



Building Resilience & Ending Vulnerabilities in SIDS

Joint Programme 2022 Annual Progress Report

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Cover Page

UNCT/MCO: Cuba

Reporting Period: 1 January - 31 December 2022

JP title: Environmental Finance Enabling Framework to accelerate SDGs in Cuba.

Stakeholder partner: National Government; Sub-national Governments; Civil Society Organizations; Private sector;

Thematic SDG Areas: Digital transformation; Climate action & energy transformation; Biodiversity;

PUNOs: UNDP, UNEP

Total estimated expenditures: US\$ 27,655.0

Total estimated commitments (including expenditures): US\$ 34,200.0

Gender Marker: Gender-responsive (for example, the JP aimed to respond to specific gender needs, such as linking social assistance with GBV response services or maternal health support)

Resident Coordinator: Pichon, Francisco

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Executive Summary

The most important milestone achieved during this period was conducting the inception workshop which was effective in socializing the objectives, main approaches, and expected results of the project with more than 50 managers and stakeholders from key national entities who are in position to promote operational synergies with related projects. The first collective approaches to important products were developed and discussed: enabling framework, digital platform, and selection criteria for pilot sites. The actions carried out during this period have provided the foundations to advance in the implementation of financial solutions for resource mobilization in favor of biodiversity and climate change, contributing with the expected results to directly favor progress in goal 15.9, 12.2 and 2.4 of the SDG. Financial execution at the end of 2022 amounts to USD 61,855, which represents about 17.2% of the first tranche received from the SDGF

Annual Progress

Overall JP self-assessment of 2022 progress:

Not satisfactory (majority of expected annual results not achieved; over 3 months delay in implementation)

Overall progress against 3 key results

- Conducted inception workshop (November 8 and 9, 2022) that allowed socializing with more than 50 managers and actors from key entities, the objectives, results and logical framework of the project. Developed within this framework, sessions for the

promotion of synergies with related projects and collective construction of the initial proposals for the enabling framework, digital platform and selection criteria for pilot sites. Undertook dissemination of the project in a joint workshop with the BIOFIN initiative (November 29 and 30, 2022).

- Agreed with the key organizations and entities (CITMA, MEP, ONEI, Technical Unit for the GCF and UNDP) the essential elements to be incorporated in the design of the digital platform as a tool of the enabling framework. Other activities undertaken included: identification of priorities; collection of information on the financing of national and international projects; resource mobilization mechanisms for biodiversity, climate change and environmental quality, based on the reports of key documents, such as the National Biological Diversity Program post 2020, the Nationally Determined Contribution for adaptation and mitigation to climate change and quality reports environmental. The platform will constitute a tool for the internal management of all public information.
- Completed the operational processes that ensure commitments by the key national agencies and entities involved in the actions of the project, as well as the necessary steps to advance in contracting of consultancies required to support development of key results (design of a gender-sensitive methodology for MEbA climate risk management for Cuba).

SDG Acceleration progress towards the SDGs, focusing on the main SDG targets

The JP contributes to accelerate the SDGs as it will mainstream the financial dimension of environmental management into the national development financing strategy. This will allow Inclusion of environmental finance considerations into the Integrated National Financing Framework (INFF), strengthening mechanisms for SDG implementation. The main added value of the proposal to accelerate achievement of SDGs is capacity-building to improve current environmental finance management in line with priorities identified in the 2030 PNDES; enhance resource pooling and mobilization; seize new opportunities; diversify its sources; and promote greater consistency in the allocation of available resources. Mainstreaming ecosystem and biodiversity values into development processes is crucial to ensure their sustainability.

Results from the Environmental Finance Project will directly contribute to goal 15.9 of the SDGs. The actions carried out in this period lay the foundations to advance in the development of actions that allow the implementation of financial solutions for resource mobilization in support to biodiversity and climate change.

