



ARCAN MEL Unit Midline Evaluation Case Study: Learning Summary

March 2026

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Acronym List

Acronym	Definition
AAAP	Africa Adaptation Acceleration Programme
AAAP UFF	Africa Adaptation Acceleration Programme Upstream Financing Facility
AGGF	AfricaGoGreen Fund
ARCAN	Africa Regional Climate and Nature Programme
BCG	Boston Consulting Group
BCR	Benefit-Cost Ratio
CA	Conservation Agriculture
CAFI	Central African Forest Initiative
CBA	Cost-Benefit Analysis
CBO	Community-Based Organisation
CIWA	Cooperation in International Waters in Africa
CRP	COVID-19 Off-Grid Recovery Platform
DSO	Designated Safeguarding Officers
GCA	Global Centre on Adaptation
EQ	Evaluation Question
FFF	Forest and Farm Facility
FCDO	UK Foreign, Commonwealth and Development Office
FGD	Focus Group Discussion
GDPR	General Data Protection Regulation
ICF	International Climate Fund
IFI	International Financial Institution
IMF RSF	International Monetary Fund's (IMF) Resilience and Sustainability Facility (RSF)
IP	Implementing Partner
IRR	Internal Rate of Return
KII	Key Informant Interview
KPI	Key Performance Indicator
MDB	Multilateral Development Bank
NbS	Nature-based Solutions
NDC	Nationally Determined Contribution
NGO	Non-Governmental Organisation
NPV	Net Present Value
O&M	Operations & Maintenance
OECD DAC	The Organisation for Economic Co-operation and Development's Development Assistance Committee

PAD	Project Appraisal Document
PPP	Public-Private Partnership
SEFA	Sustainable Energy Fund for Africa
SRMI	Sustainable Renewables Risk Mitigation Initiative
TA	Technical Assistance
TIRP 2	Second Tanzania Intermodal and Rail Development Project
ToC	Theory of Change
TRC	Tanzania Railway Corporation
TTL	Task Team Leaders
UFF	Upstream Financing Facility
VfM	Value for Money
WB	World Bank
WISER	Weather and Climate Information Services

Acknowledgements

This report has been produced by the Africa Regional Climate and Nature Programme (ARCAN) Monitoring, Evaluation and Learning (MEL) Unit. This material has been funded by UK International Development from the UK government; however, the views expressed do not necessarily reflect the UK government's official policies.

A Summary of Overarching Lessons

Introduction

The Africa Regional Climate and Nature Programme (ARCAN) has supported a range of existing multi-partner initiatives in sectors most affected by climate change since 2022. With International Climate Finance (ICF) funding of over £100 million, ARCAN has been a key vehicle to meet the UK's Foreign, Commonwealth and Development Office (FCDO) ICF commitments in Africa. Ecorys (with support from Altai and IIED) has been contracted as ARCAN's independent MEL Unit.

The 2025 midline evaluation of ARCAN is based on document review and interviews with FCDO staff (Phase 1) and subsequently, six case studies designed to address priority evidence gaps (Phase 2). Section 1 of this report summarises lessons on key themes from the portfolio of seven programmes (CIWA¹, FFF², CAFI³, SRMI⁴, SEFA⁵, AAAP⁶ and WISER⁷) grouped into five pillars (Transboundary Water, Nature and Biodiversity, Energy, Climate Finance and Policy and Weather and Climate Information Services).

Summary evaluation findings for individual programmes (drawing on the six case studies) can be found in the Annex to this report. WISER summary findings are available separately. This report and the full case studies will be available at: [DevTracker Programme GB-GOV-1-300808 Documents](#) and the Ecorys website: [World-class research-based consultancy | Ecorys](#)

Key findings

1. Mobilising Private Climate Investment

Attracting private capital for climate projects in Africa is no small feat. Investors are wary of volatile markets, unpredictable regulation, and the simple fact that many projects take years to mature. Yet when returns look steady and someone else is willing to shoulder the early risks, money does begin to move. ARCAN's programmes span

¹ **Cooperation in International Waters in Africa (CIWA)** is a World Bank-managed multi-donor trust fund that helps Sub-Saharan African countries cooperatively manage shared water resources. It aims to boost sustainable growth and climate resilience by facilitating data, building regional institutions, and enabling investments in water-related infrastructure across borders.

² **Forest and Farm Facility (FFF)** is a multi-donor trust fund led by a partnership between FAO, IIED, IUCN and AgriCord. FFF provides direct financial support and technical assistance to strengthen forest and farm producer organizations (FFPOs) representing smallholders, rural women's groups, local communities and indigenous peoples' institutions. FFF strengthens FFPOs to secure their rights, organise their businesses, sustainably manage their forests, and provide social and cultural services to the poor and marginalised.

³ **Central African Forest Initiative (CAFI)** is a UNDP-led multi-donor trust fund. Through high-level policy dialogue combined with a portfolio of enabling, reform and large-scale investments project, CAFI supports its 6 partner countries – Cameroon, the Central African Republic, the Democratic Republic of the Congo, Equatorial Guinea, Gabon and the Republic of Congo to implement the Paris Agreement on Climate Change, fight poverty and develop sustainably, and fulfil the post-2020 biodiversity framework.

