of project impacts on agroforestry systems, deforestation, productivity, and farmer livelihoods. Using randomized control methods, research institutions (such as IRAD, CIRAD, and the University of Montreal) will compare supported and non-supported farms to assess the effectiveness of interventions.

Cross-cutting features
The MEL plan includes detailed indicators related to policy reform, traceability systems, sustainable land management, financial disbursements, and beneficiary outreach. Data is collected annually through multiple tools (GIS, government records, surveys, financial reporting), ensuring comprehensive performance tracking.

Overall, the MEL framework strengthens governance, reduces risks such as underperformance and corruption, and ensures that RACINE delivers measurable climate and development results. By combining digital MRV systems, independent verification, and knowledge-sharing mechanisms, it supports both accountability and scalability of results-based financing models in the Congo Basin and similar contexts.

F. RISK ASSESSMENT AND MANAGEMENT

F.1. Risk factors and mitigations measures (max. 3 pages)

The project faces a set of financial, technical, operational, institutional, and compliance risks. These are assessed as moderate overall, with mitigation measures designed to ensure resilience, continuity, and alignment with environmental and financial integrity standards.

Selected Risk Factor 1

Category	Probability	Impact
Other	Medium	Select

Description

Insufficient or delayed disbursement of funds from GCF or CAFI; volatility in cocoa/coffee prices affecting co-financing; limited liquidity in local financial institutions.

Mitigation Measure(s)

- Establish clear disbursement schedules linked to verified results and integrate automated tracking via FODECC's digital platform.
- Use concessional GCF loan terms and CAFI performance-based grants to reduce financing gaps.
- Diversify funding sources through partnerships with microfinance institutions and FEICOM for municipal co-financing.
- Maintain a contingency reserve and phased implementation to absorb delays.

Selected Risk Factor 2

Category	Probability	Impact
Technical and operational	Medium	Medium

Description

Failure of digital systems (e-voucher platform, MRV tools); inadequate interoperability with national traceability systems; cybersecurity threats.

Mitigation Measure(s)

- Strengthen IT infrastructure and ensure redundancy for critical systems.
- Conduct regular security audits and implement robust data protection protocols.
- Provide continuous technical training for FODECC staff and partners.
- Engage technology partners (e.g., Edenred) for maintenance and upgrades.

Selected Risk Factor 3

Category	Probability	Impact
Technical and operational	Medium	Medium

Description

Low adoption of agroecological practices by farmers; delays in implementing PLADDTs; weak capacity of cooperatives and municipalities.

Mitigation Measure(s)

- Deploy targeted capacity-building programs for farmers, cooperatives, and CTDs.
- Link subsidies and co-financing to compliance with zero-deforestation and agroecological transition plans.
- Mobilize a network of 2,000 certified agricultural advisors for on-site support.
- Use performance-based incentives to encourage timely adoption.

Selected Risk Factor 4

Category	Probability	Impact

ML/FT	Medium	Medium
Description		
The mechanism involves large-scale financial flows through multiple intermediaries (EMFs, producers, suppliers). The system uses microfinance institutions with varying levels of controls which introduces exposure.		
Mitigation Measure(s)		
• Transactions are formalized and traceable (banking records, digital platforms) • The use of earmarked e vouchers (e-bons) instead of money strongly limits fungibility of funds		
Selected Risk Factor 5		
Category	**Probability**	**Impact**
Technical and operational	Medium	Medium
Description		
- Operational capacity constraints and inconsistent application of procedures - Environmental compliance risks		
Mitigation Measure(s)		
• Annual independent verification of the FODECC guichet system by a CAFI mandated auditor using ISO 14000 methods		

G. GCF POLICIES AND STANDARDS

G.1. Environmental and social risk assessment (max. 750 words, approximately 1.5 pages)

Environmental and Social Risk Assessment : Risk Category and Rationale

The RACINE initiative is classified as Category B (Medium Risk) under GCF's Environmental and Social Safeguards (ESS). This categorization reflects the presence of moderate, site-specific risks that are largely reversible and can be mitigated through well-defined measures. The project does not involve large-scale infrastructure or irreversible impacts but includes activities such as intensification of cocoa/coffee production, agroecological transition, and construction of small post-harvest facilities, which may pose localized environmental and social risks.

