



GEF SECRETARIAT REVIEW FOR FULL/MEDIUM-SIZED PROJECTS* THE GEF/LDCF/SCCF TRUST FUNDS

GEF ID:	4846		
Country/Region:	Cuba		
Project Title:	A Landscape Approach to the Conservation of Threatened Mountain Ecosystems		
GEF Agency:	UNDP	GEF Agency Project ID:	4716 (UNDP)
Type of Trust Fund:	GEF Trust Fund	GEF Focal Area (s):	Biodiversity
GEF-5 Focal Area/ LDCF/SCCF Objective (s):	BD-1; BD-2; BD-2; Project Mana;		
Anticipated Financing PPG:	\$99,875	Project Grant:	\$7,481,944
Co-financing:	\$40,793,600	Total Project Cost:	\$48,275,544
PIF Approval:	March 22, 2012	Council Approval/Expected:	June 01, 2012
CEO Endorsement/Approval		Expected Project Start Date:	
Program Manager:	Andrew Velthaus	Agency Contact Person:	Lyes Ferroukhi

Review Criteria	Questions	Secretariat Comment at PIF (PFD)/Work Program Inclusion ¹	Secretariat Comment At CEO Endorsement(FSP)/Approval (MSP)
Eligibility	1. Is the participating country eligible?	March 21, 2012 Yes, Cuba ratified the CBD on August 3, 1994.	
	2. Has the operational focal point endorsed the project?	March 21, 2012 Yes, Cuba's OFP endorsed the project on March 1, 2012.	
Agency's Comparative Advantage	3. Is the Agency's comparative advantage for this project clearly described and supported?	March 21, 2012 Yes, the project aligns very well with UNDP's focus on mainstreaming biodiversity across multiple sectors, as well as UNDP's work on strengthening protected area management. UNDP has	

*Some questions here are to be answered only at PIF or CEO endorsement. No need to provide response in gray cells.

¹ Work Program Inclusion (WPI) applies to FSPs only. Submission of FSP PIFs will simultaneously be considered for WPI.

FSP/MSP review template: updated 11-22-2010

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		implemented multiple projects in the Caribbean region with elements similar to this project.	
	4. If there is a non-grant instrument in the project, is the GEF Agency capable of managing it?	March 21, 2012 There is no non-grant instrument.	
	5. Does the project fit into the Agency's program and staff capacity in the country?	March 21, 2012 Yes. UNDP is probably the best placed of the GEF Agencies to work on a project like this in Cuba. UNDP engages closely with Cuba on issues of environment and vulnerability. It is Currently implementing 4 full-size GEF natural resource projects in Cuba in areas related to this project. It has an office in Cuba with four full-time natural resources staff that will provide project oversight and implementation support.	
Resource Availability	6. Is the proposed Grant (including the Agency fee) within the resources available from (mark all that apply):		
	<ul style="list-style-type: none"> • the STAR allocation? 	March 21, 2012 Cuba has sufficient resources remaining its BD STAR allocation \$11.52 million. This will be the first project to use any of these BD resources.	
	<ul style="list-style-type: none"> • the focal area allocation? 		
	<ul style="list-style-type: none"> • the LDCF under the principle of equitable access 		
	<ul style="list-style-type: none"> • the SCCF (Adaptation or Technology Transfer)? 		
<ul style="list-style-type: none"> • Nagoya Protocol Investment Fund 			

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	<ul style="list-style-type: none"> • focal area set-aside? 		
Project Consistency	7. Is the project aligned with the focal /multifocal areas/ LDCF/SCCF/NPIF results framework?	<p>March 21, 2012</p> <p>This project is very strongly aligned with the BD results framework particularly in terms of the outputs for protected area management effectiveness and biodiversity mainstreaming.</p>	
	8. Are the relevant GEF 5 focal/ multifocal areas/LDCF/SCCF/NPIF objectives identified?	<p>March 21, 2012</p> <p>Yes, BD focal area objectives BD-1 and BD-2, and relevant outputs, are clearly identified.</p>	
	9. Is the project consistent with the recipient country's national strategies and plans or reports and assessments under relevant conventions, including NPFE, NAPA, NCSA, or NAP?	<p>March 21, 2012</p> <p>This project aligns strongly with Cuba's National Forestry Program, which aims to ensure that 29.4% of the country is covered by forest by 2015. It will also support the "Turquino Plan," which is the countries sustainable development plan for its mountain regions. Is consistent with Cuba's National Environment Strategy, which emphasizes the relationship between improved watershed management, vulnerability, and coastal biodiversity.</p>	
	10. Does the proposal clearly articulate how the capacities developed, if any, will contribute to the sustainability of project outcomes?	<p>March 21, 2012</p> <p>The proposal outlines a plan for capacity development that will address key barriers to sustained conservation activities under a landscape approach in Cuba's key mountain regions, both inside and outside protected areas.</p>	

