



ADAPTATION FUND

AFB/B.32-33/3
5 November 2018

Adaptation Fund Board

**REQUEST FOR EXTENSION OF PROJECT COMPLETION
DATE: UNITED NATIONS DEVELOPMENT PROGRAMME
(COLOMBIA)**

Background

1. The Adaptation Fund Board (the Board) at its eighteenth meeting, approved a five-year project titled “Reducing Risk and Vulnerability to Climate Change in the Region of La Depresión Momposina in Colombia”, submitted by the United Nations Development Programme (UNDP) for a requested amount of US\$ 8,518,307 (decision B.18/12). The project focuses on the municipalities of Ayapel, San Marcos, and San Benito Abad in the effort to minimize destruction from future flooding, which is expected to become more severe as the climate changes, and to protect the biological diversity of a region known for its rich variety of species and ecosystems. This is achieved through four main components: i) Strengthen existing hydro-climatological and environmental information system for use by local and regional stakeholders; ii) Rehabilitation of wetlands and their hydrology in the target area as a means to reduce risk to flooding and drought associated with climate change and variability; iii) Introduction of climate change-resilient agro-ecological practices and building designs helps local communities to reduce their vulnerability to the impacts of climate change; and iv) Relevant institutional and social structures strengthened for mainstreaming climate risk management and adaptation measures into planning and decision-making processes.

2. As mandated by the decision, an agreement was prepared and signed between the Board and UNDP.

3. The first tranche of disbursement for the implementation of the project was released following signature of the agreement in July 2012. The first project performance report (PPR) for the project was submitted in April 2015 and cleared by the Adaptation Fund Board Secretariat (the secretariat) in May 2015. The second PPR was submitted in August 2016 and cleared by the secretariat in November 2016, the third PPR was submitted in July 2017 and cleared by the secretariat in August 2017, and the fourth PPR was submitted in June 2018 and cleared by the secretariat in July 2018. As of October 2018, a total amount of US\$ 7,789,648 had been disbursed to the project by the trustee, corresponding to 91.4% of the project funding. The project went through a mid-term evaluation (MTE) process, with a MTE report finalized in March 2017.

4. This is the second request for an extension of the project completion date (the original project completion date was March 2018). The expected completion date of the project, following decision B.30-31/7, was 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. UNDP had submitted such request through the secretariat on 24 October 2018, in compliance with the policy, for an extension of the completion date until 1 January 2020 (see Annex 1).

5. The reasons for this project completion date extension request, as outlined by UNDP, include the fact that the project has faced difficulties in the implementation, due to an emergency flooding in the construction of the Ituango Hydroelectric plant, impacting the dam downstream settled populations (including municipalities in La Mojana). This situation led the Colombian Government to declare a yellow flood alert in the project execution area. Consequently, as per the Local Risk Management Authorities and the UN System Security protocols, all the project staff and technical team had to preventively evacuate the affected areas from May 18 to June 25, 2018. This situation caused a temporarily suspension of activities under component 2 (rehabilitation of wetlands) and 3 (agrosilvopastoral measures) of the project. In addition, the

project encountered difficulties in finding a bidder guaranteeing the technical conditions required by the project for the improved community centers' construction works.

6. According to UNDP, the requested extension of the completion date would allow to:
 - Conclude the water rehabilitation activities for flood control and ensure that an efficient monitoring system to measure the impact of this measure is developed (monitoring takes place one year after the planting phase);
 - Find a bidder that meets the design requirements established for the ten community centers; and
 - Have sufficient time to carry out the sowing of the vegetal material required to implement the agrosilvopastoral systems, and to undertake the 4 required monitoring operations since their establishment.

Secretariat's review of the request

7. Following a review of the request, the secretariat finds that given the delays in project implementation caused by the flood emergency possibly impacting the municipalities in La Mojana, and given the technical difficulties faced by the project in finding a suitable bidder for the community centers construction works, this request of a six-month extension is justified. Furthermore, it is noted that the project's team has been making technical and administrative arrangements to reach the implementation targets set under component 2, by October 2019. For what it concerns the construction of community centers, under component 3, a third call for expression of interest was launched by UNDP, ensuring more flexibility to increase the number of bidders that could apply and to allow different worksites to operate simultaneously to progress works as scheduled.

8. Finally, 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 a six-month extension of the project completion date for the project "Reducing Risk and Vulnerability to Climate Change in the Region of La Depresión Momposina in Colombia" as requested by UNDP, from 30 June 2019 to 1 January 2020.

Annexes

1. Request for an extension of the project completion date from UNDP; and
2. Modified workplan for the project extension period.

