



**United Nations Development Programme**

**Project Document**

<b>Project title:</b> Capacity Building for Sustainable Financing Mechanisms/Sustainable Land Management in Dry land Forest Ecosystems and Cattle Ranching Areas.		
<b>Country:</b> Cuba	<b>Implementing Partner:</b> Ministry of Science, Technology and Environment (CITMA)	<b>Management Arrangements:</b> National Implementation Modality (NIM)
<b>UNDAF/Country Programme Outcome:</b> Productive and services sectors strengthen the integration of environmental considerations, including energy and adaptation to climate change, into their development plans.		
<b>UNDP Strategic Plan Output:</b> 2.5 (Investment expenditures in environmental protection by environmental area and productive sectors).		
<b>UNDP Social and Environmental Screening Category:</b> Low		<b>UNDP Gender Marker:</b> GEN 2
<b>Atlas Project ID:</b> 00085072		<b>Atlas Output ID:</b> 00092843
<b>UNDP-GEF PIMS ID number:</b> 3807		<b>GEF ID number:</b> 9301
<b>Planned start date:</b> May, 2018		<b>Planned end date:</b> May, 2022
<b>LPAC date:</b> September 27 <sup>th</sup> . 2017		
<p><b>Brief project description:</b></p> <p>This is the third project (P3) in the Country Pilot Partnership “Supporting Implementation of the Cuban National Programme to Combat Desertification and drought”. Its objective is to increase availability and uptake of sustainable financing for SLM to incentivize integrated land management practices for the maintenance of essential ecosystem services.</p> <p>At the national level, this project will strengthen national capacity to develop and apply sustainable financing mechanisms for SLM. At field level, it will introduce into the CPP the theme of forest ecosystems, specifically in dry land areas.</p> <p>In demonstration sites within Cauto and Guamuhaya intervention areas, it will develop and test SLM practices (including reforestation) in dry forest regions of medium scale, and test and implement sustainable financing mechanisms and incentives developed at national level. In Cauto, it will build on SLM experiences in water management developed through Project 2, by increasing the forest cover of the watershed and demonstrating the viability of integrated forest farms for preventing LD and for supporting the reforestation of catchments. In Guamuhaya, forests are under particular pressure through conversion to pasture, and the areas affected are subsequently subject to further degradation by soil erosion, particularly on slopes, poor pasture management and fire. Demonstrations there will include pilots of mixed forest exploitation as well as addressing ranching issues, specifically the application of livestock production technologies compatible with SLM, taking into account the sustainable financing mechanisms developed and validated through this project.</p>		

FINANCING PLAN		
GEF Trust Fund		USD 1,425,000
<b>(1) Total Budget administered by UNDP</b>		<b>USD 1,475,000</b>
PARALLEL CO-FINANCING <i>(all other co-financing that is not cash co-financing administered by UNDP)</i>		
	Government <sup>1</sup>	USD 36,000,000
	UNDP	USD 50,000
<b>(2) Total co-financing</b>		<b>USD 36,050,000</b>
<b>(3) Grand-Total Project Financing (1)+(2)</b>		<b>USD 37,475,000</b>
SIGNATURES		
Signature:	Agreed by Government	Date/Month/Year:
Signature:	Agreed by Implementing Partner	Date/Month/Year:
Signature:	Agreed by UNDP	Date/Month/Year:

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<sup>1</sup> According to the official exchange rate defined by the Central Bank of Cuba, 1 Cuban Peso (CUP) is equivalent to 1 US dollar (USD)

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## Abbreviations

AMA	Environment Agency
ANAP	National Association of Small Producers
AZCUBA	Sugar Enterprise Group
BASAL	Environmental Bases for Local Food Security
BCC	Central Bank of Cuba
CCS	Credit and Service Cooperatives
CITMA	Ministry of Science, Technology and Environment
COSUDE	Swiss Development Cooperation
CPP	Country Pilot Partnership
CUP	Cuban Peso
FNMA	National Environment Fund (Fondo Nacional de Medioambiente)
FMC	Federation of Cuban Women
FONADEF	National Forestry Development Fund (Fondo Nacional de Desarrollo Forestal)
FSP	Full Sized Project
GEF	Global Environment Facility
GEFSEC	Global Environment Facility Secretariat
INRH	National Institute for Hydrological Resources
IPF	Institute of Physical Planning
KM	Knowledge Management
MEP	Ministry of Economy and Planning
MFP	Ministry of Finance and Prices
MINAG	Ministry of Agriculture
MINCEX	Ministry of External Cooperation
MEP	Ministry of Economy and Prices
MSP	Medium Sized Project
NSC	National Steering Committee
NPESD	National Plan for Economic and Social Development
ONAT	National Office for Tributary Administration
PIF	Project Identification Form
PIR	GEF Project Implementation Report
PNMCS	National Programme for Soil Improvement and Conservation
POPP	Programme and Operations Policies and Procedures
PPG	Project Preparation Grant
STAP	GEF Scientific Technical Advisory Panel
UBPC	Basic Units of Peasant Production
UNDP-GEF	UNDP Global Environmental Finance Unit
USD	United States Dollars

## II. DEVELOPMENT CHALLENGE

### Threats

1. This project will contribute to combatting land degradation (LD) throughout Cuba, within the framework of the Country Pilot Partnership (CPP) on Sustainable Land Management (SLM), “Supporting Implementation of the Cuban National Programme to Combat Desertification and drought (NPCDD)” (GEFSec ID 3427). The National Environment Strategy has identified land degradation as one of Cuba’s five main environmental problems, with 76.8% of productive land affected by processes leading to desertification. In 14% of the productive lands affected by desertification and drought, land degradation conditions are extreme. 1 million ha are affected by salinity (14% of all agricultural land); 2.9 m ha by medium to strong erosion (43%); 2.7 m ha by bad drainage (40%); 1.6 m ha by high levels of compaction (24%) 2.7m by high levels of acidity (40%); and 4.7 m ha by low organic material content (70%) (CITMA 2000). These processes affect mechanized and manual cultivation, irrigated and rain fed crops, permanent and shifting agriculture.
2. As explained in the CPP Programming Framework document, the main causes of LD in the country include the use of inappropriate machinery and cultivation practices in mechanized agriculture; inadequate and inappropriate nutrient management; the inappropriate use of irrigation; the excessive use of monocultures; poor soil and vegetation management practices in shifting agriculture on steep lands; the use of fire for land clearance, pest control and pasture regeneration; forest fires; Inappropriate crop selection; poor livestock management; the conversion of natural forests to other uses; and the extraction of timber. These anthropic practices lead to a range of problems including the compaction, erosion, acidification and salinization of soils; reduced infiltration of rainfall and runoff, and the depletion of aquifers; the depletion of soil nutrient reserves; and the loss of soil carbon and nitrogen. In recent years, natural events have exacerbated the effects of LD, such as increases in average temperature and severe droughts.
3. LD is affecting the livelihoods and the quality of life of a large number of Cubans, by reducing agricultural productivity, disrupting hydrological flows which are essential for drinking water supply and irrigation, and increasing vulnerability to the effects of extreme climatic events such as landslides resulting from the torrential rainfall typically associated with hurricanes. Globally important biodiversity is also affected in the Greater Antillean Marine ecoregion within which Cuba lies, due to sediment inputs from degraded areas.
4. The specific problem that this project will address, as a complement to the other 4 projects that constitute the CPP as a whole, is the limited ability farmers and other land managers in Cuba to access financial incentives and effectively apply them in support of SLM.
5. In addition to addressing structural, procedural and capacity issues at national level that limit access to suitable and adequate finance, the project will directly address LD processes in two selected intervention areas, of relevance to dry land forest ecosystems and cattle ranching areas. These areas, which will complement those, addressed in the other CPP projects (see map in Annex 1) are 1) the Guamuha region (including parts of the provinces of Cienfuegos, Sancti Spiritus and Villa Clara) and 2) the Cauto river basin (including parts of the provinces of Granma and Holguín).
6. As explained in Annex J of the CPP Document, the project will address the following threats and barriers:

Root causes	Management issues/key barriers	Solutions: GEF Interventions (Barrier Removal Activities)
<b>1. Shifting agriculture on steep slopes</b> with poor soil and vegetation management, leading to sheet and gully erosion, deforestation and landslides		
<i>Inadequate awareness among producers of implications of effects of agriculture on steep slopes and on possible alternatives</i>	<ul style="list-style-type: none"> <li>- <i>Limited incorporation of effective SLM considerations related to steep land agriculture into extension and environmental education programs</i></li> <li>- <i>There is an on-going extension program in Cuba but this does not include SLM.</i></li> <li>- <i>FAO is supporting the updating of extension in some</i></li> </ul>	<ul style="list-style-type: none"> <li>- <i>Outreach and awareness programs at local levels.</i></li> <li>- <i>Strengthening of extension capacities</i></li> </ul>

Root causes	Management issues/key barriers	Solutions: GEF Interventions (Barrier Removal Activities)
	<i>areas but this has limited scope</i>	
Short financial time horizon of small producers	<ul style="list-style-type: none"> <li>- Limited development of incentive systems which specifically favor SLM</li> <li>- Existing mechanisms provide funding for resource users (such as FONADEF, FNMA) but producers are not well prepared to develop projects linked to SLM using this funds</li> </ul>	<ul style="list-style-type: none"> <li>- Development of new SLM funding mechanisms and incorporate SLM principles and guidance into existing mechanisms.</li> <li>- Provision of training and advice to producers to use these funds in support of SLM.</li> </ul>
Actions of producers are not adequately controlled or directed	<ul style="list-style-type: none"> <li>- Weak enforcement</li> <li>- There are provincial level enforcement services but these are poorly trained and equipped</li> </ul>	<ul style="list-style-type: none"> <li>- Provision of attractive land use alternatives</li> </ul>
<b>Use of inappropriate machinery</b> for mechanized agriculture, resulting in compaction and erosion of low lying agricultural land with high productive potential		
Inadequate access to appropriate machinery	<ul style="list-style-type: none"> <li>- Economic limitations at national level</li> </ul>	<ul style="list-style-type: none"> <li>- Updating of key machinery, develop new funding mechanisms</li> <li>- Strengthening of extension capacities on adequate use of machinery:</li> <li>- Testing and demonstration of alternative technologies less dependent on machinery</li> </ul>
<b>Threat 3. Inadequate and inappropriate nutrient management</b> related to crop needs and soil characteristics, resulting in acidification of soils by fertilizer inputs, and crop failure when fertilizers are inadequate or inappropriate (leading to increased pressure on alternative areas)		
Limited availability of organic fertilizer	<ul style="list-style-type: none"> <li>- High cost and logistical difficulties of production and distribution, despite massive production of organic fertilizer in response to the collapse of external support</li> </ul>	<ul style="list-style-type: none"> <li>- Demonstration of the production and use of organic fertilizers under different biogeographical and LD scenarios, ensure that extensionists disseminate best practices</li> </ul>
Limited awareness among producers of alternatives, such as rotation, green manure and compost	<ul style="list-style-type: none"> <li>- Limited incorporation of SLM considerations related to nutrient management in extension and environmental education programs</li> </ul>	<ul style="list-style-type: none"> <li>- Provision of additional support for the baseline program extending it to cover wider bio-geographical scenarios and putting in place replication mechanism</li> </ul>
<b>Threat 4. Use of fire</b> for land clearance and pest control in pastures, resulting in removal of the vegetative protection of the soil against raindrop impact and cross-surface flow, and loss of soil carbon and nitrogen		
Limited access to human, physical and financial resources needed for land preparation through alternative means.	<ul style="list-style-type: none"> <li>- Inadequate scope of incentive programs in relation to SLM</li> <li>- Institute of Pastures has provincial level branches but is not updated in SLM techniques and has an incentive system that does not include these.</li> </ul>	<ul style="list-style-type: none"> <li>- Incorporation of guidelines, norms and procedures for channeling existing incentives to SLM practices for appropriate for different scenarios</li> </ul>
Ineffective regulation of burning	<ul style="list-style-type: none"> <li>- Limited financial and physical resources at some local levels of agencies responsible for regulation</li> </ul>	<ul style="list-style-type: none"> <li>- Strengthening of local capacities in enforcement through cooperation agreements in fire vulnerable areas</li> </ul>
<b>Threat 5. Inappropriate use of irrigation</b> , including the use of practices with low water efficiency and high drop impact (such as aspersion, instead of drip irrigation and conservation of natural soil water through mulching), poor design of irrigation systems and drainage in relation to natural topography, the location of irrigated agriculture in zones with limited aquifer resources, and the use of poor quality (saline) water, resulting in salinization and erosion of soils, and the depletion of scarce aquifer resources		
Limited awareness among producers of technical aspects of alternative irrigation and water management methods	<ul style="list-style-type: none"> <li>- Limited incorporation of SLM related to irrigation and water management into extension and environmental education programs and poor use of systems for harvest rain water</li> </ul>	<ul style="list-style-type: none"> <li>- Improvement of national and local level capacities to apply SLM and additional practices to capture rain water</li> <li>- Demonstrate of high irrigation efficiencies in severely degraded land</li> </ul>
<b>Threat 6. Inappropriate crop selection</b> , related to soil productive potential, relief, water and nutrient availability and climatic patterns, resulting in degradation of soil nutrient status, increased pressure on scarce water resources and increased soil erosion on steep slopes due to the inadequacy of soil cover		
Limited awareness among	<ul style="list-style-type: none"> <li>- Limited incorporation of SLM considerations related</li> </ul>	<ul style="list-style-type: none"> <li>- Training of producers on SLM, with</li> </ul>

Root causes	Management issues/key barriers	Solutions: GEF Interventions (Barrier Removal Activities)
producers of crop alternatives in relation to site characteristics, and of implications of poor crop selection	to species selection into extension and environmental education programs	emphasis on land evaluation. Promotion of campaigns to raise awareness of the subject.
<b>Threat 7. Poor livestock management</b> , including the free range grazing of animals and the use of excessive stocking levels, resulting in degradation of vegetation resources and the compaction of soils, reducing rates of aquifer recharge through infiltration and increasing cross-surface runoff which causes erosion		
Limited awareness among producers of alternatives to extensive ranching (such as pasture improvement, stabling, cut-and-carry and fodder banks)	- Limited incorporation of SLM considerations related to appropriate livestock raising practices into extension and environmental education programmes	- Training of producers on SLM, with emphasis on the regionalization of grazing systems, Promotion of campaigns to raise awareness of the subject.
Ineffective regulation of livestock raising practices	- Limited financial and physical resources on the part of Government agencies responsible for regulation - Regulations are defined by the law 179 that deals with the use of the soil, but this requires updated to the new circumstances.	- Demonstration of financial sustainability in the intervention areas.
	- Inadequate development of regulations on range management - Existing regulations fail to give special attention to livestock and forest activity	- Preparation of proposals for the improvement of the regulatory system in grazing areas
<b>Threat 8. Excessive use of monocultures</b> , such as sugar cane and single-species timber plantations, resulting in Excessive demands on available soil nutrient and water reserves, and increase of erosive processes due to crop structure		
Limited awareness on the part of producers of alternatives to monocultures such as agro forestry, intercropping and successional agriculture	- Limited incorporation of SLM considerations related to alternatives to monocultures in extension and environmental education programmes - Specialization on monocultures is rooted in culture of many productive enterprises	- Training of producers on SLM, Promotion of campaigns to raise awareness of the subject.
<b>Threat 10. Timber extraction</b> , including the <b>inadequate</b> construction and maintenance of extraction routes, <b>resulting in</b> degradation of vegetation cover and the compaction and erosion of soils through the use of heavy machinery and the disruption of drainage patterns		
Ineffective regulation of timber extraction	- Limited financial and physical resources on the part of Government agencies responsible for regulation Limited financial resources to update obsolete machinery for timber extraction, which does not contribute to soil conservation	- Development of conservation procedures in the intervention areas linked with financial support such as PSA in order to maintain forestry plantations
Limited knowledge among producers about the process of land degradation that are taking place as a consequence of timber extraction	- Inadequate incorporation of technical aspects related to LD in extension and environmental education programs	- Training on SLM in forestry areas.
	- Limited financial and physical resources on the part of Government agencies responsible for regulation	- Development of regional proposals derived from the intervention sites

7. Threats that are of particular significance in the intervention areas of this project include pressures affecting the forests of Villa Clara through conversion to pasture, followed by subsequent degradation by soil erosion, particularly on slopes, poor pasture management and fire. In Cauto, water management issues are of particular concern; other factors to be address include the excessive use of monocultures and the use of crops and livestock which are inappropriate for local conditions (include slopes of more than 15%, not recommended for livestock), high levels for salinity, and poor water quality, which is not suitable for irrigation.

8. In addition to these anthropogenic threats directly related to LD, the pre-montane and montane conditions of the Villa Clara and Cauto intervention areas are affected by problems of drought, access, economic limitations and ecosystem fragility; and extreme climatic conditions, which, although mostly severely felt in other target areas

(especially Pinar del Río in the case of hurricanes and in Guantánamo in the case of drought), increasingly affect the whole of the country to greater or lesser degrees.

### **Baseline**

9. Land degradation is currently recognized as a major problem at all levels in Cuba, and investments are made accordingly, for example in the areas of agricultural extension and funding mechanisms (for example through FONADEF and FNMA). Current investments of direct relevance to the promotion of sustainable land management (SLM) under the National Program for Soil Improvement and Conservation (PNMCS) amount to around \$32,200,000 per year for the combat of soil degradation. Forestry protection, forest investments and management of existing forest lands are supported with \$189,000,000 per year, and the management of hydrological resources with \$258,400,000 per year, according with National Statistics Report of 2014. This figures are project to increase by 5% every year. While significant, these investments are not sufficient to ensure landscape-wide SLM; nor do they adequately address the complex inter-sector and interdisciplinary issues inherent in LD.

The Cuban government does provide large amounts of direct support to producers, for example in the form of market and price guarantees for crops and, to a lesser degree, through direct subsidy programs such as the National Environment Fund (FNMA), the National Forestry Development Fund (FONADEF) and the PNMCS.

### **Barriers**

#### ***Limited development of financing and incentive mechanisms for SLM***

10. The limited ability of producers to meet the short-term costs of applying integrated SLM is largely attributable to the fact that they have little access to financial support or other incentives for applying this approach, from Governmental or other sources, despite the fact that land degradation (LD) results in significant levels of externalities with negative implications for the well-being of the population as a whole and the effectiveness of Government programs. The Cuban government does provide large amounts of direct support to producers, for example in the form of market and price guarantees for crops and, to a lesser degree, through direct subsidy programs such as the National Environment Fund (FNMA) and the National Forestry Development Fund (FONADEF). However, with few exceptions, producers are not well prepared to develop projects in order to obtain credit or financial support to adopt the diverse range of SLM technologies which are available, in a manner that avoids creating dependency and thereby achieves sustained adoption in the long term. The principal deficiency at the moment at national level is therefore the lack of a sufficiently diverse portfolio of incentive mechanisms and suitable capabilities in the producers, capable of reflecting and responding to the diverse ways in which environmental costs and benefits flow from land degradation, and the correspondingly diverse types of relations between the multiple actors involved.

11. Also lacking or inadequately developed, even if the required portfolio of mechanisms were developed, are regulations, mechanisms and capacities for institutionalizing and applying them. What is required (and currently missing) are nationally-applicable criteria, regulations, norms and guidelines setting out the rules for the application of the instruments. In the absence of such clarity, there is a risk that the most appropriate mechanisms are not necessarily chosen for given scenarios, resulting in inefficiency and ineffectiveness in delivering SLM benefits; and that the magnitude and nature of the incentives does not adequately reflect the magnitude and nature of the land degradation processes in question or the corresponding flows of environmental effects.

#### ***Limited capacities for the administration and application of financing and incentive mechanisms at local level***

12. Even if adequate financing and incentive frameworks were developed at national level, under current conditions their utility in support of sustainable land management would be limited, until such time as adequate awareness and capacities were developed for their administration and application. Limitations in awareness and capacities currently exist among both the institutions that are, or would be, responsible for administering and overseeing the channeling of the incentives to producers, and among the producers themselves.

13. Among the responsible institutions at local level, the application of adjustments to existing instruments, or the introduction of new ones, would be hampered initially by limited awareness of and familiarity with the objectives, provisions, requirements and functioning of the instruments. These would limit their ability to offer the mechanisms to producers, and their efficiency in administering them, resulting in high transaction costs, delays,

low levels of uptake and corresponding low levels of effective investment in SLM by the target audience of producers.

14. The update and effectiveness of the instruments will also be hindered by limited capacities among the target population of producers. Limiting factors include awareness of the existence, functioning and requirements of the current and potential range of financial incentives; capacities to formulate convincing, realistic and appropriate applications for incentive support; and capacities to administer and apply the incentives efficiently and effectively, in financial and productive terms, to maximize benefits for the productive entities in question and for the sustainability of land management.

***Limited capacities for disseminating and applying SLM practices***

15. Even if the above limitations did not exist, incentive mechanisms would not generate SLM benefits if farmers did not have adequate technical capacities to apply the SLM practices that the mechanisms are intended to support.

16. Specific management challenges of relevance to SLM, for which technical capacities are currently inadequate among many producers, include the following:

- Selection and management of pastures in such a way as to optimize stocking levels and grazing pressures and thereby reduce localized problems of compaction and erosion, and the buildup of ectoparasites that currently motivate many farmers to burn pastures;
- Maintenance and management of nutrient cycles and water resources in agricultural and livestock systems
- Adequacy and sustainability of feedstuffs for livestock, with their implications for animal loads, grazing pressures and land requirements
- Management of wastes from pig production and coffee processing units, and their implications for water quality and aquatic ecosystems
- Protection of soils against erosion
- Avoidance and combat of wildfires affecting forests and pasture lands
- Appropriate selection of species and management practices for natural and planted forests.

17. Although a number of these management challenges are specific to the intervention areas targeted by this project, the factors impeding their effective dissemination and uptake are similar to those that affect limit SLM uptake in the other target areas. The most direct constraining factor in this regard is the limited technical knowledge of the land managers themselves regarding the application of SLM practices capable of addressing the above challenges. This is due in large part to the narrow thematic focus of the technical support that they receive, which has historically placed an overriding emphasis on productivity, often at the expense of environmental sustainability: in general, Cuba has a well-developed system of agricultural extension and environmental education, but the incorporation into this of considerations of land degradation and sustainable land management is still in need of strengthening.

18. Key institutions, singled out in analyses carried out during the preparation phase of the CPP and this project as inadequately incorporating SLM considerations into extension, include the Ministry of Agriculture (MINAG) and the National Institute for Hydrological Resources (INRH), as well as the national corporation AZCUBA. The curricula of the technical colleges, universities and other educational institutions where the technicians responsible for implementing extension and education programs are trained have advanced significantly in recent years in relation to the incorporation of issues of SLM. However, in general, they still tend to address the different components of natural resources (for example soil, water and forests) separately and do not adequately address the essential integration between these elements, which is central to SLM. This problem is directly related to the inadequate levels of awareness and understanding of the complexity and integrated nature of land degradation and SLM issues found among the personnel of related institutions, such as the National Soils Institute of MINAG and the National Planning Institute. Other key institutions concerning financial mechanism such as Ministry of Finances and Prices (MFP), Central Bank of Cuba (BCC) and Ministry of Economics and Planning have been initiated in the subject of SML just recently and their precedent knowledge is a limitation for better and rapids changes in financials existing procedures.

19. The lack of incorporation of SLM considerations is to a certain extent a result of the lack of exposure of technicians and trainers to demonstrations of the application of integrated SLM approaches in practice. Particular areas where increased emphasis is required in relation to SLM include, among others, the use of low-input, socioeconomically appropriate technologies for hillside agriculture; low impact technologies for the cultivation of arable lands; appropriate low cost nutrient management in relation to site characteristics and crop needs; soil humidity management and water-efficient irrigation; intensive, low impact livestock raising practices appropriate to smallholders' needs; crop diversification; intercropping, agro forestry and variations such as 'successional agriculture'; and appropriate extension methods (such as participatory action research) which take into account farmers' conditions and characteristics, and value their existing knowledge.

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### III. STRATEGY

20. The strategy to be adopted by this project is to support the provision of financial incentives for sustainable land management practices, with particular emphasis on dryland forest ecosystems and cattle ranching areas.

21. ***Relevance to and fit within the CPP as a whole:*** the strategy of the project (which is Project 3 of the CPP) will allow it to contribute to the overall CPP Goal that “*Reduced land degradation will allow Cuba to achieve its goals for sustainable development and increased food security*”. Its focus on financial instruments will complement and build on the emphases of the other projects, as part of the integrated programmatic approach of the CPP. The 5 sequential and interdependent projects of the CPP are as follows (see also Annex 3 for a schematic presentation of how the different CPP projects relate to each other thematically and sequentially):

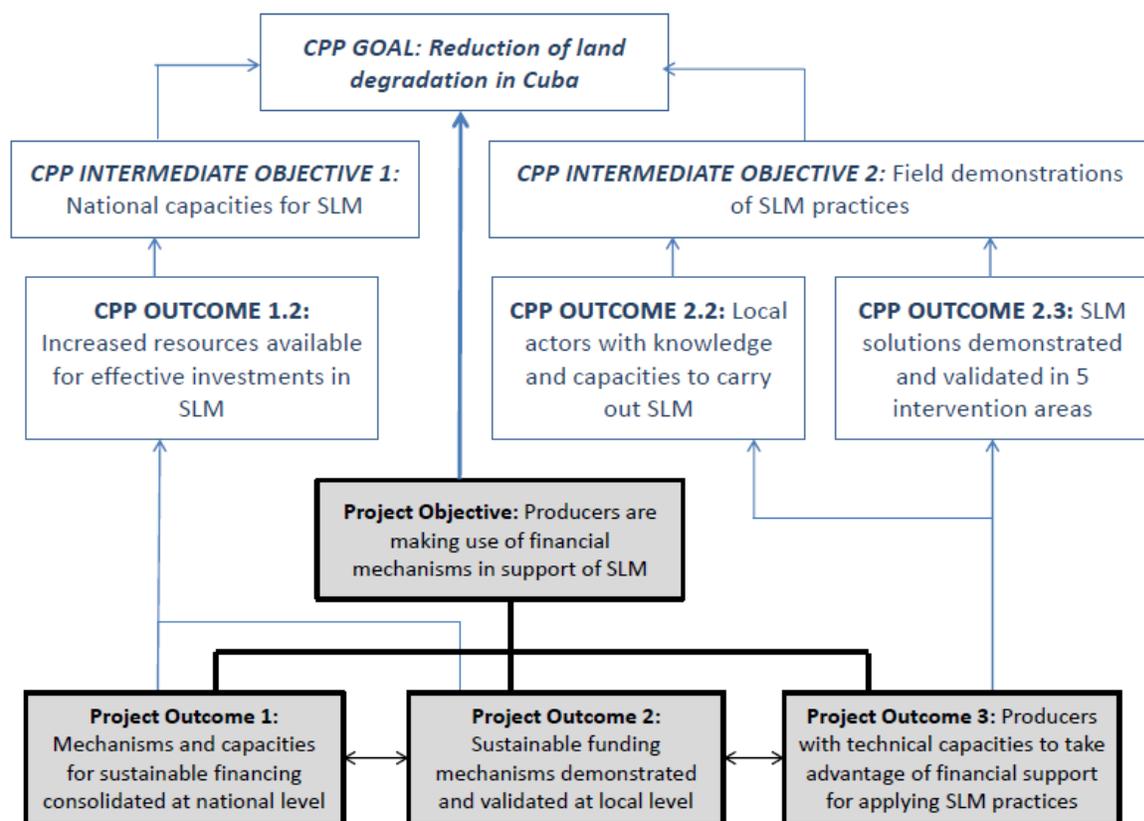
- **Project 1** (Years 1-5; 2008-2013): Capacity Building for Planning, Decision Making and Regulatory Systems & Awareness Building/Sustainable Land Management in Severely Degraded Ecosystems (in *Guantanamo*, aiming to halt land degradation and rehabilitate salinized and eroded areas in dry lands and xeric scrub regions, and in *Pinar del Rio*, on monitoring of extreme climatic events such as droughts and hurricanes).
- **Project 2** (Years 3-7, 2015-present): Capacity Building for Information Coordination and Monitoring Systems/SLM in Areas with Water Resource Management Problems (in *Havana-Matanzas* focusing on sustainable use of ground water, in *Pinar del Rio* on strengthening resistance to drought and other extreme climatic events in agricultural lands, in *Guantanamo* on replicating demonstration activities, conserving rainwater and testing high efficient irrigation systems, and in *Cauto River Basin* on Sustainable management of water resources, drought prevention and management of water reserves for SLM)
- **Project 3** (Years 5-8): **Capacity Building for Sustainable Financing Mechanisms / Sustainable Land Management in Dry land Forest Ecosystems and Cattle Ranching Areas** (in *Guamuhaya* focusing on improved SLM techniques in a premountainous ecosystem, with dry forest & livestock, and in *Cauto River Basin* on sustainable management of dry forest resources, integrated forest farms and water regulations).
- **Project 4** (Years 7-10): Validation of SLM Models at Landscape Scale (in *Cauto River Basin* focusing on replication of demonstration activities in micro watersheds, and in Guantanamo Guaso Basin focusing on soil management and irrigation in agricultural land)
- **Project 5** (Years 1-10, 2008-present): Coordination, Monitoring and Evaluation of Cuba CPP.

22. Specifically, the project will contribute to the achievement of the following Outcomes 1.2, 2.2 and 2.3 of the CPP:

- 1.2: Increased resources are available for effective investments in SLM
- 2.2: Local stakeholders (resource users, extension workers, decision-makers) in project intervention areas have the knowledge and skills to undertake SLM and available financing mechanisms
- 2.3: SLM solutions (technologies, practices, incentive systems, planning structures and regulations) have been demonstrated and validated at specific pilot sites

23. There have been some delays in the implementation of the constituent projects of the CPP, but these have increased the timeliness of this project. This project was intended to start at the end of CCP Year 4 (see Annex 3): in reality, however, it will start at the end of CPP Year 9, in part due to the late commencement of Project 2, which started at the end of Year 7 instead of the end of Year 2, as intended; and the late finalization of Project 1, which finished at the end of Year 7 instead of Year 5 as intended. As a result, P1 had 6 years to develop the conditions of planning and awareness at national level, thereby creating a more solid base for the other projects to build on; and, more significantly, the late start of P3 now coincides with a period of greater political flexibility with regard to the use of financial mechanisms (the core theme of this project) than existed at its originally intended starting date in 2012.

