GEF-8 PROJECT IDENTIFICATION FORM (PIF)

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General Project Information

Project Title	
Land Degradation Neutrality for Sustainable Use and Conservation of Uruguay Rangelands	

Region	GEF Project ID
Uruguay	11061

Country(ies)	Type of Project
Uruguay	MSP

GEF Agency(ies):	GEF Agency ID
FAO	742899

Executing Partner	Executing Partner Type
Ministry of Environment	Government

GEF Focal Area (s)	Submission Date
Land Degradation	2/2/2023

Project Sector (CCM Only)	
AFOLU	

Taxonomy	
Land Degradation Neutrality, Land Degradation, Focal Areas, Sustainable Pasture Management, Sustainable Land Management	

Type of Trust Fund	Project Duration (Months)
GET	48

GEF Project Grant: (a)	GEF Project Non-Grant: (b)
1,776,484.00	0.00

Agency Fee(s) Grant: (c)	Agency Fee(s) Non-Grant (d)
168,766.00	0.00

Total GEF Financing: (a+b+c+d)	Total Co-financing
1,945,250.00	11,300,000.00

PPG Amount: (e)	PPG Agency Fee(s): (f)
50,000.00	4,750.00

PPG total amount: (e+f)	Total GEF Resources: (a+b+c+d+e+f)
54,750.00	2,000,000.00

Project Tags	
CBIT: No NGI: No SGP: No Innovation: No	

Project Summary

Provide a brief summary description of the project, including: (i) what is the problem and issues to be addressed? (ii) what are the project objectives, and if the project is intended to be transformative, how will this be achieved? iii), how will this be achieved (approach to deliver on objectives), and (iv) what are the GEBs and/or adaptation benefits, and other key expected results. The purpose of the summary is to provide a short, coherent summary for readers. The explanation and justification of the project should be in section B "project description".(max. 250 words, approximately 1/2 page)

Temperate grasslands are among the most endangered ecosystems worldwide. The Pampa biome in South America is no exemption. It stands out for its water resources, fertile soils, productivity, and biodiversity but its grasslands are being converted into croplands and tree plantations. Persistence of the Pampean rangelands is seriously compromised, together with their supply of key ecosystem services. These trends are evident in Uruguay, where the rate of agricultural expansion has increased considerably due to technological changes and market conditions.

Uruguay stands out in Latin America for its high income per capita, low inequality and poverty, and strong institutional performance. Many Uruguayan producers, supported by public policies and applied research, implement sustainable land management (SLM) practices but there are still shortcomings in terms of regulations and innovative financial mechanisms that promote restoration and conservation of rangelands. Pressure on grasslands is expected to increase, accelerating land degradation and biodiversity loss and there is lack of knowledge and awareness of the ecosystem services rangelands provide. Uruguay has a clear opportunity to scale out SLM and strengthen its regulatory framework to avoid, reduce and reverse grasslands degradation, thus contributing to the national commitments to the Rio Conventions. This transformative project will build on the potential that exists in Uruguay to achieve neutrality by (1) Enhancing engagement, awareness, and capacities to achieve LDN for biodiversity conservation, (2) Leveraging a sound legal framework and innovative finance to avoid degradation, (3) Reducing and reversing land degradation in key biodiverse landscapes and (4) Tracking progress and out-scaling lessons learnt. The improvements in the policy framework and territorial planning will help avoid the degradation of 10,000 ha of healthy grasslands and wetlands. The project will directly support the restoration of 1,000 ha of grasslands and wetlands, and reducing degradation in 5,000 ha in three watersheds located southeast Uruguay: Santa Lucia, Laguna Merin and Cuenca Atlantica. This will lead the carbon capture/avoided loss of 1,787,179 tons of CO2 and benefitting nearly 8,000 people (or families).

Indicative Project Overview

Project Objective

To enhance the health of rangelands and the ecosystem services they provide through sustainable management and a strengthened enabling environment in support of Uruguay's voluntary LDN targets

Project Components

1. Enhancing multi stakeholder engagement, awareness and capacities to achieve LDN for biodiversity conservation in Uruguay

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing ($)	Co-financing ($)
590,000.00	3,690,000.00
Outcome:	

1.1: Enhanced capacities at national and subnational levels to achieve Rangelands Degradation Neutrality and Biodiversity Conservation.

 Targets:

-At least 2000 participants participate in knowledge exchange activities via the community of practice.

-Validated methodology for monitoring trends in land use, carbon stocks above and below ground and land productivity is in place.

-At least 100 extensionists and government staff from National and Subnational (at least 50 women) trained participate in decision processes regarding rangelands management.

-At least 100 local producers trained on SLM and LDN of which 50% are women

1.2. Increased understanding and awareness of the ecosystem services that grasslands and rangelands provide and the need to conserve and restore them in Uruguay.

Targets:
-Ecosystems Services Values (ECVs) of rangelands in Uruguay measured through economic metrics.
-Proposal for a pilot plan to address grassland transformation and restoration including maps of validated priority conservation areas for rangelands published.
-Awareness raising strategy developed.
-At least three (3) gender sensitive knowledge and educational products developed and disseminated on the ecosystem services rangelands provide, their conservation status and threats.

Output:

1.1.1: Established community of practice for knowledge exchange on LDN and sustainable management of rangelands in Uruguay.

1.1.2: Series of workshops and trainings on achieving and monitoring LDN and biodiversity conservation of rangelands

1.2.1. Ecosystem services provided by rangelands in Uruguay valuated in a participatory way.

1.2.2. Rangelands degradation hotspots and greenspots and priority conservation areas identified and validated through multi-stakeholder consultations.

1.2.3: Outreach campaign designed and implemented on biodiversity and ecosystem services in grasslands and rangelands and their contributions to society

2. Leveraging a sound legal framework and innovative finance to avoid rangelands degradation in Uruguay

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing ($)	Co-financing ($)
280,000.00	1,810,000.00

Outcome:

2.1. Strengthened dialogue and articulation among stakeholders at local and national level (producers, academics, government, legislators, cooperatives, municipal governments, research institutions).

Targets:

-*Functioning inter-sectoral coordination mechanisms in place for SLM, rangeland restoration and biodiversity conservation in support of LDN and the synergy of the three Rio Conventions*

2.2 Enhanced regulatory framework for the conservation, restoration, and sustainable use of rangelands

 Targets:

- *Draft of a national law for the conservation and restoration of rangelands in Uruguay.*

- *A revision of normative instruments at department level for land use planning, and opportunities for integrating the neutrality mechanism for the conservation and sustainable management of grasslands is discussed with the Congress of Mayors.*

- *Transformation and degradation of at least 10,000 ha of healthy grasslands and wetlands is avoided through territorial planning and incentives (Core Indicator 4.1)*

2.3 Opportunities to increase access to innovative financial mechanisms for restoration and conservation of rangelands are identified.

Targets

 Report on existing and potential innovative sources of finance for the conservation of rangelands.

 At least 2 functioning mechanisms for certification of products and accreditation of good practices are reinforced

Output:

2.1.1. Vertical and horizontal coordination mechanisms among the main actors involved in LDN and Biodiversity Conservation are established and strengthened

 2.1.2: Dialogue processes among Parliament and local governments are strengthened to support awareness raising and necessary framework changes.

2.2.1 Proposal of a national law on conservation and sustainable management of grasslands is proposed for discussion in Parliament.

2.2.2 Normative instruments at subnational level for land use planning are revised and entry points for considering the principle of counterbalancing identified.

2.2.3 The neutrality mechanism for biodiversity conservation is considered within the administrative procedures implemented by the Ministry of Environment.

2.3.1 Existing financing for SLM and Conservation of grasslands is revised and evaluated.

2.3.2 Innovative financial mechanisms are proposed to facilitate the restoration of grasslands.

2.3.3 Mechanisms for accreditation of good practices for sustainable rangeland management are strengthened.

3. Reducing and reversing land degradation in key biodiverse rangeland landscapes

Component Type	Trust Fund
Investment	GET
GEF Project Financing ($)	Co-financing ($)
480,000.00	3,120,000.00

Outcome:

3.1 Ecological restoration of degraded key biodiverse grasslands and wetlands contribute to national LDN target 10.

Targets

- *2,000 ha of degraded grasslands restored (GEF Core Indicator 3.3)*

- *2,000 ha of degraded wetlands restored (GEF Core Indicator 3.4)*

3.2 Scaling out of Sustainable Rangeland Management approaches and technologies in rangelands

Targets

- *LD reduced in 5,000 ha through improved rangeland management (GEF Core Indicator 4.1)*

- 1,787,179 *tCO2eq of avoided emissions or carbon sequestration* (GEF Core Indicator 6)

Output:

3.1.1 Priority rangeland restoration sites mapped through participatory and gender responsive assessment

3.1.2: Gender-responsive strategies for agroecological transition and rehabilitation in rangelands developed based on agreements with the private sector and CSOs.

3.1.3: Innovative restoration practices implemented to enhance productivity and biodiversity of degraded priority grasslands and wetlands.

3.2.1 Integrated sustainable and gender sensitive Rangeland Management approaches and technologies adopted on the demonstration landscapes to reduce land degradation.

4: Tracking progress towards neutrality in rangelands and out-scaling of lessons learned

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing ($)	Co-financing ($)
291,890.00	1,810,000.00

Outcome:

4.1. Consolidated mechanism to monitor progress towards LDN and Biodiversity Conservation across scales is validated and adopted.

Targets

- LDN DSS with validated data and in place

4.2. Knowledge management and lessons learned disseminated at the national level.

Targets

- Best practices and lessons learned summarized and organized in a framework for scaling-up at regional and national levels.

- At least three (3) gender sensitive LDN knowledge products developed and disseminated.

- Lessons learned on SLM, LDN and BC mainstreamed in the national and regional development plans

Output:

4.1.1 National methodology to estimate the three (3) change of state LDN indicators validated by national experts in rangelands and supplemented with national LD and BD indicators.

4.1.2 Co-developed LDN DSS for improved planning and monitoring of LDN and Biodiversity conservation at national level.

4.2.1 Project lessons are captured, evaluated and shared nationally and across countries and regions

4.2.2 Gender-sensitive communication strategy developed and implemented to support the LDN targets and mainstreaming of lessons learned.

M&E

Component Type	Trust Fund
Technical Assistance	GET
GEF Project Financing ($)	Co-financing ($)
50,000.00	300,000.00

Outcome:

ME.1. Project Monitoring and Evaluation system supports effective project delivery

Targets:

- Functioning monitoring system for GEBs and co-benefits established

Output:

ME1.1. Project M&E system designed and operational

ME1.2. Project evaluations completed on time to support project delivery and knowledge sharing

Component Balances

Project Components	GEF Project Financing ($)	Co-financing ($)
1. Enhancing multi stakeholder engagement, awareness and capacities to achieve LDN for biodiversity conservation in Uruguay	590,000.00	3,690,000.00
2. Leveraging a sound legal framework and innovative finance to avoid rangelands degradation in Uruguay	280,000.00	1,810,000.00
3. Reducing and reversing land degradation in key biodiverse rangeland landscapes	480,000.00	3,120,000.00
4: Tracking progress towards neutrality in rangelands and out-scaling of lessons learned	291,890.00	1,810,000.00
M&E	50,000.00	300,000.00
Subtotal	**1,691,890.00**	**10,730,000.00**
Project Management Cost	84,594.00	570,000.00
Total Project Cost ($)	**1,776,484.00**	**11,300,000.00**

Please provide justification

A. PROJECT RATIONALE

Briefly describe the current situation: the global environmental problems and/or climate vulnerabilities that the project will address, the key elements of the system, and underlying drivers of environmental change in the project context, such as population growth, economic development, climate change, sociocultural and political factors, including conflicts, or technological changes. Describe the objective of the project, and the justification for it. (Approximately 3-5 pages) see guidance here

1.   Rangelands are extensive areas where the vegetation is predominantly composed of grasses, grass-like plants, forbs or shrubs, including prairies, marshes, tundra, wet meadows, savannas, shrubland steppe, chaparral, desert grasslands, and woodlands[2][1]. They are spread over the five continents and have been historically important for social and economic development. They provide a wide variety of provisioning, supporting, regulating, and cultural ecosystem services that are valuable to many different stakeholders. However, rangelands are broadly threatened and are often undervalued as providers of ecosystem services[3][2].

2.   The primary recognized value of rangelands has been the provision of goods such as food, fiber, and wood[4][3]. Currently, the global demand for provisioning services, especially with regard to water and forage for livestock, meets or exceeds the supply of these services. Increasing pressures are being placed on provisioning services of rangelands, such as the growing demand for livestock forage. Globally, the number of cattle, sheep, and goats increased by over 601 million individuals from 1979 to 2009, representing an addition of ~1.6 million livestock animals per month over 30 years[5][4]. Projections indicate that the quantity of livestock, and the resulting demand for forage, will continue to rise at a similar rate in the future; according to FAO, by the year 2030, 3.2 billion tons of extra forage will be required annually to feed the additional 830 million cattle, sheep, and goats on the planet. These increasing demands are not evenly distributed across the globe. The social demand for livestock production – as a provisioning service of arid grasslands experiencing shrub encroachment for example, differs between North and South America, with ecosystems in developing countries mainly valued for livestock production whereas other services, such as recreation and hunting, might be in greater demand in developed countries[6][5]. Also, the demand for ecosystem services has recently started to change. Carbon sequestration, for example, is a service that rangelands have considerable potential to supply and for which demand is increasing because of growing concerns about climate change[7][6].

3.   Rangelands in South America are represented in the Pampa biome, which includes parts of Argentina, Uruguay, and Brazil. The Pampa biome stands out for its water wealth, soil and vegetation, and imposing biodiversity, a part of which is yet to be scientifically investigated[8][7]. The grasslands of the Rio de la Plata Basin (28°–38°S; 47°–67°W), comprising the Pampas ecoregion in Argentina, the Campos in Uruguay and part of Rio Grande do Sul in Brazil, constitute one of the largest temperate natural grassland regions in the world and have been identified as one of the regions with the greatest diversity of grasses on Earth. They occupy an area of nearly 1,005,780 km^2, a region with a very old human occupation that is also home to three large cities -Buenos Aires, Montevideo, and Porto Alegre. The Pampa biome has a history of agrarian

occupation and of nurturing the social development of the gaucho, who managed extensive livestock systems, especially cattle and sheep. Extensive livestock production has taken place for over 300 years; from the second half of the nineteenth century, providing a unique case where livestock production and biodiversity conservation often integrate production systems with remarkable environmental sustainability. These rangelands provide food for 43 million head of cattle and 14 million sheep besides storing 5% of Latin America's soil organic carbon in 3% of its area[9]8.

4.   However, in the last 50 years, this landscape has been transformed by advances in agriculture and changes in economic, social, environmental, cultural, political, and institutional factors. Already in 1995, during the conservation assessment of the terrestrial ecoregions of Latin America and the Caribbean, excessive grazing by livestock and the conversion of natural habitats to agriculture were identified as the primary threats to biodiversity. During the last two decades, the rate of grassland conversion to croplands and exotic forest plantations has been alarming in this region, mainly driven by the high price of commodities. Native vegetation now covers 43.2% of the biome's surface and there was a net loss of 8 million hectares of native vegetation of 16.3% in 20 years, between 2000 and 2019, with a reduction from 519,496 km² to 434,795 km² in the South American Pampas[10]9. The Pampas has undergone major landscape transformations in over 8,5 million hectares during the last two decades. Of the total loss of native vegetation across the region, 85% corresponds to the loss of grassland vegetation cover.

5.   Landscape modification in the Río de la Plata Grasslands due to land-use change has had significant impacts on plant and animal diversity as well as on the provision of ecosystem services. Some studies, mainly on birds and mammals of the Argentinean Pampas, have reported that agricultural expansion has reduced the geographic ranges and/or abundance, sometimes leading to regional extinction, of many mammal and bird species, including grassland specialists and large herbivores and carnivores. The remaining rangelands are being increasingly used and unsustainable rangeland management is leading to loss of soil health and reduced productivity, hampering the achievement of land degradation neutrality (LDN).