Annex 1: Request for an extension of the project completion date from UNDP*Request for extension of project/programme completion date*

AF Project/programme ID: COL/MIE/DDR/2011/1			
Project/programme Title: Reducing Risk and Vulnerability to Climate Change in the Region of La Depression Momposina in Colombia			
Country: Colombia			
Project/Programme Approval (date)	11 July 2012 (project launched on 21 March 2013)		
Expected Project/programme Completion (date)	30 June 2019	Proposed Revised Completion (date):	1 Jan 2020

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

Reasons to request and extension:

- Political or social turmoil or natural disaster in the country

Antioquia Governor's Office, Medellín Major's Office and Empresas Públicas de Medellín are currently developing a power generation project: Hidroituango Hydroelectric Power Plant, located northwest of Antioquia department, at the Cauca River, one of the most important rivers in Colombia. Its waters flow in a north-east direction towards La Mojana region (crossing Sucre and Bolívar departments) to be discharged into the Magdalena River. As it is well known, the floodplain of La Mojana (area where the project is implemented) is the place where the flows of large rivers, including the Cauca River, are regulated and buffered.

In April, an emergency occurred at the Hidroituango Project. It generated a yellow alert with a possible flood impacting the populations settled downstream of the dam, in the departments of Antioquia, Córdoba, Sucre and Bolívar, including the municipalities of La Mojana. This emergency was caused by obstruction of the built tunnels and discharges of uncontrolled flow through these two diversion tunnels that collapsed and deobstructed without control, preventing control of water outlet volumes. Furthermore, such obstructions and the rainy season from April to June caused an unforeseen increase in the water level of the dam, and thus the possibility of failures in the dam structure, which was still under construction at the time.

In response to the recommendations of the Local Risk Management Authorities and following the UN security protocols, this situation led to the preventive evacuation of the project's technical team from May 18 to June 25, 2018, forcing a temporary suspension of Component 2 –rehabilitation of wetlands– and Component 3 (Product 3.3) –agrosilvopastoral measures. The temporary suspension was unavoidable because the execution of actions requires the permanent presence of technical staff to provide customized advice to communities in order to ensure proper implementation of actions.

Moreover, preventive evacuation of the technical team precluded the planting of vegetal material available for the recovery of wetlands. Planting was programmed to be carried out from May to

June, when the weather conditions were optimal, i.e., when the precipitation levels ensured the survival of plantlets. As this was made impossible due to the emergency, these need to be reprogrammed to the next rainy season (October) to continue planting. In any case, the actions to rehabilitate caños (wetland rivers) will continue to be performed as they do not involve planting vegetal material, for example, sediment removal, fencing, nursery maintenance, seed collection, etc.

☒ Other reasons:

To meet the specific needs for adaptation in the architecture sphere, the project generated some designs to build adapted community centers, addressing the scenarios of climate risks and threats faced by the inhabitants of La Mojana region. These designs were developed based on the construction of a pilot Community Center in the project area, thus allowing to establish estimated costs and technical requirements for the other 10 community centers to be built.

A bidder that guarantees the technical conditions required by the project and suitable to the budget established for the construction of community centers has not been found to this date, as these architectural designs have specific construction requirements and the zone is in a hard-to-reach rural area. Below is a summary of the processes developed by the project to find a construction company to build the community centers:

Process A2017-0001177: Published on September 25, 2017 and closed on November 29, 2017; this process was declared void.

Process A2018-000140: Published on February 23, 2018 and closed on April 10, 2018.

2 bids received, as shown below:

Bid No. 1 for 3,500,000,000 (USD\$ 1,250,000). This bidder was disqualified as they did not provide the guarantees, an unavoidable requirement pursuant to the criteria and procedures established by the UNDP Procurement area. Additionally, their economic proposal exceeded the budget for this construction project 101.97%

Bid No. 2 for 3,900,000,000 (USD\$ 1,392,857). Their economic proposal exceeds the budget allocated to this construction project 125.78%.

Consequently, the process was canceled on April 24, 2018.

Process A2018-000647: In view of the circumstances, the UNDP procurement area recommended performing the process of call for expression of interest to perform a review of the market and identify whether there are any interested parties, thus the process was published from June 14, 2018 to June 27, 2018. 18 expressions of interest were received in the latter process; they are currently under review and evaluation.

It is worth noting that the estimated time for the calling, evaluation, selection and procurement processes is 3 months and the construction of the community centers will take approximately 10

months since the start of the civil works procurement process. That is to say, a total of 13 months would be required to achieve the construction of the 10 community centers.

