

Mainstreaming biodiversity conservation and climate change mitigation in sustainable tourism development in Cuba

Review PIF and Make a recommendation

Basic project information

GEF ID

10670

Countries

Cuba

Project Name

Mainstreaming biodiversity conservation and climate change mitigation in sustainable tourism development in Cuba

Agencies

UNDP

Date received by PM

9/17/2020

Review completed by PM

Program Manager

Sarah Wyatt

Focal Area

Multi Focal Area

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

10/9/2020

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

11/2/2020

Yes. During PPG and at CER it will be important to be clear what the GEF increment is in COVID and tourism recovery plans.

10/28/2020

No.

Component 1 and 2 - We are not an organization dedicated to tourism or development, so our goal cannot be a tourism recovery plan. The emphasis on sustainability must be primary.

Also, the GEF is not in the business of tourism promotion regardless of type. This is something that should be covered with co-financing. Also awareness raising of tourists needs to consider their transitory nature and specific activities. For instance, the GEF could support the design of a campaign around not purchasing specific wildlife products (with testing) or other approaches that recognize the role and place of tourists.

At PPG, please include the following:

2.1.1 - Please make sure all activities supported are eligible under the GEF-7 programming directions strategy (note that restoration is only supported very specific circumstances with high biodiversity returns).

10/9/2020

No, the direct benefits for globally significant biodiversity through mainstreaming are a bit hazy. The project is mostly aligned with CCM 1-3, although the inclusion of renewable energy solutions would not be aligned with this objective and thus would have to be financed by the co-financing.

Certification - The TOC around certification generating biodiversity GEBs rests on some very significant assumptions that are not discussed and addressed here. Please refer to the STAP document on biodiversity certifications for more guidance. There are numerous existing certification systems for tourism businesses that could provide guidance and learnings for this project that it would be important to include as references. Certification, in contrast to regulation, notably is often better at rewarding good actors than addressing bad actors who can have outsized impacts on environmental quality (ex. it only takes one hotel building or polluting in a sensitive area to wreck it).

It might be better to separate the biodiversity and energy component activities to understand the work happening in each.

Component 1:

- 1.1.1 – Promoting rural tourism as an alternative to beach tourism is not eligible for biodiversity mainstreaming resources.
- 1.1.2 – Citizen inspectors – This program appears to be focused compliance with regulations and laws while the rest of the project is about voluntary programs. How will these work together?

1.1.3 – Please note the many issues associated with certification systems and how they have failed in the delivery of GEBs.

Component 2:

2.1.1 – Please note that some of the activities listed such as waste management and restoration are not typically considered as part of mainstreaming. Waste management in particular in a local environmental benefit and, therefore, cannot be funded with GEF resources. Many of these activities, such as dune-friendly construction, require substantial co-financing from the companies themselves (not listed under co-financing).

2.1.2 – It's unclear what the function of the BD monitoring system would be and how the type of information it includes would be used to inform decisions. How will the project make sure it actually gets used?

Component 3:

3.1.1 and 3.1.2 – Much of these activities are not eligible for BD funding. GEF funding is not for promoting tourism destinations. It's also important to note the temporary nature of tourists and as such how awareness raising campaigns would likely be of limited value without long term funding.

Minor: We believe the term you're looking for is "sun and sand" tourism.

Agency Response

10/31/2020

Reference in the PIF: Table B Project Framework;
Section 3) the proposed alternative scenario

Agreed. The text has been adjusted to emphasize environmental sustainability within the tourism sector. Component 1 has been revised and Component 2 was split into Components 2 and 3 to focus on BD and CCM separately.

With regards to awareness raising, Output 2.1.4 has been revised to support the incorporation of the BD conservation approach within the training programs of key stakeholders in the tourism industry, particularly with regards to mainstreaming biodiversity conservation within tourism practices. It would emphasize successful experiences, including documentation and experiences of tourism service providers best practices and socio-cultural benefits. The project would develop awareness actions to increase the importance of nature as a major tourism asset in Cuba and to promote changes in thinking and practice based on knowledge of sustainability options for tourism. This would be carried out with the help of tools such as videos, signage, brochures, etc. aimed at raising the awareness of key actors regarding the value of Cuba's biodiversity, the importance of its conservation, as well as national regulations on biodiversity. These actions would involve hotel chains, travel agencies, airlines, airports, access routes to destinations and tourist facilities, including Self-Employed Workers. These communication products would be developed from the systematization of the existing knowledge on the biodiversity of Cuba and the information generated by the monitoring system conceived as a result of the project. The effectiveness of these interventions would be measured by changes in baseline scenarios of surveys and measurements applied at project start and end.

Furthermore, Output 2.1.1 has been changed to increase "ecosystem connectivity" and the term "restoration" has been removed. The Project will promote and apply practices that promote BD conservation and increase ecosystem connectivity, which in turn will support Cuba's efforts towards a Green Recovery in its Tourism Sector. Specific activities will be defined during the PPG in accordance with GEF-7 Programming Directions.

10/23/2020

Comment 1

- Information that clarifies the direct benefits for globally significant biodiversity through mainstreaming has been added.

- The financing to implement the activities corresponding to renewable sources of energy will be carried out with financing from MINTUR. These actions will complement the EE actions that will be carried out with GEF financing. Both solutions will allow obtaining solid results in mitigating the impacts of climate change.

Changes in the PIF:

The set of actions that the Project will develop and the synergistic effect between them will contribute to generate global environmental benefits without a doubt. Some of the elements that support this statement are:

- The theme of biodiversity will be mainstreamed in normative, procedural and planning instruments for the development of the tourism sector. The implementation of these instruments will contribute to promoting the conservation and sustainable use of biodiversity in the tourism sector at national scale.
- The project would also support the implementation of the Certificate for Sustainable Tourism (CST), recognized by the Global Sustainable Tourism Council. This certification is applicable to various companies related to tourism: lodging facilities, transport and tour operators, theme parks and hot springs and SPA. The application of this certification will be carried out in hotel facilities, which will be identified during the PRODOC phase. The CST will allow the long term implementation of the Sustainability Management System, which includes the commitment to minimize the negative impacts of its activity on the environment. CST will promote environmentally friendly forms of consumption, energy efficiency and the use of renewable sources in the facilities, efficient water management and the reduction of pollution by solid waste. It incorporates criteria related to the conservation of biodiversity, involves policies for the conservation of native flora and fauna, and promotes the use of native species in the landscaping of the facilities. The certification will generate global benefits such as the reduction of GHG emissions, reduction in water consumption and the conservation of biodiversity, especially endemic and threatened species. Therefore, these environmental certification systems will influence: the continuous improvement of the sector to reduce its impacts on biodiversity and ecosystems; as well as in increasing its energy efficiency and reducing its greenhouse gas emissions.

- The alliance between the tourism sector and the strengthened environmental inspection body will strengthen (through the activities planned to achieve compliance with output 1.1.2 “System of citizen inspectors established to monitor compliance with environmental regulations in tourism”) the compliance with environmental legislation, as well as training and the correct implementation of initiatives for the conservation and management of biodiversity.