**Figure 1. Contribution of the project to the Country Pilot Partnership (CPP) as a whole**



24. **Compliance with benchmarks:** in common with CPP projects 2 and 4, the logical fit of this project within the integrated programmatic approach of the CPP as a whole is ensured by the stipulation in the CPP document that the commencement of each successive project will be dependent on certain conditions having been created by the preceding projects. In the case of this project, the stipulated conditions have been met as follows:

- Development, through Project 1, of **awareness of SLM issues among the institutional actors** who will be involved in the development and implementation of sustainable financing mechanisms for SLM. This increase in awareness is shown by the institutional actions and investments that have been made as a result. These include the implementation of 34 reference and demonstrative sites of water, soil and forest all around the country with direct support, promotion and control by the top authorities of the Ministry; the substantial increase in budget received by the National Program for Soil Improvement and Conservation (PNMCS) as well as new projects related to SLM, through FONADEF; an average annual investment by AZCUBA of \$5,000 MILLION in the coming years for improving drainage in sugar cane lands. SLM was included in the strategy of MINAG and the subject was presented in a session of the National Assembly, maximum parliamentary organ of Cuba. All these elements evidence a substantial change in the concern regarding SLM, among the main actors at different levels.
- Development, through Project 1, of **favourable conditions in the regulatory and policy framework**, facilitating the development and introduction of sustainable financing mechanisms. The existence of these favourable conditions is exemplified by the inclusion in the National Plan for Economic and Social Development (NPESD) to 2030 (approved in the recent 7<sup>th</sup> Congress of the Communist Party), of Specific Objective 8 in relation to natural resources and the environment, “to halt soil degradation through the application of sustainable agriculture...” and Specific Objective 12 “to implement economic incentives to achieve financial sustainability in the use and conservation of natural resources”.

25. **Relevance to evolving policy environment:** the approach of the project is even more opportune and relevant now to the national policy context than when the CPP as a whole was first formulated, more than 10 years ago, given the significant changes that have occurred in the policy context in Cuba since that time, including the following:

- The State has become less involved in administering resources directly and has moved towards a more regulatory role, with an increased emphasis on decentralization;
- There has been a gradual shift away from an approach based on control towards one based on economic incentives; many farmers are not accustomed to this approach, and are not adequately prepared to take advantage of the opportunities represented by the incentives;
- There is greater flexibility in the economic policy framework of the country to the non-state sector of the economy, which opens up a wider range of options for the generation of models for financial sustainability and economic incentives for SLM.
- There is a greater emphasis on individual and private forms of tenure and production, which has implications for the profile of the target population.

26. **Innovativeness:** the focus of the project, on developing conditions and capacities for using economic incentives to promote sustainable forms of land management by State and private actors, will be highly innovative for Cuba, marking a gradual shift away from the historically dominant paradigm of centralized State control and management. This innovativeness means that the project represents an opportunity to make a real difference to the status quo in relation to the combat of land degradation. While the use of economic incentives is not necessarily innovative from a global perspective, their application in the context of a centrally-planned economy such as that of Cuba is indeed innovative.

27. **Key assumptions:** the effectiveness of the proposed strategies will be dependent on a number of factors:

- *Maintenance of policy commitment to the use of economic incentives to support sustainable land management:* this commitment has been expressed at the highest political levels (see paragraph 0 above regarding the formalization of this commitment in the NPESD, approved by the National Congress of the Community Party).
- *Continued availability of financial resources for incentives:* maintenance of current levels of central Government budget support to incentive mechanisms for SLM cannot necessarily be assumed, as this may depend in part on trends in the national and global economy, and in part on the implications of the ongoing readjustments in the relative responsibilities of State and non-State actors; the project will minimize reliance on the assumption of continued State support by placing increasing emphasis on incentives that internalize flows of benefits between non-State actors, and recognize the inherent economic viability of SLM.
- *Awareness and capacities to take advantage of economic incentives:* the project will build upon the awareness of SLM issues developed through Project 1, and its success assumes that this will be maintained. Its overall success also depends on the effectiveness of its own investments in capacity development among producers, both for taking advantage of and managing the financial incentives, and for carrying out SLM practices in such a way as to meet the requirements of the financial incentives and to achieve internal financial sustainability.

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## IV. RESULTS AND PARTNERSHIPS

### **Expected Results:**

28. The project objective is that *“Producers are making use of financial mechanisms in support of SLM”*. This objective will contribute directly to the Goal of the CPP, which is that *“Reduced land degradation will allow Cuba to achieve its goals for sustainable development and increased food security”*, and its Purpose, which is that *“Cuba has the capacities and conditions for managing land in a sustainable manner that contributes to maintaining ecosystem productivity and functions”*.

### **Outcomes and components**

29. The objective of the project will be achieved through actions structured under 3 components, each of which will correspond to a specific outcome. Actions under Component 1 will focus on the development and consolidation of mechanisms and capacities at national level for the sustainable financing of sustainable land management practices; actions under Component 2 will focus on developing capacities in the Guamuha and Cauto intervention areas for the delivery and use of sustainable financing mechanisms; and actions under Component 3 will focus on ensuring that producers in these two intervention areas have the technical capacities necessary for them to apply the sustainable land management production systems that will be the object of the financial mechanisms.

30. The intervention areas of Guamuha and Cauto are indicated in Annex 2, and details of the target sites within each are presented in Annex 3 (see section XIII Additional Annexes). In the first year of the Project, these sites will be classified as either initial demonstration sites or as replication sites.

31. A major area of emphasis of the project will be on the development of capacities and awareness among institutional stakeholders, producers and others regarding financial mechanisms and productive options potentially supported by those mechanisms. In all of these capacity development and awareness-raising activities (particularly under Outputs 1.11, 2.2, 2.3, 3.1, 3.2 and 3.5), particular attention will be paid in the selection of beneficiaries and in the content of the programmes to ensure that women are adequately represented and that the programmes are tailored to their needs and conditions”.

### **Outcome 1: Mechanisms and capacities for sustainable financing consolidated at national level**

#### **Outcome Indicators:**

- Increased budget allocated nationwide to SLM activities (*P1 and P4 also contribute*)
- Increased funding from existing financing mechanisms to SLM nationwide (*P1 and P4 also contribute*)
- Increased funding from new financing mechanisms to SLM nationwide (*P4 also contributes*)

### **Outputs**

#### **1.1. Guidance and strategy materials for the development, administration and application of incentive mechanisms**

##### **i) Manual of existing financial mechanisms and procedures for accessing them**

32. Given that existing financial mechanisms are dispersed across a range of institutions, the generation by the project of an accessible compendium of these different mechanisms will be useful as a means of increasing interinstitutional awareness of the available options. This will help the institutions in question to give balanced advice to the stakeholders with which they work; it will also provide a clear baseline for the process of adjustment and development of additional financing mechanisms through the project. The manual will successively be updated as the project advances and the existing instruments are modified and new instruments developed.

##### **ii) Strategy documents for the definition and application of SLM incentives**

33. The effectiveness and efficiency of the use of financial incentives for SLM is dependent on matching the incentives, out of a range of available options, to the diverse target situations. The magnitude of the incentives must be proportional to the scale and value of the environmental benefits generated at both national and global

levels, the availability of resources to cover the payments (in the case of the State incentives, the availability of budgetary resources, and in the case of market-based mechanisms, the willingness to pay of the consumers), and the level of payments necessary to motivate and enable resource managers to carry out the desired changes in management practices. The nature of the incentives must take into account considerations of administrative feasibility, and also the scales and directions of the flows of environmental benefits that are sought – whether they accrue to the same production system where the SLM is applied, in terms of improved productivity and sustainability, whether they benefit other actors elsewhere in the landscape in question or the country, or whether they are of global significance.

34. The project will support the participating institutions in the formulation of strategy documents defining the SLM incentives to be used and their corresponding financial implications, together with plans for financial management to allow these implications to be provided for. These strategy documents will necessarily be based on a series of highly applied studies, including the following:

- Detailed studies of the potential magnitude and characteristics of the population potentially subject to incentive mechanisms;
- Surveys of willingness and ability to pay for the provision of environmental services;
- Analysis of transaction costs, definition and negotiation of modifications to existing mechanisms and needs for additional mechanisms.

## **1.2. Financial mechanisms to support SLM developed and applied for diverse conditions and beneficiaries**

### **i) Modified administrative provisions for existing financing mechanisms, in favour of SLM**

35. Through the National Forestry Directorate, the Institute of Soils and the Ministry of Science, Technology and Environment (CITMA), project funds will be used to develop technical recommendations for the modification of the procedures of existing financing mechanisms including the National Forestry Development Fund (FONADEF), the Program for the Management and Conservation of Soils (PNMCS) and the National Environment Fund (FNMA), in order to increase their accessibility and their application in support of sustainable land management. These existing financing mechanisms take the form of direct non-returnable incentives, and are therefore most applicable to those forms of SLM which generate “positive externalities” – in other words those which generate benefits for other actors in the form of environmental sustainability, productivity and profitability, but which may represent a cost to the producers who carry out the SLM, which merits recognition and compensation.

36. These modifications will include:

- Improved and more specific technical provisions in the eligibility criteria for these funds, leading to them specifically favoring resource management and productive activities that contribute to SLM, with a particular focus on those with an integrated approach that deliver concrete benefits in terms of the protection of natural capital and the sustainable flow of ecosystem goods and services.
- Provisions for these funds to be partly capitalized by funds generated through sustainable land management, either directly as a result of improved productivity and profitability of the production systems where the SLM is applied, or due to flows of economic benefits to other land units (for example improved availability of water for irrigation downstream of SLM activities). This will reduce the dependence of these State-managed incentive structures on Government recurrent budget.

### **ii) National carbon finance mechanism**

37. This new non-returnable fund will complement similar existing funds such as FONADEF and FNMA, but will specifically be aimed at rewarding and motivating resource management practices that contribute to carbon sequestration and preservation of forest lands, instead of timber production. The project will support the definition of the administrative arrangements for the fund and its relation to the existing instruments and their corresponding host institutions, as well as practical aspects including eligibility criteria, levels of incentives, and application procedures. It is proposed that payments for carbon capture will be implemented at a rate of 1 CUP (= 1 USD) for each ton of CO<sub>2</sub>.

### **iii) Scheme for Payment for Environmental Services (PES) based on water quality**

38. The project will also support INRH in the development of a PES scheme that rewards resource managers for improvements in water quality. This scheme will be administered and certified by INRH, and funds will be provided by the FNMA (CITMA).

39. The governing document related to this issue is the National Water Policy of the INRH. In coordination between INRH, FONADEF and PNMCS (MINAG) and the National Environment Fund (CITMA), basic criteria will be established for the development of PES schemes in support of the introduction of technologies for the management of soil and water. PES funds should finance actions related to the integrated management of water resources, and experimental trial sites should also be identified for the implementation of demonstration activities in priority zones for SLM. The project will support the a national inventory of existing financial mechanisms, applied for the management of water resources; the objective valuation of services in order to permit the definition of payment levels; and the definition of suitable mechanisms for payment and monitoring in order to guarantee the effectiveness of compensations and to identify lessons learnt for further replication. At the same time, needs for international cooperation will be identified and exchanges of experiences will be coordinated at regional level.

40. PES resources will be aimed at financing community action related to the protection of water sources, and the management and recovery of recharge zones and of other vulnerable zones such a river banks and other water courses. The principal action to be contained in plans for these activities will include:

- Proposing to the Institute of Physical Planning (IPF) the spatial planning of the spaces and territories of the Project intervention areas, based on a “preliminary territorial zoning”.
- Increasing the quantity and quality of water, developing mechanisms that allow the improvement of techniques of conservation, protection, harvesting, extraction, capture and treatment of water, as well as the appropriate use and exploitation of the resource.
- The recovery, protection and conservation of soil and forest resources.
- Improvement of technological levels for cropping and commercialization.
- Training and strengthening of local capacities.
- Strengthening of organizational levels and interinstitutional coordination.

### **iv) Mechanisms for the provision of credit under favorable conditions for SLM practices**

41. In parallel, the project will support MINAG, the Central Bank and the Ministry of Finances and Prices (MFP) in developing credit mechanisms directly aimed at producers applying practices that favor SLM. These credit mechanisms will feature low interest rates and long grace periods in recognition of the fact that many producers may not, at least in the short term, have sufficient confidence in the profitability of SLM practices to motivate them to take out loans under market rates of interest. The project will work with the MFP in order to develop procedures whereby, at least in the short term, the Government will subsidize the credits on these loans. It is likely that this will only be necessary for a limited period, until such time that sufficient evidence is generated on the returns achievable from these production systems to allow interest rates to be gradually adjusted towards market levels.

42. Forms of production which may be eligible for these favorable credit conditions may include, for example, the establishment of agricultural crops on areas currently dominated by the invasive shrub marabú, and organic agriculture. In the provinces of Las Tunas, Camagüey and Villa Clara there are large areas of marabú, together with problems of low forest cover, drought and low productivity. The previous project on invasive alien species (GEF ID 3955 “Enhancing the Prevention, Control and Management of Invasive Alien Species in Vulnerable Ecosystems) demonstrated the feasibility of clearing marabú areas and using the cleared material to produce charcoal, which offers rapid financial returns in external markets. It may be necessary to provide multiple forms of incentive simultaneously: for example, organic agriculture may also receive price incentives (see Output vii)) which would help to ensure its financial viability and therefore its eligibility for credit.

### **v) Concessions on duty paid on equipment and inputs for SLM**

43. The project will support studies in collaboration between CITMA and MFP aimed at identifying specific needs and opportunities for contributing to the attractiveness of SLM by reducing duty paid on key items of equipment and inputs, such as biodigesters (to facilitate the uptake of integrated waste management systems from pig

production units), drip irrigation systems (to improve the efficiency of water use) and electric fences (to improve pasture rotation and stocking level management). The result (subject to regulatory approval) will be revised rules on duty levels for these items.

**vi) Improved procedures and conditions for insurance of producers practicing SLM**

44. This is a key issue of interest for farmers and foresters in the pilot sites. During the first year of the project, negotiations will take place with insurance companies and the lead responsible actor, the Ministry of Finance and Prices, in order to develop improved procedures with more favourable conditions for producers in the pilot sites involved in SLM practices. If results are positive, these conditions will be extended later as a general practice.

**vii) Differential pricing mechanisms for crops produced in accordance with SLM principles**

45. Despite the progressive growth of the participation of non-State actors in the economy, the State continues to play an important role in managing and regulating markets for staple commodities, including price control. This provides the opportunity for an additional channel for the State to provide incentives for “SLM-friendly” forms of production, through the stipulation of price premiums for crops produced on SLM-compliant farms. The project will work with the Ministry of Finances and Prices and the Ministry of Agriculture, in developing a certification procedure for SLM farms. These price premiums (based on a combination of considerations of demand elasticity, the levels of price premium required by producers to motivate change, and the magnitude of the economic benefits generated by the application of SLM) and the mechanisms for their application will be tested in some selected testing sites after the mid-term of the project.

46. The project will also advise producers on opportunities for gaining differential prices on export markets. The State-owned sugar-producing company AZCUBA has already gained experience with obtaining premium prices for organic sugar on international markets.

**1.3. Improved regulatory and technical instruments for certifying compliance with conditions for incentive mechanisms developed and applied**

47. In order for financial incentive systems to work equitably and efficiently in support of SLM, it is necessary for there to be scientific precision and clarity among the parties involved regarding the nature and magnitude of the SLM practices applied, and their corresponding environmental benefits.

48. To this end, the project will support the formulation of manuals for the certification of compliance with the requirements of SLM financing mechanisms in the different target production sectors, which will include technical specifications of compliance criteria and technical methodologies for determining compliance (for example of regarding levels of soil erosion and water quality).

49. These instruments will be used by those responsible for reviewing proposals submitted for funding (such as the Evaluation Group of the Environmental Agency, in relation to the National Environment Fund) on how to evaluate whether SLM concerns are adequately incorporated. This may lead, for example, to increased priority being placed on low-input forms of agriculture (such as the management of natural regeneration in fallows and the use of natural mulch) instead of high investment forest plantations whose environmental balance is at times questionable.

**1.4. Training, guidance and awareness-raising programmes developed and implemented**

50. The project will work with participating institutions in the design of programs for raising awareness of the existence, objectives and functioning of the proposed financial mechanisms in support of SLM, and providing training in the application of the incentives and of the procedural instruments proposed above. These programs will be aimed both at the staff members of the institutions responsible for the application of the mechanisms, and at the producers who are their intended beneficiaries. These actions at national level in the development of these programs will be complemented by more specific investments in training in the target intervention areas under Component 2.

**Outcome 2: Sustainable funding mechanisms demonstrated and validated at local level**

**Outcome Indicators:**

- Increased numbers of producers in Guamuhaya and Cauto receive direct benefits from at least one financing mechanism

- Increased budget assignment by local production entities in Guamuhaya and Cauto to activities in support of SLM

## **Outputs**

### **2.1 Financial incentive mechanisms and procedures fine-tuned for application at local level in target areas**

51. The nationally-applicable mechanisms and procedures for financial incentives for SLM, developed under Component 1, will be fine-tuned under this Component to allow them to be implemented in practice in the target intervention areas. The project will work through provincial and municipal governments and the local offices of key line ministries to determine the practical, procedural and administrative aspects of how to implement the mechanisms. The lessons learnt in the process will facilitate the subsequent application of the mechanisms nationwide.

### **2.2. Training, guidance and awareness raising programmes for the application of financial incentives generated under Component 1**

52. In complement to the national level activities proposed under Output 1.10 above, the project will provide more specific training, guidance and awareness-raising in its two target intervention areas (Guamuhaya and Cauto). This will aim at generating concrete and replicable capacities in the institutions with responsibilities at this level in the application of the financial instruments proposed under Outcome 1, adjusting them as necessary to the specific conditions in the target areas. Emphasis will be placed on developing these capacities as early as possible in the life of the project.

53. The Ministry of Higher Education (MES) will play a key role in overseeing and coordinating the delivery of these capacity development programmes for the target institutions. The project will work through MES and tertiary education centers in the target provinces, with the aim that this capacity development will then be institutionalized and therefore continue beyond the life of the project (for example through technical training courses and post-graduate courses) in order to ensure that institutional capacities are maintained despite processes of staff turnover.

### **2.3. Programmes for developing capacities and awareness among producers in target areas for obtaining and applying SLM incentives**

54. The project will also develop capacities and awareness among producers in the target areas in applying for, administering and implementing the available incentives in the context of the specific land degradation issues and SLM opportunities that exist in these areas. This will be achieved through a combination of strategies, including short courses, visits by extension agents, radio slots, and the publication and dissemination of informative materials adapted to the needs, conditions and educational levels of the different target sectors of producers.

55. Capacity development and awareness raising will address, for example:

- Raising awareness of the range of incentive opportunities available
- Deciding which incentive mechanism is most suitable for the particular circumstances of each producer
- Requisites and procedures for gaining access to the incentive mechanisms
- Financial planning, to determine the level of incentive required and (as appropriate) how to repay the incentive
- How to administer and invest the incentives

**Table 1. SLM practices proposed in the intervention areas and corresponding financial instruments**

Examples of proposed SLM measures	Direct benefits for participating actors	Environmental benefits	Types and costs of investments needed	Models of financial support proposed
Intensification of livestock production systems through: - Planting and rotation of pastures - Management of dispersed trees - Multi-strata live fences - Fodder banks - Protein banks for cut-and-carry - Browsing Banks	- Improvements in productivity, profitability and sustainability - Productive diversification (generation of tree products in the systems)	- Protection of the productive capacity of ecosystems - Protection of watersheds and hydrological cycles	- Breeding stock - Planting material for fodder banks - Stable construction - Electric fences	- Direct non-returnable incentives initially, to generate interest and experiences - Reduction/exemption from duties - Returnable soft credits
Agroforestry systems			- Nurseries and inputs - Transport and labour costs - Initial maintenance and protection	
Reforestation with useful/marketable trees	- Generation of products (fruit, timber etc.)	- Protection of watersheds and hydrological cycles - Carbon capture - Habitat and connectivity		- Direct non-returnable incentives
Reforestation for protection				
Shade coffee	- Improvements in the quality and price of coffee - Reduction in needs for external inputs - Increased sustainability	- Increase in biodiversity and biological connectivity - Protection of watersheds and hydrological cycles	- Reduction in short term yields compared to full sun production	- Returnable soft credits - Preferential pricing
Plants for ecological depulping, washing and fermentation of coffee		- Protection of aquatic ecosystems and water quality for human use	- Construction of infrastructure for washing and treatment of wastes	- Preferential pricing - Reduction/exemption from duties
Drip irrigation	- Increase in productivity under conditions of water scarcity	- Reduction of risk of overexploitation of water resources - Reduction of erosion and productive capacity of ecosystems - Reduction in sedimentation downstream	- Tubing - Labour	- Returnable soft credits - Reduction/exemption from duties

**Outcome 3: Producers in Guamuhaya and Cauto intervention areas with technical capacities to take advantage of financial support for applying SLM practices**

**Outcome Indicators:**

- Increased numbers of farmers in Guamuhaya and Cauto receive technical assistance on SLM practices (*P2 and P4 also contribute*)
- Fewer reports of violations of environmental regulations related to land degradation in Guamuhaya and Cauto (*P2 and P4 also contribute*).
- Increased numbers of farmers, livestock herders and forest resource users in Guamuhaya and Cauto adopt practices to counter land degradation (*P2 contributes to the water resource management target in Cauto*):
- Increase area in Guamuhaya and Cauto benefiting from SLM (*P2 also contributes in Cauto*)
- Reduced erosion rates in Guamuhaya and Cauto (*P2 also contributes in Cauto*):
- Forest ecosystems restored (with diverse structure) in Guamuhaya and Cauto
- Increased water use efficiency in Cauto (*P2 also contributes*)
- Increased yields of staple crops in Guamuhaya and Cauto (*P2 also contributes in Cauto*)
- Increased area of SLM (soil, water and forest resources) in pilot sites in Guamuhaya and Cauto

56. The project will also ensure that the target producers in the selected intervention areas have the technical capacities to apply the SLM practices that the financial incentive mechanisms are intended to support. This will entail outreach and preparation for the local-level and practical application of many of the country- and programme-wide regulations, incentives and information management skills developed in support of Outcome 1 (in support of Immediate Objective 1 of the CPP).

57. It will also include a series of hands-on training and extension events closely linked with pilot site demonstrations of technological solutions for addressing land degradation processes under different biogeographical and production scenarios. The development and ground-testing of technologies will pay close attention to addressing common key obstacles to SLM technology to date, including their high requirements of human, financial and physical resources and their vulnerability to failure in the event of extreme climatic events. In addition to being low-input in nature, the technologies will therefore normally have the capacity to withstand environmental shocks, for example by making provision for soil humidity conservation to ensure against the effects of drought, and by ensuring multi-storeyed rooting systems in order to protect against land slippage in the event of hurricanes.

58. The technical focus of ground level actions under this project will be on SLM for forest and livestock production. This corresponds with the overall CPP strategy that, as activities under the CPP are initiated at each successive intervention area, outreach and capacity strengthening for planning, decision making and regulatory systems within these will increasingly reflect the SLM needs for that area and thematic focus of the program. The focus of this project will complement those of Project 1, which placed particular emphasis on local capacities for mechanisms and enforcement of halting, preventing and restoring severely degraded ecosystems; and project 2, which emphasized sustainable management of water resources for agricultural production in different biogeophysical scenarios.

**Outputs**

**3.1 Programme developed and applied for training institutional actors and producers on SLM**

59. In order to ensure the sustainability and replicability of the SLM practices proposed, it is necessary not only to develop capacities for their application among the producers in question themselves, but also among the institutions that support them at local levels, especially those providing technical support. The project will invest in training extension agents in the technical aspects of the proposed SLM practices, and in the formulation and dissemination of manuals and extension materials for them to use when supporting producers. These technical recommendations will also be incorporated in the curricula of the training institutions that produce extension agents, in order further to contribute to sustainability and scaling up.

60. A training program will be developed and implemented addressing the technical aspects of the SLM practices proposed for the target areas, with a focus on livestock and forestry management in dry areas. This program will

include diverse approaches to technology development and transfer, ranging from classroom-style sessions to farmer experimentation and farmer-to-farmer technology transfer. The specific approaches to be applied will be tailored to the different production systems in question, and also to the different organizational and tenure models of the target audience: these will include individual farmers, cooperatives and State-owned enterprises, each of which will require differentiated strategies for capacity development. Especially in the case of producer organizations, attention will be given to institutionalizing their capacities for maintaining, updating and transferring knowledge to the organizations' members in a sustainable manner. Sustainability and outreach will further be promoted through the generation of a range of materials such as audiovisual presentations, radio programs, technical manuals and leaflets.

61. In complement to the training on production and land management proposed above, the project will also support awareness raising and planning for fire prevention and protection. This issue is of relevance to the general population as a whole, rather than solely the producers that will be the target of other forms of SLM support. The messages on fire prevention and protection (to be delivered through a range of media including posters, leaflets, community meetings and radio slots) will address aspects including the environmental, productive and social impacts of fires, as well as means of avoiding them (such as alternative approaches to pasture management) and for responding to them.

### **3.2 Spatial plans for pilot sites/farms developed by producers and their organizations with project support**

62. In order to provide a framework for the promotion of the specific land management practices that are proposed, in accordance with the integrated concept of SLM applied throughout the CPP, the project will support the target producers and their organizations in the formulation of spatial plans for their farms, which will help to ensure that their management practices are appropriately matched to spatial variations in site conditions and take into account spatial flows of environmental goods, services and impacts.

### **3.3 Tree nurseries in target municipalities established and managed with project support**

63. The project will provide initial investment support to the establishment and management of tree nurseries in the target areas, in order to accelerate the proposed reforestation activities. The establishment of the nurseries will be accompanied by technical support provided in collaboration with the State Forest Service, as well as plans providing for their institutional aspects of their management, development of production capacity (in accordance with planting projections), and their financial management. Although the nurseries will receive initial financial support through the project, in the longer term they will be reliably financed through alternative means including external incentive mechanisms and the sale of plants.

### **3.4 Menu of SLM options in the target areas validated and systematized**

64. The technical support to be provided to producers as proposed above will allow the initial technical proposals set out in Table 1 to be validated in the real conditions operating in the intervention areas. As the project progresses, these experiences will be systematized as a menu of validated SLM models, for dissemination as guidance to other land managers both within the target areas and elsewhere in the country faced with similar challenges. These guidance materials will constitute an important resource feeding into Project 4, which will focus on the scaling up of the models generated through the other projects.

#### Partnerships:

65. The Project will continue the close collaboration that has been developed to date with the BASAL Project (implemented by UNDP and funded by the European Union and Swiss Development Cooperation COSUDE), in the course of the CPP. BASAL shares demonstration areas with CPP Project 2, specifically in Guira de Melena; the two projects have undertaken joint consultancies, synergy workshops and environmental education activities, particularly in relation to good agricultural practices, focusing for example on conservation agriculture in rice and the use of satellite imagery to improve irrigation efficiency.

66. There will also be close collaboration and coordination with UNDP/GEF Project 4846 "A Landscape Approach to the Conservation of Threatened Mountain Ecosystems": the target areas of this Project have been selected in discussion with Project 4846, specifically in the case of the Guamuhaya massif, and the actions of this Project in the landscapes adjoining those of Project 4846 will contribute to the connectivity sought by that project. Collaboration will include the interchange of information, experiences and lessons learned, especially with regard to Guamuhaya where the two projects are adjacent to each other; the selection of resource management and production systems

will be coordinated between the two projects in order to maximize complementarity and compatibility and to optimize flows of environmental services and other benefits between the areas of the two projects; and interactions with local and regional institutions covering both of the projects' areas will be coordinated in order to maximize cost-effectiveness and consistency.

67. UNDP/GEF Project 9429 "Incorporating Multiple Environmental Considerations and their Economic Implications into the Management of Landscapes Forests and Production Sectors in Cuba" is of particular relevance to this project, given its common focus on financial instruments; discussions have been held regarding opportunities for collaboration, particularly with the scaling up of financial mechanisms across additional areas of the country.

Stakeholder engagement:

68. A list of principal stakeholders and their proposed engagement in the project is presented in Annex 5. The following is a summary of key actors.

***Local stakeholders***

69. There are a number of principal stakeholders among the beneficiary population of the project at local level, with different forms of relation with and dependence on natural resources, as follows:

- **Individual farmers** are present in all of the intervention areas. Typically they are highly dependent on their own resources and have a direct relation with natural resources through the exploitation of soil, water and forests, participate in the conservation of biological diversity (fauna and flora) and also in actions related to water and air pollution.
- **Cooperative members** are also present in all of the intervention areas. They tend to depend on their own resources but are covered by State benefits such as credits, insurance, social security and (in the case of State farm workers) salaries. Their vulnerability is similar to that of individual farmers in relation to their conditions of territoriality and sensibility to the conditions of their surroundings; however they are more protected due to the social nature of their property and the actions of the State. They also have a direct relation with natural resources through the exploitation of soil, water and forests; participate in the conservation of biological diversity (fauna and flora) and in the industrial or semi-industrial processing of agricultural products which are directly related to water and air pollution.
- **Leader farmers** are exposed to ecosystem vulnerability but however are capable of proposing, applying and multiplying their own or received initiatives. They have a well-developed capacity to bring other stakeholders together and have technical credibility, despite having limited economic resources for the multiplication of their actions and being faced by conditions of difficult access (montane and premontane), extreme climatic conditions and natural resource degradation.
- **Community leaders** tend to be highly exposed to ecosystem conditions in terms of access, climate and natural resource degradation. They have a well-developed capacity to bring other stakeholders together and have political credibility, despite having insufficient training to carry out certain technical roles. Their relationship with natural resources is indirect, as it affects the development of human and material resources for the appropriate exploitation of soils, water and forests and they are often faced with stakeholders with a limited capacity to understand impacts on natural resources.
- **Extension agents** are vulnerable to ecosystem conditions in relation to access, climate and natural resource degradation. They have technical credibility and capacity to demonstrate technologies despite having limited economic resources and the fact that at times the people they deal with have inadequate capacity to assimilate new technologies. Their relations with natural resources are indirect, but they have a high degree of influence on farmers in relation to sustainable resource use.

