MID-TERM REVIEW

Project "Climate-smart livestock production and land restoration in Uruguayan rangelands"

GEF PROJECT ID: 9153

FAO PROJECT SYMBOL: GCP/URU/034/GFF

EXECUTIVE SUMMARY

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FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

FAO - URUGUAY

Recognitions:

The Mid-Term Review (MTR) team was made up of two independent consultants, Gladis María Demarchi as international consultant, leader in charge and expert in evaluating projects related to the area of climate change, biodiversity, gender equity and human rights and Heber Freiría, national consultant, professional expert in design, monitoring and evaluation of policies, programs and development projects, environment and knowledge management in the region.

The MTR was carried out with the invaluable help of FAO staff from the Uruguay Office. This MTR was made possible thanks to their input, knowledge, advice, and feedback. The MTR team thanks all the people who have contributed to this MTR directed by Sebastián Viroga Ugarte, Officer in Charge of the FAO Representation in Uruguay, to Genevieve Braun and Ina Salas of the FAO-GEF Coordination Unit in Rome for supervising this review. The team also thanks the Project team for their active participation: Soledad Bergós, National Coordinator of the Livestock and Climate Project-FAO, and Felipe García Olaso, Valentín Balderrín, Lucía Pais and Cecilia Márquez.

The MTR received input from many stakeholders, including government officials, donors, private sector representatives, and project beneficiaries. Their contributions were essential to the work of the MTR team, which is greatly appreciated. We thank the coordinating team of the project for the openness, collaboration and for the facilities in the organization of this review. Finally, to all those who in one way or another have contributed to this review by expressing their opinion.

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ACRONYMS:

AFOLU	Agriculture, forestry and other land uses
ARU	Rural Association of Uruguay
AUGAP	Uruguayan Association of Rangeland Farmers
ANII	National Research and Innovation Agency
CAF	Federated Agricultural Cooperatives
CAS	Agricultural Council of the South
CCAC	Climate and Clean Air Coalition
CDP	Project Steering Committee
UNFCCC	United Nations Framework Convention on Climate Change
CNFR	National Commission for Rural Development
UNCCD	United Nations Convention to Combat Desertification
CODEGALAC	Livestock Development Commission for Latin America and the Caribbean
CO ₂	Carbon Dioxide
CONEAT	National Commission for the Agronomic Study of the Land (MGAP)
CURE	Eastern Regional University Center of UDELAR
DACC	Development and Adaptation to Climate Change Project (MGAP)
DGDR	General Directorate of Rural Development
DINACC	National Directorate of Climate Change
DINABISE	National Directorate of Biodiversity and Ecosystem Services
DGRN	General Directorate of Natural Resources
ESS	Environmental and Social Safeguards
FAGRO	Faculty of Agronomy (UDELAR)
FAO	Food and Agriculture Organization of the United Nations
FUCREA	Uruguayan Federation of Regional Centres of Agricultural Experimentation
FRU	Rural Federation of Uruguay
GBR	Results-Based Management
GCF	Green Climate Fund
GEF (FMAM)	Global Environment Facility
GHG	Greenhouse gases
CSLM	Climate-Smart Livestock Management
GyC	Livestock and Climate
INAC	National Meat Institute
INALE	National Milk Institute
INIA	National Institute of Agricultural Research
IPA	Institute of Livestock Technology Transfer
IPCC	Intergovernmental Panel on Climate Change
LULUCF	Land use, changes in land use and afforestation
MA	Ministry of Environment
MERCOSUR	Southern Common Market
MGAP	Ministry of Livestock, Agriculture and Fisheries
MGCN	National Livestock Rangeland Board
MRV	Monitoring, Reporting and Verification
MTR	Mid-Term Review
M&E	Monitoring and evaluation
NAMA	National Appropiate Mitigation Action

NDC	Nationally Determined Contribution
NGO	Non-Governmental Organization
OPP	Office of Planning and Budget
OPYPA	Office of Agricultural Planning and Policy (MGAP)
PdG	Gender Perspective
PIF	Project Identification Form
PIR	Project Implementation Report
PNCC	National Policy on Climate Change
PRODOC	Project Document
PROCISUR	Cooperative Program for the Technological Development of Agrofood
	and Agroindustrial of the Southern Cone
SNIDER	National System of Innovation and Rural Development
SUL	Uruguayan Wool Secretariat
SRNCC	National System for Response to Climate Change and Variability
ToR	Terms of reference
UASCC	Agricultural Unit for Sustainability and Climate Change (MGAP)
UCOD	Organizational Communication and Dissemination Unit (MGAP)
UDELAR	University of the Republic
UNEG	United Nations Ethical Standards of Evaluation
PMU	Project Management Unit

Executive Summary

- The Mid-Term Review (MTR) of the Project "Climate-smart livestock production and soil restoration in Uruguayan rangelands", hereinafter, Livestock and Climate (GyC) was contemplated in the project document (PRODOC) within the framework of the requirements of the Global Environment Facility (GEF) and its purpose is to render accounts to inform its direct stakeholders; verify progress and performance towards the achievement of expected results; suggest adaptive measures if necessary; identify lessons learned, strategies and opportunities for improvement of future activities until the end of the project; and contribute to the knowledge of future initiatives.
- Temporal and territorial scope of the MTR: The analysis covers the period from February 1, 2018 to March 31, 2022. The collection of information included interviews with key actors located in Montevideo and considered the following regions: Cuesta Basáltica (North Zone), Gondwánica Sedimentary Basin (Northeast Zone), Sierras del Este (East Zone) and Cristalino Shield (Central Zone).
- 3. The MTR analyzed the 3 components of the project and their progress towards achieving the expected results, as well as those that were not expected: Component 1: Strengthening the institutional framework and national capacities to implement climate-smart livestock management (CSLM); Component 2: Development and implementation of CSL practices and technologies at the field level; and Component 3: Monitoring, Evaluation and Knowledge Sharing.

A. Methodology

- 4. The review used quantitative and qualitative analysis methods for data collection:
- <u>Secondary sources</u>: Project Identification Form (PIF); Request for Project Endorsement Approval; Project Document (PRODOC); semi-annual and annual progress reports; technical reports, missions, support and supervision of the project; communication and training products: project presentations, news and social networks, etc.; systematizations elaborated during the life of the project; letters of agreements and agreements with public and private actors; minutes of committee or stakeholder meetings; contextual documents; and websites.
- <u>Primary Sources</u>: Seventy-eight (78) semi-structured, individual and group interviews and five of the six focus groups were conducted virtually due to the restrictions imposed by the COVID19 pandemic. 9 field visits were made to the producer families of selected farms in each region. For the collection of information, 32 interviews were conducted with various key actors representing partner organizations of the project; implementing agency; government officials; universities; civil society organizations, academia; and beneficiaries (10 women and 22 men). Two focus groups for extensionists: a group of 5 participants and another of 6 participants each: a total of 11 extensionists (7 women and 4 men). Four focus groups with beneficiaries, non-beneficiaries, unselected rural producers or families that abandoned the project: a total of 26 beneficiaries and non-beneficiaries (12 women and 4 men). Ten interviews with producing families from selected properties: 10 (6 women and 4 men). A total of 78 people were interviewed, of which 45% were women (35 women and 43 men).
- 5. The samples to select the actors and areas of field visits:
- > Sample of key actors: the key actors were selected trying to include

representatives of government institutions, executing and strategic partners, FAO and GEF agents, producer organizations, academia, technicians, and consultants, that is, those actors most directly involved with the implementation of the project: 32 interviews.

- Sample for focus groups: extensionists, technicians, beneficiary producer families, families not interested in the project, participating organizations; families that abandoned the project and some indirect beneficiaries from the four regions. In total, 4 focus groups, one for each region and two focus groups with 11 extensionists.
- Sample for interviews and visits to demonstration farms: for the field visits, two families were selected for each region (8) located in the area of intervention of the project because they are mostly small and medium-sized producers who develop livestock on natural pastures, considering women and young producers:
 - a. North Zone: one farm with a higher level of progress and another with a relative level of progress (2)
 - b. Central area: one farm with a higher level of progress and another with a relative level of progress (2)
 - c. Northeast Zone: one farm with a higher level of progress and another with a relative level of progress (2)
 - d. East Zone: one far, with a higher level of progress and another with a relative level of progress (2)

The evaluators selected two more farms at random. In total, **10 demonstration farms** were selected.

