



# GEF-6 REQUEST FOR PROJECT ENDORSEMENT/APPROVAL

PROJECT TYPE: MEDIUM-SIZED PROJECT

TYPE OF TRUST FUND: GEF TRUST FUND

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## PART I: PROJECT INFORMATION

Project Title: Low-carbon transport systems in the City of La Havana			
Country(ies):	Cuba	GEF Project ID: <sup>1</sup>	9706
GEF Agency(ies):	UNDP	GEF Agency Project ID:	5653
Other Executing Partner(s):	The General Division of Transport for La Habana (DGTPH), acting as the leader partner, in collaboration with Ministry of Transport (MITRANS) and the Provincial Directorate for La Havana Landscape Planning (DPPF).	Submission Date:	June 29, 2018
GEF Focal Area (s):	Climate Change	Project Duration (Months)	48
Integrated Approach Pilot	IAP-Cities <input type="checkbox"/> IAP-Commodities <input type="checkbox"/> IAP-Food Security <input type="checkbox"/>	Corporate Program: SGP <input type="checkbox"/>	
Name of Parent Program	[if applicable]	Agency Fee (\$)	186,118

## A. FOCAL AREA STRATEGY FRAMEWORK AND OTHER PROGRAM STRATEGIES<sup>2</sup>

Focal Area Objectives/Programs	Focal Area Outcomes	Trust Fund	(in \$)	
			GEF Project Financing	Co-financing
CCM-2 Program 3	Outcome B. Policy, planning and regulatory frameworks foster accelerated low GHG development and emissions mitigation.	GEFTF	1,959,132	15,400,000
<b>Total project costs</b>			1,959,132	15,400,000

## B. PROJECT DESCRIPTION SUMMARY

<b>Project Objective:</b> To promote the implementation of a low-carbon urban transport system in the City of La Havana.						
Project Components/ Programs	Financing Type <sup>3</sup>	Project Outcomes	Project Outputs	Trust Fund	(in \$)	
					GEF Project Financing	Confirmed Co-financing
1. Increasing national capacities for the low-carbon urban transport system	TA	1.1 An updated regulatory and operational framework for sustainable public transport, fostering sustainable mobility and a more resilient urban environment.	1.1.1 An integrated and coherent “ <i>Urban Transport Development Program for the City of La Havana</i> ” with “ <i>the Land Use and Urban Master Plan</i> ” by: <ul style="list-style-type: none"> <li>i. strengthening institutional coordination between national government policymakers and city authorities,</li> <li>ii. building capacity for</li> </ul>	GEFTF	365,000	600,000

<sup>1</sup> Project ID number remains the same as the assigned PIF number.

<sup>2</sup> When completing Table A, refer to the excerpts on [GEF 6 Results Frameworks for GETF, LDCF and SCCF](#) and [CBIT programming directions](#).

<sup>3</sup> Financing type can be either investment or technical assistance.

			<p>public officers on climate change mitigation in low-carbon urban transport, and</p> <p>iii. increasing a gender equality and age population approach associated to urban transport policies.</p> <p>1.1.2 Regulatory framework for the low-carbon, urban transport plan revised, updated, and validated with key stakeholders.</p> <p>1.1.3 An integrated scheme with technical specifications, standards and alternative public procurement guidelines, associated with the integral planning of the Bus Rapid Transit (BRT) Network and a Public Bicycle System (PBS) related to end-users (cyclists), road infrastructure (cycle lanes, signage, right of way), and servicing; developed and validated with key stakeholders, incorporating gender and aging population challenges.</p> <p>1.1.4 A Monitoring, Reporting and Verification (MRV) system for urban transport methodologies is incorporated into the City of La Havana urban planning and design, including ICTs (geospatial data), sustainability indicators for quality control of public transport services, and GHG environmental impact measures.</p>			
2. Enabling an integrated urban transport system for the City of La Havana	TA	2.1 Enhanced public transport system through Public Bicycle System (PBS), and Transport Oriented	2.1.1 TOD measures integrated into the design of the BRT Network,	GEFTF	1,146,029	4,600,000

		Development (TOD).	<p>including:</p> <ul style="list-style-type: none"> <li>i. Traffic management projects (design urban facilities at local connecting points, traffic light systems, improved feeder routes, pedestrian and bicycle-friendly pathways),</li> <li>ii. Traffic management measures (parking charges and restrictions, one-way streets, reversible lanes, traffic signs, exclusive bus lanes).</li> </ul> <p>2.1.2 PBS City network system designed, including:</p> <ul style="list-style-type: none"> <li>i. the design of infrastructural works,</li> <li>ii. improving public safety in accessing the new system,</li> <li>iii. the design of a signal system for bikers and right of way for pedestrians and motorized drivers, and</li> <li>iv. creating management conditions for operations and servicing (rentals, maintenance, repairs and spare parts supply).</li> </ul> <p>2.1.3 A public awareness and communication strategy for low-carbon public transportation systems (e.g. best practices for bus drivers, changing mobility behaviour of passengers) is designed and implemented.</p>			
	INV	2.2 Innovative pilot interventions on low-carbon investments in urban transport validated.	2.2.1 Three TOD pilot measures in selected public switching-bus stations implemented and lessons learned documented. These	GEFTF	220,000	8,400,000

			<p>will consider traffic management measures, traffic management projects, strengthening of small-scale traffic infrastructure and public transport systems, strengthening of gender equality, aging population, and community safety improvement.</p> <p>2.2.2 A PBS pilot project implemented and lessons learned documented. Their location will be determined in three corridors proposed with high visibility for the urban passengers and will include the construction of bicycle paths and pedestrian crossings with a signal code system in place, including the strengthening of gender equality policies.</p>			
3. Monitoring and Evaluation	TA	3.1 Programmatic monitoring of project indicators together with a review of on-going activities to ensure successful project implementation.	<p>3.1.1 At least one meeting of the Project Steering Committee held every six months.</p> <p>3.1.2 Annual progress reports in accordance with the established monitoring plan agreed in the ProDoc.</p> <p>3.1.3 Mid-term review performed, if needed, and terminal project evaluation conducted.</p>	GEFTF	50,000	100,000
Subtotal					1,781,029	13,700,000
Project Management Cost (PMC) <sup>4</sup>				GEFTF	178,103	1,700,000
<b>Total project costs</b>					1,959,132	15,400,000

**C. CONFIRMED SOURCES OF CO-FINANCING FOR THE PROJECT BY NAME AND BY TYPE**

Please include evidence for co-financing for the project with this form.

Sources of Co-financing	Name of Co-financier	Type of Cofinancing	Amount (\$)
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<sup>4</sup> For GEF Project Financing up to \$2 million, PMC could be up to 10% of the subtotal; above \$2 million, PMC could be up to 5% of the subtotal. PMC should be charged proportionately to focal areas based on focal area project financing amount in Table D below.

Recipient Government	General Division of Transport for La Habana (DGTH)	In-kind	60,000
Recipient Government	General Division of Transport for La Habana (DGTH)	Cash	15,250,000
Recipient Government	CUBAENERGIA	In-kind	20,000
Recipient Government	CIMAB	In-kind	20,000
GEF Agency	UNDP	In-kind	50,000
<b>Total Co-financing</b>			<b>15,400,000</b>

**D. TRUST FUND RESOURCES REQUESTED BY AGENCY(IES), COUNTRY(IES), FOCAL AREA AND THE PROGRAMMING OF FUNDS**

GEF Agency	Trust Fund	Country Name/Global	Focal Area	Programming of Funds	(in \$)		
					GEF Project Financing (a)	Agency Fee <sup>a)</sup> (b) <sup>2</sup>	Total (c)=a+b
UNDP	GEFTF	Cuba	Climate Change		1,959,132	186,118	2,145,250
<b>Total Grant Resources</b>					1,959,132	186,118	2,145,250

a ) Refer to the Fee Policy for GEF Partner Agencies

## E. PROJECT'S TARGET CONTRIBUTIONS TO GLOBAL ENVIRONMENTAL BENEFITS<sup>5</sup>

Provide the expected project targets as appropriate.

Corporate Results	Replenishment Targets	Project Targets
4. Support to transformational shifts towards a low-emission and resilient development path	750 million tons of CO <sub>2e</sub> mitigated (include both direct and indirect)	395,778 metric tons of CO <sub>2e</sub> mitigated

## F. DOES THE PROJECT INCLUDE A “NON-GRANT” INSTRUMENT? (Select)

(If non-grant instruments are used, provide an indicative calendar of expected reflows to your Agency and to the GEF/LDCF/SCCF/CBIT Trust Fund) in Annex D.

## PART II: PROJECT JUSTIFICATION

### A. DESCRIBE ANY CHANGES IN ALIGNMENT WITH THE PROJECT DESIGN WITH THE ORIGINAL PIF<sup>6</sup>

- Activities carried out during the PPG phase were aimed at complementing information and validating the assumptions underlying the Project Identification Form (PIF), as well as defining the role of project counterparts. After an extended participatory process (please refer to Table 10.b of Annex 10: *Main engagement activities carried out to involve stakeholders*), some adjustments were made to the original project strategy (as outlined in the PIF) in order to respond to changes in project institutional context and the identified stakeholders. The Table below shows an overview of stakeholder additions made in alignment between the project design at the ProDoc stage and the original PIF.

Changes in Project's Strategic Results Framework between PIF and CEO ER	
Additional stakeholders integrated at the PPG stage	Comments / Rational for additions
Ministry for Foreign Trade and Foreign Investment (MINCEX)	MINCEX is the national public authority in charge of coordinating the international cooperation agenda in Cuba. It has been also been incorporated as one an Executive Member of the National Steering Committee (please refer to Figure: “Project Organization Structure” in Section A.6)
Beneficiaries	In the governance of the Republic of Cuba and for the purposes of the project, the beneficiaries are the citizens, who organize at different social and territorial levels, propose and elect public authorities through municipal and provincial assemblies. Citizens are the ultimate target to whom the alternative option on sustainable urban transport will bring direct benefits. They are also the users of the system who evaluate the quality of the service through the corresponding assemblies of the Popular Councils of the geographic areas involved in the project.
City Transport Operators	This is a group of stakeholders made up of the Havana Provincial Company Operator, Transport Cooperatives, self-employed workers ( <i>cuenta-propistas</i> ) and other state-owned public transport enterprises. Preliminary discussions with the representatives of these operators during the PPG phase indicated that further work sessions are required with the DGTPH and the DPPF

<sup>5</sup> Update the applicable indicators provided at PIF stage. Progress in programming against these targets for the projects per the *Corporate Results Framework* in the [GEF-6 Programming Directions](#), will be aggregated and reported during mid-term and at the conclusion of the replenishment period.

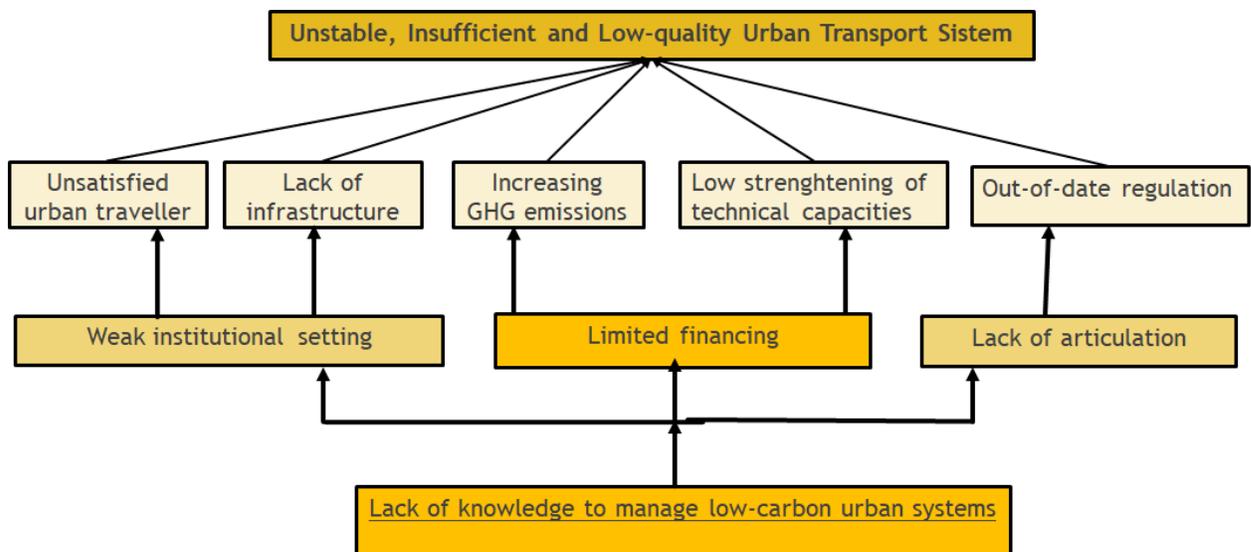
<sup>6</sup> For questions A.1 –A.7 in Part II, if there are no changes since PIF, no need to respond, please enter “NA” after the respective question.

	<p>regarding a joint vision for the development of city urban transport.</p> <p>Also, during the implementation of the PPG, it was found that a smooth interaction between the Project Management Unit (PMU) and the City Transport Operators will be critical for project success, so the project will need to build a fluid partnership with them.</p>
The Technology University of La Havana (CUJAE) instead of The Polytechnic Institute of Education (IPSJAE)	At the PIF stage, the Polytechnic Institute of Education (IPSJAE), was named as the academic institution to provide technical knowledge and academic support to the DGTPH on topics related to urban transport. However, during the PPG, the authorities considered that the Technology University of La Havana (CUJAE) will play a more suitable role in order to provide technical assistance and support for the PMU on capacity building, knowledge learning and information dissemination on topics related to urban transport, from the academic perspective.
The University Student Federation (FEU)	FEU, which was not referred in the PIF, represents the interests of university students at the national level. It will participate as a direct beneficiary and will be responsible for the operation of the one planned PBS station under Output 2.2.2. FEU will also support the public awareness and communication campaign on low-carbon public transport system and sustainable mobility under Output 2.1.3.
Latin American Faculty of Social Sciences (FLACSO)	FLACSO is an academic institution that will assist the project technically in integrating knowledge management on social inequalities and equity policies, among other socially-oriented areas. Its role in the project is critical to ensuring gender mainstreaming programs in public urban transport policies and was not referred before as a stakeholder during the preparation and submission of the PIF.
The Historian Office of the City of La Havana	This office is in charge of implementing the Master Plan of the Historic Center, as a methodological and coordination public entity. It will provide theoretical and practical experiences for the overall implementation of the project's pilot interventions and on issues of sustainable mobility and urban design (Outcome 2.2).
Project Enterprises and the National Union of Architects and Engineers of the Construction of Cuba (UNAICC)	The DGTPH, as part of the implementation of the on-going “Urban Transport Development Plan of La Havana”, has established contractual relationships with several design companies (project enterprises) in the city and with UNAICC to execute projects for transport infrastructure works. Both stakeholders will be in charge of supporting and providing technical advice on the activities related to the implementation of the pilot projects and DOT measures, mostly under Component II. They were not referred before as stakeholders during the preparation and submission of the PIF.
The Federation of Cuban Women (FMC)	Within the framework of the project, FMC is responsible for supporting and advising on the implementation of the gender approach throughout the whole project as per the Gender Analysis and Action Plan (Annex 12). FMC will also support the public awareness and communication campaign on the low-carbon public transport system and sustainable mobility (Outcome 2.1). FMC was not referred before as a stakeholder during the preparation and submission of the PIF.
<b>Increase GEBs</b>	<p>The PIF preliminary calculation of total accumulative CO<sub>2</sub> emission savings accounted for 218,598 tCO<sub>2</sub> in 20 years.</p> <p>In accordance with the <i>Transportation Emissions Evaluation Model for Projects</i> (TEEMP) Manual of the “Global Environmental Facility Transportation Projects” used during the PPG, it is expected that the project will provide global environmental benefits in terms of <u>direct</u> emission savings of at least 69,242 tCO<sub>2</sub>eq in 4 years as well as <u>consequential</u> savings of at least 326,536 tCO<sub>2</sub>eq in the 10 years after the project completion.</p> <p>Total lifetime direct and consequential GHG emissions avoided: 395,778 tCO<sub>2</sub>eq.</p>

### A.1. Project Description.

#### 1) The global environmental and/or adaptation problems, root causes and barriers that need to be addressed;

2. Data from the Cuban Statistical Yearbook (2015) indicate that, during 2012, of the total GHG emissions, energy consumption accounted for 29,442.46 Gg, of which 11.09% was due to the transport sector. When comparing the previous values with those reported in 1990, these figures have decreased by 48% without including private vehicles, but if analyzed in relation to 2010, an increase of 184.14 Gg is observed. The fluctuation existing in the period 1990-2012 is the product of dissimilar causes, among which are the acute crisis of the “*Special Period*”, linked to the economic crisis of the early 1990s that sharply reduced the capacity of urban transportation. The Cuban vehicle fleet is produced by different auto makers from around the world using a diverse set of manufacturing techniques and it is exceeding its useful life thanks to the prolonged period of exploitation. Although the city has a very low-level of motorization, the operational conditions of the fleet and low energy efficiency induce high levels of GHG emissions that contribute to global warming and affect air quality.
  