***Government counterparts***

70. The Ministry of Science, Technology and the Environment (CITMA) is responsible for national coordination of the CPP in all of its phases and projects. CITMA and other key governmental bodies (MINAG, INRH and MINCEX) are members of the **NSC** of the CPP, and thereby also have the opportunity to approve strategic interventions of the CPP, control the use of resources and approve reports and annual operational and financial plans. More

technical entities of the Government (e.g. the Directorate of International Collaboration, the Directorate of International Organizations of the Ministry of Foreign Trade and Investments, the Institute of Soils of MINAG, the National Institute of Sugar Cane Research of AZCUBA Enterprise Group (formerly the Ministry of Sugar MINAZ), the Center of Hygiene and Water Quality of INRH and the Physical Planning Institute are able to provide technical inputs through their participation in the Executive Group, whose role is also to supervise the general progress of CPP and the projects within it; review periodic financial plans and activities and reports and present them to the NSC for approval; control and monitor financial and administrative implementation of the CPP and its projects and be responsible for ensuring that they take into account the interest and concerns of local levels.

71. Within the specific context of this project, the following institutions will play particularly important roles:

- The Central Bank of Cuba (BCC), the Ministry of Finance and Prices and ONAT, in relation to decisions on the assignation of financial resources to SLM incentives, and the use of price and fiscal incentives.
- CITMA and MINAG (National Forestry Directorate), as administrators of FNMA, FONADEF and PNMCS
- The National Institute of Water Resources (INRH) in relation to water management issues

72. Key Government counterparts will also be involved through the Inception Workshop to be held shortly after project startup, where they will have the opportunity to participate in the validation of the project's logical framework and the preparation of its Annual Work plan and Budget. The Government's Executing Agency for the program AMA (Environmental Agency) of CITMA will participate in Annual Project Reviews/Tripartite Reviews.

73. At the local level, the principal actors in the two intervention areas of the project will include provincial delegations of CITMA, MINAG, INRH, IPF and AZCUBA, as well as scientific and academic institutions, will be involved as members of Local Coordination Teams.

Mainstreaming gender:

74. Cuba has favorable conditions with regard to gender equity; women participate strongly in social and productive areas, making up 50% of the labor force and 60% of technical personnel, including in the agricultural sector. In some areas, such as urban agriculture, women predominate. Nevertheless, the project will enhance women's participation in forest farms and cattle farms participating in pilot sites and intervention areas. Particular emphasis will be placed on engaging poor women and any who may currently be insufficiently included in resource management and in the distribution of corresponding benefits, and on monitoring the impacts of the project on them. Women have a particularly relevant participation in the forestry nurseries.

75. The project will be gender responsive: project actions and the SLM models promoted will comply with the provisions of the Forestry Sector Gender Strategy and will ensure the continued high level of participation of women in productive activities and decision-making roles.

## V. FEASIBILITY

### Cost efficiency and effectiveness:

76. Central pillar to the cost-effectiveness of the approach to SLM promoted by the project will be the use of financial instruments to “internalize” the costs of LD and the potential benefits of SLM, based on rigorous analyses that will ensure the best fit between the different options of instruments that are available and the diverse conditions to which they will be applied. As a result, the levels of investments used for incentives will be commensurate with the magnitude of the return expected in terms of economic, social and environmental benefits, and with the requirements of the land managers if they are to change their practices. The project will further promote efficiency through the formulation of procedures and capacities for the implementation of the mechanisms that minimize transaction costs, such as simplified yet clearly defined eligibility criteria and compliance monitoring provisions.

77. Cost-effectiveness will also be promoted by emphasis on low input, low cost technologies. Given the geopolitical and economic situation of recent years, Cuba has ample experience in devising innovative, low-cost solutions to its problems (for example, through the massive production of organic fertilizer based on urban, industrial and agricultural wastes as a substitute for imported inorganic fertilizer) and in maintaining and adapting equipment in order to obtain the maximum of use with the minimum of investment. These abilities will help to ensure that the maximum of impact is achieved with relatively limited GEF investment.

### Risk Management:

Project risks					
Description	Type	Impact & Probability	Mitigation Measures	Owner	Status
Decline in policy commitment to the use of economic incentives to support sustainable land management	Political	<b>Probability: 2</b> (commitment has been expressed at the highest political levels) <b>Impact: 4</b> (economic incentives are central to the logic of the project, and decisions on their use are highly dependent on central policy commitment)	Actions under Component 1 will focus on raising and maintaining awareness of the potential of economic instruments to generate and internalize environmental benefits of national and global importance Actions under Component 3 will demonstrate to policy makers the effectiveness of incentives in supporting the generation of nationally-important environmental benefits	CITMA, MEP	Reducing
The availability of financial resources for incentives may be affected by variations in the budgets of individual institutions	Financial	<b>Probability: 3</b> (the bases for Government revenue streams are increasingly diversified and buffered against external shocks) <b>Impact: 3</b> (the use of diversified incentive models, including public and private sources, gives room for flexibility and adaptation to fluctuations in individual sources)	Under Component 1 the project will ensure that a wide range of incentive models are available to producers in order to limit the implications of reductions in the availability of resources through any of them.	CITMA, MEP	Reducing
Producers’ receptivity to participating in	Operational	<b>Probability: 2</b> (openness at policy level to economic	Under Component 1, the project will invest in tailoring financial	CITMA, MINAG	Reducing

Project risks					
Description	Type	Impact & Probability	Mitigation Measures	Owner	Status
economic incentive schemes may be constrained by concerns over difficulties with compliance and administration, and conflicts between environmental and productive priorities		alternatives is largely reflected in the increasing diversity of technical and financial models applied by producers) <b>Impact: 4</b> (the application of the model is highly dependent on producer receptivity)	instruments to farmers' needs and conditions Under Component 3, the project will invest in developing awareness among farmers regarding the benefits of participating in incentive schemes, and the potential for compatibility between financial, productive and environmental benefits		
If inadequately carried out, the location of some proposed project activities within protected areas might result in increased pressure on PA values (SESP Risk 1).	Environmental	<b>Probability: 2</b> (project activities will be located in PAs but will have low probability of causing environmental impacts) <b>Impact: 4</b> (if environmental impacts do occur, they would affect environmental values of great global and local importance)	The proposed actions will be carried in full conformity with the management plans of the PAs in question, and under the close supervision of the National Centre for Protected Areas (CNAP)	CITMA, MINAG	Reducing
The project will involve plantation development and reforestation, with the potential to displace natural ecosystems and contribute to the spread of invasive species (SESP Risk 2)	Environmental	<b>Probability: 2</b> (plantation development and reforestation will occur but the probability of environmental impacts is low) <b>Impact: 4</b> (if natural ecosystems were displaced and invasive species spread increased, the environmental implications would be significant)	Native species will be used for plantation development and reforestation. Species selection, management practices and location will be in accordance with the protocols of the Forestry Directorate and in no cases will plantations be established in ecologically sensitive areas.	CITMA, MINAG	Reducing
Climate change exceeds the coping range of the proposed production systems so that the financial incentives are no longer sufficient to make them viable and attractive, and the undermines the relevance of the incentives by changing the flows of environmental costs and benefits on which their design was based.	Environmental	<b>Probability: 5</b> <b>Impact: 2</b> (CC would increase the importance and economic justification of protecting flows of environmental services through the use of incentives, but in some cases might undermine the ability of producers to pay back returnable incentives)	Under Component 1, CC resilience will be included as one of the criteria for eligibility to access incentive mechanisms Under Components 2 and 3, support by the project to capacities among producers and extension agents will include capacities for adaptive management of production systems in response to CC.	CITMA, MINAG	Increasing

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Social and environmental safeguards:

78. The principal social and environmental risks identified, and corresponding mitigation measures, are as follows:

- **Risk 1:** Two pilot sites are located in a protected area (Natural Protected Landscape "Hanabanilla"), and the intervention areas of the project coincide with the buffer zones of several PAs (e.g. Natural Protected Landscape "Aguacate-Boca de Carreras" and Fauna Reserva "Delta del Cauto"). **Mitigation:** the proposed actions will be carried in full conformity with the management plans of the PAs in question, and under the close supervision of the National Centre for Protected Areas (CNAP)
- **Risk 2:** The project will involve plantation development and reforestation. **Mitigation:** Native species will be used for plantation development and reforestation. **Mitigation:** species selection, management practices and location will be in accordance with the protocols of the Forestry Directorate and in no cases will plantations be established in ecologically sensitive areas.
- **Risk 3:** Cuba is in general highly exposed to climate change risks and these may in some cases exceed the coping range of the proposed production systems. **Mitigation:** The production practices to be promoted by the project and supported by the proposed financial mechanisms will incorporate provisions for resilience to climate change, including the use of high tree densities in cropping and livestock systems, and diverse canopy structures.

Sustainability and Scaling Up:

79. The core justification for the project will be increases in **environmental sustainability** in Cuba. As a result of the project, soil, forest and water resources throughout the country will be managed in ways which are in accordance with their long-term productivity and carrying capacity. This will be achieved through the promotion of technologies which minimize the negative impacts of land management on the condition of natural resources, such as soil conservation, efficient irrigation, integrated pest management and organic agriculture.

80. The **social sustainability** of the results of the project will be ensured by the following strategies:

- Promoting the development of awareness of the integrated nature of land degradation and sustainable land management issues, including social aspects. As a result, policies, plans and other support will better address social issues and be based on solid stakeholder analyses, and will therefore have a greater likelihood of acceptance among the target population and a reduced risk of unintended negative social impacts.
- Emphasizing the promotion of technologies which are tailored to the social and economic realities of the target population, having limited requirements for labor inputs, minimizing environmental risks and providing diverse products and services required in rural livelihoods.

81. The **financial sustainability** of the results of the project will be ensured by:

- The application of existing financial instruments to SLM, and the development and application of additional financing mechanisms which fairly reflect the externalities associated with LD and SLM, and which at the same time are tailored as closely as possible to existing conditions and capacities. Examples are schemes for the compensation of environmental services based on careful analysis of the flows of costs and benefits related to land management activities, and willingness to pay and transaction costs under alternative administrative models.
- Raising awareness on the part of decision makers and policy formulators in central Government regarding the medium and long term benefits of SLM and associated support systems such as mechanisms for monitoring and information flow, in terms of sustained agricultural productivity in the long term and reductions in the social costs associated with environmental vulnerability. As a result, it is hoped that the relatively modest budget required for the continuation of support to SLM and for the operation of monitoring systems will largely be met through a reallocation of central Government budget.

82. The **institutional sustainability** of the results of the project will be ensured by:

- The fact that all staff (managerial, technical and administrative) of the project and its constituent projects will be members of existing institutions under temporary secondment.
- The fact that the Project Implementation Unit of the project will be constituted by an existing institution (the Technical Unit for Desertification and Drought) which already has legal status, and from which the Project Director will also be drawn. The project will therefore not involve the creation of new institutional entities or the appointment of new staff but will be based on, and thereby strengthen, existing institutions and personnel.
- The breadth and depth of participation in project formulation and implementation by diverse stakeholder institutions, which will ensure that they assume full long term responsibility for supporting the proposed improvements to resource management practices, through the provision of ongoing technical and financial assistance, once project support is withdrawn.

## VI. PROJECT RESULTS FRAMEWORK

<b>This project will contribute to the following Sustainable Development Goal:</b> 2 (Zero Hunger), 15 (Life on Land)
<b>This project will contribute to the following country outcome included in the UNDAF/Country Programme Document:</b> Productive and services sectors strengthen the integration of environmental considerations, including energy and adaptation to climate change, into their development plans.
<b>This project will be linked to the following output of the UNDP Strategic Plan:</b> Output 1.3: Solutions developed at national and sub-national levels for sustainable management of natural resources, ecosystem services, chemicals and waste.

Vertical logic	Indicator	Baseline value		Mid-term Target		Target value		Assumptions
<b>Objective:</b> Increase availability and uptake of sustainable financing for SLM to incentivize integrated land management practices for the maintenance of essential ecosystem services.	O1. Number of producers <b>throughout Cuba</b> who have had direct benefit/support from at least one financing scheme	5,000 producers		20,000 producers		55,000 producers, of which at least 35% are women		Climate change does not exceed coping limits of the target production systems
	O2. Budget allocation to sustainable land management activities by local production entities <b>throughout Cuba</b> (cooperative farms, State Farms and Production Units) <sup>2</sup>	10,000 USD <sup>3</sup>		11,000 USD		12,500 USD		
<b>Outcome 1:</b> Mechanisms and capacities for sustainable financing consolidated at national level.	1.1 Level of budget allocated nationwide to sustainable land management activities	MINAG <sup>4</sup>	40,000,000	MINAG	44,000,000	MINAG	48,000,000	Continued policy commitment to the use of economic incentives to support sustainable land management
		AZCUBA <sup>5</sup>	8,000,000	AZCUBA	9,000,000	MINAZ	10,000,000	
		INRH	1,800,000	INRH	1,800,000	INRH	2,000,000	
		Total	49,800,000	Total	54,800,000	Total	60,000,000	
	1.2 Level of funding (USD) channeled from <u>existing</u> financing mechanisms to SLM nationwide <sup>6</sup>	FONADEF	144,000,000	FONADEF	181,000,000	FONADEF	200,000,000	
		FMA	375,600	FMA	500,000	FMA	100,000,000	
		Total	144,375,600	Total	181,500,000	Total	300,000,000	
	1.3 Level of funding channeled from <u>new</u> direct financing mechanisms to SLM nationwide				USD12,000,000		USD24,000,000	
	1.4 Levels of awareness in institutions at national level of the existence, objectives and functioning of the proposed financial mechanisms in support of SLM, and the application of the incentives and	Capacity indices to be defined and measured at project start		Capacity indices to be defined and target defined at project start		Capacity indices to be defined and target defined at project start		

<sup>2</sup> This indicator includes funds destined to the PNMCS, operated by MINAG, part of which is allocated to AZCUBA. This indicator comes from the results framework of the CPP programme document, and its baseline value corresponds to the funds allocated by FONADEF in support of productive activities. This baseline value will be confirmed at project start,

<sup>3</sup> USD1 is equal to CUP1

<sup>4</sup> The Forestry Directorate, and its SLM funding, is included in that of MINAG

<sup>5</sup> AZCUBA was formerly (at the time the CPP was formulated) the Ministry of Sugar MINAZ

<sup>6</sup> The baseline value for FONADEF was updated in 2016 from the figure originally stated in the CPP document, 10 years ago. The baseline value for FNMA corresponds to the amount assigned to a project developed in association with the National Association of Small Farmers (ANAP); the target is based on the inclusion of payments for environmental services based on water quality.

Vertical logic	Indicator	Baseline value		Mid-term Target		Target value		Assumptions
	procedural instruments							
<b>Outcome 2:</b> Sustainable funding mechanisms demonstrated and validated at local level	2.1 Number of producers in the Guamuhaya and Cauto intervention areas who have received direct benefits from at least one financing mechanism	Guamuhaya	71	Guamuhaya	650	Guamuhaya	1,404	Continued receptivity to economic incentives among producers
		Cauto	2	Cauto	700	Cauto	1,506	
		Total	83	Total	1350	Total	2,910	
	2.2 Level of budget assignation by local production entities in the Guamuhaya and Cauto intervention areas to activities in support of SLM	Guamuhaya	3,587,000	Guamuhaya	3,700,000	Guamuhaya	4,200,000	
Cauto		2,078 ,000	Cauto	2,300 ,000	Cauto	3,000 ,000		
Total		5,555,000	Total	6,000 ,000	Total	7,200,000		
	2.3 Increased knowledge and awareness among target institutions and their members at local level, regarding the application of financial instruments	Capacity indices to be defined and measured at project start		Capacity indices to be defined and target defined at project start		Capacity indices to be defined and target defined at project start		
<b>Outcome 3:</b> Producers with technical capacities to take advantage of financial support for applying SLM practices	3.1 Percentage of producers (men and women) in the Guamuhaya and Cauto intervention areas receiving technical assistance on SLM practices	Guamuhaya	10	Guamuhaya	50	Guamuhaya	80	
		Cauto	2	Cauto	40	Cauto	75	
	3.2 Number of producers (farmers/livestock herders/forest resource users) in the Guamuhaya and Cauto intervention areas adopting practices to counter land degradation	Grazing land management	150	Grazing land management	400	Grazing land management	1,000 (at least 35% women)	
		Forest resource management	200	Forest resource management	1500	Forest resource management	5,900 (at least 35% women)	
	3.3 Area in the Guamuhaya and Cauto intervention areas benefiting from sustainable land management	Agriculture	0ha	Agriculture	40.32 ha	Agriculture	40.32ha	
		Grazing	0ha	Grazing	1,000 ha	Grazing	2,000ha	
		Forestry	0ha	Forestry	1,000 ha	Forestry	2,000ha	
	3.4 Erosion rates (t/ha/year) in the Guamuhaya and Cauto intervention areas	Guamuhaya	To be determined	Guamuhaya	2% reduction	Guamuhaya	4% reduction	
		Cauto		Cauto	2% reduction	Cauto	4% reduction	
	3.5 Areas of forest ecosystems restored (as measured by area of forest with diverse structure) in Guamuhaya (Villa Clara) and Cauto intervention areas	Guamuhaya (Villa Clara)	2500ha	Guamuhaya (Villa Clara)	2,700ha	Guamuhaya (Villa Clara)	3,000ha	
		Cauto	10,000ha	Cauto	10,700ha	Cauto	12,000ha	
	3.6 Rainwater harvesting systems <sup>7</sup>	None		10		20		
3.7 Yield of milk in Guamuhaya and Cauto intervention areas	Cauto	1,300 l/ha/yr	Cauto	1,700 l/ha/yr	Cauto:	2,200 l/ha/yr		
	Villa Clara	1,300 l/ha/yr	Villa Clara	1,700 l/ha/yr	Villa Clara:	2,200 l/ha/yr		
3.8 Area of sustainable management of soil, water and forest resources in pilot	Agricultural lands	0ha	Agricultural lands	1 farm (330ha)	Agricultural lands	1 farm (330ha)		

<sup>7</sup> This indicator replaces the CPP indicator of “Water use efficiency measured by the volume of irrigation water used per ton of agricultural crops produced in Cauto intervention area”.

Vertical logic	Indicator	Baseline value		Mid-term Target		Target value		Assumptions
	sites <sup>8</sup>	Grazing lands	0ha	Grazing lands	1 farm (201ha)	Grazing lands	12 farms (393ha)	
		Forest lands	0ha	Forest lands	2 farms (337ha)	Forest lands	7 farms (644ha)	
	3.9 Increased knowledge of extension agents in technical aspects of proposed SLM practices	Capacity indices to be defined and measured at project start		Capacity indices to be defined and target defined at project start		Capacity indices to be defined and target defined at project start		

<sup>8</sup> Proposals of criteria for compliance with this indicator (“sustainable management of soil, water and forest resources”) will be defined by MINAG, together with responsibilities and procedures for its certification, will be elaborated for each kind of land in the first year of the project and tested in pilot sites of the project. It is expected to have four sites with some level of sustainable management. For the target value, 20 of the 34 pilot sites will be at some level of sustainable soil management.

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## VII. MONITORING AND EVALUATION (M&E) PLAN

83. The project results as outlined in the project results framework will be monitored annually and evaluated periodically during project implementation to ensure the project effectively achieves these results. Measurement of project results, together with learning and knowledge sharing, will be coordinated at Programme level with the support of CPP Project 5 (Coordination, Monitoring and Evaluation of the CPP).

84. Project-level monitoring and evaluation will be undertaken in compliance with UNDP requirements as outlined in the [UNDP POPP](#) and [UNDP Evaluation Policy](#). While these UNDP requirements are not outlined in this project document, the UNDP Country Office will work with the relevant project stakeholders to ensure UNDP M&E requirements are met in a timely fashion and to high quality standards. Additional mandatory GEF-specific M&E requirements (as outlined below) will be undertaken in accordance with the [GEF M&E policy](#) and other relevant GEF policies.

85. In addition to these mandatory UNDP and GEF M&E requirements, other M&E activities deemed necessary to support project-level adaptive management will be agreed during the Project Inception Workshop and will be detailed in the Inception Report. This will include the exact role of project target groups and other stakeholders in project M&E activities including the GEF Operational Focal Point and national/regional institutes assigned to undertake project monitoring. The GEF Operational Focal Point will strive to ensure consistency in the approach taken to the GEF-specific M&E requirements (notably the GEF Tracking Tools) across all GEF-financed projects in the country. This could be achieved for example by using one national institute to complete the GEF Tracking Tools for all GEF-financed projects in the country, including projects supported by other GEF Agencies.

### **M&E Oversight and monitoring responsibilities:**

86. **Project Manager:** The Project Manager is responsible for day-to-day project management and regular monitoring of project results and risks, including social and environmental risks. The Project Manager will ensure that all project staff maintain a high level of transparency, responsibility and accountability in M&E and reporting of project results. The Project Manager will inform the **NSC**, the UNDP Country Office and the UNDP-GEF RTA of any delays or difficulties as they arise during implementation so that appropriate support and corrective measures can be adopted.

87. The Project Manager will develop annual work plans based on the multi-year work plan included in Annex A, including annual output targets to support the efficient implementation of the project. The Project Manager will ensure that the standard UNDP and GEF M&E requirements are fulfilled to the highest quality. This includes, but is not limited to, ensuring the results framework indicators are monitored annually in time for evidence-based reporting in the GEF PIR, and that the monitoring of risks and the various plans/strategies developed to support project implementation (e.g. gender strategy, KM strategy etc..) occur on a regular basis.

88. **National Steering Committee:** The **NSC** will take corrective action as needed to ensure the project achieves the desired results. The **NSC** will hold project reviews to assess the performance of the project and appraise the Annual Work Plan for the following year. In the project's final year, the **NSC** will hold an end-of-project review to capture lessons learned and discuss opportunities for scaling up and to highlight project results and lessons learned with relevant audiences. This final review meeting will also discuss the findings outlined in the project terminal evaluation report and the management response.

89. **Project Implementing Partner:** The Implementing Partner is responsible for providing any and all required information and data necessary for timely, comprehensive and evidence-based project reporting, including results and financial data, as necessary and appropriate. The Implementing Partner will strive to ensure project-level M&E is undertaken by national institutes, and is aligned with national systems so that the data used by and generated by the project supports national systems.

90. **UNDP Country Office:** The UNDP Country Office will support the Project Manager as needed, including through annual supervision missions. The annual supervision missions will take place according to the schedule outlined in the annual work plan. Supervision mission reports will be circulated to the project team and **NSC** within one month of the mission. The UNDP Country Office will initiate and organize key GEF M&E activities including the

annual GEF PIR, the *independent mid-term review* and the independent terminal evaluation. The UNDP Country Office will also ensure that the standard UNDP and GEF M&E requirements are fulfilled to the highest quality.

91. The UNDP Country Office is responsible for complying with all UNDP project-level M&E requirements as outlined in the [UNDP POPP](#). This includes ensuring the UNDP Quality Assurance Assessment during implementation is undertaken annually; that annual targets at the output level are developed, and monitored and reported using UNDP corporate systems; the regular updating of the ATLAS risk log; and, the updating of the UNDP gender marker on an annual basis based on gender mainstreaming progress reported in the GEF PIR and the UNDP ROAR. Any quality concerns flagged during these M&E activities (e.g. annual GEF PIR quality assessment ratings) must be addressed by the UNDP Country Office and the Project Manager.

92. The UNDP Country Office will retain all M&E records for this project for up to seven years after project financial closure in order to support ex-post evaluations undertaken by the UNDP Independent Evaluation Office (IEO) and/or the GEF Independent Evaluation Office (IEO).

93. UNDP-GEF Unit: Additional M&E and implementation quality assurance and troubleshooting support will be provided by the UNDP-GEF Regional Technical Advisor and the UNDP-GEF Directorate as needed.

94. Audit: The project will be audited according to UNDP Financial Regulations and Rules and applicable audit policies on NIM implemented projects.

**Additional GEF monitoring and reporting requirements:**

95. Inception Workshop and Report: A project inception workshop will be held within two months after the project document has been signed by all relevant parties to, amongst others:

- a) Re-orient project stakeholders to the project strategy and discuss any changes in the overall context that influence project strategy and implementation;
- b) Discuss the roles and responsibilities of the project team, including reporting and communication lines and conflict resolution mechanisms;
- c) Review the results framework and finalize the indicators, means of verification and monitoring plan;
- d) Discuss reporting, monitoring and evaluation roles and responsibilities and finalize the M&E budget; identify national/regional institutes to be involved in project-level M&E; discuss the role of the GEF OFP in M&E;
- e) Update and review responsibilities for monitoring the various project plans and strategies, including the risk log; Environmental and Social Management Plan and other safeguard requirements; the gender strategy; the knowledge management strategy, and other relevant strategies;
- f) Review financial reporting procedures and mandatory requirements, and agree on the arrangements for the annual audit; and
- g) Plan and schedule **NSC** meetings and finalize the first year annual work plan.

96. The Project Manager will prepare the inception report no later than one month after the inception workshop. The inception report will be cleared by the UNDP Country Office and the UNDP-GEF Regional Technical Adviser, and will be approved by the **NSC**.

97. GEF Project Implementation Report (PIR): The Project Manager, the UNDP Country Office, and the UNDP-GEF Regional Technical Advisor will provide objective input to the annual GEF PIR covering the reporting period July (previous year) to June (current year) for each year of project implementation. The Project Manager will ensure that the indicators included in the project results framework are monitored annually in advance of the PIR submission deadline so that progress can be reported in the PIR. Any environmental and social risks and related management plans will be monitored regularly, and progress will be reported in the PIR.

98. The PIR submitted to the GEF will be shared with the **NSC**. The UNDP Country Office will coordinate the input of the GEF Operational Focal Point and other stakeholders to the PIR as appropriate. The quality rating of the previous year's PIR will be used to inform the preparation of the subsequent PIR.

99. Lessons learned and knowledge generation: Results from the project will be disseminated within and beyond the project intervention area through existing information sharing networks and forums. The project will identify and participate, as relevant and appropriate, in scientific, policy-based and/or any other networks, which may be

of benefit to the project. The project will identify, analyse and share lessons learned that might be beneficial to the design and implementation of similar projects and disseminate these lessons widely. There will be continuous information exchange between this project and other projects of similar focus in the same country, region and globally.

100. GEF Focal Area Tracking Tools: The GEF LD Tracking Tool will be used to monitor global environmental benefit results, as agreed with the UNDP-GEF Regional Technical Advisor. The baseline/CEO Endorsement GEF Focal Area Tracking Tool – submitted as Annex D to this project document – will be updated by the Project Manager/Team (not the evaluation consultants hired to undertake the *MTR* or the *TE*) and shared with *the mid-term review consultants* and terminal evaluation consultants before the required *review/evaluation* missions take place. The updated GEF Tracking Tool will be submitted to the GEF along with the completed *Mid-term Review report* and Terminal Evaluation report.

101. Independent Mid-term Review (MTR): Taking into account that MTRs are not mandatory for GEF-financed medium-sized projects, this exercise would be undertaken at the end of the second year of implementation, at the discretion of the **NSC**. The correspondence with the Evaluation Plans the rest of the Projects and the CPP would be taken into account. The MTR processed would begin after the second PIR has been submitted to the GEF, and the MTR report will be submitted to the GEF in the same year as the 3<sup>rd</sup> PIR. The MTR findings and responses outlined in the management response will be incorporated as recommendations for enhanced implementation during the final half of the project's duration. The terms of reference, the review process and the MTR report will follow the standard templates and guidance prepared by the UNDP IEO for GEF-financed projects available on the [UNDP Evaluation Resource Center \(ERC\)](#). As noted in this guidance, the evaluation will be 'independent, impartial and rigorous'. The consultants that will be hired to undertake the assignment will be independent from organizations that were involved in designing, executing or advising on the project to be evaluated. The GEF Operational Focal Point and other stakeholders will be involved and consulted during the terminal evaluation process. Additional quality assurance support is available from the UNDP-GEF Directorate. The final MTR report will be available in English and will be cleared by the UNDP Country Office and the UNDP-GEF Regional Technical Adviser, and approved by the **NSC**.

102. Terminal Evaluation (TE): An independent terminal evaluation (TE) will take place upon completion of all major project outputs and activities. The terminal evaluation process will begin three months before operational closure of the project allowing the evaluation mission to proceed while the project team is still in place, yet ensuring the project is close enough to completion for the evaluation team to reach conclusions on key aspects such as project sustainability. The Project Manager will remain on contract until the TE report and management response have been finalized. The terms of reference, the evaluation process and the final TE report will follow the standard templates and guidance prepared by the UNDP IEO for GEF-financed projects available on the [UNDP Evaluation Resource Center](#). As noted in this guidance, the evaluation will be 'independent, impartial and rigorous'. The consultants that will be hired to undertake the assignment will be independent from organizations that were involved in designing, executing or advising on the project to be evaluated. The GEF Operational Focal Point and other stakeholders will be involved and consulted during the terminal evaluation process. Additional quality assurance support is available from the UNDP-GEF Directorate. The final TE report will be cleared by the UNDP Country Office and the UNDP-GEF Regional Technical Adviser, and will be approved by the **NSC**. The TE report will be publically available in English on the UNDP ERC.

103. The UNDP Country Office will include the planned project terminal evaluation in the UNDP Country Office evaluation plan, and will upload the final terminal evaluation report in English and the corresponding management response to the UNDP Evaluation Resource Centre (ERC). Once uploaded to the ERC, the UNDP IEO will undertake a quality assessment and validate the findings and ratings in the TE report, and rate the quality of the TE report. The UNDP IEO assessment report will be sent to the GEF IEO along with the project terminal evaluation report.

104. Final Report: The project's terminal PIR along with the terminal evaluation (TE) report and corresponding management response will serve as the final project report package. The final project report package shall be discussed with the **NSC** during an end-of-project review meeting to discuss lesson learned and opportunities for scaling up.