An Environmental and Social Management Plan (ESMP) detailing risks, mitigation measures, management Instruments**,** monitoring, and institutional arrangements is included in annex 6. An Indigenous Peoples Planning Framework (IPPF) was also prepared as a precautionary measure to guide project interactions and engagement with indigenous peoples, as required.

Summary of Main Outcomes

- **Risk Identification:** Ten key risks identified, including land access conflicts, local pollution, occupational health hazards, child labour, biodiversity loss, and social exclusion of women and indigenous peoples.
- **Mitigation Framework**: Measures integrated into project design, procurement, and monitoring systems.
- **Capacity Building:** Training modules for FODECC staff, agricultural advisors, municipalities, and producers on ESS compliance, health and safety, gender, and agroecology.
- **Monitoring and Reporting:** Half-yearly E&S reports, annual independent audits, and real-time georeferenced monitoring via FODECC's digital platform.

Key Risks and Mitigation Measures

1. **Access Restrictions/Economic Displacement:** Risk from land-use planning (PLADDT).
   Mitigation: Apply Cameroon's participatory PLADDT methodology, ensuring stakeholder consultations and conflict resolution.
2. **Local Pollution from Inputs:** Increased use of pesticides/fertilisers.
   Mitigation: Promote MINADER-approved products, biopesticides, container recovery, farmer training, and agroecological transition plans.
3. **Occupational Health Risks:** Unsafe spraying practices.
   Mitigation: Provide protective equipment via e-vouchers, train farmers on safe handling, and monitor compliance.
4. **Child Labour:** Linked to production intensification.
   Mitigation: Implement CLMRS, enforce contractual bans, conduct awareness campaigns, and monitor through community facilitators.
5. **Deforestation Risk:** Beneficiaries in protected areas.
   Mitigation: Georeferenced plot registration; automatic exclusion of plots in Permanent Forest Domain; random field checks.
6. **Construction Safety Risks:** Non-compliance with labour/HSE standards.
   Mitigation: Apply national procurement and safety regulations; CTFC oversight; FODECC safeguards verification.
7. **Biodiversity Loss:** Monoculture and chemical use.
   Mitigation: Promote agroforestry, organic inputs, and sustainability window support.
8. **Climate Vulnerability:** Impact on crop productivity.
   Mitigation: Agroecological transition plans, climate-smart practices, and resilient plant material.
9. **Gender Inequality:** Limited access for women.
   Mitigation: Implement Gender Action Plan (quotas, training, adapted enrollment).
10. **Indigenous Peoples' Rights:** Risk of exclusion or exploitation.
    Mitigation: Conduct IP participation study, apply IPPF as required, improve working conditions, and facilitate access to subsidies.

Financial Intermediation and Due Diligence

FODECC acts as the financial intermediary for subsidy distribution via a digital e-voucher system, ensuring transparency and traceability. Due diligence includes:

- Geolocation of plots.
- Verification of compliance with ESS standards.
- Integration of gender and IP safeguards.
- Oversight by MINEPAT and annual independent audits ensure compliance.

Capacity and Oversight
FODECC Safeguards Unit implements ESMP, monitors compliance, and manages GRM. MINEPAT (Accredited Entity) provides strategic oversight, consolidates reports, and ensures alignment with GCF standards. The Centre Technique de la Foret Communale (CTFC) and Agricultural Advisors deliver field-level training and monitoring.

Grievance Redress Mechanism
A four-tier system (local, regional, central, and COPIL levels) allows stakeholders to submit complaints via mobile app, hotline, or town hall. Responses within 30 days; all cases logged electronically.