⁴ **Sustainable Renewables Risk Mitigation Initiative (SRMI)** is a partnership led by the World Bank's Energy Sector Management Assistance Program (ESMAP). SRMI provides technical assistance, concessional funding for targeted public investments, and innovative risk mitigation instruments, to mitigate private-sector risks while reducing public-sector exposure.

⁵ **Sustainable Energy Fund for Africa (SEFA)** is a multi-donor Special Fund managed by the African Development Bank. It provides catalytic finance to unlock private sector investments in renewable energy and energy efficiency across Africa.

⁶ **The Africa Adaptation Acceleration Program (AAAP)** is a joint initiative of the African Development Bank and the Global Center on Adaptation (GCA). It aims to mobilize \$25 billion, over five years, to accelerate and scale climate adaptation action across the continent. AAAP consists of two financing mechanisms: the Upstream Financing Facility (UFF) managed by GCA and the Climate Action Window (CAW) managed under the AfDB's African Development Fund (ADF). The UK has provided funding to the AAAP UFF through ARCAN since 2023, which is earmarked for work under its Pillar 2: Infrastructure and Nature-based Solutions and Pillar 4: Adaptation Finance.

⁷ **Weather and Climate Information Services (WISER)** is 100% UK funded and led by the UK Met Office. WISER supports the provision of useful, usable and used weather and climate services for communities who are disproportionately impacted by extreme weather, seasonal variability and a changing climate across Africa, the Middle East and North Africa, and Asia Pacific. It prioritises consideration of how and where forecasts can inform decisions that can ultimately protect lives and livelihoods, and complement ongoing partner activities.

the full spectrum: some, like FFF and SEFA, try to coax private firms directly into the fray; others, such as AAAP and CIWA, work mainly by nudging multilateral development banks toward climate-savvy investment.

Results have been mixed. FFF has had success encouraging private finance for sustainable agroecological enterprises in Asia and Latin America, where markets are deeper and smallholder enterprises better supported. Africa, however, remains a tougher environment. In Kenya, for example, FFF's local teams sensibly focused on helping established cash-crop farmers expand their businesses—an easier win than trying to overhaul farming systems wholesale. But this pragmatic approach came with trade-offs: it favoured older, relatively wealthier men and did little to build resilience among poorer farmers. Focusing on proven areas is a good route to scaling but additionality needs to be demonstrated. When aid budgets tighten, the temptation is to chase quick gains rather than long-term transformation. The costs of doing so—reduced inclusion, weaker resilience—tend to emerge only later.

SEFA provides a contrast. Its backing of two investment platforms—the COVID-19 Off-Grid Recovery Platform and the AfricaGoGreen Fund—has shown how smartly designed blended finance can keep companies afloat and attract new investors. During the pandemic, concessional lending helped renewable-energy firms survive a cash crunch that would otherwise have wiped out large chunks of the sector. Crucially, SEFA's willingness to absorb early losses allowed private lenders to step in later. In the case of AGGF, SEFA's junior equity helped bring in more confident senior capital and lower the overall cost of finance. Neither initiative is a silver bullet, and both still face obstacles—from thin equity markets to macroeconomic fragility—but they offer a blueprint for how public capital can coax private investment off the sidelines.

The broader lesson is clear: blended finance works best when donors accept that risk cannot be eliminated but can be redistributed sensibly. Africa's clean-energy markets remain young and vulnerable, yet early signs suggest that well-designed interventions can help promising firms survive long enough to attract commercial capital.

2. Localisation

Localisation shifts power, funding, and decision-making from international organisations to local actors. In this evaluation, three aspects of localisation were found to be particularly important in driving results. These involved the formation of local partnerships, better analysis of the local context and turning learning into local institutional capacity.

2.1 Local Partnerships

Development agencies have long advocated local partnerships. ARCAN's portfolio shows why. Whether it is CAFI forging political buy-in at the highest levels of Congo Basin governments or CIWA helping neighbours manage shared aquifers, the most durable gains come when local actors see reforms as their own.

The same is true at smaller scales. Forest-and-farm producer organisations rely on trust built over years, not months. GCA's collaboration with the University of Nairobi has lent credibility—and staying power—to work on climate-resilient infrastructure. When partnerships align around a shared vision, clear roles and mutual respect, they tend to flourish.

But partnership-building takes time, and many organisations find it difficult. Established players such as the FCDO can draw on long-standing networks; nimbler outfits like GCA often struggle without the luxury of multi-year horizons. The risks of thin partnership networks are evident in Tanzania's climate-resilient rail efforts, where good ideas still outpace the institutional alliances needed to implement them. Even WISER, one of the more mature initiatives, has found that integrating weather and climate services into broader economic systems requires a decade of steady relationship-building.

2.2 Political economy analysis, advocacy and influencing the enabling environment

Good policy rarely emerges from technical reports alone. Many ARCAN programmes assume they can influence laws, budgets or planning processes—but often without stating clearly how this will happen or what conditions must hold for success. These invisible assumptions can create blind spots. When things stall, it is hard to know whether the theory was wrong or the execution flawed.