3. With respect to the magnitude of the problem in the city, taking 2013 as a reference year for the development of the baseline scenario, the urban public transport system for the general public consists of 229 units in the main servicing lines and 187 units in the adjacent feeding routes; all together, this array was responsible for 118.99 kt of CO<sub>2</sub>eq to serve an activity level of 572.5 million passengers transported annually, which is far below the current mobility needs of the metropolitan population. The results of the GHG inventory as per the Second National Communication (2016) show that the transport sector does not represent an important segment that drives the growth of CO<sub>2</sub> emissions in the current Cuban context; however, the slow economic recovery, among other factors, restricts the modernization of the urban transport fleet and limits access to other urban transport technologies. This leads to a reverse trend, especially due to the increasing consumption of hydrocarbons and their quality what influences in the high content of sulfur that contains the diesel-oil, due to crumbling refineries that process the crude oil. This has meant that it is only possible to use engines of up to EURO-2 and 3 to increase the vehicle fleet required to provide the passenger transportation service demanded by the city. This trend would lead to an important increase in GHG emissions in general and CO<sub>2</sub> emissions per capita in particular, this being an emerging challenge for the country's climate change mitigation policy.
  
4. Therefore, the development challenge is to improve the public transportation service, which has been characterized throughout the years as unstable, insufficient and of low quality, even at times of greater transportation capacity. The current situation of this public service leads to a series of social, institutional and environmental externalities, including the lack of an integrated, high quality mobility system linked to an optimal urban organization, as well as a tendency to increase GHG emissions, contributing to global warming due to the growth of an inefficient automotive fleet running on diesel and gasoline, just to under-satisfy the urban mobility needs of La Havana’s population (see Figure below–Problem Tree Analysis).



5. During the analysis of the development challenge carried out in the preparation of the problem tree as per the Figure 1 shown above<sup>7</sup>, three different levels of causes can be distinguished: immediate causes, underlying causes and root causes. Three immediate causes were identified:
- i. An out-of-date regulatory framework, basically due to obsolete standards and technical norms and other organizational procedures related to planning, operation, maintenance and repairs, for instance, by not considering new means of urban transport systems and accessibility, such as the use of public bike paths, reserved lanes for public transportation and modern traffic signal systems. On the other hand, public financing for City Transport Operators should correspond to their compliance with sustainable indicators for measuring their efficiency and quality.
  - ii. Unfavorable condition of the transport infrastructure and the scarce means of transport available, for instance, only 19.4% of the roads in the entire city are in good condition; 25% of the bus stops have rooftops in decent shape to protect passengers from very hot weather conditions and the whole metropolitan region lacks convenient switching stations. Although Cuba has made investments to improve urban infrastructure in recent years, more is needed to fully satisfy the growing demand for other innovative low-carbon urban transport measures.
  - iii. Poor management of the urban transport operating system, which in the case of state-owned transport companies is due to the limited bus fleet available, the lack of technical compliance and the deficit of qualified personnel. The services on their own are poorly attended, expensive, and in many situations, the vehicles do not meet appropriate operating conditions.
6. Three major underlying causes can be identified as the basis of the immediate causes mentioned above. One is the current institutional framework, characterized by an early stage of consolidation, which is not enough to achieve the right balance between the interests and needs of urban travelers for both locals and tourists, regulators, city transport operators, and those of the La Havana provincial authorities. The other is the lack of articulation to implement more climate-resilient public policies on urban transportation and mobility together with the urban development plans. The third one, the constrained implementation of market-oriented mechanisms to finance large investments in the urban transport system due to:
- i. budgetary constraints of the central state for financing infrastructure for multi-modal transportation,
  - ii. lack of experience in the search for other sources of financing rather than direct public budget allocations, and
  - iii. the absence of international lending sources obligated by the US sanctions that prevent the Republic of Cuba from accessing flexible international credit lines for financing public infrastructure.
7. One main root cause deserves particular attention: the lack of knowledge to manage low-carbon urban systems adjusted to the socio-economic and environmental (climatic) conditions of the City. Cuba has made impressive progress in establishing national strategies for social and environmental sustainability, but its practical impact on the transport sector (including urban mobility) has been weak, highlighting the need for strengthening this framework in terms of innovative knowledge, monitoring and evaluation tools and updating of the institutional structures.

## 2) The baseline scenario or any associated baseline projects,

8. Cuba is located in the northern Caribbean Sea and south of the Tropic of Cancer. Due to its inland extension, this island is considered the largest of the Antilles. Starting in 2011, a new political-administrative division was established, organized in 15 provinces and 169 municipalities, including the special municipality of *Isla de la*

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<sup>7</sup> Project Document Working Group. "Relatoría del Taller Teoría de Cambio", 2017.

*Juventud*. La Havana, since its founding as the nation's capital, has been the main center of cultural and commercial activities and one of the most active urban settings in the Hispano-American region of this Continent; it is a singular city for the conservation of exceptional urban environment and architectural values accumulated in its five centuries of existence. Its history, architecture and urban layout have been favoured by the presence of a diverse natural environment that exalts its image, with an extensive coastline, the bay, beaches, a favourable climate, together with the vegetation and a topography in the form of terraces towards the ocean shore, which made La Havana deserving of being designated one of the wonder cities of the world. The city has an extension of 726.75 square kilometres (km<sup>2</sup>) in only 0.7% of the national territory with a population of 2.13 million inhabitants, which represents a density of 80 inhabitants per hectare of urban land. It is divided into 15 municipalities, where the most densely populated are *Centro Havana*, *Old Havana*, *Diez de Octubre* and *Plaza de la Revolución*.

9. Currently, La Havana does not have a system of consolidated centers that is capable of effectively structuring the whole of its diverse metropolitan area. The strong monocentric setting towards the Center (*Centro Havana*, *Old Havana*, and *Plaza de la Revolución*) and the deficient conditions of the existing collective urban transport force a significant part of its urban population -residing in the most distant areas of the central zone- to expend excessive traveling time by different means. Of about 4.6 million trips per day, road modal split data gathering is 57.3% by foot, with an average distance of one kilometre per trip, 21.1% is served by a state-owned fleet of a motorized, diesel-powered bus and mini-bus fleet<sup>8</sup>, 10.9% by private and state-owned vehicles, 4.7% by taxi, 4.2% by other means (rickshaw, boats and horse carts) and only 2% by bicycle<sup>9</sup>. The average distance is 6.2 kilometres (km) per trip between home and destination, being influenced by trips on foot and by car. The purpose of travel is distributed by percentage: work 27.5%, study 5.4%, home return 45.5% and socio-cultural activities 21.6%.
10. From the highway network setting, the Province of La Havana has a road network amounting to 3,330 km, of all functional categories, representing a density of 4.58 km/km<sup>2</sup> and an approximate indicator of 0.16 km/100 inhabitants. This road network has a semi-concentric radial distribution towards the City Center, where the main road axes converge, also coinciding with the main highways that link the Province with the rest of the national territory. However, there are problems of connectivity and accessibility since there is no communication via express and arterial routes in the East-West direction due to the lack of continuity in this direction; in other boroughs the secondary roads have a low coefficient of connectivity. Of the main urban roads, approximately 30% are in regular and poor condition; in secondary roads the situation is more critical with 78% in a bad shape and 15% in regular condition.
11. The public transport system in Cuba is a service carried out in the interest of the citizens, however, despite the efforts made in the midst of the serious economic limitations to which the country has been exposed since the triumph of the Revolution, this service is still being provided, but it is not meeting the high demand of the urban population. At the beginning of the 1980s, the Urban Omnibus Company of Havana had a fleet of 2,200 units operating daily, although this operation was unable to meet the demand of mobilizing 4.3 million passengers per day offering 30,000 trips. The public transport system inherited an inefficient network from the pre-revolutionary period characterized by two competing private operating companies, which caused parallel, sinuous and overlapping routes. Beginning in 1983, with the completion of the "*Integral Urban Transport Development Plan of La Havana*", significant actions started to improve this public service, for instance, by building nine bus terminals and increasing the bus fleet, as well as the development of a better structure for the public transport network; a Plan which was prevented by the so called "*Special Period*" linked to the economic crisis of the early 1990s that sharply reduced the capacity of urban transportation. This situation started to recover from 2007 onwards by increasing the size of the public fleet, restructuring the main road system and with the recent rearrangement of the feeder routes network. Nowadays, the bus fleet has reached 1,000 units between articulated and conventional buses, with around 750 units in daily operation, offering more than 8,930 daily trips and transporting 1.17 million passengers daily;

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<sup>8</sup> These are the *City Transport Operators*, a group of stakeholders made up of the Havana Provincial Company Operator, Transport Cooperatives, self-employed workers (*cuenta-propistas*) and other state-owned public transport enterprises.

<sup>9</sup> CIMAB, "*Movilidad de la Población en La Habana: Informe de Resultados de la Encuesta*", p. 18, March 2014.

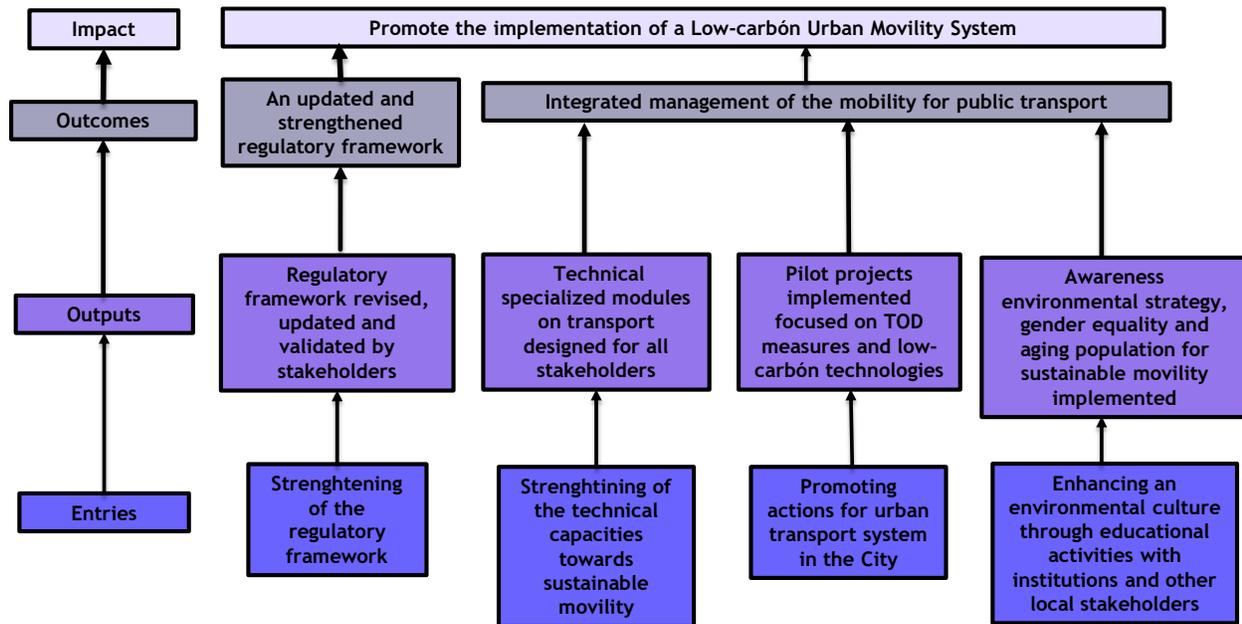
however, it is not yet able to satisfy existing demand, since only 50% of the demand is served by the current operation.

**3) The proposed alternative scenario, GEF focal area<sup>10</sup> strategies, with a brief description of expected outcomes and components of the project,**

12. The project’s vision is to set up an effective transition towards the implementation of a low-carbon urban transport system in the City of La Havana and deliver multiple benefits -at local and global levels- through the integration of urban transport with land use and planning and urban mobility. This vision is achieved by direct interventions on the immediate and underlying causes identified above. The project will provide institutional and capacity-building support, incorporating a break-through experience for UNDP and GEF in Cuba by contributing to coping with a serious development challenge – that of increasing the efficiency of the urban transport service in the city through an alternative low-carbon path.

13. As summarized from the Theory of Change analysis, the Figure below shows that the alternative path proposed by the project (*entries*) is geared at:

- i. Strengthening the regulatory framework
- ii. Preparing the human capital in the urban transport sector on issues of sustainable mobility
- iii. Promoting actions for a low-carbon urban transport system for the City of La Havana
- iv. Increasing an environmental culture through educational activities with other local stakeholders.



14. The expected *outputs* in overcoming the identified barriers and their causes which were identified in the previous section, are:

- i. Strengthened institutions –such as the General Division of Transport of La Habana (DGTPH)- should be better positioned in the inspection and control of public transport quality to understand and implement integrated policies and the regulatory framework aimed at reducing GHG emissions from urban transport in the city. The project is also expected to facilitate cultural change by integrating urban transport with the on-going efforts to recover the historic layout of the city, in accordance with its long-term “*Land Use and Urban Master Plan*”.

<sup>10</sup> For biodiversity projects, in addition to explaining the project’s consistency with the biodiversity focal area strategy, objectives and programs, please also describe which [Aichi Target\(s\)](#) the project will directly contribute to achieving..

- ii. Strengthened institutions include a beneficiary-oriented path that will give more attention to social demands beyond transport quality, and therefore align the public transport sector with other public policies in terms of giving women access to employment opportunities and customizing their services to the needs of women and other social groups such as children, the elderly and the growing tourist industry.
- iii. City Transport Operators are expected to become increasingly interested in the proposed alternatives with capacity to play a more decisive role in increasing public transport quality, such as their acceptance to the execution of Transit Oriented Development (TOD) measures, as a result of changes in regulation and capacity-building (as described in the “*Stakeholder Engagement Plan*” in Annex 10).
- iv. Cultural change would be made possible by addressing the concerns of the beneficiaries (end-users) and private motorized drivers, such as the old pre-American 1959 state-owned collective taxis (the so-called “almendrones”) and engage them in the implementation of the traffic management projects and measures and the proposed Public Bicycle System (PBS).

### ***The project approach***

- 15. There is a broad consensus on the financial difficulties faced by the national government in its efforts to promote sustainable transport for the City of La Havana, as clearly stated in the policy approved by the Council of Ministers at the level of La Havana -adopted in the “*Urban Transport Development Program for La Havana*”- officially approved in 2013 by the Ministry of Transport (MITRANS). These difficulties are mainly due to the lack of limited implementation of market-oriented mechanisms to finance large investments in the urban transport system. This historical situation, in the first place, leads to the need to strengthen the new institutional setting, mainly the DGTPH, to implement public policies more resilient to climate change related to urban transport and mobility, aligned with existing urban development plans.
- 16. Progress has been observed in recent years and a relevant element has been, for example, the creation of the DGTPH, based on the “*Integral Policy for the Ordering of Passenger Transport in La Havana*” and approved in 2013 by agreement of the Board of Ministers. Although this action reached certain levels of coordination with the territorial policies of urban planning, it is recognized that there is an outdated regulatory framework at both national and local levels. In fact, the DGTPH is the only authority of its kind in the whole country, which makes La Havana an advanced case in the separation of state and business roles.
- 17. In general it can be asserted that there is an institutional environment in full transformation phase coming from the recent institutional modifications, and therefore still weak, that among other aspects suffers from the limited implementation of financial mechanisms aimed at addressing the large investments required by the public transport system. This framework must deal with an unfavorable situation of the infrastructure and scarce means of transport available, which make the demand for mobility much greater than the supply. At the same time, there is a lack of articulation for the implementation of public policies that, by integrating urban development plans and mobility, make cities more resilient in the face of climate change.
- 18. The project is expected to attend to these challenges and lead the change in an integrated way. The approach is based on the strengthened public institutional framework leading the urban transport sector at the provincial level to plan for an alternative, low-carbon path based on the assessment, capacity building and knowledge transfer needed to set innovative concepts and technologies in place. This approach promotes a collaborative planning environment integrating urban transport practitioners, land-management planners and the beneficiaries. The originality of the project’s approach lays in the attempt to provide an integrated, collaborative framework for the stakeholders to act together and move forward from innovative and revised regulations to pilots’ implementation (*outcomes*).