## Mandatory GEF M&E Requirements and M&E Budget:

GEF M&E requirements	Primary responsibility	Indicative costs to be charged to the Project Budget <sup>9</sup> (US\$/CUP) <sup>10</sup>		Time frame
		GEF grant	Co-financing	
Inception Workshop	UNDP Country Office	USD 11,000	CUP 2,000	Within two months of project document signature
Inception Report	Project Manager	None	None	Within two weeks of inception workshop
Standard UNDP monitoring and reporting requirements as outlined in the UNDP POPP	UNDP Country Office	None	None	Quarterly, annually
Monitoring of indicators in project results framework	Project Manager	USD 4,000	CUP 4,000	Annually
GEF Project Implementation Report (PIR)	Project Manager and UNDP Country Office and UNDP-GEF team	None	None	Annually
NIM Audit as per UNDP audit policies	UNDP Country Office	USD 15,000	CUP 3,000	Annually or other frequency as per UNDP Audit policies
Lessons learned and knowledge generation	Project Manager	USD 15,000	CUP 5,000	Annually
Monitoring of environmental and social risks, and corresponding management plans as relevant	Project Manager UNDP CO	None	CUP 5,000	On-going
Addressing environmental and social grievances	Project Manager UNDP Country Office BPPS as needed	None for time of project manager, and UNDP CO	CUP 5,000	Costs associated with missions, workshops, BPPS expertise etc. can be charged to the project budget.
NSC meetings	NSC UNDP Country Office Project Manager	USD 2,000	None	At minimum annually
Supervision missions	UNDP Country Office	None <sup>11</sup>	CUP 30,000	Annually
Oversight missions	UNDP-GEF team	None <sup>11</sup>	CUP 20,000	Troubleshooting as needed
Knowledge management	Project Manager	Covered by CPP Project 1	Covered by CPP Project 1	On-going
GEF Secretariat learning missions/site visits	UNDP Country Office and Project Manager and UNDP-GEF team	None	None	To be determined.
Mid-term GEF Tracking Tool	Project Manager	USD 10,000	CUP 4,000	Before mid-term review mission takes place.
Independent Mid-term Review (MTR) and management response <sup>12</sup>	UNDP Country Office and Project team and	USD 21,000 (including	CUP 10,000	Between 2 <sup>nd</sup> and 3 <sup>rd</sup> PIR.

<sup>9</sup> Excluding project team staff time and UNDP staff time and travel expenses.

<sup>10</sup> 1 USD = 1 CUP

<sup>11</sup> The costs of UNDP Country Office and UNDP-GEF Unit's participation and time are charged to the GEF Agency Fee.

GEF M&E requirements	Primary responsibility	Indicative costs to be charged to the Project Budget <sup>9</sup> (US\$/CUP) <sup>10</sup>		Time frame
		GEF grant	Co-financing	
	<i>UNDP-GEF team</i>	travel)		
<b>Terminal GEF Tracking Tool</b>	Project Manager	USD 10,000	CUP 4,000	Before terminal evaluation mission takes place
<b>Independent Terminal Evaluation (TE) included in UNDP evaluation plan, and management response</b>	UNDP Country Office and Project team and UNDP-GEF team	USD 34,000 (including travel)	CUP 10,000	At least three months before operational closure
<i>Translation of MTR and TE reports into English</i>	<i>UNDP Country Office</i>	<i>Included in costs of MTR and FE above</i>	<i>Included in costs of MTR and FE above</i>	<i>As required. GEF will only accept reports in English.</i>
<b>TOTAL indicative COST</b> Excluding project team staff time, and UNDP staff and travel expenses		USD 122,000	CUP 102,000	

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<sup>12</sup> MTR will take place at the discretion of the **NSC**.

## VIII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

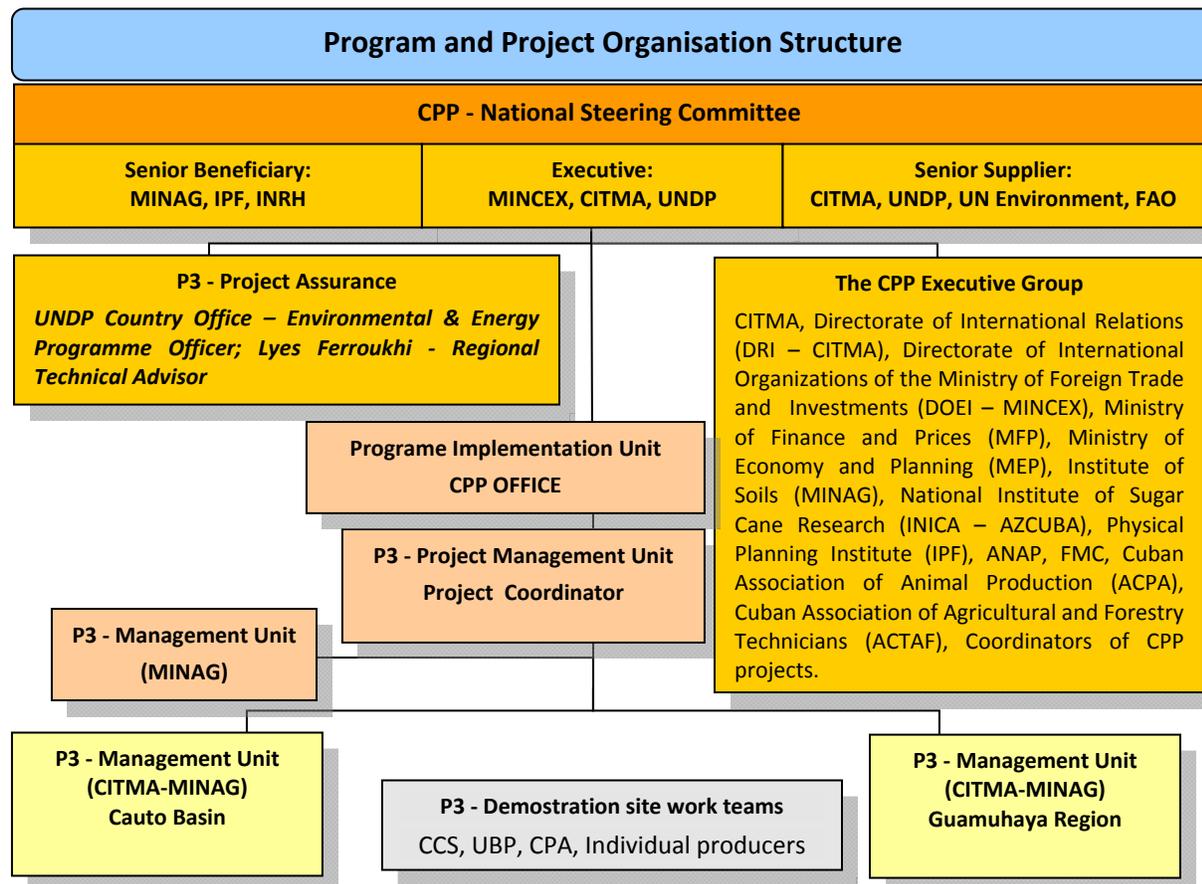
105. Roles and responsibilities of the project’s governance mechanism: The CPP Project 3 will be implemented following UNDP’s national implementation modality (**NIM**), according to the Standard Basic Assistance Agreement between UNDP and the Government of Cuba, and the Country Programme Document. According to this modality, the importing of goods and services required by the project will be ensured through the national entity(ies) identified by the **Implementing Partner (IP)**.

106. The **Ministry for Foreign Trade and Investments (MINCEX)** is the national public authority in charge of coordinating international cooperation in Cuba.

107. The **IP** for this project is the **Ministry of Science, Technology and the Environment (CITMA)**. The **CITMA** represents the GEF and UNCCD Focal Points in Cuba. **CITMA** is the National Coordinator of the GEF-CPP in all its projects. The **Environment Agency (AMA)** represents **CITMA** as National Coordinator of the CPP in all of its projects. The **IP** is responsible and accountable for managing this project, including the monitoring and evaluation of project interventions, achieving project outcomes, and for the effective use of UNDP resources. Also, the **IP** is responsible for: Approving and signing the multiyear workplan; Approving and signing the combined delivery report at the end of the year; and, Signing the financial report or the funding authorization and certificate of expenditures.

108. In keeping with GEF procedures, **UNDP** will be the **Implementing Agency (IA)** for the CPP Project 3. In this sense, UNDP will be responsible for project oversight, including the achievement of project results, financial execution and the submission of reports according to UNDP and GEF requirements. As agreed on in the CPP Document (approved by the GEF Council in 2005), **FAO** will act as the technical cooperation agency for the CPP project P3.

109. The **Project Organizational Structure** is as follows:



110. **National Steering Committee (NSC):** It will meet regularly at least one time a year and whenever else may be required. Amongst its roles, the **NSC** approves strategic interventions of the CPP and its constituent projects, control the use of resources and approves reports and annual operational and financial plans. Specific responsibilities of the NSC include:

- Provide overall guidance and direction to the project, ensuring it remains within any specified constraints;
- Address project issues as raised by the project manager;
- Provide guidance on new project risks, and agree on possible countermeasures and management actions to address specific risks;
- Agree on project manager's tolerances as required;
- Review the project progress, and provide direction and recommendations to ensure that the agreed deliverables are produced satisfactorily according to plans;
- Appraise the annual project implementation report, including the quality assessment rating report; make recommendations for the workplan;
- Provide ad hoc direction and advice for exceptional situations when the project manager's tolerances are exceeded; and
- Assess and decide to proceed on project changes through appropriate revisions.

The National Steering Committee will consist of the following members:

**The Executive:** In common with each of the other projects in the CPP, this project will be guided by a **NSC** jointly chaired by MINCEX, CITMA and UNDP. The Executive is ultimately responsible for the project, supported by the Senior Beneficiary and Senior Supplier. The Executive's role is to ensure that the project is focused throughout its life cycle on achieving its objectives and delivering outputs that will contribute to higher level outcomes. The Executive has to ensure that the project gives value for money, ensuring cost-conscious approach to the project, balancing the demands of beneficiary and supplier. Specific Responsibilities: (as part of the above responsibilities for the NSC):

- Ensure that there is a coherent project organisation structure and logical set of plans;
- Set tolerances in the AWP and other plans as required for the Project Manager;
- Monitor and control the progress of the project at a strategic level;
- Ensure that risks are being tracked and mitigated as effectively as possible;
- Brief relevant stakeholders about project progress;
- Organise and chair NSC meetings.

**The Senior Supplier (SS):** The SS will provide guidance regarding the technical feasibility of the project. This role will be filled by CITMA, UNDP, UN Environment and FAO. Specific Responsibilities (as part of the above responsibilities for the NSC):

- Make sure that progress towards the outputs remains consistent from the supplier perspective;
- Promote and maintain focus on the expected project output(s) from the point of view of supplier management;
- Ensure that the supplier resources required for the project are made available;
- Contribute supplier opinions on NSC decisions on whether to implement recommendations on proposed changes;
- Arbitrate on, and ensure resolution of, any supplier priority or resource conflicts.

**The Senior Beneficiary (SB):** The SB will represent the interests of those who will ultimately benefit from the project and ensure the realization of project results from the perspective of project beneficiaries. Ministry of Agriculture (MINAG), Physical Planning Institute (IPF) and National Water Resources Institute (INRH) will be represented on the NSC. The SB is responsible for validating the needs and for monitoring that the solution will meet those needs within the constraints of the project. The SS role monitors progress against targets and quality criteria. Specific Responsibilities (as part of the above responsibilities for the NSC):

- Prioritize and contribute beneficiaries' opinions on NSC decisions on whether to implement recommendations on proposed changes;
- Specification of the Beneficiary's needs is accurate, complete and unambiguous;
- Implementation of activities at all stages is monitored to ensure that they will meet the beneficiary's needs and are progressing towards that target;
- Impact of potential changes is evaluated from the beneficiary point of view;
- Risks to the beneficiaries are frequently monitored.

111. In addition to the members listed above, which are common to all CPP projects, a number of others of specific relevance to this project will also participate in the **NSC** meeting. The following institutions will be permanent guests to the **NSC** meetings: Ministry of Finance and Prices (MFP), Ministry of Economy and Planning (MEP), Central Bank of Cuba (BCC), National Statistic and Information Office, National Association of Small Farmers (ANAP), Cuban Women's Federation (FMC), technical coordinators of CPP projects, as well as other representatives of national or local entities as needed.

112. The **CPP Executive Group** is charged with supporting and advising the **NSC** in relation to the decisions to be adopted in the meetings. The CITMA will be the coordinator of the Executive Group. It is made up of technical representatives of MINCEX, MINAG, MFP, MES, AZCUBA, INRH, IPF, UNDP and FAO, as well of representatives of the ANAP and FMC. Its role is also to supervise the general progress of CPP and the projects within it; review periodic financial plans and activities and reports and present them to the NSC for approval; control and monitor financial and administrative implementation of the CPP and its projects and be responsible for ensuring that they take into account the interest and concerns of local levels.

113. **Project Manager (PM):** The PM has the authority to run the project on a day-to-day basis on behalf of the **NSC** within the constraints laid down by the Board. The PM is responsible for day-to-day management and decision-making for the project. The PM's prime responsibility is to ensure that the project produces the results specified in the project document, to the required standard of quality and within the specified constraints of time and cost.

The **IP** appoints the PM, who should be different from the Implementing Partner's representative in the **NSC**.

Specific responsibilities include:

- Provide direction and guidance to project team(s)/ responsible party (ies);
- Liaise with the **NSC** to assure the overall direction and integrity of the project;
- Identify and obtain any support and advice required for the management, planning and control of the project;
- Responsible for project administration;
- Plan the activities of the project and monitor progress against the project results framework and the approved annual workplan;
- Mobilize personnel, goods and services, training and micro-capital grants to initiative activities, including drafting terms of reference and work specifications, and overseeing all contractors' work;
- Monitor events as determined in the project monitoring schedule plan/timetable, and update the plan as required;
- Manage requests for the provision of financial resources by UNDP, through advance of funds, direct payments or reimbursement using the fund authorization and certificate of expenditures;
- Monitor financial resources and accounting to ensure the accuracy and reliability of financial reports;
- Be responsible for preparing and submitting financial reports to UNDP on a quarterly basis;
- Manage and monitor the project risks initially identified and submit new risks to the **NSC** for consideration and decision on possible actions if required; update the status of these risks by maintaining the project risks log;
- Capture lessons learned during project implementation;

- Prepare the annual workplan for the following year; and update the Atlas Project Management module if external access is made available;
- Prepare the GEF PIR and submit the final report to the **NSC**;
- Based on the GEF PIR and the **NSC** review, prepare the AWP for the following year;
- Ensure the mid-term review process is undertaken as per the UNDP guidance, and submit the final MTR report to the **NSC**;
- Identify follow-on actions and submit them for consideration to the **NSC**;
- Ensure the terminal evaluation process is undertaken as per the UNDP guidance, and submit the final TE report to the **NSC**.

114. **Project Assurance:** UNDP provides a three – tier supervision, oversight and quality assurance role – funded by the GEF agency fee – involving UNDP staff in Country Offices and at regional and headquarters levels. Project Assurance must be totally independent of the Project Management function. The quality assurance role supports the **NSC** and Project Management Unit by carrying out objective and independent project oversight and monitoring functions. This role ensures appropriate project management milestones are managed and completed. The **NSC** cannot delegate any of its quality assurance responsibilities to the Project Manager. This project oversight and quality assurance role is covered by the GEF Agency.

#### **Project management:**

115. The Director of the CPP will act as P3 **Project Director**. The CPP Project 3 implementation will be coordinated through a **Project Management Unit (PMU)**, led by a **Project Coordinator**. In order to ensure the correctly harmonized insertion of this project into the CPP as a whole, and its compliance with the overall goals of the CPP, the Project Coordinator will answer to the Director of the CPP. In addition, in each province a project coordination team will be established, directed by a **Province Coordinator** and made up of the principal actors in each area. These will include institutional representatives such as provincial delegations of CITMA, MINAG, INRH, IPF and AZCUBA, as well as scientific and academic institutions, and entities representing the interests of local stakeholders, namely the National Association of Small Farmers (ANAP), the Cuban Women’s Federation (FMC), the Cuban Association of Animal Production (ACPA) and the Cuban Association of Agricultural and Forestry Technicians (ACTAF). Concrete actions at local level to promote SLM in the demonstration sites will be carried out by **Demonstration Site Work Teams**, which will include local institutions and stakeholders such as community leaders, leader farmers, extension agents, researchers and local Government representatives. Additional mechanisms for ensuring the participation of specific local stakeholder groups will be defined in more detail for each of the intervention areas during the preparation phases of the projects which will work in each.

116. The **Provinces Coordinators**, together with their work teams, will be responsible for developing annual plans, for carrying out the activities which these specify, for monitoring and informing the operational staff of the project regarding impacts on the environment and for ensuring the efficient use of the material resources of the project in their area of influence. The close links between the PMU and the local teams at Intervention Area and Demonstration Site levels will be maintained through periodic visits to the intervention areas, technical and financial audits, scientific and technical activities, and the transmission of information and periodic joint meetings of the project team, which should be held twice a year. The constant interchange and flow of information, including the dissemination of activities carried out and of lessons learnt, will be made effective through a virtual network which will link the Local Coordination Teams, the PMU and key stakeholders.

117. **Governance role for project target groups:** Local stakeholders will be formally represented in project decision-making and planning structures through a number of organizations. The National Association of Small Farmers (ANAP) and the Cuban Women’s Federation (FMC) will both have representatives as permanent guests of the NSC, while ANAP, FMC, the Cuban Association of Animal Production (ACPA) and the Cuban Association of Agricultural and Forestry Technicians (ACTAF) will be members of the Executive Group of the CPP as a whole. In addition, community representatives and head of cooperatives will be members of the Local Coordination Teams (LCT) in the intervention areas of the project.

**UNDP Direct Project Services as requested by Government:**

118. The UNDP country office may provide, at the request of CITMA, the following support services for the activities of the project (see Mandatory Annex I for more detail):

- a) Procurement of goods and services;
- b) Finance transactions.
- c) Identification and facilitation of training activities

**Agreement on intellectual property rights and use of logo on the project's deliverables and disclosure of information:**

119. In order to accord proper acknowledgement to the GEF for providing grant funding, the GEF logo will appear together with the UNDP logo on all promotional materials, other written materials like publications developed by the project, and project hardware. Any citation on publications regarding projects funded by the GEF will also accord proper acknowledgement to the GEF. Information will be disclosed in accordance with relevant policies notably the UNDP Disclosure Policy<sup>13</sup> and the GEF policy on public involvement<sup>14</sup>.

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<sup>13</sup> See [http://www.undp.org/content/undp/en/home/operations/transparency/information\\_disclosurepolicy/](http://www.undp.org/content/undp/en/home/operations/transparency/information_disclosurepolicy/)

<sup>14</sup> See [https://www.thegef.org/gef/policies\\_guidelines](https://www.thegef.org/gef/policies_guidelines)

## IX. FINANCIAL PLANNING AND MANAGEMENT

105. The total cost of the project is USD 37,475,000. This is financed through a GEF grant of USD 1,425,000 USD 50,000 in cash co-financing to be administered by UNDP and USD 36,000,000 co-financing. UNDP, as the GEF Implementing Agency, is responsible for the execution of the GEF resources.

106. Co-financing: The actual realization of project co-financing will be monitored during the *mid-term review* and terminal evaluation process and will be reported to the GEF. The planned co-financing will be used as follows:

Co-financing source	Co-financing type	Co-financing amount (USD)	Planned Activities/Outputs	Risks	Risk Mitigation Measures
MINAG (Soils and Fertilizers Department)	Grant	12,000,000	-Financial support to land management activities through the PNMCS -Support to infrastructure, communication and general services to specialists working on the Project in the target provinces -Provision of territorial specialists participating in the project -Salaries of specialists carrying out capacity development and instruction activities -Continued support to soil, water and forest conservation polygons.	None	N/A
MINAG (Forestry and Wildlife Division)	Grant	24,000,000	-Financial support to forest management activities through FONADEF	None	N/A

107. Budget Revision and Tolerance: As per UNDP requirements outlined in the UNDP POPP, the **NSC** will agree on a budget tolerance level for each plan under the overall annual work plan allowing the project manager to expend up to the tolerance level beyond the approved project budget amount for the year without requiring a revision from the **NSC**. Should the following deviations occur, the Project Manager and UNDP Country Office will seek the approval of the UNDP-GEF team as these are considered major amendments by the GEF: a) Budget re-allocations among components in the project with amounts involving 10% of the total project grant or more; b) Introduction of new budget items/or components that exceed 5% of original GEF allocation.

108. Any over expenditure incurred beyond the available GEF grant amount will be absorbed by non-GEF resources.

109. Refund to Donor: Should a refund of unspent funds to the GEF be necessary, this will be managed directly by the UNDP-GEF Unit in New York.

110. Project Closure: Project closure will be conducted as per UNDP requirements outlined in the UNDP POPP.<sup>15</sup> On an exceptional basis only, a no-cost extension beyond the initial duration of the project will be sought from in-country UNDP colleagues and then the UNDP-GEF Executive Coordinator.

111. Operational completion: The project will be operationally completed when the last UNDP-financed inputs have been provided and the related activities have been completed. This includes the final clearance of the Terminal Evaluation Report (that will be available in English) and the corresponding management response, and the end-of-project review **NSC** meeting. The Implementing Partner through a **NSC** decision will notify the UNDP Country Office when operational closure has been completed. At this time, the relevant parties will have already

<sup>15</sup> see <https://info.undp.org/global/popp/ppm/Pages/Closing-a-Project.aspx>

agreed and confirmed in writing on the arrangements for the disposal of any equipment that is still the property of UNDP.

112. Financial completion: The project will be financially closed when the following conditions have been met: a) The project is operationally completed or has been cancelled; b) The Implementing Partner has reported all financial transactions to UNDP; c) UNDP has closed the accounts for the project; d) UNDP and the Implementing Partner have certified a final Combined Delivery Report (which serves as final budget revision).

113. The project will be financially completed within 12 months of operational closure or after the date of cancellation. Between operational and financial closure, the implementing partner will identify and settle all financial obligations and prepare a final expenditure report. The UNDP Country Office will send the final signed closure documents including confirmation of final cumulative expenditure and unspent balance to the UNDP-GEF Unit for confirmation before the project will be financially closed in Atlas by the UNDP Country Office.

## X. TOTAL BUDGET AND WORK PLAN

Total Budget and Work Plan			
Atlas Proposal or Award ID:	00085072	Atlas Primary Output Project ID:	00092843
Atlas Proposal or Award Title:	Financing Mechanisms in Sustainable Land Management		
Atlas Business Unit	CUB10		
Atlas Primary Output Project Title	SUSTAINAB FINANCING MECHANISMS		
UNDP-GEF PIMS No.	3807		
Implementing Partner	Ministry of Science, Technology and Environment		

GEF Component/Atlas Activity	Responsible Party/(Atlas Implementing Agent)	Fund ID	Donor Name	Atlas Budgetary Account Code	ATLAS Budget Description	Amount Year 1 (USD)	Amount Year 2 (USD)	Amount Year 3 (USD)	Amount Year 4 (USD)	Total (USD)	See Budget Note:
1: Mechanisms and capacities for sustainable financing consolidated at national level	CITMA	GEF	GEFTF	71200	International consultants	6,200	-			6,200	1
				71600	Travel	7,200	1,000	500		8,700	2
				72100	Contractual services	5,000	4,900	3,000		12,900	3
				72400	Communication and audiovisual equipment	-	2,200			2,200	4
				72500	Supplies	6,000	1,920			7,920	5
				73400	Rental and maintenance of other equipment	6,000	5,800	1,020	5,880	18,700	6
				74200	Audiovisual and print costs	6,000	8,500		5,500	20,000	7
				75700	Training	6,500	5,000	7,100		18,600	8
<b>GEF sub-total Outcome 1</b>						<b>42,900</b>	<b>29,320</b>	<b>11,620</b>	<b>11,380</b>	<b>95,220</b>	
2: Sustainable funding mechanisms demonstrated and validated at local level	CITMA	GEF	GEFTF	71600	Travel	10,000	10,000	10,000	6,200	36,200	9
				72500	Supplies	5,000	4,500	3,500		13,000	10
				73400	Rental and maintenance of other equipment	4,500	3,700	2,500	1,400	12,100	11
				74200	Audiovisual and print costs	-	6,400			6,400	12
				75700	Training	6,100	6,800	6,800	7,500	27,200	13
<b>GEF sub-total Outcome 2</b>						<b>25,600</b>	<b>31,400</b>	<b>22,800</b>	<b>15,100</b>	<b>94,900</b>	
3: Producers with technical capacities to take advantage of financial support for applying SLM practices	CITMA	GEF	GEFTF	71200	International consultants	12,500	12,500	5,000		30,000	14
				71600	Travel	28,000	20,300	20,900	20,500	89,700	15
				72100	Contractual services	25,000	20,000	20,000	18,000	83,000	16
				72200	Equipment and furniture	273,000	40,000	22,000	-	335,000	17
				72300	Materials and goods	81,100	82,300	59,820	29,400	252,620	18
				72400	Communication and audiovisual equipment	10,300	6,000	8,500	8,600	33,400	19
				72500	Supplies	500	0	500	0	1,000	20
				72800	Information technology equipment	55,300	40,000	29,700		125,000	21
				73400	Rental and maintenance of other equipment	14,250	4,000	5,000	2,500	25,750	22
				74200	Audiovisual and print costs	10,000	15,000	12,000	10,000	47,000	23
				74500	Miscellaneous	9,750	11,000	11,000	11,000	42,750	24
75700	Training	20,000	20,000	12,000		52,000	25				
<b>GEF sub-total Outcome 3</b>						<b>539,700</b>	<b>271,100</b>	<b>206,420</b>	<b>100,000</b>	<b>1,117,220</b>	

GEF Component/Atlas Activity	Responsible Party/(Atlas Implementing Agent)	Fund ID	Donor Name	Atlas Budgetary Account Code	ATLAS Budget Description	Amount Year 1 (USD)	Amount Year 2 (USD)	Amount Year 3 (USD)	Amount Year 4 (USD)	Total (USD)	See Budget Note:
Project Management	CITMA	GEF	GEFTF	71200	International consultants		20,000		30,000	50,000	26
				71600	Travel		3,000	3,000		6,000	27
				72100	Contractual services	750		750		1,500	28
				72400	Communication and audiovisual equipment	2,200	4,500	1,800	1,500	10,000	29
				72500	Supplies		1,080	1,080		2,160	30
				73400	Rental and maintenance of other equipment	1,000	3,000	3,000	3,000	10,000	31
				74100	Professional services		5,000	5,000	5,000	15,000	32
	74200	Audiovisual and print costs		2,500		2,500	5,000	33			
	UNDP	GEF	GEFTF	74596	Direct Project Costs	3,000	6,200	6,800	2,000	18,000	34
<b>GEF sub-total project management</b>						<b>6,950</b>	<b>45,280</b>	<b>21,430</b>	<b>44,000</b>	<b>117,660</b>	
<b>Project Total</b>						<b>615,150</b>	<b>377,100</b>	<b>262,270</b>	<b>170,480</b>	<b>1,425,000</b>	

**Summary of Funds:**

	Amount Year 1	Amount Year 2	Amount Year 3	Amount Year 4	Total
<b>GEF</b>	615,150	377,100	262,270	170,480	<b>1,425,000</b>
<b>UNDP</b>	21,584	13,232	9,202	5,982	<b>50,000</b>
<b>Government</b>	9,000,000	9,000,000	9,000,000	9,000,000	<b>36,000,000</b>
<b>TOTAL</b>	<b>9,636,734</b>	<b>9,390,332</b>	<b>9,271,472</b>	<b>9,176,462</b>	<b>37,475,000</b>

**Budget summary by category**

Atlas Budgetary Account Code	ATLAS Budget Description	Amount (USD)
71200	International consultants	86,200
71600	Travel	140,600
72100	Contractual services	97,400
72200	Equip and furniture	335,000
72300	Materials and goods	252,620
72400	Communication and audiovisual equipment	45,600
72500	Supplies	24,080
72800	Information technology equipment	125,000
73400	Rental and maintenance of other equipment	66,550
74100	Professional services	15,000
74200	Audiovisual and print costs	78,400
74500	Miscellaneous	42,750
74596	DPC	18,000
75700	Training	97,800
	<b>Total</b>	<b>1,425,000</b>

**Budget notes:**

#	Atlas Code	Total per budget note	Amount per item	Explanation
1	71200 International consultants	6,200	6,200	Consultancy on the application of incentives for SLM, in support of Output 1.1 (Strategy documents for the definition and application of SLM incentives)
2	71600 Travel	8,700	2,000	International Travel for international consultant on the application of incentives for SLM, in support of Output 1.1
			1,500	Domestic travel to four provinces for coordinators and specialists in support of the implementation of SLM certification under Output 1.3 (Improved regulatory and technical instruments for certifying compliance with conditions for incentive mechanisms)
			1,200	Domestic travel for coordinators and specialists involved in training, guidance and awareness-raising programs (Output 1.4)
			1,000	Travel costs for consultancy for mid-term external evaluation
			3,000	Travel costs of consultancy for final external evaluation
3	72100 Contractual services	12,900	2,000	Compilation of information on existing financing mechanisms (Output 1.1)
			10,900	Logistical support for working meetings with specialists in national institutions for the definition and application of incentives for SLM (Output 1.1), the updating and modification of administrative provisions for existing financing mechanisms in favour of SLM (Output 1.2) and with national institutions responsible for financing mechanisms (Output 1.3), and for awareness raising campaigns (Output 1.4)
4	72400 Communications and audiovisual equipment	2,200	2,200	Mobile telephone services to allow communication between project coordinators and provinces in support of outputs under Component 1
5	72500 Supplies	7,920	7,920	Office supplies (paper, toner etc.) in support of outputs under Component 1
6	73400 Rental and maintenance of other equipment	18,700	18,700	Maintenance and running costs of vehicles in support of outputs under Component 1
7	74200 Audiovisual and print costs	20,000	12,000	Editing and printing of manual of procedures for financial mechanisms and leaflets on individual financing mechanisms (Output 1.1)
			5,000	Design and printing of documents for the definition of incentives for SLM (Output 1.1)
			3,000	Design and printing of leaflets etc. in support of Output 1.2
8	75700 Training	18,600	2,500	Training and dissemination workshop on compilation and integration of information on financial mechanisms (Output 1.1)
			2,000	Workshop for definition and dissemination of procedures for SLM certification (Output 1.3)
			14,100	National dissemination workshops on SLM financing mechanisms (Output 1.3)
<b>Total C1</b>			<b>95,220</b>	
9	71600 Travel	36,200	36,200	National travel for decision-makers, coordinators and specialists to provinces to participate in provincial and municipal dissemination workshops (Output 2.1), awareness raising campaigns (Output 2.2) and training workshops