Terrestrial ecosystems	Total	North of Ciego de Ávila	Matanzas- Varadero
Vegetation Formations (Mangroves, forests, Matorral Xeromorfo and anthropic vegetation)	20727	19 154	1 377
Coastal lagoons		196	
Total	20727	19 350	
Marine ecosystems		North of Ciego de Ávila	Matanzas- Varadero
Coral reefs and seagrasses	21210	14 300	6 910
Total	21210		
Total Area	41937		

- The development of actions to improve the quality of ecosystems and the connectivity of the landscape will benefit 41,937 ha of landscapes and seascapes. Actions such as: reforestation, elimination of invasive alien species and the substitution of species commonly used in gardening with native species will reduce habitat fragmentation, benefiting native flora and fauna species, especially endemic and migratory ones. The improved landscapes will offer better conditions for the feeding, rest and reproduction of the species. The two project intervention areas are located in the Atlantic coastal route migratory corridor, which is used by more than 200 species of birds from North and South America.
- Coastal lagoon management actions such as mangrove reforestation and efficient management of liquid waste will contribute to reestablishing the stability and functioning of these currently eutrophied ecosystems. In the lagoons there are marine phanerogams that together with the mangroves fix the sediments in suspension and prevent them from reaching and affecting the marine reefs. In addition, the roots of the red mangrove are the habitat of sponges, mollusks, crustaceans and fish and, like seagrasses, are breeding sites for reef species.
- Improving the management of marine areas such as reefs and sea grasses, through procedures and good practices for nautical activities, contributes to maintaining biodiversity, the integrity of the functioning of these ecosystems as a barrier to coastal erosion, refuge sites, breeding and feeding of numerous species of mollusks, crustaceans, echinoderms and fish, some important fishing resources.

Comment 2

- Information about the existing environmental certification systems for tourism facilities and that are of interest nationally due to their International recognition has been added.
- Information that clarifies how the environmental certification of the tourism sector facilities contribute to generating GEBs, based on the STAP document on biodiversity certifications.

Changes in the PIF:

In page 13, barrier 3b Absence of an environmental recognition and certification system for the sector, substituted the text for:

“This limits the visibility and promotion of differentiated tourism products. A series of environmental recognition initiatives have been applied in Cuba for hotel facilities (“Environmental Beach” recognition, Territorial Environmental Recognition and the Award of the Cuban Sciences Academy). Their objective is to stimulate the sustainable environmental performance of the tourism sector. However, application of certifications in Cuba have only been at a local level and there are no good practice procedures and guidelines established at the level of the tourism sector that correspond to international standards. The administrators of the hotel installations generally do not know that environmental certifications are a voluntary alternative to reduce the negative impacts of the tourism activities concerned with sustainability. They acquire the capacity to implement good practices related to the efficiency in resource management and in cost management and reduction. They also benefit consumers that will be able to trust products and services offered and choose freely among the sustainable companies that are certified to back their choices. In the tourism market more awareness of good business practices is achieved and certified companies are forced to provide a better quality service which is a benefit for tourists. Certification promotes the necessary credibility to be called sustainable tourism and demonstrate real compromise of companies with their own policies (Source: Bien, 2008. A basic guideline about accreditation of sustainable tourism certification programs).

For example, in the particular case of the tourism facilities in Cuba that have the environmental beach certification, differently of the non-certified facilities, show a better environmental quality of their beaches, of biodiversity, and of the associated ecosystems. This is due to the certification promoting the conservation of an important ecosystem called “sandy coast vegetation complex”. This ecosystem integrate native plant species such as *Ipomea pes-caprae*, *Canavalia rosea*, *Uniola paniculata*, *Iva imbricata*, *Suriana maritima* y *Heliotropium gnaphalodes*; it is also the hábitat of a large diversity of insects, mollusks, reptiles and birds adapted to its extreme ecological conditions (high salinity and temperature). The mollusk species are highly endemic at y on biodiversity and ecosystems (contributing to the sector sustainability) and that they also contribute to cost reductions and a distinction of the companies in International markets. The Project will evaluate and promote environmental certifications (such as Sustainable Tourism Certification, Blue Flag Certification and Ecotourism Certification). as a necessary requirement in the tourism sector as the implementation of these certifications will contribute to the generation of GEBs.

Today it is known that certified tourism companies obtain triple return on investment at global level by taking into consideration the three pillars of sustainability (environmental, socio-cultural and economic) and incorporate an interesting market segment of de the local level and are included in different IUCN threat categories.

The vegetation complex provides non-substitutable environmental services, among which the following: their vegetation offers dune protection to the sand facing eroding agents (wind, rain); its species are part of local trophic webs; maintain important reproduction services such as pollinating; constitute the primary source of food, rest and refuge to neotropical migrating birds in their North-South migrations and also for permanent resident birds. This certification also promoted the elimination of exotic species and invasive species that could affect the structure and dynamics of the ecosystem.

In page 27, last paragraph of the sustainability section, substitute the sentence: “The creation of environmental and energy certification for Cuba....” for “The implementation of international environmental and energy certifications in Cuba ...”.

Comment 3

- Biodiversity and CCM activities were separated by components.

- In activity 1.1.1 (component 1), the promotion of rural tourism as alternative to sand and beach tourism was eliminated. Instead the promotion of nature tourism.
- Information that explains the function of the BD monitoring system was added and how the generated information will be useful for tourism sector decision making.
- Activities that are not eligible for DB funding (3.1.1 and 3.1.2) have been eliminated.
- In Component 3, activities to promote tourist destinations were eliminated.
- Cuba's regulatory framework in environmental matters fundamentally comprises instruments that obey a command and control approach (inspection, licenses, administrative measures)
- The Economic and Social Development Plan to 2030 and the National Environmental Strategy (EAN) refer to the need to consider all forms of economic management in environmental policies and in the established legal framework. The EAN states that in this sense mechanisms could be conceived that favor the involvement of actors in the control of environmental regulations
- It is recognized that environmental certification can be one of those mechanisms that encourages the voluntary involvement of key tourism actors in compliance with environmental regulations and at the same time favors competitiveness in the international market.
- Considering the projection of development / increase of the Tourism sector in Cuba, it is very appropriate to design voluntary mechanisms that complement compliance with environmental regulations and allow the public administration, through environmental regulatory authorities, to concentrate its greater control efforts on the administrators and / or economic management actors who have not assumed this type of process, which promote self-control in accordance with regulations.
- The suggestion to separate the BD and CCM into components was adopted.
- Rural tourism is replaced by nature tourism, which will generate GEBs.

Changes in the PIF:

1.1.1 – Promoting rural tourism as an alternative to beach tourism is not eligible for biodiversity mainstreaming resources.

Explanatory note: Nature tourism will be promoted to replace rural tourism, with various modalities such as: Hiking, Bird Watching, Horseback Riding, Naturalistic Navigation, among others that may be explored during the PPG phase. Consequently, the core indicator of direct beneficiaries was increased.