These four tiers constitute the internal escalation of the project-level mechanism, the first of three levels of recourse. The second level is the institutional grievance mechanism of MINEPAT, the Accredited Entity, which is operational and grounded in four SEAH instruments signed by the Minister on 18 March 2026; investigations are conducted by the General Inspectorate (IGEFS) and sanctions issued through the CELCOR/SEAH Unit. The third level is the GCF Independent Redress Mechanism (IRM), which any affected person may seize directly, without exhausting the lower levels. Complaints of sexual exploitation, abuse and harassment follow a dedicated, survivor-centred pathway with response within 72 hours; acknowledgement is provided within 24 hours and substantive response within 30 working days; anonymous complaints are admissible. **A dedicated project-level Grievance Redress Mechanism document and the consolidated MINEPAT SEAH mechanism set out the access channels, procedure, timelines and SEAH pathway in detail; these are annexed to Annex 6 (ESMP). The Accredited Entity is proactively activating these arrangements over the coming months, so that the mechanism is functional from September 2026, before activities giving rise to grievances commence and ahead of the Board's consideration.**

Stakeholder Engagement and Disclosure
Extensive consultations conducted with producers, cooperatives, municipalities, women’s groups, and indigenous communities during ESMP preparation. Engagement will continue through:

- Biannual COPIL meetings.
- Community awareness campaigns.
- Public disclosure of ESMP, GAP, and IPPF on FODECC and GCF websites, in line with GCF Information Disclosure Policy.

Indigenous Peoples

This Indigenous Peoples Planning Framework guides RACINE to avoid harm and improve culturally appropriate benefits for Indigenous Peoples, especially Baka, Bagyéli, Bakola, Bedzang, and Mbororo communities. Because project locations will be finalized during implementation, the framework sets procedures for baseline studies, consultations, culturally appropriate outreach, grievance handling, monitoring, and preparation of site-specific Indigenous Peoples Plans where needed. Main risks include exclusion from subsidies, labour exploitation, land-use conflicts, and impacts on sacred forests. Key measures include facilitated registration, mapping customary land use, labour safeguards, partnerships with Indigenous organizations, and FPIC if triggering circumstances arise. The framework foresees an Indigenous Peoples baseline study, partnerships with Indigenous organizations, targeted outreach, facilitated producer registration, labour safeguards, customary land-use mapping in PLADDT processes, accessible grievance support, monitoring and reporting, public disclosure, and—where necessary—FPIC processes and site-specific Indigenous Peoples Plans to address risks and ensure inclusion.

G.2. Gender assessment and action plan (max. 500 words, approximately 1 page)

Existence and Development Process

A comprehensive gender assessment and gender action plan have been developed for the RACINE initiative, following GCF's Gender Policy and Action Plan (see annex 8). The process included a review of national gender frameworks (e.g., Cameroon's National Gender Policy, SND30), alignment with SDGs (notably SDG 5, 8, and 13), and participatory consultations with stakeholders such as COOPAFERLOS, a women-led cooperative, , youth groups, local authorities, and sector ministries. Inputs from these consultations shaped the action plan to ensure inclusivity and responsiveness to local realities.

Key Findings: Who is Vulnerable and Why
Women represent 71.6% of the informal agricultural sector and 56.3% of the total agricultural workforce, yet face systemic barriers:

- Limited land ownership (only 10% of women own land).
- Restricted access to credit due to collateral requirements.
- Heavy unpaid domestic workload (8.2 hours more per week than men).
- Low participation in decision-making and training due to mobility constraints.

Women are disproportionately affected by climate shocks (droughts, soil degradation) because of their responsibility for food crops and water collection, compounded by limited access to climate-smart technologies and information.

Young People (15–34 years) comprise 34.7% of the population but suffer high unemployment (10.3% vs. 5.7% national average) and are mainly employed as low-paid laborers in cocoa/coffee sectors.