#	Atlas Code	Total per budget note	Amount per item	Explanation
				(Output 2.3)
10	72500 Supplies	13,000	13,000	Office supplies (paper, toner etc.) in support of outputs under Component 2
11	73400 Rental and maintenance of other equipment	12,100	12,100	Maintenance and running costs of vehicles in support of outputs under Component 2
12	74200 Audiovisual and print costs	6,400	6,400	Production of dissemination and awareness raising materials in support of Outputs 2.2 and 2.3
13	75700 Training	27,200	8,500	Provincial and municipal level workshops for development of procedures for access to financial mechanisms (Output 2.1)
			8,500	Training workshops for institutional actors on financing mechanisms at local level (Output 2.2)
			10,200	Training workshops for producers on financing mechanisms at local level (Output 2.2)
<b>Total C2</b>			<b>94,900</b>	
14	71200 International consultants	30,000	30,000	Consultancies on SLM issues (conversion from conventional systems to agroecological management, ecological restoration in livestock settings, functional biodiversity in agroforestry and agrosylvopastoral systems, agroecological practices for recovering degraded and eroded hillsides, CC impacts and vulnerability of conventional systems (6 consultancies of 7 days @ USD400 fees and USD219 DSA (Output 3.1)
15	71600 Travel	89,700	68,000	Travel costs of project personnel, specialists, technicians and producers for participating in events, training and exchanges of experiences with similar projects with the object of disseminating project results and knowledge on new technologies (Output 3.1)
			10,000	International and domestic travel costs for international consultancies on SLM issues (Output 3.1)
			1,500	Travel for extension agents to attend training workshops (Output 3.1)
			2,000	Travel costs for project specialists to take extension system to producers (Output 3.1)
			5,200	Travel costs to pilot sites to carry out diagnostic studies for the preparation of spatial plans for each site, and apply the plans (Output 3.2)
			1,000	Travel costs for selection of planting material for natural forests (Output 3.3)
16	72100 Contractual services	83,000	20,000	Logistical support services for field visits to carry out diagnostic studies for the preparation of spatial plans for each site, and apply the plans (Output 3.2)
			13,000	Logistical support services for site visits to carry out inventories and monitoring of biodiversity during the Project life (at least 8 visits per year to each site for the monitoring of BD indicators) (Output 3.4)
			50,000	Transport services to support procurement processes
17	72200 Equipment and furniture	335,000	60,000	2 Vehicles to strengthen the operational capacities of the extension and support institutions participating in the promotion of SLM (Output 3.1)
			60,000	Equipment (irrigation systems, windmills, solar panels, forage machines) and agricultural tools for producers for the application of SLM (Output 3.1)

#	Atlas Code	Total per budget note	Amount per item	Explanation
			80,000	Creation and strengthening of 3 training centres, including furniture, audiovisual equipment etc. (Output 3.1)
			40,000	Equipment for biodiversity inventories and monitoring (soil hygrometer, berlese apparatus, Garmin GPS) (Output 3.4)
			50,000	Rainwater harvesting systems (Output 3.4)
			45,000	Strengthening of forrage conservation system for dry season (manual silage machine) (Output 3.4)
18	72300 Materials and goods	252,620	105,540	Agricultural materials and inputs for institutional actors supporting SLM practices (Output 3.1)
			67,540	Agricultural materials and inputs for farmers carrying out SLM practices (Output 3.1)
			30,000	Fire fighting equipment (Output 3.1)
			30,540	Nursery materials (Output 3.3)
			10,500	Materials for establishment of sylvopastoral systems, live fences, and increase and improvement of pastures (e.g. machetes, files, barbed wire, worm culture materials, spades, carts, lamps, shears, hoses, plastic tanks, saddles) (Output 3.4)
			8,500	Materials for biodigesters to process organic residues (Output 3.4)
19	72400 Communication and audiovisual equipment	33,400	33,400	Cameras, projectors, screens and TVs for extension agencies to carry out training activities on SLM (Output 3.1)
20	72500 Supplies	1,000	1,000	Office supplies (Output 3.2)
21	72800 Information technology equipment	125,000	125,000	Information equipment (computers, monitors, printers, backups, scanners) for extensión agencies and training centres (Output 3.1)
22	73400 Rental and maintenance of other equipment	25,750	25,750	Maintenance and running costs of vehicles in support of outputs under Component 3
23	74200 Audiovisual and print costs	47,000	47,000	Editing and printing of extension, awareness raising and dissemination materials (Output 3.1 and 3.4)
24	74500 Miscellaneous	42,750	42,750	Contingency resources for the replacement of vehicles as may be necessary in response to unforeseen circumstances.
25	75700 Training	52,000	47,000	Training and systematization workshops for extension agents and producers (Outputs 3.1)
			5,000	Training on fire protection (Output 3.1)
<b>Total C3</b>			<b>1,117,220</b>	
26	71200 International consultants	50,000	20,000	Consultancy for mid-term external evaluation <sup>16</sup>
			30,000	Consultancy for final external evaluation
27	71600 Travel	6,000	6,000	Internal travel costs for national coordination office

<sup>16</sup> MTR will take place at the discretion of the NSC

#	Atlas Code	Total per budget note	Amount per item	Explanation
28	72100 Contractual services	1,500	1,500	Support to the national coordination office
29	72400 Communication and audiovisual equipment	10,000	10,000	Communication equipment for publications and dissemination in the national coordination office
30	72500 Supplies	2,160	2,160	Office supplies for the national coordination office
31	73400 Rental and maintenance of other equipment	10,000	10,000	Maintenance and running costs of vehicles for project coordination
32	74100 Professional services	15,000	15,000	External financial audits
33	74200 Audiovisual and print costs	5,000	5,000	Dissemination and communication materials for the national coordination office
34	74596 Direct Project Services	18,000	18,000	Estimated UNDP Direct Project Cost recovery charges to UNDP for executing services. In accordance with GEF Council requirements, the costs of these services will be part of the executing entity's Project Management Cost allocation identified in the project budget. DPC will be charged at the end of each year based on the UNDP Universal Price List (UPL) or the actual corresponding service cost. The amounts here are estimations based on the services indicated, however as part of annual project operational planning the DPS to be requested during the calendar year will be defined and the amount included in the yearly project management budgets and will be charged based on actual services provided at the end of that year.
<b>Total PMC</b>			<b>117,660</b>	
<b>Total</b>			<b>1,425,000</b>	

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## **XI. LEGAL CONTEXT**

114. This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of Cuba and UNDP, signed on May 17, 1975. All references in the SBAA to “Executing Agency” shall be deemed to refer to “Implementing Partner.”

115. This project will be implemented by the Ministry of Science, Technology and Environment (“Implementing Partner”) in accordance with its financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. Where the financial governance of an Implementing Partner does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, the financial governance of UNDP shall apply.

## XII. MANDATORY ANNEXES

### A. Multi Year Work Plan:

Outputs	Tasks	Responsible Party	Year 1				Year 2				Year 3				Year 4			
			1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Inception workshop			X															
Formulation of monitoring plan			X															
Measurement of outstanding baseline values			X	X	X													
Updating and organization of indicator values in preparation for external review								X	X									
Mid Term Review										X								
Updating and organization of indicator values in preparation for external review															X	X		
Final evaluation																		X
Financial audits						X			X				X					X
1.1 Manual of existing financial mechanisms and procedures for accessing them	Review of existing information, consultation with relevant institutions		X	X	X													
	Drafting and dissemination of manual			X	X	X	X											
1.2 Strategy documents for the definition and application of SLM incentives	Studies of potential beneficiary populations for incentive mechanisms, surveys of willingness and ability to pay, analysis of transaction costs, definition and negotiation of proposals			X	X	X												
	Drafting and dissemination of strategy documents				X	X	X	X										
1.3 Modified administrative provisions for existing financing mechanisms, in favour of SLM	Collaborative generation of proposals			X	X	X												
	Drafting and dissemination of proposals						X	X										
1.4 National carbon finance mechanism	Collaborative generation of proposals			X	X	X												
	Drafting and dissemination of proposals						X	X										
1.5 Scheme for Payment for Environmental Services (PES) based on water quality	Collaborative generation of proposals			X	X	X												
	Drafting and dissemination of proposals						X	X										
1.6 Mechanisms for the provision of credit under favorable conditions for SLM practices	Collaborative generation of proposals			X	X	X												
	Drafting and dissemination of proposals						X	X										
1.7 Concessions on duty paid on	Collaborative generation of proposals			X	X	X												

Outputs	Tasks	Responsible Party	Year 1				Year 2				Year 3				Year 4			
			1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
equipment and inputs for SLM	Drafting and dissemination of proposals						X	X										
1.8 Improved procedures and conditions for insurance of producers practising SLM	Collaborative generation of proposals				X	X												
	Drafting and dissemination of proposals						X	X										
1.9 Differential pricing mechanisms for crops produced in accordance with SLM principles	Collaborative generation of proposals			X	X	X												
	Drafting and dissemination of proposals						X	X										
1.10 Improved regulatory and technical instruments for certifying compliance with conditions for incentive mechanisms	Collaborative generation of proposals			X	X	X												
	Drafting and dissemination of proposals						X	X										
1.11 Training, guidance and awareness-raising programs	Detailed awareness-raising and capacity development needs assessments		X	X	X													
	Development of awareness-raising and capacity development programme and tools			X	X	X												
	Delivery of awareness-raising and capacity development programme				X	X	X	X	X	X	X	X	X	X	X	X	X	X
	Ongoing effectiveness monitoring and review					X	X	X	X	X	X	X	X	X	X	X	X	X
2.1 Mechanisms and procedures at local level for the application of incentives	Collaborative generation of proposals					X	X	X										
	Drafting and dissemination of proposals						X	X	X	X	X	X	X	X	X	X	X	X
2.2. Training, guidance and awareness raising programmes for institutional actors	Detailed awareness-raising and capacity development needs assessments		X	X	X													
	Development of awareness-raising and capacity development programme and tools			X	X	X												
	Delivery of awareness-raising and capacity development programme				X	X	X	X	X	X	X	X	X	X	X	X	X	X
	Ongoing effectiveness monitoring and review					X	X	X	X	X	X	X	X	X	X	X	X	X
2.3. Programmes for developing capacities and awareness among producers for obtaining and applying SLM incentives	Detailed awareness-raising and capacity development needs assessments		X	X	X													
	Development of awareness-raising and capacity development programme and tools			X	X	X												
	Delivery of awareness-raising and capacity development programme				X	X	X	X	X	X	X	X	X	X	X	X	X	X

Outputs	Tasks	Responsible Party	Year 1				Year 2				Year 3				Year 4			
			1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
	Ongoing effectiveness monitoring and review					X	X	X	X	X	X	X	X	X	X	X	X	X
3.1 Programme, materials and instruments for training of institutional actors on SLM	Detailed capacity development needs assessments		X	X	X													
	Development of capacity development programme and tools			X	X	X												
	Delivery of capacity development programme				X	X	X	X	X	X	X	X	X	X	X	X	X	X
	Ongoing effectiveness monitoring and review					X	X	X	X	X	X	X	X	X	X	X	X	X
3.2 Programme, materials and facilities for training producers on SLM	Detailed capacity development needs assessments		X	X	X													
	Participatory definition of SLM approaches to be promoted in pilot sites			X	X	X												
	Development of training programme and tools			X	X	X												
	Procurement of materials for pilots				X	X												
	Establishment and management of pilots					X	X	X	X	X	X	X	X	X	X	X	X	
	Training activities in pilot sites						X	X	X	X	X	X	X	X	X	X	X	X
3.3 Awareness raising plan for fire protection	Awareness assessments		X	X	X													
	Formulation of awareness raising plan and materials				X	X	X											
	Awareness raising activities					X	X	X	X	X	X	X	X	X	X	X	X	X
3.4 Spatial plans for pilot sites	Participatory development of spatial plans				X	X	X											
3.5 Tree nurseries in target municipalities	Participatory planning and design of nurseries				X	X												
	Establishment and management of nurseries						X	X	X	X	X	X	X	X	X	X	X	X
3.6 Validated, systematized and replicable models for SLM options in the target areas	Monitoring and systematization of experiences with SLM models												X	X	X	X	X	X
	Elaboration and dissemination of models												X	X	X	X	X	X

**B. Monitoring Plan: The Project Manager will collect results data according to the following monitoring plan**

Monitoring	Indicators	Description	Data source/ Collection Methods	Frequency	Responsible for data collection	Means of verification	Assumptions and Risks
<b>Objective:</b> Producers nationally take advantage of financial mechanisms in support of SLM	O1	Number of farmers <b>throughout Cuba</b> who have had direct benefit/support from at least one financing scheme	Registers of beneficiaries maintained by financing schemes (FONADEF, PNCMS, FNMA etc.)	Annual	Directorate of Forestry, Flora and Wildlife, Soils Institute, CITMA	Email requests for information to Forestry and Wildlife Directorate, Soils Institute, CITMA	None
	O2	Budget allocation to sustainable land management activities by production entities <b>throughout Cuba</b> (cooperative farms, State Firms and Production Units)	Budget records of production entities	Annual	MINAG	Email requests for information to MINAG	Producers maintain and share budget records
<b>Outcome 1:</b> Mechanisms and capacities for sustainable financing consolidated at national level	1.1	Level of budget allocated nationwide to sustainable land management activities	Budget records of MINAG, AZCUBA, Forestry and Wildlife Directorate and INRH	Annual	MINAG, AZCUBA, Forestry and Wildlife Directorate and INRH	Email requests for information to MINAG, AZCUBA, Forestry and Wildlife Directorate and INRH	None
	1.2	Level of funding (USD) channeled from <u>existing</u> financing mechanisms to SLM nationwide	Registers of disbursements of FONADEF and FNMA	Annual	Forestry and Wildlife Directorate and CITMA	Email requests to Forestry and Wildlife Directorate and CITMA	None
	1.3	Level of funding channeled from <u>new</u> financing mechanisms to SLM nationwide	Registers of disbursements of direct incentives, favourable credit, duty exemptions, insurance incentives etc.	Annual	CITMA, MINAG, BCC, ONAT	Email requests for information to CITMA, MINAG, BCC, ONAT	None
<b>Outcome 2:</b> Sustainable funding mechanisms demonstrated and	2.1	Number of producers in the Guamuha and Cauto intervention areas who have received direct benefits from at least one financing	Registers of disbursements of direct incentives, favourable credit, duty exemptions, insurance incentives etc.	Annual	CITMA, MINAG, BCC, ONAT	Email requests for information to CITMA, MINAG, BCC, ONAT	None

Monitoring	Indicators	Description	Data source/ Collection Methods	Frequency	Responsible for data collection	Means of verification	Assumptions and Risks
validated at local level		mechanism					
	2.2	Level of budget assignation by local production entities in the Guamuhaya and Cauto intervention areas to activities in support of SLM	Budget records of local production entities	Annual	MINAG	Email requests for information to MINAG	Producers maintain and share budget records
<b>Outcome 3:</b> Producers with technical capacities to take advantage of financial support for applying SLM practices	3.1	Percentage of farmers in the Guamuhaya and Cauto intervention areas receiving technical assistance on SLM practices	Registers of technical assistance programmes, validated by interviews with farmers	Annual	MINAG	Email requests for information to MINAG	None
	3.2	Number of reports of violations of environmental regulations related to land degradation in the Guamuhaya and Cauto intervention areas.	Registers of Forest Guard Corps and MINAG	Annual	Forest Guard Corps and MINAG	Email requests for information to Forest Guard Corps and MINAG	None
	3.3	Number of producers (farmers/livestock herders/forest resource users) in the Guamuhaya and Cauto intervention areas adopting practices to counter land degradation	Registers of producers, validated through farm inspections	Annual	Institute of Soils, AZCUBA, INRH, MINAG, Forestry and Wildlife Directorate	Email requests for information to Institute of Soils, AZCUBA, INRH, MINAG, Forestry and Wildlife Directorate	Producers maintain and communicate reliable records of SLM practices
	3.4	Numbers of hectares in the Guamuhaya and Cauto intervention areas benefiting from sustainable land management	Registers of producers, validated through farm inspections	Annual	Institute of Soils, AZCUBA, INRH, MINAG, Forestry and Wildlife Directorate	Email requests for information to Institute of Soils, AZCUBA, INRH, MINAG, Forestry and Wildlife Directorate	Producers maintain and communicate reliable records of SLM practices
	3.5	Erosion rates in the Guamuhaya and Cauto intervention areas			Institute of Soils		
	3.6	Areas of forest ecosystems	Registers of producers	Annual	Forestry and	Email requests for	Producers

Monitoring	Indicators	Description	Data source/ Collection Methods	Frequency	Responsible for data collection	Means of verification	Assumptions and Risks
		restored (as measured by area of forest with diverse structure) in Guamuhaya and Cauto intervention areas	and Forestry and Wildlife Directorate		Wildlife Directorate	information to Forestry and Wildlife Directorate	maintain and communicate reliable records of restoration activities
	3.7	Water use efficiency as measured by the volume of irrigation water used per ton of agricultural crops produced in Cauto intervention area (m <sup>3</sup> /t)	Registers of producers validated through farm inspections	Annual	INRH	Email requests for information to INRH	Producers maintain and communicate reliable records of water use
	3.8	Yield of staple crops in Guamuhaya and Cauto intervention areas	Registers of producers, validated through farm inspections	Annual	MINAG	Email requests for information to MINAG	Producers maintain and communicate reliable records of crop yields
	3.9	Area of sustainable management of soil, water and forest resources in pilot sites	Registers of producers validated through farm inspections	Annual	Institute of Soils, AZCUBA, INRH, MINAG, Forestry and Wildlife Directorate, and Livestock Directorate	Email requests for information to Institute of Soils, AZCUBA, INRH, MINAG, Forestry and Wildlife Directorate	Producers maintain and communicate reliable records of SLM practices

### C. Evaluation Plan

<b>Evaluation Title</b>	<b>Planned start date Month/year</b>	<b>Planned end date Month/year</b>	<b>Included in the Country Office Evaluation Plan</b>	<b>Budget for consultants</b>	<b>Travel</b>	<b>Budget for translation</b>
<b>Mid Term Review</b> <sup>17</sup>	<i>Project month 24</i>		Yes	20,000	1,000	Included in consultant budget
<b>Terminal Evaluation</b>	<i>3 months before operation closure</i>	<i>Add date: To be submitted to GEF within three months of operational closure</i>	Yes	30,000	3,000	Included in consultant budget
<b>Total evaluation budget</b>				USD 54,000		

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<sup>17</sup> MTR will take place at the discretion of the **NSC**.

D. GEF Tracking Tool (s) at baseline

	<b>Land Degradation Focal Area - Portfolio Monitoring and Tracking Tool (PMAT) - GEF-6</b>
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**PROJECT IDENTIFICATION**

<b>1. Project Title</b>	Sustainable Financing Mechanisms/SLM in dry land forest and cattle ranching areas
<b>2. GEF ID:</b>	9301
<b>3. Project Implementation Period (Indicate: starting and ending dates)</b>	48 months; dates TBD
<b>4. PMAT Completion Date</b>	
a. Submission of CEO Endorsement/Approval Document	22-mar-17
b. Annual submission (specify year) – TO BE LINKED TO PIR	N/A
c. Submission at Project Closure (specify year)	N/A
<b>5. Person Responsible for Completing the PMAT (Indicate Name, Position, Institution):</b>	
<b>6. Scale of Project - Refer to Guidelines for definition and check (x) only the most appropriate.</b>	
a. Global	
b. Regional	
c. Sub regional/ Transboundary	
d. National	x
e. Sub national - district, provincial	
f. Site - landscape, watershed/catchment, river basin (specify)	



PART I – PROJECT CONTEXT

1. Agro-ecological context – Characterization of area in which project is located & Land Degradation Problem				
1.a	What agroecological zone(s) is the project situated? Select the most appropriate from the drop down menu.	Semi-arid	Select	
1.b	What production system(s) will the project target? Please provide an estimated coverage of the area targeted.			
	i. Agriculture (including food crop, tree crop, and crop-livestock)	40.32	Hectares	
	ii. Rangeland	N/A	Hectares	
	iii. Pastoral	2000	Hectares	
	iv. Forestry	2000	Hectares	
	v. Mixed Systems	N/A	Hectares	
	TOTAL area of production systems targeted	4040.32	Hectares	
1.c	What is the extent of land degradation within the project boundary? <b>To be confirmed during the first year of the project.</b>			
	i. Agriculture (including food crop, tree crop, and crop-livestock)	2121.45	Hectares	
	ii. Rangeland	N/A	Hectares	
	iii. Pastoral	N/A	Hectares	
	iv. Forestry	N/A	Hectares	
	v. Mixed Systems	N/A	Hectares	
1.d	What is the nature of land degradation to be addressed directly? Please refer to guidelines and check (X) only the most relevant and provide			
	i. Loss of vegetative cover	X		
	ii. Degradation of vegetation (biomass, health, damage, age structure)	X		
	iii. Degradation of soil properties (chemical, physical and biological)	X		
	iv. Soil loss by wind / water erosion	X		Tons/ Hectare
	v. Loss of land by soil deposits and moving sand dunes	N/A		
	vi. Loss of above-ground carbon	N/A		Tons/ Hectare
	vii. Loss of soil carbon	N/A		Tons/ Hectare
	viii. Declining land productivity - based on Net Primary Productivity measure	N/A		Kg C/ha/year
	ix. Loss of biodiversity characterized at habitat level - based on Biodiversity Intactness Index	X		Index
	x. Loss of biodiversity characterized at species level	X		
	xi. Increase in invasive, harmful or less useful species	X		
	xii. Loss/reduced water supply (surface and ground water)	N/A		
	xiii. Loss/reduced water quality (surface and ground water)	N/A		
	xiv. Lowering of groundwater table / reduced aquifer	N/A		
	xv. Loss of wetlands and their functions	N/A		
	xvi. Increased extent and severity of flood, drought, storm damage	X		
2. Socio-economic context - Characterization of affected communities and populations				
2.a.	Number of affected people within the project boundary			
	Male	3200	Number	
	Female	3700	Number	
2.b.	Average annual household income of affected population within the project boundary			
	i. Average annual household income from crop and livestock production	N/A	US\$	
	ii. Average annual household income from forest and tree products <b>(To be determined during the first year of the project)</b>		US\$	
	iii. Annual household income from PES schemes		US\$	



PART II – GLOBAL ENVIRONMENTAL BENEFITS & DEVELOPMENT BENEFITS

3. Measurable global environmental benefits in the targeted project area (Targets relative to baseline at CEO endorsement stage; Actual values at MTR & TE)		
a. Land cover		
i. Vegetative cover (natural & cultivated cover such as forest, shrubs, herbaceous, incl. crops)	1120	Hectares
b. Avoided emissions		
i. Carbon stocks	7	Tons/Hectare
ii. Other GHG gases	N/A	Tons CO <sub>2</sub> e/ Ha
c. Carbon sequestration		
i. Above ground biomass (total increase in tCO <sub>2</sub> e in target farms/total area of target)	7	Tons CO <sub>2</sub> e/ Ha
ii. Soil Carbon (To be determined during the project implementation at mid-term)		Tons CO <sub>2</sub> e/ Ha
4. Development benefits in the targeted project area (Baseline at CEO endorsement stage; Actual values at MTR & TE)		
i. Average annual household income from crop and livestock production	N/A	US\$
ii. Average annual household income from forest and tree products	0	US\$
iii. Annual household income from PES schemes		US\$



**PART III – PROJECT OUTCOMES AND DLDD ADVOCACY**

Outcome Monitoring (Baseline at CEO endorsement stage; Actual values at MTR & TE)						
LDFA Objectives and Outcomes		Indicators and Measures			Notes/Units	
<b>LD1 – Ecosystem services in production landscapes (agriculture, rangeland) - PROGRAM 1 &amp; PROGRAM 2</b>						
i. Improved agricultural, rangeland and pastoral management		Land area under effective agricultural, rangeland and pastoral mgmt practices and/or supporting climate-smart agriculture			Hectare	
ii. Functionality and cover of agro-ecosystems maintained		Land area under effective management in production systems with improved vegetative cover			Hectare	
iii. Increased investments in SLM		Value of resources flowing to SLM from divers sources (incl. climate change adaptation and mitigation)			US Dollar	
<b>LD2 – Ecosystem services in forest landscapes - PROGRAM 3</b>						
i. Support mechanisms for forest landscape management and restoration established		Types of (innovative) mechanisms, institutions, legal and regulatory frameworks to support SFM and restoration			Types	
		Number of (innovative) mechanisms			Number	
ii. Improved forest management and/or restoration		Land area under sustainable forest management and/or restoration practices			Hectare	
iii. Increased investments in SFM and restoration		Value of resources flowing to SFM from divers sources (e.g. PES, small credit schemes, voluntary carbon market)			US Dollar	
<b>LD3 – SLM in wider landscapes (integrated management) - PROGRAM 4</b>						
i. Support mechanisms for SLM in wider landscapes established		Demonstration results strengthening cross-sector integration of SLM			1 regional development plan for whole area, 1 municipality has municipal territorial land use plan, 9 municipalities with micro-watershed management plans  Number of demonstrations	
ii. Integrated landscape management practices adopted by local communities		Application of INRM practices in the wider landscape			3147  Hectare	
iii. Increased investments in integrated landscape management		Increased resources flowing to INRM and other land uses from diverse sources			189,826,900  US Dollar	
<b>LD4 – Adaptive management and SLM learning - PROGRAM 5</b>						
i. SLM mainstreamed in development investments and value chains across multiple scales		Increased investments in SLM			US Dollar	
ii. Innovative mechanisms for multi-stakeholder planning and investment in SLM at scale		Type of mechanisms, institutions, legal and regulatory frameworks			Types	
		Number of innovative mechanisms			Number	
<b>DLDD advocacy, awareness raising and education</b>						
a. Number and size of information events organized on the subject of desertification, land degradation and drought (DLDD) and/or DLDD synergies with climate change and biodiversity, and audience reached by media addressing DLDD and DLDD synergies						
i. Number of events	No. of national events		No. of regional events		No. of global events	
ii. Qualitative assessment (provide info as needed on type and size of events)						

## **E. Terms of Reference for key project staff**

The Ministry of Science, Technology and Environment (CITMA) is designated by the government as the lead institution of the Country Program Partnership (CPP) for sustainable land management (SLM) and, in conjunction with the Ministry of Overseas Investment, will represent the government of Cuba for the adoption of any decisions required, in its name. This lead institution will be represented by the CPP Director, who will be named by CITMA. The other elements of the direction will be: national project coordinators (5), and local coordinators for intervention areas (6) for the capacity development components of the project as required. The salaries of all project staff members will be funded by the Government of Cuba.

### **National Project Coordinator**

- To elaborate, control and be responsible for the integrated development of the Project, including the establishment and functioning of work groups, and coordination with the participation of all key stakeholders;
- To ensure that previously defined local interests are incorporated into the project, and that counterparts at this level participate in an effective and opportune matter;
- To report on and be accountable for technical and financial execution according to defined timeframes, and to evaluate progress, extracting from each stage corresponding lessons learnt;
- To produce work plans and reports of progress and to be responsible for the information which is generated;
- To select, direct and control the activities of personnel linked to the execution of the projects.
- To establish a mechanism for monitoring and evaluation, which will include the development and implementation of an automatic system, training of personnel in its use, and the establishment, development and maintenance of its databases;
- To define parameters, indicators and points of reference to measure the impact of the project, which will be validated and complemented by more specific indicators at the level of the Project and between the other projects of the CPP; To produce training plans and propose documents to be promoted and disseminated in relation to the expected products;
- To organise and participate in periodic field trips to the intervention areas of the project.
- To oversee the result evaluation teams;
- To be responsible for the technical resources made available for the development of Project activities and to give account periodically for their condition.

### **Local coordinators**

- To coordinate the integrated planning and execution of the Project at local level and to link the national and local teams;
- To guide and supervise the actions of the project in each of the demonstration sites of the intervention areas;
- To convene local entities and actors for their participation and the opportune and efficient management of the project, in both vertical and horizontal dimensions;
- To monitor, evaluate and periodically validate the implementation of the project at this level
- To organise, control and emit information generated by the Project at local level and to be accountable to authorised entities.
- To participate with the central team of the Project, in the definition of objectives, goals, stakeholders, beneficiaries, synergies and antagonisms out to evaluate local barriers;
- To register, control, oversee, administer and guarantee the appropriate use and conservation of the material resources of the project;
- To arrange the divulgation and creation of capacities, within the context of local integrated development;
- To identify and proponed actions for scaling up at the different levels foreseen;
- To produce documents for divulgation and promotion
- To propose actions for the training and awareness raising of local stakeholders
- To facilitate audits and project control procedures at this level;

- To control Project expenditures and local contributions to the activities of the Project, and to mobilize additional local funds
- To generate initiatives to stimulate local stakeholders in the implementation of SLM activities.

#### **Administrative personnel**

- To participate in the elaboration of budgets and corresponding co-financing
- To develop plans for financial execution, closely linked to financing and co-financing entities, as well as mandatory budget reviews
- To coordinate the acquisition of resources and services for the project;
- To control the location and use of resources and equipment, as well as its conservation, maintenance and protection;
- To control the financial execution of the project, based on the models established for this purpose by the GEF execution agencies;
- To admit periodic information on the state of execution of the project, for the corresponding entities.

#### **Qualifications**

##### **For posts at direction level, the following conditions should be applied:**

- Experience in international projects, preferably GEF;
- Familiarity with the topic of sustainable land management within the context of current agricultural policy
- Proven managerial abilities;
- Proven capacities for the coordination and planning of the CPP and its projects;
- Proven technical capacities and knowledge of the important local sites selected for the execution of the Projects, as well as experience in sustainable land management.
- Proven general knowledge of sustainable land management in the country, its trends, weaknesses and threats to its application and institutional mainstreaming, and policies related to economic trends in Cuba.

## F. UNDP Social and Environmental Screening (SES)

### Project Information

<b>Project Information</b>	
1. Project Title	Sustainable Financing Mechanisms/SLM in dry land forest and cattle ranching areas
2. Project Number	UNDP-GEF PIMS No. 3807
3. Location (Global/Region/Country)	Cuba

### Part A. Integrating Overarching Principles to Strengthen Social and Environmental Sustainability

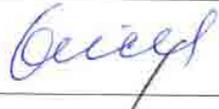
<b>QUESTION 1: How Does the Project Integrate the Overarching Principles in order to Strengthen Social and Environmental Sustainability?</b>
<b><i>Briefly describe in the space below how the Project mainstreams the human-rights based approach</i></b>
The project will contribute to the social welfare and financial security of the target population by ensuring that they have access to sustainable financial mechanisms capable of providing equitable incentives and compensation for the application by them of production systems that generate environmental goods and services.
<b><i>Briefly describe in the space below how the Project is likely to improve gender equality and women’s empowerment</i></b>
The national policies context is very favourable to the empowerment of women and gender equality. The project will be gender responsive: all of its capacity development activities will be specifically tailored to the needs of women, and women will be fully represented in project-related decision-making structures, including the participation of the Cuban Women’s Federation in the Project Steering Committee as permanent guest. As a result, at least 35% of those receiving improved support from financing mechanisms and applying improved SLM practices will be women (reflecting the proportional participation of women in the sector as a whole).
<b><i>Briefly describe in the space below how the Project mainstreams environmental sustainability</i></b>
Environmental sustainability will be the basic criterion for producers’ access to the financial mechanisms to be promoted by the project, and the project will develop technical capacities among producers to incorporate principles of environmental sustainability into their production systems. The project contribute to Outcome 31 of Cuban Country Programme: “Productive and services sectors strengthen the integration of environmental considerations, including energy and adaptation to climate change, into their development plans”. Also, this project support the Cuba compliance its engagements with Multilateral Environmental Agreement (MEA) such as United Nations to Combat Desertification and Drought (UNCCD).