B. Findings of the Mid-Term Review.

B.1 Relevance:

Are the results of the project consistent with the national priorities and strategies of the GEF, FAO, the 2030 Agenda and the needs of the beneficiaries? Has there been any change in the relevance of the project since its formulation, such as the adoption of new policies, plans or programs that affect the relevance of the project's objectives and goals?

To what extent is the project's results framework still valid or is it necessary to make adaptations to the project in order to accommodate any change in national policies and/or programs, of the GEF, FAO or any other relevant actor?

- 6. The project is aligned with the priorities of the Ministry of Livestock, Agriculture and Fisheries (MGAP), Ministry of the Environment (MA) and with the national policies of sustainable intensification of agricultural production, adaptation to climate change, commitments to mitigate climate change and protection of the country's biodiversity. Uruguay is committed to facing the challenges of the livestock sector through a holistic approach that encompasses food security, economic competitiveness, sustainable land management, adaptation to climate change and its mitigation, that is, increasing productivity and efficiency in a sustainable way.
- 7. The project approach is relevant and of growing interest to the Government, livestock producers and other agents in the chain (slaughter plants, local merchants, brokers). Foreign trade in meat is decisive for the country and both public policies and the private agenda are taking action to define a low-carbon meat strategy that allows unrestricted access to the most demanding markets and valorization of products through differentiation actions, such as certifications.
- 8. The project is also aligned with the principles of the international agenda and areas of Climate Change Mitigation and Land Degradation of the GEF, more specifically, with

Objectives: MCC-2: Demonstrate systemic impacts of mitigation options; and LD-1: Maintain or enhance the flow of services from agricultural ecosystems to sustain food production and livelihoods.

- 9. The project is aligned with the Objectives of the FAO Strategic Framework for 2022-2031¹ that seeks to support the 2030 Agenda through the transformation towards more efficient, inclusive, resilient and sustainable agri-food systems, to achieve better production, better nutrition, a better environment and a better life without leaving anyone behind. Likewise, it is in line with the Regional Initiatives and the Programmatic Framework of the country.²
- 10. In the interviews, focus groups and visits to farms, it was possible to verify that the project's actions respond to the needs of the beneficiaries, since the raising of animals in rangelands or natural pastures usually faces periods of food scarcity in winter and due to adverse effects of climate change.
- 11. The change of Government in 2020 did not affect the general relevance of the Project, although certain decisions to partially reduce the amount of some loans managed by the MGAP, such as the Development and Adaptation to Climate Change Project (DACC2) had a negative impact on the financing with which was counted to expand actions and reach the goal of reducing 260,000 tons of CO2eq of GHG through sustainable practices in 400,000 indirect hectares and the new planting of trees in selected properties. Currently, it is unknown if the action of other public and private actors planned for the spill together with the action of the DACC2 is being carried out for the implementation of sustainable livestock practices in the indirect area and even there is still no clear methodology for the final environmental survey.
- 12. Currently, the authorities are working on a Strategic Plan for the MGAP and the environmental footprint of livestock.³

Assessment of relevance: Highly Satisfactory (HS)⁴: The project, in general, is of high relevance for the strategic partners; it is consistent with the public policies of the country and there is interest and commitment from the highest level of the authorities. Its importance has increased from the moment of its design since the issue has motivated new actions by the Government at the internal and international levels and has gained more visibility among organizations and producers, as well as in international forums and organizations.

B.2 Effectiveness:

To what extent has the project achieved its products, results and objectives, particularly in terms of

progress in mitigating emissions and removals of greenhouse gases? Is there any evidence of reduced environmental impact or change in environmental status that reflects global environmental benefits or any change in policy, legal or regulatory frameworks? Do the results to date indicate that the goals and general objective of the project would be achieved?

¹FAO Strategic Framework 2022-2031, 2022:<u>https://www.fao.org/strategic-framework/en</u>

²Regional Initiatives: R2: Family farming, food systems and sustainable rural development. R3: Sustainable use of natural resources, adaptation to climate change and disaster risk management. Country Program Framework: Priority Area 2 Environmental sustainability of agricultural production and less vulnerable agricultural systems and more resilient. Outcome 2.1 Improvements in policies and programs for the sustainable intensification of agricultural production so that farmers and natural resource managers adopt practices that increase and improve the production of goods and services from the agricultural sector in a sustainable way and reduce risks.

³During the writing of this Report, it became known that the FAO and within the framework of the Livestock Development Commission for Latin America and the Caribbean (CODEGALAC), of which Minister Mattos is the president, began the execution of a TCP project in support of Sustainable livestock, among whose products it foresees funds and the generation of conceptual notes to support the countries in the search for financing for the mobilization of resources to international funds and that the results of the project will be presented to the Bill and Melinda Gates Foundation. ⁴For the assessment of each criterion, the rating scale of Annex 2, GEF, 2017 was taken into account, which considers: (HS) Highly Satisfactory, (S) Satisfactory, (MS) Moderately Satisfactory, (MU) Moderately Unsatisfactory, (U) Unsatisfactory, (HU) Highly Unsatisfactory, (UA) Unable to Assess.

Has sufficient capacity been created to guarantee the fulfilment of the results at the end of the project, as well as the probability that it will produce an impact in the medium and long term? Are there barriers or other risks that may impede progress and the achievement of long-term project goals?

13. At the level of achievement of **project results**, the following was verified:

Outcome 1.1: Policy and planning frameworks strengthened in support of GGCI implementation and national communications on livestock emissions. (MS)

- 14. A draft Strategy on CSLM is available. A letter of agreement was signed with the Institute of Livestock Technology Transfer (IPA). There were some difficulties on the part of IPA in terms of understanding the expected process, the scope and the importance of a participatory process that requires flexibility to incorporate and respect the contributions of the various participating institutions for the validation of the strategy before the National Livestock Rangeland Board (MGCN). The validation of this strategy at the highest level is a major challenge for the second stage of the project.
- 15. Regarding the formulation of the "National Appropriate Mitigation Actions (NAMA)⁵ there was a change in strategy, deciding to hire an international consultancy, which is in the process of being formalized. That decision, together with the need to obtain approval from new authorities, generated some delay. However, the budget and schedule forecasts are adequate. The hiring of the consultancy for the preparation of the NAMA and inclusion of the National Monitoring, Information and Verification System (MRV) was scheduled for the end of 2020. It was initially rescheduled for October to December 2021 and to be carried out in the first half of 2022.

Result 1.2: Strengthening of national capacities to support the implementation of the CSLM (MS)

16. The activities of exchange, strengthening of the commitment and the capacities in relevant organizations have been partially fulfilled, giving priority to the internal dependencies of the MGAP or those close to that Ministry and with deficits in regards to producer organizations and technical groups with capacity for incidence not involved so far in the project. Intensification of work is planned for 2022.

Outcome 2.1: Implementation of sustainable climate-smart livestock management (SCLM) on degraded/degrading land.

- 17. The achievement of this result is measured through the following four indicators:
- 18. LD 1.1 Indicator: Land area with effective grassland management practices and/or climate-smart agriculture: Technical assistance has been implemented in 61 farms covering 31,185 ha. The Management for Climate-Smart Livestock (CSLM) seeks a productive livestock, adapted to climate change and contributing to reduce emissions through proper management. The main practices that define this GGCI are: a new grazing management, maintaining a pasture height above certain minimums, the allocation of forage, the establishment of forests for shelter and shade, and improvement in the availability of water. According to project reports, an area of 29,066 hectares has incorporated effective practices of CSLM which represents an overcoming of the intermediate goal of 15,000 hectares and allows to foreseen the final goal of 35,000 hectares. (S)

⁵The English acronym NAMA (nationally appropriate mitigation action) is frequently and interchangeably used.