19. This approach pays particular attention to the regulatory environment, so that a set of revised regulations, better aligned with GHG reduction objectives and with the overall long-term mobility vision, can be developed. Barriers are expected to be approached in a significant manner through demonstration (Outcome 2.2 on TOD and the PBS). In this regard, there is wide evidence on the impact that successful pilots can have on urban mobility policies, as shown in many UNDP/GEF projects elsewhere, and similar programs from other organizations. Of greater importance for the main impact of the project is the foreseen opportunity to participate in the GEF Sustainable Cities Integrated Approach Pilot Program. Urban mobility plays a central role within the integrated approach encouraged by the Program, and this project is expected to actively participate in the urban transport knowledge exchange within this global platform.
20. The project aims to build a collaborative environment, putting together national and provincial efforts, getting stakeholders fully involved, and putting urban travelers' needs at the core of the activities. Learning from very recent experience and as a result of the modification in the institutional setting to deal with the urban transport challenge in the city, the DGTPH has undertaken significant leadership to integrate the regulatory and technological aspects of the selected implementing strategy. This project offers the possibility of supporting an integrated approach, mobilizing stakeholders, influencing through a process of sensitization, modifying traditional approaches and mitigating resistance to change, allowing a transition towards low-carbon mobility in the City of La Havana.
21. As indicated in Figure above, the objective of this project is to promote the implementation of a low-carbon urban transport system in the City of La Havana. This *impact* is clearly linked to UNDAF/CPD Outcome 28 "*Communities and key sectors develop and increase energy efficiency and the use of renewable energy*" in a way to reduce dependence on the consumption of diesel and gasoline due to the obsolete and old-fashioned fleet currently in operation for urban transport in the city. Additionally, the project is aligned with UNDP Strategic Plan Output 1.5 "*Inclusive and sustainable solutions adopted to achieve increased energy efficiency and universal modern energy access (especially off-grid sources of renewable energy)*".

#### **Expected Results:**

22. Cuba, and its capital city in particular, offer great prospects for successfully demonstrating how a large metropolitan region in the Caribbean could become less motorized car-dependent with the implementation of an alternative path based on more sustainable means of urban transport. In accordance with its national policy stated in the "*Urban Transport Development Program for La Havana*", the contributions expected from this UNDP/GEF project should facilitate the implementation of this Plan by taking action in two stages.
23. The first stage will focus on fostering a more resilient city by adopting an integrated approach and coherent urban transport plan for the city aligned with the existing "*Land Use and Urban Master Plan*", improving institutional capabilities, empowering stakeholders, updating the current system of urban transport regulations regarding low-carbon measures, and in particular, incorporating appropriate technical and operational guidelines for a PBS system in tune with an integrated urban transport system. The second stage is to enable an integrated public transport system to increase urban mobility over the long-run that would enhance global environmental benefits and the city's empowerment over time with the execution of innovative pilot interventions to demonstrate progress for a change over the business-as-usual paradigm, for policymakers (national and provincial) and urban passengers (metropolitan citizens and tourists) alike.
24. The project's strategy is based on three principles: (i) an integrated approach, creating synergies among the otherwise poorly coordinated actions and decisions of policy-makers (national and provincial), at the operational level (City Transport Operators) and for the urban user level (a long-lasting chronic reality of the city's public transport); (ii) encouragement of reliable innovation, accompanying decision makers in fostering the necessary structural changes in public transport management and among key stakeholders and practitioners involved in the adoption of low-carbon transport systems and best practices (for instance, increase the institutional capacity of the DGTPH); and (iii) the implementation of pilot programs as an effective way to remove barriers to change, to learn from experience, and to change the historical paradigm in the metropolitan urban transport setting, to accelerate the

adoption of innovative, low-carbon mobility solutions at all levels, from regulators to operators to urban passengers over the long run.

25. The project has two substantive components aligned with three main outcomes, embracing the institutional, regulatory and technological dimensions needed to reach the proposed structural change with regard to low-carbon urban transport in the City of La Havana.
26. **Component 1: Increasing National Capacities for a Low-carbon Urban Transport System**. The heart of this component is to review, update, and make substantive changes to the urban project investments already foreseen in the *“Urban Transport Development Program for La Havana”*, in order to develop and make the transition to a more coherent and integrated low-emission urban transport path for the city and land use, and a mass transit network for efficiency and accessibility in which socially-equitable goals govern policy, planning, and investment decisions, for both the short and long term.
27. This component will be implemented under the leadership of the General Division of Transport for La Habana (DGTPH) (coordination for implementation at the city level), the National Department of Mitigation (CUBAENERGIA) (climate change policies and centralization of decision-making at the national level), the Ministry of Transport (MITRANS) (policies and transport norms) and the Provincial Directorate for Landscape Planning (DPPF, city planning). This component aims at strengthening the current institutional and legal framework for sustainable urban mobility, including capacity building in the key institutions and stakeholders involved. This component will build upon some actions already underway, with one expected outcome.
28. Outcome 1.1: *“An updated regulatory and operational framework for sustainable public transport, fostering sustainable mobility and a more resilient urban environment”*. This outcome is expected to be achieved through four outputs. For the La Havana urban context, public transport improvement measures are heavily dependent on the very diverse cultural environment, the prevailing mobility behaviour based on gathered baseline data mainly on foot (57%), availability of limited financial and technological resources, lack of technical expertise on low-carbon transport systems and out-of-date legal framework.
29. The rationale to explain this outcome and the following four closely-interrelated outputs is that without the GEF, the technological transition to low-carbon mobility will probably progress at a much slower rate. Effectively improving urban transportation in Cuba demands appropriate regulations and technical measures necessary to implement innovative transport demand management measures which are foreseen in the following outputs. Developments related to cultural change in transport operators, decision maker behaviour as well as in developing national capacities, would not happen at the desired speed without GEF resources due to policy fragmentation and the lack of technical knowledge and financial resources.
30. Output 1.1.1: *“An integrated and coherent “Urban Transport Development Program for the City of La Havana with the Land Use and Urban Master Plan”*. This output aims at strengthening institutional coordination between national government policymakers and city authorities and develop capacities of public officers in climate change mitigation or low-carbon urban transport. Its purpose is to increase gender equality and an aging population approach associated with urban transport policies in accordance with the design principles of the Urban Sustainable Mobility Plan (USMP). It will empower the national administration to steer the transition to low-carbon mobility in direct response to their climate change commitments stated in national policies, in particular, in the Nationally Determined Contributions (NDC) for the country and the state-driven policy *“Tarea Vida -Life Task-”*.
31. Output 1.1.2: *“Regulatory framework for the low-carbon, urban transport plan revised, updated, and validated with key stakeholders”*. This output offers a unique and innovative opportunity to tackle a perennial challenge for the City of La Havana regarding its urban transportation system by strengthening the institutional conditions for a thorough revision of current operational regulations and practices in urban public transport. It will define measures to put the beneficiaries (end-users) at the centre of service provision in order to reverse the current situation with

sound regulations for the adoption of TOD measures (initially focusing on public transport buses but with an ambition to expand to other means of urban transportation).

32. Output 1.1.3: *“An integrated scheme with technical specifications, standards, and alternative public procurement guidelines associated with the integral planning of the Bus Rapid Transit (BRT) Network and a Public Bicycle System (PBS)”*.
33. Output 1.1.4. *“A Monitoring, Reporting and Verification (MRV) system for urban transport methodologies is incorporated into the City of La Havana urban planning and design, including ICTs (geospatial data), sustainability indicators for quality control of public transport services, and GHG environmental impact measures”*. The improvement of the MRV system will provide an excellent tool for the DGTPH and City Transport Operators to agree upon adequate measures to improve the quality of public transport services. This output also provides a working space for knowledge exchange with the GPSC on tools for monitoring GHG emissions in city projects.
34. The project will work together with key stakeholders in order to identify a quality plan to make services more attractive; based on the required regulatory changes (Outputs 1.1.2 and 1.1.3). A comprehensive MRV system is essential for supporting the DGTPH in its control and the supervision of service provision by these operators, to encourage the senior management of the City Transport Operators to identify priority areas for improvement within each public transport company, to establish sound plans for attracting new users, and to support the development of more efficient regulations with incentives and disincentives to the operators.
35. Through Component 1, this project will be also linked to the GEF GPSC. Although the project is not a child project of this Program, it will commit GEF funding to engage in the Global Platform’s policy dialogues and benefit from the Program’s technical assistance and learning from other cities on integrated solutions regarding urban transport, urban planning, climate change vulnerability, and other issues of relevance to the global environment. The specific services to be requested include, but are not limited to:
  - i. Assisting in the design of Information and Communication Technologies (ICT), geo-spatial data systems.
  - ii. Defining innovative tools and common metrics -key indicators- for ensuring global environmental solutions.
  - iii. Increasing knowledge on urban city sustainability and urban resilience such as disaggregated information on the types of urban transport emissions, for both public and private motorized drivers.
  - iv. Strengthening coherence and convergent management between land-use planning, urban transport and climate change mitigation policies, with appropriate planning tools and strategies.
36. **Component 2: Enabling an integrated urban transport system for the City of La Havana.** The core of this component is the direct and consequential reduction of GHG emissions from public transport resulting from the implementation of low-carbon, cost-effective pilot measures over the short term (4 years), to sustain the alternative structural change over the medium term (10 years) and long term (20 years). This component will also be implemented under the leadership of the DGTPH (policy-maker for implementation at the city level) but in very close collaboration with three key stakeholders, i.e.: mainly with the MITRANS in charge of national transport policies, the DPPF in charge of urban planning, the City Transport Operators and CUBAENERGIA as a supporting technical team. It will build upon some actions already underway, with two expected outcomes.
37. Outcome 2.1: *“Enhanced public transport system through Public Bicycle System (PBS), and Transit Oriented Development (TOD)”*. This outcome refers to the design and preparation of pilot interventions in selected corridors based on foreseen project strategy through three outputs. This is a critical outcome within the project's strategy, as it will provide most of the expected consequential emissions savings and will make structural change possible. Transit

Oriented Development (TOD) is a planning tool to promote compact cities with high density, diversity of users and socio-economic activities, less dependent on the automobile, at the same time that promote a high pedestrian and bicyclist connectivity and -as an indispensable criterion- connectivity through public transport to meet the needs of mobility of the population.

38. The rationale for this is to create the ground conditions to complement with TOD measures and a PBS system, a long-term solution through the future planning of a BRT system; for which this project will create technical capacities, address cultural changes, and disseminate and replicate the project's activities and outputs to a greater extent in La Havana, while also mobilizing the interest of other provinces on the island facing similar challenges.
39. Output 2.1.1.: *“TOD measures integrated into the design of the BRT Network”*. This output is a sub-element of the integrated planning strategy prepared in Output 1.1.1; it will lead to the development of an integrated and resilient transport plan based on TOD measures compatible with the GEF GP-SCI and integrated into the future design of the BRT System with safety measures for the elderly, women, and children.
40. Output 2.1.2.: *“PBS City network system designed”*. This incremental output considers the design, construction, and management of a Public Bicycle System (PBS) to enhance a more resilient urban transport system. The quality of access routes to the proposed BRT System can be improved with walkways and bicycle path options.
41. Output 2.1.3.: *“A public awareness and communication strategy for low-carbon public transportation systems (e.g. best practices for bus drivers, changing mobility behaviour of passengers) is designed and implemented.”* This output, in line with the *“Stakeholder Engagement Plan for Urban Transport”* (Annex 10 of the ProDoc), will foster debate on sustainable mobility and accelerate the implementation of more collaborative practices in transport planning and the formulation of the USMP. The communication strategy should serve as a platform for dissemination, providing material for other provinces and cities in the country to implement sustainable mobility measures. This strategy will also deal with the gender and aging population gaps for urban travellers identified in the gender analysis (Annex 12 of the ProDoc).
42. Outcome 2.2: *“Innovative pilot interventions on low-carbon investments in urban transport validated”*. This outcome will be geared to the implementation in one pilot area of intervention (demonstration of technological options in the City of La Havana) during project execution, with climate-resilient investments to increase mobility along one of the main lines of the urban corridors, with TOD pilot measures in one of the selected public switching-bus stations as well as the documentation of lessons learned.
43. The rationale for this outcome is that pilots are considered by the project strategy as essential to overcoming current knowledge capacity and cultural behaviour, described above, which make policy-makers and city bus operators sceptical towards new alternatives. The DGTPH will be supporting this outcome, providing the necessary assistance to city bus operators in the piloting interventions. These pilot interventions in selected public switching-bus stations will be executed according to the integrated and resilient transport plan developed in Outcome 2.1.1. This outcome is expected to be achieved through two outputs:
44. Output 2.2.1: *“Three TOD pilot measures in selected public switching-bus stations implemented and lessons learned documented. These will consider traffic management measures, traffic management projects, strengthening of small-scale traffic infrastructure and public transport systems, strengthening of gender equality, aging population, and community safety improvement”*. This output has also considered the introduction of an electric bus. The aim of introducing an electric vehicle for public transportation in the city responds to the need of evaluating this technology in light of the 2013 *“Urban Transport Development Program”* with an innovative e-mobility. The proposed sites for the three TOD pilots will be located in neighbourhoods that are highly visible to local residents and visitors.
45. Output 2.2.2: *“A PBS pilot project implemented and lessons learned documented”*. Their location will be determined in three corridors proposed with high visibility for urban passengers and will include the construction of

bike paths and pedestrian crossings with a signal code system in place, including the strengthening of gender equality policies. This output is aimed at increasing the number of non-motorized transport users, through campaigns to the general public focusing on vulnerable social groups, such as children, teenagers and the elderly and also addressing gender barriers to cycling. It is of greater importance to give priority to vulnerable social groups to enjoy the right to have spare time, like riding a bicycle in many city recreational areas for relaxation, and to tourists to visit historic landmarks.

46. This pilot project for PBS demonstration will be implemented in three locations with high visibility for the urban mobility that will be confirmed during the inception workshop.
47. **Component 3: Monitoring and Evaluation**. This component has been established for project monitoring and evaluation (M&E). It includes a programmatic monitoring of project indicators together with a review of on-going activities to ensure successful project implementation in accordance with UNDP and GEF procedures. The Project Management Unit (see Section VIII below in Section A.6 on *Governance and Management* arrangements for detailed information) will design the project's M&E system and will be responsible for implementing the project's M&E plan, including the project's inception workshop and annual planning workshops. M&E will also include completion of the GEF Tracking Tools.
48. Outcome 3.1 *"Programmatic monitoring of project indicators together with a review of on-going activities to ensure successful project implementation"*. This outcome includes monitoring of outcomes, outputs and activities, budget and monitoring of the Project Risks matrix described in Section A.5 and validating mitigation measures to reduce those unexpected risks. The project –through the PMU- will deliver each year to UNDP the Program of Activities and the procurement plan in order to guarantee Annual Spending Limits (ASLs) assurance.
49. Output 3.1.1 *"At least one meeting of the National Steering Committee held every six months"*. The Project Management Unit (PMU), in coordination with the DGTPH, will organize these biannual meetings to guarantee successful project implementation in accordance with UNDP and GEF procedures and the guidance of this ProDoc and its annexes.
50. Output 3.1.2 *"Annual progress reports in accordance with the established monitoring plan agreed in the ProDoc"*. The National Project Coordinator will prepare annual Project Progress Reports (PPR) and will provide inputs to the UNDP-CO for preparing the annual Project Implementation Report (PIR). These reports will include the Project Results Framework with outcome indicators, baseline and annual target indicators, monitoring of the Project Risks matrix, and identifying potential risks and mitigation measures (see Section VII for further details).
51. Output 3.1.3 *"Mid-term review performed, if needed, and terminal project evaluation conducted"*. The mid-term review will be carried out two years after project start-up, at the latest, and will assess the progress of each project activity and attainment of the project's indicators presented in the Project Results Framework (Annex A) and Multi-annual Work Plan (Annex 01 of the ProDoc). This evaluation will also assess the disbursement of financial resources and co-financing provided by project partners, and it will monitor and assess administrative aspects as agreed upon between UNDP and DGTPH for the execution of the project. The Mid-Term Review (MTR) will also inform the adaptive management of the project and improve its implementation for the remainder of the project's duration. The Terminal Evaluation (TE) aims to evaluate whether all planned project activities have been developed, resources granted by the GEF have been disbursed and spent in line with GEF and UNDP policies and rules, and in accordance with the activities as set-out in the Project Document (ProDoc). The Terminal Evaluation will also extract and identify lessons-learned, how to disseminate them most efficiently and make recommendations to ensure that project results become sustainable.