On page 6-7, in the paragraph related to Core indicator 11, replace the last sentence of this paragraph: “10 workers linked to rural tourism, corresponding to 2 farms, would be trained in sustainable tourism development, including topics such as biodiversity conservation, environmental certifications, financial mechanisms, among others.”, for this: “ 50 workers from areas where nature tourism activities are carried out, and 20 nature guides ”

On page 6, table of core indicators, in number of beneficiaries, replace with the following values: 20,230 (9094 women and 11,163 men).

In page 14, section 2) The baseline scenario and any associated baseline projects, eliminate the last sentence in this paragraph: - “National Plan for Economic and Social Development 2020-2030 is the guiding instrument of development planning until 2030. It contains the proposal for the vision of the nation, the axes and strategic sectors, among which the tourism sector is defined. This is related to all the components of the project based on the implementation of benchmark systems and environmental certifications, good practices that ensure the conservation of natural resources, proposals that promote energy efficiency and use of renewable energy sources, as well as ways of sustainable consumption. “It covers the incorporation of the non-state sector to generate new offers such as rural tourism”.

In page 16-17, substitute the paragraph that describes the Resolution 50/2014 for this: - “Resolution 50/2014 establishes the procedure for the approval of Nature Tourism, Adventure Tourism and Rural Tourism products, with the aim to promote ecosystem conservation. It recognizes financial incentives as a solution to promote conservation and local development. It promotes the use of renewable energy. However, it is limited to the procedure for the approval of Nature Tourism, Adventure Tourism and Rural Tourism products. Component 1 would consider ways to implement financial incentives for these alternative forms of tourism, i.e. Nature tourism modalities such as: Hiking, Bird Watching, Horseback Riding, Naturalist Navigation, among others, which offer alternatives to sun and beach tourism and facilitate the investment of the sector in biodiversity conservation. The project will help establish procedures and manuals of good practices applicable to nature tourism products and disseminate initiatives that promote the conservation of biodiversity.”

In page 17-18, in Output 1.1.1, substitute the second paragraph for this one: “The National Environmental Strategy for Tourism identifies the sector’s main environmental problems and serves as the premise of this project; the project would strengthen the capacity and mechanisms necessary to implement the Strategy. Through this output, the project would support the creation of procedures for environmental management that incorporate biodiversity conservation and climate change mitigation within tourism development. The project would strengthen the implementation of quality standards to ensure the integral and systematic nature of sustainable environmental practices. In particular, the project would support the sector’s efforts to strengthen nature tourism, as a way to diversify tourism and reduce pressures on coastal ecosystems. The project would develop proposals for normative instruments and procedures that allow the clarification of roles and responsibilities of actors involved in tourism development and influence the environmental problems identified above. For example, the project would contribute with normative instruments for Forestry Law 85/1998 to reduce impacts on coastal ecosystems during infrastructure construction and exploitation, to be demonstrated in Component 2. Likewise, the project would strengthen Resolution 48/2014 on Diving by supporting efforts to establish regulations for diving based on load capacity of dive sites.”

In page 19, Output 1.2.1, substitute the explanatory paragraph on rural tourism for nature tourism in: This output consists of the valuation of the goods and services of the ecosystems of the study areas. In addition to hotel facilities, the importance of nature tourism as a complement and/or alternative to “sun and beach” tourism would be evaluated to further its development as a viable alternative for tourism development. The nature tourism initiatives could favor local development by promoting natural values of the tourism destinations and their sustainable use.

In page 19, Output 1.2.2, substitute in the explanatory paragraph, i.e. rural tourism for:

Financial instruments would be designed to promote investments in conservation and sustainable management of biodiversity, energy efficiency and renewable energy. With regards to BD, the project would consider ways to implement financial incentives for the alternative forms of tourism promoted by Resolution 50/2014, i.e. several modalities of nature tourism, that diversify offers within “sun and sand” tourism and facilitate investment in BD conservation and CC

mitigation, with the aim of promoting ecosystem conservation. The project would ensure that the financial mechanisms to be implemented would favor the conservation of coastal ecosystems and the application of good management practices of the coastal zone for tourist use as defined by Decree-Law 212 Management of the Coastal Zone / 2000. With regards to energy in particular, emphasis would be placed on the hotel sector facilities. This could be in the form of a type of 'performance contract' or similar schemes that share the savings of EE projects with the facility before the whole investment is paid back. It would be a financial tool that supports the energy service company concept, and would include a performance contract, the independent power producer (IPP) and the power purchase agreement (PPA). Project interventions would align with Law 345/2019's aims to establish regulations for the development of renewable energy sources. The financing schemes would take into

In page 27, section on Sustainability, 3rd paragraph, substitute rural tourism for nature tourism

The creation of technical and technological capacities in the key institutions for the development of tourism and the institutional, sectoral, and systemic dimension of the actions will guarantee lasting results with great scope in the country, strengthened with normative instruments and procedures that incorporate these approaches from the planning stage until the exploitation of tourist destinations and their natural resources. The resulting mitigation program guarantees the application of Cuba's energy policies. The systems of good practices on biodiversity conservation and benchmarking for CC mitigation actions constitute tools that promote the improvement of hotel chains and the private sector linked to the development of tourism. The incorporation of nature tourism offers alternatives that decrease the exploitation of tourist destinations, diversify the service and promote local development.

In page 35, Risk table, eliminate reference to rural tourism in risks 6 and 7.

In barrier 1, item a. Limited institutional capacity to carry out adequate control (lack of technical capacity), page 11, substitute the first paragraph for the following:

“The institutions responsible for monitoring the impacts of tourism on biodiversity (i.e. during the construction and operation of the facilities) do not have the technical capacity to generate updated/ real-time information for sectoral decision-making based on environmental quality indicators. The institutions in charge of environmental legislation enforcement (Office of Environmental Inspectors and Integral State Inspection Group) have limited human and material resources which make it difficult to have an appropriate level of environmental control of tourism activities. The activity of these institutions is recognized by the tourism sector as a form of external audit that allows them to evaluate their sustainable environmental performance. These institutions are also responsible for strengthening the environmental concern and the knowledge of environmental legislation through capacity building for tourism sector workers. The interaction between scientists and planners is limited, and there is a lack of integrated and synthesized information available during the planning process of tourism facilities and activities. For example, development planning based on the number of rooms per m2 of beach does not currently take into account the carrying capacity of the ecosystems in which they will be constructed. The sectors involved in generating environmental sustainability of the tourism sector have limited institutional and technical capacity for the classification and management of solid and hazardous wastes, liquid waste treatment, as well as limited environmental control.”

In page 18, Output 1.1.2: System of citizen inspectors established to monitor compliance with environmental regulations in tourism, substitute the explanatory paragraph by the following:

“This output would promote the implementation of a system of citizen inspectors (via organizations, associations and other institutions recognized by law and in the general public) that support the work of state environmental inspectors in monitoring compliance with the Environmental Regulations. These inspectors carry out

monitoring based on the environmental quality indicators of the facilities and the fulfillment of the Environmental Law, Decree Law 212 Management of the Coastal Zone, as well as other environmental regulations in force in tourist destinations. They constitute an external audit of the sustainable environmental tourism performance and incorporate recurrent environmental capacity building actions on the legal and regulatory environmental framework as well as good practices for sustainable environmental management. Periodic training would be provided through Output 1.3.1 below.”