During the next reporting period, the project will strengthen the capacities of these local stakeholders to: (i) foster the sustainability of small-scale food production systems by implementing financial solutions; (ii) implement resilient agricultural practices to build climate change adaptation capacities (MEbA); (iii) promote sustainable agriculture; and (iv) increase food security (Outputs 3.1, 3.2, and 3.3.); all contributing to goal 12.2 y 2.4 of the SDGs

Constraints that were encountered and any adjustments that were made to strengthen the relevance and effectiveness of the JP and the coherence and coordination of UN system support.

The main challenge faced in 2022 has been the delay in the project implementation start-up due to the lengthy process for approval and signing of the National Terms of Reference.

In response, at the Inception Workshop, a proposal was presented and approved to adjust the Work Plan 2023 together with the representatives of the key entities. The main actions planned for 2023 incorporate the activities that had to be reprogrammed from 2022. This implies that the main activities of the three Outcomes should be taken up simultaneously during the next period, advancing in the consolidation of the inter-institutional mechanism and the strengthening of capacities of the key actors, with emphasis on gender issues. A shift towards the first quarter of 2024 is expected in the fulfillment of the actions of Outcome 2 related to the agreement and socialization of the roadmap and the action plan for environmental finance, as well as in the actions of Outcome 3 related to the development of the MEbA methodology and the implementation of the pilots of the financial solutions.

The participatory sessions with key actors involved in the framework of the workshops that were conducted are considered as an effective action to promote initial proposals for the enabling framework, digital platform and selection criteria for pilot sites.

Next steps, scaling and sustainability [up to half a page]

The main activities to be carried out in the next period include the following:

- 1.1.1 Map environmental finance policy, regulation and implementation gaps, defining current key institutions and mechanisms or programs contributing to environmental finance.
- 1.1.2 Define synergies between programs evaluated under 1.1.1 and propose a mechanism that integrates the identified potentials in the 2030 PNDES macro-programs.
- 1.1.3 Develop the policy and methodological basis of the interinstitutional mechanism and define its management and governance structure.
- 1.1.4 Evaluate the performance of the interinstitutional mechanism proposed and the integration of environmental finance into development financing policies.

- 1.2.1 Identify the key national and local stakeholders participating in the interinstitutional mechanism and their training needs on main topics being promoted (biodiversity, climate change, environmental finance, MEbA, environmental and social safeguards, gender equality in climate change adaptation, gender -responsive financing), taking into consideration crosscutting and specific key gender dimensions.
- 1.2.2 Develop Guidelines/Manuals addressing environmental finance management in a comprehensive manner, placing emphasis on gender dimensions, and identifying environmental and social safeguards.
- 1.2.3 Implement an awareness-raising and training program for key stakeholder groups and potential MEbA beneficiaries, taking into account the knowledge gaps identified.
- 1.2.4 Implement an awareness-program for all key stakeholders involved in the mechanism on gender-equality issues (that includes existing instruments and methodologies for environmental and climate projects), as a guiding principle of the SDGF in order to leave no one behind.
- 1.3.1 Identify infrastructure and knowledge needs to implement the environmental finance Digital Platform and integrate it into the national environmental information system.
- 1.3.2 Design a Digital Platform for environmental finance in Cuba, including MEbA, that provides visibility to gender dimensions and is aimed at strengthening the technical infrastructure for its implementation.
- 1.3.3 Build technical capacities for key stakeholders involved in the mechanism to access the Platform.
- 1.3.4 Implement the Platform and connect it to the National Environmental Information System.
- 2.1.1 Develop a roadmap with the participation of key national and local stakeholders to implement environmental finance in Cuba. The roadmap will include steps to harmonize and adapt legislations, build capacities, develop verification and reporting methods, implement innovative financial solutions, and plan the potential mobilization of additional resources up to 2030, by implementing it.
- 2.1.3. Develop a gender-responsive dissemination and awareness-raising program for the roadmap.
- 2.2.1 Define, with the participation of key stakeholders, a plan of action that identifies the actions, parties in charge, deadlines and mobilization of additional resources planned to implement financial solutions aimed at biodiversity protection and climate change adaptation.
- 2.3.1 Carry out awareness-raising actions on gender-responsive environmental finance (meetings, workshops, exchanges with communication products) with stakeholders (women and men) involved in the development and implementation of the roadmap and the plan of action, emphasizing on executives and leading men of the institutions.
- 2.3.2 Design and implement an intensive training program on the SDG gender-related SDGs and strategies for their management of environmental finance, including practical actions and exercises in the use of the roadmap and plan of action developed.
- 2.3.3 Deploy gender-sensitive communication of the training program results and of the best practices of executives and leading men in the implementation of the roadmap and plan of action developed.