- 19. Indicator 1 (CC): Tons of CO2eq of GHG reduced or avoided directly and indirectly: Indicator without intermediate goals whose final goal is 379,000 tons of CO2eq of GHG reduced or avoided directly and indirectly. According to project reports, it is expected to reach, at the end of execution, between 80% and 90% of the emission reduction goal as a direct effect on the 35,000 intervened hectares (118,950 tons of CO2eq). About 30% of this goal was expected to be achieved by carbon sequestration by planted forests. Preliminary reports indicate that the expected forest area will not be reached (there are only 88.27 hectares of new plantations when the expected area was 245 hectares). The total goal depends on the reduction of another 260,166 tons of CO2eq that should be achieved by applying the sustainable practices promoted on another 400,000 hectares of indirect intervention, what was expected to be achieved through technical assistance and investments financed by the DACC2 project. Given that the total amount of this project was reduced, there is still no methodology to measure the action of other public and private actors in CSLM and there are no mid-term measurements or designed alternatives, so the achievement of this goal is up to the moment unlikely. (U)
- 20. <u>Participating establishments with highest income</u>: It has been reported that the net family income of the project properties increased almost 20% with respect to the baseline and 56% of the properties improved this indicator. Since no difference is made between the producers of the project and the producers who came from other projects who already had knowledge and were implementing sustainable practices, which makes it difficult to properly attribute the effects of the project. In addition, for its determination, the variable price of meat, which would have risen in the last year, was not taken into account. **(S)**
- 21. *Indicator 4 (CC)*: Area under practices and technologies with low GHG emissions: The final goal has been established at 35,000 hectares. According to project reports, in the 2020-2021 financial year, absolute GHG emissions per ha were reduced by 4.9% and 16% the intensity of emissions (GHG per kg of meat produced). Almost 60% of the farms that achieved this reduction thanks to the lower stocking rate in a good part of the farms. While the intensity of emissions also includes increases in partial productivity (meat/ha). There are no intermediate indicators of sequestration by soil based on measurements, being foreseen only at the end of the project, while the report of plantations for sequestration due to forests is lower than expected. **(MS)**

Outcome 3.1: Project implementation based on RBM and lessons learned; good practices documented and disseminated. (S)

22. There is a Monitoring System and Plan with a Communication Strategy being implemented. The system disaggregates data and information according to gender and reports activities, products and results. The emphasis in the semi-annual and annual reports has focused more on reporting activities than on results. Although it is recognized that the achievements of the environmental dimension are more long-term, an intermediate goal of results of this type would have been required. On the other hand, the PMU's M&E system does not seem to exercise leadership and homogeneity of technical criteria in the design of monitoring systems for environmental results, on the one hand, and productive, economic, and social ones, on the other. Despite these limitations, the system is efficient and reports on time.

23. The achievement of **outputs** by component is assessed as follows:

Component 1: Strengthening of the institutional framework and national capacities to implement climate-smart livestock management (CSLM): *39%*

24. <u>Product 1.1.1</u>: A National CSLM Strategy designed and validated with the key actors:

As final goal it is expected a final CSLM strategy presented to the Government and disseminated at the local and regional level, for which a letter of agreement has been signed with the IPA. At mid-term, the draft methodology for the design of the strategy is validated. (Progress level: 30%)

- 25. <u>Product 1.1.2:</u> A National Appropriate Mitigation Action (NAMA), including a national monitoring, information and verification (MRV) system for the ruminant livestock sector. Delay in the process of defining the profile for the design and currently in the hiring process. (Progress level: 11.5%.)
- 26. <u>Product 1.2.1</u>: Capacities developed to effectively support the implementation of the CSLM with a gender-sensitive perspective. A series of meetings and contacts with officials from relevant entities are reported, in addition to training meetings with FAGRO to transfer the capacities to calculate GHG emissions at the farm level and with the IPCC methodology. (Progress level is: 67%)
- 27. <u>Product 1.2.2</u>: A training program established to support the expansion of improved and climate-smart approaches in livestock management. 35 extension agents have been trained in a course within the framework of the Postgraduate and Permanent Education Unit (UPEP) of the Faculty of Agronomy. (Progress level: 46%)

<u>*Component 2:*</u> Development and implementation of CSLM practices and technologies at the field level: 64%

- 28. Product 2.1.1: Short- and medium-term strategies implemented at the establishment level with a gender perspective. The signing of the second FAO-INIA Letter of Agreement for the execution of component 2 in the field has made it possible to advance and commit the set of planned activities and products. In addition to the permanent visits to the 61 participating properties, there have been: discussion and exchange workshops on annual plans; training field day at a participating property; zonal evaluation and exchange workshops between producer families and technical teams; a meeting to exchange information and measures to be taken in the face of the drought situation; an annual evaluation, reflection and exchange workshop for the technical teams linked to the project (EP, INIA-FAGRO, Extension team, field support) (Progress level: 89%)
- 29. <u>Product 2.1.2</u>: A capacity development program focused on the application of CSLM practices and technologies: Holding of eight sessions (four virtual and four face-to-face), open to the general public, to show the progress in terms of redesign plans and results of them. 8 zonal workshops were held with producers, one for each zone in 2020 and 2021. (Progress level: 33%)
- 30. <u>Product 2.1.3</u>: System established in each facility to monitor GHG emissions, adaptation strategies, financing, land degradation and biodiversity. The system has been implemented and progress is being made with the monitoring of economic-productive variables, closing the 2020-2021 financial year. Spring environmental sampling is carried out with vegetation, faeces and water sampling at the 20 intensive sampling sites and the 20 control neighbors. The NDVI satellite survey continues and GHG emissions are calculated for the 61 participating farms. (Progress level: 71%)

<u>Component 3:</u> Monitoring, Evaluation and Knowledge Sharing: 57%

 Output 3.1.1: A series of manuals and audiovisual products describing improvements in CSLM practices, measures and technologies to be used by extension agents and producers. A series of products (audiovisuals, videos, documentaries) have been produced. (Progress level 58%)

- 32. <u>Product 3.1.2</u>: Plan and System for Monitoring and Evaluation of the project established. The system is established. It incorporates lessons learned through a systematic work of meetings and interviews. (Progress level: 67%)
- 33. <u>Product 3.1.3</u>: Exchange of knowledge with other countries and dissemination of verifiable data and proven methodologies. Advance with restrictions due to mobility problems due to the pandemic. (Progress level: 33%)
- 34. Product 3.1.4: Mid Term Review⁶ and Final Evaluation of the Project. (Progress level 40%)
- 35. <u>Product 3.1.5</u>: Communication strategy implemented. The strategy includes permanent communication with the beneficiary families through WhatsApp messaging and with the technical team through different means. Presentations are made on progress and achievements of the project in Rural Development Committees and entities of the interior. A permanent management regarding the press is developed, reinforcing for some instances the link with the local media. (Progress level: 85%)
- 36. Regarding the **Project Objective**: "Mitigate climate change and restore degraded lands through the promotion of climate-smart practices in the livestock sector, with emphasis on family farming", no results are reported in the middle of the period or progress in the tendency towards it. Although in fact the monitoring of social, economic and productive variables has been prioritized over environmental variables, a contribution to climate change mitigation is expected due to the reduction of net GHG emissions in the area of direct intervention, where expected to reach a value close to the target. Some indicators will not be reported until the end of the project and those that have been reported are less visible and known by beneficiaries and other stakeholders.
- 37. **Capacities** have been created at the level of extension agents in the management of CSL techniques, as well as in the co-innovation approach with a gender perspective. The producers, for their part, have incorporated technical innovations at a good pace, although they have little knowledge of the main concepts of environmental problems, as well as the partial results obtained. On the part of the extension agents, certain deficiencies were verified in gender issues and in the development of synergies with institutions and groups of relevant actors.
- 38. As far as **barriers or risks** are concerned, it can be seen that the environmental monitoring plan did not foresee the reporting of intermediate carbon sequestration goals, leaving the measurement of this relevant variable for the end of the project. At the same time, there is little focus on the forested area responsible for 30% of the direct emission reduction goals, which generates some uncertainty about the possibility of achieving the goals on the direct area. On the other hand, having left totally in the hands of another project, over which there was no ability to influence, the financing of actions to achieve the indirect emission reduction goals generates a severe risk of compliance, being these goals indirect emissions responsible for 69% of the total expected net emissions reduction. There is little expectation regarding the achievement of indirect environmental goals. The lack of financing for the project spill during its execution and after its completion, together with the weakness of the alliances and synergies that have limited the circulation and exchange of environmental information with other actors to be able to carry out measurements of CSLM practices in the indirect area represents a threat to the chances of achieving the long-term objectives of the project.