In Output 1.3.1 Technical and institutional capacities created, substitute the explanatory paragraph by the following:

BD monitoring system established for tourism. The project would develop a BD monitoring system for tourism that would allow the systematic evaluation of biodiversity and ecosystem impacts as well as their capacity to respond to the disturbances created by the tourism activity. The generated information would allow the issuance of early warnings, the decision on corrective and/or profilactic measures that allow the sustainable use of biodiversity.

This system would be based on three types of ecosystem health indicators to allow for the evaluation of the ecosystem capacity to withstand the pressures of the tourism activity without this affecting the provision of ecosystem services. The indicators that would be included the system are: condition indicators (e.g. diversity of species and vegetation cover), function indicators (land connectivity and eutrophication ris in marine ecosystems) and resilience indicators (e.g. habitat restoration). The indicator monitoring would be carried out in natural areas and in areas disturbed due to tourism activities in the two intervention areas identified. The precise selection of indicators will be carried out during the PPG phase.

The continuity of the monitoring system over time will allow the measurement of the effect of good practices developed by the tourism sector to conserve biodiversity and reduce negative impacts on the environment, which in turn will serve as the basis to implement management action in the project intervention areas that may be scaled up to the entire sector. The monitoring system will also allow the evaluation of the impact of environmental certifications that will be promoted by the project before, during and after their implementation.

The monitoring systems requires the gathering of data for long periods of time to allow modelling of results to answer “what if” type questions that allow key stakeholders to take short term decisions. These analyses will also ensure that the information is gathered correctly and answers the objectives of the monitoring system. The system would be connected to a geographic information system to support monitoring and would be made available via an information platform. This would enable decision-makers in the tourism sector to mainstream BD conservation in the planning and implementation of tourism-related activities and allow for integrated management and dissemination of information to support BD conservation among key actors.

The generated information will be integrated into the development plans for the tourism sector and the environmental management systems of the hotel chains and their facilities. Due to the multisectoral character of the tourism activity, results will be generated to all sectors involved in the project for their incorporated for example, in the Methodological Basis for Territorial Planning by the Physical Planning Institute (Instituto de Planificación Física), the environmental norms for the construction of fragile ecosystems by the Ministry of Construction, Good Practices Guidelines for the Maintenance of Green Areas for the hotel facilities and the Company the environmental regulations for the construction of fragile ecosystems of the Ministry of Construction, Guidelines of good practices for the maintenance of Green Areas for hotel facilities and Tourism Services Provision Company (Tourism Services Provision Company). Reports and other materials will be generated to support the capacity building system of Hotelling and Tourism Schools and their facilities.

The scientific reports generated will support the activities of the territorial delegations of CITMA and for the management of Protected Areas (monitoring will include protected area buffer zones).

In page 18, output 1.1.3 Environmental certification system established for tourism facilities and management., substitute the second paragraph for this one:

“The project would also support the implementation of the Blue Flag Certification (as an international certification). The Blue Flag Certification is applied to beaches, ports and boats and is developed by the Non-Governmental Organization “Environmental Education Foundation (FEE)”. It is made up of four criteria: Information and Environmental Education, Water Quality, Environmental Management, and Safety and Services.

See below some of the indicators of this certification for 2021:

- Algal vegetation or natural debris must be left on the beach.
- Marine and freshwater sensitive habitats (such as coral reefs or sea grass beds) in the vicinity of the beach must be monitored.
- The beach must fully comply with the standards and requirements for water quality analysis.
- Facilities for the separation of recyclable waste materials must be available at the beach.
- Environmental education activities must be offered and promoted to beach users.
- Information about bathing water quality must be displayed.
- Industrial, waste-water or sewage-related discharges must not affect the beach area.
- Emergency plans to cope with pollution risks must be in place.

In addition the project will support the identification of the national opportunities to apply in the country of the Certificate for Sustainable Tourism (CST) recognized by the Global Sustainable Tourism Council. This certification is applicable to many different types of companies linked to tourism: lodging facilities, transportation and tour operators, theme parks and thermal waters and spas. The implementation of this certification will be done in hotel facilities that will be identified during the PPG phase. The CST would allow the implementation of the Sustainability Management System in the long term, including the compromise to minimize the negative impacts of its activity on the environment. It is based on specific category indicators, indicators to measure the continuous improvement and indicators to measure the social impact of the companies, which will allow the monitoring and evaluation and learning of the certification process.

The Certificate for Sustainable Tourism will promote environmentally friendly consumption, energy efficiency and use of renewable energy in the hotel facilities, the efficient water management and the reduction of waste management contamination. While co-financing for waste management has not been identified at the PIF stage this will be considered during the PPG phase considering the importance of the impact of this sector. It incorporates criteria related to biodiversity conservation, involves native flora and fauna conservation policies, promotes landscaping action of facilities incorporating native species. The certification will generate GEBs such as the reduction in GHG emissions, reduction in water use and biodiversity conservation, especially endemic and threatened species.

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

11/2/2020

Yes.

10/28/2020

No, please update the information in the PIF in the portal under Table C.

10/9/2020

No, please provide additional information on how “investment mobilized” was identified is needed to properly explain the source of these investments and how they are being mobilized by the project. We would expect additional co-financing to be mobilized by actors in the tourism sector in the investment and implementation of project demonstration and scaled up activities. We would also expect UNDP to provide some cofinancing as well as other donors.

Agency Response

10/31/2020

Updated in the portal. The national co-financing is considered Investment Mobilized, where indicated, since it will be allocated by the government to develop an initiative to implement actions of good practices on biodiversity management and climate change mitigation because of this project.

10/23/2020

Comments 4

- Definition of investment mobilized was revised. The sources of these investments were detailed as well as how they are being mobilized by the project.
- UNDP has provided in kind cofinance to the project (\$60,000 USD).

Changes in the PIF:

In kind UNDP co-financing was included (\$60,000 USD).

National co-financing was increased by \$ 6,332,040.

- Ministry of Science, Technology and Environment (US \$ 2,032,040), this amount will be used in dune rehabilitation actions (reforestation with native species of this plant formation), cleaning of channels and water mirrors, elimination of exotic species, monitoring of the beach biodiversity, physical-chemical and microbiological monitoring of coastal lagoons and beaches.

- Ministry of Science, Technology and Environment (US \$ 3,500,000), this amount will be used in technical assistance to Climate Change Mitigation, Energy Efficiency and Renewable Energy Sources

- MINTUR (US \$ 800,000), for the implementation of a nursery in Varadero to develop gardening with native species.

The availability of national co-financing to support the implementation of the project is guaranteed through the Investment Plan of the Ministry of Tourism. This Investment Plan is part of the budget of the Cuban government, which is executed by the Cuban hotel chains. These investments will be mobilized to implement actions of good practices such as: restoration and management of beaches and associated ecosystems, landscaping with native species in gardens and water bodies, reuse of water for gardening and grass remains as natural fertilizer, as well as managing liquid waste, contemplative diving and snorkeling. To the extent that good practice results are obtained for the conservation of biodiversity and energy efficiency and the procedures, methodological bases and normative instruments are developed for the conservation of biodiversity and will be scaled to other destinations in the country, mobilizing investments to extend the sustainability of the sector throughout the country.