6.   The aforementioned regional trends are also evident in Uruguay, particularly since 2002, when sustained socio-economic growth has allowed the country to increase its Gross Domestic Product (GDP) and improve the living conditions of its population, driven by agriculture and natural resources[11]10. The agricultural sector is key for Uruguay, with 12.4% of the Gross Domestic Product (year 2015) based on agribusiness -half in industry and half in agriculture- as well as 78% of exported goods (year 2016), leaving the country some 6440 million USD. The main products are beef, other forestry products and soybeans. There have been notable changes in the structure of the agricultural sector: rural migration is accentuating, hundreds of producers -especially medium and small-scale ones-, have abandoned agricultural activity, the occupation of the territory by agricultural activities is being reconfigured and there is a process of productive intensification. In 2016, agricultural production generated 228 thousand direct jobs -equivalent to 15% of the personnel employed nationwide-; of those, some 163,222 jobs were in the primary phase and livestock farming was the main source of work in the sector, with 98% of employees under permanent employment conditions. Family workers have a higher relative participation in horticulture and livestock in general (dairy, beef cattle, sheep, and others). While agriculture has experienced considerable growth, this has been, on the other hand, detrimental to ecosystems and the provision of ecosystem services, such as carbon storage and biodiversity conservation, as habitats continue to be lost in Uruguay[12]11. Between 2000 and 2015, the country lost 13.79% of its natural grassland cover (equivalent to 1,615,653 ha) to agriculture (soybean) and forestry plantations

with exotic species (eucalyptus)[13][12], resulting in biodiversity loss and land degradation, among other social and economic impacts.

7.   In Uruguay, livestock farms are oriented towards the international market; about 70 percent of the beef produced in the country is exported, equivalent to 5 percent of the total world volume traded. Half of the land is under private ownership in livestock farming and one third under lease contracts. Livestock producers are almost entirely male dominated, but women account for 15-20% of rural entrepreneurship, depending on the scale of the enterprise. There is a concentration of land in enterprises larger than 1,000 hectares. Livestock farming is based on rangelands and has a strong connection with the natural grasslands, which provides around three quarters of the forage units used by the country's specialized livestock farming area. In addition, the natural grassland plays a key role in the conservation of ecosystem goods and services, essential for production but especially for sustaining life. In the context of the above-mentioned pressures, Uruguay's grasslands still maintain a unique biological diversity, serving as habitat for almost 300 priority species for conservation in the country. Some of them will only survive if a significant portion of grasslands is conserved, because this ecosystem is the main or only habitat for them. This is the case for 64 bird species, 14 mammal species, 34 vascular plant species and 4 fish species. In particular, the Key Biodiversity Areas (KBAs) in Uruguay indicate conservation priorities for different grassland bird species in specific areas of the country: of the 21 bird species highlighted by the KBAs in Uruguay, 17 use grassland as habitat, both as main or exclusive use and as generalist[14][13].

8.   The National Biodiversity Strategy recognizes habitat loss and degradation as one of the main causes of biodiversity loss, with land use change being the most dramatic in its effects. Therefore, productive expansion and intensification is the main driver of these changes[15][14]. The country has 93% of its territory with productive land suitable for agricultural exploitation, and expects to double current food production in the coming years and, in this context, it is expected that pressures on grasslands will increase and therefore accelerate the trends indicated in terms of land degradation and biodiversity loss. Uruguay is also committed to implement the United Nations Convention to Combat Desertification (UNCCD). The LDN target setting process began in 2017, finishing in June 2022, during which the targets, their progress indicators and the LDN measures were formulated under a participatory process, carried out by public institutions and civil society organizations. In total 12 targets were set with 38 measures to achieve LDN in 2030, which are grouped into three areas: 1) Monitoring, planning and ordering of land use in rural areas; 2) Sustainable agricultural production; and 3) Conservation and restoration of ecosystems and habitats. The UNCCD, the Convention on Biological Diversity (CBD) and the United Nations Framework Convention on Climate Change (UNFCCC) (collectively known as the Rio Conventions) are spearheading global environmental policymaking on land, biodiversity and climate to address the multiple challenges that countries are facing in these areas. However, effective implementation of these Conventions depends, to a large extent, on the existence and expansion of operational synergies among them. It is been shown how LDN targets support biodiversity conservation in practice[16][15]. In particular, the LDN target to restore and improve grasslands and savannas strongly supports many of the Kunming-Montreal Global Biodiversity Framework targets[17][16] by (1) reducing threats to biodiversity: target 2 (restoration of degraded areas) and target 8 (minimize impact of climate change) and by (2) meeting people's needs through sustainable use and benefit-sharing: targets 9 and 10 (ensure sustainable land management) and target 11 (enhance ecosystem services). In this context the proposed project objective is to enhance the health

of rangelands and the ecosystem services they provide through sustainable management and a strengthened enabling environment in support of Uruguay's voluntary LDN targets.

9. Four main barriers that limit achieving LDN and conserving the biodiversity of grasslands in Uruguay were identified and will be tackled by this project. The first barrier is the limited institutional and technical capacities to monitor and achieve land degradation neutrality as well as a general lack of awareness of the ecosystem services healthy rangelands provide. In Uruguay, there is a disconnection of most citizens with rural areas and nature. This disconnection was pointed out on various occasions by stakeholders linked to the livestock and agricultural sector. In 2019, the *"Mesa de Ganadería sobre Campo Natural"*[18][17] declared the need to encourage the recognition of the biome for all the benefits it provides to society. In addition, the capacities to implement the country's international and national commitments which include restoration of rangelands, have been insufficient. To achieve these commitments, such as the recently set LDN targets and the National Biodiversity Strategy, improved knowledge, and enhanced articulation and dialogue are needed within the main governmental structures, such as the Ministry of Environment to base actions and decisions on the best available information. This is key to design, implement and monitor activities in the country and to comply with reporting requirements and other international obligations. Rangelands, because of their relevance in territorial coverage and importance in the country's economy, become an entry point of interest to enable these developments in the country and to have a perspective at regional scale.

10. The second key barrier is a weak regulatory framework and financial mechanisms for the conservation, restoration, and sustainable use of rangelands. At a general level, progress was made in strengthening instruments for the conservation and sustainable use of ecosystems and natural habitats in Uruguay. For example, terrestrial and marine protected areas increased from 2.17% to 2.68% of total land area from 2000 to 2014n Uruguay. For example, terrestrial and marine protected areas increased from 2.17% to 2.68% of total land area from 2000 to 2014[19][18]. However, similar progress remains to be made to halt the loss and degradation of rangelands and grasslands and strengthen ecosystem restoration strategies, including innovative financing mechanisms to promote sustainable rangeland management. The challenge in this area remains to generate new regulatory frameworks for the conservation and sustainable use of biodiversity that explicitly incorporate the focus on ecosystem services, ecosystem restoration and the importance of biodiversity for human well-being. This is pointed out in the Voluntary National Report[20][19], in the National Environmental Plan[21][20] (MVOTMA y Sistema Nacional Ambiental, 2019) and, in particular, indicated as a regional challenge in the Decade Action Plan on Ecosystem Restoration in Latin America and the Caribbean -a crucial challenge for Uruguay, which is reported to be part of the group of countries in Latin America with the highest challenges related to an enabling environment for sustainability[22][21].

11. The third identified barrier is related to the lack of demonstration models to combat land degradation and biodiversity loss of grasslands through common approaches and solutions. Even-though the country has implemented innovative methodologies to sustainably manage rangelands, greater efforts are required to out-scale these approaches and develop and articulate capacities to restore rangelands through concerted actions that increase synergies among the Rio Conventions (the United Nations Convention to Combat Desertification, the Convention on Biological Diversity and the United Nations Framework Convention on Climate Change).

12. Finally, the fourth barrier is the lack of systematic monitoring of key indicators to track progress towards LDN and biodiversity conservation as well as the assessment of the environmental and socio economic impacts of the implementation of restoration practices. A standardized protocol for monitoring and assessing land degradation processes or their sustainable management, specific to rangelands, (Participatory Rangelands and Grasslands Assessment tool- PRAGA) was designed and implemented in two pilot sites in Uruguay. However, greater investment is needed to systematically monitor the LDN indicators in a meaningful way and evaluate the costs and benefits of the implementation of different SLM technologies and approaches.

13. Collaborative and evidence-based policy-making initiatives can help integrate knowledge and facilitate adaptive planning in relation to land degradation, biodiversity conservation and climate change. Particularly in socio-agro-pastoral systems, LD manifests itself in various forms and at different scales (country, landscape, estate) with the involvement of different stakeholder groups (e.g., land users, technical advisors, managers, and policy makers). The integration of different knowledge systems (e.g., traditional, local, scientific) and the joint generation of new knowledge often leads to more robust agricultural policy decisions towards addressing climate change, biodiversity conservation and LD. Knowledge sharing can also facilitate more appropriate responses to the needs of local communities and protect their livelihoods and well-being. The experience of implementing the PRAGA methodology at pilot scale in Uruguay, highlighted the challenges of understanding the drivers and possible policy options by stakeholders. This understanding is a necessary but not sufficient condition for planning and decision making in dynamic situations. Therefore, rather than focusing on a policy response to the degradation problem, the focus of this project is on building institutional capacities that derive from the processes of collective diagnosis and proposing solutions, as well as their implementation, following up and monitoring. These capacities include policy responses to the current situation, but also install in the country's institutionality, the ability to follow up on implementation and to re-evaluate and re-direct policies in future situations, ensuring resilence to future changes in the drivers.

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[4] Havstad, K.M. et al. 2007. Ecological services to and from rangelands of the US. Ecological Economics 64: 261–268.

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[13] DINOT-MVOTMA 2015. LCSS Land Cover Classification System / ed. Evaluación DINOT División Monitoreo

[14] Ligrone and Gobel 2018 Contribución del Área Ecosistemas de Dinama al informe "Evaluación participativa del estado de pastizales y sus perspectivas. Línea de base país".

[15] MVOTMA-MRREE 2016. Estrategia Nacional para la Conservación y Uso Sostenible de la Diversidad Biológica del Uruguay. 2016 - 2020

[16] Global Mechanism of the UNCCD and CBD. 2019. Land Degradation Neutrality for Biodiversity Conservation. Bonn, Germany

[17] Kunming-Montreal Global biodiversity framework available from https://www.cbd.int/conferences/2021-2022/cop-15/documents

[18] The Mesa de Ganadería sobre Campo Natural is an inter-institutional space created by resolution of the MGAP in 2012 to coordinate cross-cutting actions and complement management, in order to propose and implement public policies about livestock and natural grasslands. It is integrated by MGAP, Instituto Plan Agropecuario, National Institute of Agricultural Research, University of the Republic, Uruguayan Wool Secretariat, National Commission for Rural Development, Federated Agricultural Cooperatives, Rural Association of Uruguay, CREA Groups, Rural Federation, ME, Inter-American Institute for Cooperation on Agriculture, amongst others.

[19] World Bank data 2017 http://databank.bancomundial.org/.

[20] Presidencia de la República, 2018 Informe Nacional Voluntario- Uruguay

[21] MVOTMA y Sistema Nacional Ambiental Plan Nacional Ambiental para el Desarrollo Sostenible [Libro]. - Montevideo : [s.n.], 2019. - pág. 89p

[22] United Nations 2021. Plan de Acción de la Década sobre la Restauración de Ecosistemas en América Latina y el Caribe.

B. PROJECT DESCRIPTION

Project description

This section asks for a theory of change as part of a joined-up description of the project as a whole. The project description is expected to cover the key elements of good project design in an integrated way. It is also expected to meet the GEF's policy requirements on gender, stakeholders, private sector, and knowledge management and learning (see section D). This section should be a narrative that reads like a joined-up story and not independent elements that answer the guiding questions contained in the PIF guidance document. (Approximately 3-5 pages) see guidance here

14. The project's Theory of Change (ToC) is reflective of the project's strategy. The ToC provides a reference point that ensures stakeholder engagement throughout the lifecycle of the project; helps define and analyse monitoring data that contribute to continuous learning through the interventions. The ToC follows the STAP guidelines on the scientific conceptual framework for LDN and takes a phased approach adapting the DPSIR framework to the project's causal pathways. These steps will be guided by taking into consideration

the Land Degradation Neutrality Transformative Projects and Programmes (LDN TPP) Checklist and national priorities. The ToC diagram (Figure 1) outlines the project response linked to the barriers and the assumptions underlying these connections.

15.   The project is structured in four interlinked components that address the barriers previously mentioned to achieve the necessary progress in the country. The first component groups activities that will allow a better understanding of how ecosystems contribute to people's lives and will generate the necessary basis in terms of knowledge and capacities for the consolidation of policies that value and sustain efforts towards the sustainable management of rangelands and grasslands. The second component is structured to support the articulation and development of institutional capacities (guiding framework and regulatory framework) and their strengthening for biodiversity conservation and ecosystem restoration in rangelands, including the promotion of innovative financing mechanisms and incentives. The third component focuses on the implementation of restoration activities and sustainable use of rangelands that jointly address land degradation and biodiversity loss. The fourth component is related to knowledge management and dissemination of lessons learnt. The strategy incorporates the need to develop appropriate knowledge to monitor the status of biodiversity and ecosystem services in rangelands and grasslands, to evidence the contributions of nature to people and to inform and improve decision-making processes, supporting the implementation of actions that promote the practice of stakeholders and in the national political system, generating a favorable environment for the necessary behavioral change.

Theory of Change[1] for "Land Degradation Neutrality for Biodiversity Conservation of Uruguay Rangelands" GEF project (adapted DPSIR framework[2])

Socio-economic-biophysical system under BAU – LD DRIVERS, PRESSURES, and ROOT CAUSES

Uruguay stands out in Latin America for its high income per capita, low inequality and poverty, and strong institutional performance.

National LDN targets were recently set and Biodiversity Strategy was revised.

Sustained socio-economic growth has allowed the country to increase its Gross Domestic Product (GDP) and improve the living conditions of its population, driven by agriculture and use of natural resources.

Livestock farming is based on rangelands and has a strong connection with the natural grasslands, which provides around three quarters of the forage units used by the country's specialized livestock farming area.

Between 2000 and 2015, the country lost 13.79% of its natural grassland cover (equivalent to 1,615,653 ha) to agriculture (soybean) and forestry plantations with exotic species (eucalyptus).

Landscape modification in the Río de la Plata Grasslands due to land-use change has had significant impacts on plant and animal diversity as well as on the provision of ecosystem services.

Productive expansion and intensification is the main driver of land use change and loss of grasslands.

Remaining rangelands are being increasingly used and unsustainable rangeland management is leading to loss of soil health and reduced productivity, hampering the achievement of land degradation neutrality (LDN)

Many Uruguayan producers, supported by public policies and applied research, implement sustainable land management (SLM) practices but there are still shortcomings in terms of regulations and innovative financial mechanisms that promote restoration and conservation of rangelands.

Conservation and rehabilitation of rangelands is a country priority.

Land Degradation – STATUS AND TRENDS

Status of land degradation under Business-as-Usual scenario. *Source: https://projectgeffao.users.earthengine.app/view/uruguay*

LPD 2001-21	Area (ha)	Area (%)
Improving	785,000	15.7
Stable	2,791,163	55.7
Declining / stressed	1,430,000	28.6

Current trend of conversion of grasslands at national level is **120,000 ha/year**

Project RESPONSE

Objective: To enhance the health of rangelands and the ecosystem services they provide through sustainable management and a strengthened enabling environment in support of Uruguay's voluntary LDN targets.

Barriers

Barrier 1. Limited institutional and technical capacities to monitor and achieve land degradation neutrality as well as a general lack of awareness of the ecosystem services healthy rangelands provide. **A1**

Barrier 2. A weak regulatory framework and financial mechanisms for the conservation, restoration, and sustainable use of rangelands. **A2**

Barrier 3. Lack of demonstration models to combat land degradation and biodiversity loss of grasslands through common approaches and solutions. **A3**

Barrier 4. Lack of systematic monitoring of key indicators to track progress towards LDN and biodiversity conservation as well as the assessment of the environmental and socio-economic impacts of the implementation of restoration practices. **A4**

Components and outcomes

COMPONENT 1: Enhancing multi stakeholder engagement, awareness and capacities to achieve LDN for biodiversity conservation in Uruguay

1.1 Enhanced capacities at national and subnational levels to achieve Rangelands Degradation Neutrality and Biodiversity Conservation

1.2 Increased understanding and awareness of the ecosystem services that grasslands and rangelands provide and the need to conserve and restore them in Uruguay

COMPONENT 2: Leveraging a sound legal framework and innovative finance to avoid rangelands degradation in Uruguay

2.1 Strengthened dialogue and articulation among stakeholders at local and national level (producers, academics, government, legislators, cooperatives, research institutions and other relevant stakeholders)

2.2. Enhanced regulatory framework for the conservation, restoration, and sustainable use rangelands

2.3. Opportunities for increased access to innovative financial mechanisms for rangelands restoration & conservation identified and promoted.