⁶The MTR was scheduled for 24 months from the start of the project: 02-14-2021 It was delayed due to the effect of the pandemic.

Effectiveness evaluation: Moderately Unsatisfactory (MU)⁷: The level of results achieved is lower than expected or with significant deficiencies, in particular in ensuring the reduction of total net GHG emissions expected for the closure of the project. The project has been able to make progress in the implementation of a set of techniques that are part of the CSLM through the co-innovation methodology in the 61 selected farms, which would be generating productive and economic improvements in many of them. This would allow reaching the goal of net reductions in the direct area at the end of the project. However, it is verified that there are delays in the commitments related to the area of planted forests and the promotion of new plantations, which generates a certain risk for the fulfillment of this direct goal in the 400,000 additional hectares, which represents 69% of the total value of expected net emissions reduction.

B.3. Efficiency:

To what extent has the project been implemented efficiently and at the lowest possible cost? Is the relationship between committed resources and scheduled activities within the accepted margins for the project? To what extent has the project taken advantage of existing agreements, initiatives, data sources, synergies and complementarities with other projects, associations, etc. and has it avoided the duplication of similar activities by other groups and initiatives?

- 39. The budget had to be rescheduled due to delays due to the pandemic that affected some activities and due to the cost derived from the adaptation of COVID19, such as the hiring of transportation to mobilize members of the project team and technicians who advise the producer families in the different regions and other costs associated with the purchase of protective equipment to comply with the Sanitary Protocol developed.
- 40. The initial completion date for the project was February 14, 2023 and was later extended to May 14, 2023, in part due to delays caused by the pandemic, but also due to a certain change in the government's political priorities, so the project team had to renegotiate the initially defined co-financing agreements due to the new health emergency and the change of central government authorities. Subsequently, in September 2021, an extension was granted until September 30, 2023 to be able to complete the field activities of Component 2 that would allow showing significant data in the monitoring of the impact on biological production cycles with the consequent expense caused in activities and samples.
- 41. 7% of the budget remains available even after considering all expenses for fees, travel and workshops until September 2023.
- 42. The project has taken advantage of existing synergies and complementarities between the National Institute of Agricultural Research (INIA) and the Faculty of Agronomy of the University of the Republic (FAGRO), mainly in the work carried out in the implementation of the co-innovation approach and in the environmental proposal. However, there was not enough reaction to generate agreements due to the lack of co-financing in the face of the redesign of the DACC2, specifically, to be able to comply with the expected spillover on the implementation of sustainable practices in the indirect 400,000 hectares. Agreements could have been reached with other actors to take advantage of the efforts of other initiatives that implement similar livestock practices, as well as to share sources of

⁷. For the evaluation of each criterion, the rating scale of Annex 2, GEF, 2017 was taken into account, which considers: (HS) Highly Satisfactory, (S) Satisfactory, (MS) Moderately Satisfactory, (MU) Moderately Unsatisfactory, (U) Unsatisfactory, (HU) Highly Unsatisfactory, (UA) Unable to Assess.

data and complementarities with other projects, studies and research (groups of producers such as the Uruguayan Federation of Regional Center Groups for Agricultural Experimentation - FUCREA, Federated Agricultural Cooperatives - CAF and other universities).

43. Likewise, greater benefit could have been taken from the work carried out by knowledge management groups, other groups of producers and technicians, other actors in the private sector: seeking agreements or taking advantage of synergies with actors such as slaughterhouses on the issue of low carbon meat certifications⁸; forestry companies given their corporate social responsibility for registering plantations; other universities to determine the need to reconsider canceling the measure to reduce sheep farming in some areas due to the control of toxic weeds for cattle and the study of the invasion of weeds in some regions; the regional administrations insofar as they have an environmental department; among others.

Efficiency assessment: Moderately Satisfactory⁹ or with moderate deficiencies given the delay verified in Component 1; due to the insufficient reaction capacity for the timely search for synergies and agreements with other actors and initiatives to ensure compliance with the final goal of an important environmental indicator of Outcome 2; extensions of the term of completion of the project are verified; budget reprogramming; and delay in MTR.

B4. Sustainability:

How likely are the results of the project to continue to be useful or to remain after the project is finished? What are the financial, sociopolitical, institutional, governance and environmental risks that may affect the sustainability of the project results and benefits? What results, lessons or experiences from the project have been replicated or scaled up? Is there, on the part of the government institutions, an awareness of the needs and a willingness to give continuity to the results of the project? Is there appropriation and/or replication among local actors of good practices? Is there a strategy to obtain funds with a view to ensuring the continuity of the project?

- 44. Although there is some **learning** on the part of the 61 producer families and capacity in the extensionists of the project, there is uncertainty that the results will continue at the end of the project due to the high cost of technical advice, the dependency of the producers on the extensionists and technicians and the little diffusion of the project to other producers.
- 45. From the opinion of interviews and focus groups, it was possible to inquire that the beneficiary producer families, although they have been able to learn some measurement patterns to recognize the good physical condition of the animals, the height of the grass, etc. and they have been able to organize themselves in terms of registering data on the properties, many of them recognize that they would continue to need technical advice at the end of the project. Regarding the measurements on environmental monitoring, they are unaware of its procedure and results, since it is an issue that is carried out by the environmental team.

Financial risks:

46. In terms of the project, as a financing strategy is not envisaged to sustain and even less to scale the project's actions, the MTR considers that its future sustainability is at risk.

⁸The issue of low-carbon meat certification is being promoted at the MERCOSUR level.

⁹For the evaluation of each criterion, the rating scale of Annex 2, GEF, 2017 was taken into account, which considers: (HS) Highly Satisfactory, (S) Satisfactory, (MS) Moderately Satisfactory, (MU) Moderately Unsatisfactory, (U) Unsatisfactory, (HU) Highly Unsatisfactory, (UA) Unable to Assess.

- 47. From the side of the farms, the high cost of the technical advice provided by the extensionists in terms of hours of field work determines an important risk to be faced by the producers themselves. The farms with the best productivity indicators could hire an advisor a couple of times a year during the change of seasons in the fall and spring, but the smallest or lagging behind farmers do not believe they can count on the means for such a contract.
- 48. <u>Sociopolitical risks</u>: Despite the fact that the pandemic and the new government implied a change in some priorities, such as cutting some loans, a risk in this sense is not foreseen, since the authorities, organizations, and producers recognize the importance of continuing to advance towards sustainable livestock.
- 49. *Institutional risks*: No institutional risk is verified, although there was a late involvement of the IPA for the development of the CSL Strategy when their synergy could have been taken advantage of more from the beginning with the work they carried out with 1,800 producers and satellite image survey.
- 50. In addition, the lack of consideration and development of alliances with other initiatives of similar practices, producer organizations, interested producers and an expanded network of Innovation, Development and Dissemination -I+I+D-, adds sustainability risk since the project was focused on in a very small group of actors.
- 51. On the other hand, there is no general consensus about what is the best methodology for applying livestock practices, either from the production units, but also from the lines of academic research and work, even within INIA itself.
- 52. <u>Governance risks</u>: although the main actors of the project meet regularly to share the level of performance of the project, discuss the budget and visualize some risk for its management by opinions, it was found that the technical and environmental teams work separately from the very design of the project which implies a lack of knowledge of the final goals in relation to carbon sequestration obtained through native forests, old and new plantations that in the initial matrix represent 30% of the accumulated carbon sequestration during 4 years. This represents a risk both at the governance level and in the appropriation of the results by all the actors from the national to the local level for the replicability and continuity of the project.
- 53. <u>Environmental risks</u>: Adverse factors such as extensive droughts and invasion of weeds and other factors derived from the acceleration of climate change could affect the productivity yields of the project beneficiaries. In case of continuing with another year of drought between now and the end of the project, the results of the project could be affected since, among other things, it considered a greater height of the grassland for carbon sequestration.
- 54. Regarding the valorization of environmental achievements through carbon neutral or low carbon meat certifications, it is seen by several actors and beneficiaries as a potential added value to their products that could translate into a higher income for producer families.
- 55. The **upscaling** of the project depends on more funds to be able to reproduce, more or less linearly, its transfer process, which questions its future financial sustainability and for this reason, as soon as possible, the search for potential interested parties is required to reproduce the project in parts.