**4) Incremental/additional cost reasoning and expected contributions from the baseline, the GEFTF and co-financing;**

52. The project design includes a strategy to deliver optimum results with the available resources to move towards a more sustainable path: the urban transport of people; focused on low-cost/high-delivery innovative approaches already tested in other major cities worldwide. In addition, it will provide specific technical assistance to improve the integration of the transport and urban planning sectors through an integrated approach to the planning and allocation of resources, thus optimizing multiple benefits available at the Provincial level. For each action, the use of resources is kept to the minimum needed to achieve the desired change. Therefore, the project is expected to prove the effectiveness of each action in an innovative way for a much larger replication overtime.
53. In Component 1 (GEF USD0,37M, cofinancing USD0,6M), capacity-building activities, including training and better information management through the promotion of inter-institutional coordination, will allow for the incorporation of urban sustainability and resilience issues into the decision making process of the high-level provincial transportation authorities, increasing the impacts of the project; for the Ministry of Transport (MITRANS) with the policy and regulatory instruments and with the Monitoring, Reporting and Verification (MRV) system, a more efficient use of the resources of the institutions is expected, as well as an increase in long-term public financing that will serve to strengthen synergies, avoid duplication of efforts and reduce overall costs. In the collective context of Cuba, regular inter-institutional coordination meetings will serve to identify complementarity and joint planning together with the execution of activities in the field, and make this unique project very cost-effective.
54. The selected pathway should facilitate the removal of barriers to the deployment of low-carbon mobility options. A substantial part of the project resources is budgeted under Component 2 (GEF USD1,37M, cofinancing USD13M), accounting for 77% of the GEF funding (excluding project management) which is dedicated to this Component. This high share is justified by the very limited experience in urban transport projects facing institutional and regulatory barriers: a wide array of regulations have to be modified, requiring the involvement of a variety of technical services within the national and provincial governments.
55. On the other hand, actions in the field of the urban transport management sectors are profitable. Pilot demonstrations are the most convenient way to test the validity or viability of a process before it is applied on a large scale. For example, the pilot demonstrations under Outcome 2.2 (GEF USD0,22M, cofinancing USD8.4M) are considered sufficient to represent the entire system and generate benefits, based on the consultations and raising awareness activities carried out with local authorities, City Transport Operators, and beneficiaries. The proposed pilot interventions on low-carbon investments in urban transport are profitable since they will apply the practices and technologies that are being widely used in different parts of the world such as TOD measures, in addition to generating much greater benefits since they promote a citizen's culture committed with their urban environment and the use of public transport, enhancing gender equality and aging population well-being .
56. The participation of stakeholders at all levels will contribute to the cost/effectiveness of the project. Overall Governance (National Steering Committee, PMU, four Technical Teams, UNDP), as well as the dialogue platforms will ensure adequate planning and execution of activities in line with the project's objectives, urban sustainability priorities, as well as the complementarity with national policies.
57. A public awareness and communication strategy for low-carbon public transportation systems (e.g. best practices for bus drivers, changing mobility behavior of passengers) will contribute to a cost-effective expansion and reproduction of project results, as well as other large urban centers, for example, Santiago de Cuba located in the eastern part of the Island. Social experts (FMC and FLACSO) and project stakeholders have assessed the feasibility of introducing tailored tools to encourage change in mobility. This is complemented by a strategy to facilitate the access of women to the new jobs generated from TOD measures. Cultural change is expected to generate a more positive attitude towards urban passengers and more careful consideration of their needs.

**5) Global environmental benefits (GEFTF) and/or adaptation benefits (LDCE/SCCF);**

58. The project's vision is to set up an effective transition towards the implementation of a low-carbon urban transport system in the City of La Havana and deliver multiple benefits -at local and global levels- through the integration of urban transport with land use and urban mobility.
59. The considered project's actions have been: i. avoided emissions, both direct and consequential, due to public transport quality improvements associated with the design and setting up of the feeding system linked to the foreseen Bus Rapid Transit (BRT) system. Emission reductions were calculated considering the operation of an urban passenger feeding transport system by a low-carbon bus that travels 250 kilometers per day; which will be integrated into the existing public transportation network by choosing an intervention in the selected urban *Corridor Boyeros-Carlos III-Reina*, ii. avoided emissions due to the support of Non-Motorized Transport (NMT) options such as the development of a Public Bicycle System (PBS). GHG emission reductions were calculated considering the re-construction of 35 kilometers of bike paths by the project end, and iii. the emission reduction calculation for measures associated with the Transport Oriented Development (TOD) that includes integrated urban landscape planning for the City.
60. At the end of the project, the operation of an urban passenger feeding transport system linked to a future BRT corridor would provide a direct reduction of 8,602 tCO<sub>2</sub>eq as it would be in operation only at the end of 2022; a consequential reduction will be associated with the implementation of the future BRT system of 183,892 tCO<sub>2</sub>eq by 2033. The mitigated direct emissions estimated by the project for the bike paths are 52,921 tCO<sub>2</sub>eq and the consequential ones are 65,450 tCO<sub>2</sub>eq for 2033. Likewise, the mitigated direct emissions estimated by the project for the TOD measures are 7,719 tCO<sub>2</sub>eq in a period of 10 years and the consequential ones are 77,194 tCO<sub>2</sub>eq for another period of 10 years.
61. It is expected that the project will provide global environmental benefits in terms of direct emission savings of at least 69,242 tCO<sub>2</sub>eq in 4 years as well as consequential savings of at least 326,536 tCO<sub>2</sub>eq in the 10 years after the project completion. Total lifetime direct and consequential GHG emissions avoided: 395,778 tCO<sub>2</sub>eq.

## **6) Innovativeness, sustainability and potential for scaling up.**

### **Innovativeness**

62. The Project is innovative as it aims to strengthen Cuba's urban transport sector by building upon drivers within national and provincial policies to increase competitiveness and manage the available resources to move towards a more sustainable path in the urban transport of people. It is focused on low-cost/high-delivery innovative approaches already tested in other major cities worldwide. In addition, it will provide specific technical assistance to improve the integration of the transport and urban planning sectors through an integrated approach to the planning and allocation of resources, thus optimizing multiple benefits available at the Provincial level. Therefore, the project is expected to prove the effectiveness of each action in an innovative way for a much larger replication overtime.
63. The project is expected to attend to the historic structural challenges in the urban transport sector and lead the change in an integrated way. The approach is based on the strengthened public institutional framework leading the urban transport sector at the provincial level to plan for an alternative, low-carbon path based on the assessment, capacity building and knowledge transfer needed to set innovative concepts and technologies in place. This approach promotes a collaborative planning environment integrating urban transport practitioners, land-management planners and the beneficiaries. The originality of the project's approach lays in the attempt to provide an integrated, collaborative framework for the stakeholders to act together and move forward from innovative and revised regulations to pilots to general implementation (outcomes).

### **Sustainability**

64. The project has been designed to create an enabling framework for a sustainable transport system through enhanced inter-institutional coordination, based on sectorial planning and defining short, medium and long-term goals, thus ensuring sustainability. In this sense, Outcome 1 of the project is specifically designed to promote project sustainability, since it is focused on the medium and long term. It will ensure –through DGTPH- that the benefits derived from integrated transport planning and provincial budgeting are mainstreamed into the city’s decision-making processes.
65. By strengthening and updating the existing policy and regulatory framework and building the capacities of the public institutions, mainly DGTPH and DPPF, the project will generate a much more cohesive and well-funded governance framework that will be better prepared to efficiently and effectively promote TOD and NMT as well as to strengthen institutional capacities for the upcoming design of the BRT system. Outcome 2.2 will implement coordinated actions to demonstrate in the field the opportunities of integration and coordination, thus delivering solutions to global environment problems in a cost effective way. The proposed on the ground actions (e.g. reducing fossil fuel consumption, facilitating access to information, reducing traffic congestion, increasing mobility and connectivity) will serve to demonstrate ways to mainstream those alternative practices into medium and long-term public policies. By demonstrating that these pilots offer practical solutions to environmental problems in La Havana, it is expected that other provincial policy-makers will incorporate these strategies in their day-to-day management as in the case of City of Santiago de Cuba, the second largest city in the country.
66. In short, the sustainability after completion of the MSP depends on two main effects aligned with the development challenge:
- i. Improve an out-of-date regulatory framework, and
  - ii. increase management of the urban transport operating system in the Capital.
67. The exit strategy, that is, how public stakeholders will further invest in increasing the outputs of the project after the MSP implementation is over, consists of carrying out a technical and economic feasibility study to support the needed public investments over the long run. This action will include the design for the establishment of a sustainable finance mechanism that considers the main root cause identified in the problem tree analysis supporting the theory of change for this project; that is the constrained implementation of market-oriented mechanisms to deal with the budgetary constraints of the central state in financing infrastructure for multi-modal transportation. From the financial perspective, this action will aim at providing access to new funding opportunities that will enable public stakeholders to allocate increasing funds and ensure long term funding to continue financing infrastructure in the urban transport sector within the common framework of climate change, the land use and sustainable development plans of the country, for instance, by exploring the use of existing green lending mechanisms such as fleet renewal credit lines. The successful design of an alternative financial scheme during the lifetime of the MSP and after the completion of all activities is a key action to achieve the whole MSP sustainability and scaling-up.

## Scaling Up

68. In terms of replication, the potential for scale-up is primarily linked to the direct benefits for: i. the beneficiaries in terms of time-travel savings, ii. for City Transport Operators in operating cost savings and, iii. for the city as a whole, increasing a low-carbon/environment awareness image for the Capital.
69. The project will generate significant experiences and lessons to promote upscaling of results for the Cuban transport sector. Under Outcome 1, the strengthening of the sustainable urban transport development plans will provide valuable feedback in terms of integrated planning covering multiple aspects. This will be useful to other provinces in the whole country to help them mainstream integrated urban transport sustainability, land use management plans, gender mainstreaming and climate change resilience in developing their own urban plans. The policy and regulatory instruments to be developed will be applicable at different scales and may be used nation-wide.

70. Activities planned for Outcome 2 address a problem of an increasing dependency on highly inefficient motorized traffic, which is not merely a problem of La Havana but of many emerging large metropolitan regions in Latin America. These pilot interventions have been designed by a diverse group of stakeholders considering that they may be replicated within the country and in the Caribbean region. Of special attention is the proposed PBS and the associated traffic regulations that can contribute significantly to the mobilization of the local citizenry and the growing number of worldwide tourists visiting Old Havana each year; as is a common practice in other old-historic centres around the world. The lessons provided by the traffic management measures will be replicable at the national level in different cities and at different scales.

**A.2. Child Project? If this is a child project under a program, describe how the components contribute to the overall program impact.**

71. This project is not a child project under the Global Platform on Sustainable Cities Initiative (GPSC). However, it is expected that collaboration with the GPSC will ensure that the most up-to-date knowledge and international high-level expertise on urban transport sustainability and resilience will be available to the project partners in building the new capacities. Information dissemination through GPSC knowledge management strategies will enable sharing the experiences and lessons with the different cities and institutions involved in implementation of the Sustainable Cities IAP worldwide. This will be accomplished through knowledge transfer activities that support urban transport investments, peer-to-peer work, participation in working groups on specific issues, documentation and outreach activities promoted by the GPSC.

**A.3. Stakeholders. Identify key stakeholders and elaborate on how the key stakeholders engagement is incorporated in the preparation and implementation of the project. Do they include civil society organizations (yes X /no )? and indigenous peoples (yes  /no X)? <sup>11</sup>**

72. UNDP has formed mutually beneficial long-standing relationships with senior policy makers at the national level and has assisted the strengthening of DGTPH during the formulation of the PIF and in the implementation of the PPG. It has also created a synergy with key stakeholders in the academic sector during the formulation of the ProDoc and will continue in the upcoming execution phase.

73. During the PPG, a stakeholder engagement plan was undertaken in order to identify key stakeholder institutions and relevant beneficiaries to be involved in the project implementation process. Section IV of the ProDoc and Annex 10 describes the process of assessing the project's key stakeholder's interests and the ways in which these stakeholders may influence the project's outcomes. This Plan is important because it enhances local ownership, strengthens project integrity and design, and helps to create foundational relationships that may contribute to constructive problem solving if difficulties or challenging issues arise.

74. A diverse group of stakeholders was engaged during the project preparation stage and their roles clearly stated during its execution, as described in Annex 10. This Annex also provides an overview of stakeholder interests, importance and influence on project outcomes. Transversally, from the gender perspective, the Stakeholder Engagement Plan provides an overview of stakeholder interests, importance and influence on project outcomes or operations that were validated at the PPG stage through a participatory exercise with stakeholders. Finally, this Annex includes a grievance mechanism, a process by which people concerned with or potentially affected by the project can express their grievances for consideration and redress will be geared directly to DGTPH mainly through the Popular Councils.

75. To achieve the planned outcomes, the project needs to get a variety of stakeholders involved: national stakeholders (MINCEX and MITRANS), interested in national policies and regulations, provincial stakeholders (CAP, DGTPH and DPPF), primarily interested in achieving the project's overarching objective of development by accomplishing

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<sup>11</sup> As per the GEF-6 Corporate Results Framework in the GEF Programming Directions and GEF-6 Gender Core Indicators in the Gender Equality Action Plan, provide information on these specific indicators on stakeholders (including civil society organization and indigenous peoples) and gender.

the necessary institutional and regulatory reforms as well as reporting the environmental benefits to the GEF; technological and academic stakeholders (CUBAENERGIA, CIMAB, CUJAE and FLACSO), supporting the methodologies for MRV urban transport, gender policies and integrating urban planning and design of the related activities into the City of La Havana; City Transport Operators engaged in the quality of public transport provision, and CSO stakeholders (FMC, FEU and UNAICC) committed to the gender and cultural change needed for sustainable urban mobility and non-motorized transport.

76. Of greater importance are the beneficiaries and the state-owned public enterprises with an interest in the project or the ability to influence project outcomes, either positively or negatively and which are directly or indirectly affected by the project. In the governance of the Republic of Cuba and for the purposes of the project, the beneficiaries are the citizens, who organize at different social and territorial levels, propose and elect public authorities through municipal and provincial assemblies. Citizens are the ultimate target to whom the alternative option on sustainable urban transport will bring direct benefits. The state-owned public enterprises will be represented by the City Transport Operators, this group, made up of the Havana Provincial Company Operator, Transport Cooperatives, self-employed workers (*cuenta-propistas*) and other state-owned public transport enterprises will be directly involved in decision-making through their representation in the DGTPH. Also, the project's ambition to promote NMT is focusing on key groups such as students and tourists. It is expected to get those groups involved mainly through the participation of CSOs in the city active in NMT promotion (FEU and FMC), in order to encourage their networking and involvement.
77. Alliances will be established with the People's Councils of the urban areas where the pilot projects will be implemented, based on workshops and awareness-raising meetings that will be held with the stakeholders and beneficiaries. Currently there is an alliance with the Office of the Master Plan of the Historic Center that will allow the adequate implementation of the pilot projects linked to this area of major tourist attraction in the city and with the Project Enterprises that will support the strengthening of technical capacities, on issues related to the design of urban, climate-change oriented infrastructure for the operation of the new transport systems, such as the PBS and intermodal and urban passenger stations.
78. During project preparation, Civil Society Organizations were identified and engaged in gender and sustainable mobility options. FMC will participate with a social science perspective providing overall guidance on gender mainstreaming in the development of sustainable urban transport plans and urban land use plans as well as in the monitoring of sustainable gender indicators (Outcome 1.1). Stakeholder engagement activities during the PPG stressed the need to build upon some positive initiatives already undertaken in the city by FEU and UNAICC and the need to create a friendly environment for bikers and pedestrians as well as suitable architectural designs.