In the project intervention areas, investments are public (already committed as co-finance in the PIF). The hotel facilities identified in the project intervention sites have an Administration Contract for the management of tourist facilities. In Cuba, the Tourism sector is made up of public capital and mixed capital (public-foreign private) companies. Mixed capital companies involve investments from the Cuban state and foreign investment for different phases of tourism development: design, construction and operation of the facilities. However, in the project pilot sites there are so far only public capital investment planned. This implies the establishment of Foreign Public-private Mixed Administration Contracts. This foreign private sector is identified as Hotel Chains (eg Melia, Iberostar, etc.). These chains will be incorporated into the actions of the project. The PIF recognizes the involvement of the private sector (section Private sector engagement):

- Co-financing is expected to be sought from the commitment of the private sector (under Administration Contract) during the PPG phase as expressed in section "Private sector engagement: del PIF: "The Project will involve both types of hotel facilities (with mixed capital and entirely Cuban capital) in Cayo Coco and Varadero in order to carry out BD conservation and management actions and CC mitigation actions".

- The companies that operate in Cuba as hotel facilities management have designed tourism sustainability programs and have expressed interest in developing actions and joining forces to support initiatives that promote the sustainable development of tourism in Cuba.

The Covid 19 pandemic and consequent economic situation did not allow us to advance with the definition of the amounts / commitments of co-financing of the private sector (under Administration Contract). Therefore, the definition of these amounts of commitment from the private sector will be confirmed during the PPG Phase.

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

10/9/2020

Yes.

Agency Response

The STAR allocation?

Secretariat Comment at PIF/Work Program Inclusion

10/9/2020

Yes.

Agency Response

The focal area allocation?

Secretariat Comment at PIF/Work Program Inclusion

10/9/2020

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

10/9/2020

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

11/2/2020

Yes.

10/28/2020

No, Indicator 6 – Please make sure the numbers match what is included in the calculations under the section “ 6) Global environmental benefits“. According to that section, direct emissions should be 25,212 and indirect 63,960 tCO₂e. Please add a year for “anticipated start year of accounting under Indicator 6.2 (based on the explanations, it seems this would be 2025). Please change “duration of accounting” from 4 to the lifetime of the investments (usually a period between 10 and 20 years).

10/9/2020

No. The core indicator table for GHG emissions mitigated has not been properly filled out. Please provide an indirect estimate of expected metric tons CO₂e mitigated in indicator 6. In addition, in sub-indicator 6.2, the duration of accounting refers to the lifetime of the investments. The anticipated year of accounting needs also to be added. Further, the amount estimated for direct GHG emissions mitigated should be in total (not per year). Please revise per the Results Guidelines.

Agency Response

10/31/2020

Reference in the PIF: Section F, section 6) "Global environmental benefits" and Annex B

The numbers have been revised and confirmed under section "6) Global environmental benefits", the table under section F, and in Annex B.

10/23/2020

Comments 5

- To answer this comment the Results Guidelines were consulted.
- For indicator 6, tons of indirectly mitigated CO₂e were incorporated..
- In sub-indicator 6.2, the years of accounting were included.
- The total estimated amount of directly mitigated GHG emissions was included.

Changes in the PIF:

On core indicator 6 substitute the paragraph for this information:

Expected CO₂e (direct) 25.212 tons of CO₂

Expected CO₂e (indirect) 63.960 ton of CO₂

The consumption of electricity generated by the National Electric System (NES) is expected to decrease in targeted hotels due to the project's introduction of energy management systems mainly focused on efficiency measures. Electricity generation technologies with renewable energy sources (solar) will also be implemented in the hotel sector as planned in other Governmental plans to leverage the mitigation efforts of the project. For emissions calculations, the proponents use the index of 0.82 ton CO₂ / MWh generated by the NES. With regards to energy efficiency, the project aims to intervene in 4000 rooms with management or investment measures, which represents 16 hotels with average of 250 rooms per hotel. An electricity consumption index of 35 kWh/day (12MWh/year) per occupied room is estimated and an annual linear occupation of 80%. As such, the electricity consumption of these six hotels that would receive direct assistance of the project would be in the order of 14400MWh/year. Considering that management and low to medium investment measures generate a conservative range of 10% energy savings: 1440 MWh/year estimated savings. For direct emissions reductions a total of 1152 tons of CO₂ directly mitigated through project

demonstrations. Considering the replication (post direct) in 10 hotels with 2500 rooms the total energy use is estimated in 24000MWh/year and with energy savings of 10% (2400MWh/year) post direct emissions reductions will generate 19200 tons CO2. The total direct emissions reductions from energy efficiency measures are: 20.352 tons of CO2. During PPG the facilities will be identified and the electricity consumption index will be reviewed. The estimate of the contribution of renewable energy actions, to be implemented through cofinancing from the government, is based on the equivalent of 166 kW of photovoltaic generation being installed through the project. In Cuban conditions, 5 photovoltaic peak hours systems are intended to be installed, generating an estimated 304 MWh / year, which would avoid 243 ton CO2 / year as of Year 4. The total direct emissions for RE systems to be installed with leveraged investments (government co-finance) are: 4.860 tons of CO2 (20 years). The total direct emissions reductions form EE (20.352) and RE (4860) is 25.212 tons of CO2. Reduction of indirect emissions: The strengthening of the policy framework related to minimum energy standards for energy use and consumption (supported by the benchmarking) and the continuous management system replicated in the hotel sector will account for the EE indirect emissions reductions. Related to renewable energies, in particular, the implementation of Decree Law 345 on the Promotion of Renewable Energy Sources, would create the conditions for the tourism industry to implement this type of measures across the sector. In particular, Decree 345 is expected to (i) recognize IPPs; (ii) indicate the establishment of a purchase price for stimulating electricity; and (iii) guide the power utility and MINTUR to introduce renewable technologies in the sector as widely as possible. Furthermore, the demonstration activities of the project and the establishment of a baseline of consumption will facilitate the prioritization of measures in facilities with higher inefficiencies and biggest potential for EE and RE and CO2 reductions. Together with EE measures the Decree is expected to result in a sustained increase in the installed photovoltaic generation capacity. For this PIF exercise a top down approach was used and assumptions will be improved in PPG. Total emissions of the hotel sector are 533.000 tons and it is expected that the enforcement of ISO 50001 management systems, the upscale of the RE Decree in the hotel sector and the specific policy measures to be elaborate with support of benchmarking findings would result on a 2% reduction of the overall sector: 10660 tons of CO2 year (Causality factor 60%)= 6396 tons of CO2 indirect emissions per year. Total indirect emissions reductions of the project is: 63.960 ton of CO2

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

11/2/2020

Yes.

10/26/2020

No, the taxonomy in the Portal still includes many extraneous terms.

10/9/2020

No. Please remove “Climate Change Adaptation” as it is not a project funded by the LDCF/SCCF and “Agriculture, Forestry and Other Land Use” as from the CCM focal area, it is not targeting the AFOLU sector.