More explicit political-economy analysis could help. CIWA's work in Kenya's Turkana region illustrates challenges embedded within the wider political-economy. World Bank-backed water schemes assumed communities would repay operational costs, despite evidence from other NGOs that the model was unworkable in this context. A cross-subsidy system—such as the one used in Namibia—might have been more realistic, but would require navigating fraught national politics. Such tensions are not unique; they are the norm in development programmes that hinge on institutional reform but underinvest in understanding domestic politics.

Funders, too, can do better. Business cases often over-estimate the likelihood that influencing strategies will work. Implementing partners should be asked not just to map stakeholders but to show why they are well-placed to persuade them—and how progress will be tracked and corrected over time.

2.3 Learning and Capacity Development

Learning, like partnership, is a core objective. But translating insights into lasting institutional capacity is challenging. ARCAN's experience suggests that the difference between real learning and box-ticking is often down to incentives.

There are examples of genuine progress. GCA's collaboration with the University of Nairobi builds on early lessons from Ghana, creating a replicable model for strengthening local technical expertise. WISER has experimented with participatory climate-information services and used feedback loops to refine tools and improve community uptake.

Elsewhere, learning has struggled to travel from headquarters to the field. CIWA's work on groundwater produced sensible guidelines on topics such as conflict sensitivity and rangeland management, yet evidence from Turkana suggests these were not consistently applied.

The broader lesson is that technical knowledge is necessary but insufficient. Systems must reward staff for applying lessons, adapting approaches and closing feedback loops—not simply producing reports.

3. The Role of GEDSI in Delivering Outcomes and VfM

Gender equality, disability inclusion and broader social equity are often afterthoughts, but the evaluation shows they are central to whether projects deliver successful support and value for money. CAFI illustrates the risks of ignoring them. Although gender assessments and data-disaggregation have improved, many actions remain symbolic rather than transformative. Projects often fail to consider the different needs of marginalised groups—despite clear evidence that sustainable forest management hinges on understanding who controls land, who benefits from resources and who is left out.

The consequences of weak GEDSI analysis can be serious. While not CIWA-funded, poorly designed groundwater interventions in the Horn of Africa have fuelled local conflict when communities felt excluded. CIWA supported local interventions in this area that fail to apply GEDSI guidelines run the risk of repeating this mistake. In Kenya's FFF programme, women-led organisations—often highly entrepreneurial but poorly connected to finance—received too little attention, weakening both equity and economic returns.

A recurring pattern indicates that programmes that treat inclusion as a compliance task tend to overlook the deeper structural inequalities that shape climate vulnerability. Those that take inclusion seriously are more likely to deliver resilient outcomes.

4. Meaningfully Assessing Impact and Transformational Change

In the race to show results, many climate programmes report substantial numbers—billions expected to be “mobilised”, millions expected to be “reached”. Yet these headline figures often blur the difference between money pledged and money actually spent, or between projected and genuine impact, and do nothing to assess the sometimes small contribution of the programme. Evaluations of CIWA and AAAP show how risks, delays and political constraints can quietly reduce these numbers.

A more grounded approach would focus on what really shifts systems: whether incentives have changed, whether institutions behave differently and whether innovations are spreading without donor nudges. ARCAN’s modified transformational-change framework does this. Rather than looking at broad claims it examines “signals”—modest signs that new practices are taking root.

Across the portfolio, these signals are uneven. SEFA’s energy investments have stabilised firms but they still face barriers to scale. FFF Kenya has strengthened producer groups but lacks the policy impact for deeper reform. CAFI has political momentum in the Congo Basin but weak follow-through. AAAP’s promising NbS work remains fragile until embedded in domestic systems. CIWA’s groundwater efforts show strong upstream coordination but weaker implementation on the ground. WISER has made notable progress in institutionalising climate-information services, though long-term funding remains a challenge.

In the bigger picture, transformation is possible, but only when political alignment, institutional capacity and sustainable financing move together. Most programmes are partway there—but not yet fully.

Annex: Summary evaluation findings for individual programmes

AAAP: Sustainability

Strengthening Climate-Resilient Infrastructure in Africa through Local Institutions

Africa's roads, railways, energy networks, and other essential infrastructure are crucial for people's well-being and economic growth. However, these systems are increasingly damaged or disrupted by climate-related events such as floods, droughts, and extreme heat. When infrastructure fails, it is often the poorest communities who suffer the most.

To address this, African governments and international partners are working to make infrastructure more resilient to climate change. The Global Centre on Adaptation (GCA), through the Africa Adaptation Acceleration Programme (AAAP), supports governments in planning and investing in infrastructure that can withstand future climate shocks. This includes using advanced climate-risk analysis and combining traditional engineering ("grey infrastructure") with nature-based solutions ("green infrastructure"), such as restoring wetlands or planting vegetation to reduce flood risk.

A case study from the ARCAN Monitoring, Evaluation and Learning Midline Evaluation focuses on GCA's partnership with the University of Nairobi (UoN) in Kenya—an example of how working with local institutions can help ensure long-lasting impact and the development of national expertise.

