



ADAPTATION FUND

AFB/B.31-32/14  
9 September 2018

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Adaptation Fund Board

**REQUEST FOR EXTENSION OF PROJECT COMPLETION  
DATE: UN ENVIRONMENT (UNITED REPUBLIC OF  
TANZANIA)**

## Background

1. The Adaptation Fund Board (the Board) at its sixteenth meeting, approved a five-year project titled “Implementation of Concrete Adaptation Measures to Reduce Vulnerability of Livelihood and Economy of Coastal Communities in Tanzania”, submitted by the United Nations Environment Programme (UN Environment) for a request amount of US\$ 5,008,564.00 (decision B.16/19). The overall objective of the project is to reduce the adverse impacts of sea level rise and floods on coastal infrastructures and settlements and rehabilitate coastal ecosystems to enhance ecological resistance to flooding in Ilala and Temeke Districts (Dar Es Salaam region). As mandated by the decision, an agreement was prepared and signed between the Board and UN Environment.

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 in February 2014 and cleared by the Adaptation Fund Board Secretariat (the secretariat) in March 2014. The second PPR was submitted in March 2015 and cleared by the secretariat in June 2015, the third PPR was submitted in June 2016 and cleared by the secretariat in April 2017 and the fourth PPR was submitted in March 2017 and cleared by the secretariat in April 2017. As of September 2018, the total project funding 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 March 2017.

3. This is the second request for an extension of the project completion date (the original project completion date was October 2017). The expected completion date of the project, following decision B.30-31/19, was 30 April 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, UN Environment had submitted such request through the secretariat on 24 August 2018, hence at a date beyond the expected completion date, for an extension of the completion date until 30 March 2019 (see Annex 1).

4. The secretariat recalled due diligence to UN Environment, for compliance with the Project/Programme Delay Policy, through the Board Decision B.31-32/5.

5. The reasons for this project extension request, as outlined by UN Environment, include the fact that the project experienced cashflow constrains, which impeded both the completion of tree and grass planting activities along the seawalls and costal monitoring and assessments. The Project Cooperation Agreement signed between UN Environment, and the Vice President’s Office (Division of Environment), which is the Executing Entity of this project, contains a standard clause to ensure fiduciary compliance of the Executing Entity, that implies a 3% retainment of the total grant against the submission of the completion report, final audited expenditures statement, and the final inventory of non-expendable equipment.

6. According to UN Environment, the requested extension of the completion date would allow to:

- Allow sufficient time for the completion of the activity of grass and trees plating along seawalls in Obama road and Kigamboni, within an estimated additional four-month period;
- Complete the coastal monitoring and assessment activity, within an estimated additional three-month time; and
- Develop the completion report in January 2019.

### **Secretariat's review of the request**

7. Following a review of the request, the secretariat finds that given the delay in two project activities, this second request of a 11-month extension is justified. Nonetheless, the secretariat would like to bring to the Board's attention that UN Environment, despite the letter for compliance with the Project/Programme Delay Policy, submitted on June 27, 2018 through the Board Decision B.31-32/5, did not do the necessary planning work during project/programme implementation to comply with the project/programme delay policy of the Adaptation Fund.

8. 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, as specified in Annex 1.

### **Recommendation**

9. Therefore, the Board may consider and decide to approve the request for an 11-month extension of the project completion date for the project "Implementation of concrete adaptation measures to reduce vulnerability of livelihoods and economy of coastal communities of Tanzania" as requested by UN Environment, from April 30, 2018 to March 30, 2019.

### **Annexes**

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

## Annex 1: Request for an extension of the project completion date from UN Environment

*Request for extension of project/programme completion date*

<b>AF/UNEP Project/programme ID: TZA/MIE/Coastal/2010/1 UNEP ID 1274</b>			
<b>Project/programme Title:</b> <i>"Implementation of concrete adaptation measures to reduce vulnerability of livelihoods and economy of coastal communities of Tanzania"</i>			
<b>Country:</b> Tanzania			
<b>Project/Programme Approval (date)</b>	March 1, 2012		
<b>Expected Project/programme Completion (date)</b>	April 30, 2018	<b>Proposed Revised Completion (date):</b>	March 30, 2019

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

While the project has seen a lot of progress and most activities have been completed, the following activities are pending completion due to project cashflow constraints:

1. Tree and grass planting activities along the seawalls at Obama Road and Kigamboni
2. Coastal monitoring and assessments

In the Project Cooperation Agreement between UNEP and VPO, 3% of the total funds are held back pending submission of completion report, final audited expenditure statement, final inventory of non-expendable equipment and signed transfer agreements. This is standard clause in PCAs to ensure fiduciary compliance of the executing entity. For this project, this amount totals US\$ 150,257. As a result of the holdback funds, cash flow issues have impacted on the two activities. The UNEP Finance Officer has agreed to disburse additional funds to cover the shortfall with fiduciary conditions and close monitoring.

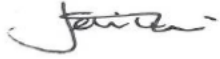
For the completion of the activity on planting trees and grass along seawalls in Obama road and Kigamboni, it is estimated that around 4 months will be needed to complete the activity as seedlings need to be sourced, grown, transported, and sown in the project sites. For the coastal monitoring and assessments activity, this has just commenced in August and is expected to take 3 months to be completed.

All activities are expected to be completed by December and the final completion report is expected by January. The proposed revised completion date is March 30, 2019 to provide a two-month buffer and to avoid seeking another extension in case of unforeseen delays. The terminal evaluation is expected to take place between December to June 2019, well within nine months from completion.

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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Signature:



Date: August 24, 2018

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Signature:

Date: August 24, 2018