COMPONENT 3: Reducing and reversing land degradation in key biodiverse rangeland landscapes

3.1. Ecological restoration of degraded key biodiverse grasslands and wetlands contribute to national LDN target 10.

3.2. Scaling out of Sustainable Rangeland Management approaches and technologies in rangelands

COMPONENT 4: Tracking progress towards neutrality in rangelands and out-scaling of lessons learnt

4.1. Consolidated mechanism to monitor progress towards LDN and Biodiversity Conservation across scales is validated.

4.2. Knowledge management and lessons learned disseminated at the national level.

Assumptions:
A1: There is willingness of key stakeholders to be involved, participate, share information and cooperate on LDN mainstreaming and Biodiversity Conservation.
A2: National priorities regarding environmental sustainability remain after national elections
A3: Local producers are interested in and motivated to rehabilitate and improve land management inf the landscapes.
A4: Relevant data and information will be made available and with sufficient resolution for informed decision making.

GEBs and co-benefits

Environmental stress-reduction indicators
- Increased land productivity (**1,000 ha** grasslands and wetlands restored, and **15,000 ha** land degradation reduced and avoided) in three watersheds (Santa Lucia, Laguna Merini and Cuenca Atlantica)
- Increased CO_2 sequestration in AFOLU systems **1,248,051 Mton CO_{2e}**) thanks to LDN demonstration measures

Socio-economic co-benefits
- Increased climate resilience of the local farmer communities
- Functional innovative and sustainable financial mechanism for producers and their organizations
- Increased # of agricultural-based investments have access to markets that incorporate SLM
- Increased # of people have knowledge on SLM/LDN
- Increased annual rate of the value of local agro-pastoral products (%)*

LDN and BD monitoring system
Global (GI) and National SMART[3] Indicators

1. Impact indicators
- Soil erosion rate (%)
- National SDG indicators to support global indicators
- Soil water storage and biodiversity
- Rate of grasslands loss and gain
- Area with increased Net primary productivity
- Soil organic carbon (SOC)
- Area with increased SOCseq potential

2. Process indicators
- Number of policies and normative instruments with mainstreamed LDN
- Number of people with improved capcities to implement and monitor LDN

3. Stress-reduction indicators
- Area with SLM and restored

[1] According to Cowie, A. 2020. Guidelines LDN: A report prepared for the STAP of the GEF, Washington .D.C. [2] DPSIR is a causal framework for describing the interactions between society and the environment: Drivers, Pressures, State, Impact and Response of an intervention. [3] The SMART framework is a way to identify quality indicators; Specific, Measurable, Achievable, Relevant, and Time-bound.
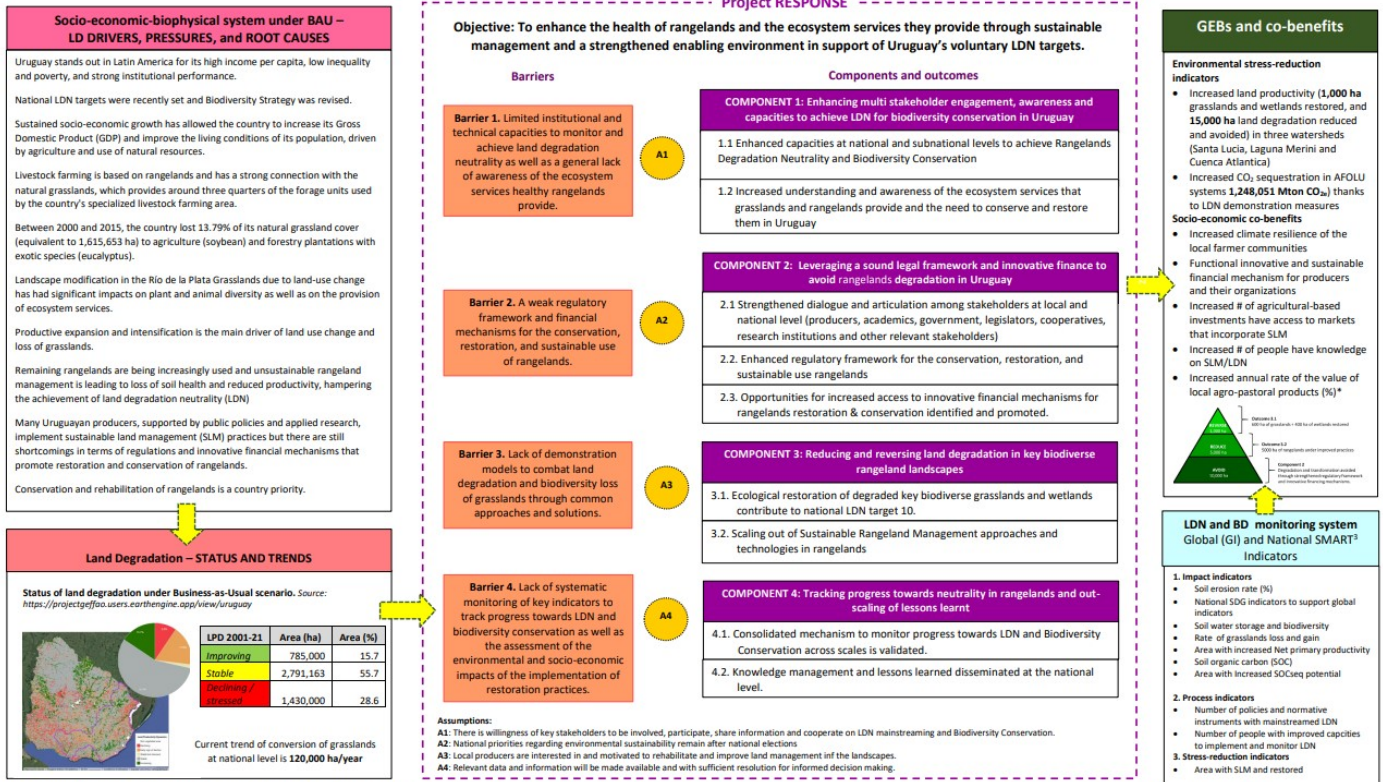
Figure 1: Project's Theory of change diagram

COMPONENT 1: **Enhancing multi stakeholder engagement, awareness and capacities to achieve LDN for biodiversity conservation in Uruguay**

16.   The whole territory of Uruguay is within the temperate grasslands biome and given the importance of rangelands to the economy and well-being of the population, many initiatives and research related to these ecosystems have been carried out. This component will build on these developments and fill in the gaps that exist regarding knowledge and capacities to implement the LDN framework and rehabilitate rangelands, such as the identification of priority areas for conservation and better understanding of the economics of rangelands degradation in order to address the first identified barrier.

17.   Multi-stakeholder partnerships and cooperation will be strengthened to support digital development to monitor degradation and biodiversity and build synergies to achieve LDN. Special attention will be given to transparency and collaborative production of FAIR data, as in Findable, Accessible, Interoperable and Reusable, in order to share knowledge and capitalize on the existing networks and information, such as the Inter-Institutional Technical Team on Livestock rearing footprint[23][22]. Cooperation with the University of the Republic and the National Institute of Agricultural Research (INIA) will be key to co-develop tools and training. The recent and successful experience in Uruguay with Living Labs (LL)[24][23] will be capitalized to adopt this innovative approach that consists of the use of open ecosystems in real-life environments to create sustainable impact for LDN.

18.   Awareness raising through a public outreach campaign targeting youth will also be carried out to contribute to the behavioral change needed to achieve the project objective. The information and capacities that will be built among key actors within private and public institutions, as well as local land users, will play a key role to achieve the project objective. The outputs of this component will provide inputs to the activities of the remaining components, such as: *(i)* reports and assessments critical for the development of normative proposals to strengthen the regulatory framework and inform members of the Parliament (Component 2); *(ii)* identification of priority areas and appropriate methodologies for the rehabilitation of grasslands and wetlands and scaling out of SLM (Component 3); *(iii)* build a community of practice to design and implement an LDN decision support system that allows the monitoring of rangelands health and impacts of the field activities (Component 4).

19.   Special consideration to target women's groups and organizations at the national and regional levels will be given, to support women land users and extensionists to gain relevant knowledge and skills in land management. Female participation in agricultural research and development will be prioritized, contributing to achievement of the National LDN target number 9[25][24], and following the recommendations of the National Gender Plan for Agricultural Policies[26][25]. This will be achieved through two outcomes with associated outputs and activities that will strengthen the institutional enabling environment for LDN, enhance the

understanding and awareness of LD drivers and sustainable management practices, and enhance the capacity to implement LDN at national and local level. In Figure 2 the expected outcomes and outputs of component 1 are presented.
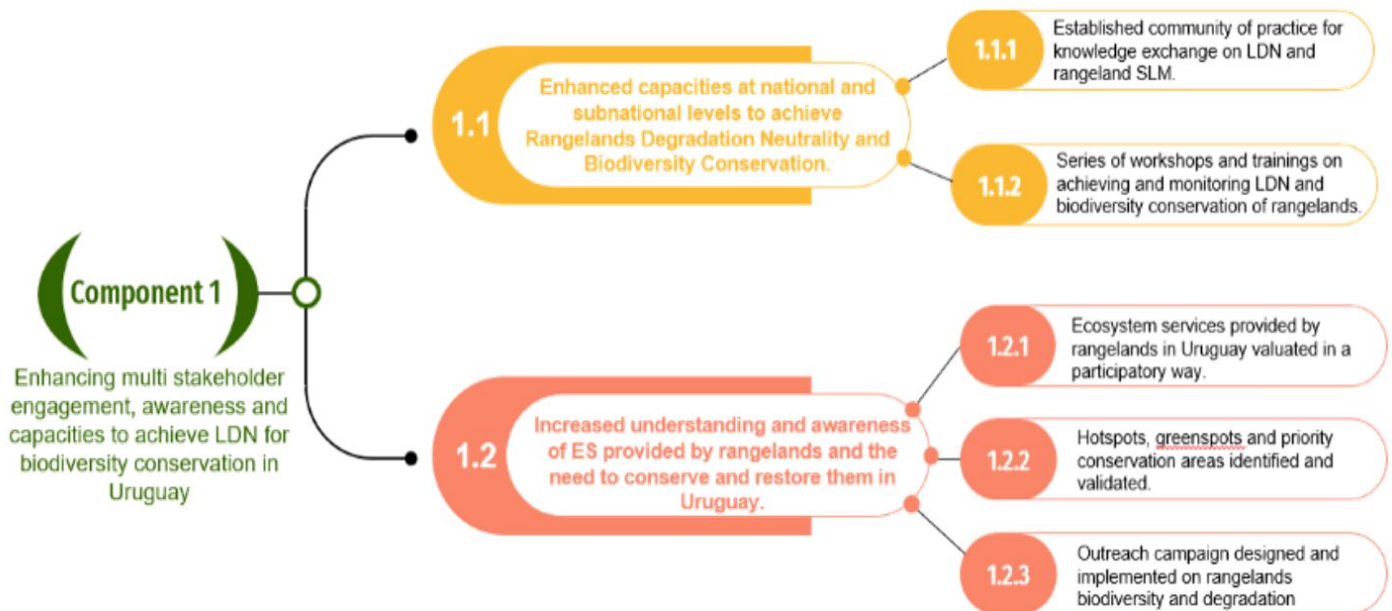
Figure 2: Outcomes and Outputs of component 1

Outcome 1.1:   ***Enhanced capacities at national and subnational levels to achieve Rangelands Degradation Neutrality and Biodiversity Conservation***

Output 1.1.1:   **Established community of practice for knowledge exchange on LDN and sustainable management of rangelands in Uruguay.**

20. The community of practice (CoP) will build on the networks and knowledge established by the recently implemented GEF funded project "Participatory assessment of land degradation and sustainable land management in grassland and pastoral systems"[27][26] and the recently finalized LDN target setting process. It will be sponsored by the National Directorate of Biodiversity and Ecosystem Services and its domain will be achieving LDN and SLM in rangelands. One of the main topics to be addressed by the CoP will be the difficulties to assess rangelands health using remote sensing, which was one of the key barriers identified to map and monitor LD in Uruguay, in particular because changes in NDVI trends are often not related to the rangelands health, specially in areas with higher levels of biomass, where dried vegetation accumulates[28][27].

21.	The community of practice will be interlinked to existing networks related to its domain at both, the international level, such as the Global Soil Partnership and the GEF funded Drylands Impact Program CoP1 on LDN, as well as with national existing groups such as FUCREA, AUGAP and SUPRA. These existing CoPs will be evaluated, contacted and strengthened, to eventually delineate a Landscape of Practice[29][28]. It is expected that at least 2000 participants will take part in knowledge exchange activities and discussions to produce an open database with available knowledge and a validated methodology for monitoring trends in land use, carbon stocks above and below ground and land productivity. Special attention will be given to include at least 50% of women in the CoP. Activities will be organized in 3 phases and will take place during the whole project duration:

- Phase I ("Preparation"- first year): Through a process of consultation and inquiry, the scope, purpose, goals, and vision for the community will be identified. The core team and roles will be established as well as the technologies and means for communication among members. A knowledge-management system for storing information in a way that keeps it relevant and timely will also be set. The community will be officially launched at the end of this phase.

- Phase II ("Growth" - 2nd and 3rd years): During this phase the CoP will reach to a broader audience to engage newcomers in collaborative learning and knowledge sharing activities, group projects, and networking events that meet individual, group, and organizational goals while creating an increasing cycle of participation and contribution.

- Phase III ("Sustainability" - 4th year): The knowledge and "products" created by the community will be assessed and disseminated and new strategies, goals, activities, roles and technologies will be defined for the future.

Output 1.1.2: Series of workshops and trainings on achieving and monitoring LDN and biodiversity conservation of rangelands.

22.	Practical workshops and training for working groups and stakeholders from the public and private sectors, on LDN, land use planning, tenure rights, sustainable land management and economics of land degradation will be implemented. The training material will include a dedicated gender section that integrates relevant gender dimensions outlined in the UNCCD Manual for Gender-Responsive Land Degradation Neutrality Transformative Projects and Programs. Activities include:

- Organization of a series of workshops on LDN and biodiversity conservation for decision makers and technical staff (including extensionists) from the national and sub-national governments involved in decision processes related to the use and management of rangelands will be held (at least 50 women out of total 100 people, with an emphasis on the sub-national level).

- Development of training modules on implementation of LDN in practice and how SLM contributes to gender-responsive achievement of LDN targets and biodiversity conservation at national and sub-national level targeting local producers from the private sector, particularly those that participate in

public policy processes and institutions such as farmer organizations and national institutes (at least 50 women out of total 100 people).

Outcome 1.2: *Increased understanding and awareness of the ecosystem services that grasslands and rangelands provide and the need to conserve and restore them in Uruguay.*

Output 1.2.1: **Ecosystem services provided by rangelands in Uruguay valuated in a participatory way.**

23.   To effectively tackle the challenges grasslands and rangelands face in Uruguay and show the true value of these ecosystems to stakeholders from all sectors, economic metrics to value and account for rangelands goods and services are needed. Therefore, accurate and scientifically sound measures of Ecosystem Service Values (ESVs) of rangelands will be developed in a participatory way. These assessments will be key to increase awareness, guide policies and decisions, evaluate programs and policies considering the costs of land degradation and biodiversity loss and make the economic case for investing in sustainable land management. To achieve this, the benefits of land and rangeland-based ecosystems and the services they provide will be valued in a gender sensitive way, including what losses are incurred when they are degraded, such as the impacts in the quality and quantity of water resources[30][29]. Special attention will be given to consider all types of ecosystem services, to contribute to an holistic assessment that will help better capitalize on the potential synergies between the national target systems and a harmonized implementation of national Rio targets. Since there are different methodologies to achieve this, links and cooperation with international initiatives such as the ELD Initiative will be explored to decide the most appropriate methodological approach.

