



ADAPTATION FUND

AFB/B.31-32/5
5 June 2018

Adaptation Fund Board

**REQUEST FOR EXTENSION OF PROJECT COMPLETION
DATE: UNEP (MADAGASCAR)**

Background

1. The Adaptation Fund Board (the Board) at its sixteenth meeting, approved a five-year project titled "*Promoting Climate Resilience in the Rice Sector through Pilot Investments in Alaotra-Mangoro Region*" in Madagascar, submitted by the United Nations Environment Programme (UNEP) for a request amount of US\$ 5,104,925 (decision B.16/14). The overall objective of the project is to increase climate resilience of people involved in the rice sector by fostering rice production that will withstand projected climate conditions, and by increasing environmental sustainability and ecological services by working with local producers and partners. Additionally, the project aims to provide the tools for crop modeling and vulnerability analysis, particularly focusing on the rice sector, as well as the development of a climate-based hydrological model for the region. As mandated by the decision, an agreement was prepared and signed between the Board and UNEP.
2. The first tranche of disbursement for the implementation of the project was released following signature of the agreement in February 2012. The first project performance report (PPR) for the project was submitted on 6 March 2014 and cleared by the Adaptation Fund Board Secretariat (the secretariat) on 31 March. The second, third and fourth PPRs were cleared by the secretariat in September 2016 (first and second PPR), and April 2017, respectively. The fifth PPR was submitted in April 2018, and it is currently under revision by the secretariat. As of May 2018, a total amount of US\$ 4,829,878 had been disbursed to the project by the Board's Trustee (corresponding to 95% of the total project funding). The project went through a mid-term evaluation (MTE) process, with a MTE report finalized in February 2016.
3. This is the second request for an extension of the project completion date. The expected completion date of the project, following decision B.30-31/18, is 30 June 2018. As outlined in the Adaptation Fund Project/Programme Delay Policy (AFB/B.29-30/3/Rev.1) amended by the Board in October 2017 (Decision B.29-30/15), a request for an extension of project completion date must be submitted by the implementing entity at least six months prior to the official completion date. However, UNEP had submitted such request through the secretariat on 17 April 2018, hence at a date beyond the expected completion date, for an extension of the completion date until 31 March 2019. Following consultation with the secretariat and taking into account the low disbursement rate of the project as of May 2018, UNEP resubmitted a new request on 1 June 2018, extending the completion date of the project extension request until 30 June 2019 (see Annex 1).
4. The secretariat will recall due diligence to UNEP, for compliance with the Project/Programme Delay Policy.
5. The reasons for this project extension request, as outlined by UNEP, include the fact that the project experienced delays in the procurement process for water infrastructure rehabilitation works, which caused a considerable delay of 6 months for the implementation of activities under project output 2.1.5. The postponed water efficiency, management and conservation technologies and infrastructures works, overlapped with the rice cultivation season, causing further issues in terms of water availability on one hand, and difficult access to the projects' sites, due to the rainy season, on the other hand.
6. According to UNEP, the requested extension of the completion date would allow to:
 - Ensure that the water infrastructure works can be fully completed after the end of the rainy season;

- Allow sufficient time to collect the required data to monitor the impact of the rehabilitation works;
- Complete all the project upscaling and sustainability interventions, as well as work on the identification and dissemination of lessons learned at the local and national levels; and
- Have additional time in case any administrative delays would incur as a result of the upcoming general elections.

Secretariat's review of the request

7. Following a review of the request, the secretariat finds that given the delays incurred (under component 2) and given the low cumulative disbursement as of October 2017 (as indicated in the fifth PPR submitted on April 2018) corresponding to 50% of the total project funding, this second request of a 12-month extension is justified.

8. An additional extension of the project completion date, would therefore ensure fulfillment of the project outputs and outcomes, and will bring back on track the project expenditures, that could reach more than 90% in the following reporting period. Additionally, it will allow sufficient time to develop a sustainability and upscaling strategy, building on the success and lessons learned in the previous period.