- 56. There are some actors interested in being able to continue with the work carried out in some properties to increase the net income of the producing families and carry out environmental monitoring.
- 57. Among those who expressed such interest, the DGDR of the MGAP stands out, which is already working with the organization El Fogón to be able to carry out group technical advice to producers, partially adopting the transfer methodology, although they do not have the focus on environmental benefits.
- 58. There are organizations and other projects interested in the project's environmental monitoring methods and results, such as INIA, FUCREA, IPA and the World Bank's Agroecology Project, so that part of the producers could join ongoing initiatives and ensure their future sustainability.
- 59. From the authorities, although there is **interest and commitment** to the theme and original objectives of the project, they suggest other priorities and the difficulty of maintaining financing in a linear manner due to its high transfer cost, but rather through indirect spillover through assistance to open days, training, dissemination of the project to various institutional actors and extension workers, etc.
- 60. Regarding the **appropriation and replication of good practices** among the producers, it is verified that the selected producer families do not apply all the measures agreed with the extensionist in the redesign plans.
- 61. Regarding the neighbors, it was verified that since there is very little knowledge of the results of the project, the other producers do not show greater interest in replicating sustainable practices until they know more about their achievements. In general, the farms with the best indicators are those that have been benefited and involved in other previous similar projects in relation to the new producers of the project that show less progress. And it is precisely the first producers who are the most demanding in terms of the demands of environmental goals.
- 62. Finally, there is still no clear **strategy** to obtain funds with a view to ensuring the continuity of the project and they only plan to resort to the Green Climate Fund (GCF).

Sustainability assessment: Unlikely (U)¹⁰ or with serious risks for its sustainability because even when there is willingness and interest on the part of the partners and other actors, the mechanisms for replication or scale of experiences and results have not been established, nor is there a clear strategy to obtain funds for its future sustainability. However, this situation can be reversed during this second stage through the development of concrete actions for future sustainability.

B.5 Factors affecting Performance:

Did the project design serve to generate the expected results? Is the causal logic of the project coherent and clear? To what extent has FAO provided oversight, guidance and support (technical, administrative and operational) during identification, formulation, approval, initiation and implementation? What have been the main challenges in relation to the direction and administration of the project? Have the implementation arrangements used, particularly the letter of agreement instrument, allowed efficient project management? What changes or adjustments are needed to improve performance in the second half of the project? Has the promised cofinancing been delivered? To what extent have stakeholders such as government agencies, civil society, academia, and the private sector been engaged in the formulation and implementation

¹⁰GEF Rating Scale, 2017, op. quoted: (L) Likely, (ML) Moderately Likely, (MU) Moderately Unlikely, (U) Unlikely, and (UA) Unable to Assess.

of the project? Is there a strategy towards partners, stakeholders and the general audience? Does the M&E system work according to the M&E plan? Has the information been systematically collected using appropriate methodologies? Are there targets and indicators disaggregated by gender?

Project design and implementation maturity:

- 63. The **design of the project** presents a coherent response to the barriers that, according to the PRODOC diagnosis, prevented the massive adoption of CSLM techniques by the target population. The gender perspective has been included in the project's results framework since its design. However, the emphasis placed on technology transfer as an exclusive form of link with the project, added to the lack of synergies with other groups of producers, has so far conditioned the possibility of expanding the scope and depth of the relationship with other producers who have good productive performance and who are interested in measuring and analyzing the environmental performance of their systems with the criteria and techniques that the project is developing.
- 64. Regarding the commitments included in the design, it is considered that the goals in terms of net emissions reduction were ambitious, especially when seeking the dissemination of effects on an additional livestock area that depended on a spillover from the technical assistance process and the contribution of another project (Development and Adaptation to Climate Change Project DACC2) on which the management of the GyC project had no impact. When this decision is modified, plus the lack of agreements and synergies with other groups of producers, the achievement of indirect goals could be compromised if actions are not taken to guarantee them at the end of the project.
- 65. Another important point to highlight is that the change of national authorities should have been considered a risk in the initial matrix.
- 66. It is also noteworthy that since there is an important emphasis on improving the partial productivity of livestock, emission intensity indicators have not been included (net GHG emissions/kg of meat produced), which would be the ones that would show the greatest response to the actions of the Project.

Execution and implementation of the Project

- 67. **FAO** is the executing and implementing agency of the project. With regard to technical support from FAO, there was follow-up and technical guidance mainly from the Lead Technical Officer (LTO). The FAO Representation in Uruguay played an active role in technical advice and in relations with national authorities and with other projects. He played an important role in presenting the project to the new MGAP authorities.
- 68. Regarding the execution of the Project, it is highlighted that the **project coordination team** has carried out the task with high commitment and technical solvency. The performance of the tasks is valued as positive, although it is perceived as somewhat hermetic or closed in some aspects according to the opinion arising from interviews and focus groups.
- 69. Since the design, the **technical environmental team** has been working separately, revealing a lack of knowledge about the goals of plantations on the part of the latter, which represent almost a 30% reduction in emissions accumulated during the 4 years. Despite its notorious and recognized technical suitability and the relevance of the work proposal, the activity of the environmental team is less visible than that of the productive economic team and the procedures and results of both works are not perceived as coordinated.
- 70. The execution of the Project was based, fundamentally, on the instrument of letters of

agreement. The realization of the same took time, but the instrument is showing suitability to generate an effective and committed execution.

71. The project effectively faced the great unforeseen event of the COVID pandemic despite not having identified the change of administration as an obvious risk. Some implications derived from these changes, such as the impossibility for the DACC project to finance the expansion of activities to achieve the indirect goals, have not been addressed with a specific plan and should be the reason for focusing efforts in the second half of the project.

Financial management and resource mobilization:

72. Regarding **co-financing**, the actual total amount materialized in cash and kind by the partners as of January 31, 2022 is USD 11,304,463, reaching 79% of the planned total of USD 14,241,467. The co-financing in cash stands out, which has exceeded the expected amount by 10%, basically because the MGAP, the main co-financier, contributed 14% more cash than the initially committed amount. MGAP co-financing, which represented 82% of the total committed to the design, currently reaching 91% of the total. In terms of compliance with the committed contribution, it is followed by the CCAC, the CNFR and the INIA. On the contrary, in the middle of the period they have contributed less than 50% of the committed amount: the FAO (in kind and cash), the MA (in kind), the Faculty of Agronomy (UDELAR) - FAgro (in kind), and the IPA (in kind)). The higher cash contribution from the MGAP only partially compensates for the non-contribution of co-financing in kind, whose expected amount was USD 2,660,000, mainly in kind for activities that were going to be developed by the DACC project. Although the current global co-financing rate is high, given the impact of the MGAP on it, a more active and uniform participation of the other co-financers is desirable.

Project Partnerships and Stakeholder Engagement:

73. The design and implementation of the project had the significant **participation and commitment of the actors** most directly involved, especially those belonging to government agencies and the main academic institutions linked to agriculture, such as INIA and FAgro. The participation of government agencies in the management of the project was formalized through the creation of a Project Steering Committee (CDP) in charge of making decisions on the general management of the project and responsible for ensuring the strategic focus of the project for operational tasks. The CDP is made up of 8 representatives: four from the MGAP, two from the MA and two from the FAO.

Communication, visibility, knowledge management and its products:

- 74. Regarding the **communication strategy** between partners: there has been an intense communication activity with partners, especially from the public sector. In addition to the participants in the execution, such as INIA, FAgro and IPA, or in advice, such as the MGCN, the project coordinated actions with representatives of the MA, and from the change in leadership, with the DGDR of the MGAP.
- 75. Until now, the strategy has not privileged potential non-involved partners, such as producer entities, other academic groups and other private agents in the value chain, among others. On the occasion of the presentation of the CSL strategy at the Prado livestock exhibition, the participation and primary commitment of institutions in the sector (INIA, FAGRO, IPA, MGCN, INAC, CNFR, CAF, FUCREA, FAGRO) was achieved for the development of the national strategy.
- 76. For the general public: despite the scant provision of funds for these purposes in the design

the project has communicated its key messages with commitment and technical quality. In general, there is perceived interest in information on the results of environmental measures carried out by the project by beneficiaries and non-beneficiaries. Precisely, these are the results that the project has communicated with less intensity.