Considering the deadline above, 7 additional months are necessary, commencing on July 1, 2019 and ending on January 2020, in order to execute the adaptive-architecture activities and perform the administrative and financial closure of the project.

Moreover, the national government is in a period of transition in the executive branch due to the new administration taking office in August, 2018. This entails changes in the direction of the Ministry of Environment and Sustainable Development, and a new period of networking implies additional delays in the management and expenditure-approval processes of the project, since more time is required to introduce the project and generate appropriation by the incoming government.

The purpose of the extension request is to fulfill all the climate adaptation measures established in the project that have faced difficulties in their implementation for a number of reasons, including: Delays due to the emergency flooding situation in the construction project of the Ituango Hydroelectric Plant and difficulties in procuring the construction works for the community centers and, second. The situation in the hydroelectric plan, led the Colombian Government to declare a yellow flood alert in the project execution zone, thus delaying the performance of activities performed on site. During this time, the UN System Security Office ordered all project e technical staff to leave the region as a preventive measure.

Therefore, an additional project extension of 7 months is considered necessary to ensure that enough time to complete the pending activities is provided and thus achieve the proposed goals and expected impacts from the project in reducing climate change vulnerability. These include:

Product 2.1. The requested time will allow the project to conclude the water rehabilitation activities for flood control and ensure that the impacts of this measure are monitored.

The technical staff of La Mojana had to leave after a yellow alert was declared in the region due to the emergency in the Ituango Hydroelectric Project, and the operational capacity to execute the planned activities in the zone, namely, the recovery of water dynamics in prioritized *cañños*, decreased because the actions for manual and mechanical removal of sediments and aquatic vegetation require the permanent presence of staff specialized in hydrology and hydraulics. These actions require constant and ongoing monitoring to ensure the correct operation of water and ecosystems in order to avoid disturbances that may have a negative impact on these adaptation measures.

The project has worked hard to make the technical and administrative arrangements so that Component 2 can be successfully implemented by October, 2019 taking into account the delays due to the emergency situation from the Hydroelectric Project and the monitoring actions needed post planting.

Monitoring actions on the restored areas are essential for the proper development of these activities. Thus, more time is required to monitor time 1 (time 0 is monitored during the planting phase), which takes place a year after time 0. This monitoring is essential to measure the impacts of the restoration on ecosystems.

Progress has been made in the implementation of 3 of the 5 hydraulic works for flood control (Product 2.1) to this date.

Product. 3.2: It is necessary to ensure that the construction of community centers meets local needs of infrastructure adaptation, to guarantee an adequate adaptation to climate conditions. In this sense, progress has been made in defining architectural designs and construction of a pilot community center at El Torno community, the center complies with the technical requirements, meets the needs expressed by the community and responds to climate change impacts on the region. The terms of reference for the construction of the remaining 10 community centers were defined based on such designs. It is key for the project to comply with these designs, which have been validated and tested on site by building the Pilot Project, considering architectural, structural and budget issues. Therefore, the requested time will allow finding a bidder that meets the design requirements established for community centers within the established budget. Thus, additional time is necessary to the to complete this activity given the difficulties in finding a suitable bidder.

A call for expressions of interest was launched by the UNDP purchase department and 18 bidders are now enabled; additionally, they are planning to procure by lots, which reduces the amounts of contracts and makes the requirements more flexible, thus more bidders can apply and fulfill the requirements, there will also be different worksites operating simultaneously to progress as scheduled.

Product 3.3. Project activities of Product 3 were affected by the delay (May-June 2018) caused by the Hidroituango emergency, this delay caused the project team to miss the first rainy season in of 2018, when the sowing of vegetal material required to implement the agrosilvopastoral systems has to be performed. Consequently, we must wait until the next rainy season to carry out the sowing at Mojana region in the months of October/November. Further to this, additional time is required after sowing to supervise and monitor the targeted areas.

The agrosilvopastoral systems, as in the case of product 2.1, require 4 monitoring operations since the moment they are established; they are performed based on the rain seasons (high precipitation and low precipitation). Such monitoring is carried out to measure the system behavior facing climate variability and adjust as necessary.

Monitoring 0 – October, 2018

Monitoring 1 – February, 2019

Monitoring 3 – June, 2019

Monitoring 4 – October, 2019

In the meantime, the activities that do not involve planting vegetal material will continue to be carried out, for example: Fencing lots where sowing is to be implemented, training processes with beneficiaries, installation of the electrical system and preparation of nurseries and vegetal material.