Locally Led Approaches Work

The UoN-GCA partnership worked well because the University of Nairobi played a central leadership role.

As a trusted national institution, UoN was able to:

- Set priorities that reflected Kenya's needs
- Engage government agencies more effectively
- Navigate local systems and relationships that would have been challenging for external organisations

Early technical training from the University of Oxford helped UoN build strong climate-risk expertise. Because UoN staff and networks were already well-established, they could secure the necessary data, collaborate closely with government partners, and apply new methods directly within existing national planning processes. This increases the likelihood that the skills and tools developed will continue beyond the end of the two-year project—though ongoing progress will still require long-term funding and institutional support.

Promising Signs of Lasting Impact—But More Work is Needed

There are early signs that the work is already shaping infrastructure planning in Kenya. Government agencies—including the national roads, railways, and meteorological authorities—are beginning to use UoN and GCA tools in their own operations. They have also asked for continued collaboration, indicating that the approaches developed are relevant and useful.

However, much of the progress so far still relies on specific projects, short-term funding, and individual champions. Ensuring long-term sustainability will require deeper integration into national institutions and funding systems, as well as ongoing demand for the skills and methods developed.

Participation Built Trust and Improved Data Sharing

UoN's role as a domestic, well-respected institution made it easier to design the project collaboratively with government partners. Its strong professional networks, understanding of Kenyan institutions, and credible technical expertise helped build trust.

Support from Oxford Infrastructure Analytics (OIA) earlier in the process strengthened UoN's capacity and helped adapt tools to Kenya's context. Because government agencies trusted UoN, they were willing to share data—often data that would not typically be shared with foreign organisations. This led to higher-quality analysis and stronger integration of climate resilience into national infrastructure planning.

Key Stakeholder Insights

“Anchoring the work in the university but linking it with industry meant the Roadmap became something implementable – not just an academic paper.” – Key Informant Interview

Partnerships Improved Coordination and Reduced Costs

The collaboration between GCA, UoN, and the University of Oxford brought together global expertise and national legitimacy. This mix helped speed up trust-building, support smoother data sharing, and create more coherent engagement across sectors. UoN could convene agencies as peers, while GCA and Oxford provided technical guidance. This “locally led delivery model” helped coordination run more smoothly and reduced transaction costs, although building this partnership took time and effort.

Recommendations

- **Strengthen national leadership** by investing in universities and local institutions that can carry knowledge forward after projects end.
- **Move from analysis to action** by ensuring that studies like the National Roadmap on Resilient Infrastructure feed directly into national policy and investment decisions.
- **Learn from different delivery models** to improve efficiency, value for money, and long-term results.

AAAP: Value for Money of Nature-based Solutions

Nature Based Solutions for Climate Resilient Infrastructure in Africa

Africa's infrastructure — including roads, railways, and essential public services — is increasingly affected by climate related events such as floods, droughts, and extreme heat. These disruptions can cut off communities, damage the economy, and place the greatest burden on people with the fewest resources.

To address these risks, the Global Centre on Adaptation (GCA), through the Africa Adaptation Acceleration Programme (AAAP), works with governments and partners to make infrastructure stronger and more climate resilient. This includes combining traditional engineering solutions with **Nature based Solutions (NbS)** such as tree planting, restoring natural floodplains, or using vegetation to stabilise land.

A case study carried out under the ARCAN Monitoring, Evaluation and Learning Midline Evaluation, examines whether using Nature based Solutions improves the Value for Money (VfM) of climate resilient infrastructure investments. It focuses on GCA's support to the design of the World Bank funded Second Tanzania Intermodal and Rail Development Project (TIRP 2) — a USD 200 million rail project with links across the transport, agriculture, and water sectors in Tanzania.

Climate Proofing Infrastructure Is Essential for Tanzania

Tanzania faces a wide range of climate risks, and these are expected to intensify in the coming decades. Climate related disasters already cause major damage to the country's infrastructure, interrupt essential services, and affect the health and livelihoods of communities.

In this context, GCA's technical support to improve the climate resilience of the TIRP 2 railway project is highly relevant. By combining engineering solutions ("grey infrastructure") with Nature based Solutions ("green infrastructure"), the project aims to strengthen a transport system that is critical for economic activity and rural connectivity — aligning with Tanzania's broader national strategies for climate adaptation.

Nature Based Solutions Offer Strong Value for Money (VFM) — But VFM Estimates Could Be Strengthened

Analysis comparing project designs with and without Nature based Solutions shows promising results:

- NbS can generate strong financial returns.
- For TIRP 2, the proposed climate resilient options could generate an estimated net benefit of around USD 125 million, a benefit cost ratio of 5:1, and an internal rate of return of about 24%.

This suggests that NbS can offer excellent VfM. However, the study identified additional costs which were not included in the analysis. In particular:

- Supporting farmers to adopt conservation agriculture, one of the recommended NbS, would require additional investment.
- The costs of GCA's technical assistance were not fully accounted for.

Including these costs would reduce the estimated benefits — but the overall economic case for adding NbS remains strong.

