

BIOFIN-CUBA. BIODIVERSITY EXPENDITURE REVIEW (BER)

EXECUTIVE SUMMARY

Cuba, an archipelago located in the Caribbean Sea, is home to the greatest plant diversity in the region. It is considered one of the four islands with the highest number of plant species worldwide and the highest number of taxa per square kilometer. Cuba's biodiversity (species, ecosystems, landscapes and genes) is part of the national wealth and natural heritage.

Coastal marine ecosystems (coral reefs, mangroves and sandy beaches) play an important role in climate change adaptation, therefore they are prioritized. The contribution of the Cuban biota is not only significant for the country, but for the Caribbean region, as it provides larvae of marine species of interest for commercial and conservation purposes. It likewise provides well preserved habitats for food and reproduction of migratory birds at regional level. Globally, Cuba's marine and land vegetation contributes to climate change adaptation as carbon reservoirs.¹

The 10th Conference of the Parties (COP10) of the Convention on Biological Diversity (CBD), held in Nagoya, Japan, in 2010, adopted a Strategic Plan on biological diversity for 2011-2020. To promote its fulfillment, the 20 Aichi Targets were established under five strategic goals. BIOFIN contributes to the implementation of the National Program for Biological Diversity (NBSAP) 2016-2020, particularly of its Goal 3, related to economic instruments and incentives aiming to curtail the loss of biological diversity, and Goal 20 on the mobilization of financial resources for the effective implementation of the NBSAP.²

The BIOFIN initiative has contributed significantly to the National Program for Biological Diversity (NBSAP) and its 2016-2020 Plan of Action, working closely with its coordination group, assessing the country's biodiversity expenditure so far, as well as the cost of actions provided in the NBSAP under its 20 goals. The close interaction with NBSAP formulators, biodiversity-related training, awareness raising and identification of actions are peculiarities of the Cuban expenditure review experience in the work of BIOFIN.

Component 2 of the BIOFIN Methodology, related to the Biodiversity Expenditure Review, was undertaken by the National Office of Statistics and Information (ONEI), with technical assistance by the UNDP. The purpose of this component was to determine the expenses incurred in by the country to support activities under the three pillars of the Convention on Biological Diversity (CBD)³: Conservation, Sustainable Use and Access to Genetic Resources and the Fair and Equitable Sharing of Benefits (ABS).

This review included current and capital expenditure in biodiversity (direct or indirect), executed by the institutions and bodies identified in Component 1 given their greater interaction with biodiversity. The BER covered the 2010-2016 period, as well as the 2020 projections.

The work carried out under this component required direct interactions among the various stakeholders and feedback from the economic, technical and environmental divisions of each body and institution.

¹ CITMA (2014). 5th National Report to the Convention on Biological Diversity, Havana. Cuba.

² CITMA (2017). National Program for Biological Diversity. Cuba: National goals for biological diversity 2016-2020, Havana, Cuba.

³ The Convention on Biological Diversity (CBD) was signed by the Republic of Cuba on June 12, 1992, in the framework of the Summit of the Earth held in Rio de Janeiro and became effective on the country on June 6, 1994.

Therefore, training activities were organized with representatives of the concerned bodies and institutions to determine the biodiversity expenditures, thus allowing for:

- A better understanding of the link of economic activities with the three CBD pillars.⁴
- Easier identification of activities and subsequent determination or estimation of the amount of biodiversity expenditure, considering they are not recognized in their accounting records.

The most outstanding results of the BER are:

1. The Total Biodiversity Expenditure exceeded the 5.3 billion pesos in the 2010-2016 period. The annual average expenditure amounted to 766 million pesos. Thus, the 2016 year-end performance was 2.8 times higher than the one reported in 2010.
2. Bodies with the highest biodiversity expenditure level are the Ministry of Agriculture (68 %), the Ministry of Higher Education (10 %) and the Ministry of Science, Technology and the Environment (7 %).
3. In terms of BIOFIN categories, 43% of expenses were devoted to restoration, 19% to awareness raising, and 10% to Protected Areas and other conservation measures. The results are consistent with the Aichi categories and those included in the NBSAP.
4. The biodiversity expenditure/Gross Domestic Product (GDP) ratio shows an increasing trend. In 2010 biodiversity-related expenses accounted for 0.64% of the GDP, while in 2016 it was 1.30 %. Projections for 2020 forecast it will increase to 2.35%.

Notwithstanding the positive results highlighted above, there are still some weaknesses, namely: insufficient recognition of biodiversity as an essential source of development, the lack of an accounting system for environmental expenditure and poor integration of the work of the environmental and economic divisions of institutions.

Recommendations resulting from the second component review are:

- Ensure that the accounting records allow the identification of current and capital costs, particularly biodiversity expenditure, both for the corporate and budgetary systems.
- To provide greater coverage in National Statistics to the collection of data on environmental-protection-related expenses, especially current expenses, once they have been identified in accounting records.
- To ensure the identification of environment-related investments within the economic planning process, in accordance with the established classification to implement actions included in the 2016-2020 NBSAP.
- To scale up training activities on biodiversity for stakeholders and decision-makers including the identification and measurement of biodiversity and environmental conservation and sustainable management-related expenditure.
- To place a greater focus on the efficiency and effectiveness of the results-based monitoring and evaluation of biodiversity programs, projects or initiatives, developing indicators for their measurement.

⁴ The Training Manual on Biological Diversity for Key BIOFIN Stakeholders was designed for the implementation of this component.

- To raise awareness on the role biodiversity plays in sustainable development in approved policies, emphasizing at the local level.
- To make the processed information available for use in drafting the Sixth National Report to the Convention on Biological Diversity.