



ADAPTATION FUND

AFB/B.31-32/9
1 August 2018

Adaptation Fund Board

**REQUEST FOR EXTENSION OF PROJECT COMPLETION
DATE: THE WORLD BANK (ARGENTINA)**

Background

1. The Adaptation Fund Board (the Board) at its nineteenth meeting, approved a four-year project titled “Increasing Climate Resilience and Enhancing Sustainable Land Management in the Southwest of the Buenos Aires Province” submitted by the World Bank (WB) for a request amount of US\$ 4,296,817 (decision B.19/9). The overall objective of the project is to help reduce the climate and human induced vulnerability of the agro-ecosystems in the Southwest of the Buenos Aires Province by increasing the adaptive capacity of key local institutions and actors, and by piloting climate resilient and sustainable land-management practices. The project is comprised of four main components, namely: i) Reducing Institutional and Community-level Vulnerability; ii) Implementing Adaptation Measures in Productive Agroecosystems; iii) Applying a Participatory Approach to Knowledge Management and Monitoring and Evaluation and iv) Developing a Sustainability Strategy. As mandated by the decision, an agreement was prepared and signed between the Board and the WB.

2. The first tranche of disbursement for the implementation of the project was released following signature of the agreement in February 2013. The project inception was significantly delayed as the first disbursement from the WB took place in March 2015. The Project Implementation Unit (PIU) was established and became legally operational within the Secretariat of Environment and Sustainable Development (SAyDS) in July 2015. Those delays were due to slow bureaucratic processes coupled with issues related to the change of the responsible SAyDS authorities in December 2014. After the Government of Argentina (GoA) administration changed in December 2015, the SAyDS was upgraded to MAyDS in early 2016, and the PIU settled down under the National Directorate of Forests, Territorial Planning and Soil.

3. The first project performance report (PPR) for the project was submitted in July 2016 and cleared by the Adaptation Fund Board Secretariat (the secretariat) in August. The second and third PPRs were cleared by the secretariat in 2017 and March 2018, respectively. As of August 2018, a total amount of US\$ 3,752,463 had been disbursed to the project by the Board’s Trustee. The project went through a mid-term evaluation (MTE) process, with a MTE report finalized in February 2018.

4. The WB has submitted to the secretariat on 5 July 2018 a request for a three-month no-cost extension of the project completion date. The original expected completion date of the project is 30 June 2019. 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. This request is therefore in compliance with the Adaptation Fund Policy for Project/Programme Delays, as it was submitted by the implementing entity more than six months prior to the official completion date. The requested completion date is 30 September 2019 (see Annex 1).

5. The reason for this project extension request, as outlined by the WB, includes the fact that, due to some initial delays in project start-up, the project cannot fully achieve its objectives and key results within the existing implementation timeline.

6. According to the WB, the requested extension of the completion date would ensure higher quality project results particularly in terms of:

- the physical progress of the sustainable land management practices and planting of tree barriers along national roads to reduce wind erosion, contemplating the restrictions imposed by the biological and productive cycles of the region;
- the overall sustainability prospects of the promoted technical and political initiatives that require continued interinstitutional coordination and collaboration; and
- securing sufficient time to consolidate and maximize results generated under Components 3 (Applying a Participatory Approach to Knowledge Management and Monitoring and Evaluation) and 4 (Developing a Sustainability Strategy), which merit extended efforts towards the end of the Project implementation period when the achieved results peak, including dissemination of systematized knowledge on the piloted work and the lessons learnt.

7. The proposed extension will focus on the systematization and dissemination of experiences and institutional strengthening and therefore will not have a significant impact on fiduciary and operating management costs. The PIU will be able to maintain its key structure and functions until the revised closing date without increasing the originally allocated amount for Project's operational costs.

Secretariat's review of the request

8. The secretariat finds that the three-month extension request is reasonable and will help the project achieve higher quality results. Also, the secretariat acknowledges that this no-cost project extension request has been agreed by the Executing Entity and the Designated Authority has been notified, in accordance with the Adaptation Fund Policy for Project/Programme Delays.

Recommendation

9. Therefore, the Board may consider and decide to approve the request for a three-month extension of the project completion date for the project "Increasing Climate Resilience and Enhancing Sustainable Land Management in the Southwest of the Buenos Aires Province" as requested by the WB, from June 2019 to September 2019.

Annex

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

Annex: Request for an extension of the project completion date from the WB*Request for extension of project/programme completion date*

AF Project/programme ID: ARG/MIE/Rural/2011/1 - P125804			
Project/programme Title: Increasing Climate Resilience and Enhancing Sustainable Land Management in the Southwest of the Buenos Aires Province			
Country: The Argentine Republic			
Project/Programme Approval (date)	December 14, 2012		
Expected Project/programme Completion (date)	June 30, 2019 (4 years from the Inception Workshop)	Proposed Revised Completion (date):	September 30, 2019

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

The Project implementation performance has been rated Satisfactory since its Mid-Term Review (MTR) in April 2017, as also reflected in the MTR Report submitted to the Adaptation Fund Secretariat. The rating of progress towards achievement of the Project Development Objective was increased from Moderately Satisfactory to Satisfactory in May 2018, as interinstitutional coordination and collaboration increased over time and a growing number of participating institutions/agencies showed strong ownership and commitment.

However, due to some initial delays in project start-up, the project cannot achieve fully its objectives and key results within the existing implementation timeline. The Project Implementation Unit and the Ministry of Environment and Sustainable Development (MAyDS, the Executing Agency), have therefore solicited the World Bank (the Multilateral Implementing Entity), to extend the closing date to September 30, 2019. The Grant Agreement between the World Bank and the Argentine Republic is currently set to expire on December 30, 2018.

As agreed with the Designated Authority (DA) for the Adaptation Fund in Argentina, hosted by the MAyDS, the World Bank is requesting the Adaptation Fund's agreement to extend the project completion date to September 30, 2019. Such extension would ensure higher quality Project results particularly in terms of:

- 1) the physical progress of the sustainable land management practices and planting of tree barriers along national roads to reduce wind erosion, contemplating the restrictions imposed by the biological and productive cycles of the region;
- 2) the overall sustainability prospects of the promoted technical and political initiatives that require continued interinstitutional coordination and collaboration; and
- 3) securing sufficient time to consolidate and maximize results generated under Components 3 (Applying a Participatory Approach to Knowledge Management and Monitoring and Evaluation) and 4 (Developing a Sustainability Strategy), which merit extended efforts towards the end of the Project implementation period when the

achieved results peak, including dissemination of systematized knowledge on the piloted work and the lessons learnt.

The proposed extension will focus on the systematization and dissemination of experiences and institutional strengthening and therefore will not have a significant impact on fiduciary and operating management costs. The PIU will be able to maintain its key structure and functions until the revised closing date without increasing the originally allocated amount for Project's operational costs.

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.



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Date: July 5, 2018

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