Monitoring and evaluation, including design, implementation and budget:

77. There is a **Monitoring System and Plan** with goals and indicators broken down by gender that reports information to partners and complies with commitments. The general design of the M&E was adequate and results-oriented, although it lacked an intermediate environmental goal. It is considered that the M&E area failed to give the same priority to the criteria and methodologies to attribute results to the project according to the criteria of the technical and environmental areas. The environmental area and the productive-economic area follow different monitoring and evaluation criteria and methodologies. In particular, the comparison methods to attribute results to the project are different, with shortcomings in the economic-productive area, although according to interviews, ways to correct this shortcoming are being sought.

Evaluation of Factors that affect the progress of the Project: Moderately Unsatisfactory (MU¹¹): The project has generated advances in the area of direct intervention. However, some emphasis of the adopted implementation strategy and the absence of contingency plans to face the financing difficulties for the planned expansion under CSLM could compromise the achievement of indirect environmental goals; the need for a joint work of the technical and environmental team is confirmed; an adequate strategy for communicating the results to potential partners and beneficiaries; and the reporting of results over activities over results.

B.6 Cross-cutting Dimensions:

To what extent have gender issues been taken into consideration in the design and implementation of the project? To what extent has the project been designed and implemented in a way that ensures parity in women's participation and benefits?

Was youth participation sought? To what extent have environmental and social issues been considered in the design or implementation of the project?

- 78. With regard to **gender** equity, the project, both from its design and its implementation, sought the participation of women, ensuring a minimum of 20% in the selection of farms run by women and in strengthening activities, although in the practice, female participation was always higher (29% of the pilots are directed by women). Of the 120 producers and workers of the establishments to be trained, it is expected that at least 30% of them will be women.
- 79. In general, there is a special awareness to achieve a greater participation of women and an empowerment captured through the focus groups to talk about livestock issues on par with men, although the effective participation of women is not so evident when they are not producers in important decisions such as reducing the stocking rate and even less about the economic benefits, since these indicators will be measured at the end of the project.

elevenGEF Rating Scale, 2017, op. cited that considers 6 values: (HS) Highly Satisfactory, (S) Satisfactory, (MS) Moderately Satisfactory, (MU) Moderately Unsatisfactory, (U) Unsatisfactory, (HU) Highly Unsatisfactory, (UA) Unable to Assess.

- 80. **Young people:** Efforts were made to take into account young people from rural schools; in the selection of properties; and their involvement in the activities developed during the visits to families of selected properties.
- 81. There is a group of students doing master's degrees in topics related to CS livestock that use the participating farms to gather information and participate in training activities for the extension team. In addition, there are students of careers related to the theme who visit participating properties of the project and exchange information.
- 82. With regard to **environmental safeguards**, it was anticipated that climatic phenomena could affect the results of the project and for this reason, properties from four regions were selected.
- 83. However, due to the emergence of two consecutive dry years, it could affect the goal of carbon sequestration in rangelands of lower altitude.
- 84. In terms of social safeguards, the project developed a health protocol for the COVID19 pandemic for visits by technicians to premises and at events.

General assessment of cross-cutting dimensions: Satisfactory (S)¹²: The project, from its design and implementation, tried to ensure the minimum expected participation, although in practice a greater participation of women was achieved, as well as a relative involvement of young people. With regard to safeguards, it took special care of sanitary safeguards and environmental risk management.

<u>Overall Rating of the project</u>: Given that in relevance it was valued as Highly Satisfactory while in effectiveness Moderately Unsatisfactory and efficiency Moderately Satisfactory, the general qualification of the project is: Satisfactory (S)¹³: because it is very relevant for the partners, actors inside and outside the Project; it is expected that all the results for the achievement of its superior objective can be achieved in its second stage; and the importance of mitigation will increase much more from the global scope.

C. Learned lessons

85. Regarding learning achievements and positive experiences:

- <u>Participatory design</u>: The incorporation, from the early stages of the design, of institutions such as INIA and UDELAR, technically enriched the proposal and gave it legitimacy, favoring inter-institutional work and cooperation between the MGAP and the MA.
- <u>Participatory methodologies in the diagnoses and development plans of the properties of the beneficiaries</u>: favor the adoption of technology. The co-innovation method on which the technology transfer proposal is based, with the active participation of the beneficiaries, would be influencing the good rate of adoption of the practices and their first effects on productivity and reported economic results.
- The number of pilots on which the project is being implemented stands out, since the results that the 61 farms can generate is important in economic, productive, social and environmental terms, especially on the latter, since it does not yet exist in the country a data system to share.

¹²For the evaluation of each criterion, the rating scale of Annex 2, GEF, 2017 was taken into account, which considers: (HS) Highly Satisfactory, (S) Satisfactory, (MS) Moderately Satisfactory, (MU) Moderately Unsatisfactory, (U) Unsatisfactory, (HU) Highly Unsatisfactory, (UA) Unable to Assess. ¹³Ibid.

- <u>Skills appropriation</u>: The knowledge exchange activities between peers, as well as the support of the frequent presence of technical advisors in the beneficiaries' properties facilitate the appropriation of activities by them.
- <u>Field staff selection criteria</u> of the project can positively influence awareness of gender issues and the strengthening, even in short terms, of women's participation and self-esteem. When selecting the extension team, questions were included aimed at evaluating the commitment to the gender perspective and the willingness to promote it.

D. Conclusions:

- 86. Conclusion 1 (Relevance): The project is aligned with the national priorities of the Government of Uruguay; GEF strategies; global, regional strategies, activities or operational programs of FAO; with the 2030 Agenda; with the needs and priorities of the beneficiaries; and the interest in mitigation will be increasingly growing at the national and international level.
- 87. Conclusion 2 (Effectiveness): As of the MTR date, the project has achieved the following results:
- Result 1: The strengthening of the framework of policies and capacities to develop and _ expand the CSLM presents certain delays, although it is expected that the products will be achieved in the remainder of the execution. The design of the NAMA will begin shortly and a CSLM Strategy is available, which will be implemented by the IPA through a letter of agreement. A favorable, unexpected aspect was the formation of an interministerial technical team on livestock environmental footprint, made up of technicians from MGAP, INIA, INALE, INAC and MA, in which the MGAP is represented by the project. At the territorial level, capacity has been created in extension workers in a co-innovation approach with a gender perspective, as well as in producer families, even when it is expected that not all of them will continue applying the practices when the project is withdrawn. The activities of exchange, strengthening of the commitment and the capacities in relevant organizations have been partially fulfilled, favoring the internal dependencies of the MGAP or close to it and producer institutions directly involved in the project with deficits in regards to other organizations and technical groups. with incidence capacity. Intensification of work is planned for 2022.
- Result 2: The project has been effective in implementing the technology transfer process based on co-innovation and is developing, as planned, the monitoring of environmental variables. CSL practices have been implemented in 29,066 hectares, exceeding the intermediate goal of 15,000 hectares. In this area, 56% of the beneficiary producers would have improved, on average, their net income by 20% with respect to the baseline. It is expected that the direct net emission reduction goals will be achieved at the end of the project, although the area of planted forests that is smaller than expected could be a limiting factor for this achievement. There are severe limitations to achieve the indirect goals, which, according to the design, would be achieved by the spillover or expansion of CSL practices in another 400,000 hectares of other producers that was expected to be supported by funds from the DACC2 project which are not available and also by means of activities from other public and private actors.
- Result 3: The project has an established monitoring and evaluation plan and system that discriminates the data and information survey according to gender and reports activities, products and results. It also has a communication strategy. Although it is oriented towards the achievement of results, an excessive emphasis on the monitoring and reporting of activities dilutes the necessary focus on the former.