A More Strategic Approach Would Maximise NbS Opportunities

a) NbS should be further embedded in a broader development pathway

Some NbS, such as conservation agriculture, are already widely used in development programmes. To increase the chances that these solutions will be implemented effectively within the transport sector, GCA and partners should:

- Identify from the start who will be responsible for implementing and supporting them
- Clarify what additional activities or partnerships are needed
- Promote the use of expertise in community-based development, in addition to technical engineers or climate specialists

This would help ensure the capacity is available to effectively implement the NBS solutions.

b) Stronger institutional anchoring would increase long-term impact

GCA brings strong technical skills and a solid understanding of policy environments. However, its current model — in this case, 18 month technical support focused on project design — makes it hard to influence what happens later, during implementation.

Adding NbS to a project document is a significant innovation, but effective implementation will require strategic engagement with additional partners who are not normally part of transport sector programmes:

- Government bodies across different sectors
- Local NGOs
- Community based organisations (CBOs)
- Other partners who are essential for on the ground action

A more strategic, partnership oriented, and longer-term approach would improve the likelihood that recommended NbS are actually delivered effectively.

“Adding NbS to rail infrastructure in Tanzania will only be transformational if carried through to implementation.”- Key Informant Interview

Recommendations for GCA and other investors or implementing partners undertaking similar interventions

- **Include all relevant costs** — such as behaviour change support and technical assistance — in cost benefit analyses of Nature based Solutions.
- **Integrate NbS within a broader development pathway**, identifying early which partners and supporting interventions are needed for uptake.
- **Adopt a more strategic, long-term approach** to secure the partnerships and engagement required for NbS to be implemented, especially through early collaboration with government bodies, NGOs, and community organisations.

CAFI: GEDSI

Gender Equality, Disability, and Social Inclusion (GEDSI) Integration Is Critical for Reducing Deforestation in the Congo Basin

The Central African Forest Initiative (CAFI) brings together 6 Central African partner countries, UN agencies, the World Bank, and donors—including FCDO—to drive policy reforms and investments that reduce deforestation, forest degradation, and poverty. While political commitment to addressing gender and inclusion exists across CAFI, early evaluation findings highlight gaps in how GEDSI is integrated and reported in practice. This is significant, as global evidence shows that strong GEDSI integration is essential for delivering sustainable, long-term forest protection outcomes.

A case study carried out by the ARCAN MEL Unit Mid-line Evaluation examined how GEDSI considerations are currently embedded across CAFI operations and where further strengthening is needed. The findings offer lessons for other forest and climate programmes tackling deforestation.

GEDSI Integration Is Fundamental for Forest Protection but Often Overlooked

Across Africa and other tropical regions, Indigenous Peoples and women are frequently excluded from the design and implementation of forest-related initiatives. This exclusion can worsen socio-economic inequalities. Women are often restricted to low-value forest products, while men control access to higher-value resources such as timber. Evidence on how deforestation programmes affect people with disabilities is very limited.

Community-based forest management can improve participation and inclusion, but structural challenges—such as insecure land tenure, gender inequality, and limited local capacity—persist. Securing land and resource rights for Indigenous Peoples and local communities is therefore vital for strengthening stewardship and reducing forest loss.

Understanding Why GEDSI Matters Improves Programme Outcomes

CAFI projects that are not focused on traditional activities (e.g. agroforestry plantations or forest surveillance) showed a stronger understanding of why GEDSI matters for addressing forest degradation. For example, the PROMIS project's focus on family planning and contraceptive access was seen as essential for improving maternal health and supporting girls' education so that they can also enter the work force. A secondary outcome of reduced fertility and poverty rates is reduced pressure on forest resources, critical in the Congo Basin where deforestation is largely driven by smallholders (rather than industrial agriculture).

However, in many CAFI projects, GEDSI is still viewed narrowly as a participation issue rather than as a factor shaping programme effectiveness. Some projects had not thought about connections between GEDSI and project outcomes before, failing to tailor activities to women who are often the primary users and/or managers of forest resources like firewood. Women-targeted activities across CAFI include building women-led savings cooperatives and building the capacity of women and youth to take on leadership roles within local development committees. Beyond this, there was very little consideration of how supporting other social groups like youth and Indigenous Peoples would contribute to project outcomes. This is despite the Congo Basin's proportionally high youth and Indigenous populations that are at the forefront of forest protection efforts. Focusing activities on the needs and capacities of these different groups is critical to ensure the success of CAFI.

Better GEDSI Reporting Strengthens Learning and Adaptive Management

Most CAFI projects track GEDSI using basic participation indicators (e.g., gender-disaggregated numbers). While the UN-REDD Gender Marker is applied annually, it is more as a project management/accountability tool and is not consistently used to inform decisions. As a result, valuable insights—such as successful efforts to address land seizure from women—are not systematically captured.

Project and fund-level stakeholders emphasised that stronger reporting on GEDSI outcomes would improve understanding across CAFI and enable donors and the Secretariat to allocate resources for GEDSI integration more effectively. It would also help projects share practical lessons.