## Part B. Identifying and Managing Social and Environmental Risks

QUESTION 2: What are the Potential Social and Environmental Risks?	QUESTION 3: What is the level of significance of the potential social and environmental risks?			QUESTION 6: What social and environmental assessment and management measures have been conducted and/or are required to address potential risks (for Risks with Moderate and High Significance)?
Risk Description	Impact and Probability (1-5)	Significance (Low, Moderate, High)	Comments	Description of assessment and management measures as reflected in the Project design. If ESIA or SESA is required note that the assessment should consider all potential impacts and risks.
Risk 1: Project activities proposed within protected areas.	I = 1 P = 5	Low	Two pilot sites are located in a protected area (Natural Protected Landscape "Hanabanilla"), and the intervention areas of the project coincide with the buffer zones of several PAs (e.g. Natural Protected Landscape "Aguacate-Boca de Carreras" and Fauna Reserva "Delta del Cauto").	The proposed actions will be carried in full conformity with the management plans of the PAs in question, and under the close supervision of the National Centre for Protected Areas (CNAP)
Risk 2: The project will involve plantation development and reforestation.	I = 1 P = 5	Low	The project will involve plantation development and reforestation, with the potential to displace natural ecosystems and contribute to the spread of invasive species.	Native species will be used for plantation development and reforestation. Species selection, management practices and location will be in accordance with the protocols of the Forestry Directorate and in no cases will plantations be established in ecologically sensitive areas.
Risk 3: The potential outcomes of the project could be sensitive or vulnerable to potential impacts of climate change.	I = 2 P = 2	Low	Cuba is in general highly exposed to climate change risks and these may in some cases exceed the coping range of the proposed production systems.	The production practices to be promoted by the project and supported by the proposed financial mechanisms will incorporate provisions for resilience to climate change, including the use of high tree densities in cropping and livestock systems, and diverse canopy structures.
	<b>QUESTION 4: What is the overall Project risk categorization?</b>			
	<b>Select one (see <a href="#">SESP</a> for guidance)</b>			<b>Comments</b>
	<i>Low Risk</i>	<input checked="" type="checkbox"/>		
	<i>Moderate Risk</i>	<input type="checkbox"/>		

	<i>High Risk</i>	<input type="checkbox"/>	
	<b>QUESTION 5: Based on the identified risks and risk categorization, what requirements of the SES are relevant?</b>		
	Check all that apply		<b>Comments</b>
	<i>Principle 1: Human Rights</i>	<input type="checkbox"/>	
	<i>Principle 2: Gender Equality and Women's Empowerment</i>	<input type="checkbox"/>	
	<i>1. Biodiversity Conservation and Natural Resource Management</i>	<input checked="" type="checkbox"/>	
	<i>2. Climate Change Mitigation and Adaptation</i>	<input checked="" type="checkbox"/>	
	<i>3. Community Health, Safety and Working Conditions</i>	<input type="checkbox"/>	
	<i>4. Cultural Heritage</i>	<input type="checkbox"/>	
	<i>5. Displacement and Resettlement</i>	<input type="checkbox"/>	
	<i>6. Indigenous Peoples</i>	<input type="checkbox"/>	
	<i>7. Pollution Prevention and Resource Efficiency</i>	<input type="checkbox"/>	

Final Sign Off

<i>Signature</i>	<i>Date</i>	<i>Description</i>
QA Assessor 	October 6, 2017	UNDP staff member responsible for the Project, typically a UNDP Programme Officer. Final signature confirms they have "checked" to ensure that the SESP is adequately conducted.
QA Approver 	13/11/17	UNDP senior manager, typically the UNDP Deputy Country Director (DCD), Country Director (CD), Deputy Resident Representative (DRR), or Resident Representative (RR). The QA Approver cannot also be the QA Assessor. Final signature confirms they have "cleared" the SESP prior to submittal to the PAC.
PAC Chair 	9-11-17	UNDP chair of the PAC. In some cases PAC Chair may also be the QA Approver. Final signature confirms that the SESP was considered as part of the project appraisal and considered in recommendations of the PAC.

## SESP Attachment 1. Social and Environmental Risk Screening Checklist

<b>Checklist Potential Social and Environmental Risks</b>		
<b>Principles 1: Human Rights</b>		<b>Answer (Yes/No)</b>
1.	Could the Project lead to adverse impacts on enjoyment of the human rights (civil, political, economic, social or cultural) of the affected population and particularly of marginalized groups?	No
2.	Is there a likelihood that the Project would have inequitable or discriminatory adverse impacts on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups? <sup>18</sup>	No
3.	Could the Project potentially restrict availability, quality of and access to resources or basic services, in particular to marginalized individuals or groups?	No
4.	Is there a likelihood that the Project would exclude any potentially affected stakeholders, in particular marginalized groups, from fully participating in decisions that may affect them?	No
5.	Is there a risk that duty-bearers do not have the capacity to meet their obligations in the Project?	No
6.	Is there a risk that rights-holders do not have the capacity to claim their rights?	No
7.	Have local communities or individuals, given the opportunity, raised human rights concerns regarding the Project during the stakeholder engagement process?	No
8.	Is there a risk that the Project would exacerbate conflicts among and/or the risk of violence to project-affected communities and individuals?	No
<b>Principle 2: Gender Equality and Women's Empowerment</b>		
1.	Is there a likelihood that the proposed Project would have adverse impacts on gender equality and/or the situation of women and girls?	No
2.	Would the Project potentially reproduce discriminations against women based on gender, especially regarding participation in design and implementation or access to opportunities and benefits?	No
3.	Have women's groups/leaders raised gender equality concerns regarding the Project during the stakeholder engagement process and has this been included in the overall Project proposal and in the risk assessment?	No
4.	Would the Project potentially limit women's ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing environmental goods and services?  <i>For example, activities that could lead to natural resources degradation or depletion in communities who depend on these resources for their livelihoods and well being</i>	No
<b>Principle 3: Environmental Sustainability:</b> Screening questions regarding environmental risks are encompassed by the specific Standard-related questions below		
<b>Standard 1: Biodiversity Conservation and Sustainable Natural Resource Management</b>		
1.1	Would the Project potentially cause adverse impacts to habitats (e.g. modified, natural, and critical	No

<sup>18</sup> Prohibited grounds of discrimination include race, ethnicity, gender, age, language, disability, sexual orientation, religion, political or other opinion, national or social or geographical origin, property, birth or other status including as an indigenous person or as a member of a minority. References to "women and men" or similar is understood to include women and men, boys and girls, and other groups discriminated against based on their gender identities, such as transgender people and transsexuals.

	habitats) and/or ecosystems and ecosystem services? <i>For example, through habitat loss, conversion or degradation, fragmentation, hydrological changes</i>	
1.2	Are any Project activities proposed within or adjacent to critical habitats and/or environmentally sensitive areas, including legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities?	Yes
1.3	Does the Project involve changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods? (Note: if restrictions and/or limitations of access to lands would apply, refer to Standard 5)	No
1.4	Would Project activities pose risks to endangered species?	No
1.5	Would the Project pose a risk of introducing invasive alien species?	No
1.6	Does the Project involve harvesting of natural forests, plantation development, or reforestation?	Yes
1.7	Does the Project involve the production and/or harvesting of fish populations or other aquatic species?	No
1.8	Does the Project involve significant extraction, diversion or containment of surface or ground water? <i>For example, construction of dams, reservoirs, river basin developments, groundwater extraction</i>	No
1.9	Does the Project involve utilization of genetic resources? (e.g. collection and/or harvesting, commercial development)	No
1.10	Would the Project generate potential adverse transboundary or global environmental concerns?	No
1.11	Would the Project result in secondary or consequential development activities which could lead to adverse social and environmental effects, or would it generate cumulative impacts with other known existing or planned activities in the area?  <i>For example, a new road through forested lands will generate direct environmental and social impacts (e.g. felling of trees, earthworks, potential relocation of inhabitants). The new road may also facilitate encroachment on lands by illegal settlers or generate unplanned commercial development along the route, potentially in sensitive areas. These are indirect, secondary, or induced impacts that need to be considered. Also, if similar developments in the same forested area are planned, then cumulative impacts of multiple activities (even if not part of the same Project) need to be considered.</i>	No
<b>Standard 2: Climate Change Mitigation and Adaptation</b>		
2.1	Will the proposed Project result in significant <sup>19</sup> greenhouse gas emissions or may exacerbate climate change?	No
2.2	Would the potential outcomes of the Project be sensitive or vulnerable to potential impacts of climate change?	Yes
2.3	Is the proposed Project likely to directly or indirectly increase social and environmental vulnerability to climate change now or in the future (also known as maladaptive practices)?  <i>For example, changes to land use planning may encourage further development of floodplains, potentially increasing the population's vulnerability to climate change, specifically flooding</i>	No
<b>Standard 3: Community Health, Safety and Working Conditions</b>		
3.1	Would elements of Project construction, operation, or decommissioning pose potential safety risks to local communities?	No
3.2	Would the Project pose potential risks to community health and safety due to the transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during	No

<sup>19</sup> In regards to CO<sub>2</sub>, 'significant emissions' corresponds generally to more than 25,000 tons per year (from both direct and indirect sources). [The Guidance Note on Climate Change Mitigation and Adaptation provides additional information on GHG emissions.]

	construction and operation)?	
3.3	Does the Project involve large-scale infrastructure development (e.g. dams, roads, buildings)?	No
3.4	Would failure of structural elements of the Project pose risks to communities? (e.g. collapse of buildings or infrastructure)	No
3.5	Would the proposed Project be susceptible to or lead to increased vulnerability to earthquakes, subsidence, landslides, erosion, flooding or extreme climatic conditions?	No
3.6	Would the Project result in potential increased health risks (e.g. from water-borne or other vector-borne diseases or communicable infections such as HIV/AIDS)?	No
3.7	Does the Project pose potential risks and vulnerabilities related to occupational health and safety due to physical, chemical, biological, and radiological hazards during Project construction, operation, or decommissioning?	No
3.8	Does the Project involve support for employment or livelihoods that may fail to comply with national and international labor standards (i.e. principles and standards of ILO fundamental conventions)?	No
3.9	Does the Project engage security personnel that may pose a potential risk to health and safety of communities and/or individuals (e.g. due to a lack of adequate training or accountability)?	No
<b>Standard 4: Cultural Heritage</b>		
4.1	Will the proposed Project result in interventions that would potentially adversely impact sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)? (Note: Projects intended to protect and conserve Cultural Heritage may also have inadvertent adverse impacts)	No
4.2	Does the Project propose utilizing tangible and/or intangible forms of cultural heritage for commercial or other purposes?	No
<b>Standard 5: Displacement and Resettlement</b>		
5.1	Would the Project potentially involve temporary or permanent and full or partial physical displacement?	No
5.2	Would the Project possibly result in economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)?	No
5.3	Is there a risk that the Project would lead to forced evictions? <sup>20</sup>	No
5.4	Would the proposed Project possibly affect land tenure arrangements and/or community based property rights/customary rights to land, territories and/or resources?	No
<b>Standard 6: Indigenous Peoples</b>		
6.1	Are indigenous peoples present in the Project area (including Project area of influence)?	No
6.2	Is it likely that the Project or portions of the Project will be located on lands and territories claimed by indigenous peoples?	No
6.3	Would the proposed Project potentially affect the human rights, lands, natural resources, territories, and traditional livelihoods of indigenous peoples (regardless of whether indigenous peoples possess the legal titles to such areas, whether the Project is located within or outside of the lands and territories inhabited by the affected peoples, or whether the indigenous peoples are recognized as indigenous peoples by the	No

<sup>20</sup> Forced evictions include acts and/or omissions involving the coerced or involuntary displacement of individuals, groups, or communities from homes and/or lands and common property resources that were occupied or depended upon, thus eliminating the ability of an individual, group, or community to reside or work in a particular dwelling, residence, or location without the provision of, and access to, appropriate forms of legal or other protections.

	country in question)? <i>If the answer to the screening question 6.3 is “yes” the potential risk impacts are considered potentially severe and/or critical and the Project would be categorized as either Moderate or High Risk.</i>	
6.4	Has there been an absence of culturally appropriate consultations carried out with the objective of achieving FPIC on matters that may affect the rights and interests, lands, resources, territories and traditional livelihoods of the indigenous peoples concerned?	No
6.5	Does the proposed Project involve the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?	No
6.6	Is there a potential for forced eviction or the whole or partial physical or economic displacement of indigenous peoples, including through access restrictions to lands, territories, and resources?	No
6.7	Would the Project adversely affect the development priorities of indigenous peoples as defined by them?	No
6.8	Would the Project potentially affect the physical and cultural survival of indigenous peoples?	No
6.9	Would the Project potentially affect the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices?	No
<b>Standard 7: Pollution Prevention and Resource Efficiency</b>		
7.1	Would the Project potentially result in the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	No
7.2	Would the proposed Project potentially result in the generation of waste (both hazardous and non-hazardous)?	No
7.3	Will the proposed Project potentially involve the manufacture, trade, release, and/or use of hazardous chemicals and/or materials? Does the Project propose use of chemicals or materials subject to international bans or phase-outs? <i>For example, DDT, PCBs and other chemicals listed in international conventions such as the Stockholm Conventions on Persistent Organic Pollutants or the Montreal Protocol</i>	No
7.4	Will the proposed Project involve the application of pesticides that may have a negative effect on the environment or human health?	No
7.5	Does the Project include activities that require significant consumption of raw materials, energy, and/or water?	No

## G. UNDP Project Quality Assurance Report

<b>PROJECT QA ASSESSMENT: DESIGN AND APPRAISAL</b>				
<b>OVERALL PROJECT</b>				
<b>EXEMPLARY (5)</b> ●●●●●	<b>HIGHLY SATISFACTORY (4)</b> ●●●●○	<b>SATISFACTORY (3)</b> ●●●○○	<b>NEEDS IMPROVEMENT (2)</b> ●●○○○	<b>INADEQUATE (1)</b> ●○○○○
At least four criteria are rated Exemplary, and all criteria are rated High or Exemplary.	All criteria are rated Satisfactory or higher, and at least four criteria are rated High or Exemplary.	At least six criteria are rated Satisfactory or higher, and only one may be rated Needs Improvement. The SES criterion must be rated Satisfactory or above.	At least three criteria are rated Satisfactory or higher, and only four criteria may be rated Needs Improvement.	One or more criteria are rated Inadequate, or five or more criteria are rated Needs Improvement.
<b>DECISION</b>				
<ul style="list-style-type: none"> <li>• <b>APPROVE</b> – the project is of sufficient quality to continue as planned. Any management actions must be addressed in a timely manner.</li> <li>• <b>APPROVE WITH QUALIFICATIONS</b> – the project has issues that must be addressed before the project document can be approved. Any management actions must be addressed in a timely manner.</li> <li>• <b>DISAPPROVE</b> – the project has significant issues that should prevent the project from being approved as drafted.</li> </ul>				
<b>RATING CRITERIA</b>				
<b>STRATEGIC</b>				
<b>1. Does the project's Theory of Change specify how it will contribute to higher level change? (Select the option from 1-3 that best reflects the project):</b> <ul style="list-style-type: none"> <li>• <b>3:</b> The project has a theory of change with explicit assumptions and clear change pathway describing how the project will contribute to outcome level change as specified in the programme/CPD, backed by credible evidence of what works effectively in this context. The project document clearly describes why the project's strategy is the best approach at this point in time.</li> <li>• <b>2:</b> The project has a theory of change. It has an explicit change pathway that explains how the project intends to contribute to outcome-level change and why the project strategy is the best approach at this point in time, but is backed by limited evidence.</li> <li>• <b>1:</b> The project does not have a theory of change, but the project document may describe in generic terms how the project will contribute to development results, without specifying the key assumptions. It does not make an explicit link to the programme/CPD's theory of change.</li> </ul> <p>*Note: Management Action or strong management justification must be given for a score of 1</p>			<b>3</b>	<b>2</b>
			1	
			<b>Evidence</b> The project document outlines how the project strategy, e.g., the extensive learning-by-doing, pilot exercise, adaptive collaborative management approach to implementation, and targeted institutional reforms to name a few, will facilitate larger scale and long-term changes. See section II. Development challenge and section III. Strategy.	
<b>2. Is the project aligned with the thematic focus of the UNDP Strategic Plan? (select the option from 1-3 that best reflects the project):</b>			<b>3</b>	<b>2</b>
			1	

<ul style="list-style-type: none"> <li>• <b>3:</b> The project responds to one of the three areas of development work<sup>21</sup> as specified in the Strategic Plan; it addresses at least one of the proposed new and emerging areas<sup>22</sup>; an issues-based analysis has been incorporated into the project design; and the project's RRF includes all the relevant SP output indicators. <i>(all must be true to select this option)</i></li> <li>• <b>2:</b> The project responds to one of the three areas of development work<sup>1</sup> as specified in the Strategic Plan. The project's RRF includes at least one SP output indicator, if relevant. <i>(both must be true to select this option)</i></li> <li>• <b>1:</b> While the project may respond to one of the three areas of development work<sup>1</sup> as specified in the Strategic Plan, it is based on a sectoral approach without addressing the complexity of the development issue. None of the relevant SP indicators are included in the RRF. This answer is also selected if the project does not respond to any of the three areas of development work in the Strategic Plan.</li> </ul>	<p><b>Evidence</b></p> <p>This project responds to all three areas of development work per the UNDP Strategic Plan. The evidence for this is through the various project activities that will integrate global environmental criteria and indicators in national sustainable development planning frameworks.</p>				
<b>RELEVANT</b>					
<p><b>3. Does the project have strategies to effectively identify, engage and ensure the meaningful participation of targeted groups/geographic areas with a priority focus on the excluded and marginalized? (select the option from 1-3 that best reflects this project):</b></p> <ul style="list-style-type: none"> <li>• <b>3:</b> The target groups/geographic areas are appropriately specified, prioritising the excluded and/or marginalised. Beneficiaries will be identified through a rigorous process based on evidence (if applicable). The project has an explicit strategy to identify, engage and ensure the meaningful participation of specified target groups/geographic areas throughout the project, including through monitoring and decision-making (such as representation on the project board) <i>(all must be true to select this option)</i>.</li> <li>• <b>2:</b> The target groups/geographic areas are appropriately specified, prioritising the excluded and/or marginalised. The project document states how beneficiaries will be identified, engaged and how meaningful participation will be ensured throughout the project. <i>(both must be true to select this option)</i></li> <li>• <b>1:</b> The target groups/geographic areas are not specified, or do not prioritize excluded and/or marginalised populations. The project does not have a written strategy to identify or engage or ensure the meaningful participation of the target groups/geographic areas throughout the project.</li> </ul> <p><small>*Note: Management Action must be taken for a score of 1, or select not applicable.</small></p>	<table border="1" style="width: 100%; text-align: center;"> <tr> <td style="width: 50%;"><b>3</b></td> <td style="width: 50%;"><b>2</b></td> </tr> <tr> <td colspan="2"><b>1</b></td> </tr> </table> <p><b>Evidence</b></p> <p>Targeted groups are clearly identified in the project document. See section VIII. Governance and management arrangements. Also in Annex 2: Pilot sites and Annex 4: Project stakeholders.</p>	<b>3</b>	<b>2</b>	<b>1</b>	
<b>3</b>	<b>2</b>				
<b>1</b>					
<p><b>4. Have knowledge, good practices, and past lessons learned of UNDP and others informed the project design? (select the option from 1-3 that best reflects this project):</b></p> <ul style="list-style-type: none"> <li>• <b>3:</b> Knowledge and lessons learned (gained e.g. through peer assist sessions) backed by credible evidence from evaluation, corporate policies/strategies, and monitoring have been explicitly used, with appropriate referencing, to develop the project's theory of change and justify the approach used by the project over alternatives.</li> <li>• <b>2:</b> The project design mentions knowledge and lessons learned backed by evidence/sources, which inform the project's theory of change but have not been used/are not sufficient to justify the approach selected over alternatives.</li> <li>• <b>1:</b> There is only scant or no mention of knowledge and lessons learned informing the project design. Any references that are made are not backed by evidence.</li> </ul> <p><small>*Note: Management Action or strong management justification must be given for a score of 1</small></p>	<table border="1" style="width: 100%; text-align: center;"> <tr> <td style="width: 50%;"><b>3</b></td> <td style="width: 50%;"><b>2</b></td> </tr> <tr> <td colspan="2"><b>1</b></td> </tr> </table> <p><b>Evidence</b></p> <p>This project has utilized the knowledge, best practices, and lessons learned from other projects to inform project activities and outcomes, and to improve the overall project. See section III. Strategy (Relevance to and fit within the CPP as a whole).</p>	<b>3</b>	<b>2</b>	<b>1</b>	
<b>3</b>	<b>2</b>				
<b>1</b>					
<p><b>5. Does the project use gender analysis in the project design and does the project respond to this gender analysis with concrete measures to address gender inequities and empower women? (select the option from 1-3 that best reflects this project):</b></p> <ul style="list-style-type: none"> <li>• <b>3:</b> A <u>participatory</u> gender analysis on the project has been conducted. This analysis reflects on the different needs, roles and access to/control over resources of women and men, and it is fully integrated into the project document. The project establishes concrete priorities to address gender inequalities in its strategy. The results framework includes outputs and activities that specifically respond to this gender analysis, with indicators that measure and monitor results contributing to gender equality. <i>(all must be</i></li> </ul>	<table border="1" style="width: 100%; text-align: center;"> <tr> <td style="width: 50%;"><b>3</b></td> <td style="width: 50%;"><b>2</b></td> </tr> <tr> <td colspan="2"><b>1</b></td> </tr> </table> <p><b>Evidence</b></p> <p>In section IV of the ProDoc (Results and Partnerships), it is stressed that all capacity development</p>	<b>3</b>	<b>2</b>	<b>1</b>	
<b>3</b>	<b>2</b>				
<b>1</b>					

<sup>21</sup> 1. Sustainable development pathways; 2. Inclusive and effective democratic governance; 3. Resilience building

<sup>22</sup> sustainable production technologies, access to modern energy services and energy efficiency, natural resources management, extractive industries, urbanization, citizen security, social protection, and risk management for resilience

<p><i>true to select this option)</i></p> <ul style="list-style-type: none"> <li>• <b>2:</b> A gender analysis on the project has been conducted. This analysis reflects on the different needs, roles and access to/control over resources of women and men. Gender concerns are integrated in the development challenge and strategy sections of the project document. The results framework includes outputs and activities that specifically respond to this gender analysis, with indicators that measure and monitor results contributing to gender equality. <i>(all must be true to select this option)</i></li> <li>• <b>1:</b> The project design may or may not mention information and/or data on the differential impact of the project's development situation on gender relations, women and men, but the constraints have not been clearly identified and interventions have not been considered.</li> </ul> <p>*Note: Management Action or strong management justification must be given for a score of 1</p>	<p>activities of the project will be specifically tailored to the needs of women. In section 3 (mainstreaming gender) a summary of the situation of women in relation to SLM is given. The project will be aligned with the Forest Sector Gender Strategy. Provision is made in the implementation arrangements for participation of the Cuban Women's Union. Relevant indicators have been made gender sensitive.</p>	
<p><b>6. Does UNDP have a clear advantage to engage in the role envisioned by the project vis-à-vis national partners, other development partners, and other actors? (select from options 1-3 that best reflects this project):</b></p> <ul style="list-style-type: none"> <li>• <b>3:</b> An analysis has been conducted on the role of other partners in the area where the project intends to work, and credible evidence supports the proposed engagement of UNDP and partners through the project. It is clear how results achieved by relevant partners will contribute to outcome level change complementing the project's intended results. If relevant, options for south-south and triangular cooperation have been considered, as appropriate. <i>(all must be true to select this option)</i></li> <li>• <b>2:</b> Some analysis has been conducted on the role of other partners where the project intends to work, and relatively limited evidence supports the proposed engagement of and division of labour between UNDP and partners through the project. Options for south-south and triangular cooperation may not have not been fully developed during project design, even if relevant opportunities have been identified.</li> <li>• <b>1:</b> No clear analysis has been conducted on the role of other partners in the area that the project intends to work, and relatively limited evidence supports the proposed engagement of UNDP and partners through the project. There is risk that the project overlaps and/or does not coordinate with partners' interventions in this area. Options for south-south and triangular cooperation have not been considered, despite its potential relevance.</li> </ul> <p>*Note: Management Action or strong management justification must be given for a score of 1</p>	<p><b>3</b></p>	<p><b>2</b></p>
<p>1</p>		
<p><b>Evidence</b></p> <p>UNDP's mandate, relationship with government, and long-standing engagement in the area, gives it a comparative advantage in facilitating government partnerships a special for GEF grant financed projects.</p>		
<p><b>SOCIAL &amp; ENVIRONMENTAL STANDARDS</b></p>		
<p><b>7. Does the project seek to further the realization of human rights using a human rights based approach? (select from options 1-3 that best reflects this project):</b></p> <ul style="list-style-type: none"> <li>• <b>3:</b> Credible evidence that the project aims to further the realization of human rights, upholding the relevant international and national laws and standards in the area of the project. Any potential adverse impacts on enjoyment of human rights were rigorously identified and assessed as relevant, with appropriate mitigation and management measures incorporated into project design and budget. <i>(all must be true to select this option)</i></li> <li>• <b>2:</b> Some evidence that the project aims to further the realization of human rights. Potential adverse impacts on enjoyment of human rights were identified and assessed as relevant, and appropriate mitigation and management measures incorporated into the project design and budget.</li> <li>• <b>1:</b> No evidence that the project aims to further the realization of human rights. Limited or no evidence that potential adverse impacts on enjoyment of human rights were considered.</li> </ul> <p>*Note: Management action or strong management justification must be given for a score of 1</p>	<p><b>3</b></p>	<p><b>2</b></p>
<p>1</p>		
<p><b>Evidence</b></p> <p>The project supports the meaningful participation and inclusion of all stakeholders, during the design, implementation, monitoring, and adaptive collaborative management of the project.</p>		
<p><b>8. Did the project consider potential environmental opportunities and adverse impacts, applying a</b></p>	<p><b>3</b></p>	<p><b>2</b></p>
<p>1</p>		

<p><b>precautionary approach? (select from options 1-3 that best reflects this project):</b></p> <ul style="list-style-type: none"> <li>• <b>3:</b> Credible evidence that opportunities to enhance environmental sustainability and integrate poverty-environment linkages were fully considered as relevant, and integrated in project strategy and design. Credible evidence that potential adverse environmental impacts have been identified and rigorously assessed with appropriate management and mitigation measures incorporated into project design and budget. <i>(all must be true to select this option)</i>.</li> <li>• <b>2:</b> No evidence that opportunities to strengthen environmental sustainability and poverty-environment linkages were considered. Credible evidence that potential adverse environmental impacts have been identified and assessed, if relevant, and appropriate management and mitigation measures incorporated into project design and budget.</li> <li>• <b>1:</b> No evidence that opportunities to strengthen environmental sustainability and poverty-environment linkages were considered. Limited or no evidence that potential adverse environmental impacts were adequately considered.</li> </ul> <p>*Note: Management action or strong management justification must be given for a score of 1</p>	<p><b>Evidence</b></p> <p>This project is consistent with Cuba’s current United Nations Development Assistance Framework (UNPDF) 2014-2018, and relates to national initiatives to achieve the sustainable development and management of land and watersheds. This project will carry out workshops that learn new tools and methodologies to achieve environmental sustainability by strengthening the linkages between global environmental and national socio-economic priorities. Socio-economic benefits would be demonstrated in the medium-term through better indicators and planning decisions being made that will enhance more environmentally-friendly and sustainable development.</p>	
<p><b>9. Has the Social and Environmental Screening Procedure (SESP) been conducted to identify potential social and environmental impacts and risks?</b> The SESP is not required for projects in which UNDP is Administrative Agent only and/or projects comprised solely of reports, coordination of events, trainings, workshops, meetings, conferences and/or communication materials and information dissemination. [if yes, upload the completed checklist. If SESP is not required, provide the reason for the exemption in the evidence section.]</p>	<p><b>Yes</b></p>	<p><b>No</b></p>
	<p>Included as an annex to the ProDoc.</p>	
<p><b>MANAGEMENT &amp; MONITORING</b></p>		
<p><b>10. Does the project have a strong results framework? (select from options 1-3 that best reflects this project):</b></p> <ul style="list-style-type: none"> <li>• <b>3:</b> The project’s selection of outputs and activities are at an appropriate level and relate in a clear way to the project’s theory of change. Outputs are accompanied by SMART, results-oriented indicators that measure all of the key expected changes identified in the theory of change, each with credible data sources, and populated baselines and targets, including gender sensitive, sex-disaggregated indicators where appropriate. <i>(all must be true to select this option)</i></li> <li>• <b>2:</b> The project’s selection of outputs and activities are at an appropriate level, but may not cover all aspects of the project’s theory of change. Outputs are accompanied by SMART, results-oriented indicators, but baselines, targets and data sources may not yet be fully specified. Some use of gender sensitive, sex-disaggregated indicators, as appropriate. <i>(all must be true to select this option)</i></li> <li>• <b>1:</b> The results framework does not meet all of the conditions specified in selection “2” above. This includes: the project’s selection of outputs and activities are not at an appropriate level and do not relate in a clear way to the project’s theory of change; outputs are not accompanied by SMART, results-oriented indicators that measure the expected change, and have not been populated with baselines and targets; data sources are not specified, and/or no gender sensitive, sex-disaggregation of indicators.</li> </ul> <p>*Note: Management Action or strong management justification must be given for a score of 1</p>	<p><b>3</b></p>	<p><b>2</b></p>
	<p><b>1</b></p>	
	<p><b>Evidence</b></p> <p>Project outcomes will be measured through a set of output, process, and performance indicators which have been constructed using SMART design criteria. These indicators were developed to coincide with each major project activity.</p>	
<p><b>11. Is there a comprehensive and costed M&amp;E plan in place with specified data collection sources and methods to support evidence-based management, monitoring and evaluation of the project?</b></p>	<p><b>Yes (3)</b></p>	<p><b>No (1)</b></p>