- 88. Conclusion 3 (Effectiveness): Regarding the contribution to the environmental objective: Although in fact the monitoring of social, economic and productive variables has been prioritized over environmental variables, a contribution to the mitigation of climate change is foreseen by the reduction of net GHG emissions in the area of direct intervention, with little probability of achieving the indirect goals if the current intervention scheme is exclusively maintained.
- 89. Conclusion 4 (Effectiveness): There is interest in other groups or actors of the chain to know environmental information and analyze the effect of grazing and management techniques on them. Given that the high cost of technical assistance makes linear scaling of the methodology unlikely, it is necessary to be proactive and innovative, seeking to incorporate other actors to monitor production techniques and systems with similar practices and analyze their effects on environmental variables in the environment. indirect area.
- 90. Conclusion 5 (Efficiency): An efficient and transparent management of the budget is evidenced, subtracting 7% of available resources, including the forecast of necessary expenses until September 30, 2023. However, it is necessary to ensure environmental monitoring for the carbon sequestration of grasslands both in the direct and indirect area; carry out the planned planting of new trees in the selected properties; and more dissemination activities on the results of the project.
- 91. Conclusion 6 (Efficiency): In terms of resources/time, there is a delay in the products of Component 1 with regard to the CSL Strategy and the NAMA and of Component 3 in terms of carrying out the MTR; raising awareness of other producers for the spill; and participation in social networks.
- 92. Conclusion 7 (Efficiency): A use of synergies with INIA and FAGRO is verified in the implementation of the co-innovation approach and in the entire environmental technical proposal. However, the search for synergies and alliances is required to attract new partners and establish agreements and complementarities with other stakeholders and groups that work on initiatives of similar livestock practices.
- 93. Conclusion 8 (Sustainability): There is evidence of interest on the part of the authorities, producer organizations and livestock producers about the use they can give to the productive, socio-economic and environmental results of the project, although at the macro level a clear strategy is not visualized to obtain funds for its future sustainability and/or replication of the project. It is necessary to generate concrete actions to ensure its replicability and future sustainability.
- 94. Conclusion 9 (Factors Affecting Project Progress): The project design set ambitious goals taking into account available time and resources and included indirect environmental goals that depended on spillover of CSLM practices by an external project to achieve. Rapid response capacity is required to face the lack of financing for the achievement of the goals to face the lack of funding to achieve the

indirect environmental goals and a joint work between the environmental technical team. Likewise, achieve a greater rapprochement with groups of producers such as FUCREA and CAF; other universities; local governments; and the private sector that have expressed interest in environmental results to expand their effects. The communication strategy should privilege communication to potential partners of interest and adequately communicate the results to actors inside and outside the project as well as to the beneficiaries themselves, while the M&E should favor the reporting of results over activities.

95. Conclusion 10 (Cross-cutting Dimensions).

- *Gender:* The project, from the design and implementation, tried to ensure the minimum expected participation, although in practice a greater participation of women was achieved both in the participation of farms run by women and in events, as well as a relative involvement of young people.
- In relation to environmental and social safeguards, all necessary safeguards were taken in terms of safety and protection of professionals working in the field; a reduction of emissions in intensity and by properties is verified; and a better resilience of producer families to face the drought.

96. Recommendations:

As for recommendations the review team notes the following:

- i. At **Relevance** level it is recommended:
- To FAO Uruguay, partners and project team:
- a) It is recommended to harmonize actions of the CSLM Strategy and NAMA with its MRV with the Strategic Plan of the MGAP and the work of the interdisciplinary team on the environmental footprint of livestock.

ii. At the **Effectiveness** level, it is recommended:

- To FAO Uruguay, LTO, partners and project team:
 - a) Meeting of all parties to define scope and establish what can be achieved during the second stage of the project prioritizing management by results and environmental objectives.
 - b) Allocate special efforts for the validation of the CSLM Strategy and awareness at the level of authorities and key institutions for the management of future financing necessary for the implementation of the NAMA and its MRV.
 - c) An urgent strategy is recommended for the goal of reducing emissions of Indicator 1 (CC): Tons of CO2eq of GHGs reduced or avoided directly and indirectly from Result 2.1 expected of 260,166 Tons of CO2eq GHGs over the 400,000 hectares. indirect and the planting of new artificial forests foreseen in the design:

• In the indirect area: a meeting is recommended to review the goals in realistic terms, taking into account some of the following options:

<u>- Option A</u>: it is recommended to formulate, as soon as possible, an action plan to the achievement of the environmental goals foreseen in the direct and indirect area such as the IPA or FUCREA, as well as various groups of technicians and farmers who promote production systems that contemplate livestock techniques and/or practices aligned with the measures implemented by GyC to relieve data, report and analyze information jointly and plant artificial forests for carbon sequestration. Groups of producers who apply some of the following measures to survey emissions on the indirect area could be considered and weighted: minimum height of pastures (autumn

8 cm, winter 5 cm, spring/summer 8 to 12 cm); allocate forage to improve nutrient uptake; control of the period of mating and early weaning; maintain a higher ratio of productive/unproductive animals; with forests for shade/protection; and improvements in the water supply.

<u>- Option B</u>: if the above is not possible, given that they plan to achieve a reduction in emissions between 110,000 and 118,000 tons of CO2eq GHG over some direct 30,000 hectares, determine if it is possible, at least, to reach 260,166 tons of CO2eq GHG, at least, over 70,000 or 80,000 hectares, if this is accepted by the GEF.

<u>Option C</u>: Using the project adaptability strategy tool, consider a review of the goals of the logical framework matrix for the fulfillment of results and objectives at the end of the project.
 For the direct area: it is recommended to explore the possibility of agreements with forestry companies that demand leased land and offer the possibility of introducing forested areas on land with less aptitude for livestock on their land to sequester carbon and improve farm income.

iii. At the **Efficiency** level, it is recommended:

To FAO Uruguay, partners and project team:

a) The search for alliances and synergies with other initiatives in execution or in development is recommended in order to ensure that the results of the project can be achieved at the end of the project and are sustainable through the continuity of some actions, especially those related to ensuring the achievements of environmental end goals and artificial plantation for carbon sequestration. Among them: the local governments and actors from the private sector such as: slaughter plants, forestry companies and other universities. (studies on weed invasion, reconsideration on low sheep load, etc.).

iv. At the **sustainability** level it is recommended:

To FAO Uruguay, partners and project team:

- a) Coordinate efforts with other projects and initiatives to prepare a financing request to the Green Climate Fund for the future sustainability of the project.
- b) In the short term, formulate a request for competitive transfer funds from INIA for US\$ 200,000 and present it to its Board as soon as possible.
- c) "Sell" products and results of the project to different actors for the scaling up of the project so that a group of producer families can be integrated into different projects and initiatives with similar practices and purposes such as: DGDR, the World Bank Agroecology Project, IPA, FUCREA and INIA.
- d) Explore studies or certification alternatives carried out in other countries and through MERCOSUR, involving other chain agents closer to the markets, such as the meatpacking industry or others from the private sector with an interest in the results of these processes.

v. About the **factors affecting performance** it is recommended:

To FAO Uruguay, partners and project team:

- a) Communicate the actual results attributed to the project in an appropriate manner to beneficiaries and the general public pointing out the segmentation carried out according to economic and productive progresses of the properties, differentiating those that came from other previous projects from those that started with this project; describing methodologies used for it; and consideration of other factors such as the variation in the price of meat.
- b) Joint work of the technical and environmental teams is recommended to

verify compliance with the results of the economic, social, productive and environmental spheres.

c) It is recommended to M&E system to report results over activities using the criteria required by the government on emission reductions measured in intensity and by the GEF in terms of net reductions.

To FAO Uruguay, GEF, partners and project team:

- d) For the design of future projects, it is recommended: a balance of goals with time and available resources; do not include goals whose fulfillment depends on the actions of third parties; consider risks such as management changes; and establish intermediate or environmental "proxy" goals.
- vi. Finally, in **cross-cutting dimensions**, recommends:

To FAO Uruguay, Regional FAO, Partners and Project Teams:

a) Gender: promote the participation of women for greater involvement in decision-making and economic benefits; as well as its promotion before MGAP, MA and other institutions that work on sustainable livestock with a gender perspective.