9. Lastly, the secretariat acknowledges that this no-cost project extension request has been agreed with the Executing Entity and the Designated Authority has been notified, in accordance with the Adaptation Fund Policy for Project/Programme Delays.

Recommendation

10. Therefore, the Board may consider and decide to approve the request for a 12-month extension of the project completion date for the project "*Promoting Climate Resilience in the Rice Sector through Pilot Investments in Alaotra-Mangoro Region*" as requested by the United Nations Environment Programme (UNEP), from June 2018 to June 2019.

11. The Board may also decide to notify its concerns to UNEP about the recurrent requests for extension of project/programme completion date submitted to the Board within six months of the official completion date and further request UNEP to make the necessary planning work in order to comply with the Project/Programme Delay Policy of the Adaptation Fund.

Annexes

1. Request for an extension of the project completion date from UNEP.

Annex 1: Request for an extension of the project completion date from UNEP

Request for extension of project/programme completion date

AF Project/programme ID: 1034			
Project/programme Title: "Promoting Climate Resilience in the Rice Sector through Pilot Investments in Alaotra-Mangoro Region"			
Country: Madagascar			
Project/Programme Approval (date)	1 March, 2012		
Expected Project/programme Completion (date)	30 June, 2018	Proposed Revised Completion (date)	30 June, 2019

Reasons/justifications for the extension of project/programme completion:

- The first project extension, granted for 8 months until 30 June 2018, has provided the project with an additional planting season (2017-18). As a result, the project's reforestation activities have been expanded with an additional 600 hectares, using a community-based approach.
- The first project extension is also enabling the upscaling of the MIRR (integrated resilient rice production model), which is currently underway. Work is being undertaken at the local level to demonstrate and upscale the MIRR, as well to provide related training. The upscaling focuses on the Alaotra-Mangoro region as well as two other major rice-producing regions (Itasy and Vakinankaratra). Dissemination of the MIRR model at the national level is also underway, including the preparations for a national workshop with all relevant sectors to present experiences on the model.
- The second no-cost extension, for an additional 12 months until 30 June 2019, is requested mainly due to long delays that were experienced in the procurement process for water infrastructure rehabilitation works. These activities (under project output 2.1.5) were originally planned to take place from June to August 2017. However, due to difficulties with the procurement process (which were eventually resolved), the rehabilitation works taking place on five sites across the three districts only started in late October 2017. This has subsequently introduced significant further delays, because this timing has meant the works overlap with (i) the rice cultivation season, which limits the opportunities for restricting water flow, as is needed for many of the rehabilitation works in question, and (ii) the rainy season, which has resulted in several of the sites being inaccessible (or difficult to access) due to cyclone damage, flooding and heavy rains.
- The second project extension will therefore ensure that the water infrastructure works can be fully completed after the end of the rainy season (by July 2018), but also that there will be sufficient time to collect the required data to monitor the impact of the rehabilitation works on the availability of water resources. The project extension will also enable the full completion of all project upscaling and sustainability interventions, as well as the identification, compilation and dissemination of lessons learnt at the local and national levels.

- The project extension would also provide an adequate buffer for the possible administrative delays that the upcoming General Elections and the related ongoing political crisis in Madagascar may introduce to project activities.

Implementing Entity certification

This request has been prepared in accordance with Adaptation Fund policies and procedures, has been agreed by participating executing entities, and the designated authority (DA) has been notified.

Jessica Troni,
Senior Programme Officer, Climate Change Adaptation Portfolio Manager
Tel: [254-20] 762-3794
Mobile: [254] 795 751 062
Email: jessica.troni@un.org

Signature:

Date: 28 May 2018



Name & Signature



Project/programme contact person: Anna Kontorov, UN Environment Task Manager

Date: 28 May 2018

Tel. +1-202-974-1309

Email: anna.kontorov@un.org