Agency Response

10/31/2020

Corrected in the portal

10/23/2020

Comments 6

- “Climate Change Adaptation” was removed from table G.

Changes in the PIF:

Category “Climate Change Adaptation” was removed from table G.

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

10/9/2020

Yes.

Agency Response

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

Secretariat Comment at PIF/Work Program Inclusion

10/28/2020

Yes.

10/9/2020

No, this section does not discuss the UE/ONUDI “Energy Efficiency and Conservation” project listed under the coordination section which seems to be duplicative with this project. Please clarify.

There are numerous existing certification systems for tourism businesses that could provide guidance and learnings for this project that it would be important to include as references.

Agency Response

10/23/2020

Comment 7

- Information was added that clarifies the contributions of the EU/ONUDI Project in the tourism sector (as baseline); as well as the new and different contributions of the proposed GEF project.

Changes in the PIF:

The EU/UNIDO project has been added to de baseline scenario in session 2) The baseline scenario and any associated baseline projects.

Ministry of Energy and Mines:

UE/ONUDI “Energy Efficiency and Conservation”. Implementation: 2019 – 2023. Support the implementation of the government program for energy management and conservation, including energy efficiency. The UE/ONUDI (ONURE) Project is a multisectoral project aimed fundamentally to strengthen the country capacity to implement the Energy Management Norm ISO 50 001. The project works in the public sector sector in general and is present in 8 provinces (from which Matanzas is the only one that coincides with GEF project). The main actions of this project are:

- Establishing national procedures and methodological tools for the implementation of this norm.
- In significant cases, evaluate the potential energy efficiency of facilities related to production and services.
- Capacity building of stakeholders
- Capacity strengthening of the ONURE as a result of the strengthening of their provincial work groups and the training of energetic auditors.

In the tourism sector they have carried out actions to implement norm ISO 50001, some energy audits and capacity building of the main hotel facilities in the sector. The contribution of the GEF project is aimed at extending the application of energy management according to ISO 5001 to the hotel chains as a work method and demonstrate the potential of its application supported on energy consumption monitoring systems in real time and the calculation of performance indicators. This is a good starting point for the GEF project, as the EU project is limited to carrying out energy audits in the tourism sector without carrying out interventions aimed at demonstrating the technological solutions that addresses opportunities in these assessments. In this GEF project these demonstrations will be very important as they consider action for the improvement of the energy efficiency with better data management and monitoring of energy performance indicators in real time. The EU project is centered in regulations linked to the residential sector and the norms applicable to the implementation of the Energy Management Norm ISO 5001. The methodological experiences on assessments (energy audits) and the initial energy performance indicators generated by the EU/UNIDO project will be used by GEF project to structure an energy consumption benchmarking more focused in the hotel building typology. This will allow the tourism sector to have information about how to manage more efficiently its energy use and where to invest resources with lower payback times and better cost benefits. In this way, the GEF project will contribute in the long term to increasing ambitions in reducing emissions

Comment 8

- Information was included that clarifies how the environmental certification of tourism sector facilities contribute to generate global environmental benefits. The STAP document on biodiversity certifications was taken into consideration.

Changes in the PIF:

In page 18, Output 1.1.3: Environmental certification system established for tourism facilities and management.

The project would support the creation and implementation of a two-pronged certification system for the tourism sector: one for the physical facilities of a hotel and another for its management performance. The first certification would be for hotel buildings based on the energy efficiency of the installation both in terms of its building envelope and air conditioning equipment, hot water supply, etc. This would include the standards for energy consumption and for the operation of the installation, as well as GHG emissions, creating a stimulus for the owner to invest in increasing the energy efficiency of the available infrastructure.

Eliminate: The project would also support the creation of an Environmental Performance Recognition System (seal, category, etc.) aimed at recognizing the achievements of hotel management in energy efficiency, biodiversity and ecosystem conservation, solid and liquid waste management, and hazardous waste as well as environmental training. These actions would be aligned with Decree-Law 212 Management of the Coastal Zone / 2000 as well as Law 345/2019 on the development of renewable sources and the efficient use of energy.

Add: The project would also support the implementation of the Certificate for Sustainable Tourism (SCT) recognized by the Global Sustainable Tourism Council. This certification is applicable to various companies related to tourism: lodging facilities, transport and tour operators, theme parks and hot springs and SPA. The application of this certification will be carried out in hotel facilities, which will be identified during the PRODOC phase. The SCT will allow the long term implementation of the Sustainability Management System, which includes the commitment to minimize the negative impacts of its activity on the environment. It is based on specific indicators of the category, indicators to measure continuous improvement and indicators to measure the social impact of companies, which will allow the monitoring, evaluation and learning of the certification process.

Certificate for Sustainable Tourism will promote environmentally friendly forms of consumption, energy efficiency and the use of renewable sources in the facilities, efficient water management and the reduction of pollution by solid waste. It incorporates criteria related to the conservation of biodiversity, involves policies for the conservation of native flora and fauna, and promotes the use of native species in the landscaping of the facilities. The certification will generate global benefits such as the reduction of GHG emissions, reduction in water consumption and the conservation of biodiversity, especially endemic and threatened species.

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

Secretariat Comment at PIF/Work Program Inclusion

10/28/2020

Yes.

10/9/2020

No, the proposed climate change mitigation program (Output 1.1.4) should be linked to the updating of the Tourism Strategy and relevant energy policy and regulations. Please note per comment above that demonstration of renewable energy in this context cannot be supported by GEF funding. It is also not clear what the scale up strategy of the project is on climate change mitigation. Under component 3, please consider training of trainers approach for the dissemination of energy managements audits and best practices.

Agency Response

10/23/2020

Comments 9

- Aligned the climate change mitigation program proposal (Output 1.1.4) with updating the tourism strategy and other relevant policies and regulations.
- The demonstration of renewable energy will be executed with national co-financing.
- It was clarified what the scale up strategy of the project is on climate change mitigation.
- Incorporate in component 3 the training of trainers approach for the dissemination of energy management's audits and best practices.

Changes in the PIF:

The logframe of the project has been adjusted to identify clearly and differentiate the activities related to CCM and BD and an output was created in component 1 to address the coordination of the different focal areas work. The climate change mitigation program has been adjusted as a CCM comprehensive plan which will be part of the overall Tourism Environment Strategy (Component 1, Output 1.1).

It has been clarified throughout the PIF document that Renewable energy investments will be implemented with government and private resources as co-financing, aligning with investments plans already defined at the national level for the tourism sector and others.

Scale up of CCM updated in 7) Innovation, sustainability and potential for scaling up.

While the project's CCM interventions will focus on selected hotels, it is envisioned that energy consumption benchmarking can be applied in the whole country sector as Cuba has one bioclimatic zone. The elaboration and proposition of regulations intend to define thresholds for consumption and to demand that hotels above the average of national energy consumption levels implement energy efficiency measures. Beyond the targeted area of the project, the structuring of a benchmarking and key performance indicators are expected to drive a positive 'competition' fostered and demanded by government policies and regulations to increase the efficiency of hotel facilities in the National territory. MINTUR considers that this system should be replicated throughout the entire sector, where in principle all facilities could be compared with those of its category, within its own chain and with other chains etc.