Output 1.2.2: **Rangelands degradation hotspots and greenspots and priority conservation areas identified and validated through multi-stakeholder consultations.**

24.   Building on the results and capacities developed previously in Uruguay on the implementation of the "Participatory rangeland and grassland assessment" (PRAGA) methodology and in coordination with the CoP (Output 1.1.1), maps at national scale will be produced to identify hotspots of degradation and priority areas for restoration of rangelands. The convergence of evidence principle[31][30] will be applied for mapping hotspots considering the main types and drivers of land degradation and the conservation activities undertaken at national, subnational (project area) and local level (project implementation areas). The assessment will consider the state, causes and evolution of soil, water and biological characteristics. It will also consider socio-economic causes of these phenomena including its impact on ecosystem services. The database and mapped outputs will provide a powerful tool to obtain an overview of land degradation and conservation in Uruguay and to guide project activities under component 3. Main activities include:

- Identification of existing documents and maps (GIS layers, high resolution satellite images, socio-economic and land use data etc.) to construct a base map of land use systems in Uruguay.

- Participatory completion of a detailed and georeferenced questionnaire on the intensity, rate, type and causes of land degradation and their impacts on ecosystems services, as well as the recommendations and conservation measures.
- Development of maps by linking the information obtained through the questionnaire to a Geographical Information System (GIS) and the implementation of the convergence of evidence principle.
- Publication of the resulting maps in open access platforms.
- Evaluate and propose the integration of online applications within PRAGA methodology

Output 1.2.3:   Outreach campaign designed and implemented on biodiversity and ecosystem services in grasslands and rangelands and their contributions to society.

25.   To mobilize the power of public opinion in support of the achievement of LDN and the protection of grasslands and rangelands in Uruguay, an awareness-raising process will be carried out to inform and promote understanding among the general public, with a special focus on youth, of the importance of rangelands and the country commitments to achieve LDN. To achieve this a gender sensitive multidisciplinary task force that includes representatives of the youth will be established to work in close contact to the CoP to design and implement an outreach campaign. These activities will also contribute to giving visibility to the importance of grasslands at global level. Activities will include:

- Develop an awareness raising strategy (first year): objectives, target groups, key messages, methods, activities and an evaluation plan will be designed by the task force in cooperation with partners and stakeholders.

- Establish partnerships with CSOs and stakeholders (first and second year): to conduct joint awareness and increase the impact of the campaign partnerships with CSOs at local, national and international level will be built. Links to the activities carried out for the organization of the International Year of Rangelands and Pastoralists will be made (2026).

- Implementation of the outreach campaign (2nd and 3rd year): Following the designed strategy, activities will take place, including issuing press releases, briefings and commentaries; working with the media; holding public meetings and events; and creating and contributing to educational materials. Information will be disseminated through a range of different means or tools such as radio, television, the internet, social media, mobile phones, newspapers, and the arts.

COMPONENT 2:   Leveraging a sound legal framework and innovative finance to avoid rangelands degradation in Uruguay

26.   Avoiding land degradation by addressing the drivers of LD and through proactive measures to prevent adverse change in land quality of non-degraded areas is far more efficient than reversing degradation both in the economic and environmental dimensions. The LDN the response hierarchy of Avoid > Reduce > Reverse land degradation acknowledges this and actions to avoid LD should be prioritized over reversing past degradation. To achieve LDN and avoid degradation of the remaining healthy rangelands of Uruguay a firm grounding of the 'neutrality' concept in national policies and policy procedures is needed. Thus, Component 2 will contribute to the formulation and adoption of principles, rules, and guidelines to influence decisions

and actions at various scales for avoiding degradation and balancing anticipated new losses with gains, and to consider principles for limiting unintended outcomes. Increased resource mobilization is also essential to effectively implement LDN policies in Uruguay. Though there are resources available from the national budget, these funds are not sufficient, so this component also aims at identifying and promoting opportunities for increased access to innovative financial mechanisms for rangelands restoration & conservation. It is expected that these activities will lead to avoid the conversion of, at least, 10,000 ha of natural grasslands, contributing to the achievement of national LDN voluntary target 10a, which aims to reduce 50% of the rate of loss of Natural Grasslands of the period 2000-2015 for the period 2020-2030, at the country level. This represents reducing the net loss of 120,000 ha/year to values lower than 60,000 ha/year. Given that in 2024 general presidential elections will take place, the project will work closely with the parliament and party referents to ensure sensibilization and capacities are in place to follow through the country commitments. This will be achieved through three outcomes with associated outputs and activities that will leverage a sound legal framework and innovative finance to avoid land degradation in Uruguay. In Figure 3 the expected outcomes and outputs of this component are presented in a diagram.
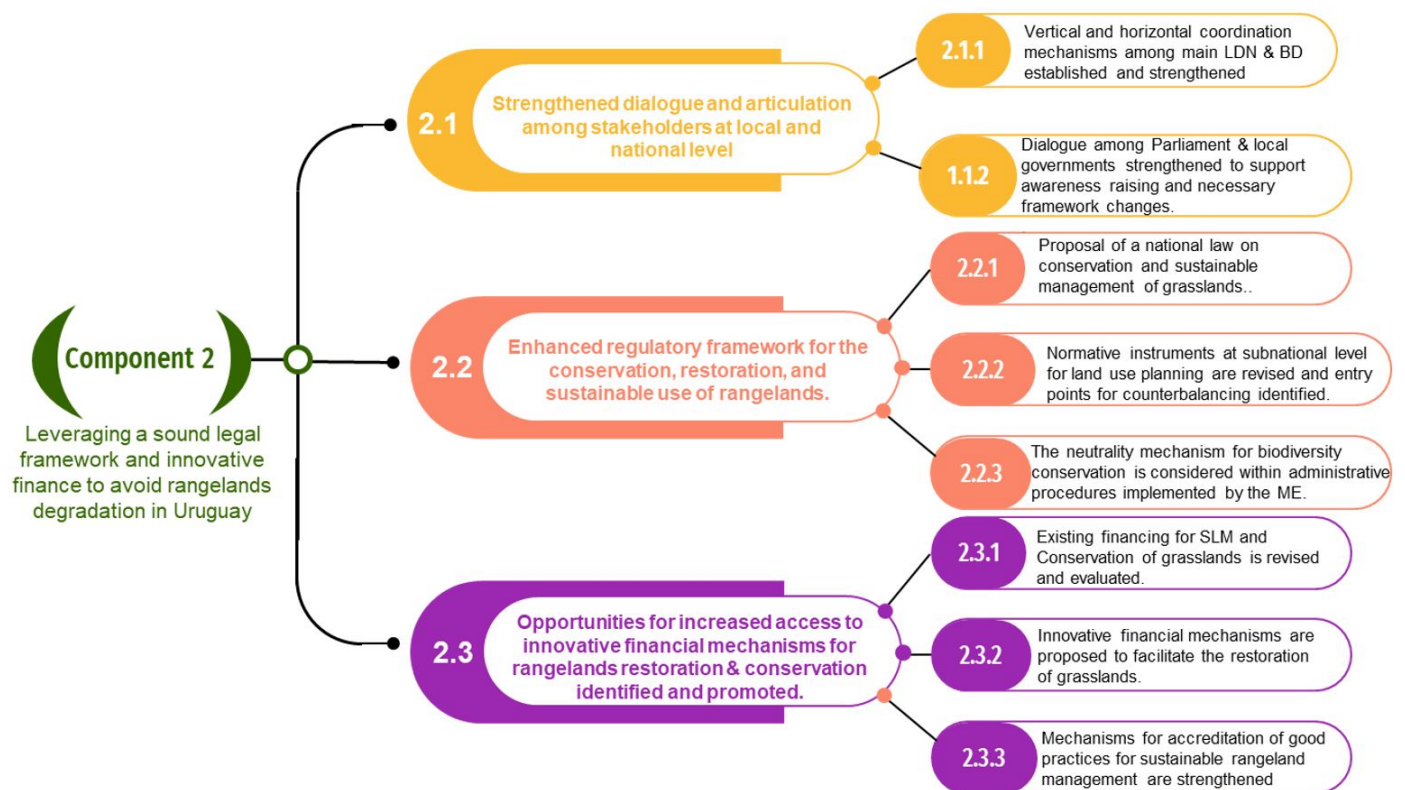
Figure 3: Outcomes and Outputs of component 2

Outcome 2.1: ***Strengthened dialogue and articulation among stakeholders at local and national level (producers, academics, government, legislators, cooperatives, municipal governments, research institutions and other relevant stakeholders).***

Output 2.1.1: **Vertical and horizontal coordination mechanisms among the main actors involved in LDN and Biodiversity Conservation are established and strengthened.**

27.   During the LDN voluntary target setting process, a multidisciplinary and interinstitutional group was created called "Grupo de seguimiento de la convención" (Group to follow up the Convention). This group offers a unique environment to strengthen vertical and horizontal coordination. In addition to supporting the sustainability and activities of this group, an analysis of the existing inter-sectoral coordination mechanisms between local, national and international governance levels involved in the implementation of SLM and LDN including a gender lens will be developed.

Output 2.1.2: **Dialogue processes with the parliamentary system and local governments are strengthened to support awareness raising and necessary framework changes.**

28.   Given the upcoming election in Uruguay in 2024, in addition to promoting dialogue among local government and policy makers, the different partisant referents will be engaged in a dialogue process that will enhance understanding of the country commitments regarding CBD and UNCCD. These activities will contribute to the development of party agreements to achieve these commitments. The dialogue among and within the relevant stakeholders of the political system (Parliament and Congress of Mayors) will be prioritized due to their relevance in formulating and coordinating the policies of the subnational governments, among other relevant responsibilities.

Outcome 2.2 ***Enhanced regulatory framework for the conservation, restoration, and sustainable use rangelands***

Output 2.2.1: **A national law on conservation and sustainable management of grasslands is proposed for discussion in Parliament.**

29.   The regulatory framework for the conservation of the environment and the natural resources management in Uruguay includes several national Laws and decrets, including the National Law for Territorial Planning and Sustainable Development[32][31], and the National System to Address Climate Change and Variability[33][32]. However, a national policy that considers how to permanently accommodate LDN and particularly the sustainable use and conservation of rangelands in the national agenda setting and in state budgets is missing. A proposal of such a law will be developed with national and international experts, following the consultations and dialogue processes with the Parliament and relevant stakeholders.

Output 2.2.2: **Normative instruments at subnational level for land use planning are revised and entry points for the principle of counterbalancing are identified.**

30. LDN implementation in Uruguay also requires that associated policy procedures in day-to-today operations are in place to enforce, monitor, and verify the impacts of national policies to ensure that an enabling policy environment for achieving LDN and biodiversity conservation are in place. A revision of normative instruments for land use planning at department level will be carried on, to identify opportunities to integrate the neutrality mechanism, strengthen land tenure security and also limit trade-offs, thereby ensuring that the implementation of LDN policies does not compromise the tenure rights of land holders. The results and recommendations will be discussed with the Congress of Mayors.

Output 2.2.3: **The neutrality mechanism for biodiversity conservation is considered within the administrative procedures implemented by the Ministry of Environment**

31. The Ministry of the Environment (ME) was created in 2020, offering an opportunity to mainstream LDN in the recently developed procedures under its responsibility. The ME is in charge of executing the national environmental policy, environmental planning, sustainable development, and the conservation and use of natural resources. Among its substantive tasks are the formulation, execution, supervision and evaluation of national plans for environmental protection, environmental management, conservation and use of natural resources, as well as the implementation of national policy on the matter. Therefore, activities to integrate the neutrality mechanism as one of the criteria in the evaluation of national plans as well as in other relevant procedures will take place.

Outcome 2.3 ***Opportunities for increased access to innovative financial mechanisms for rangelands restoration & conservation identified and promoted.***

32. Translating commitments and ambitions to real action represents one of Uruguay's main current challenges. In the current context of the transition to SLM, it is necessary to show the pathways to LDN and emphasize the economic opportunities that will arise. Effective incentive systems are undoubtedly important for increasing farming and other land-use practices that preserve healthy soils and enhance the provision of ecosystem services for climate-resilient landscapes. Nevertheless, this requires establishing long-term incentives and insurance systems that encourage land managers to transform their farming practices over time. Greater clarity on land tenure rights is also indispensable for large-scale land and soil rehabilitation investments. To contribute to the sustainability of impacts and behavioral change needed, three outputs are expected under this outcome:

Output 2.3.1: **Existing financing for SLM and Conservation of grasslands is revised and evaluated.**

33. Regional and national experiences will be revised and evaluated to identify necessary adaptations for Uruguay. Some of these existing mechanisms and initiatives are:

- The Low Carbon Agriculture (ABC) Plan in Brazil[34][33], that finances good agricultural practices. The ABC Plan is a credit initiative that provides low-interest loans to farmers who want to implement sustainable agriculture practices. These include no-till agriculture, the restoration of degraded pasture, biological nitrogen fixation, treatment of animal waste and the integration of crops, livestock and forest.

The project will analyze the experience in Brazil (and will aim to increase south-south cooperation with the country) to bring best practices to Uruguay.

- Producers' cooperatives: Cooperatives in Uruguay, such as Central Lanera Uruguaya, offer an interesting opportunity that could be further leveraged to incentive grasslands restoration and rehabilitation. These cooperatives provide financial assistance to producers as a loyalty and product supply consolidation mechanism (widespread in sheep production). This incentive system can be expanded to include the development of good practices to achieve LDN and sustainably use rangelands.

- Meat processing industry: this industry has promoted the development of organic production and organic certification, as part of the portfolio of products that make up the image of the company .

Output 2.3.2:   **Innovative financial mechanisms are proposed to facilitate the restoration of grasslands.**

34.   Based on output 2.2.1, mechanisms that promote a structure of economic-financial incentives, facilitating access to credit lines to producers who want to implement sustainable rangeland management technologies will be proposed. A dialogue with financing entities such as the Banco de la Republica and the Producers cooperatives that export products, such as Central Lanera Uruguaya, will take place to evaluate the possibility of a pilot experience.

Output 2.3.3:   **Mechanisms for accreditation of good practices for sustainable rangeland management are strengthened.**

35.   To implement incentives for the sustainable management of rangelands, a validated and official mechanism for the accreditation of good practices needs to be in place. The project will revise and through participatory consultations will assess the available possibilities, identifying strengths and weaknesses and proposing the necessary adjustments, if needed. Two existing mechanisms were identified during the PIF phase:

- The Grasslands Conservation Index (GCI)[35][34]: developed by the Southern Cone Grasslands Alliance to help governments develop incentives for cattle ranchers contributing to conservation efforts. The measurements of the GCI are based on a few simple parameters, avoiding the need for expensive instruments; the aim is to promote its widespread geographical application, with the possibility of repeating the application each year to obtain historical data from monitoring the evolution of the natural grasslands. The **Grasslands Alliance** has also experience in other certification mechanisms in Uruguay, such as a Certification Protocol to distinguish beef meat produced through sustainable grassland management.

- The Ecological Outcome Verification (EOV)[36][35]: developed by the Savory Institute, is a protocol for monitoring land health, that assesses key indicators of the effectiveness and health of ecosystem processes, including criteria such as soil health, biodiversity and ecosystem function (water cycle,

mineral cycle, energy flow and community dynamics). Savory Network Hubs are the program's primary mechanism to evaluate and verify new producers and there is one Hub in Uruguay, which in 2020 signed an agreement with the Ministry of Livestock, Fisheries and Agriculture of Uruguay (MGAP)[37][36].