**A.4. Gender Equality and Women's Empowerment. Elaborate on how gender equality and women's empowerment issues are mainstreamed into the project implementation and monitoring, taking into account the differences, needs, roles and priorities of women and men. In addition, 1) did the project conduct a gender analysis during project preparation (yes X /no )?; 2) did the project incorporate a gender responsive project results framework, including sex-disaggregated indicators (yes X /no )?; and 3) what is the share of women and men direct beneficiaries (women 31%, men 69%)? <sup>12</sup>**

79. From the gender perspective, this prevailing context for urban mobility in Cuba is a serious challenge, especially for women, who represent 48% of the people employed in the state sector and mainly use public transport. Complementary to this context, many Cuban women experience an overload of roles due to the predominance of a patriarchal culture that continues to burden women with a larger share of domestic tasks, the care and education of children, as well as attending to the sick and elderly. It should also be noted that Cuba has the oldest population in the Latin American region (19%); in fact, La Havana has the most elderly municipality in Cuba, *Plaza de la Revolución*; with almost 25% of its population over 60 years old. In addition, the active Labour Law 105 of Social Security has extended the retirement period (60 years for women and 65 for men) allowing this group of the

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<sup>12</sup> Same as footnote 8 above.

population to be hired once they retire; these labour opportunities presume an increase in the mobility of the population and consequently, greater demand for timely, more comfortable and accessible means of urban transport.

80. Greater attention to the generational issue, due to the aging of the population in the country, the inequality of opportunities, in addition to the fact that the state transport sector is not economically attractive for young people. The implementation of the Gender Action Plan (Annex 12 of the ProDoc) will help strengthen gender equality and empower women by improving their working conditions when they are directly employed in activities related to urban passenger transport.
81. The project will promote equal benefits to men and women of increased energy access as well as encouraging women to become energy entrepreneurs by building their capacity to be an integral part of sustainable energy solutions in their working environments. Annex 12 describes the process of assessing the gender and aging population challenges for the project and how these may influence the project's outcomes.
82. The project has developed a strategy that links the most important gaps identified in relation to its components, the country's reality in terms of equality and the SDGs, particularly SDG 5. The gaps identified in the analysis and which are considered in the strategy include: parity in decision-making spaces around urban transport; improvement of women's income and livelihoods; a more efficient city for the mobilization of women. These gaps require the strengthening of institutional capacities to promote equality between women and men in a structural manner. The specific data of the Ministry of Transport were analyzed, and several events were held with local stakeholders to develop the best strategy for the project. For this purpose, and in accordance with the proposed gender strategy:
  - Each activity, during the PPG gender workshops, was analyzed to include the necessary elements to guarantee the reduction of identified gaps and establish more pro-active actions when appropriate.
  - Specific activities that focus on the empowerment of women have been included (capacities, and access to planning and decision-making processes) as per Section 5 of Annex 12.
  - An indicator has been included to help measure progress in this field and will be monitored as part of the M&E process. Particularly, Indicator 8 of the Matrix Results Framework, states the number of women in leadership positions in the integrated management system for public transport in the City of La Havana to be directly benefited from the project.
  - A budget has been included in Annex 12 to guarantee the measures and actions to be taken in the order of USD 50,000 during the project execution.

**A.5 Risk. Elaborate on indicated risks, including climate change, potential social and environmental risks that might prevent the project objectives from being achieved, and, if possible, the proposed measures that address these risks at the time of project implementation.(table format acceptable):**

83. The key risks that could threaten the achievement of project results have been summarized in the followingTable:

Project risks					
Description	Type	Impact & Probability	Mitigation Measures	Owner	Status
1.- During the formulation of the project, concerns have been raised in terms of gender, which should be taken into account in the implementation of	Social	Transport policies and projects are very gender sensitive and therefore data desegregation is needed. This project has stated the gender equality perspective in the outputs. P = 2 I = 2	As a GEF 6 project, the PPG phase carried out a gender analysis, which will be crucial to understand the current baseline and enhance the integration of women and girls specific needs in public transport, as clearly presented in Annex 12: "Gender Analysis and Action Plan" <sup>13</sup> .	DGTPH	No change

<sup>13</sup> All annexes mentioned in this Table are included in the UNDP-GEF ProDOC.

Project risks					
Description	Type	Impact & Probability	Mitigation Measures	Owner	Status
the project, especially regarding participation in design and implementation or access to incremental benefits.			The project also takes benefit of the alternative approach to accelerate the integration of women in what has thus far seen as a male-dominated working environment.		
2.- The geographic area where the project's actions are to be implemented is vulnerable to extreme weather events, which could damage the transport system and road infrastructure, a context that poses additional challenges for sustainable transport, urban mobility and connectivity.	Environmental	The Province of La Havana, particularly the coastal and inland areas with storm water drainage problems, is especially vulnerable to flooding from storm flows and heavy rains in low-lying neighborhoods, which can damage the transport system and road infrastructure. This situation has worsened in recent decades with the higher frequency of cyclones affecting the Island, a context that poses additional challenges to sustainable transport, urban mobility, and connectivity. P = 2 I = 4	The project, in its design during the PPG phase and in implementation, has considered - through the development of the ESMP- the harmonization of the proposed incremental activities with the urban regulations as well as with the results of the existing studies and policies on hazard, vulnerability and risk, primarily as considered in the “ <i>Land Use Plan and Urban Planning of La Havana</i> ”, which are under implementation by the DPPF, especially in the geographical areas where the project is implemented.  Project interventions to deal with the effects of extreme weather events are harmonized through the System of Civil Defense Measures, which have the corresponding budget for their execution if necessary.	CAP, DGTPH and DPPF	No change
3.- The construction of a mass transit system with an exclusive lane (Red Line BRT), which provides a service with lower price at a faster speed, could influence the decrease in revenues of other public transport service providers operating in the same urban transport corridor.	Social	TOD measures and the operational BRT system (which will be technically developed with the support of the project) could influence the income generation of other non-state vehicle drivers that are of a common practice in Cuba. In addition, selected sites chosen as pilot interventions are rejected by some target beneficiaries.  These risks have been assessed within the DGTPH and discussed with CAP, the executing partners and the City Transport Operators. The transition towards a fully operational BRT system is expected to take years, giving enough time for eventual	The PPG phase has acknowledged this risk and search for solutions and alternatives to include already existent agents of public transportation that may influence the income generation of other non-state vehicle drivers of the other transportation modes; such as collective taxis (cuenta-propistas), rickshaws and the other shared transportation models, in particular for the TOD measures developed by the project and for the future operation of the BRT system. The stakeholder engagement strategy and the management plan provide inputs on this. Please, refer to Annex 10 “ <i>Stakeholder Engagement Plan for Urban Transport in the City of La Havana</i> ”.	DGTPH	No change

Project risks					
Description	Type	Impact & Probability	Mitigation Measures	Owner	Status
		adaptation plans. P = 1 I = 4	See Annex 10 " <i>Participation Plan of the Parties Involved for Urban Transportation in the City of Havana</i> ".		
4.- Replacement of old buses fleet can generate waste that must be discarded accordingly.	Environmental	Replacement of old buses fleet can generate waste that must be discarded accordingly, but risk probability is low because the project design has acknowledged the National Waste Management Policy and define the correct disposal of the old fleet and its different components.  P = 2 I = 2	The project has been designed to review mitigation options and to recommend appropriate regulatory measures to the government with regards to the disposal of scrap buses in order to avoid any climate risk related to the increase of GHG emissions due to rebound effects of the replacement or disposal of old buses fleet.	DGTPH	Reducing
5.- Mitigation actions are not effectively implemented, which limits the priority of sustainable options in urban mobility, which causes a limited access to initial financing to promote innovation in these areas.	Operational	Target users could see conventional transportation modes such as collective taxis (cuenta-propistas), rickshaws and the other shared transportation models that are a common practice in Cuba as more attractive than the proposed PBS, undermining the modal split and continue increasing emissions.  P = 2 I = 4	The project design includes as key management measures the involvement of the end-users and vulnerable groups in the adoption of NMT quality targets, such as the PBS, so that they are consistent with financial sustainability, affordability and long-term approach on sustainability for the city, as a national policy.	DGTPH, MITRANS, CAP and CUBAENERGIA	Reducing
6.- Lack of adequate public financial allocations for the procurement of the proposed low-carbon measures.	Financial	Public stakeholders would not be interested in implementing TOD measures due to their higher up-front costs. For instance, risk-adverse bicycling stakeholders become reluctant to use the PBS due to insufficient quality or appeal of bicycle use; and City Transport Operators and non-state vehicle drivers are reluctant to comply with TOD pilot measures in the selected pilot corridor.  P = 3 I = 3	By the end of 2nd. year and before the Mid-term Review, the PMU will review the proposed TOD measures, the proposed incentives designed to implement the PBS and the related on-going subsidies to measure the viability of the low-carbon alternative path.	DGTPH and MITRANS	Reducing
7.- Incremental technical capacities among urban transport policy makers are not effectively	Organizational	Regulatory changes are crucial for attaining the project's objectives. Otherwise, the case for TOD measures is weakened, and so does the implementation of a PBS	Changes needed have been identified by executing partners. These alternatives have been fully discussed during the PPG stage and respond to the development of the " <i>Urban Transport</i>	DGTPH, MITRANS and City Transport	No change

Project risks					
Description	Type	Impact & Probability	Mitigation Measures	Owner	Status
neither timely implemented, reducing impact of these innovative tools for urban transport planning in the City of La Havana, as the TOD measures and the PBS.		system. P = 3 I = 3	<i>Development Program for La Havana</i> ". In addition, the selection of most promising pilot intervention has been a key input to this ProDoc during the PPG.	Operator s	
8.- Limited understanding of climate change mitigation measures as an opportunity for the development of urban transport in the city, due to the failure to establish appropriate spaces for dialogue between City Transport Operators and decision makers.	Organizational /Strategic	There is strong political consensus favoring clean energy and urban sustainable planning; the consensus is somewhat weaker regarding urban mobility because the historic barriers for urban transport in city. P = 2 I = 2	Transparency and information on policy achievements at the provincial level exists, to support current consensus and look for alternative shift in the current paradigm.	DGTPH, CIMAB and City Transport Operator s	No change
9.- Proposed changes in norms and regulations are not agreed or timely implemented.	Regulatory	There is strong political consensus favoring clean energy and urban sustainable planning; the consensus is somewhat weaker regarding urban mobility because the historic barriers for urban transport in city. P = 2 I = 2	The project has identified two mitigation measures: • The elaboration of proposed norms with a good basis, and • Develop control mechanisms that ensure implementation.	DGTPH, CIMAB, MITRANS	No change
10.- In the context of Cuba, the financial execution of a project that goes through a procurement process that necessarily involves importing of goods, according to the required	Operational/Or ganizational	Delay of the deadlines established for the importation process affects the financial execution of the project, as well as the implementation of the pilot interventions. P = 2 I = 4	There is experience in the country of an organizational system through meetings with key actors of the import process, according to the regulations established in the country, to facilitate the systematic monitoring of the financial execution of the project that depends on the importation of goods and services.	PMU	No change

Project risks					
Description	Type	Impact & Probability	Mitigation Measures	Owner	Status
technical specifications, must consider that the domestic market does not have sufficient supply in quantity or type of inputs to cover the needs of international cooperation projects.					

#### ***A.6. Institutional Arrangement and Coordination.***

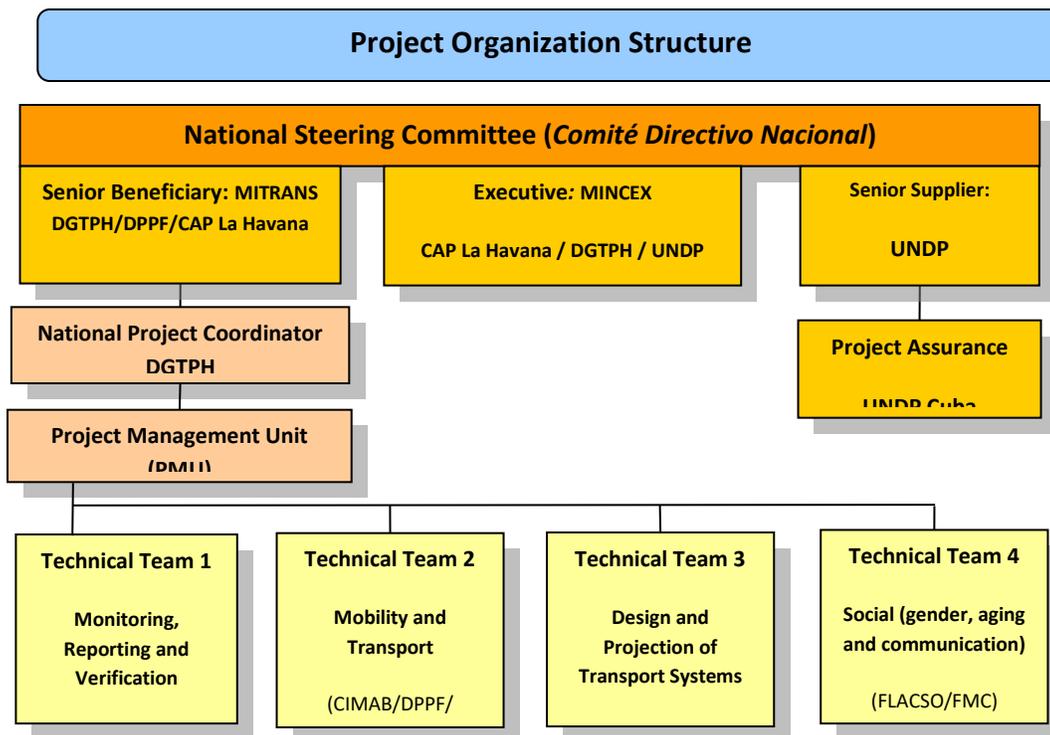
84. The Ministry of Foreign Trade and Foreign Investment (MINCEX) is the national authority in charge of coordinating international cooperation in Cuba. In accordance with GEF procedures, UNDP will be the Implementation Agency (IA) for the project. The project will be implemented following UNDP's National Implementation Modality (NIM), according to the Standard Basic Assistance Agreement between UNDP and the Government of Cuba, signed between the parties on May 17, 1975, and the Country Programme. UNDP will be responsible for the supervision of the project, including the achievement of project results, financial execution and reporting in accordance with the requirements of UNDP and the GEF.

85. The associate in the implementation of this project is the General Directorate of Transportation of the Province of La Havana (DGTPH), attached to the Council of the Provincial Administration (CAP) of La Havana. The Implementing Partner is responsible for the management of this project, including the monitoring and evaluation of project interventions, the achievement of project outcomes and the effective use of resources. The Capacity & Harmonized. Approach to Cash Transfer (HACT) Assessment of DGTPH is attached as annex as an additional agreement.

86. The Implementing Partner is responsible for:

- Approving and signing the Multi Year Work Plan;
- Approving and signing the Combined Delivery Report (CDR), this report is prepared every three months and at the end of each year, and,
- Signing the financial report or the Funding Authorization and Certificate of Expenditures (FACE).
- Signing of the financial report or authorization of funds and the certificate of expenses.

87. The project organization structure is shown in the following Figure:



88. **National Steering Committee:** The National Steering Committee is responsible for making by consensus, management decisions when guidance is required by the National Project Coordinator, including recommendations for UNDP/Implementing Partner approval of project plans and revisions, and addressing any project level grievances. In order to ensure UNDP’s ultimate accountability, the National Steering Committee decisions should be made in accordance with standards that shall ensure management for development results, best value money, fairness, integrity, transparency and effective international competition. In case a consensus cannot be reached within the Board, final decision shall rest with the UNDP Programme Manager.