Key Stakeholder Insights

“Sit down and listen to what your beneficiaries tell you about being a woman, being a mother, the relationship with men, because do not assume that they have the same aspiration as we do.” – CAFI project-level stakeholder

“You cannot have sustainable rural development without family planning. Contraception is one of the most effective poverty tools we have in our arsenal.” – CAFI project-level stakeholder

Recommendations

- Identify and address the needs and capacities of diverse social groups—including women, youth, Indigenous Peoples, and people with disabilities—starting from project design and throughout implementation.
- Encourage implementing partners to provide qualitative “success stories” to complement quantitative indicators and strengthen learning.
- Establish clear GEDSI expectations at project outset and define consequences for projects that fall short.
- Clarify what increased ambition on GEDSI means operationally, including the resources and capacities required across CAFI.

CIWA: Regional Influencing & Downstream Impacts

Unlocking Groundwater Resources in the Horn of Africa Requires a Transformative, Multi-Scalar Approach

The Cooperation in International Waters in Africa (CIWA) programme, a multi-donor trust fund managed by the World Bank, supports the collaborative management and development of transboundary water resources across Africa. Phase 1 of the ARCAN MEL Mid-line Evaluation confirmed CIWA's important niche in advancing transboundary water cooperation, though further evidence is needed on how upstream work—such as technical studies, capacity building, and stakeholder engagement—translates into downstream impacts on water resource management.

A phase 2 case study examined CIWA's interventions in the Horn of Africa (HoA), focusing on: (1) CIWA's regional influencing role in fragile and conflict-affected contexts, and (2) the downstream results of upstream interventions. The study reviewed two projects: CIWA's support to transboundary water management in Somalia (2018–2021) and the ongoing Untapping Resilience project which supports regional knowledge generation and the learning agenda of the World Bank's \$385m Groundwater for Resilience (GW4R) programme spanning Kenya, Ethiopia, and Somalia. The programme adopts a multi-scalar approach delivered through the Intergovernmental Authority on Development (IGAD), national project implementation units, and engagement with sub-national authorities.

Identifying 'Easy Wins' Can Strengthen Regional Collaboration

Compared to surface water, groundwater in the HoA is perceived as less politically sensitive, providing an entry point for regional dialogue. Evidence of mutual benefits and a shift in mindset within government agencies from competition to collaboration have been supported by CIWA activities. CIWA's support to IGAD has contributed to joint aquifer feasibility studies, leading to tangible progress on data sharing and transboundary aquifer management, which could contribute to future collaboration on other issues. These lessons from the HoA could potentially also promote collaboration in other contexts.

Upstream Knowledge Alone Does Not Guarantee Effective Implementation

CIWA's support has generated valuable new technical knowledge, including operational guidelines on rangeland management, conflict sensitivity, and salinity. However, learning and implementation gaps remain. Findings from a field visit in Turkana, Kenya indicate that risks are not always adequately addressed in practice. Examples from earlier (non-ARCAN programmes) include unequal borehole distribution generating community resentment leading to vandalism or water tariffs creating perverse incentives to partake in illicit activities, such as charcoal production, to generate cash. Stronger processes are required to ensure tools and knowledge developed at programme level are systematically applied on the ground to avoid this unfortunate experience being repeated.

Learning Must Be Institutionalised to Ensure Long-Term Impact

Findings from both CIWA projects point to internal processes and staff turnover working against institutional memory. Successive World Bank teams involved in CIWA's Somalia work had limited knowledge of earlier lessons, reducing continuity. Similarly, it appears that much of the key technical knowledge resides within external consultants rather than within CIWA and the World Bank regional water sector team. Although rich learning has emerged through both formal and informal processes, it is not consistently captured. Institutionalising learning is essential for long-term effectiveness.

Sustainable Groundwater Service Delivery Requires Policy Choices

While CIWA and GW4R adopt a holistic approach to groundwater service delivery, there remains a fundamental tension between water as a basic right and cost-recovery models used in service delivery. While CIWA funded a study comparing funding models for rural water schemes, evidence including a recent Oxfam evaluation in Turkana indicates that GW4R's preferred approach, community-based management coupled with a contracted technical service provider, is unlikely to be financially sustainable given that the ability and willingness to pay for water of

marginalised communities in the borderlands cannot cover operation and maintenance (O&M) costs. This contradicts GW4R financing assumptions and undermines sustainability. Cost-recovery appears unrealistic in fragile, conflict and violence-affected (FCV) settings, signaling the need for national cross-subsidy models—such as those used in Namibia—drawing on commercial, mining, and urban sectors.

Failure to Adequately Apply GEDSI Undermines Value for Money

Gender Equality, Disability and Social Inclusion (GEDSI) is operationalised in GW4R through implementation tools developed with CIWA's support, including checklists and guidelines for groundwater sites. However, findings from the Turkana visit show they are not consistently applied in ways responsive to local context. Past failures to integrate GEDSI in groundwater projects in the Horn of Africa borderlands have contributed to community conflict, including destruction of infrastructure by groups who felt excluded. There is a risk that GW4R interventions could have similar impacts.