COMPONENT 3:   Reducing and reversing land degradation in key biodiverse rangeland landscapes

36.   National LDN target 10.b states that Uruguay is committed to improve the condition of at least 1 million ha of natural grasslands. This component will contribute to this commitment by not only reversing degradation in 1,000 ha through rehabilitation of grasslands and reducing degradation in 5000 ha by implementing sustainable land management, but also by providing and demonstrating a workflow and methodology to outscale sustainable management and restoration of grasslands, building on previous experiences. Special focus will be placed on prioritizing SLM practices that are gender responsive[38][37] in order to avoid the implementation and dissemination of gender-blind technologies that therefore reduce the potential impact for adoption and reinforce existing prejudices and inequalities. To achieve this, activities will be in line with the National Gender Plan for Agricultural Policies[39][38]. The process for selecting the areas to implement these activities within the project target landscapes (watersheds Santa Lucia, Laguna Merin and Cuenca Atlantica[40][39]) will be conducted in a participatory and evidence based way, in close coordination with Outcomes 2.1, 2.2 and 4.1. The selection of these watersheds as project landscapes was based on a participatory assessment that considered biophysical and socio-economic criteria as well as alignment with national priorities and initiatives. Their representativeness of the country's rangeland degradation processes, economic importance and presence of Key Biodiversity Areas[41][40] were considered. Almost 32 % of the project landscapes are KBA (1,615,000 ha)[42][41]. A sound baseline assessment of the conditions of the implementation areas and consistent monitoring of impacts will allow for adaptive management throughout the project and to evaluate the costs and benefits of the interventions. This will be achieved through two outcomes with associated outputs and activities that will contribute to reduce and reverse rangelands degradation in Uruguay. In Figure 4 the expected outcomes and outputs of this component are presented in a diagram.

Figure 4: Outcomes and Outputs of component 3

Outcome 3.1   ***Ecological restoration of degraded key biodiverse grasslands and wetlands contribute to national LDN target 10.***

Output 3.1.1   **Priority rangeland restoration sites mapped through a participatory and gender responsive assessment**

37. During the first year a participatory and evidence based process[43][42] will take place to identify and map target areas for restoration, consideration will be given to the opportunities to improve the extent, quality and connectivity of high-biodiversity areas, as well as those that deliver important ecosystem services, as identified in output 1.1.2 (valuation of ES). Output 1.1 (Community of practice) will provide support and be involved in the process. Output 1.2.2 (Hotspots, greenspots and priority conservation areas identified and validated) will also provide key inputs for this process. Accounting for biodiversity in the selection of priority areas for restoration activities will help Uruguay meet its international commitments associated with the CBD and its National Plan for Biodiversity. Criteria to prioritize these areas will include socioeconomic indicators, including land tenure status and clarity, rural poverty, population density, legal, institutional, policy and financial limitations/opportunities and level of demand for specific products; as well as environmental indicators such as intensity of degradation, potential to sequester SOC, availability of water resources, among others. Key steps are:

- Definition of the task force to conduct the assessment and mapping: a team leader will be identified and the team will include at least a social expert with understanding of land and resource rights and gender issues, and a land use specialist with GIS knowledge.

- Identification of the criteria and knowledge gaps: available data sets will be compiled and homogenized (in coordination with activities of Output 1.2.2 and Output 4.1.1 and 4.1.2).
- Participatory workshops with land users and other stakeholders: to fill existing knowledge gaps, validate results and include different perspectives in the process following PRAGA methodology[44]43.
- Final mapping and methodology published: resulting maps will be integrated in the LDN DSS (output 4.1.2) and the methodology and results will be published.

Output 3.1.2:   Gender-responsive strategies for agroecological transition and rehabilitation in rangelands developed based on agreements with the private sector and CSOs.

38.   The project will develop gender responsive strategies for agroecological transition in coordination with current initiatives that will lead to agreements for the execution of sustainable production projects in various areas, including livestock. To achieve this, civil society organizations will be involved, in particular those that focus on gender and youth, including organizations with an absolute predominance of women property owners.

39.   The criteria to define 'sustainable production' in livestock, will be based on a series of practices defined by the Commission of the Plan for the Promotion of Agroecology that works within the scope of the MGAP. The project will coordinate with the SENDA agroecological project that is being implemented by the MGAP DGDR, in which technical assistance is co-financed to groups that adhere to the agroecological transition, according to the proposal of a technical committee chaired by the Agroecology Promotion Plan Commission. This transition, in the case of livestock, will include specific practices aimed at improving the management and condition of the forage resource. This ensures adequate participation and learning from a series of territorially organized producer groups to delve into more intense stages of improving the condition of the pastures and achieving LDN.

Output 3.1.3:   Innovative restoration practices implemented to enhance productivity and biodiversity of degraded priority grasslands and wetlands

40.   Based on the selection of implementation sites (Output 3.1.1), a baseline assessment at local will be carried out to effectively identify the spatial variability of key characteristics of the intervention sites (soil properties, biodiversity, productivity, land and water degradation and socio economic indicators), which will contribute to the selection of the most appropriate site-specific rehabilitation technologies and to effectively monitor the impact of these practices. For this, the baseline assessment (before implementation of technologies) will be compared with assessments that will be performed after the implementation. To monitor soil health, key aspects will be monitored, including soil productivity, soil biological activity, soil organic carbon and soil physical properties following a Protocol for the assessment of Sustainable Soil Management[45]44, in order to provide an evaluation of the soil's ability to maintain prioritized ecosystem services. The practices that will be implemented in each site will be selected based on the baseline assessment in a participatory way, and will include:

- Adjustment of the stocking rate

- Rotational grazing

- Adjusting the sheep-cattle relationship

- Direct seeding of native species, including legumes

- Microcatchments for the establishment of native deep rooting shrubs and trees (in transitional areas)

41.   These activities will be implemented in 600ha of grasslands and 400ha of wetlands and will directly contribute to national voluntary LDN target 10b. The practices will be implemented in coordination with national CSOs.

Outcome 3.2 `   Scaling out of Sustainable Rangeland Management approaches and technologies in rangelands

Output 3.2.1:   Integrated sustainable and gender sensitive Rangeland Management approaches and technologies adopted on the demonstration landscapes to reduce land degradation.

42.   Previous work in Uruguay has identified and implemented Sustainable Rangeland Management approaches and technologies, setting an opportunity to scale out these SRM practices. A similar approach to the restoration of priority grasslands (Outcome 3.1) will be implemented, including the participatory and evidence based selection of landscapes of intervention, a baseline assessment, the identification of most appropriate SRM practices and implementation. These activities will contribute to reduce land degradation in 5000 ha of rangelands.

COMPONENT 4: Tracking progress towards neutrality in rangelands and out-scaling of lessons learnt

43.   This component focuses on monitoring, evaluation and learning to support the scaling up of the LDN approach in Uruguay through establishment of a LDN monitoring system and collection and analysis of lessons learned. To facilitate informed decision making for LDN mainstreaming and Sustainable Rangeland Managment, a Decision Support System (LDN DSS) will be developed integrating validated and relevant biophysical and socio economic data. This will contribute to national voluntary LDN target 1 that states that "By 2030, there is a consolidated monitoring mechanism for changes in land use, carbon fluxes on the land surface, and land productivity dynamics". In Figure 5 the expected outcomes and outputs of this component are presented in a diagram.
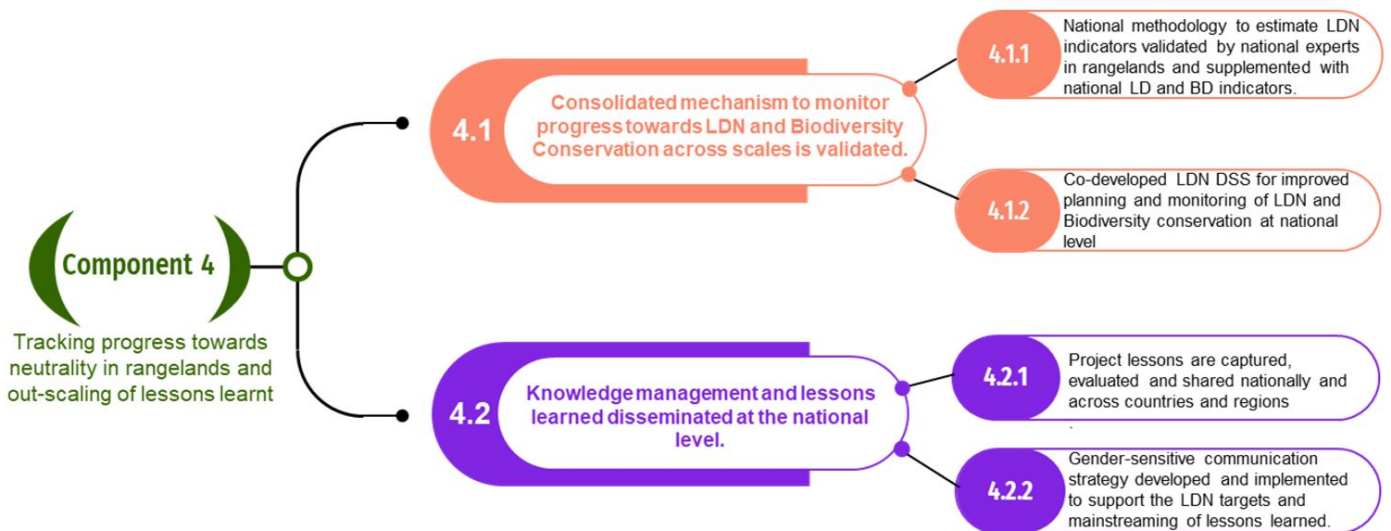
Figure 5: Outcomes and Outputs of component 4

Outcome 4.1.   Consolidated mechanism to monitor progress towards LDN and Biodiversity Conservation across scales is validated.

Output 4.1.1   National methodology to estimate the three (3) change of state LDN indicators validated by national experts in rangelands and supplemented with national LD and BD indicators.

44.   Validation of satellite derived indicators through field verification and expert consultations through bottom-up and participatory mapping approaches involving local experts will be undertaken to develop and choose the most appropriate and representative methodologies and results to assess land degradation at the national level. The selection of these metrics will build on the work currently done by Uruguay in establishing the LDN baseline, PRAIS4 National report and through component 1 of the project. Activities for capacity building, horizontal exchange of knowledge and participatory validation of LDN indicators across scales will also take place throughout the process. Activities include:

- Identification and compilation of national available LD related indicators

- Identification of best available data to monitor trends in the three change of state indicators for Uruguay rangelands

- Participatory assessment and validation of land productivity trends through the integration of expert knowledge and field verification

Output 4.1.2 Co-developed LDN DSS for improved planning and monitoring of LDN and Biodiversity conservation at national level

45.   Through regular consultative and feedback processes, a knowledge platform and a decision support system will be developed and integrated into a national platform. The system will allow the identification and prioritization of appropriate and gender-sensitive interventions for specific sites and navigate trade-offs within landscapes at different scales, considering the environmental and socio-economic status and implications, the LDN response hierarchy and the principle of counterbalancing anticipated losses with planned gains. To develop the system, a bottom-up approach with full stakeholder participation (gender sensitive, inclusive and transparent) will be implemented to promote national empowerment and ownership of the LDN approach following previous successful experiences[46][45] and will build on the DSS developed at PPG phase[47][46]. The design of the DSS will build on the identification, testing and calibration of different metrics for LDN indicators (Output 4.1.1) that will allow decision-makers to analyze trade-offs and synergies between different types of land uses, practices, and national objectives. Activities for further development of the decision support system for LDN established at the PPG stage will include discussions together with all levels of stakeholders, capacity building and adaptation of the methodologies to the end users' needs and feedback.

Outcome 4.2 Knowledge management and lessons learned disseminated at the national level.

46.   Best practices and lessons learned from the project will be summarized and organized in a framework for scaling-up at regional and national level. At least three (3) gender sensitive LDN knowledge products will be developed and disseminated, and lessons learned on SLM and LDN will be mainstreamed at national and regional level. The outcome will be generated by the following outputs and associated activities.

Output 4.2.1 Project lessons are captured, evaluated and shared nationally and across countries and regions

47.   The project will produce key knowledge regarding the provision of ecosystem services rangelands provide, methodologies to map and monitor land degradation and sustainable rangeland management (component 1), and technologies and approaches to reduce and reverse land degradation will be implemented and monitored in over 6000 ha (component 3). Under output 4.2.1 the project will develop a set of manuals and media products to be used by extension specialists and producers. These informational materials will capture and describe the improved practices, measures and technologies, including not only a technical description of the practice but also its impacts (before vs. after) and its economic costs following international databases such as the ECON data base[48][47]. In addition to publishing national level good practices materials, the practices will be documented in international databases, such as WOCAT SLM database[49][48], which is the recommended database by UNCCD. A regional workshop will be held to foster South South cooperation on LDN for biodiversity conservation in rangelands.

Output 4.2.2 Gender-sensitive communication strategy developed and implemented to support the LDN targets and mainstreaming of lessons learned.

48.   Gender sensitive knowledge and communication products will be developed on rangelands restoration and sustainable management that can be applied to achieve LDN at sub-national and national level. A national

LDN guideline will be published that describes how LDN should be monitored at different scales and how gains and losses could be balanced at farm level, landscape and up to the national scale. Activities include:

- Development of a national LDN guideline and fact sheets on how to balance degradation with restoration, including country-specific examples that integrate gender concerns.

- Gender-responsive SLM approaches for LDN targets, targeting policymakers/stakeholders

49.   As a result, the proposed project will deliver global environmental benefits through (1) increased land productivity (1,000 ha grasslands and wetlands restored, and 15,000 ha with land degradation reduced and avoided) and (2) increased CO2 sequestration in AFOLU systems 1,787,179 Mton CO2e) thanks to LDN mainstreaming for avoiding, reducing and reversing land degradation. The project will also provide socio economic co-benefits such as increased climate resilience of the local farmer communities, functional innovative and sustainable financial mechanisms for producers and their organizations, increased number of agricultural-based investments have access to markets that incorporate SLM and enhanced capacities for achieving and monitoring LDN.

50.   **Institutional and Coordination Arrangements.** The Ministry of Environment (ME) will have the overall executing and technical responsibility for the project, with FAO providing oversight as GEF Agency as described below. The ME will act as the lead executing agency and will be responsible for the day-to-day management of project results entrusted to it in full compliance with all terms and conditions of the Operational Partnership Agreement that will be signed with FAO. As OP of the project the ME is responsible and accountable to FAO for the timely implementation of the agreed project results, operational oversight of implementation activities, timely reporting, and for effective use of GEF resources for the intended purposes and in line with FAO and GEF policy requirements. ME will ensure close coordination with these activities, including the ongoing initiatives mentioned in previous sections.

51.   Project implementation will be supported by: (a) national governmental structures that have competence in rural development planning, environmental, social and productive issues in relation to the focus of the intervention: Ministry of Environment, Ministry of Livestock, Agriculture and Fisheries and the National Parliament; (b) the national academic system, including research and extension, through the University of the Republic, the Instituto Plan Agropecuario and in more advanced stages of PRODOC formulation will be explored to coordinate with the Instituto Nacional de Investigación Agropecuaria; (c) the private sector, including producer organizations that have extensive experience in rural development issues and in promoting the conservation of the grassland and biodiversity, such as CAF, Alianza del Pastizal and AUGAP, and in later stages of project development other stakeholders from the financial system and agribusiness will be involved; (d) other civil society organizations that integrate the country`s institutional framework (NGO networks and their affiliates that make up the advisory commissions of the executive branch on environment and/or the working group on land degradation), including the advisory board on natural grasslands (Mesa de ganadería sobre Campo Natural); (e) the United Nations System in Uruguay (both in initiatives and projects of the system); and (f) FAO initiatives associated with land degradation, biodiversity conservation and climate change mitigation - in general and especially in the regional team for Latin America.

52.   To ensure this coordination and interaction, a Project Steering Committee and an Advisory Council will be established to integrate stakeholders, report on progress or emerging issues and include them in the strategic decision making of the project. The main tasks of this Council would be to: (a) give strategic direction to project implementation and approval of progress and financial reports; (b) ensure institutional commitments for the operation of the project and for the incorporation of resources and results generated by the project

(strategies, plans, programs, policy proposals); (c) support the dissemination of the project results within all spheres; d) support the dissemination of the project results to private sector organizations (land owners' associations, financial system, and governance areas related to natural resources, especially land degradation and biodiversity; e) support the process of scaling up the lessons learned in the country, providing advice on priorities and strategies for this purpose.

53.   **Innovation and scaling up.** The proposed project will promote innovative measures (community-based management, modern rangeland management approaches and technologies for restoration, promotion of an integrated landscape approach for the conservation and management of the country's grasslands in the pilot basins in order to (i) combat existing threats and barriers, (ii) support cooperation and collaboration among existing stakeholders towards achieving better tools for rangeland management, and (iii) increase the capacity and support services provided by the grasslands.