<p><b>12. Is the project's governance mechanism clearly defined in the project document, including planned composition of the project board? (select from options 1-3 that best reflects this project):</b></p> <ul style="list-style-type: none"> <li>• <b>3:</b> The project's governance mechanism is fully defined in the project composition. Individuals have been specified for each position in the governance mechanism (especially all members of the project board). Project Board members have agreed on their roles and responsibilities as specified in the terms of reference. The ToR of the project board has been attached to the project document. <i>(all must be true to select this option)</i>.</li> <li>• <b>2:</b> The project's governance mechanism is defined in the project document; specific institutions are noted as holding key governance roles, but individuals may not have been specified yet. The prodoc lists the most important responsibilities of the project board, project director/manager and quality assurance roles. <i>(all must be true to select this option)</i></li> <li>• <b>1:</b> The project's governance mechanism is loosely defined in the project document, only mentioning key roles that will need to be filled at a later date. No information on the responsibilities of key positions in the governance mechanism is provided.</li> </ul> <p>*Note: Management Action or strong management justification must be given for a score of 1</p>	3	2
<p><b>13. Have the project risks been identified with clear plans stated to manage and mitigate each risks? (select from options 1-3 that best reflects this project):</b></p> <ul style="list-style-type: none"> <li>• <b>3:</b> Project risks related to the achievement of results are fully described in the project risk log, based on comprehensive analysis drawing on the theory of change, Social and Environmental Standards and screening, situation analysis, capacity assessments and other analysis. Clear and complete plan in place to manage and mitigate each risk. <i>(both must be true to select this option)</i></li> <li>• <b>2:</b> Project risks related to the achievement of results identified in the initial project risk log with mitigation measures identified for each risk.</li> <li>• <b>1:</b> Some risks may be identified in the initial project risk log, but no evidence of analysis and no clear risk mitigation measures identified. This option is also selected if risks are not clearly identified and no initial risk log is included with the project document.</li> </ul> <p>*Note: Management Action must be taken for a score of 1</p>	3	2
<b>EFFICIENT</b>		
<p><b>14. Have specific measures for ensuring cost-efficient use of resources been explicitly mentioned as part of the project design? This can include: i) using the theory of change analysis to explore different options of achieving the maximum results with the resources available; ii) using a portfolio management approach to improve cost effectiveness through synergies with other interventions; iii) through joint operations (e.g., monitoring or procurement) with other partners.</b></p>	Yes (3)	No (1)
<p><b>15. Are explicit plans in place to ensure the project links up with other relevant on-going projects and initiatives, whether led by UNDP, national or other partners, to achieve more efficient results (including, for example, through sharing resources or coordinating delivery)?</b></p>	Yes (3)	No (1)
<p><b>16. Is the budget justified and supported with valid estimates?</b></p> <ul style="list-style-type: none"> <li>• <b>3:</b> The project's budget is at the activity level with funding sources, and is specified for the duration of the project period in a multi-year budget. Costs are supported with valid estimates using benchmarks from similar projects or activities. Cost implications from inflation and foreign exchange exposure have been estimated and incorporated in the budget.</li> <li>• <b>2:</b> The project's budget is at the activity level with funding sources, when possible, and is specified for the duration of the project in a multi-year budget. Costs are supported with valid estimates based on prevailing rates.</li> <li>• <b>1:</b> The project's budget is not specified at the activity level, and/or may not be captured in a multi-year budget.</li> </ul>	3	2
<p><b>Evidence</b></p> <p>The project has a detailed multi-year work plan and multi-year output budget, both of which are at the activity level. See section XII. Mandatory annexes (A. Multi Year Work Plan).</p>		

<p><b>17. Is the Country Office fully recovering the costs involved with project implementation?</b></p> <ul style="list-style-type: none"> <li><b>3:</b> The budget fully covers all project costs that are attributable to the project, including programme management and development effectiveness services related to strategic country programme planning, quality assurance, pipeline development, policy advocacy services, finance, procurement, human resources, administration, issuance of contracts, security, travel, assets, general services, information and communications based on full costing in accordance with prevailing UNDP policies (i.e., UPL, LPL.)</li> <li><b>2:</b> The budget covers significant project costs that are attributable to the project based on prevailing UNDP policies (i.e., UPL, LPL) as relevant.</li> <li><b>1:</b> The budget does not adequately cover project costs that are attributable to the project, and UNDP is cross-subsidizing the project.</li> </ul> <p><i>*Note: Management Action must be given for a score of 1. The budget must be revised to fully reflect the costs of implementation before the project commences.</i></p>	3	2
	1	
	<p><b>Evidence</b></p> <p>See Total budget and work plan (DPS).</p>	
<b>EFFECTIVE</b>		
<p><b>18. Is the chosen implementation modality most appropriate? (select from options 1-3 that best reflects this project):</b></p> <ul style="list-style-type: none"> <li><b>3:</b> The required implementing partner assessments (capacity assessment, HACT micro assessment) have been conducted, and there is evidence that options for implementation modalities have been thoroughly considered. There is a strong justification for choosing the selected modality, based on the development context. <i>(both must be true to select this option)</i></li> <li><b>2:</b> The required implementing partner assessments (capacity assessment, HACT micro assessment) have been conducted and the implementation modality chosen is consistent with the results of the assessments.</li> <li><b>1:</b> The required assessments have not been conducted, but there may be evidence that options for implementation modalities have been considered.</li> </ul> <p><i>*Note: Management Action or strong management justification must be given for a score of 1</i></p>	3	2
	1	
	<p><b>Evidence</b></p> <p>This project will be executing through the National Implementation Modality (NIM). The choice of modality is based on agreement between the Government of Cuba and UNDP.</p>	
<p><b>19. Have targeted groups, prioritizing marginalized and excluded populations that will be affected by the project, been engaged in the design of the project in a way that addresses any underlying causes of exclusion and discrimination?</b></p> <ul style="list-style-type: none"> <li><b>3:</b> Credible evidence that all targeted groups, prioritising marginalized and excluded populations that will be involved in or affected by the project, have been actively engaged in the design of the project. Their views, rights and any constraints have been analysed and incorporated into the root cause analysis of the theory of change which seeks to address any underlying causes of exclusion and discrimination and the selection of project interventions.</li> <li><b>2:</b> Some evidence that key targeted groups, prioritising marginalized and excluded populations that will be involved in the project, have been engaged in the design of the project. Some evidence that their views, rights and any constraints have been analysed and incorporated into the root cause analysis of the theory of change and the selection of project interventions.</li> <li><b>1:</b> No evidence of engagement with marginalized and excluded populations that will be involved in the project during project design. No evidence that the views, rights and constraints of populations have been incorporated into the project.</li> </ul>	3	2
	1	
	<p><b>Evidence</b></p> <p>Targeted groups are clearly identified in the project document. See section VIII. Governance and management arrangements. Also in Annex 2: Pilot sites and Annex 4: Project stakeholders.</p>	
<p><b>20. Does the project conduct regular monitoring activities, have explicit plans for evaluation, and include other lesson learning (e.g. through After Action Reviews or Lessons Learned Workshops), timed to inform course corrections if needed during project implementation?</b></p>	Yes (3)	No (1)
<p><b>21. The gender marker for all project outputs are scored at GEN2 or GEN3, indicating that gender has been fully mainstreamed into all project outputs at a minimum.</b></p> <p><i>*Note: Management Action or strong management justification must be given for a score of “no”</i></p>	Yes (3)	No (1)
	<p><b>Evidence</b></p> <p>In section IV of the mtr(Results and Partnerships), it is stressed that all capacity development activities of</p>	

	<p>the project will be specifically tailored to the needs of women. In section 3 (mainstreaming gender) a summary of the situation of women in relation to SLM is given. The project will be aligned with the Forest Sector Gender Strategy. Provision is made in the implementation arrangements for participation of the Cuban Women's Union. Relevant indicators have been made gender sensitive.</p>	
<p><b>22. Is there a realistic multi-year work plan and budget to ensure outputs are delivered on time and within allotted resources? (select from options 1-3 that best reflects this project):</b></p> <ul style="list-style-type: none"> <li>• <b>3:</b> The project has a realistic work plan &amp; budget covering the duration of the project <i>at the activity</i> level to ensure outputs are delivered on time and within the allotted resources.</li> <li>• <b>2:</b> The project has a work plan &amp; budget covering the duration of the project at the output level.</li> <li>• <b>1:</b> The project does not yet have a work plan &amp; budget covering the duration of the project.</li> </ul>	<b>3</b>	2
	1	
	<p style="text-align: center;"><b>Evidence</b></p> <p>The project has a detailed multi-year work plan and multi-year output budget, both of which are at the activity level. See Mandatory Annexes (A).</p>	
<b>SUSTAINABILITY &amp; NATIONAL OWNERSHIP</b>		
<p><b>23. Have national partners led, or proactively engaged in, the design of the project? (select from options 1-3 that best reflects this project):</b></p> <ul style="list-style-type: none"> <li>• <b>3:</b> National partners have full ownership of the project and led the process of the development of the project jointly with UNDP.</li> <li>• <b>2:</b> The project has been developed by UNDP in close consultation with national partners.</li> <li>• <b>1:</b> The project has been developed by UNDP with limited or no engagement with national partners.</li> </ul>	<b>3</b>	2
	1	
	<p style="text-align: center;"><b>Evidence</b></p> <p>National stakeholders led the development of the PIF and the project document. National stakeholders also held consultations with stakeholders that reaffirmed the validity of the project strategy to work with other projects and help strengthen the global environmental character, in particular to strengthen the synergies and institutional sustainability of capacities (systemic, institutional, and individual) for more informed and holistic planning and decision-making.</p>	
<p><b>24. Are key institutions and systems identified, and is there a strategy for strengthening specific/comprehensive capacities based on capacity assessments conducted? (select from options 0-4 that best reflects this project):</b></p>	<b>3</b>	2.5
	2	1.5
	1	

<ul style="list-style-type: none"> <li>• <b>3:</b> The project has a comprehensive strategy for strengthening specific capacities of national institutions based on a systematic and detailed capacity assessment that has been completed. This strategy includes an approach to regularly monitor national capacities using clear indicators and rigorous methods of data collection, and adjust the strategy to strengthen national capacities accordingly.</li> <li>• <b>2.5:</b> A capacity assessment has been completed. The project document has identified activities that will be undertaken to strengthen capacity of national institutions, but these activities are not part of a comprehensive strategy to monitor and strengthen national capacities.</li> <li>• <b>2:</b> A capacity assessment is planned after the start of the project. There are plans to develop a strategy to strengthen specific capacities of national institutions based on the results of the capacity assessment.</li> <li>• <b>1.5:</b> There is mention in the project document of capacities of national institutions to be strengthened through the project, but no capacity assessments or specific strategy development are planned.</li> <li>• <b>1:</b> Capacity assessments have not been carried out and are not foreseen. There is no strategy for strengthening specific capacities of national institutions.</li> </ul>	<p style="text-align: center;"><b>Evidence</b></p> <p>The strategy to be adopted by this project is to support the provision of financial incentives for sustainable land management practices, with particular emphasis on dryland forest ecosystems and cattle ranching areas. There are identified key institutions and systems and the project strategy envisages strengthening of them.</p>	
<p><b>25. Is there is a clear strategy embedded in the project specifying how the project will use national systems (i.e., procurement, monitoring, evaluations, etc.,) to the extent possible?</b></p>	<p><b>Yes (3)</b></p>	<p>No (1)</p>
<p><b>26. Is there a clear transition arrangement/ phase-out plan developed with key stakeholders in order to sustain or scale up results (including resource mobilization strategy)?</b></p>	<p><b>Yes (3)</b></p>	<p>No (1)</p>

**H. UNDP Risk Log (to be completed by UNDP Country Office)**

Project Title: Capacity Building for Sustainable Financing Mechanisms/Sustainable Land Management in Dry land Forest Ecosystems and Cattle Ranching Areas.				Award ID: 00085072		Date: July/2016		
Description	Date Identified	Type	Impact & Probability	Countermeasures / Management response	Owner	Submitted, updated by	Last Update	Status
1. Decline in policy commitment to the use of economic incentives to support sustainable land management	June 2016	Political	<p><b>Probability: 2</b> (commitment has been expressed at the highest political levels)</p> <p><b>Impact: 4</b> (economic incentives are central to the logic of the project, and decisions on their use are highly dependent on central policy commitment)</p>	<p>Actions under Component 1 will focus on raising and maintaining awareness of the potential of economic instruments to generate and internalize environmental benefits of national and global importance</p> <p>Actions under Component 3 will demonstrate to policy makers the effectiveness of incentives in supporting the generation of nationally-important environmental benefits</p>	<p>The National Project Director will monitor the risk.</p> <p>UNDP will provide support and supervision.</p>	<p>Risks are first submitted during the PPG phase. During implementation risks may be submitted by National Project Director.</p>	N/A	TBD
2. The availability of financial resources for incentives may be affected by variations in the budgets of individual institutions	June 2016	Financial	<p><b>Probability: 3</b> (the bases for Government revenue streams are increasingly diversified and buffered against external shocks)</p> <p><b>Impact: 3</b> (the use of diversified incentive models, including public and private sources, gives room for flexibility and adaptation to fluctuations in individual sources)</p>	<p>Under Component 1 the project will ensure that a wide range of incentive models are available to producers in order to limit the implications of reductions in the availability of resources through any of them.</p>	<p>The National Project Director will monitor the risk.</p> <p>UNDP will provide support and supervision.</p>	<p>Risks are first submitted during the PPG implementation phase. During implementation risks may be submitted by National Project Director.</p>	N/A	TBD

<p>3. Producers' receptivity to participating in economic incentive schemes may be constrained by concerns over difficulties with compliance and administration, and conflicts between environmental and productive priorities</p>	<p>June 2016</p>	<p>Operational</p>	<p><b>Probability: 2</b> (openness at policy level to economic alternatives is largely reflected in the increasing diversity of technical and financial models applied by producers) <b>Impact: 4</b> (the application of the model is highly dependent on producer receptivity)</p>	<p>Under Component 1, the project will invest in tailoring financial instruments to farmers' needs and conditions Under Component 3, the project will invest in developing awareness among farmers regarding the benefits of participating in incentive schemes, and the potential for compatibility between financial, productive and environmental benefits</p>	<p>The National Project Director will monitor the risk. UNDP will provide support and supervision.</p>	<p>Risks are first submitted during the PPG. implementation phase During implementation risks may be submitted by National Project Director.</p>	<p>N/A</p>	<p>TBD</p>
<p>4. If inadequately carried out, the location of some proposed project activities within protected areas might result in increased pressure on PA values (SESP Risk 1).</p>	<p>February 2017</p>	<p>Environmental</p>	<p><b>Probability: 2</b> (project activities will be located in PAs but will have low probability of causing environmental impacts) <b>Impact: 4</b> (if environmental impacts do occur, they would affect environmental values of great global and local importance)</p>	<p>The proposed actions will be carried in full conformity with the management plans of the PAs in question, and under the close supervision of the National Centre for Protected Areas (CNAP)</p>	<p>The National Project Director will monitor the risk. UNDP will provide support and supervision.</p>	<p>Risks are first submitted during the PPG. implementation phase During implementation risks may be submitted by National Project Director.</p>	<p>N/A</p>	<p>TBD</p>
<p>5. The project will involve plantation development and reforestation, with the potential to displace natural ecosystems and contribute to the spread of invasive species (SESP Risk 2)</p>	<p>February 2017</p>	<p>Environmental</p>	<p><b>Probability: 2</b> (plantation development and reforestation will occur but the probability of environmental impacts is low) <b>Impact: 4</b> (if natural ecosystems were displaced and invasive</p>	<p>Native species will be used for plantation development and reforestation. Species selection, management practices and location will be in accordance with the protocols of the Forestry Directorate and in no cases will plantations be established in ecologically sensitive areas.</p>	<p>The National Project Director will monitor the risk, with support from SERFOR. UNDP will provide support and supervision.</p>	<p>Risks are first submitted during the PPG. implementation phase During implementation risks may be submitted by National Project Director.</p>	<p>N/A</p>	<p>TBD</p>

			species spread increased, the environmental implications would be significant)					
6. Climate change exceeds the coping range of the proposed production systems so that the financial incentives are no longer sufficient to make them viable and attractive, and the undermines the relevance of the incentives by changing the flows of environmental costs and benefits on which their design was based (SESP Risk 3).	June 2016	Environmental	<b>Probability: 5</b> <b>Impact: 2</b> (CC would increase the importance and economic justification of protecting flows of environmental services through the use of incentives, but in some cases might undermine the ability of producers to pay back returnable incentives)	Under Component 1, CC resilience will be included as one of the criteria for eligibility to access incentive mechanisms Under Components 2 and 3, support by the project to capacities among producers and extension agents will include capacities for adaptive management of production systems in response to CC.	The National Project Director will monitor the risk. UNDP will provide support and supervision.	Risks are first submitted during the PPG implementation phase. During implementation risks may be submitted by National Project Director.	N/A	TBD

## I. Letter of Agreement

### STANDARD LETTER OF AGREEMENT BETWEEN UNDP AND THE GOVERNMENT OF CUBA FOR THE PROVISION OF SUPPORT SERVICES

Dear Vice Minister:

1. Reference is made to consultations between officials of the Ministry of Science, Technology and the Environment (hereinafter referred to as “the Government”) and officials of UNDP with respect to the provision of support services by the UNDP country office for nationally managed programmes and projects. UNDP and the Government hereby agree that the UNDP country office may provide such support services at the request of the Implementing partner in the relevant programme support document or project document, as described below.
2. The UNDP country office may provide support services for assistance with reporting requirements and direct payment. In providing such support services, the UNDP country office shall support the strengthening of the capacity of the Implementing Partner to enable it to carry out such activities directly. The costs incurred by the UNDP country office in providing such support services shall be recovered from the administrative budget of the office.
3. The UNDP country office may provide, at the request of the designated institution, the following support services for the activities of the programme/project:
  - a) Procurement of goods and services;
  - b) Financial transactions;
  - c) Identification and facilitation of training activities
4. The procurement of goods and services and the recruitment of project and programme personnel by the UNDP country office shall be in accordance with the UNDP regulations, rules, policies and procedures. Support services described in paragraph 3 above shall be detailed in an annex to the programme support document or project document, in the form provided in the Attachment hereto. If the requirements for support services by the country office change during the life of a programme or project, the annex to the programme support document or project document is revised with the mutual agreement of the UNDP resident representative and the Implementing Partner.
5. The relevant provisions of the Standard Basic Assistance Agreement between the Government of Cuba and UNDP, signed in Havana in May 17, 1975 (the “SBAA”), including the provisions on liability and privileges and immunities, shall apply to the provision of such support services. The Government shall retain overall responsibility for the nationally managed programme or project through the Implementing partner. The responsibility of the UNDP country office for the provision of the support services described herein shall be limited to the provision of such support services detailed in the annex to the programme support document or project document.
6. Any claim or dispute arising under or in connection with the provision of support services by the UNDP country office in accordance with this letter shall be handled pursuant to the relevant provisions of the SBAA.

7. The manner and method of cost-recovery by the UNDP country office in providing the support services described in paragraph 3 above shall be specified in the annex to the programme support document or project document.
8. The UNDP country office shall submit progress reports on the support services provided and shall report on the costs reimbursed in providing such services, as may be required.
9. Any modification of the present arrangements shall be effected by mutual written agreement of the parties hereto.
10. If you are in agreement with the provisions set forth above, please sign and return to this office three signed copies of this letter. Upon your signature, this letter shall constitute an agreement between the Government and UNDP on the terms and conditions for the provision of support services by the UNDP country office for nationally managed programmes and projects.

Yours sincerely,

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Signed on behalf of UNDP  
Soledad Bauza  
Resident Representative, a.i.  
Date: \_\_\_\_\_

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For the Government

Vice Minister – Ministry of Science, Technology and the Environment

Date: \_\_\_\_\_

## DESCRIPTION OF UNDP COUNTRY OFFICE SUPPORT SERVICES

1. Reference is made to consultations between the Ministry of Science, Technology and the Environment (CITMA), the institution designated by the Government of Cuba and officials of UNDP with respect to the provision of support services by the UNDP country office for GEF Project: “**Capacity Building for Sustainable Financing Mechanisms/Sustainable Land Management in Dry land Forest Ecosystems and Cattle Ranching Areas. PIMS 3807**”. Award 85072, PID 92843.

2. In accordance with the provisions of the letter of agreement signed and the *project document referred to above*, the UNDP country office shall provide support services for the *Project* as described below.

3. Support services to be provided:

Support services (insert description)	Schedule for the provision of the support services	Cost to UNDP of providing such support services (where appropriate)	Price Reference	Method of reimbursement of UNDP (where appropriate)
1. Payments, disbursements and other financial transactions	During project implementation	US\$ 16,000	Current Universal Price List / Local Price List	Direct Project Costs (DPC)
2. Procurement of services, goods and equipment.	During project implementation	US\$ 1,000	Current Universal Price List / Local Price List	Direct Project Costs (DPC)
3. Organization of training activities, conferences, and workshops	During project implementation	US\$ 500	Current Universal Price List / Local Price List	Direct Project Costs (DPC)
4. Visa requests, ticketing, and travel arrangements	During project implementation	US\$ 500	Current Universal Price List / Local Price List	Direct Project Costs (DPC)
<b>TOTAL</b>		<b>US\$ 18,000</b>		

4. Description of functions and responsibilities of the parties involved:

The project will be conducted through the National Implementation Modality of UNDP (NIM). The Ministry of Science, Technology and the Environment (CITMA) will act as the National Implementing Partner, through the Environment Agency (AMA). UNDP will act as the GEF Implementing Agency. Additional information regarding functions and responsibilities of the parties involved is described in the Project Document.

UNDP will provide technical and operational support for the implementation of specific activities when requested by AMA/CITMA. In those cases, UNDP office will ensure that consultant contracts, purchases orders and contracts for company services are in compliance with UNDP standards and procedures. Therefore, these processes will not be subjected to the national implementation audits. Instead, they will be covered by the internal UNDP audits.

### XIII. ADDITIONAL ANNEXES

#### Annex 1. Results framework including comparison with CPP targets

Vertical logic	Indicator	Baseline value		Mid-term Target		Target value		Assumptions	
<b>Objective:</b> Producers nationally take advantage of financial mechanisms in support of SLM Continued availability of financial resources for incentives	<b>O1.</b> Number of producers <b>throughout Cuba</b> who have had direct benefit/support from at least one financing scheme ( <i>P1 and P4 also contribute to this indicator</i> )	CPP baseline	Project baseline (CPP YR 9)	Project mid-term target		Original end of CPP target	Project target	Climate change does not exceed coping limits of the target production systems	
		2,500 farmers	5,000 producers	20,000 producers		200,000 farmers	55,000 producers, of which at least 35% are women		
	<b>O2.</b> Budget allocation to sustainable land management activities by local production entities <b>throughout Cuba</b> (cooperative farms, State Firms and Production Units) <sup>23</sup> ( <i>P1 and P4 also contribute to this indicator</i> )	CPP baseline	Project baseline (CPP YR 9)	Project mid-term target		Original end of CPP target	Project target		
		<b>USD10,000 USD/yr</b>	<b>10,000 USD<sup>24</sup></b>	<b>11,000 USD</b>		<b>+25% (USD12,500 /yr)</b>	<b>12,500 USD</b>		
<b>Outcome 1:</b> Mechanisms and capacities for sustainable financing consolidated at national level	<b>1.1.</b> Level of budget allocated nationwide to sustainable land management activities ( <i>P1 and P4 also contribute to this indicator</i> )	Source	Amount (USD/yr)		Source	Amount (USD/yr)	Source	Amount (USD/yr)	Continued policy commitment to the use of economic incentives to support sustainable land management
			CPP baseline	Project baseline (CPP YR 9)	Project mid-term target		Original CPP target	Project target	
		MINAG	50,000	<b>40,000,000</b>	MINAG	<b>44,000,000</b>	MINAG	62,500	<b>48,000,000</b>
		AZCUBA <sup>25</sup>	40,000	<b>8,000,000</b>	AZCUBA	<b>9,000,000</b>	AZCUBA	50,000	<b>10,000,000</b>

<sup>23</sup> This indicator includes funds destined to the PNMCS, operated by MINAG, part of which is allocated to AZCUBA

<sup>24</sup> USD1 is equal to CUP1

<sup>25</sup> AZCUBA was formerly (at the time the CPP was formulated) the Ministry of Sugar MINAZ

Vertical logic	Indicator	Baseline value		Mid-term Target		Target value			Assumptions	
		Forestry and Wildlife Directorate	70,000	N/A <sup>26</sup>	Forestry and Wildlife Directorate	N/A	Forestry and Wildlife Directorate	87,500	N/A	
		INRH	10,000	1,800,000	INRH	1,800,000	INRH	12,500	2,000,000	
		Total	170,000	49,800,000	Total	54,800,000	Total	212,500	60,000,000	
	1.2. Level of funding (USD) channeled from existing financing mechanisms to SLM nationwide (P1 and P4 also contribute to this indicator)	Source	Amount (USD/yr)		Source	Amount (USD/yr)	Source	Amount (USD/yr)		
			CPP baseline	Project baseline (CPP YR 9)				Project mid-term target	Original end of CPP target	
		FONADEF	70,000	144,000,000	FONADEF	181,000,000	FONADEF	80,500	200,000,000	
		FNMA	90,000	375,600	FNMA	500,000	FNMA	99,000	100,000,000	
	Total	160,000		Total		Total	179,500			
	1.3. Level of funding channeled from new direct financing mechanisms to SLM nationwide (PES scheme for carbon capture through FONADEF) (P4 also contributes to this indicator)	N/A			Project mid-term target (USD/yr)	Amount (USD/yr)				
						Original end of CPP target	Project target			
				12,000,000	440,000	24,000,000				
<b>Outcome 2:</b> Sustainable funding mechanisms demonstrated and validated at local level	2.1. Number of producers in the Guamuhaya and Cauto intervention areas who have received direct benefits from at least one financing mechanism (indicator not included in CPP results framework)	Intervention area	# producers		Intervention area	# producers	Intervention area	# producers (at least 35% women)		Continued receptivity to economic incentives among producers
		Guamuhaya	71		Guamuhaya	650	Guamuhaya	1,404		
		Cauto	2		Cauto	700	Cauto	1506		
		Total	83		Total	1350	Total	2910		
	2.2. Level of budget assignation by local production entities in	Intervention area	Amount (USD/yr)		Intervention area	Amount (USD/yr)	Intervention area	Amount (USD/yr)		
		Guamuhaya	3,587,000		Guamuhaya	3,700,000	Guamuhaya	4,200,000		

<sup>26</sup> The Forestry Directorate, and its SLM funding, is included in that of MINAG

Vertical logic	Indicator	Baseline value		Mid-term Target		Target value		Assumptions		
	the Guamuhaya and Cauto intervention areas to activities in support of SLM ( <i>indicator not included in CPP results framework</i> )	Cauto	2,078 ,000		Cauto	2,300 ,000		Cauto	3,000 ,000	
		Total	5,555,000		Total	6,000 ,000		Total	7,200 ,000	
<b>Outcome 3:</b> Producers with technical capacities to take advantage of financial support for applying SLM practices	3.1 Percentage of producers (men and women) in the Guamuhaya and Cauto intervention areas receiving technical assistance on SLM practices ( <i>P2 and P4 also contribute to this indicator</i> )	CPP baseline	<b>Project baseline (CPP YR 9)</b>		<b>Project mid term target</b>		Original end of CPP target	<b>Project target</b>		
		10% (5 intervention areas)	Intervention area	%	Intervention area	%	75% across 5 intervention areas	Intervention area	%	
			Guamuhaya	10	Guamuhaya	50		Guamuhaya	80	
		Cauto	2	Cauto	40		Cauto	75		
	3.2 Number of producers (farmers/livestock herders/forest resource users) in the Guamuhaya and Cauto intervention areas adopting practices to counter land degradation ( <i>note: P2 also contributes to the water resource management target in Cauto</i> ):	SLM aspect	<b>Producers</b>		SLM aspect	<b>Producers</b>	SLM aspect	<b>Producers</b>		
			CPP (5 areas)	Project baseline (2 areas) CPP YR9		Project mid term target		Original CPP end target (5 areas)	Project target (2 areas)	
		Grazing land management	150	<b>150</b>	Grazing land management	<b>400</b>	Grazing land management	1,000	<b>1,000</b> (at least 35% women)	
		Forest resource management	200	<b>200</b>	Forest resource management	<b>1500</b>	Forest resource management	see footnote <sup>27</sup>	<b>5,900</b> (at least 35% women)	
	3.3 Numbers of hectares in the Guamuhaya and Cauto intervention areas benefiting from sustainable land management ( <i>P2 also contributes to these indicators in Cauto</i> ):		<b>Area (ha)</b>			<b>Area (ha)</b>		<b>Area (ha)</b>		
			CPP (5 areas)	Project baseline (2 areas) CPP YR9		Project mid term target		Original CPP end target (5 areas)	Project target (2 areas)	
Agriculture		0	0	Agriculture	<b>40.32 ha</b>	Agriculture	5,000	40.32ha		
Grazing		0	0	Grazing	<b>1,000 ha</b>	Grazing	2,000	2,000ha		
	Forestry	0	0	Forestry	<b>1,000 ha</b>	Forestry	2,000	2,000ha		

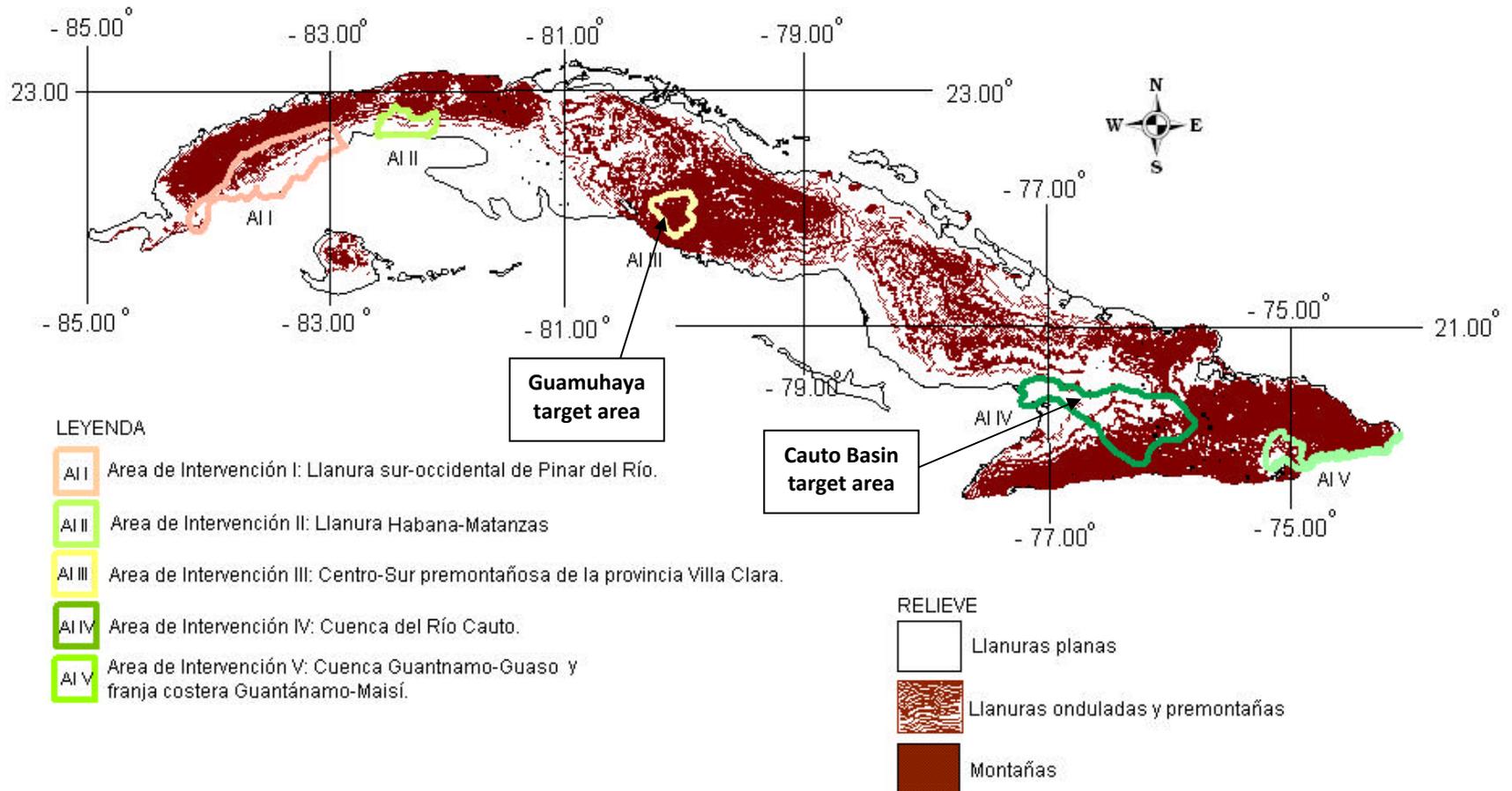
<sup>27</sup> The target in the CPP document for the numbers of forest resource users in the 5 intervention areas was erroneously given as 59,000. This figure will be corrected by the time of inception of this project.

