

Mainstreaming biodiversity into mountain agricultural and pastoral landscapes of relevant ecosystems in Eastern Cuba

Review PIF and Make a recommendation

Basic project information

GEF ID

10400

Countries

Cuba

Project Name

Mainstreaming biodiversity into mountain agricultural and pastoral landscapes of relevant ecosystems in Eastern Cuba

Agenices

FAO

Date received by PM

10/11/2019

Review completed by PM

Program Manager

Sarah Wyatt

Focal Area

Biodiversity

Project Type

FSP

PIF

Part I – Project Information

Focal area elements

1. Is the project/program aligned with the relevant GEF focal area elements in Table A, as defined by the GEF 7 Programming Directions?

Secretariat Comment at PIF/Work Program Inclusion

10/24/2019

Yes.

Agency Response

Indicative project/program description summary

2. Are the components in Table B and as described in the PIF sound, appropriate, and sufficiently clear to achieve the project/program objectives and the core indicators?

Secretariat Comment at PIF/Work Program Inclusion

11/4/2019

Yes. Thank you for the edits.

During CEO Endorsement, please ensure that the approaches to livestock are holistic and involving agroecological principles that benefit biodiversity directly (rather than only through avoided habitat loss).

10/24/2019

No. The document overall would benefit from swift English edit (for example, para 4 has incorrectly punctuated numbers, "edaphic soil" isn't a thing). In particular, the project objective needs to be edited (also for content, see below).

Please address the following:

Component 1:

- The text write up of this is confusing.
- Pollinators - The GEF does not support pollinator conservation specifically, particularly as some of them are not native species. The protection of pollinators could be viewed as a local environmental benefit. Pollinator production and promotion activities do not necessarily support native species.
- 1.1.1 - It's unclear how this will benefit global biodiversity. Also, what is a landscape production strategy?
- 1.1.3 - What is an "incentive" in this context?
- 1.1.3 - How will the project support farmers in actually making the changes encouraged by extension agents?

- One important goal of this project should be preventing the conversion of highly sensitive and important areas for biodiversity into agriculture. How will this be addressed by the project?

Component 2:

- Cattle - Much of the focus seems to be on the tree crops (such as pollinators) and not cattle. Will this project look to support the development of agrosilvopastoral systems? How will it build on the work GEF has supported in the LAC region on this?

- 2.1 - How will the policy activities relate to existing GEF projects with UNDP and FAO?

- 2.1.5 - It would be better to articulate what this group will focus on rather than referring to other parts of the document.

- 2.1.6 - The GEF does not support activities specifically targeting pollinators.

Component 3

- 3.1.3 - Is there are market that will pay higher prices for organic? The conclusions from GEF projects is that certification and labeling often don't provide sufficient return on investment to maintain the farmers within the certification program without grant support (with some notable exceptions). However, (more) direct market access can help provide farmers with price premiums even if buyers don't spend more. But, there need to be the right conditions for these approaches to work.

Component 4

- Information and knowledge management platform - Given the limited internet access, does it make sense to create an online platform? Do knowledge management systems and programs not already exist in the relevant ministries that it would make sense to work with?

Agency Response

1) Point taken. The PIF has been edited as requested. The term ‘edaphic soil’ has been replaced by ‘edaphic biota’, a wider concept referring to the entire soil biodiversity (fungi, micro-organisms, invertebrates, small vertebrates).

2)

a) The title of Component 1 has been edited, making it clear.

b) Point taken. Pollinator outputs and activities have been removed from the project proposal.

c) Output 1.1.1: the assessment and inventory of accompanying fauna - due to its influence on the ecosystem functions, dynamics and integrity - is a pre-condition to understand what viable agro-livestock production models could be applied without putting additional pressure on fragile mountain ecosystems. Project areas are placed in globally important habitats (see KBAs, Annex A of the PIF) and host endemic and even threatened species as: endemic molluscs (*Liguus Polymita*), endemic birds (*Aratinga*, *Amazona*, *Gymnolaux*, *Priotelosy Todus*), numerous reptiles and amphibians, along with a rich flora. Reducing agro-livestock pressures on these areas will benefit the global biodiversity.