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		Capacity building aims to enhance the ability of national authorities to undertake systemic landscape management, including improved cross-sectoral planning, enforcement, monitoring and improved public participation. The project will also finance the development of management and sustainable financing plans for new protected areas.	
Project Design	11. Is (are) the baseline project(s), including problem (s) that the baseline project(s) seek/s to address, sufficiently described and based on sound data and assumptions?	March 21, 2012 The PIF describes the baseline situation in some detail including an analysis of the barriers that need to be overcome if a landscape-level conservation effort in mountain regions is to succeed.	
	12. Has the cost-effectiveness been sufficiently demonstrated, including the cost-effectiveness of the project design approach as compared to alternative approaches to achieve similar benefits?		
	13. Are the activities that will be financed using GEF/LDCF/SCCF funding based on incremental/additional reasoning?	March 21, 2012 Yes. The baseline and the barriers to be overcome are clearly defined, and the proposed activities to be supported match the barriers that are to be addressed.	
	14. Is the project framework sound and sufficiently clear?	March 21, 2012 Yes. the framework is quite clear in that the project will support a landscape conservation approach that combines action to improve the coverage of the country's mountain protected areas, and	

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		<p>improve their management effectiveness and sustainability, and mainstream biodiversity into key sectors outside protected areas. It will also support improved conservation and planning at the landscape level in the context of Special Stable Development Regions (REDS).</p>	
	<p>15. Are the applied methodology and assumptions for the description of the incremental/additional benefits sound and appropriate?</p>	<p>March 21, 2012</p> <p>The assumptions and methodology are sound on the whole, but we have concerns relating to the way in which incentives will be provided to upland residents to adopt conservation compatible natural resources use practices, and whether the systems for providing such incentives will be sustainable.</p> <p>We would like to encourage that the statement in paragraph 41 that the project will "explore opportunities for promoting alternative market-based strategies for promoting the financial sustainability of environmentally sustainable and BD friendly production, such as a certification for sustainably produced crops and the action of schemes for the payment of departmental services." We believe that this would be a significant advance compared to the baseline where, for instance, coffee farmers are unable to benefit from price premiums for she grown coffee because coffee production and prices are controlled by the state.</p>	

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		<p>Moreover, while the PIF notes that the forestry fund (FONADEP) will serve as an incentive scheme, it is not clear how targeted FONADEP financing is for conservation and how sustainable the level of financing will be over time since it is funded through the central budget.</p> <p>We request that a final project document discusses in detail how funding from FONADEP will be structured to support forest and biodiversity conservation. Also what market-based measures that will be introduced to incentivize conservation, such as PES or reforms that would enable producers to benefit from price differentials for biodiversity-friendly products, like shade coffee.</p>	
	<p>16. Is there a clear description of: a) the socio-economic benefits, including gender dimensions, to be delivered by the project, and b) how will the delivery of such benefits support the achievement of incremental/additional benefits?</p>	<p>March 21, 2012</p> <p>The project provides a general description of how it will provide socioeconomic benefits to project participants, including the "potential" benefits of agroforestry systems and the benefits of secured ecosystem goods and services.</p> <p>In the final project document, we would like to see more specificity about how socioeconomic indicators will be tracked. We suggest that at least two clear indicators be tracked over the life of the project, with baseline information, so that the extent to which the project provided such benefits can</p>	

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		<p>be tracked. March 21, 2012</p> <p>The project will promote the role and capacities of existing village participation mechanisms (called popular councils) in the design and implementation of the project. But there is no mention of CSOs or NGOs.</p> <p>The document for endorsement should clarify how independent local community-based organizations and NGOs will be involved in the project.</p>	
	<p>17. Is public participation, including CSOs and indigeneous people, taken into consideration, their role identified and addressed properly?</p>	<p>March 21, 2012</p> <p>The project takes into account for most of the major risks, particularly climate change. A major risk for climate change in terms of mapping biodiversity is that over time species will need to migrate to higher elevations. The project is designed in such a way to strengthen forest and other habitat corridors that can be used so species can reach higher refugia.</p> <p>One risk that is not adequately addressed is financial sustainability. See comment 15 above in this regard.</p>	
	<p>18. Does the project take into account potential major risks, including the consequences of climate change and provides sufficient risk mitigation measures? (i.e., climate resilience)</p>	<p>March 21, 2012</p> <p>The project takes into account for most risks, particularly climate change. A major risk for climate change in terms of mapping biodiversity is that over time species will need to migrate to higher</p>	

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		<p>elevations. The project is designed in such a way to strengthen forest and other habitat corridors that can be used so species can reach higher refugia.</p> <p>One risk that is not adequately addressed is financial sustainability. See comment 15 above in this regard.</p>	
	<p>19. Is the project consistent and properly coordinated with other related initiatives in the country or in the region?</p>	<p>March 21, 2012</p> <p>Yes. The PIF explains how it is related to several important initiatives relating to protected areas, sustainable land management, and the mainstreaming of biodiversity conservation.</p>	
	<p>20. Is the project implementation/ execution arrangement adequate?</p>	<p>March 21, 2012</p> <p>Yes. UNDP has an office in country, with four natural resource specialists who will work full-time in monitoring the project and providing oversight. This team will also be provided with technical backstopping from UNDP's office in Panama.</p>	
	<p>21. Is the project structure sufficiently close to what was presented at PIF, with clear justifications for changes?</p>		
	<p>22. If there is a non-grant instrument in the project, is there a reasonable calendar of reflows included?</p>		
	<p>23. Is funding level for project management cost appropriate?</p>	<p>March 21, 2012</p> <p>Yes. The portion to the GEF to cover management costs is limited to 5%. Total project management costs are also</p>	