Recommendations

- Develop regionally aligned national standards for groundwater projects, building on Ethiopia's example.
- Revisit the GW4R theory of change to better reflect how groundwater contributes to resilience in the borderlands environments.
- Apply lessons from other groundwater actors, including Oxfam Kenya's experience with private sector service-provider 'bundling' models.
- Capture informal learning systematically using existing structures.
- Use emerging lessons to strengthen projects still under preparation, especially around community inclusion, procurement, drilling, and O&M.
- Engage graduate students to consolidate technical data and expand publicly accessible research.

FFF: Scalability, Replicability & Sustainability of FFPOs

Scaling Sustainable Forest and Farm Producer Organisation Enterprises

The Forest and Farm Facility (FFF) is a partnership between FAO, IUCN, IIED and Agricord with support from eight donors including FCDO. It strengthens the organisations of Indigenous Peoples, forest communities and family smallholders to help secure their rights, build sustainable enterprises, and improve forest and land management. Evidence from the ARCAN MEL Midline Evaluation shows FFF contributes to sustainable land management and resilience in Africa, though gaps remain with insufficient evidence of FFF's work on mobilising private finance and growing sustained agroecological enterprises.

A case study in Kenya—selected for its strong examples of enterprise development—examined the scalability and sustainability of forest and farm producer organisation (FFPO) enterprises. The team conducted interviews and focus group discussions with 91 in-country stakeholders, and international FFF staff to understand how the Kenyan experience reflects broader FFF work across Sub-Saharan Africa and beyond.

FFF's Holistic Approach Works When Fully Applied

FFF Kenya has focused heavily on entrepreneurship compared to other outcome areas such as climate resilience, advocacy, or social services. Business development training, financial management support, and guidance in procuring service providers have helped organisations increase production, membership, and access to policymakers. Some project activities—such as tree nurseries, beekeeping, honey processing, and eco-tourism—have provided new livelihood opportunities to beneficiaries.

However, the Kenya portfolio does not yet show the fully integrated FFF model seen in its work in countries including Bolivia, Nepal, and Vietnam. For example, in 2024, the FFF-supported El Ceibo Cooperative in Bolivia exported cocoa beans to France, Germany, Italy and the Netherlands, worth more than USD 5 million. This success reflects an agroecological approach combining indigenous forest species, Amazonian fruits, and diverse cocoa varieties—helping avoid climate-vulnerable monocultures. In a 2024 ARCAN MEL Unit field visit, FFF Tanzania appeared to consider entrepreneurship equally with climate resilience, forest protection, advocacy, and social services.

Project Selection Shapes Who Benefits

Findings show older men benefit disproportionately from FFF Kenya's interventions. Many supported value chains—such as avocado, honey, coffee and dairy—are traditionally dominated by men and wealthier households. Membership data shows men make up the majority of case study FFPO members benefiting from training and enterprise support, limiting opportunities for women. Further, many of the FFPO enterprises visited during the case study had been established and growing profits prior to FFF support.

More Strategic Advocacy Could Help Drive Transformational Change

Some Kenyan FFPOs are working to shift cultural norms on land and cattle ownership, but women and youth still hold limited decision-making power. These issues cannot be resolved by FFF Kenya alone, but it could focus its advocacy on systemic constraints—such as policies that favour subsidised chemical fertilisers over natural, environmentally friendly alternatives produced by FFPOs. FFF has influenced beneficial policies for FFPOs elsewhere, including expanded government funding for farmer-managed seed banks in Tanzania.

Agrobiodiversity Is an Underused Opportunity for Resilience

Diversification of FFPO products—a core FFF principle—is less visible in Kenya than in other regions. FFF has successfully supported diversification in Latin America and elsewhere in Africa. In Kenya, whilst there has been an emphasis on establishing tree nurseries to produce grafted fruit trees of high quality (avocado, mangoes

etc.) beekeeping and some indigenous timbers, there appears to be far less focus on encouraging the diversification of FFPO value chains into indigenous crops and Non-Timber Forest Product (NTFP) value chains. This would have been a relatively easy and cost-effective step to increase resilience to climate change.

Learning Across Regions Could Strengthen Kenya's Programme

Increased peer to peer learning, especially between Latin America, Kenya and other African countries can add value. FFPOs in Latin America supported by FFF were identified as being the most advanced in applying agroecological practices. There would be benefits from seeing how FFPOs are applying agro-ecological practices in sub-Saharan African contexts, such as Tanzania and Madagascar and also from their work specifically with Indigenous Peoples in Bolivia and Ecuador. Work by other donor programmes and the private sector could also be complementary to FFF Kenya's work.

Recommendations

- Keep a strong focus on gender equality, social inclusion, agroecology, and value-chain diversification across grant design and delivery.
- Select value chains where FFF support is additional, placing greater emphasis on indigenous crops and NTFPs.
- Give greater emphasis to selecting FFPOs involved in agroecological approaches which encourage diversification in farm and forest systems
- Ensure strong monitoring and evaluation data collection for adaptive management.
- Strengthen collaboration with government, private-sector and NGO actors at all levels to increase the likelihood of sustainable landscape restoration, tree planting and agroecology.