Please note that output 1.1.2 (landscape production strategy) has been re-worded as ‘An integrated landscape management (ILM) strategy’, to clarify the underlying concept. Output 1.1.2 was split in two outputs, to simplify the reading. Both revised outputs are reflected in Table B of the PIF.

d) Output 1.1.3 (now 1.1.4) has been re-worded. ‘Incentives’ are ‘financial incentives’ in this context. Cuba has started using payment for environmental services and for biodiversity conservation. The GoC is interested in promoting this type of incentives. The proposed project will coordinate actions and take lessons learned from the UNDP/GEF project #9424, and with project BIOFIN (UNDP) – the latter has financial platform for BD conservation. The GoC is in the process of merging the National Program for Soil Conservation and Improvement (PNCMS) and the National Fund for Forest Development (FONADEF) into the Landscape Resilience Fund (LRF). The LRF is supported by the GCF IRES Project (*Increase resilience of rural households and communities through rehabilitation of production landscapes*). All this information has been included in the Coordination section of the PIF.

e) Extension agents will support farmers’ capacity development. In addition, the project will promote farmers’ access to financial incentives (see above) for conserving biodiversity, improving soil management, making agro-livestock production more sustainable, and managing natural resources (forest, land, water) in an environmentally-friendly manner.

f) Please note that the project objective has been changed to better reflect the goal of preventing the conversion of highly sensitive BD areas. In addition, a project indicator (#2) has been added to Component 1 to specifically measure this contribution. Baseline and targets will be further refined during PPG. Please see the revised Table B of the PIF.

Overall, the project will prevent the conversion of natural habitats through the promotion of *Save and Grow* (sustainable agriculture intensification) and *Climate-smart Livestock Management* (CSLM) approaches, and improved livelihoods, stopping the expansion of the agriculture frontier in the project intervention areas. FAO will provide the GoC and project stakeholders with technical assistance and normative advice to: reducing harvest losses caused by pests and diseases (biological control), implementing silvopastoral systems and climate-smart livestock management practices, improving soil management, and implementing integrated landscape management strategies. The project will also support capacities development, will work with local organizations, and will consider different exit strategies. This will be further analysed during PPG. Changes have been made in Section 3 of the PIF.

3) a) Yes. The project will also support interventions that will promote the climate-smart livestock management (CSLM), and will take advantage of the work developed by FAO in several countries in the region with GEF funding (Ecuador project GEFID 4775, Uruguay project GEFID 9153, and Dominican Republic project GEFID 10054). The project will apply the FAO CSLM approach (<http://www.fao.org/climate-smart-agriculture-sourcebook/production-resources/module-b2-livestock/b2-overview/en/>) that includes agrosilvopastoral practices. The project will also benefit from tools developed on CSLM (<https://elearning.fao.org/course/view.php?id=497>)

The approach is further elaborated in the PIF.

b) 2.1 - The project will coordinate actions with FAO and UNDP projects financed by GEF. This information has been added to Section 6 (Coordination) of the PIF.

c) 2.1.5 – Point taken. The output has been revised as follows: “An inter-sectorial working group to support newly created institutional capacities and inter-institutional coordination”.

d) 2.1.6 Point taken. Outputs and activities targeting pollinators have been deleted.

Component 3

The project proponents and FAO agree with GEFSEC. Certification or labelling do not suffice. A coordinated value chain, with internal quality control mechanisms (of both organic or denomination of origin attributes) is needed. The PIF has been revised to reflect these elements (see Table B, sections 3 and 6), as follows:

a) 3.1.3 – In the Cuban tourism sector there is potential demand for high-quality and environmentally-friendly food products. In this line, there is also an emerging food private sector business (restaurants and bars) that works as an incipient market for organic/premium prices products. In both cases, direct access to markets is feasible to local producers. In order to allow the selected value chains to participate in these emerging markets, the project will promote mechanisms to ensure that the organic (or environmentally-friendly) quality attributes of the products are maintained along the chain. Quality assurance mechanisms may include inspection, internal control systems such as participatory guarantee systems and certification schemes. In addition, similar quality assurance mechanisms will be in place to strengthen the coffee and cocoa value chains to enable their participation in the international organic markets. The project will take lessons learned from the FAO/GEF Ecuador Napo project (GEFID 4774) through which local communities and local farmers succeeded in exporting to the EU and made an agreement with Venchi (<http://www.fao.org/gef/highlights/detail/en/c/1154402/>). FAO will facilitate these South-South exchanges and will provide dedicated technical support through the FAO Agro-food Systems team. A full value chain including a market analysis will be conducted during PPG.