GEF Criteria Table and Rating System:			
GEF Criteria/Sub-Criteria	Qualification	BRIEF COMMENTS	
A. STRATEGIC RELEVANCE			
A1. Overall strategic relevance	HS	Aligned with the 2030 Agenda and the agenda of all participating actors.	
A1.1. Alignment with the strategic priorities of the GEF and FAO	HS	Aligned with the Global Environment Facility and FAO.	
A1.2. Relevance to national, regional and global priorities and beneficiary needs	HS	The project is aligned with the priorities of the MGAP, MA and other strategic partners; with national policies for sustainable intensification of agricultural production, adaptation to climate change; and with the needs of the beneficiaries. There is interest and commitment from the highest level of authorities.	
A1.3. Complementarity with other ongoing interventions	S	Efforts are being made to harmonize the CSLM Strategy with the MGAP Strategic Plan and the Livestock Environmental Footprint.	
B. EFFECTIVENESS			
B1. Overall evaluation of project results	MU	The level of results achieved is lower than expected or there have been significant deficiencies in relation to the indirect goal of net emission reduction. The high weight of that goal in the achievement of the objectives affects the qualification.	
B1.1 Delivery of the Project products	MU	The general progress is on average 53%. Component 1 is the one with the least progress, which responds to the logic of the design and does not question its probability of being completed on time.	

¹⁴According to the table of qualifications by GEF criteria (2017c).

Criteria/subcriteria of the GEF	Qualification	BRIEF COMMENTS
B1.2 Progress towards project outcomes and objectives	MU	The project is advanced in its execution and has the potential to directly achieve the net emissions reduction goals. It presents difficulties for the reduction of net indirect emissions in 400,000 additional hectares, which represents 69% of the total expected net emissions reduction value.
- Result 1.1:	MU	Some delay in delivery of products. The main challenge is that the time to reach the validation of the strategy at the highest level.
- Result 1.2:	MU	Advances favoring close partners, not reaching other actors with advocacy capacity.
- Result 2:	MU	Satisfactory in territorial progress of the CSLM and in productive and economic results in farms. Unsatisfactory in the goal of reduced net emissions due to difficulties with indirect goal.
- Result 3:	S	Monitoring System with communication strategy being implemented. It disaggregates data and information according to gender and reports activities, products and results.
 Overall assessment of progress towards project outcomes and objectives 	MU	The project advances in the implementation of CSLM in the territory and at a slower pace in the validation and implementation of the strategy. If successful alternatives are not developed to overcome the problems for the reduction of indirect net emissions, the achievement of the objective is put at risk.
B1.3 Probability of impact		Not analyzed during the MTR
C. EFFICIENCY	1	
C1. Efficiency	MS	Delay in Component 1; lack of certainty in meeting the final goal of an important environmental indicator of Outcome 2; insufficient reaction capacity for the timely search for synergies and co-financing agreements; project completion deadline extensions; budget reprogramming; and delay in MTR are verified.
D. RISKS TO THE SUSTAINABI	LITY OF THE RE	SULTS OF THE PROJECT
D1. Overall Likelihood of Sustainability Risks	U	There is a lack of clarity in the strategy to obtain funds for its future sustainability and provision of mechanisms for its replication.
D1.1. financial risks	U	No concrete actions are envisaged to ensure a financing strategy to sustain and even less to scale the actions of the project, its future sustainability is at risk. On the farm side, the high cost of technical advice provided by extension workers constitutes an important investment to be faced by the smallest producers.
D1.2. Sociopolitical risks	L	Socio-political risks are not visualized because the authorities, organizations and producers recognize the importance of continue advancing in a sustainable livestock.

Criteria/subcriteria of the GEF	Qualification	BRIEF COMMENTS
D1.3. Institutional and governance risks	U	The lack of consideration and development of alliances with other initiatives of similar practices, producer organizations, interested producers represents an institutional risk since the project was focused on a very small group of actors. Since the team of environmental technicians works separately from the very design of the project, this implies a certain lack of knowledge about the achievement of the final environmental goals of the project.
D1.4. Environmental risks	U	Adverse climatic factors such as extensive droughts and invasion of weeds could get to affect the productivity yields and the results of the project in the sequestration of carbon sequestration in natural grasslands. And to this is added the lack of consideration of the final cumulative goal of 30% for carbon sequestration of native forests and plantations. The valuation due to low-carbon meat certifications perceived as a differentiating element for national and international markets could add to the long-term sustainability.
D2. Acceleration and replicability	U	Although there are several actors interested in continuing to work with the farms no clear mechanisms for seeking agreements with potential stakeholders in reproducing the project in parts are visualized.
E. FACTORS AFFECTING PERFO	DRMANCE	
E1. Project design and maturity	MU	The design incorporated relevant actors from the academy, which gives it strengths in the scientific-technical area. However, it was complex with ambitious environmental goals dependent on the financing of another external project.
E2. Quality of project implementation	MS	The deployment of the project on the ground and the participation of beneficiaries were achieved despite the pandemic. There is some rigidity in implementation and little progress in the involvement of other actors and validation of strategy.
E2.1 Quality of project implementation by FAO (BH, LTO, PMU, etc)	S	Monitoring and technical guidance by LTO, advice and support by the representation.
E2.1 Project supervision (PSC, project working group, etc.)	S	CDP met as scheduled and provided guidance.
E3. Quality of Project execution	MS	The project has advanced with commitment and technical solvency. A certain decoupling and differences in visibility between productive and environmental areas are perceived.
E3.1 Project execution and management (performance of the	MS	The management was largely based on letters of agreement. Their realization presented delays but they have shown

Criteria/subcriteria of the GEF	Qualification	BRIEF COMMENTS
PMU and partners in execution, administration, contracting, etc.)		effectiveness.
E4. Financial management and co- financing	MS	Efficient use of resources made difficult by the pandemic. Global Co-financing enough quantitatively, although with delays in some partners and lack of contributions through the DACC2
E5. Project Partnerships and Stakeholder Engagement	MU	Commitment of actors directly involved. Little involvement of potential non-participating partners, such as producer entities, other academic groups and other private agents of the value chain.
E6. Communication, knowledge management and knowledge products	MS	Despite the lack of funds, the project has communicated its key messages, both to its close partners and to the general public, with commitment and technical quality. There is no strategy for potential less close partners and there is a lack of adequate communication of results to beneficiaries and the general public.
E7. Overall quality of M&E	MS	M&E includes gender-disaggregated targets and indicators, reports information to partners, and complies with commitments, although the monitoring systems in the field show differences among themselves and some difficulties.
E7.1 M&E design	MS	The general design was adequate and results-oriented, although it lacked an intermediate environmental goal and included product indicators that in several cases report more on activities.
E7.2 M&E implementation plan (including human and financial resources)	MU	There is an adequate plan and solvent and committed human resources. In the implementation, there is an emphasis on reporting activities over results. Productive environmental and economic monitoring collect and analyze data with different criteria.
E8. General Evaluation of Factors Affecting Performance	MU	The project has been executed efficiently following a somewhat rigid implementation strategy that has led to difficulties in involving relevant actors who are not directly involved. The teams in the field work with commitment and generate progress, although they do not appear coordinated and have very different visibility. Their monitoring systems were set up and reported with a different method to attribute results. A better communication of results is required.
F. CROSS-CUTTING CONCERN	S	
F1. Gender and other dimensions of equality	S	From the design and implementation, efforts were made to ensure the minimum expected participation of women, although in practice a higher percentage of participation of farms run by women, in strengthening activities and events was achieved. It also tried to promote spaces and activities for the involvement of the young people.

Criteria/subcriteria of the GEF	Qualification 14	BRIEF COMMENTS
F2. Environmental and social safeguards	S	In relation to environmental and social safeguards, all necessary safeguards were taken in terms of safety and protection of professionals working in the field; a reduction in emissions is verified in intensity and by farms; and a better resilience of producer families to face the drought.
Overall project rating	S	Because the project is of high relevance for the partners, actors inside and outside the project; it is expected that all the results for the achievement of its superior objective can be achieved in its second stage; and the importance of mitigation will increase much more from the global level.