Programmatic Survey

Total number of people benefited from the JP in 2022: 104

Percentage (%) of women benefited among the total number: 68

Percentage (%) of children & youth (0-24 years of age) benefited among the total number:

Percentage (%) of older persons (age 60 and above) benefited among the total number:

Percentage (%) of persons with disabilities benefited among the total number:

Explain how people benefited from the joint programme.

The main benefit in this period has been to raise awareness about the importance of key issues associated with environmental finance to address biodiversity, climate change adaptation and mitigation, and environmental quality.

During this reporting period a workshop was coordinated by UNDP to identify potential pilot sites, taking into consideration the number of producers with experience in the application of good practices for biodiversity and climate change adaptation that will benefit from the MEbA model. During the next reporting period, a capacity building process with local stakeholders will be focused on domestic resource mobilization and financial solutions to be implemented to stimulate good practices and remunerate the agricultural productive systems of the non-state sector part of the income captured by this concept.

Priority Cross-cutting Issues

Cross-cutting results/issues

Socialized in the framework of the initial workshops undertaken in this period, the transversality of the gender and social inclusion approaches in the results of the project. Developed from the participatory session start-up workshop to reconcile the integration of the gender dimension in the design of the digital platform as a tool of the enabling framework.

During this reporting period, work has been initiated to develop a gender-sensitive national MEbA model, allowing key local stakeholders to know more about the potentials of MEbA taxonomy and the risk management methodology. The MEbA model will support the requirements identified to build local financial capacities and financial mechanisms, favoring the application of an inclusive approach promoting gender equality and rights in smallholder agriculture.

How did the JP apply the Gender Marker

The JP is Gender-responsive (for example, the JP aimed to respond to specific gender needs, such as linking social assistance with GBV response services or maternal health support). N/A;

JP address the below cross-cutting issues and principles of leaving no one behind

| Human Rights | Persons with disabilities | Youth | Environmental and social standards |
|--------------|---------------------------|-------|------------------------------------|
| No | No | No | Yes |

Key meetings and events organized in 2022

| | | |
|---|-------------------------------------|------------------|
| JP steering committee/ programme board meeting | Strategic partners/ donors event | Kick-off meeting |
| No, but planned in 2023 | No and no plans yet | Yes, in 2022 |

Explanation if you have not held any key meeting/events.

Contribution to enhancing SDG Financing

| | | | | | |
|---|--|--|---|--|--|
| Drafted a bill, strategy, and/or approved a law increasing the fiscal space for the policy in focus | Produced financing, costing, diagnostic and feasibility analyses as a basis to invest or increase spending on the SDGs | Improved efficiency (cost savings) in the management of programmes/schemes | Improved effectiveness (value for money; i.e. social impact of \$1 spent) of spending | Drafted policies/regulatory frameworks or developed tools to incentivize private sector investment on the SDGs | Structured new financial instruments (public, private or blended) to leverage additional funding |
| No | No | No | No | Yes | Yes |

How JP contributed to enhancing SDG financing

The actions that will be promoted in the coming period will contribute to the development of an inter-institutional mechanism that integrates entities from key sectors (CITMA, MINCEX, MFP, MEP, BCC and ONEI) into a strategic partnership for the mobilization of national and international resources in favor of biodiversity, the conservation of natural resources and adaptation to climate change.

Similarly, the progress expected for the next period in the implementation of the pilots will contribute to developing financial solutions in agricultural farms, demonstrating the potential of the integration of the non-state sector in the mobilization of financial resources for these purposes.