Component 4

a) Cuba has recently experienced a dramatic advance in internet access and connection speed, as a result of increased Government investments and the agreements made with US telecommunication companies. People and institutions are better connected than years ago. At present, almost 7 million Cubans have internet access (60% of total population, double than in 2015, and seven-times more than in 2005). The GoC has launched a *National Policy on Computerization of the Cuban society*. In this new context, the project aims to create an information-sharing platform, which will benefit from the existing systems in the Ministry of Agriculture (AGRINFOR) and other institutions.

Co-financing

3. Are the indicative expected amounts, sources and types of co-financing adequately documented and consistent with the requirements of the Co-Financing Policy and Guidelines, with a description on how the breakdown of co-financing was identified and meets the definition of investment mobilized?

Secretariat Comment at PIF/Work Program Inclusion

10/24/2019

Yes.

Agency Response

GEF Resource Availability

4. Is the proposed GEF financing in Table D (including the Agency fee) in line with GEF policies and guidelines? Are they within the resources available from (mark all that apply):

Secretariat Comment at PIF/Work Program Inclusion

10/24/2019

Yes.

Agency Response

The STAR allocation?

Secretariat Comment at PIF/Work Program Inclusion

10/24/2019

Yes.

Agency Response

The focal area allocation?

Secretariat Comment at PIF/Work Program Inclusion

10/24/2019

Yes.

Agency Response

The LDCF under the principle of equitable access

Secretariat Comment at PIF/Work Program Inclusion

NA

Agency Response

The SCCF (Adaptation or Technology Transfer)?

Secretariat Comment at PIF/Work Program Inclusion

NA

Agency Response

Focal area set-aside?

Secretariat Comment at PIF/Work Program Inclusion

NA

Agency Response

Impact Program Incentive?

Secretariat Comment at PIF/Work Program Inclusion

NA

Agency Response

Project Preparation Grant

5. Is PPG requested in Table E within the allowable cap? Has an exception (e.g. for regional projects) been sufficiently substantiated? (not applicable to PFD)

Secretariat Comment at PIF/Work Program Inclusion

10/24/2019

Yes.

Agency Response

Core indicators

6. Are the identified core indicators in Table F calculated using the methodology included in the correspondent Guidelines? (GEF/C.54/11/Rev.01)

Secretariat Comment at PIF/Work Program Inclusion

11/6/2019

Yes.

11/4/2019

No, please revise the core indicator subvalue include 50,000 ha under 4.2 as described in Table B.

10/24/2019

No. The numbers of hectares in Table B do not seem to align with the indicator numbers. It would also make sense that there would be some GHG emission benefits to the land use change in this project. Will those values be included at CEO Endorsement?

Agency Response

November 5, 2019

Indicator 4.2 has been adjusted in Table F and Annex B, and aligned with Table B

November 1, 2019

Point taken. The total number in Table F has been adjusted to 200,000 hectares (50,000 hectares of field work and 200,000 hectares of management improvement through enhanced governance).

Yes, the project will calculate carbon benefits by CEO endorsement by using specific FAO's tools as: *Global Livestock Environmental Assessment Model* (GLEAM: <http://www.fao.org/gleam/en/>) – for livestock-based emissions, and EX ACT (<http://www.fao.org/tc/exact/ex-act-home/en/>) – for land-use and land-use change emissions.

A rough and conservative estimate has been included in Table B and Table F of the revised PIF, and preliminary EX ACT and GLEAM results (direct effects) have been included in Annex D.

Project/Program taxonomy

7. Is the project/ program properly tagged with the appropriate keywords as requested in Table G?

Secretariat Comment at PIF/Work Program Inclusion

11/6/2019

Yes. At CEO Endorsement, please carefully examine the tags make sure that only highly relevant ones are selected.

10/24/2019

Yes.

Agency Response

Part II – Project Justification

1. Has the project/program described the global environmental / adaptation problems, including the root causes and barriers that need to be addressed?

Secretariat Comment at PIF/Work Program Inclusion

11/4/2019

Yes.

10/24/2019

Yes. However, the background describes cattle as a major problem and yet the project isn't addressing it.

Agency Response The project will promote integrated landscape management (ILM) in agro-livestock production areas. ILM will be applied with a two-pronged strategy: CSLM for cattle production and Sustainable intensification for crop production, as described in Section 3 of the PIF. As mentioned, FAO's CSLM approach is currently applied in a number of countries in the region and other regions, in projects financed both by GEF and other resource partners. Changes have also been made in Table B to better reflect the ILM approach.

2. Is the baseline scenario or any associated baseline projects appropriately described?

Secretariat Comment at PIF/Work Program Inclusion

10/24/2019

Yes. However, a more specific background could help support the logic of certain project activities.