Key Recommendations

- Institutional Strengthening: Establish a gender unit within FODECC, revise procedure manuals to integrate gender, and train 100% of staff and partners on gender and inclusion.
- Equitable Access: Implement quotas (25–30% women), adapt enrollment processes, and conduct awareness campaigns in five regions.
- Capacity Building: Train 5,000 women in digital literacy and 2,000 in technical/financial management; support 50 women's groups with equipment.
- Financial Inclusion: Facilitate access to credit for 1,500 women through partnerships with MFIs
- Youth Integration: Develop an inclusion strategy, and train 900 youth in post-harvest trades.
- Monitoring & Accountability: Establish a gender-disaggregated data system, conduct mid-term and final gender evaluations, and integrate GBV-sensitive grievance mechanisms.

Expected Gender-Related Results and Targets

- Increase women's participation among FODECC beneficiaries from 37.7% to 40–45% by Year 6.
- Ensure 25% youth inclusion among new beneficiaries.
- Improve women's income by +50% and reduce vulnerability index by 30% by Year 6.
- Train 100% of FODECC staff on gender issues and certify 50 field facilitators.
- Enable 1,000 women to access credit and 750 equipment kits.

Implementation and Monitoring
The Accredited Entity (MINEPAT) and FODECC will implement the plan through a dedicated gender unit, integrated into the PMU. Monitoring will use gender/age-disaggregated indicators and independent evaluations at mid-term and completion. A grievance mechanism addressing gender-based violence and discrimination will ensure accountability. A budget of EURO 1.3 million (1.5% of total project cost) is allocated to implement the gender action plan, with 70% allocated to direct beneficiary actions and 24% to institutional strengthening.

G.3. Financial management and procurement (max. 500 words, approximately 1 page)

The financial management of the project is based on a clear architecture that combines national public debt management requirements and the fiduciary standards of the Green Climate Fund (GCF). MINEPAT, as the Accredited Entity (AE), has overall fiduciary responsibility to the donor, while the Caisse Autonome d'Amortissement (CAA) manages disbursements related to the sovereign loan and ensures their compliance with the national debt management framework. The Implementing Entities (IEs), notably FODECC for Component 2 and monitoring system,

and MINEPAT for Components 1, are responsible for operational financial implementation and expenditure monitoring.

All procurement activities under the project are governed by Cameroon's Public Procurement Code, which applies to all public procurements regardless of the source of financing. This ensures that procurement processes follow nationally established principles of transparency, competition, efficiency, and accountability. At the same time, where applicable, these procedures are aligned with the fiduciary requirements of the Green Climate Fund (GCF), thereby ensuring consistency between national regulations and international standards while maintaining the integrity and traceability of all procurement operations.

The financial monitoring systems are based on integrated mechanisms between the CAA, the AE and the EEs. Each project financing is held in a designated account opened with the BEAC and managed by the CAA. Requests for withdrawal of funds are initiated by the EEs, forwarded to MINEPAT for validation, and then executed by the CAA with the GCF. The EEs closely monitor expenditure, produce quarterly (Interim Financial Reports) and annual financial reports, and regularly reconcile their accounts with the data consolidated by the CAA. This dual monitoring system ensures the traceability of cash flows and compliance with GCF procedures and national rules.

Project accounting is conducted in accordance with OHADA standards and GCF accounting standards. It clearly distinguishes between sovereign loan funds, CAFI performance-based grant funds (both managed through the CAA project account), and the national counterpart contribution, which comes from cocoa and coffee export levies and is deposited in the FODECC account at the BEAC. The EEs keep detailed records of operations related to their respective components, using appropriate accounting software and applying budget coding aligned with the project chart of accounts. For Component 2, FODECC also integrates its digital counter management system (e-vouchers, subsidies, producer co-financing) into the project's accounting system , which makes it possible to track both financial flows and final beneficiaries.

The audit system is a key element of transparency and accountability. Internally, the EEs apply their own control mechanisms and are supervised by MINEPAT and the Higher State Control (CONSUPE). Externally, an independent firm is recruited in accordance with GCF procedures to carry out annual financial audits, covering both the CAA's consolidated accounts and the management of EEs. These audits certify the regularity and accuracy of the financial statements, make recommendations and are a condition for continued disbursements. The audit reports are sent to the GCF, MINEPAT and the project's governing bodies.