89. The National Steering Committee will be integrated by the Ministry of Foreign Trade and Foreign Investment (MINCEX), the Ministry of Transport (MITRANS), the Institute of Landscape Planning, the Council of the Provincial Administration of La Havana (CAP), the General Directorate of Transportation of the Province of La Havana (DGTPH) and the UNDP. This Committee will meet once a year. As part of its role, it will approve the Annual Operating Plans and will carry out periodic monitoring of the project to evaluate its performance. It will also ensure the implementation of corrective actions that are necessary to ensure that the desired outcomes are achieved. The responsibilities of the National Steering Committee are described in Annex 07 of the ProDoc.

90. **Project Management Unit (PMU):** This operational unit will be supported by four technical teams. Members of the groups can be invited to the National Steering Committee sessions, with specific roles described in Annex 07. The following stakeholders support the Technical Teams:

- The General Division of Transport of La Habana (DGTPH)
- The Technology University of La Havana (CUJAE)
- Center for Research and Environmental Management for Transport (CIMAB)
- The Provincial Directorate for Landscape Planning (DPPF)
- The Historian Office
- Information Management and Energy Development Center (CUBAENERGIA)
- Latin American Faculty of Social Sciences (FLACSO)
- Federation of Cuban Women (FMC)

- Project Enterprises
- National Union of Architects and Engineers of the Construction of Cuba (UNAICC)

91. These four technical teams will provide technical advice and inputs relating to project implementation and will be chaired by the NPC. The members of these teams will consist of representatives from relevant government agencies, research and educational organizations, technical experts as indicated in the Figure above, and other relevant stakeholders to be agreed by the National Steering Committee. Technical experts may be invited in to discuss specific issues. Indicative Terms of Reference are presented in Annex 07. These will be reviewed by the National Steering Committee during the project Inception Workshop and may be extended as necessary.
92. Key public institutions to implement the proposed activities are structured in four working teams, as follows:
- Technical Team 1: in charge of *monitoring, reporting and verification* of all activities related to the regulatory framework, with the technical assistance under the leadership of CIMAB and CUBAENERGIA.
  - Technical Team 2: in charge of implementation of all activities related to *urban mobility and transport*, under the leadership of CIMAB with proactive participation of DPPF, the Historian Office and CUJAE.
  - Technical Team 3: in charge of implementation of all activities related to the *design and implementation* of TOD measures, under the leadership of DGTPH, UNAICC and Project Enterprises.
  - Technical Team 4: in charge of implementing and integrating the *social aspects*, especially cross-cutting activities for the integration of gender, aging population and communication, with the support of FLACSO and FMC.
93. The National Steering Committee is made up by the following members:
94. **Executive:** The Executive, acting in its capacity of the National Project Coordinator, is an individual who represents ownership of the project who will chair the National Steering Committee. This role can be held by a representative from the Government Cooperating Agency and will be shared amongst MINCEX, CAP La Havana, DGTPH and UNDP.
95. The Executive Coordinator is the Director of the DGTPH or its official designed representative and will be technically supported by the National Project Coordinator. The Executive is ultimately responsible for the project, supported by the Senior Beneficiary and Senior Supplier. The Executive's role is to ensure that the project is focused throughout its life cycle on achieving its objectives and delivering outputs that will contribute to higher level outcomes. The Executive has to ensure that the project gives value for money, ensuring cost-conscious approach to the project, balancing the demands of beneficiary and supplier.
96. Specific responsibilities of the Project Director are described in Annex 07 of the ProDoc.
97. **Senior Supplier:** The Senior Supplier is an individual or group representing the interests of the parties concerned which provide funding and/or technical expertise to the project (designing, developing, facilitating, procuring, implementing). The Senior Supplier's primary function within the Board is to provide guidance regarding the technical feasibility of the project. The Senior Supplier role must have the authority to commit or acquire supplier resources required. If necessary, more than one person may be required for this role. Typically, the implementing partner, UNDP and/or donor(s) would be represented under this role. The Senior Supplier is the UNDP.
98. Specific responsibilities as part of the responsibilities for the National Steering Committee, include:
- Make sure that progress towards the outputs remains consistent from the supplier perspective;
  - Promote and maintain focus on the expected project output(s) from the point of view of supplier management;
  - Ensure that the supplier resources required for the project are made available;
  - Contribute supplier opinions on National Steering Committee decisions on whether to implement recommendations on proposed changes;
  - Arbitrate on, and ensure resolution of, any supplier priority or resource conflicts.

**99. Main Beneficiaries:** The Main Beneficiary is group of individuals representing the interests of those who will ultimately benefit from the project and will guarantee the outcomes of the project from the perspective of the beneficiaries of the project. In addition to the DGTPH, DFFP, CAP La Havana and MITRANS, there are others represented in this role by the Directorate of Science and Environment (DCMA), the Directorate of Automotive Transport (DTA), and the Passenger Directorate (DP).

100. The main beneficiaries are the ultimately responsible for validating the needs and for monitoring that the solution will meet those needs within the constraints of the project. The Senior Beneficiary role monitors progress against targets and quality criteria. This role may require that more than one person cover all the interests of the beneficiaries. For the sake of effectiveness, the role should not be divided among too many people.

101. The Main Beneficiary's primary function within the Board is to ensure the realization of project results from the perspective of project beneficiaries. In the governance of the Republic of Cuba, they are fully represented in the Council of Provincial Authority (CAP La Havana), since national citizens organized in different social and territorial levels, appoints and select public authorities through district, municipal and provincial assemblies. They are the ultimate objective and to whom the alternative option on sustainable urban transport will bring about direct benefits.

102. Specific responsibilities (as part of the above responsibilities for the National Steering Committee), for the Main Beneficiary are:

- Prioritize and contribute beneficiaries' opinions on National Steering Committee decisions on whether to implement recommendations on proposed changes;
- Specification of the Beneficiary's needs is accurate, complete and unambiguous;
- Implementation of activities at all stages is monitored to ensure that they will meet the beneficiary's needs and are progressing towards that target;
- Impact of potential changes is evaluated from the beneficiary point of view;
- Risks to the beneficiaries are frequently monitored.

103. **National Project Coordinator:** The National Project Coordinator has the authority to run the project on a day-to-day basis on behalf of the National Steering Committee within the constraints laid down by the Board. The Project Coordinator is responsible for day-to-day management and decision-making for the project. The Project Coordinator's prime responsibility is to ensure that the project produces the results specified in the project document, to the required standard of quality and within the specified constraints of time and cost. The Implementing Partner appoints the Project Coordinator, who should be different from the Implementing Partner's representative in the National Steering Committee. The Project Coordinator function will end when the final project terminal evaluation report and corresponding management response, and other documentation required by the GEF and UNDP, has been completed and submitted to UNDP (including operational closure of the project).

104. The National Project Coordinator will be supported by one full-time person providing administrative, managerial and technical support.

105. Specific responsibilities of the National Project Coordinator and the administrative position are presented in Annex 07 "*Terms of Reference for Key Project Stakeholders*" of the ProDoc.

### ***Other strategic partners***

106. Local stakeholders will be formally represented in the planning and decision-making structures of the project through a series of organizations. These public organizations will be engaged at different stages of the project execution in order to share specific experiences and to participate in the project's activities, in particular for urban policy issues and pilots of enhanced public transport system and Transit Oriented Development (TOD):

- The University Student Federation (FEU).
- The Federation of Cuban Women (FMC).
- Project Enterprises.
- National Union of Architects and Engineers of the Construction of Cuba (UNAICC).

107. **Project Assurance:** UNDP provides a three – tier supervision, oversight and quality assurance role – funded by the GEF agency fee – involving UNDP staff in Cuba and at regional and headquarters levels. The project assurance role will be provided by the UNDP Country Office specifically by the Environmental Programme Associate. Additional quality assurance will be provided by the UNDP Regional Technical Advisor as needed.

108. Project Assurance must be totally independent of the Project Management function. The quality assurance role supports the National Steering Committee and the Project Management Unit by carrying out objective and independent project oversight and monitoring functions. This role ensures appropriate project management milestones are managed and completed. The National Steering Committee cannot delegate any of its quality assurance responsibilities to the National Project Coordinator. This project oversight and quality assurance role is covered by the GEF Agency.

**Governance role for project target groups:**

109. The project is targeting a variety of groups, with different levels of engagement in decision-making, as presented in Section 4.1 of the Stakeholder Engagement Plan (Annex 10 of the ProDoc). Stakeholders are beneficiaries and public institutions with an *interest* in the project or the ability to *influence* project outcomes, either positively or negatively and which are directly or indirectly affected by the project.

- Public transport users, critical for a sound approach to quality improvement, will be engaged through the current participatory channels set up by the DGTPH. It is expected that the PMU will set up appropriate collaboration mechanisms with the general public during implementation of project components #1 and #2.
- City Transport Operators and workers will be directly involved in decision-making through their representation in the DGTPH.
- Self-managed enterprises (cuenta-propistas), are another key target group. The project will focus on self-employed citizens providing urban transportation which are expected to be affected over the long run, by the outcomes of Component 2, when the investment project (line BRT) be develop, due it will limited the use of the selected corridor.
- The project’s ambition to promote NMT is focusing on key groups such as students and tourists. It is expected to get those groups involved mainly through the participation of CSOs in the city active in NMT promotion in order to encourage their networking and involvement.

**Elaborate on the planned coordination with other relevant GEF-financed projects and other initiatives.**

110. UNDP will further promote the exchange of experiences and technical information and know-how between related GEF projects in the region, including the UNDP/GEF FSP #6946: “*Asuncion Green City of the Americas– Pathways to Sustainability*”, UNDP/GEF MSP #5802: “*Towards a sustainable and efficient urban mobility system in Uruguay*”, and a similar trial which is currently in preparation in El Salvador, the UNDP/GEF FSP #9038: “*San Salvador Low-emission Urban Development Path*”. To implement this action, the UNDP/GEF Regional Hub will continuously facilitate information sharing among the four projects being implemented and prepared already in the portfolio, and organize regional workshops, webinars or side events at conferences and seminars dedicated to low-emission mobility and urban transport in LAC.

111. As mentioned above, this project will be also linked to the GEF GP-SCI and it will commit GEF funding to engage in the Global Platform's policy dialogues and benefit from the Program's technical assistance and learning on integrated solutions regarding urban transport, urban planning, climate change vulnerability, among others.

### **Additional Information not well elaborated at PIF Stage:**

#### ***A.7 Benefits.***

**Describe the socioeconomic benefits to be delivered by the project at the national and local levels.**

#### ***Socio-economic benefits at national level***

112. At the national level, the implementation of coordinated pilot actions to demonstrate in the field the opportunities of institutional integration and coordination, mainly between DGTPH and DPPF, will demonstrate that the positive results of the pilots would serve to adapt current regulation for both urban transport and urban landscape planning. These pilots offer practical solutions to environmental problems not only in La Havana, but it is also expected that other provincial policy-makers will incorporate these strategies in their day-to-day management as in the case of City of Santiago de Cuba, the second largest city in the country. For this, a public awareness and communication strategy for low-carbon public transportation systems (e.g. best practices for bus drivers, changing mobility behaviour of passengers) should result in more sustainable mobility solutions at the national level by offering the know-how gained by the project.

#### ***Socio-economic benefits at local level***

113. The GEF involvement should also have significant socio-economic benefits at the City level. The project would deliver, under Outcome 1.1, an improved regulatory framework to manage urban transport in the City. Official records state that of about 4.6 million trips per day, road modal split data gathering is 57.3% by foot; throughout the years the public transportation service has been characterized as unstable, insufficient and of low quality. This problem leads to a series of social, institutional and environmental externalities, including the lack of an integrated, high quality mobility system linked to an optimal urban organization. Under this context, the local citizens will be the main beneficiaries of the GEF intervention.

114. The project will also enhance quality improvements in the services provided by the City Transport Operators. Agreed targets between this group of stakeholders and the DGTPH such as the implementation of TOD measures, should result in the increase of a better quality service for the urban passengers and better working conditions for the operators themselves (Outcome 2.1). The implementation of pilot programs as an effective way to remove barriers to change, to learn from experience, and to change the historical paradigm in the metropolitan urban transport setting, to accelerate the adoption of innovative, low-carbon mobility solutions at all levels, from regulators to operators to urban passengers over the long run, is one of the three principles of the project's strategy.

#### **How do these benefits translate in supporting the achievement of global environment benefits (GEF Trust Fund) or adaptation benefits (LDCF/SCCF)?**

115. These benefits will translate in supporting a less-dependent economy on imported oil. Although the city has a very low-level of motorization, the operational conditions of the fleet and low energy efficiency induce high levels of GHG emissions that contribute to global warming and affect air quality in the order of 395,778 tCO<sub>2</sub>eq of GHG emissions avoided over a 10-year period.

***A.8 Knowledge Management.* Elaborate on the knowledge management approach for the project, including, if any, plans for the project to learn from other relevant projects and initiatives (e.g. participate in trainings, conferences, stakeholder exchanges, virtual networks, project twinning) and plans for the project to assess and document in a user-friendly form (e.g. lessons learned briefs, engaging websites, guidebooks based on experience) and share these experiences and expertise (e.g. participate in community of practices, organize seminars, trainings and conferences) with relevant stakeholders.**

116. The constrained knowledge of market-oriented mechanisms to finance large investments in the urban transport system has been recognized as one of the main underlying causes to promote the implementation of a low-carbon urban transport system in the City of La Havana and deliver multiple benefits -at the local and global levels-.
117. The boost on national capacities (Component 1), will be collected and validated with relevant information so that the project will publish project-results through specialized scientific journals related to low-carbon urban transport (Output 1.1.4). Knowledge learning from the implementation of the pilot interventions (Output 2.1.3), in line with the “*Stakeholder Engagement Plan for Urban Transport*” (Annex 10), will foster debate on sustainable mobility and accelerate the implementation of more collaborative practices in transport planning. Sharing of knowledge and promotion involve policy makers, both at the national and provincial levels, City Transport Operators, as well as urban transport stakeholders from other cities; in conjunction with a large effort that the project will make to enhance partnerships between national technological agencies including CIMAB and CUBAENERGIA. The consolidation of gathered knowledge and experiences within the four technical teams (Figure: Project Organization Structure), is also a key element of the Project’s exit strategy.
118. The communication strategy should serve as a platform for dissemination, providing material for other provinces and cities in the country to implement sustainable urban mobility measures. To this purpose, Output 2.1.3 includes the following activities:
- i. Developing a program for disseminating impacts, sharing information and experiences of project activities and results. Through the DGTPH, the learning curve developed during the project, will be shared with other cities, like the City of Santiago, the second largest city in the country. The rationale for choosing this city is that with a population of 510,000 inhabitants; it has urban transport challenges similar to those of the Capital.
  - ii. Participating in public media channels to disseminate lessons learned and share the project’s outcomes by branding a sustainable urban transport image in the city, through radio and television broadcasting, as well as participation in the different regional forums for sustainable transport held in the Caribbean and Latin America.
  - iii. Enhancing telephone and web services available for the population at the DGTPH to receive grievances and suggestions about the provision of public transport service. This means of communication will also serve to receive feedback and to ensure ongoing communication with stakeholders.
  - iv. Designing and printing informative posters to be placed in visible public areas.
119. All knowledge management activities will be gender mainstreamed. This includes integration of gender dimensions into urban transport publications, for instance, through the presentation of sex-disaggregated data, activities related to reducing gender and generational gaps, and gender mainstreaming in training programs in line with the Gender Action Plan (Annex 11). In addition, it will be assured that women, men, youth and elderly have access to and benefit from the knowledge created by the project on urban transport (e.g. participate in community of practices, conferences and trainings).
120. Finally, UNDP will ensure that relevant information and lessons learned will be collected as input for the Mid-term Review and Terminal Evaluation.

## **B. DESCRIPTION OF THE CONSISTENCY OF THE PROJECT WITH:**

**B.1 Consistency with National Priorities. Describe the consistency of the project with national strategies and plans or reports and assessments under relevant conventions such as NAPAs, NAPs, ASGM NAPs, MIAs, NBSAPs, NCs, TNAs, NCSAs, NIPs, PRSPs, NPFE, BURs, INDCs, etc.:**

121. The Government of Cuba recognizes Climate Change Mitigation and Adaptation as the main element of its environmental policy as it has been expressed in the “*State Plan for the Confrontation of Climate Change*”, as part

of the state-driven policy “*Tarea Vida -Life Task-*”, approved by the Council of Ministers in April 2017, due to the increase and intensification of extreme climate change events, taking into account that Cuba is on the path of tropical hurricanes and depressions in the Caribbean region. In its Nationally Determined Contribution (NDC), the country is committed to continuing its efforts to achieve GHG emission reductions by triggering its ability to adapt to the impacts of climate change on the urban public transport system, while maintaining carbon emissions low and building resilience to climate impacts, always in accordance with its national circumstances and also conditioning it to the financial and technological resources available.