Agency Response Pollinator outputs and activities have been removed from the revised PIF.

3. Does the proposed alternative scenario describe the expected outcomes and components of the project/program?

Secretariat Comment at PIF/Work Program Inclusion

10/24/2019

Yes.

Agency Response

4. Is the project/program aligned with focal area and/or Impact Program strategies?

Secretariat Comment at PIF/Work Program Inclusion

11/4/2019

Yes, thank you for the revisions.

10/24/2019

No, the GEF biodiversity strategy does not support pollinator management.

Agency Response Point taken. All outputs and activities related to pollinators have been removed.

5. Is the incremental / additional cost reasoning properly described as per the Guidelines provided in GEF/C.31/12?

Secretariat Comment at PIF/Work Program Inclusion

10/24/2019

Yes.

Agency Response

6. Are the project's/program's indicative targeted contributions to global environmental benefits (measured through core indicators) reasonable and achievable? Or for adaptation benefits?

Secretariat Comment at PIF/Work Program Inclusion

10/24/2019

Yes.

Agency Response

7. Is there potential for innovation, sustainability and scaling up in this project?

Secretariat Comment at PIF/Work Program Inclusion

11/4/2019

Yes.

10/24/2019

No, please revise this section. For sustainability, as much of this project is focused on programs, capacity building, and systems - how will the project work to ensure the long term sustainability of these interventions?

Agency Response The project will support the implementation of the financial incentives that are being assessed through the ECOVALOR project (GEF/UNDP project, GEF ID 9429). In addition, the project will use the national platform of BIOFIN, which finances BD conservation actions, and will work based along with the National Program for Soil Conservation and Enhancement (PNCMS) and the National Fund for Forest Development (FONADEF) – that are being merged into the Landscape Resilience Fund (LRF). LRF is supported by the *Increased resilience of rural households and communities through rehabilitation of production landscapes in selected localities of Cuba* (IRES) GCF project. The sustainability section has been revised accordingly.

Project/Program Map and Coordinates

Is there a preliminary geo-reference to the project's/program's intended location?

Secretariat Comment at PIF/Work Program Inclusion

10/24/2019

Yes.

Agency Response

Stakeholders

Does the PIF/PFD include indicative information on Stakeholders engagement to date? If not, is the justification provided appropriate? Does the PIF/PFD include information about the proposed means of future engagement?

Secretariat Comment at PIF/Work Program Inclusion

10/24/2019

Yes.

Agency Response

Gender Equality and Women's Empowerment

Is the articulation of gender context and indicative information on the importance and need to promote gender equality and the empowerment of women, adequate?

Secretariat Comment at PIF/Work Program Inclusion

11/4/2019

Yes, thank you.

10/24/2019

Yes. However, given the low participation of women directly in agriculture in Cuba it will be particularly important to consider how the project will impact women and ensure their inclusion.

Agency Response

As women do not participate much in the agricultural production but have a key role in marketing activities, during the PPG phase a socio-economic and gender analysis will identify what value chain stages could be focused to benefit women. In addition, Component 2 will support the inclusion of women in decision-making processes of the ILM planning. This will be further discussed during PPG with project stakeholders.

Changes have been included in the Gender section of the PIF.

Private Sector Engagement

Is the case made for private sector engagement consistent with the proposed approach?

Secretariat Comment at PIF/Work Program Inclusion

10/24/2019

Yes. The project is working with farmers.

Agency Response

Risks

Does the project/program consider potential major risks, including the consequences of climate change, that might prevent the project objectives from being achieved or may be resulting from project/program implementation, and propose measures that address these risks to be further developed during the project design?

Secretariat Comment at PIF/Work Program Inclusion

11/4/2019

Yes.

10/4/2019

No, it would be good to consider how not just CC disasters but also changes in climate patterns (such as early rainfalls) will impact the beneficiaries and complicate efforts to implement good practices.

Agency Response

Point taken. The change in climate patterns, likelihood and mitigation actions have been added in the revised PIF (Risk Table).

Coordination

Is the institutional arrangement for project/program coordination including management, monitoring and evaluation outlined? Is there a description of possible coordination with relevant GEF-financed projects/programs and other bilateral/multilateral initiatives in the project/program area?

Secretariat Comment at PIF/Work Program Inclusion

11/4/2019

Yes, thank you for the revisions.

10/24/2019

No, coordination is needed in the country, but also with similar GEF supported projects in the region such as a UNDP GEF-6 project in the Dominican Republic. The FOLUR program is also working with these same crops.