Vertical logic	Indicator	Baseline value			Mid-term Target		Target value			Assumptions
		Intervention area	t/ha/yr		Intervention area	t/ha/yr		t/ha/yr		
			CPP	Project baseline (CPP YR9)		Project mid term target		Original CPP end target	Project target	
	3.4 Erosion rates in the Guamuhaya and Cauto intervention areas (P2 also contributes to this indicator in Cauto):	Guamuhaya	40	To be determined	Guamuhaya	2% reduction	Guamuhaya	36	4% reduction	
		Cauto	40		Cauto	2% reduction	Cauto	32	4% reduction	
	3.5 Areas of forest ecosystems restored (as measured by area of forest with diverse structure) in Guamuhaya (Villa Clara) and Cauto intervention areas	Intervention area	Area (ha)		Intervention area	Area (ha)	Intervention area	Area (ha)		
			CPP	Project baseline (CPP YR9)		Project mid term target		Original CPP end target	Project target	
		Guamuhaya	2,500	2500	Guamuhaya	2,700	Guamuhaya	3,000	3,000	
		Cauto	10,000	10,000	Cauto	10,700	Cauto	12,000	12,000	
	3.6 Rainwater harvesting systems <sup>28</sup>	Project baseline (CPP YR9)			Project mid term target		Project target			
	3.7 Yield of milk in Guamuhaya and Cauto intervention areas (note: P2 also contributes to the indicator for Cauto)		CPP	Project baseline (CPP YR9)	Project mid term target			Original CPP end target	Project target	
		Cauto: milk	2,000/yr	1,300 l/ha/yr	Cauto: milk	1,700 l/ha/yr	Cauto: milk	2,900	2,200 l/ha/yr	
		Guamuhaya: milk	2,000l/ha/yr	1,300 l/ha/yr	Guamuhaya: milk	1,700 l/ha/yr	Guamuhaya: milk	2,900l/ha/yr	2,200 l/ha/yr	
	3.8 Area of sustainable management of soil, water and forest resources in pilot sites <sup>29</sup>		Area (ha)			Area (ha)		Area (ha)		
			CPP (12 sites)	Project baseline (CPP YR9)		Project mid term target		Original CPP end target (12 sites)	Project target (XX sites)	
		Agricultural lands	0	0	Agricultural lands	1 farm (330ha)	Agricultural lands		1 farm (330ha)	
		Grazing lands	0	0	Grazing lands	1 farm (201ha)	Grazing lands		12 farms (393ha)	
		Forest lands	0	0	Forest lands	2 farms (337ha)	Forest lands		7 farms (644ha)	

<sup>28</sup> This indicator replaces the CPP indicator of “Water use efficiency measured by the volume of irrigation water used per ton of agricultural crops produced in Cauto intervention area”.

<sup>29</sup> It is not established by MINAG what will be considered an area of sustainable management of soil and who will certify this condition, however a proposal will be elaborated for each kind of land in the first year of the project and tested in pilot sites of the project. It is expected to have four sites with some level of sustainable management. For the target value, 20 of the 34 pilot sites will be at some level of sustainable soil management.

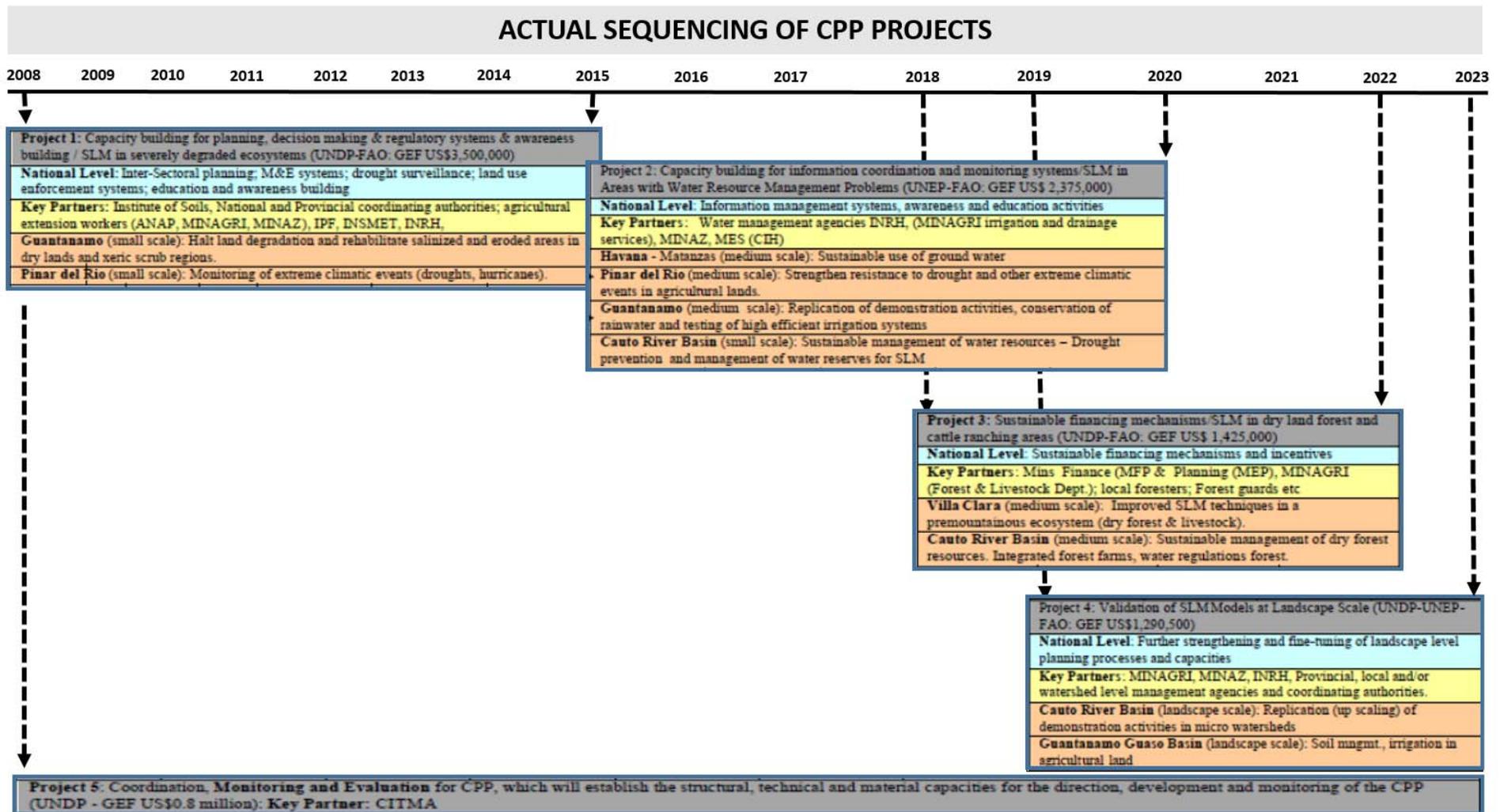
## Annex 2. Location of target areas



### Annex 3. Pilot sites

Intervention Area	Province	Municipality	Pilot farms		Type	
Guamuhaya	Cienfuegos	Cumanayagua	Las Margaritas Sierrita (Cienfuegos Agroforestry Enterprise)		State enterprise	
			Santa Ana (UEB Ganadería Camilo Cienfuegos. Empresa Pecuaria La Sierrita) E		State enterprise	
			Gallego Otero medicinal plant museum (LABIOFAN)		State enterprise	
	Sancti Spiritus	Trinidad	La Baria (Sancti Spiritus Agroforestry Enterprise. UEB. Agroforestal Trinidad)		State enterprise	
			La Esperanza (Pecuaria, CCS Conrado Benítez)		Private (cooperative)	
			Los Molinos (Pecuaria, CCS Romelio Cornelio)		Private (cooperative)	
		Fomento	La Escalera (UEB Agroforestal Fomento)		State enterprise	
	Villa Clara	Manicaragua	Manicaragua Silvicultural Unit (management area)	El Llano Forest Farm.	State Enterprise (3 forest farms)	
				Santa Ana Forest Farm		
				El Sijú Forest Farm		
			UBPC La Herradura, E		State enterprise	
			CCS Domingo Lara		Cooperative (10 private farms)	
			UEB Flora y Fauna, Hanabanilla Natural Protected Landscape	Farm of Bruno Díaz Valdivieso	Independent producer	
El Naranjito Farm	Independent producer					
Cauto	Granma	Jiguaní	Agricultural/ livestock enterprise 14 de junio. UBPC Raúl Sánchez- Dos Ríos	Ubenilde Quiñones Ortiz Agroforestry farm	State Enterprise (3 agroforestry farms)	
			Oscar Mestre Ramírez Agroforestry Farm			
			Juan Álvarez Chacón Agroforestry Farm			
	Cauto Cristo	Estabulado Bufalino de la Granja Nro 1 Camilo Cienfuegos (Roberto Esteves Ruz Livestock Enterprise)		State Enterprise		
	Holguín	Urbano Noris	Limoncito Agroforestry Farm. (Empresa Agropecuaria Urbano Noris)		State enterprise	
			Livestock/Forestry Farm: Rodolfo Ávila Maceo (Empresa Agropecuaria Urbano Noris)		State enterprise	
			La Cuchilla (CPA Manuel Velázquez, Empresa Agropecuaria Urbano Noris).		Private (cooperative)	
			La Guacaica Agroforestry Farm. (Empresa Agropecuaria Urbano Noris)		State enterprise	
		Calixto García	Manuel Márquez	José Antonio Ricardo Montenegro Agroforestry Farm		Private (cooperative)
				Luis Ramón García Calero Agroforestry Farm		Private (cooperative)
Cacocum		UBPC Cañada Ancha (Holguín Sugar Enterprise, AZCUBA)		State enterprise		

## Annex 4. Actual sequencing of CPP projects



## Annex 5. Project stakeholders

STAKEHOLDER	ORGANISM	ROLES AND FUNCTIONS	INTEREST IN THE PROJECT	PARTICIPATION IN THE PROJECT
Ministry of Science, Technology and Environment	CITMA	Responsible for directing, executing and controlling the policy of the State and Government in scientific and technological activities, environmental policies and the peaceful use of nuclear energy, promoting its coherent integration to enable it to contribute to the sustainable development of the country.	Contribution to the implementation of policies in Cuba. Lead organism in the CPP and its projects. Through the Directorate of International Relations, maintains close links between the Conventions in Biological Diversity, Climate Change, CITES and Ramsar, in order to promote synergies between them.	Responsible for supervising processes of environmental evaluation of each proposed investment.
Ministry of Agriculture	MINAG	Directing and executing Government policies related to the use, conservation and improvement of soils; property and possession of agricultural and forestry lands; plant health; veterinary medicine; conservation, management and rational use of forest resources and wildlife; mechanization and irrigation of production programmes; agricultural production activities; processing of rice, tobacco, citrus, coffee, bee products, animal feed, forestry and poultry products.	The Project includes a number of areas that fall under the institutional responsibility of MINAG.	MINAG, with its delegations at provincial and municipal levels, is a key implementation partner, in terms of local facilitation of access to actors, networks and resources, as well as the integration of new and improved instruments for sector planning during and after the project. Supervision and control of the execution of the Project in accordance with institutional roles.
Environment Agency (AMA)	CITMA	Base of the Project Management Units of CITMA; coordination of inputs from its scientific institutes	Contributes with models of environmental planning at municipal and community levels.	Supervises and controls the execution of the Project in accordance with institutional roles, and will be responsible for the facilitation of operational procedures with UNDP and cofinancing sources.
Directorate of Environment	CITMA	Responsible for the preparation and oversight of national environment policy, aimed at ensuring the protection of the environment and the rational use of natural resources, integrated with the sustainable development of the country. Directs, together with all the organisms of the Central Administration of the State, the Environment Agency (AMA) and other directorates and dependencies of the Ministry. Forms part of the coordinating board of the	The Project can contribute to the implementation of environmental policies in the country.	Development, improvement and control of strategies, plans and programmes for the protection of the environment and the rational use of natural resources and priority ecosystems, with special attention to the integrated management of hydrological catchments, bays and coasts, mountain zones and protected areas. Controls the implementation of the SNAP, the

STAKEHOLDER	ORGANISM	ROLES AND FUNCTIONS	INTEREST IN THE PROJECT	PARTICIPATION IN THE PROJECT
		National System of Protected Areas (SNAP).		National Strategy for Environmental Education and the National Monitoring System.
Ministry of Foreign Trade and Investments	MINCEX	Coordination and advice on the instrumentation and coherence with policies of State and Government related to economic collaboration.	Responsible for ensuring that the Project is implemented in accordance with Government approaches and policies.	Approval, supervision and y control of the execution of Project activities in accordance with institutional mandates.
Ministry of Finance and Prices	MFP	Emitted Resolution 217 of 31/5/2013 approving the provision of financing through transfer of current funds to State enterprises, Basic Units of Cooperative Production, Cooperatives of Agricultural Production and Cooperatives of Credit and Services.	Oversight of financing mechanisms	Member of the Coordination Board of the project.
Ministry of Economy and Planning	MEP			Member of the Coordination Board of the project.
Central Bank of Cuba	BCC			
National Centre for Protected Areas (CNAP)	CITMA	Lead entity in the planning of protected areas. Provides methodological direction, supervision and control of the SNAP.	Works together with productive sectors in SLM, for activities related to production and protected landscapes.	Member of the Coordination Board of the project. Contributes experience in SLM in PAs in the mountain massif and Cauto basin, in the development of the SNAP.
Corps of Forest Guards (CGB)	Ministry of Interior (MININT)	Safeguarding and protecting forest resources, wildlife and other natural resources of the country, together with other organisms and institutions of the State related to this objective. Member of the Coordination Board of the SNAP.	Supports the Project through supervision of the use of natural resources	Takes action in the event of contraventions of regulations on forestry heritage, wildlife, hunting and other specific issues related to environmental infractions, and imposes fines and other measures within its faculties. Key actor in the Early Warning System for forest fires, developing actions that lead to detection and information on damage to forest resources, wildlife and the environment

STAKEHOLDER	ORGANISM	ROLES AND FUNCTIONS	INTEREST IN THE PROJECT	PARTICIPATION IN THE PROJECT
				in general.
Institute of Meteorology (INSMET)	CITMA	Gathers, processes and provides reliable and timely authorized meteorological and climatic information on the state and the current and future behaviour of the atmosphere. Operates the Systems for Meteorological Warning, Climate and Pollution, and in particular the Early Warning System.	Consolidation of the National Climate Vigilance System, into which is inserted the vigilance and early warning of extreme climate events and data of interest for irrigation of crops; provides agrometeorological information for decision making. Introduces monitoring and early warning of meteorological and agricultural droughts in ecosystem management plans and productive scenarios, including measures for adaptation to climate change.	Will provide technical and information assistance, allowing in a more complete and rational manner: 1) The application of projects and programmes; 2) greater and more precise knowledge on the part of decision makers and the population in general on the impacts of climate change; 3) the existence of a group of local actors trained in the identification of measures, actions, targets and objectives for the development of strategic plans for adaptation to climate change, particularly drought.
Institute of Physical Planning (national, provincial and municipal levels)	IPF	Planning of territorial zoning, approval of micro-zoning, production of tourism development plans.	Contribution to adequate territorial planning taking into account SLM considerations	Contribution to harmonization of development plans and land use plans.
Institute of Soils (IS)	MINAG	Provides scientific and technical bases for the sustainable use and protection of soils in the agrarian sector. Has a national structure for carrying out basic research, R&D and technological innovation of national, sector and territorial nature, to provide a scientific-technical basis for the sustainable use and protection of soils in the agrarian sector.	Generates and transfers technologies related to SLM. Oversees and controls soil use and land use change. Directs and executes the PNMCS, for the national application of measures for the prevention and recovery of affected soils.	Interested in the strengthening of the network for the monitoring and evaluation of soils and water quality for agriculture, the promotion of the establishment of sustainable agricultural practices, and training of actors involved in SLM at different levels.
Ministry of Education (MINED)	MINED	Leads and executes the education policy up to pre-university level.	Increase capacities and knowledge on environmental conservation.	Provision of human resources for carrying out training activities in local communities.
Directorate of Forestry, Flora	MINAG	Application of the Forestry Law for the care and development of the national forest estate,	Controls lands of the forest estate and the expansion of agricultural	Halting processes of desertification, and rehabilitation of degraded lands through

STAKEHOLDER	ORGANISM	ROLES AND FUNCTIONS	INTEREST IN THE PROJECT	PARTICIPATION IN THE PROJECT
and Wildlife		guaranteeing the sustainable use of forest resources; proposal of the national Forestry Policy, approval of projects and plans for reforestation, promotion, management and administration of forest resources, and oversight of compliance; responsible for the use, authorisation and certification of the National Forestry Fund.	lands. Promotes forests and the reforestation of areas with forest vocation or which were previously deforested.	the promotion of forest resources and the establishment of forests in management of water in catchment basins and hydroregulatory strips. Contribution with cooperation of FONADEF
IAgric	MINAG	Provides scientific and technical bases for increasing the efficiency of irrigation and agricultural draining systems on a sustainable basis. Generates and transfers technologies for irrigation and drainage, whose use allows improvements in technical and economic indicators of areas under irrigation; trains workers, technicians and managers involved in the design, operation and maintenance of systems of irrigation and drainage; organizes, disseminates and extends the use of scientific-technical information in relation to irrigation and drainage promotes and executes research on irrigation and drainage.	Integrated into programmes and projects at different levels, in areas related to agroecological zoning for irrigation in conditions of water deficit, agricultural drainage and recovery of saline soils, technologies for soil conservation and the preservation of the quality of water and strategies for mitigating environmental degradation associated with irrigation and drainage.	Coordination of project actions in MINAG. Contribution to the siting, characterisation and monitoring of water use related to agriculture in the Project intervention areas, selection of efficient irrigation technologies, specific irrigation technologies for the crops established in the demonstration areas and water management. Provision of information on the situation with drainage and technologies applied for its improvement, as well as procedures for soil recovery.
National Institute for Water Resources		Direction, execution and control of the application of State and Government policy regarding water resources. Organization and direction of the protection of terrestrial waters, catchment basins, natural water courses, water works and installations, against damaging agents. Regulation and control of activities related to aqueducts, drains and rainwater runoff management.	Responsible for the implementation of national water policy. Organizes and guarantees the functioning of the national registry of terrestrial waters including concessions, allocations and permits related to water use and preservation, in conformity with the provisions of the law and the sustainability of catchment basins.	Coordination and implementation of the Project. Creation and strengthening of technical and professional capacities, for improved use and management of water resources and infrastructure. Strengthening of information and monitoring systems, dissemination, training of stakeholders, implementation of technologies for water harvesting.
National Association of Small Farmers (ANAP)		Represents the social and economic interests of Cuban farmers, consisting of those with private property. Participates in the formulation of policies and strategies related to agrarian issues.	Aims at SLM, and therefore has been integrated into programmes and projects including those related to the development of the Farmer to Farmer Agroecological Movement, with thousands of	As a movement that motivates the farming community to carry out conservation and preservation of natural resources and the implementation of SLM principles. Extension and use of its training centres

STAKEHOLDER	ORGANISM	ROLES AND FUNCTIONS	INTEREST IN THE PROJECT	PARTICIPATION IN THE PROJECT
			promoters, which promotes soil conservation, the preservation of water quality, and the use of renewable energy.	for SLM.
Territorial delegations of CITMA and Environment Units (UMA)	CITMA	Control and supervision of environmental management in the provinces. Control, coordination and supervision of the provincial protected areas system.	Ensuring the correct implementation and control of SLM actions related to the conservation and sustainable use in the Project areas.	Coordination of Project activities with provincial actors. Coordination of the creation of new management strategies and their implementation. Responsible for coordinating and implementing the monitoring and evaluation system for the Project. Supervision and control of the use of Project resources.
Territorial delegations of MINAG	MINAG	Promotion of the sustainable use of forest resources and the conservation of ecosystems and biodiversity.	Ensuring the implementation of the actions of the National Forestry Programme.	Participation in the development of economic incentives related to the use of forest goods and services, including coffee. Contribution to the creation of technical capacities for SLM.
Representatives of provincial governments (Local Organs of Popular Power, Municipal Administration Council)	National Assembly of the National Popular Power	Control and administration of resources at local level.	Increasing capacities for the harmonious use of natural resources and community needs.	Support to Project actions, coordination and information to different provincial actors. Support to the process of decision-making. Consolidation and strengthening of integrated territorial management.
National Enterprise for the Protection of Flora and Fauna (ENPFF) (national enterprise with provincial establishments and protected areas)	MINAG	Ensuring the conservation of the most representative natural values of the country with emphasis in biodiversity, guaranteeing ecological stability and their sustainable use, as well as the protection of associated historical and cultural values. Responsible for the management of the majority of PAs in the SNAP. Member of the Coordinating Board of the SNAP.	Strengthening PAs. Contributing to the correct planning and management of the PAs that it administers, promoting SLM actions in the sector.	Responsible for the administration of some PAs in the target areas of the Project, Hanabanilla. Creation of capacities, execution of Project activities, creation of infrastructure.
Credit and Service Cooperatives (CCS),	Cooperative Sector	Agricultural and livestock production in agricultural lands belonging to individual cooperative members. Belong to ANAP	Sustainable development of agricultural and livestock production using SLM on agricultural soils in the areas of	Adequate development of productive SLM activities in the areas of influence of the project.

STAKEHOLDER	ORGANISM	ROLES AND FUNCTIONS	INTEREST IN THE PROJECT	PARTICIPATION IN THE PROJECT
Agricultural Production Cooperatives (CPA), Basic Units of Cooperative Production (UBPC)			influence of the project with sylvo-pasture and agroforestry systems.	
Institute of Ecology and Systematics (IES)	CITMA	Contributes its extensive knowledge on biodiversity through integrated systematic and ecological studies, promoting its conservation and the sustainable use of natural and restored ecosystems, increasing their contribution to scientific and socioeconomic development in the Project areas and the Caribbean.	Institutional and capacity strengthening. Contribution to the implementation of the National Biodiversity Strategy and Action Plan.	National coordination of the technical and financial implementation of the Project. Direction and supervision of Project execution. Provision of specialists and technicians for systematic and ecological studies, workshops, courses and training activities.
Institute of Tropical Geography (IGT)	CITMA	Development of scientific knowledge in the field of geography, carrying out and coordinating research and scientific-technical service on the structure and dynamics of the components of nature and society, environmental interrelations, and their cartographic modelling, with the aim of contributing to the sustainable development of the country and the creation of bases for the Cuban school of geography, in the tropical, Latin American and Caribbean context.	Opportunity for strengthening of the Environmental Information Management System "INFOGEO"	IGT contributes to INFOGEO with training on environmental zoning and participatory community-based strategies and the development and implementation of GIS.
National Museum of Natural History (MNHN)	CITMA	Collection, investigation, conservation and exhibition of natural objects for the promotion of scientific and cultural knowledge of nature.	Opportunity for increasing capacities and knowledge on SLM.	Support to human and material for environmental education, dissemination and communication activities related to SLM.
Local AND Community Development Centre (CEDEL)	CITMA	Advice, study, investigation and promotion of integrated local and community development in its different dimensions (economic-labour, administrative, cultural, environmental and community action) through the production of strategies, in support of which it generates social transformation projects, transfers technologies and forms, develops and trains social actors at local level.	Opportunity for promoting local development of communities in the target areas of the project. Support to the process of developing capacities at local (municipal) scale through training and support to the design of Local Development Strategies.	Formation, development and training of social actors at local level with its experiences. Participation in the results and products in which Local Organs of Government will be involved.

STAKEHOLDER	ORGANISM	ROLES AND FUNCTIONS	INTEREST IN THE PROJECT	PARTICIPATION IN THE PROJECT
National Institute of Agroforestry Research (INAF)	MINAG	Strengthening of the actions of the National Forestry Programme in environmental education, training, extension, genetic improvement and the production of native forest seed, the promotion of plantations, forest inventory and planning, protection against forest pests and fires and strengthening of institutional management for biodiversity preservation.	Opportunity for increasing capacities and knowledge on the conservation and sustainable use of BD, and ensuring the implementation of the actions of the National Forestry Strategy.	Member of the Coordination Board of the Project. Provision of specialists and technicians for research, activities related to the forest estate, workshops, courses and training activities.
Villa Clara Environmental Study Centre (CESAM)	CITMA	Research, services and scientific/technical services and programmes in environmental issues, with broad scope to guarantee the conservation of BD and the integrated management of ecosystems in relation to sustainable development..	Increase in capacities and knowledge on conservation and the environment.	Provision of specialists and technicians for research, BD monitoring in the Massif, workshops, courses and training activities.
Holguín Centre for Environmental and Technological Research and Services (CISAT)	CITMA	Generation, execution and/or transfer of knowledge and technologies in accordance with the requirements of sustainable territorial development, through Projects for Scientific Research and Technological Innovation, Services and Scientific and Technical Research.	Increase in capacities and knowledge on conservation and the environment.	Provision of human and material resources for the coordination and execution of training, environmental education, research and monitoring.
Eastern Centre for Ecosystems and Biodiversity (BIOECO)	CITMA	Realization of specialized and interdisciplinary studies that contribute to defining and characterising areas of main interest and importance for BD, and establishment of means and methods for their conservation, rational use, ecological improvement and sustainable cultural, economic and social development.	Increase in capacities and knowledge on conservation and the environment.	Provision of human and material resources for the coordination and execution of training, environmental education, research and monitoring.
Provincial universities involved in the project, and municipal university centres.	MES	Direction, execution and control of policies related to Higher Education. Several universities may play important roles in Project execution.	Increase in capacities and knowledge on conservation and the environment. Strengthening and updating of plans for higher education	Provision of human and material resources for the coordination and execution of training, environmental education, research and monitoring.
National and Provincial Botanic Gardens	MES and CITMA	Institution dedicated to the exposure of tropical plant diversity, environmental education, and visitor recreation.	Increase in capacities and knowledge on conservation and the environment.	Provision of human and material resources for the coordination and execution of training, environmental education, research and monitoring.

STAKEHOLDER	ORGANISM	ROLES AND FUNCTIONS	INTEREST IN THE PROJECT	PARTICIPATION IN THE PROJECT
				Breeding of endemic species.
Cuban Association of Agricultural and Forestry Technicians (ACTAF)	NGO/association related to MINAG	Integration of agricultural and forestry technicians, for sustainable agrarian development based on agroecology and SLM	The Project may contribute to the reproduction of materials for BD conservation and capacity development for awareness raising in local communities.	Support to local and community development. Training of technicians and farmers. Agrarian extension. Diffusion and exchange of experiences on SLM in agrarian activity through publications and events.
Cuban Association for Animal Production (ACPA)	NGO/association related to MINAG	Contribution to sustainable human and technical-productive development in the area of animal production and industry.	The Project may contribute to the reproduction of materials on SLM for the development of capacities in the process of awareness raising of local communities. Establishment of synergies with the project, through the implementation of conservation projects.	Promotion of the adoption of sustainable production technologies compatible with SLM.
Cuban Botany Society (SOCUBOT)	NGO	Contribution to knowledge of Cuban BD, adequate management of ecosystems and sustainable use of plant species, contributing to the conservation of vegetation.	The Project may contribute to the reproduction of materials for BD conservation and capacity development for awareness raising in local communities. Establishment of synergies with the project, through the implementation of conservation projects.	Support with programmes and actions to the promotion of values for plant conservation in SLM and divulgation of project results.
Cuban Zoological Society (SOCZOO)	NGO	Promotion and strengthening of research, education and dissemination on zoology, contributing to knowledge and understanding of Cuban fauna.	The Project may contribute to the reproduction of materials for BD conservation and capacity development for awareness raising in local communities. Establishment of synergies with the project, through the implementation of conservation projects	Support with programmes and actions to the promotion of values for studies and conservation