Finally, the disbursement structure and methods are adapted to the mixed nature of the financing (sovereign loan and payments based on CAFI performance). The GCF makes resources available to the project account managed by the CAA in various ways: direct payments to suppliers for international contracts, designated account credits for local expenses, reimbursements on presentation of supporting documents for advances from the Treasury, or letters of credit for the purchase of heavy equipment. For Component 2, FODECC administers grants through its digital platform, which issues e-vouchers or conditional transfers to producers and communities in accordance with co-financing rules and local land use plans. Each disbursement is linked to performance milestones and verified by digital monitoring systems and, where necessary, by independent audits.

Overall, this financial architecture combines the centralisation and security offered by the CAA with the operational efficiency of the EEs, and ensures maximum transparency vis-à-vis the GCF and final beneficiaries.

G.4. Disclosure of funding proposal

☒ No confidential information: The accredited entity confirms that the funding proposal, including its annexes, may be disclosed in full by the GCF, as no information is being provided in confidence.

☐ With confidential information: The accredited entity declares that the funding proposal, including its annexes, may not be disclosed in full by the GCF, as certain information is being provided in confidence. Accordingly, the accredited entity is providing to the Secretariat the following two copies of the funding proposal, including all annexes:

- full copy for internal use of the GCF in which the confidential portions are marked accordingly, together with an explanatory note regarding the said portions and the corresponding reason for confidentiality under the accredited entity's disclosure policy, and

- redacted copy for disclosure on the GCF website.

The funding proposal can only be processed upon receipt of the two copies above, if containing confidential information.

H. ANNEXES

H.1. Mandatory annexes

☒	Annex 1	NDA no-objection letter(s) **(template provided)**
☒	Annex 2	Feasibility study - and a market study, if applicable
☒	Annex 3	Economic and/or financial analyses in spreadsheet format
☒	Annex 4	Detailed budget plan **(template provided)**
☒	Annex 5	Implementation timetable including key project/programme milestones **(template provided)**
☒	Annex 6	E&S document corresponding to the E&S category (A, B or C; or I1, I2 or I3): **(ESS disclosure form provided)** ☐ Environmental and Social Impact Assessment (ESIA) or ☒ Environmental and Social Management Plan (ESMP) or ☐ Environmental and Social Management System (ESMS) ☒ Others : Indigenous peoples planning framework
☒	Annex 7	Summary of consultations and stakeholder engagement plan
☒	Annex 8	Gender assessment and project/programme-level action plan **(template provided)**
☒	Annex 9	Legal due diligence (regulation, taxation and insurance)
☐	Annex 10	Procurement plan **(template provided)**
☒	Annex 11	Monitoring and evaluation plan **(template provided)**
☒	Annex 12	AE fee request **(template provided)**
☒	Annex 13	Co-financing commitment letter, if applicable **(template provided)**
☐	Annex 14	Term sheet including a detailed disbursement schedule and, if applicable, repayment schedule

H.2. Other annexes as applicable

☒	Annex 15	Evidence of internal approval **(template provided)**
☐	Annex 16	Map(s) indicating the location of proposed interventions
☐	Annex 17	Multi-country project/programme information **(template provided)**
☐	Annex 18	Appraisal, due diligence or evaluation report for proposals based on up-scaling or replicating a pilot project
☐	Annex 19	Procedures for controlling procurement by third parties or executing entities undertaking projects financed by the entity
☐	Annex 20	First level AML/CFT (KYC) assessment
☒	Annex 21	Operations manual (Operations and maintenance)
☒	Annex 22	Assessment of GHG emission reductions and their monitoring and reporting (for mitigation and cross cutting-projects)[14]
☐	Annex X	Other references

** Please note that a funding proposal will be considered complete only upon receipt of all the applicable supporting documents.*

[14] Annex 22 is mandatory for mitigation and cross-cutting projects.