54.   The main innovation of the project lies in its approach: addressing land degradation and neutrality in Uruguay's rangelands, promoting work at different scales and with public-private partnerships, developing innovative proposals (regulatory framework, financial instruments, and others) that promote rangeland restoration with low-investment schemes (i.e. measures that do not require substantial capital input and therefore affordable for land users and/or do not imply a change in land use and/or livelihoods). Rangelands represent almost 60% of the country's total land and are the main source of rural livelihoods and settlement. The approach is strategic to address the root causes of degradation and achieve neutrality, biodiversity conservation and adaptation to climate change. The strategic focus on rangelands will mobilize additional national and international resources. Finally, the proposed intervention is aligned with the country's goals and strategic priorities on land degradation, biodiversity and climate change.

55.   If the project is successful (achieving a proposal and consensus to modify the regulatory frameworks, involving the private sector - producers, agribusinesses and the financial system - will make it possible, as a strategy of collective gain, to apply it on a larger scale, including other primary sector activities, thus developing the basis for a national policy for the conservation of grasslands, enabling the country to develop new instruments to operationalize and achieve the goals of neutrality of land degradation and biodiversity conservation by 2030.

56.   Lastly, to maximize the scaling up potential, Uruguay is in a rangeland region with similar characteristics and problems, so that the results achieved can be a stimulus for other developments in the region, which can be scaled up by regional counterpart interest groups.

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[29] Pyrko et al. 2019, "Communities of practice in landscapes of practice". https://doi.org/10.1177/135050761986085

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[32] Law N.º 18.308 from June 18, 2008.

[33] Decrete N.º 238/009.

[34]https://ccafs.cgiar.org/bigfacts/#theme=evidence-of-success&subtheme=policiesprograms&casestudy=policiesprogramsCs1

[35] Parera, A. F. (2014) An Index to measure the Conservation of Natural Grasslands. Report by Southern Cone Grasslands Alliance.

[36] https://savory.global/land-to-market/eov/

[37] https://app.savory.global/savory-institute-uruguay-espanol/

[38] https://www.unccd.int/sites/default/files/2022-05/WOCAT_full_version_Gender_Respondive_SLM.pdf

[39]https://www.gub.uy/ministerio-ganaderia-agricultura-pesca/sites/ministerio-ganaderia-agricultura-pesca/files/documentos/publicaciones/PNGAgro.pdf

[40] The main basins of the national hydrographic network are six: Rio Uruguay, Rio de la Plata, Atlantic Ocean, Laguna Merín, Rio Negro and Rio Santa Lucía). The ones selected are where major challenges for water provision are present as stated in the National Water Plan https://www.gub.uy/ministerio-ambiente/sites/ministerio-ambiente/files/2020-07/Plan-Nacional-de-Aguas.pdf

[41] BirdLife International (2021) World Database of Key Biodiversity Areas. Developed by the KBA

Partnership: BirdLife International, International Union for the Conservation of Nature, American Bird

Conservancy, Amphibian Survival Alliance, Conservation International, Critical Ecosystem Partnership

Fund, Global Environment Facility, Global Wildlife Conservation, NatureServe, Rainforest Trust, Royal

Society for the Protection of Birds, Wildlife Conservation Society and World Wildlife Fund. March 2021

version. More information: http://www.keybiodiversityareas.org/

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[45] FAO-ITPS 2020. Protocol for the assessment of Sustainable Soil Management. Rome, FAO.

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Coordination and Cooperation with Ongoing Initiatives and Project.

Does the GEF Agency expect to play an execution role on this project?

No

If so, please describe that role here. Also, please add a short explanation to describe cooperation with ongoing initiatives and projects, including potential for co-location and/or sharing of expertise/staffing

57. This project will build on previous and on-going activities and investments such as the GEF funded project *"Participatory assessment of land degradation assessments and sustainable land management in grasslands and pastoral areas" (GEFID 5724)*, implemented by FAO and the International Union for Conservation of Nature (IUCN). The proposed project will strengthen and out-scale the advances achieved previously[50][49] - [51][50] with the objective of enhancing the capacity of local and national stakeholders to jointly address Land Degradation (LD) and sustainable use/conservation in grasslands and rangelands by making informed decisions towards the promotion of Sustainable Land Management (SLM) and the preservation of goods and services provided by these ecosystems. The proposed activities are based on the recommendations provided by the new Ministry of the Environment - in particular the National Directorate of Biodiversity and Ecosystem Services (DINABISE).

58. In addition, the Ministry of Livestock, Agriculture and Fisheries, in collaboration with the Ministry of Environment is currently implementing the GEF-funded project '*Climate-smart livestock production and soil restoration in Uruguayan rangelands'* (GEFID 9153), known as the 'Livestock and Climate' project. The livestock and climate project promotes the sustainable increase of productivity and net income in family and medium-sized livestock systems, and contribute to mitigate climate change, restore degraded lands and improve resilience in the systems through a process of co-innovation process. The proposed project will also build on and synergize with the progress achieved through the "Livestock and Climate" project, which has a strong focus on stakeholder participation.

59. Finally, the proposed project will be implemented in coordination with the "Consolidating biodiversity and land conservation policies and actions as pillars of sustainable development" project (GEFID 10081), which will contribute to the implementation of the national LDN Targets by supporting ecosystem restoration in the three target areas (Santa Lucía River Watershed, Eastern Coastal Zone, and Serranías del Este and Quebradas del Norte). GEFID 10081 will promote sustainable agricultural production and sustainable cattle ranching. The proposed project will ensure that there is sufficient knowledge exchange regarding field activities and best practices, and that policy assessments and updated are coordinated for the benefit of both projects. The DINABISE is involved in the implementation of both projects.

60. The project also builds on previous national processes related to association and establishment of cooperatives, which have a long tradition in Uruguay, and which today make it possible to have a network of cooperative institutions distributed throughout the country and reaching producers of different sectors, scales,

and types of land tenure. These institutions have been working to promote environmental issues and rural development, have a relevant network of infrastructure, technicians, and affiliates, have developed integration and articulation of the various value chains - including the promotion of value addition oriented towards the international market - and the provision of technical, financial, and commercial services. The project will leverage on and further strengthen this social capital platform built by the private sector to scale out SLM. Additionally, the project will benefit from previous experiences linking Science and Policy. Academia works closely with the productive and governmental sector in identifying barriers and challenges to sustainable development. The history of collaboration, which reflects national interest and capacities in the search for solutions to the challenges identified, is also one of the foundations of the project's strategy.

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[51] Perez Rocha, J. 2020. El estado del campo natural en el Uruguay. Montevideo. FAO, MVOTMA y MGAP. https://doi.org/10.4060/cb0989es

Core Indicators

Indicator 3 Area of land and ecosystems under restoration

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
4000	0	0	0

Indicator 3.1 Area of degraded agricultural lands under restoration

Disaggregation Type	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 3.2 Area of forest and forest land under restoration

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 3.3 Area of natural grass and woodland under restoration

Disaggregation Type	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
Natural grass	2,000.00			

Indicator 3.4 Area of wetlands (including estuaries, mangroves) under restoration

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
2,000.00			

Indicator 4 Area of landscapes under improved practices (hectares; excluding protected areas)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
15000	0	0	0

Indicator 4.1 Area of landscapes under improved management to benefit biodiversity (hectares, qualitative assessment, non-certified)

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)
15,000.00			

Indicator 4.2 Area of landscapes under third-party certification incorporating biodiversity considerations

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Type/Name of Third Party Certification

Indicator 4.3 Area of landscapes under sustainable land management in production systems

Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 4.4 Area of High Conservation Value or other forest loss avoided

Disaggregation Type	Ha (Expected at PIF)	Ha (Expected at CEO Endorsement)	Ha (Achieved at MTR)	Ha (Achieved at TE)

Indicator 4.5 Terrestrial OECMs supported

Name of the OECMs	WDPA-ID	Total Ha (Expected at PIF)	Total Ha (Expected at CEO Endorsement)	Total Ha (Achieved at MTR)	Total Ha (Achieved at TE)

Documents (Document(s) that justifies the HCVF)

Title

Indicator 6 Greenhouse Gas Emissions Mitigated

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO$_2$e (direct)	1787179	0	0	0
Expected metric tons of CO$_2$e (indirect)	0	0	0	0

Indicator 6.1 Carbon Sequestered or Emissions Avoided in the AFOLU (Agriculture, Forestry and Other Land Use) sector

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO$_2$e (direct)	1,787,179			
Expected metric tons of CO$_2$e (indirect)				
Anticipated start year of accounting	2024			
Duration of accounting	20			

Indicator 6.2 Emissions Avoided Outside AFOLU (Agriculture, Forestry and Other Land Use) Sector

Total Target Benefit	(At PIF)	(At CEO Endorsement)	(Achieved at MTR)	(Achieved at TE)
Expected metric tons of CO_2e (direct)				
Expected metric tons of CO_2e (indirect)				
Anticipated start year of accounting				
Duration of accounting				

Indicator 6.3 Energy Saved (Use this sub-indicator in addition to the sub-indicator 6.2 if applicable)

Total Target Benefit	Energy (MJ) (At PIF)	Energy (MJ) (At CEO Endorsement)	Energy (MJ) (Achieved at MTR)	Energy (MJ) (Achieved at TE)
Target Energy Saved (MJ)				

Indicator 6.4 Increase in Installed Renewable Energy Capacity per Technology (Use this sub-indicator in addition to the sub-indicator 6.2 if applicable)

Technology	Capacity (MW) (Expected at PIF)	Capacity (MW) (Expected at CEO Endorsement)	Capacity (MW) (Achieved at MTR)	Capacity (MW) (Achieved at TE)

Indicator 11 People benefiting from GEF-financed investments

	Number (Expected at PIF)	Number (Expected at CEO Endorsement)	Number (Achieved at MTR)	Number (Achieved at TE)
Female	4,000			
Male	4,000			
Total	**8,000**	**0**	**0**	**0**

Explain the methodological approach and underlying logic to justify target levels for Core and Sub-Indicators (max. 250 words, approximately 1/2 page)

*Core Indicator 3: Area of land restored (Core Indicator 3)

The estimation of indicator 3 was based on: (1) consultations with the private sector, in particular through the Associations of cooperatives "Cooperativas Agrarias Federadas" and "Asociación Uruguaya de Ganaderos de Pastizal'' which nucleate more than 1000 producers who were initially consulted on the interest to introduce restoration practices in their productive lands. The Ministry of Livestock, Agriculture and Fisheries, the Ministry of Environment and the Institute for Agriculture, who have a network of extensionist were consulted in this regard; (2) a spatial multicriteria assessment using the geospatial platform developed for the PIF (and PPG) preparation where the areas of degraded rangelands (with declining land productivity) in Key Biodiversity areas in the pilot areas where mapped (Figure 6) and (3) the cost estimates of restoration activities (US$300/ha) from previous experiences in similar contexts in Uruguay and the literature . The estimation of 4,000 ha corresponds to sub-indicator 3.3, "Area of natural grass and shrublands restored" (2000 ha) and 3.4 "Area of wetlands restored" (2000 ha) and is the lowest threshold based on the 3 levels of estimations: level 1: using only GEF resources (1000 ha), level 2: including co-financing activities (+500 ha – 2000 ha) and level 3: with resources from the cooperatives (+1000 ha).

*Core Indicator 4: Area of landscapes under improved practices:

The project will work following the LDN hierarchy of responses. The estimation for this indicator is based on reduce and avoid type of responses, whereas indicator 3 is directly related to reverse type of responses. The project is expected to avoid the

transformation of 10,000 ha of grasslands, through the implementation of new regulatory frameworks and following national commitments (components 1 and 2). This estimation is very conservative and assumes a reduction of 2% in the estimated current trend of conversion of grasslands (120,000 ha/year) at national level , which corresponds to 4% of the national LDN target 10a (reducing the rate 50%=60,000 ha/year). The estimation of 5,000 ha with improved rangeland management is based on the consultations and multicriteria analysis explained for PCI as well as previous experiences with PRAGA methodology in the GEF7 funded project.

*Core Indicator 6: Greenhouse Gas Emissions Mitigated

Estimates have been calculated through the EX-Ante Carbon-balance Tool (EX-ACT v9.0), with a direct carbon-benefit of 1,787,179 tCO2e for a total period of 20 years (4 years of implementation and 16 years of capitalization). Indirect carbon benefits will be estimated during PPG, when a precise upscaling approach has been defined.

*Core Indicator 11: Number of direct beneficiaries disaggregated by gender as co-benefit of GEF investment

The project will directly benefit 8000 family farmers thanks to investments made on land use management and capacity building and knowledge management outputs.

Risks to Project Preparation and Implementation

Summarize risks that might affect the project preparation and implementation phases and what are the mitigation strategies the project preparation process will undertake to address these (e.g. what alternatives may be considered during project preparation-such as in terms of consultations, role and choice of counterparts, delivery mechanisms, locations in country, flexible design elements, etc.). Identify any of the risks listed below that would call in question the viability of the project during its implementation. Please describe any possible mitigation measures needed. (The risks associated with project design and Theory of Change should be described in the "Project description" section above). The risk rating should reflect the overall risk to project outcomes considering the country setting and ambition of the project. The rating scale is: High, Substantial, Moderate, Low.

Risk Categories	Rating	Comments
Climate	Low	On a scale of low, moderate, high, and very high, the climate risk within the project areas is LOW without project modulation, and LOW with project modulation. The project area is mainly affected by climate hazards such as extreme rainfall events that in the past caused severe emergency response in urban and rural areas. Climate variability is affected by El Niño–Southern Oscillation (ENSO) and La Niña, which in the future are expected to increase in frequency and intensity. Uruguay has made progresses over the past decade with

		increased income per capita and decreasing levels of inequality and poverty, although climate change continues representing a challenge especially for the agricultural sector. While the vulnerability is low, climate-related disasters have great impact on most vulnerable communities and economic activities, therefore requiring significant efforts toward its management. Uruguay has a good adaptive capacity and the Ministry of Livestock Agriculture and Fishery (MGAP) has prioritized adaptation to climate change in its policies and actions, incorporating it as one of the pillar of the process of sustainable intensification. The project activities are considered robust for modulating the existing climate risk. To strengthen climate risk management within the project components and outcomes, the following additional interventions are strongly recommended: climate-smart practices to be applied in rangelands to increase communities resilience to climate variability, spreading of climate data gathering and services, as well as integration of climate change mitigation, adaptation and disaster risk reduction, into national, regional, and local policy strategies, plans and investments.
Environment and Social	Low	The target region is not characterized by socio-environmental conflicts. The scope of the intervention is prone to improve the environmental conditions in the target areas. Nonetheless, the project will carry out a socio-economic assessment as well as stakeholder and gender action plans to minimize social issues.