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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Annex 2: Modified workplan for the project extension period

EXECUTION PROJECT 2013-2018					MODIFIED WORKPLAN	
COMPONENT	ACTIVITY	TOTAL BUDGET	BUDGET EXECUTED UNTIL JULY 2018	BUDGET COMMITTED UNTIL DECEMBER 2018	BUDGET AVAILABLE FOR 2019	BUDGET AVAILABLE FOR 2020
1. Strengthen existing hydro-climatological and environmental information system for use by local and regional stakeholders	1.1 - Hydrologic and hydraulic models for the Depresión Momposina region and the project's target area include ecological variables and support medium- and long-term decision-making					
	1.2 - Climate scenarios, trends in climate variability, and vulnerability analysis for the target area supports decision-making for planning instruments and the implementation of adaptation measures	470.179	428.922	41.000	257	
	1.3 - Mechanisms for gathering, processing, and managing hydroclimatological information at the regional and local levels are strengthened and articulated with the national hydroclimatological network	634.183,00	634.179		4	
	1.4 - An early warning system developed at the local level prepares local communities to reduce their vulnerability to extreme weather events	244.435	132.313	111.438,56	684	
	TOTAL	1.348.797	1.195.413	152.438,56	945,34	-
COMPONENT	ACTIVITY	TOTAL BUDGET	EXECUTED TO JULY 2018	COMMITTED TO DECEMBER 2018	AVAILABLE BY COMPONENT TO 2019	AVAILABLE BY COMPONENT TO JANUARY 2020
2. Rehabilitation of wetlands and their hydrology in the target area as a means to reduce risk to flooding and drought associated with climate change and variability	2.1 - Hydraulic works for flood control and hydraulic management are in place	1.105.502	558.611	320.000	226.891	
	2.2 - Ecosystems associated with the hydrodynamics of the target area are restored	1.373.162	944.357	335.000	93.806	
	TOTAL	2.478.664	1.502.968	655.000	320.697	-
COMPONENT	ACTIVITY	TOTAL BUDGET	EXECUTED TO JULY 2018	COMMITTED TO DECEMBER 2018	AVAILABLE BY COMPONENT TO 2019	AVAILABLE BY COMPONENT TO JANUARY 2020
3. Introduction of climate change-resilient agro-ecological practices and building designs helps local communities to reduce their vulnerability to the impacts of climate change	3.1 - Climate change-resilient production practices adopted in the target area.	927.034	781.438	71.600	73.996	
	3.2 - An adaptive architecture programme (e.g., houses on stilts and/or floating housing) developed in flood-prone areas of the target area	951.930	264.673	137.451,40	549.806	
	3.3 - Agro-silvopastoral models incorporated into the multiple-use fluvial landscape contribute to the reduction of vulnerability of local farmers	538.671	424.775	104.650,00	9.246	
	TOTAL	2.417.635	1.470.886	313.701,40	633.047,61	-
COMPONENT	ACTIVITY	TOTAL BUDGET	EXECUTED TO JULY 2018	COMMITTED TO DECEMBER 2018	AVAILABLE BY COMPONENT TO 2019	AVAILABLE BY COMPONENT TO JANUARY 2020
4. Relevant institutional and social structures strengthened for mainstreaming climate risk management and adaptation measures into planning and decision-making processes	4.1 - Platforms for association and strengthening local communities are established for their appropriation and replication of the adaptation measures developed by the project	27.676	25.560	-	2.115,72	
	4.2 - Training programme for the local communities and civil authorities for the implementation and sustainability of the climate change adaptation measures of project components 1, 2, and 3	111.981	111.981	0	-	
	4.3 - Climate risk management considerations built into regional and local territorial, environmental, and sectoral planning tools are articulated with national planning guidelines	267.478	223.705,00	4.700	39.073,00	
	4.4 - Coordination among national, regional and local institutions guarantees sustainability of adaptation measures.	481.903	317.739	77.500	69.164,00	17.500,00
	TOTAL	889.038	678.985,32	82.200,00	110.352,72	17.500,00
COMPONENT	ACTIVITY	TOTAL BUDGET	EXECUTED TO JULY 2018	COMMITTED TO DECEMBER 2018	AVAILABLE BY COMPONENT TO 2019	AVAILABLE BY COMPONENT TO JANUARY 2020
5. Project management	5.1 - Monitoring and evaluation	88.000	52.926	35.000	74	
	5.2 - Project Management	589.640	557.920	28.000,00	3.720	
	TOTAL	677.640	610.846,68	63.000	3.794	-
TOTAL ALL COMPONENTS	7.811.774,58	5.459.098,61	1.266.339,96	1.068.836,06	17.500,00	