The scale up activities will be mainly based in the enforcement of the Policy for the "Development of Renewable Sources of Energy and Energy Efficiency"(that establishes the goal of reaching a participation of 24% of renewable energy sources in the country's electricity generation) and the update and enforcement of December 2019 Decree Law 345 and Resolution 124 of the Ministry of Energy and Mines , which, among other aspects, establishes in relation to the project scope: 1. The new constructions use architectural designs that contribute to energy savings; 2. The implementation of Energy Management Systems by all entities and their certification by large energy consumers is mandatory. 3 State institutions establish a "Program for the development, maintenance and sustainability of renewable sources and efficient use of energy", renewed every 5 years. 4. The entities that participate in tourist activity plan, and according to their feasibility, install technologies that take advantage of renewable energy sources and energy efficiency . 5. In tourist development areas, such as the keys, the corresponding analyzes are carried out for the installation of technologies that take advantage of renewable sources for the generation of electricity to contribute to the reduction of fossil fuel consumption, costs and increase environmental sustainability. 6. The business systems of the transport and tourism sectors develop programs for the gradual introduction of electric vehicles.

Training of trainers added to the Outcome 3.3 in output 3.3.1.

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

Secretariat Comment at PIF/Work Program Inclusion

10/9/2020

Yes.

Agency Response

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

11/2/2020

Yes.

10/26/2020

No, this project still lacks a theory of change in line with STAP guidance.

10/9/2020

No, please provide a theory of change per STAP guidelines. The CCM investment's incremental reasoning is not clear considering the ongoing EU/ONUDI project and needs additional clarification. For BD, explaining how certification will result in GEBS would be helpful.

Agency Response

10/31/2020

Reference in the PIF: Section 3) the proposed alternative scenario

A Theory of Change has been included in the revised PIF, in line with STAP Guidance per the Guidelines provided in GEF/C.31/12.

10/23/2020

Comments 10

- The incremental / additional cost reasoning and the certification contribution to GEBs has been properly updated in the ToC, as per STAP guidelines.

Changes in the PIF:

Additional clarification on the incrementality of GEF resources has been added to session 5 (Incremental/additional cost reasoning and expected contributions from the baseline, the GEFTF, LDCF, SCCF, and co-financing)

In the CCM activities, GEF resources will tap incremental costs related to the acquisition of smart metering systems that will mainstream energy efficiency and energy management in the hotel sector. The incremental investments in smart metering systems will make possible the consolidation of energy indicators in the sector that will be key in the prioritization of the cost-effective investments for retrofitting and upgrading the most inefficient systems of selected hotels. GEF resources will complement energy audits already implemented by the EU/UNIDO Project, which are needed to structure the benchmarking and a sector wide energy management program. The EU/UNIDO project is more focused on the public sector in general, with some specific activities focused in the hotels sector which will be used as inputs for GEF project. The GEF project will benefit and disseminate manuals for capacity development in ISO 50001 and consolidate training of multipliers (training for trainers), The few energy management systems certification implemented in hotels will be a reference for establishing performance indicators and for building the energy consumption benchmarking.

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

10/26/2020

Yes, thank you for the revisions.

10/9/2020

No, the number of hectares impacted is quite low given the BD resources being invested. Please explain or consider how a great number of hectares could be significantly positively impacted.

Agency Response

10/23/2020

Comments 11

A re-evaluation of the land and marine areas where the project interventions generate benefits for biodiversity was carried out, which allowed increasing the contribution to the core indicators (ha of land and seascapes).

Changes in the PIF:

Calculation basis for area indicator. The reassessment carried out showed that the project activities benefited 41,937 ha of landscapes and seascapes. Project activities will benefit 41,937 ha of landscapes and seascapes. Marine areas - In the two intervention areas there will be an impact on 21,210 ha of reef ecosystems and seagrasses, of which 14,300 ha located north of Ciego de Ávila and 6,910 ha in Matanzas-Varadero. The ecosystems of coastal lagoons (3 lagoons in Cayo Coco) correspond to 196 ha currently in hypoxic conditions and with limited exchange with the sea. The reef areas, seagrasses, and coastal lagoons that will be improved with the project are currently impacted by tourism development. Contemplative diving, snorkelling, sport fishing, etc. are carried out in them and in the case of coastal lagoons, they are part of the hotel facilities or their surroundings. The development and updating of normative instruments and procedures, the strengthening of the surveillance body of these ecosystems and the activities carried out in them, will allow compliance with current legislation. Monitoring will be carried out that will make it possible to establish the degree of impact of the activities carried out in these ecosystems, assess their carrying capacity and apply proposals for good practices for the development of these activities with the monitoring of the results. Systematic training of personnel that carry out activities in these ecosystems will be implemented on issues of marine biodiversity and environmental legislation, with the application of good practice experiences, the sustainable use of ecosystem goods and services will be promoted, and the awareness of workers and tourists. Terrestrial areas - The improved terrestrial areas that will benefit biodiversity with direct actions foreseen in the project will be 20,531 ha. These include mangroves, coastal forests and scrub, dune vegetation, landscaping of tourist facilities, and other anthropized plant formations. In Matanzas-Varadero, the project will intervene in 1 377 ha corresponding to mangrove forests, gardening and other plant covers that present a high level of anthropization. In the North of Ciego de Ávila, 19,154 ha will be intervened, corresponding to mangrove forests, semi-deciduous forest, coastal scrub, dune vegetation as well as gardening and other areas with a high level of anthropization. In these ecosystems, reforestation and other actions will be carried out for the rehabilitation of degraded ecosystems and roadsides to reduce the effect of landscape fragmentation and favor landscape connectivity. Good gardening practice actions will be carried out to favor the use of native species and maintain control of exotic species. Biodiversity monitoring will be carried out in the sites impacted by tourist activity based on indicators of the health of the ecosystems, as well as the results of corrective actions.

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

Secretariat Comment at PIF/Work Program Inclusion

10/9/2020

Yes.

Agency Response

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

10/9/2020

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

10/9/2020

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

10/9/2020

Yes.

Agency Response

Private Sector Engagement

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

Secretariat Comment at PIF/Work Program Inclusion

10/9/2020

Yes.

Agency Response

Risks to Achieving Project Objectives

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

11/2/2020

Yes.

10/26/2020

No,

•Our comments on climate change risks have not been properly addressed. Please revise the information provided in the table, some of which is in Spanish. In addition, not all questions posed were addressed.

10/9/2020

No.

Climate change risks: Please refer to STAP's guidelines on climate change risks assessments. In particular, please try to address the following questions—both for the BD and CCM aspects of the project:

- Has the sensitivity to climate change, and its impacts, been assessed?
- How will the project's objectives or outputs be affected by climate risks over the period 2020 to 2050, and have the impact of these risks been addressed adequately?