Political and Governance	Moderate	Two moderated risks related to Political and governance dimension were identified. During the implementation of the project, national elections will take place, and this will have effects on the political system and the definition of national development priorities. Some of the consequences related to policy makers (executive and parliament, national and local) is their focus on the election campaign and subsequent turn-over instead of the project agenda. Engagement activities during preparation phase and project implementation will be carried out so that there is a grassland commitment inserted in the political agenda of all parties. A change in the government's priorities is considered medium risk, given the tradition of institutional continuity in Uruguay. The possibility of this risk has been assessed as part of the PIF´s cycle, and it was determined that if there were a change in the government's priorities, this would not significantly affect proposing and discussing normative elements on conservation and sustainable management of grasslands. nevertheless, actions to engage and sustain the engagement of the political sector will be developed during the formulation and execution of the project.
Macro-economic	Moderate	Exchange rate fluctuation, rising inflation, low fiscal investment and incapacity of co-financing.
Strategies and Policies	Low	Uruguay has developed a forestry promotion law including incentives for the industrial phase of pulpwood. The Ministry has responded with a decree that attempts to regulate the advance of plantations. Other existing partial tax exemptions for

		several investments (tax reform, investment promotion law) do not currently contradict the project's results, but could be seen as a risk if extended to the promotion of activities that could constitute threats to the grassland. This risk should be monitored and mitigated through the awareness raising and dialogue actions foreseen in the project.
Technical design of project or program	Low	Technical capacity in the country is high. No major problems expected. There is good collaboration between the Ministries of Environment and of Livestock, Agriculture and Fisheries and the stakeholders related to the private sector, civil society and the Academy. FAO, as the leading agency on livestock and grassland issues in the country, has accumulated capacity and knowledge in supporting and articulating similar initiatives and in engaging diverse stakeholders towards achieving common interests.
Institutional capacity for implementation and sustainability	Low	Experience from previous GEF projects on grasslands in the country and the interviews conducted at this stage of PIF formulation show that the institutional capacities are sufficient for implementing and sustaining the proposal. Indeed, relationships between all parties remain collaborative and aligned, enabling teamwork and exchanges of information and the achievement of the agreements necessary to manage the project and deliver the planned results. The risk of a decreased commitment on key stakeholders could materialize in the event of a change in staff in the participating institutions. However, the project will work at a number of levels within these institutions and will

		support the fulfillment of their mandates. Therefore, although a change in staff could affect the speed of delivery of outputs, it would not likely result in a significant obstacle to the project's implementation. Changes in project staff, including members of the FAO regional teams and local office. Although it is important to ensure the continuity of project staff and the FAO regional team, the project's systems for recording information and decision making would minimize the difficulties that could potentially result from staff turnover. Changes in project staff and the FAO regional teams are therefore not viewed as a threat to the continuity of activities.
Fiduciary: Financial Management and Procurement	Low	While there is significant capacity in Uruguay, the project team will conduct a fiduciary assessment of the project executing entity in line with FAO's due diligence.
Stakeholder Engagement	Low	Experience from previous GEF projects on grasslands and livestock in the country and the interviews conducted at this stage of PIF formulation show key partners (Cooperativas Agrarias Federadas, Alianza del pastizal, Asociación de Ganaderos del Pastizal), including the academia and the Ministry of Agriculture, will support to ensure stakeholder engagement. A stakeholder engagement plan will be prepared during the project preparation (PPG) phase.
Other	Moderate	Covid-19 adversely impacted the ability to implement projects in the last three years. The Covid-19 situation is evolving rapidly, and while the pandemic will very likely impact the project in the short-term, the longer-term impacts are expected

		to diminish over time. FAO at both the national and international levels has designed and adopted a number of Covid-19 coping strategies to ensure projects are able to move forward in a timely manner. Likewise, the impacts will be most prevalent in the short-term and will diminish over-time. During the project design phase, the project will explore remote working conditions and whether they are adequate to provide technical support activities. For field-based activities, the project will be designed to rely primarily upon Uruguayan national staff and government staff. This will limit requirements and constraints associated with international travel as air tickets have increases significantly. Moreover, the project represents an opportunity to mitigate risk related to future pandemics as it is expected to avoid and reverse forest and biodiversity degradation. In turn this will help to prevent the possible origin of other zoonotic diseases. The Capacity building aspects of the project will also help local farmers to recover sustainably from the adverse impacts from the COVID-19 Pandemic. A specific section on Covid-19 will be developed in the PRODOC during project preparation.
Financial Risks for NGI projects		N/A
Overall Risk Rating	Low	

C. ALIGNMENT WITH GEF-8 PROGRAMMING STRATEGIES AND COUNTRY/REGIONAL PRIORITIES

Describe how the proposed interventions are aligned with GEF- 8 programming strategies and country and regional priorities, including how these country strategies and plans relate to the multilateral environmental agreements.

Confirm if any country policies that might contradict with intended outcomes of the project have been identified, and how the project will address this.

For projects aiming to generate biodiversity benefits (regardless of what the source of the resources is - i.e., BD, CC or LD), please identify which of the 23 targets of the Kunming-Montreal Global Biodiversity Framework the project contributes to and explain how. (max. 500 words, approximately 1 page)

The proposed project is aligned with the GEF-8 Land Degradation Focal area (LDFA). The project seeks to avoid, reduce, and reverse land degradation and mitigate the effects of drought in the Uruguayan rangelands by applying sustainable land management principles (LDFA Objective 1). Specifically, the project will (i) support sustainable investments in rangeland management in order to maximize output and support livelihoods, and (ii) strengthen community based natural resources management to improve agro-ecosystem functions. SLM activities will help improve ecosystem connectivity and safeguard agro-biodiversity, improve soil health, and reduce greenhouse gas emissions by improving vegetative cover and accumulating soil organic matter.

In addition, the project will bring Biodiversity cobenefits as it will follow a landscape approach to improve conservation, sustainable use and restoration of the grasslands in Uruguay (BDFA Objective 1). Specifically, the project will support biodiversity mainstreaming into the agriculture and forestry sectors by financing (i) spatial land use planning activities to optimize production without undermining biodiversity, (ii) will support the development of a stronger policy and regulatory framework (Component 2) by proposing a national law on conservation and sustainable management of grasslands for consideration by the national parliament, and (iii) support farmers efforts to upscale sustainable management approaches and technologies to sustainably use biodiversity and conserve rangelands.

The program will support the country advance towards achieving GBF targets 1 as follows:

Target1 : The project will support integrated spatial planning and will work with local communities to reduce degradation of globally important grasslands in Uruguay. Currently there are 0.95 million ha of grasslands that are KBA but are not protected.

Target 10: The project will partner with local cooperatives to support the application of biodiversity friendly practices in order to contribute to the long term sustainability of these productive systems.

Alignment with national and regional priorities

Latin America has developed a Plan of Action to promote and support the UN Decade of Ecosystem Restoration, reflecting an understanding of the need to advance on this front and the importance restoring the region's natural capital. The overall vision set out in the Plan is that, by 2030, Latin America and the Caribbean will have made significant progress in defining policies and plans and implementing projects in marine, terrestrial and inland water ecosystem restoration at a relevant spatial scale to reverse the negative impacts of degradation and, as a result, ecosystems and natural habitats across the region will be in the process of being restored, protected and sustainably managed. In this context, given the relevance of grasslands and the challenges they are facing, they should be integrated as one of the central biomes to advance this issue in the region.

At a general level, progress was made in strengthening instruments for the conservation and sustainable use of biodiversity, as reflected in the approval and implementation of the National Biodiversity Strategy 2016-2020, the publication of a National Native Forest Strategy, and progress in wetland conservation policy. The challenge in this area remains to generate new regulatory frameworks for the conservation and sustainable use of biodiversity that explicitly incorporate the focus on ecosystem services, ecosystem restoration and the importance of biodiversity for human well-being. This is pointed out in the Voluntary National Report, in the National Environmental Plan and, in particular, indicated as a regional challenge in the Decade Action Plan on Ecosystem Restoration in Latin America and the Caribbean a crucial challenge for Uruguay.

D. POLICY REQUIREMENTS

Gender Equality and Women's Empowerment:

We confirm that gender dimensions relevant to the project have been addressed as per GEF Policy and are clearly articulated in the Project Description (Section B).

Yes

Stakeholder Engagement

We confirm that key stakeholders were consulted during PIF development as required per GEF policy, their relevant roles to project outcomes and plan to develop a Stakeholder Engagement Plan before CEO endorsement has been clearly articulated in the Project Description (Section B).

Yes

Were the following stakeholders consulted during project identification phase:

Indigenous Peoples and Local Communities: Yes

Civil Society Organizations: Yes

Private Sector: Yes

Provide a brief summary and list of names and dates of consultations

The present PIF is based on the results of a broad process of consultations carried out during 2018 until 2020), which included a participatory rangelands and grasslands assessment with the collaboration of national stakeholders related to agricultural development. This process involved more than 60 people linked to the institutions that constitute the "Mesa de Ganadería sobre Campo Natural", and 56 institutions – including private sector, civil society, and local communities- with a territorial presence, totaling 122 representatives in two pilot territories. As part of this process, a national and two landscapes baselines were published reporting information on biodiversity, land degradation and sustainable management of rangelands that included a proposal for public policy formulation processes[55][51]; an international symposium[56][52] was held and best practices for sustainable livestock were published[57][53]. During 2021, these results were discussed and validated, producing an initial assessment and the identification of gaps at national level (scaling up the previous experience), opportunities and recommendations that were considered the base of this proposed PIF. In 2022 a series of consultations with government counterparts and stakeholders' were held during the preparation of the PIF to make adjustments to the previous process.

These are summarized in the table below. The project will develop a Stakeholder Engagement Plan during the design phase (ie. PPG phase):

Date & Methodology	Stakeholder Names	Stakeholder Type including potential role in the project	Stakeholder Profile
August 22nd and August 29th, 2022 Virtual Meeting	**Dr. Gerardo Evia** National Director of Biodiversity and Ecosystem Services - UNCCD and CBD NFP Ministry of Environment	Partner Overall project coordination. Provide technical and logistical support.	National Government Institution body that oversees executing the national environmental policy, environmental planning, sustainable development, and the conservation and use of natural resources. Among its substantive tasks are the formulation, execution, supervision and evaluation of national plans for environmental protection, environmental management, conservation and use of natural resources, as well as the implementation of national policy on the matter. NFP for CBD and UNCCD
	Eng. Heber Freiría Technical Coordinator of GEF Project URU/21/G31	Identification of demonstration sites for <mark>Components 2 and 3</mark>	
	Lic. Ana Lura Mello Director of Biodiversity Conservation - CHM NFP, SBSTTA NFP, GTI NFP, Marine and Coastal Biodiversity NFP Ministry of Environment	Will benefit from capacity building activities (<mark>Component 1</mark>) and the results obtained from the project (<mark>Components 2, 3 and 4</mark>) that will reflect on better instruments for institutional management (<mark>Outcomes 2.2 and 2.3</mark>) Part of the coordination unit/working group at vertical and horizontal level <mark>under Outcome 2.1</mark>	

September 9th, 2022 Present and Virtual Meeting	**Eng. Martín Mattos Carrera** Director General of Natural Resources Ministry of Livestock, Agriculture and Fisheries **Eng. Marcelo Pereyra** President of the Livestock Board on Natural grasslands	National Government Institution body Part of coordination unit/working group at horizontal level. Provide technical and logistical support. Identification of demonstration sites Will benefit from capacity building activities under <mark>Component 1.</mark> Assist with activities in the pilot basins <mark>under Components 2 and 3</mark>. Channels for replication in other governance bodies Participation in developing policy and legislation <mark>under Component 1</mark>.	The **Ministry of Livestock, Agriculture, and Fisheries** of Uruguay is the ministry of the Government of Uruguay responsible for proposing and carrying out the government policy on agricultural, livestock and fishery resources. **The Natural Resources Directorate** is responsible for promoting the rational use and management of natural resources (soils and natural grasslands mainly) in order to achieve sustainable development of the agricultural sector and contribute to the conservation of biological diversity. **The Livestock Board on Natural grasslands** is an inter-institutional space to coordinate cross-cutting actions and complement management, in order to propose and implement public policies about livestock and natural grasslands.
September 12th, 2022 Present Meeting	**Eng. Esteban Carriquiri** President Agricultural Plan Institute **Eng. Francisco Donagaray** President Agricultural Plan Institute	National Government Institution body Will benefit from capacity building activities <mark>under Components 2 and 3.</mark> Participation in developing policy and legislation <mark>under Outcome 2.2</mark> Channels for replication in other governance bodies <mark>of activities under Components 2 and 3.</mark> Provide technical and logistical support.	**Agricultural Plan Institute** has the responsibility to contribute to the sustainable and innovative development of livestock production and its producers, mainly small and medium-sized producers, in order to improve their economic, family and human situation, through training, extension, generation of information and coordination with other institutions.

		Identification of demonstration sites and support implementing best practices ==under Components 2 and 3==	
September 13th, 2022 Present Meeting	**Eng Nelson Larzabal** Member of Parliament (National Deputy) Member of the Commission on Livestock and Agriculture **Beatriz Neves** Adviser to Deputy Larzabal on Environmental issues	National Government Institution body Will benefit from capacity building activities and dialogues ==under Outcome 2.1== Will play a key role in the developing policy and legislation ==under Component 1==. Will coordinate activities with the political system at vertical level (political parties and municipal parliament) ==under Outcome 2.1 to support Component 2==	The national parliament is responsible for the formulation of national laws and is the main forum for articulation and consensus among the actors of the political system. It has finance and environment committees, which are an ideal space for discussion and work on new regulatory proposals. At the same time, parliamentarians have a relevant role in the territories, since they are elected in a representative manner from each of the 19 departments of the country
September 13th, 2022 Virtual meeting	**Eng. Daniela Schossler** Coordinator Uruguay Chapter of Alianza del Pastizal	Civil Society Organization Provide technical support to revise (through participatory consultations ==under Components 1 and 2==) the available possibilities for incentives development (==under Outcome 2.2==), identifying strengths and weaknesses and proposing the necessary adjustments, if needed. Will benefit from capacity building activities and revised mechanisms for accreditation of good practices ==under Outcome 3.1==. Will benefit	They have developed and implemented incentives for the sustainable management of rangelands, a validated and official mechanism for the accreditation of good practices in the pampas region, also they have developed a community of practice.

		from access to information on soil carbon, biodiversity etc. Support dissemination (<mark>Component 4</mark>), scaling up Uruguayan experience in the region	
September 14th, 2022 Virtual meeting Meeting	**PhD. Laura Astigarraga** Senior Lecturer Department of Animal Production and Pastures Faculty of Agronomy University of the Republic	Academia Channels for replication in academic and innovation milleu <mark>under Outcome 4.2</mark> Provide technical and logistical support. Identification of demonstration sites and support implementing best practices regarding livestock and natural grassland (<mark>under components 2 and 3</mark>) Cooperate to co-develop tools and training for <mark>Outcomes 1.1 and 1.2.</mark>	The School of Agronomy is a public institution with national leadership and regional recognition in tertiary and higher education in Agricultural Sciences. Its mission is to contribute to the sustainable development of the country by training professionals with a critical spirit, social commitment and a solid scientific-technological base in Agricultural Sciences and by developing research, innovation and extension. To cooperate with other institutions and organizations with work responsibility in this field for the formation of the Technical Staff of the National System of Teaching, Research, Innovation and Extension. They have developed courses and support research and extension on natural grasslands and livestock production.
September 14th, 2022	**Eng. Luis Frachia** Manager Federated Agrarian Cooperatives	Direct Beneficiaries Will benefit from capacity building activities (<mark>Component 1</mark>) and revised mechanisms for accreditation of good practices (<mark>Component 2</mark>) and financial incentives identified <mark>under Oucome 2.3</mark> for sustainable production and land restoration (<mark>Component 3</mark>) Provide logistic support and facilitate dialogues Assist with outreach to producers and other stakeholders (<mark>under Components 1 and 4</mark>)	CAF is a second-degree institution with wide experience on cooperative development and dialogues with the political, public and private sector. Some of its affiliates are export oriented, such as Central Lanera Uruguaya, offering an interesting opportunity that could be further leveraged to incentive grasslands restoration and rehabilitation. These cooperatives provide financial assistance to producers as a loyalty and product supply consolidation mechanism (widespread in sheep production). This incentive system can be expanded to include the development of good practices to achieve LDN and sustainably use rangelands.