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Project Financing		5% of the total.	
	24. Is the funding and co-financing per objective appropriate and adequate to achieve the expected outcomes and outputs?	<p>March 21, 2012</p> <p>The project is quite ambitious in that it will address protected areas, mainstreaming, and capacity building to enhance the ability of local authorities to practice conservation at a landscape level through the REDS. It also proposes a long list of outputs. (Table b is two pages long.) The GEF grant of \$7 million, combined with \$38.9 million appears to be appropriate to the scale of the tasks.</p> <p>The mix of funding between protected area management strengthening, support for landscape level conservation, and mainstreaming in productive sectors appears to be appropriate.</p>	
	25. At PIF: comment on the indicated cofinancing; At CEO endorsement: indicate if confirmed co-financing is provided.	<p>March 21, 2012</p> <p>The project has a co-financing ratio of 1:4.48. All cofinancing is in grant form, and significant support will come from the national forestry fund.</p>	
	26. Is the co-financing amount that the Agency is bringing to the project in line with its role?	<p>March 21, 2012</p> <p>UNDP is bringing \$800,000 in grant financing to this project. It should be noted that this is a higher grant level than UNDP has been able to bring to similar projects in the past.</p>	
Project Monitoring and Evaluation	27. Have the appropriate Tracking Tools been included with information for all relevant indicators, as applicable?		

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	28. Does the proposal include a budgeted M&E Plan that monitors and measures results with indicators and targets?		
Agency Responses	29. Has the Agency responded adequately to comments from:		
	• STAP?	NA	NA
	• Convention Secretariat?	NA	
	• Council comments?		
	• Other GEF Agencies?		
Secretariat Recommendation			
Recommendation at PIF Stage	30. Is PIF clearance/approval being recommended?	March 21, 2012 Yes.	
	31. Items to consider at CEO endorsement/approval.	March 21, 2012 The GEF Secretariat requests that four issues be addressed in the final project document for CEO endorsement. 1. (Mentioned in comment 15.) How will funding from FONADEF be structured to support forest and biodiversity conservation? Also, please consider what market-based measures could be introduced to incentivize conservation, such as PES or reforms to enable producers to benefit from price differentials for biodiversity-friendly products, like shade coffee. 2. (From comment 16). Please specify two socioeconomic indicators that will be tracked over the life of the project, with baseline information, so that the extent to which the project provides socioeconomic benefits can be	

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		<p>tracked.</p> <p>3. (From comment 17). Please clarify how independent local community-based organizations and NGOs will be involved in the project.</p> <p>4. We note with interest the statements that the project will use Important Bird Areas in the Sierra Maestra as "reference points" for the project. The GEF Secretariat encourages UNDP to consider a croissant he experimental design for this project, using these sites as reference points.</p>	
Recommendation at CEO Endorsement/ Approval	32. At endorsement/approval, did Agency include the progress of PPG with clear information of commitment status of the PPG?		
	33. Is CEO endorsement/approval being recommended?		
Review Date (s)	First review*	March 21, 2012	
	Additional review (as necessary)		
	Additional review (as necessary)		
	Additional review (as necessary)		
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* **This is the first time the Program Manager provides full comments for the project. Subsequent follow-up reviews should be recorded. For specific comments for each section, please insert a date after comments. Greyed areas in each section do not need comments.**

REQUEST FOR PPG APPROVAL

Review Criteria	Decision Points	Program Manager Comments
PPG Budget	1. Are the proposed activities for project preparation appropriate?	<p>March 22, 2012</p> <p>Yes. There are three elements that will be supported: validation of the target sites</p>

		and development of baselines, in-depth analysis of national and local capacities, and development of key project design elements. We believe these are essential to the project.
	2. Is itemized budget justified?	March 22, 2012 Yes, the total GF grant request is \$99, 875, and the individual budget items are reasonable.
Secretariat Recommendation	3. Is PPG approval being recommended?	March 22, 2012 Yes, we recommend for approval.
	4. Other comments	March 22, 2012 Consistent with comments provided in line 31 of the PIF review, we urge UNDP to collect baseline information not only on biological and ecosystem issues, but also the socioeconomic indicators that will be tracked, to identify the independent CSOs and NGOs that will be involved in the project, to recommend market-based incentive schemes that could be piloted under this project, and consider whether a quasi-experimental approach can be employed for the project or at least for specific sites.
Review Date (s)	First review*	March 22, 2012
	Additional review (as necessary)	

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