- Have resilience practices and measures to address projected climate change and its impacts been considered? How will these be dealt with?
- What technical and institutional capacity, and information, will be needed to address climate risks and resilience enhancement

Agency Response

10/31/2020

Reference in the PIF: Section 5) climate risk and its management measures included.

Climate risk screening has been included in the revised PIF, in line with STAP Guidance provided in “STAP guidance on climate risk screening, June 2019”

10/23/2020

Comments 12

- The evaluation of the impact of climate risk was carried out and included, according to the STAP's guidelines on climate change risks assessments. Measures for the adequate management of this risk were included.

- The impact of the health risk (epidemics) was re-analyzed, which made it possible to reinforce the corresponding management measures.

Changes in the PIF:

See risk table at the end (inserted in the proposal)

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

10/9/2020

Yes.

Agency Response

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

10/26/2020

Yes.

10/9/2020

No, please include alignment to Cuba's NDC and other relevant climate change reports.

Agency Response

10/23/2020

Comments 13

- Information was included that explains the alignment of the project with the Cuban NDC and with other relevant national reports on climate change such as the Second National Communication.

Changes in the PIF:

"Consistency with National Priorities"

Insert after the paragraph "In the Guidelines of the Economic and Social Policy, No. 210 is identified for tourism" Continue increasing the competitiveness of Cuba in the tourist... the following information:

The Economic and Social Strategy to recover the economy and confront the COVID-19 global crisis includes tourism as a key area that concentrates country effort for the post-pandemic recovery. It is recognized that "Even with a certain slowdown in its growth rate, tourism continues to be a locomotive for the country's development." Therefore, "The capacity of tourism to readjust to the new scenario is a vital aspect of the country's strategy."

Recently, in September 2020, the Republic of Cuba presented the Update of the First Nationally Determined Contribution (2020-2030) to the UNFCCC. This document recognizes that Cuba has systematically developed and financed mitigation actions associated with savings, the use of renewable sources of energy, energy efficiency, and reforestation. At the same time, it is recognized that Tourism is one of the main sectors where the main actions for adaptation and mitigation of climate change are undertaken (Task 8 of the State Plan for Confronting Climate Change). Cuba has declared the contribution "Increased efficiency and energy saving", which applies to the residential and commercial sectors, including Tourism.

This contribution includes the following by 2030:

- The installation of 833,333 units of solar heaters (one million m² of catchment area) in the residential and industrial sectors.
- The installation of 15 million 250 thousand LED lamps in the residential and public sector.
- The replacement of 2 million electric resistance stoves with induction stoves.
- The installation of 5,000 solar pumping systems in the livestock sector.
- In addition, among the qualitative indicators, the implementation of the Energy Management Systems is foreseen through the requirements established by the Cuban and international standard NC ISO 5000, as well as other regulations for the efficient use of energy, provided in Decree Law 345 in force in the country.

Therefore, the following prioritized measures have been identified for this sector:

- Continue with the Tourism Development Program, promoting the use of renewable energy sources and the reduction of fossil fuels, as well as encouraging the use of science and technology to improve energy efficiency;
- Identify issuers of specialized low emission tourism, particularly diving, fishing, nature tourism, in markets with a high potential in these modalities;
- Establish certification of good practices associated with the prevention and control of Covid-19. Certification of a More Hygienic and Safe Tourism.

Currently, the Republic of Cuba is working on the preparation of the Third National Communication to the United Nations Framework Convention on Climate Change, through an international cooperation project financed by GEF and implemented by UNDP. The Second National Communication to the United Nations Framework Convention on Climate Change (UNFCCC) made reference to the country's priority of reducing dependence on fuel imports. It is suggested that the use of solar radiation to produce heat and electrical energy is already a reality in Cuba, which is increasing every day with the installation of photovoltaic devices in rural and mountainous areas, in areas that are difficult to access for the National Electric-energetic System's networks and in prioritized sectors such as tourism.

Add the following information to the end of the COVID paragraph:

In this sense, the Economic-Social Strategy to boost the economy and face the global crisis caused by COVID-19 includes Tourism as one of the key areas in which the country's main effort for recovery is concentrated. post-pandemic. It is recognized that "Even with a certain slowdown in its growth rate, tourism continues to be a locomotive for the country's development." Therefore, "The capacity of tourism to readjust to the new scenario is a vital aspect of the country's strategy."

In this sense, within the prioritized measures for this sector, the following are identified:

- Continue with the Tourism Development Program, promoting the use of renewable energy sources and the reduction of fossil fuels, as well as encouraging the use of science and technology to improve energy efficiency;
- Identify issuers of specialized tourism, particularly diving, fishing, nature tourism, in markets with a high potential in these modalities; Y
- - Establish certification of good practices associated with the prevention and control of Covid-19. Certification of a More Hygienic and Safe Tourism.

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

10/9/2020

Yes.

Agency Response

Environmental and Social Safeguard (ESS)

Are environmental and social risks, impacts and management measures adequately documented at this stage and consistent with requirements set out in SD/PL/03?

Secretariat Comment at PIF/Work Program Inclusion

10/9/2020

Yes.

Agency Response

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

10/9/2020

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

10/26/2020

Not at this time, please revise and resubmit.

10/9/2020

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

10/13/2020

Additional Review (as necessary)

10/28/2020

PIF Review

Agency Response

Additional Review (as necessary)

11/2/2020

Additional Review (as necessary)

Additional Review (as necessary)

PIF Recommendation to CEO

Brief reasoning for recommendations to CEO for PIF Approval

Cuba 10670

Cuba makes up over 25% of the land mass of the Caribbean biodiversity hotspot. Cuba is a “sun and sand” tourism destination. Unfortunately, “sun and sand” tourism in many countries is quite unsustainable as hotels and other buildings and infrastructure often use large amounts of energy and are built in ecologically sensitive areas (such as mangroves). Therefore, this project will work with the tourism industry to engage holistically on sustainability issues.

This project will contribute to the sustainability of tourism in Cuba through the mainstreaming of conservation and sustainable use of biodiversity and mitigation of climate change with emphasis on vulnerable coastal-marine areas through the design and implementation of innovative models with strengthened capacities and financial mechanisms. This project will achieve this goal by: Strengthened institutional, regulatory and financial- economic framework for environmental sustainability of the tourism sector; demonstrations of mainstreaming biodiversity in the tourism sector; and low emission standards, procedures and technology demonstration of CCM in the tourism sector. While COVID makes engaging with the tourism industry challenging as revenues are dramatically down, it also presents an opportunity to build back better and reconsider fundamental principles, approaches, and policies.

Innovation, Sustainability and Scaling-up: This project will work directly with the “sun and sand” tourism sector including many private sector operators to adopt more efficient and renewable energy practices, which will save them money in the long term promoting sustainability. In addition, by incorporating ecosystem service values into decision making and demonstrating how biodiversity friendly practices also benefit businesses, this project will increase the groups working for environmental sustainability. It could serve as an important model for the Caribbean broadly on working to improve the sustainability of the tourism industry.

This project will result in the improved management for biodiversity of 20,727 ha of productive lands and 21,210 ha of seascapes and reduced emissions of 25,212 direct and 63,960 metric tons of CO₂.