September 20th, 2022 Virtual meeting Meeting	**Eng. Javier San Román** President Asociación Uruguaya de Ganaderos del Pastizal (AUGAP - Uruguayan Association of Pasture Livestock Producers)	Direct Beneficiaries Will benefit from capacity building activities (Component 1) and revised mechanisms for accreditation of good practices (Component 2) and financial incentives identified under Oucome 2.3 for sustainable production and land restoration (Component 3) Provide logistic support and facilitate dialogues Assist with outreach to producers and other stakeholders across project components	Private Sector (formally an NGO)
November 04, 2022 Virtual Meeting	**PhD. Alejandro Brazeiro** Associate Professor Biodiversity and Conservation Ecology Group Institute of Ecology and Environmental Sciences Faculty of Sciences, University of the Republic	Academia Channels for replication in academic and innovation milieu under Outcome 4.2 Provide technical and logistical support. Identification of demonstration sites and support implementing best practices regarding biodiversity related to livestock and natural grassland under Component 3 Cooperate to co-develop tools and training on biodiversity issues under outcomes 1.1 and 1.2.	The Faculty of Sciences is one of the largest generators of scientific knowledge in areas of great economic and social impact such as health, energy, natural resources, climate and the environment. The Institute of Ecology and Environmental Sciences (IECA- of the Faculty of Sciences) aims to generate scientific knowledge on environmental issues, natural resources and ecology; to train qualified undergraduate and graduate resources to work in the professional and academic fields, and to provide qualified information to the agencies responsible for environmental management and to society in general, bearing in mind the collective interest. In addition to its work in rangelands, IECA has specialized in Conservation Ecology, focusing on biodiversity in the context of global change and on the Spatial prioritization for conservation

[55] Perez Rocha, J. 2020. El estado del campo natural en el Uruguay. Montevideo. FAO, MVOTMA y MGAP. https://doi.org/10.4060/cb0989es

Cortés Capano, G., Coronel, F., Schossler, D., Formoso, D., Rachetti, M., Zanoniani, R., Boggiano, P. y Perez Rocha, J. 2020. Degradación y gestión sostenible del campo natural en el Uruguay - Resultados de una evaluación participativa en el norte del país. Montevideo, FAO, CAF y MGAP. https://doi.org/10.4060/cb1032es

Formoso, D., Coronel, F., Schossler, D., Cortés Capano, G., Rachetti, M., Zanoniani, R., Boggiano, P. y Pérez Rocha, J. 2020. Degradación y gestión sostenible del campo natural en el Uruguay - Resultados de una evaluación participativa en el sureste del país. Montevideo, FAO, CAF y MGAP. https://doi.org/10.4060/cb1027es

[56]https://caf.org.uy/caf/wp-content/uploads/2021/03/Recopilacon_ponencias_Simposio_campo_natural.pdf

[57] Schossler, D., Coronel, F., Martínez, M. y Medina, S. 2021. Mejores prácticas ganaderas sobre campo natural. Montevideo, FAO. https://doi.org/10.4060/cb6702es

(Please upload to the portal documents tab any stakeholder engagement plan or assessments that have been done during the PIF development phase.)

Private Sector

Will there be private sector engagement in the project?

Yes

And if so, has its role been described and justified in the section B project description?

Yes

Environmental and Social Safeguard (ESS) Risks

We confirm that we have provided indicative information regarding Environmental and Social risks associated with the proposed project or program and any measures to address such risks and impacts (this information should be presented in Annex D).

Yes

TBD

Overall Project/Program Risk Classification

PIF	CEO Endorsement/Approval	MTR	TE
Low			

E. OTHER REQUIREMENTS

Knowledge management

We confirm that an approach to Knowledge Management and Learning has been clearly described in the Project Description (Section B)

Yes

ANNEX A: FINANCING TABLES

GEF Financing Table

Indicative Trust Fund Resources Requested by Agency(ies), Country(ies), Focal Area and the Programming of Funds

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	Grant / Non-Grant	GEF Project Grant($)	Agency Fee($)	Total GEF Financing ($)
FAO	GET	Uruguay	Land Degradation	LD STAR Allocation: LD-1	Grant	1,776,484.00	168,766.00	1,945,250.00
Total GEF Resources ($)						**1,776,484.00**	**168,766.00**	**1,945,250.00**

Project Preparation Grant (PPG)

Is Project Preparation Grant requested?

true

PPG Amount ($)

50000

PPG Agency Fee ($)

4750

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Programming of Funds	Grant / Non-Grant	PPG($)	Agency Fee($)	Total PPG Funding($)
FAO	GET	Uruguay	Land Degradation	LD STAR Allocation: LD-1	Grant	50,000.00	4,750.00	54,750.00
Total PPG Amount ($)						**50,000.00**	**4,750.00**	**54,750.00**

Please provide justification

Sources of Funds for Country Star Allocation

GEF Agency	Trust Fund	Country/ Regional/ Global	Focal Area	Sources of Funds	Total($)
FAO	GET	Uruguay	Biodiversity	BD STAR Allocation	1,000,000.00
FAO	GET	Uruguay	Land Degradation	LD STAR Allocation	1,000,000.00

Total GEF Resources	2,000,000.00

Indicative Focal Area Elements

Programming Directions	Trust Fund	GEF Project Financing($)	Co-financing($)
LD-1	GET	1,776,484.00	11300000
Total Project Cost		**1,776,484.00**	**11,300,000.00**

Indicative Co-financing

Sources of Co-financing	Name of Co-financier	Type of Co-financing	Investment Mobilized	Amount($)
Recipient Country Government	Ministry of Environment of Uruguay - MA	In-kind	Recurrent expenditures	4500000
Recipient Country Government	Ministry of Environment of Uruguay - MA	Public Investment	Investment mobilized	500000
Recipient Country Government	Ministry of Livestock, Agriculture and Fisheries of Uruguay - MGAP	In-kind	Recurrent expenditures	3200000
Recipient Country Government	Ministry of Livestock, Agriculture and Fisheries of Uruguay - MGAP	Public Investment	Investment mobilized	800000
Recipient Country Government	Ministry of Economy and Finance of Uruguay - MEF	In-kind	Recurrent expenditures	100000
Recipient Country Government	IPA	In-kind	Recurrent expenditures	250000
GEF Agency	FAO	In-kind	Recurrent expenditures	400000
GEF Agency	FAO	Grant	Investment mobilized	100000
Recipient Country Government	INC - Instituto Nacional de Colonización	In-kind	Recurrent expenditures	250000
Recipient Country Government	ID Maldonado - Departmental Intendance of Maldonado	In-kind	Recurrent expenditures	200000
Recipient Country Government	ID Rocha - Departmental Intendance of Rocha	In-kind	Recurrent expenditures	200000

Recipient Country Government	ID Treinta y Tres - Departmental Intendance of Trenta y Tres	In-kind	Recurrent expenditures	200000
Recipient Country Government	ID Lavalleja - Departmental Intendance of Lavalleja	In-kind	Recurrent expenditures	200000
Others	CAF, CNFR, FUCREA	In-kind	Recurrent expenditures	200000
Civil Society Organization	AUGAP, SUPRA, SUSILV	In-kind	Recurrent expenditures	200000
Total Co-financing				**11,300,000.00**

Describe how any "Investment Mobilized" was identified

Investment mobilized from the Ministry of Agriculture is related to a programs to strengthen value chains, including promotion of value addition towards international markets, as well as the provision of technical, financial and commercial services support to small holders.

Investment mobilized from the Ministry of Environment comes from a program to support the establishment and operation of cooperatives nationwide. Efforts will be made at different sectors, scales and types of land tenure. These program will support sustainable solutions to environmental issues and rural development.

FAO co-financing comes from regional Technical Cooperation Program funds to support climatic management of agricultural systems (with emphasis on land and water) as well as a program to support cooperatives, associative processes, and trade processes linked to family agriculture.

ANNEX B: ENDORSEMENTS

GEF Agency(ies) Certification

GEF Agency Type	Name	Date	Project Contact Person	Phone	Email
GEF Agency Coordinator	Jeffrey Griffin		Hernan Gonzalez	+3957055382	hernan.gonzalez@fao.org

Record of Endorsement of GEF Operational Focal Point (s) on Behalf of the Government(s):

Name	Position	Ministry	Date (MM/DD/YYYY)
Adrian Peña Robaina	Minister of Envronment	MInistry of Environment	12/21/2022

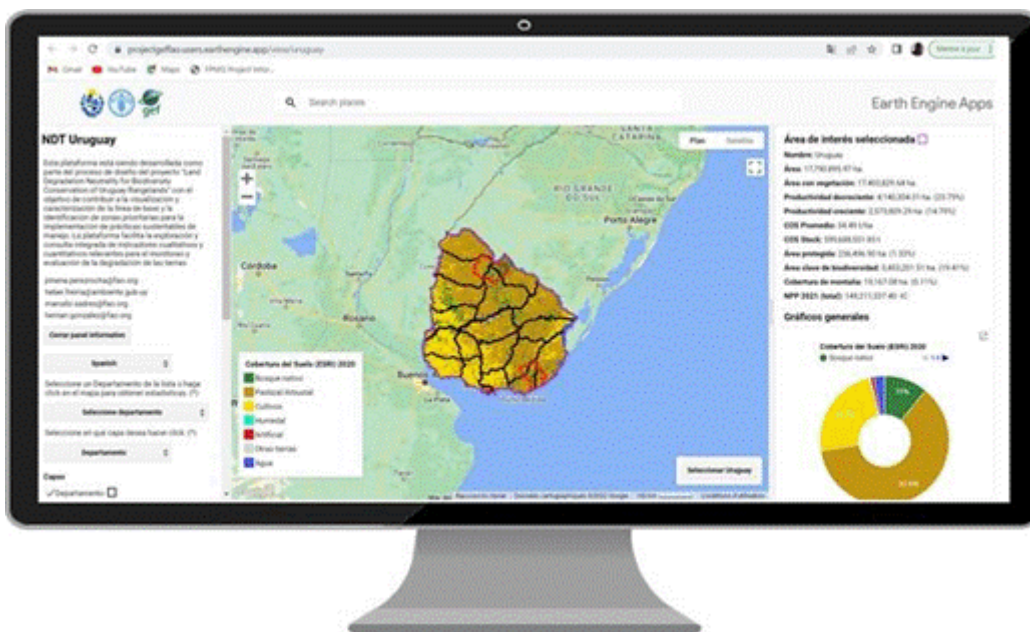## ANNEX C: PROJECT LOCATION

Please provide geo-referenced information and map where the project interventions will take place

To better understand and present the location and information available on LDN and natural resources of the project selected Basins, the project designers have developed an interactive Decision Support System (DSS) that was used during the PIF. It will be available for use, and further development during project design and implementation (as described in Outcome 4.1 of the alternative scenario). The LDN-DSS allows for context specific baseline establishment at the required scales, providing data for different administrative and landscape units, with a set of spatial data layers, toolboxes and cross-analytical statistics. To access the project specific LDN-DSS, please follow the provided link: https://projectgeffao.users.earthengine.app/view/uruguay

This system allows users to explore relevant baseline data, visualize maps and use them for a wide range of scenarios and scales. The LDN-DSS allows to perform multi-criteria analysis and explore land cover transitions to select hotspot and areas of interest and thus serving as a basis for a future monitoring and reporting system. The possibility to explore the dataset in a dynamic way without any GIS requirement and in an intuitive environment also facilitates stakeholder engagement; more people can evaluate the quality and usefulness of the data, which contributes to understand how to improve the LDN indicators in the future. It also can provide a range of information on project demonstration sites as described below.

Geo-referenced information and map where the project interventions will take place

https://projectgeffao.users.earthengine.app/view/uruguayhttps://projectgeffao.users.earthengine.app/view/uruguay

https://projectgeffao.users.earthengine.app/view/uruguay

Figure 8: Project Design Decision Support System - https://projectgeffao.users.earthengine.app/view/uruguay

The project area covers 5,064,038.90 ha in total and is defined by 3 watersheds in south east Uruguay: Santa Lucia, Laguna Merini and Cuenca Atlantica (Figure 9). In table 1 the area, SOC stock and percentage of key biodiversity area(61) in each watershed are presented.

https://projectgeffao.users.earthengine.app/view/uruguay
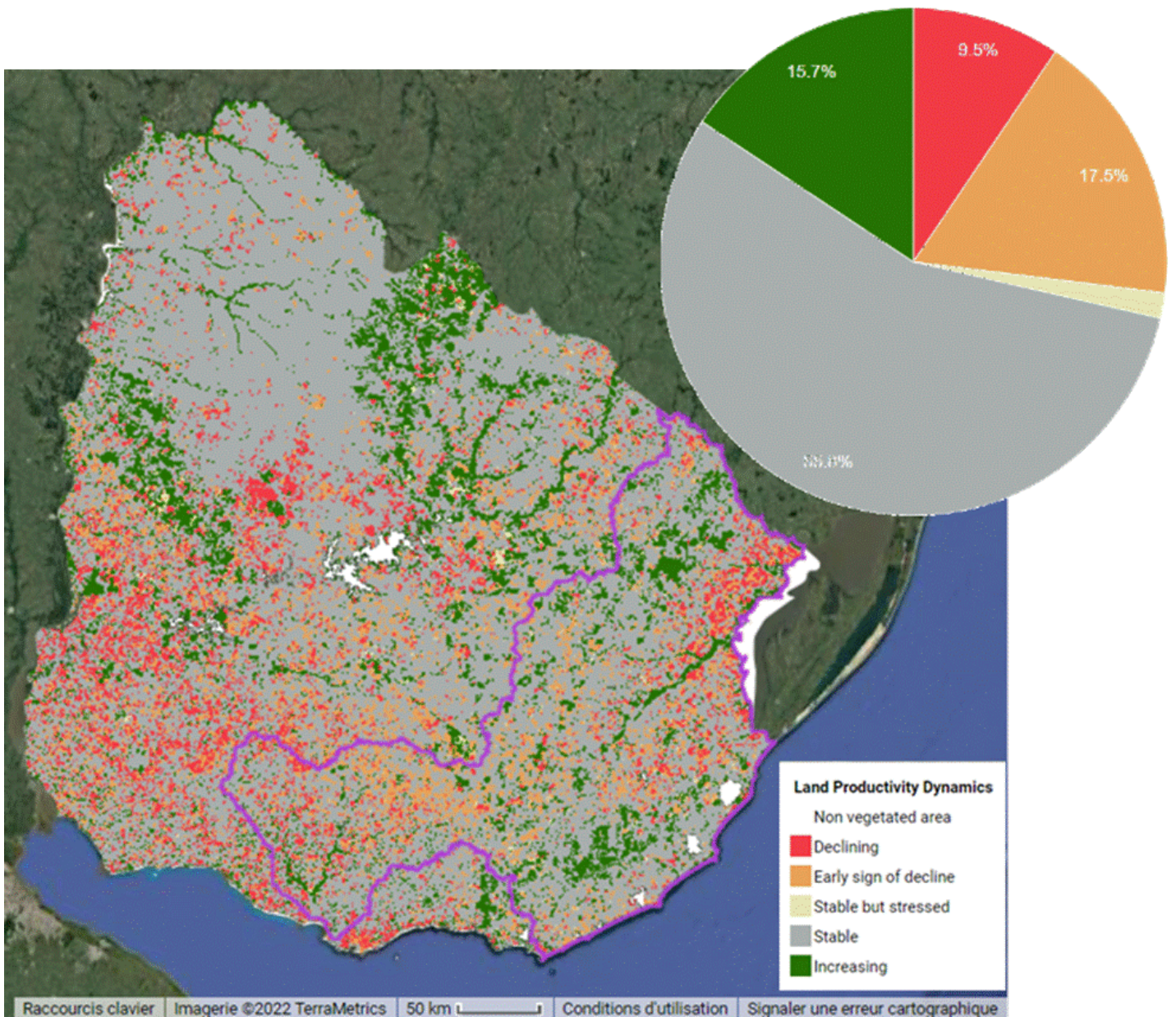
Table 1: Statistics and coordinates of the three target watersheds

Figure 9: Land productivity map of Uruguay and project target landscapes (purple) comprising the three watersheds. Source:
https://projectgeffao.users.earthengine.app/view/uruguayhttps://projectgeffao.users.earthengine.app/view/uruguay

[61] From the Key Biodiversity Areas map developed by the KBA Partnership. BirdLife International (2021) World Database of Key Biodiversity Areas. More information: http://www.keybiodiversityareas.org/

[62] same as 55

Watershed	Area (ha)	SOC stock (t)	Key Biodiversity Area (ha)(62)	Latitude	Longitude
Santa Lucía	1,346,000	58,863,054	227,965 (16.90%)	-33.97	-56.07
Laguna Merin	2,877,000	114,418,504	1,204,567 (41.87%)	-33.25	-54.28
Cuenca Atlántica	838,316	35,350,107	182,542 (21.77%)	-34.05	-53.86

ANNEX D: ENVIRONMENTAL AND SOCIAL SAFEGUARDS SCREEN AND RATING

(PIF level) Attach agency safeguard screen form including rating of risk types and overall risk rating.

ANNEX E: RIO MARKERS

Climate Change Mitigation	Climate Change Adaptation	Biodiversity	Land Degradation
Significant Objective 1	Significant Objective 1	Significant Objective 1	Principal Objective 2

ANNEX F: TAXONOMY WORKSHEET

Level 1	Level 2	Level 3	Level 4
Influencing Models	Convene Multistakeholder alliances		
Stakeholders	Local communities		
Capacity, Knowledge and Research	Knowledge Generation and exchange		
Gender Equality	Gender mainstreaming		
Focal Area/Theme Land Degradation	Land degradation neutrality	Sustainable Land Management	Sustainable Pasture Management