Agency Response

The institutional arrangements have been adjusted in Section 6 of the PIF. Please note that they will be further discussed with stakeholders during PPG and refined by CEO endorsement.

The Ministry of Agriculture (MAG) will be the main executing partner, through the Directorate of Science, Innovation and Environment. The National Institute of Agro-forestry Research (INAF) and the Agro-forestry Group (GAF), which are MAG entities, will act as co-executing partners. INAF and GAF will be responsible for coordinating actions with local communities, institutional partners and other GEF projects in Cuba.

FAO, through the Sub-regional Livestock Officer in Panama, and the GEF Coordination Unit in HQ, will support the coordination with other GEF-financed CSLM in the region (and other regions). FAO is already promoting innovative knowledge-sharing and learning mechanisms between Uruguay, Dominican Republic and Ecuador, and will include this Cuba project in the CSLM Task Force. The TF comprises project teams and national partners and is being led by FAO's Subregional Office in Central America (SLM), in its role of neutral broker and normative organization.

The FAO/GEF Coordination Unit in HQ will support the coordination with the FOLUR IP, and will promote exchanges with the FOLUR child project in Peru, which is addressing cocoa and coffee production. FAO will also support knowledge-sharing with other FOLUR projects.

The PIF section on Coordination has been revised, as described above

Consistency with National Priorities

Has the project/program cited alignment with any of the recipient country's national strategies and plans or reports and assessments under relevant conventions?

Secretariat Comment at PIF/Work Program Inclusion

10/24/2019

Yes.

Agency Response

Knowledge Management

Is the proposed "knowledge management (KM) approach" in line with GEF requirements to foster learning and sharing from relevant projects/programs, initiatives and evaluations; and contribute to the project's/program's overall impact and sustainability?

Secretariat Comment at PIF/Work Program Inclusion

11/4/2019

Yes.

10/24/2019

No, how will the project support sharing knowledge outside of Cuba and FAO?

Agency Response

The GoC has wide expertise in South-South cooperation (10+ countries supported in 2014-2019), and this is a top government priority, so the project will benefit from this institutional setting. In addition, the project will participate in the networks promoted by UNDP/FAO/UNESCO in similar projects, and in scientific networks, as the Caribbean Biological Corridor Initiative. A project KM strategy will be fully designed during PPG.

Regarding CSLM and sustainable agriculture intensification, please see the response above. Knowledge-sharing will be facilitated by FAO, but will not remain at FAO. In the case of CSLM projects, beneficiaries from knowledge-sharing sessions and South-South cooperation are government partners and small- and medium-scale producers in other countries, such as Uruguay, Ecuador, Dominican Republic, Honduras, Kenya, including Cuba. Same applies for *Save and Grow*.

Changes have been included in the Coordination section of the PIF.

Part III – Country Endorsements

Has the project/program been endorsed by the country's GEF Operational Focal Point and has the name and position been checked against the GEF data base?

Secretariat Comment at PIF/Work Program Inclusion

10/24/2019

Yes.

Agency Response

Termsheet, reflow table and agency capacity in NGI Projects

Does the project provide sufficient detail in Annex A (indicative termsheet) to take a decision on the following selection criteria: co-financing ratios, financial terms and conditions, and financial additionality? If not, please provide comments. Does the project provide a detailed reflow table in Annex B to assess the project capacity of generating reflows? If not, please provide comments. After reading the questionnaire in Annex C, is the Partner Agency eligible to administer concessional finance? If not, please provide comments.

Secretariat Comment at PIF/Work Program Inclusion

NA

Agency Response

GEFSEC DECISION

RECOMMENDATION

Is the PIF/PFD recommended for technical clearance? Is the PPG (if requested) being recommended for clearance?

Secretariat Comment at PIF/Work Program Inclusion

11/6/2019

Yes. Thank you for the revisions.

11/4/2019

Not yet. There are a few small fixes needed. Please change the Rio Marker for CCM to 1 and correct the core indicator as mentioned above. Also, there are some inconsistencies between the Portal document and the PIF attached such as the project objective. Please double check this before resubmitting.

10/24/2019

Not at this time. Please revise and resubmit.

ADDITIONAL COMMENTS

Additional recommendations to be considered by Agency at the time of CEO endorsement/approval.

Secretariat Comment at PIF/Work Program Inclusion

Review Dates

	PIF Review	Agency Response
First Review		
Additional Review (as necessary)		
Additional Review (as necessary)		
Additional Review (as necessary)		
Additional Review (as necessary)		