122. For the global development agenda, this project is aligned with Sustainable Development Goal (SDG) 11 (Sustainable Cities and Communities), while innovative interventions will also help achieve Goal 5 (Gender Equality), Goal 7 (Affordable and Clean Energy), Goal 9 (Industry, Innovation and Infrastructure), and Goal 13 (Climate Action). It is also quite relevant to the national state program “*Task Life*”, specifically “Task 8” which states the long-term government policies to adapt and mitigate climate change actions in the transport sector.

123. There are a few GEF- financed projects in Cuba currently under implementation which could provide some additional support to strengthening this institutional partnership approach: in February 2018, the UNDP started the UNDP/GEF project “*Third National Communication and the First Biennial Update Report (BUR) of Cuba to UNFCCC (3CN-1BUR)*”. Considering the relevance of urban transport to La Havana and the whole country for Cuba’s GHG emissions, and the involvement of some of the institutional partners in all of them (CUBAENERGIA, CIMAB, CUJAE), it seems likely that mutual benefit would be achieved by their interaction.

### **C. DESCRIBE THE BUDGETED M &E PLAN:**

124. The project results as outlined in the Project Results Framework will be monitored annually and evaluated periodically during project implementation to ensure the project effectively achieves these results.

125. Project-level monitoring and evaluation will be undertaken in compliance with UNDP requirements as outlined in the [UNDP POPP and UNDP Evaluation Policy](#). The UNDP Country Office will work with the relevant project stakeholders to ensure UNDP M&E requirements are met in a timely fashion and to high quality standards. Additional mandatory GEF-specific M&E requirements (as outlined below) will be undertaken in accordance with the [GEF M&E policy](#) and other relevant GEF policies<sup>14</sup>.

126. In addition to these mandatory UNDP and GEF M&E requirements, other M&E activities deemed necessary to support project-level adaptive management will be agreed during the Project Inception Workshop and will be detailed in the Inception Report. This will include the exact role of project target groups and other stakeholders in project M&E activities including the GEF Operational Focal Point and national/regional institutes assigned to undertake project monitoring. The GEF Operational Focal Point will strive to ensure consistency in the approach taken to the GEF-specific M&E requirements (notably the GEF Tracking Tools) across all GEF-financed projects in the country. This could be achieved for example by using one national institute to complete the GEF Tracking Tools for all GEF-financed projects in the country, including projects supported by other GEF Agencies.<sup>15</sup>

### **M&E Oversight and monitoring responsibilities:**

127. National Project Coordinator: The National Project Coordinator is responsible for day-to-day project management and regular monitoring of project results and risks, including social and environmental risks. The Project Coordinator will ensure that all project staff maintain a high level of transparency, responsibility and accountability in M&E and reporting of project results. The National Project Coordinator will inform the National Steering Committee, the UNDP Country Office and the UNDP-GEF RTA of any delays or difficulties as they arise during implementation so that appropriate support and corrective measures can be adopted.

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<sup>14</sup> See [https://www.thegef.org/gef/policies\\_guidelines](https://www.thegef.org/gef/policies_guidelines)

<sup>15</sup> See [https://www.thegef.org/gef/gef\\_agencies](https://www.thegef.org/gef/gef_agencies)

128. The National Project Coordinator will develop annual work plans based on the Multi-year Work Plan included in Annex 01 of the ProDoc, budget and procurement, including annual output targets to support the efficient implementation of the project. The National Project Coordinator will ensure that the standard UNDP and GEF M&E requirements are fulfilled to the highest quality. This includes, but is not limited to, ensuring the results framework indicators are monitored annually in time for evidence-based reporting in the GEF PIR, and that the monitoring of risks and the various plans/strategies developed to support project implementation (e.g. ESMP, Gender Action Plan and the Stakeholder Engagement Plan) occur on a regular basis.
129. National Steering Committee: The National Steering Committee will take corrective action as needed to ensure the project achieves the desired results. The National Steering Committee will hold project reviews to assess the performance of the project and appraise the Annual Work Plan for the following year. In the project's final year, the National Steering Committee will hold an end-of-project review to capture lessons learned and discuss opportunities for scaling up and to highlight project results and lessons learned with relevant audiences. This final review meeting will also discuss the findings outlined in the project terminal evaluation report (TE) and the management response.
130. Project Implementing Partner: The Implementing Partner is responsible for providing all required information and data necessary for timely, comprehensive and evidence-based project reporting, including results and financial data, as necessary. The Implementing Partner will strive to ensure project-level M&E is undertaken by national institutes, and is aligned with national systems so that the data used and generated by the project supports national systems.
131. UNDP Country Office: The UNDP Country Office will support the Project Coordinator as needed, including through annual supervision missions. The annual supervision missions will take place according to the schedule outlined in the annual work plan. Supervision mission reports will be circulated to the project team and the National Steering Committee within one month of the mission. The UNDP Country Office will initiate and organize key GEF M&E activities including the annual GEF PIR, the *independent mid-term review* and the *independent terminal evaluation*. The UNDP Country Office will also ensure that the standard UNDP and GEF M&E requirements are fulfilled to the highest quality.
132. The UNDP Country Office is responsible for complying with all UNDP project-level M&E requirements as outlined in the UNDP POPP. This includes ensuring the UNDP Quality Assurance Assessment during implementation is undertaken annually; that annual targets at the output level are developed, and monitored and reported using UNDP corporate systems; the regular updating of the ATLAS risk log; and, the updating of the UNDP gender marker on an annual basis based on gender mainstreaming progress reported in the GEF PIR and the UNDP ROAR. Any quality concerns flagged during these M&E activities (e.g. annual GEF PIR quality assessment ratings) must be addressed by the UNDP Country Office and the Project Coordinator.
133. The UNDP Country Office will retain all M&E records for this project for up to seven years after project financial closure to support ex-post evaluations undertaken by the UNDP Independent Evaluation Office (IEO) and/or the GEF Independent Evaluation Office (IEO).
134. UNDP-GEF Unit: Additional M&E and implementation quality assurance and troubleshooting support will be provided by the UNDP-GEF Regional Technical Advisor and the UNDP-GEF Directorate as needed.
135. Audit: The project will be audited as per UNDP Financial Regulations and Rules and applicable audit policies on NIM implemented projects.<sup>16</sup>

### **Additional GEF monitoring and reporting requirements:**

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<sup>16</sup> See guidance here: <https://info.undp.org/global/popp/frm/pages/financial-management-and-execution-modalities.aspx>

136. Inception Workshop and Report: A project inception workshop will be held within two months after the Project Document has been signed by all relevant parties to, amongst others:
- a) Re-orient project stakeholders to the project strategy and discuss any changes in the overall context that influence project strategy and implementation;
  - b) Discuss the roles and responsibilities of the project team, including reporting and communication lines and conflict resolution mechanisms;
  - c) Review the results framework and finalize the indicators, means of verification and monitoring plan;
  - d) Discuss reporting, monitoring and evaluation roles and responsibilities and finalize the M&E budget; identify national/regional institutes to be involved in project-level M&E; discuss the role of the GEF OFP in M&E;
  - e) Update and review responsibilities for monitoring the various project plans and strategies, including the risk log; the Environmental and Social Management Plan and other safeguard requirements; project grievance mechanisms; the gender strategy; the knowledge management strategy, and other relevant strategies;
  - f) Review financial reporting procedures and mandatory requirements, and agree on the arrangements for the annual audit; and
  - g) Plan and schedule National Steering Committee meetings and finalize the full financial planning exercise of the first year, including: i. annual work plan, ii. procurement planning and, iii. budget planning.
137. The National Project Coordinator will prepare the Inception Report no later than one month after the Inception Workshop. The Inception Report will be cleared by the UNDP Country Office and the UNDP-GEF Regional Technical Adviser, and will be approved by the National Steering Committee.
138. GEF Project Implementation Report (PIR): The Project Coordinator, the UNDP Country Office, and the UNDP-GEF Regional Technical Adviser will provide objective input to the annual GEF PIR covering the reporting period July (previous year) to June (current year) for each year of project implementation. The National Project Coordinator will ensure that the indicators included in the project results framework are monitored annually in advance of the PIR submission deadline so that progress can be reported in the PIR. Any environmental and social risks and related management plans will be monitored regularly, and progress will be reported in the PIR.
139. The PIR submitted to the GEF will be shared with the National Steering Committee. The UNDP Country Office will coordinate the input of the GEF Operational Focal Point and other stakeholders to the PIR as appropriate. The quality rating of the previous year's PIR will be used to inform the preparation of the subsequent PIR.
140. Lessons learned and knowledge generation: Results from the project will be disseminated within and beyond the project intervention area through existing information sharing networks and forums. The project will identify and participate, as relevant and appropriate, in scientific, policy-based and/or any other networks, which may be of benefit to the project. The project will identify, analyse and share lessons learned that might be beneficial to the design and implementation of similar projects and disseminate these lessons widely. There will be continuous information exchange between this project and other projects of similar focus in the same country, region and globally. One central tool for knowledge generation will be the networking with other UNDP-GEF transport projects in the region (please, refer to SStrC Section in the ProDoc). Knowledge generation will be sustained on three areas of innovation: technological (with a focus on urban mobility), legal (with a focus on successful legal reform on urban transport), and policy (successful collaborative processes facilitating the adoption of green transport measures by decision makers). Contacts among UNDP-GEF transport projects in the region will be facilitated through communities of practice (for discussion on specific topics), and webinars (for sharing experiences among project teams and professionals at large in the different countries involved).
141. GEF Focal Area Tracking Tools: The following GEF Tracking Tool(s) will be used to monitor global environmental benefits:
- Section B. Quantitative Outcome Indicators:
- Total Lifetime Direct and Consequential GHG Emissions Avoided (Tons CO<sub>2</sub>eq)

- Number of Users of low GHG systems (Number, of which female)
- Time Saved in adoption of low GHG technology (Percentage)
- Volume of investment mobilized and leveraged by GEF for low GHG development (co-financing and additional financing) (of which % public, private, domestic, external).
- Identify specific GHG reduction target (percent), if any, under any national, sectoral, local plans.

#### Section C. Qualitative Indicators

- Degree of support for low GHG development in policy, planning and regulations.
- Quality of MRV Systems.

142. The baseline/CEO Endorsement GEF Focal Area Tracking Tool(s) – submitted as Annex 05 to the Project Document – will be updated by the National Project Coordinator/Team (not the evaluation consultants hired to undertake the MTR or the TE) and shared with the mid-term review consultants and terminal evaluation consultants before the required *review/evaluation* missions take place. The updated GEF Tracking Tool(s) will be submitted to the GEF along with the completed Mid-term Review report and Terminal Evaluation report.

143. Independent Mid-term Review (MTR): Taking into account that MTRs are not mandatory for GEF-financed medium-sized projects, this exercise would be undertaken at the beginning of the third quarter of year 2 of implementation, at the discretion of the NSC. The correspondence with the Evaluation Plans the rest of the Projects and the CPP would be taken into account. The MTR process should begin at least three months before the completion of the second year of implementation or ProDoc signature, and the MTR report will be submitted to the GEF with the PIR of the following year. The MTR findings and responses outlined in the management response will be incorporated as recommendations for enhanced implementation during the final half of the project’s duration. The terms of reference, the review process and the MTR report will follow the standard templates and guidance prepared by the UNDP IEO for GEF-financed projects available on the [UNDP Evaluation Resource Center \(ERC\)](#). As noted in this guidance, the evaluation will be ‘independent, impartial and rigorous’. The consultants that will be hired to undertake the assignment will be independent from organizations that were involved in designing, executing or advising on the project to be evaluated. The GEF Operational Focal Point and other stakeholders will be involved and consulted during the terminal evaluation process. Additional quality assurance support is available from the UNDP-GEF Directorate. The final MTR report will be available in English and will be cleared by the UNDP Country Office and the UNDP-GEF Regional Technical Adviser, and approved by the NSC.”

144. Terminal Evaluation (TE): An independent Terminal Evaluation (TE) will take place upon completion of all major project outputs and activities. The terminal evaluation process will begin three months before operational closure of the project allowing the evaluation mission to proceed while the project team is still in place, yet ensuring the project is close enough to completion for the evaluation team to reach conclusions on key aspects such as project sustainability. The National Project Coordinator will remain on contract until the TE report and management response have been finalized. The terms of reference, the evaluation process and the final TE report will follow the standard templates and guidance prepared by the UNDP IEO for GEF-financed projects available on the [UNDP Evaluation Resource Center](#). As noted in this guidance, the evaluation will be ‘independent, impartial and rigorous’. The consultants that will be hired to undertake the assignment will be independent from organizations that were involved in designing, executing or advising on the project to be evaluated. The GEF Operational Focal Point and other stakeholders will be involved and consulted during the terminal evaluation process. Additional quality assurance support is available from the UNDP-GEF Directorate. The final TE report will be cleared by the UNDP Country Office and the UNDP-GEF Regional Technical Adviser, and will be approved by the National Steering Committee. The TE report will be publically available in English on the UNDP ERC.

145. The UNDP Country Office will include the planned project terminal evaluation in the UNDP Country Office evaluation plan, and will upload the final terminal evaluation report in English and the corresponding management response to the UNDP Evaluation Resource Centre (ERC). Once uploaded to the ERC, the UNDP IEO will undertake a quality assessment and validate the findings and ratings in the TE report, and rate the quality of the TE

report. The UNDP IEO assessment report will be sent to the GEF IEO along with the project terminal evaluation report.

146. **Final Report:** The project’s terminal PIR along with the Terminal Evaluation (TE) report and corresponding management response will serve as the final project report package. The final project report package shall be discussed with the National Steering Committee during an end-of-project review meeting to discuss lesson learned and opportunities for scaling up.

**Mandatory GEF M&E Requirements and M&E Budget:**

GEF M&E requirements	Primary responsibility	Indicative costs to be charged to the Project Budget <sup>17</sup> (US\$)		Time frame
		GEF grant	Co-financing	
<b>Inception Workshop</b>	UNDP Country Office	USD 7,000		Within two months of Project Document signature
<b>Inception Report</b>	Project Coordinator	None	3,200	Within two weeks of inception workshop
<b>Standard UNDP monitoring and reporting requirements as outlined in the UNDP POPP</b>	UNDP Country Office	None	23,040	Quarterly, annually
<b>Risk management</b>	Project Coordinator Country Office	None	23,040	Quarterly, annually
<b>GEF Project Implementation Report (PIR)</b>	Project Coordinator and UNDP Country Office and UNDP-GEF team	None	64,000	Annually
<b>NIM Audit as per UNDP audit policies</b>	UNDP Country Office	USD 10,000	None	Two NIM Audits, 5,000 each (one)
<b>Lessons learned and knowledge generation</b>	Project Coordinator	USD 15,000	64,000	Annually
<b>Monitoring of environmental and social risks, and corresponding management plans as relevant</b>	Project Coordinator UNDP Country Office	None	256,000	On-going
<b>Stakeholder Engagement Plan</b>	Project Coordinator UNDP Country Office	None	64,000	On-going
<b>Gender Action Plan</b>	Project Coordinator UNDP Country Office UNDP GEF team	None	64,000	On-going
<b>Addressing environmental and social grievances</b>	Project Coordinator UNDP Country Office	None	256,000	On-going

<sup>17</sup> Excluding project team staff time and UNDP staff time and travel expenses.