SEFA: Mini Case Studies

Strengthening Renewable Energy Systems Through Risk Reduction and Scalable, Blended-Finance Models

The Sustainable Energy Fund for Africa (SEFA), managed by the African Development Bank (AfDB), supports the expansion of clean energy across Sub-Saharan Africa by reducing investment risks and creating a stronger policy environment. Findings from the ARCAN Midline Evaluation confirm SEFA's strong relevance to regional renewable-energy needs while highlighting a need for clearer articulation of how SEFA's activities translate into long-term impact. This technical assistance examines two examples of SEFA's work—the COVID-19 Off-Grid Recovery Platform (CRP) and the AfricaGoGreen Fund (AGGF)—to understand how SEFA contributes to derisking⁸ investments, mobilising private finance, and supporting sustainable clean energy infrastructure across Africa.

SEFA Investments Help Reduce Risk and Strengthen Renewable-Energy Supply

SEFA's concessional finance⁹ through CRP enabled off-grid companies to continue operations amid severe COVID-19 market disruption. This support helped partner funds continue lending at affordable rates so that off-grid energy companies could keep operating. Many investments supported through CRP would not have happened without SEFA because they were considered too risky. As of 2025, CRP has generated 30 MW of installed capacity, enabled 1.2 million new connections benefiting 6.1 million people, reduced emissions by 1,090,095 tonnes of carbon dioxide equivalent (tCO₂e), and supported more than 800 new jobs—345 held by women.

In AGGF, SEFA's provision of first-loss capital¹⁰ reduced perceived risk for senior equity and senior debt providers¹¹, thereby reassuring investors and lenders by lowering the overall cost of capital. SEFA and the AfDB played an early market-building role through a US\$1 million grant supporting the development of the Facility for Energy Inclusion (FEI) and the Off-Grid Energy Access Fund (OGEF), some of the first dedicated small-scale renewable-energy debt financing vehicles in Africa. As of 2024, AGGF investments have enabled 60 MW of new capacity, 20,122 direct jobs, and 463,053 households and 2.3 million people connected to electricity, clean cooking and/or green appliances.

SEFA Mobilises Additional Finance Under Difficult Market Conditions

SEFA's CRP investment of US\$27 million helped attract US\$13 million from the Global Environment Facility, US\$80 million in private investment, and US\$140 million in additional company-level capital. This was especially important during the pandemic when investor confidence was low. AGGF benefits from a strong equity capital structure, including an US\$80 million junior equity¹² tranche provided by four investors, one of which is SEFA (US\$10 million). This structure enabled the fund to raise an additional US\$45 million in ordinary equity¹³, US\$40 million in senior debt, and US\$145 million in additional company borrowing. Although SEFA's US\$10 million equity investment was not the main driver of the initial fundraising, its involvement added credibility and helped attract other investors.

Despite progress, both CRP and AGGF faced challenges common to many climate-related blended finance¹⁴ initiatives in Africa. Equity markets remain small and underdeveloped, and companies often face high business

⁸ Strategies or mechanisms that reduce, mitigate, or manage investment risk.

⁹ Below-market financing provided by public/DFI/philanthropic actors to enable high-impact investments.

¹⁰ Junior or concessional capital that absorbs losses first in blended-finance structures.

¹¹ Senior debt is repaid first in the event of default and thus carries lower risk.

¹² Equity capital that is contractually or structurally subordinated to other equity or debt tranches, absorbing losses ahead of senior equity or debt and often used as risk-absorbing capital in blended finance structures.

¹³ Financing ranking between debt and common equity.

¹⁴ The strategic use of development finance to mobilise additional commercial finance towards sustainable development objectives, by improving the risk-return profile of investments.

risks due to limited market maturity. Some of the key risks moving forward include macroeconomic risks in Africa's nascent energy access markets and business risks associated with fairly early-stage companies facing unforeseen challenges. Some of these risks are reduced through strong reporting, investor oversight, and SEFA's continued engagement.

Potential for Long-Term Scalability and Sustainability

CRP expanded its support through multiple partner funds, allowing it to reach more companies and countries while offering different types of financial solutions. Its design also allowed it to grow from US\$20 million to US\$40 million in concessional finance. Given the lack of market maturity and gaps in the enabling environment, mezzanine instruments¹⁵ are not a complete solution. However, they have been critical in enabling continued company operations during critical periods. AGGF shows similar potential by targeting smaller, underserved markets and offering flexible credit options. Its Technical Assistance Facility (TAF) supports companies to strengthen their business models, while expected dividend payments from 2028/29 will help maintain long-term viability. Its 15-year fund structure gives companies time to grow and markets time to mature.

Recommendations

- SEFA should develop a clear, visual Theory of Change explaining how SEFA's investments help reduce risk and attract other funders.
- SEFA and its donors should also communicate successes more widely - for example by publishing stories about successful renewable energy investments to build investor confidence.
- SEFA and donors should strengthen collaboration with African governments to encourage greater local co-investment, especially from pension funds helping to build stronger and more sustainable financing markets for renewable energy in Africa.

¹⁵ A hybrid form of finance that sits between senior debt and equity in the capital structure, typically taking the form of subordinated debt or preferred equity and carrying higher risk and return than senior debt but lower than equity.