GEF M&E requirements	Primary responsibility	Indicative costs to be charged to the Project Budget <sup>17</sup> (US\$)			Time frame
		GEF grant	Co-financing		
<b>National Steering Committee meetings</b>	National Steering Committee UNDP Country Office Project Coordinator	USD 1,000	64,000		At minimum annually
<b>Supervision missions</b>	UNDP Country Office	None <sup>18</sup>	None		Annually
<b>Oversight missions</b>	UNDP-GEF team	None <sup>18</sup>	None		Troubleshooting as needed
<b>GEF Secretariat learning missions/site visits</b>	UNDP Country Office and Project Coordinator and UNDP-GEF team	None	None		To be determined.
<b>Mid-term GEF Tracking Tool to be updated by CUBAENERGIA and CIMAB</b>	Project Coordinator	None	3,200		Before mid-term review mission takes place.
<b>Independent Mid-term Review (MTR) and management response</b>	UNDP Country Office and Project team and UNDP-GEF team	USD 24,500	3,200		Between 2 <sup>nd</sup> and 3 <sup>rd</sup> PIR.
<b>Terminal GEF Tracking Tool to be updated by CUBAENERGIA and CIMAB</b>	Project Coordinator	None	3,200		Before terminal evaluation mission takes place
<b>Independent Terminal Evaluation (TE) included in UNDP evaluation plan, and management response</b>	UNDP Country Office and Project team and UNDP-GEF team	USD 24,500	3,200		At least three months before operational closure
<b>Translation of MTR and TE reports into English</b>	UNDP Country Office	USD 4,000	None		As required. GEF will only accept reports in English.
<b>TOTAL indicative COST</b> Excluding project team staff time, and UNDP staff and travel expenses		<b>USD 86,000</b>	<b>US 894,080</b>		

<sup>18</sup> The costs of UNDP Country Office and UNDP-GEF Unit's participation and time are charged to the GEF Agency Fee.

**PART III: CERTIFICATION BY GEF PARTNER AGENCY(IES)**

**A. GEF Agency(ies) certification**

**This request has been prepared in accordance with GEF policies<sup>19</sup> and procedures and meets the GEF criteria for CEO endorsement under GEF-6.**

<b>Agency Coordinator, Agency Name</b>	<b>Signature</b>	<b>Date (MM/dd/yyyy)</b>	<b>Project Contact Person</b>	<b>Telephone</b>	<b>Email Address</b>
Adriana Dinu, Director, Sustainable Development, (Environment) a.i. Executive, Global Environmental Finance UNDP		06/29/2018	Ludmilla Diniz, RTS, EITT	507-302- 4514	<a href="mailto:Ludmilla.diniz@undp.org">Ludmilla.diniz@undp.org</a>

<sup>19</sup> GEF policies encompass all managed trust funds, namely: GEFTF, LDCF, SCCF and CBIT  
GEF6 CEO Endorsement /Approval Template-August2016

**ANNEX A: PROJECT RESULTS FRAMEWORK** (either copy and paste here the framework from the Agency document, or provide reference to the page in the project document where the framework could be found).

<b>This project will contribute to the following Sustainable Development Goal (s): 5, 7, 9, 11, 13</b>					
<b>This project will contribute to the following country outcome included in the UNDAF/Country Programme Document:</b>					
<i>Outcome 28: Communities and key sectors develop and increase energy efficiency and the use of renewable energy.</i>					
<b>This project will be linked to the following output of the UNDP Strategic Plan:</b>					
<i>Output 1.5: Inclusive and sustainable solutions adopted to achieve increased energy efficiency and universal modern energy access (especially off-grid sources of renewable energy).</i>					
	<b>Objective and Outcome Indicators</b>	<b>Baseline</b>	<b>Mid-term Target</b>	<b>End of Project Target</b>	<b>Data Collection Methods and Risks/Assumptions</b>
<b>Project Objective:</b>  To promote the implementation of a low-carbon urban transport system in the City of La Havana.	<u>Indicator 1:</u> Number of TOD interventions implemented by the Project with innovative low-carbon measures in the selected urban Corridor <i>Boyeros-Carlos III-Reina</i> .	0	2	6	<u>Data Collection Method:</u> Methodology carried out by CIMAB for the implementation of the Transport Development Program
					<u>Risks:</u> 1. The urban zone which will be intervened is vulnerable to extreme weather events, which can damage the transport system and road infrastructure, a context that poses additional challenges to sustainable transport, urban mobility, and connectivity. 2. Non-compliance with the

					<p>deadlines established for the implementation of the project.</p> <p><u>Assumptions:</u> High effectiveness of the national and provincial policy makers engaged in carrying out different collaborative activities to address the identified barriers.</p> <p>A coherent local policy on mobility and land use, further developing the spatial and transport model laid out in the “<i>Land Use Plan and Urban Master Plan</i>”, effective since 2012, and the 2013 “<i>Urban Transport Development Program</i>”.</p>
	<u>Mandatory indicator 2:</u> Number of direct beneficiaries of the project by the Transit Oriented Development (TOD) measures and NMT.	0	100,480 per day	132,820 per day	<p><u>Data Collection Method:</u> Annual update of the technical indicators for urban passengers transport assessed by CIMAB in the <i>Urban Transport Development Program for the City of La Havana</i>.</p>
					<p><u>Risk:</u> Incremental national capacities among urban transport national stakeholders are not effectively or timely implemented.</p> <p><u>Assumptions:</u></p> <p>Improved urban transport measures implemented by the project in the intervened corridor (Boyeros-Carlos</p>

					III- Reina) are able to modify the mobility way around the city.
	<u>Indicator 3:</u> Emissions of carbon dioxide saved since project starts (direct).	0	3,336	69,242	<p><u>Data Collection Method:</u> CO<sub>2</sub> emissions model implemented by CUBAENERGIA, based on monitoring of project outcomes and outputs.</p> <p><u>Risk:</u> Incremental national capacities among urban transport policy makers and City Transport Operators are not effectively implemented, reducing priority for sustainable options on urban transport.</p> <p><u>Assumption:</u> Regular (annual) checking of baseline assumptions carried out by the PMU and validated by the MTR and TE.</p>
<b>Component 1</b>  <b>1. Increasing national capacities on low-carbon urban transport system.</b>  <b>Outcome 1.1</b>  1.1 An updated	<u>Indicator 4:</u> Number of regulations prepared in accordance with the policies related to sustainable urban mobility:	0	3	8	<p><u>Data Collection Method:</u> Methodology carried out by CIMAB for the implementation of the <i>Urban Transport Development Program</i>.</p>
	a) Technical norms for sustainable urban mobility, as a regulatory framework.  b) Technical norms				<p><u>Risks:</u></p> <ol style="list-style-type: none"> <li>Changes of government policy (subsidies, state regulations for “<i>cuenta-propistas</i>”, etc.) are not agreed and not approved.</li> </ol>

regulatory and operational framework for sustainable public transport, fostering sustainable mobility and greater resilient urban environment.	incorporating gender, aging population, disabilities, and climate change mitigation.				<p>2. Some measures (improved regulations) would possible result in economic displacement of others public transport operators (decrease of economic resources) due to access restrictions to BRT line in the same corridor. It would occur when the investment project will be develop.</p> <p>3. <u>Assumptions:</u> Measuring, Reporting and Verification (MRV) system on urban transport in place by project end.</p> <p>Provincial regulation for La Havana strengthening coordination between land use and spatial planning with urban transport in place by project end.</p>
	<p><u>Indicator 5:</u> Number of digital technologies and big system data enabled for:</p> <p>a) Improvement of transport planning in correspondence with the planned urban development, taking into account the TOD measures.</p> <p>b) MSP monitoring system for urban transport.</p>	1	2	4	<p><u>Data Collection Method:</u> Methodology carried out by CIMAB for the implementation of the <i>Urban Transport Development Program</i> updated and adjusted in accordance with project components and outcomes.</p> <p><u>Risk:</u> Incremental technical capacities among urban transport policy makers are not effectively implemented, reducing impact of these innovative tools for urban</p>

					<p>transport planning in the City of La Havana.</p> <p><u>Assumption:</u> Institutional capacities enhanced, at project end, will facilitate the development of more innovative and data-driven solutions for implementing TOD measures.</p> <p>This is based on a stable and strengthened policy environment for the Province of La Havana. Also to establish priority in the allocation of resources in the planning process for the project budget (cofinancing) to the improvement of urban public transport for the city.</p>
	<p><u>Indicator 6:</u> Number of trained personnel directly linked to the project execution to sustainable mobility and the reduction of GHG emissions.</p>	0	720	1,440	<p><u>Data Collection Method:</u> Annual update of the number of trained personnel carried out by the DGTPH, as an activity associated to the implementation of the <i>Urban Transport Development Program</i>.</p>

					<p><u>Risk:</u> Insufficient trained personnel capacity as well as the information needed to organize and carry out the proposed training events.</p> <p><u>Assumption:</u> The project will create the appropriate knowledge on sustainable mobility and low-carbon urban transport in personnel engaged in project execution.</p> <p>This is based on a stable and strengthened policy environment for the Province of La Havana. Also to establish priority in the allocation of resources in the planning process for the project budget (cofinancing) to the improvement of urban public transport for the city.</p>
<p><b>Component 2</b></p> <p><b>2. Enabling an integrated urban transport system for the City of La Havana.</b></p> <p><b>Outcome 2.1</b></p> <p><b>3.1 Enhanced public transport system through Public Bicycle System (PBS), and</b></p>	<p><u>Indicator 7:</u> Number of TOD measures under implementation.</p>	0	4	9	<p><u>Data Collection Method:</u> Methodology carried out by CIMAB for the implementation of the Transport Development Program updated and adjusted in accordance with project results and outcomes.</p> <p><u>Risk:</u> Public transport operators and non-state vehicle drivers are reluctant to comply with TOD pilot measures in the selected pilot corridor.</p>

<b>Transit Oriented Development (TOD).</b>					<u>Assumption:</u> Transit police are able to enforce new traffic regulations in the selected urban pilot Corridor <i>Boyeros-Carlos III-Reina</i> .
	<u>Indicator 8:</u> Number of women in leadership positions in the integrated management system for public transport in the City of La Havana.	<i>Total: 160 (100%)</i>  <i>Men: 118 (74%)</i>  <i>Women: 42 (26%)</i>	<i>Total: 160 (100%)</i>  <i>Men: 115 (72%)</i>  <i>Women: 45 (28%)</i>	<i>Total: 160 (100%)</i>  <i>Men: 110 (69%)</i>  <i>Women: 50 (31%)</i>	<u>Data Collection Method:</u> Gender methodology analysis carried out by FLACSO implemented in accordance with project components and outcomes.  <u>Risk:</u> Urban transport policies and TOD measures would potentially reproduce discriminations against women based on gender, especially regarding participation in design, implementation and access to incremental benefits.  <u>Assumption:</u> Implementation of the Gender Action Plan (Annex 12) will help strengthen gender equality and empower women by improving their working conditions when directly employed in those activities related to urban passenger transport enhanced by the project.
<b>Component 2</b> <b>2. Enabling an integrated urban transport system</b>	<u>Indicator 9:</u> Number of public bicycle stations in operation as non-motorized initiatives.	0	3	6	<u>Data Collection Method:</u> Methodology carried out by CIMAB for the implementation of the Transport Development Program –

<p><b>for the City of La Havana.</b></p> <p><b>Outcome 2.2</b></p> <p>2.2 Innovative pilot interventions on low-carbon investments in urban transport validated.</p>					<p><i>Sub-Program 3- updated and adjusted in accordance with project components and outcomes.</i></p> <p><u>Risks:</u></p> <ol style="list-style-type: none"> <li>1. Project stakeholders do not have an integral vision of the PBS.</li> <li>2. Bicycling stakeholders become reluctant to use the PBS due to insufficient quality or appeal of the bicycle use.</li> </ol> <p><u>Assumption:</u> Public financing for the procurement of the proposed low-carbon measure is allocated on time during the project execution period.</p>
<p><b>Component 3</b></p> <p><b>3. Monitoring and Evaluation.</b></p> <p><b>Outcome 3.1</b></p> <p>3.1 Programmatic monitoring of project indicators together with a review of on-going activities to ensure successful project implementation.</p>	<p><u>Indicator 10:</u> Percentage of project expenditure spent on the MSP planned activities.</p>	<p>0</p>	<p>50%</p>	<p>100%</p>	<p><u>Data Collection Method:</u> UNDP Expenditures as reported in Atlas.</p> <p><u>Risk:</u> In the context of Cuba, the financial execution of a project that goes through a procurement process that necessarily involves importing of goods, according to the required technical specifications, must consider that the domestic market does not have sufficient supply in quantity or type of inputs to cover the needs of international cooperation projects.</p> <p><u>Assumption:</u> Success in the</p>

					implementation of the Public Bicycle System (PBS) and Transit Oriented Development (TOD), as 58% of the GEF contribution is committed to Component 2 of the project.
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**ANNEX B: RESPONSES TO PROJECT REVIEWS** (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF).

Comments	Response	Reference in Documents
<b>Comments from the GEF Sec</b>		
<i>Improve cost-efficiency</i>	<p>The GEF grant will be mainly used to strengthen and update the existing policy and regulatory framework and build the capacities of the newly created institutional platform, mainly DGTPH and DPPF. Under this Component, the project will generate a much more cohesive and well-funded governance framework that will be better prepared to efficiently and effectively promote low-carbon policies to manage urban transport in the City (Component 1).</p> <p>Component 2 will also implement coordinated pilot actions to demonstrate in the field the opportunities of integration and coordination, thus delivering solutions to global environment problems in a cost effective way. The positive results of the pilots would serve to adapt current regulation for both urban transport and urban landscape planning. In the long term, the project is providing inputs and guidance to the integrated system approach for sustainable mobility, improved connectivity, and a more resilient metropolitan region. By demonstrating that these pilots offer practical solutions to environmental problems in La Havana, it is expected that other provincial policy-makers will incorporate these strategies in their day-to-day management as in the case of City of Santiago de Cuba, the second largest city in the country.</p> <p>Bearing in mind that the GEF resource allocation for this project is US\$1,959,132, and total emissions avoided with GEF involvement are 395,778 tons of CO<sub>2</sub>eq, the cost-effectiveness of this innovative MSP is approximately US\$4.95/ton CO<sub>2</sub>eq.</p>	Expected outcomes for Components 1 and 2.
<i>Increase GEBs</i>	<p>The project's expected impacts are well aligned with the global environmental benefits identified for the CCM focal area (CCM-2/Program 3), mainly mitigated GHG emissions, decreased use of fossil energy resources, improved energy efficiency and enhanced non-motorized transport.</p> <p>The PIF preliminary calculation of total accumulative CO<sub>2</sub> emission savings accounted for 218,598 tCO<sub>2</sub> in 20 years.</p> <p>In accordance with the <i>Transportation Emissions Evaluation Model for Projects</i> (TEEMP) Manual of the “Global Environmental Facility Transportation Projects” used during the PPG, it is expected that the project will provide global environmental benefits in terms of <u>direct</u> emission savings of at least 69,242 tCO<sub>2</sub>eq in 4 years as well as <u>consequential</u> savings of at least 326,536 tCO<sub>2</sub>eq in the 10 years after the project completion.</p> <p>Total lifetime direct and consequential GHG emissions avoided: 395,778 tCO<sub>2</sub>eq.</p>	This new calculation for GEBs and its rationale has been developed in Annexes 04 and 05 of the ProDoc.
<b>Comments from STAP</b>		
(no remaining comments)		

**ANNEX C: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS<sup>20</sup>**

A. Provide detailed funding amount of the PPG activities financing status in the table below:

PPG Grant Approved at PIF:			
<i>Project Preparation Activities Implemented</i>	<i>GETF/LDCF/SCCF/CBIT Amount (\$)</i>		
	<i>Budgeted Amount</i>	<i>Amount Spent to Date</i>	<i>Amount Committed</i>
Consultation Workshop	7,000	4,322	0
Technical review	10,000	3,100	8,000
Institutional arrangements, monitoring and evaluation (including ESMP preparation)	15,000	2,524	13,000
Financial planning and co-financing investments:	10,000	4,000	7,054
Validation workshop	8,000	0	8,000
<b>Total</b>	<b>50,000</b>	<b>13,946</b>	<b>36,054</b>

<sup>20</sup> If at CEO Endorsement, the PPG activities have not been completed and there is a balance of unspent fund, Agencies can continue to undertake the activities up to one year of project start. No later than one year from start of project implementation, Agencies should report this table to the GEF Secretariat on the completion of PPG activities and the amount spent for the activities. Agencies should also report closing of PPG to Trustee in its Quarterly Report.

**ANNEX D: CALENDAR OF EXPECTED REFLOWS (if non-grant instrument is used)**

Provide a calendar of expected reflows to the GEF/LDCF/SCCF/CBIT Trust Funds or to your Agency (and/or revolving fund that will be set up)