



ADAPTATION FUND

AFB/B.33-34/7
7 May 2019

Adaptation Fund Board

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

Background

1. The Adaptation Fund Board (the Board) at its twenty-second/twenty-third intersessional meeting, approved a six-year project titled “Developing climate resilience of farming communities in the drought prone parts of Uzbekistan”, submitted by the United Nations Development Programme (UNDP) for a requested amount of US\$ 5,415,103 (decision B. 22-23/6). The overall goal of the project is to develop climate resilience in farming and pastoral communities in the drought-prone Karakalpakstan region of Uzbekistan. The project develops institutional and technical capacity for drought management and early warning, establish climate resilient farming practices on subsistence dekhkan farms, effect landscape level adaptation measures for soil conservation and moisture retention, and widely foster knowledge of climate resilient agricultural and pastoral production systems in arid lands. The project will improve climate resilience of more than an estimated 1,000,000 ha of land.
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 March 2014. The first project performance report (PPR) for the project was submitted in March 2015 and cleared by the Adaptation Fund Board Secretariat (the secretariat) in September 2015. The second PPR was submitted in July 2017 and was cleared by the secretariat in August 2017, and the third PPR was submitted in October 2018 and was cleared in January 2019. In addition, the project underwent a mid-term evaluation (MTE) which was completed in March 2018. As of May 2019, a total amount of US\$ 3,925,914 had been disbursed to the project by the trustee, corresponding to 72.5% of the project funding.
4. This is the first request for an extension of the project completion date. 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 8 April, hence in compliance with the Policy, for an extension of the completion date until 30 November 2021 (Annex 1).
5. The reasons for this request for an extension of project completion date, as outlined by UNDP, include the fact that:
 - The project registered delays in the operational commencement of project activities, due to the late appointment of the National Project Coordinator and the signing of the project document by UNDP and the Government;
 - The second tranche of funding was received late, affecting some of the planned activities which were postponed to 2016-2017; and
 - In 2016 occurred a comprehensive reform process, due to the change in the country’s leadership, which included the reorganization of the executing entity (Uzhydromet), the reorganization of farming, subsistent pastoralists and household plots. The project had, therefore, to adapt its implementation to these reforms to enhance its impact on the ground in the pilot region (Karakalpakstan).
6. The request includes a project budget balance for 2019-2021 (Annex II), and a three-year work plan and budget (Annex III).

Secretariat's review of the request

7. Following a review of the request, the secretariat finds that given the explanation provided by UNDP, following the MTE and Project Steering Committee recommendations, this request of an eighteenth-month extension is justified. The extension of the project completion date will allow to complete all the planned activities and also to ensure sustainability of the projects' results, strengthening at the same time their scaling-up potential. It is also noted, that the proposed budget revision at outcome level does not constitute a material change and does not alter the project management costs.

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 an eighteenth-month extension of the project completion date from 31 May 2020 to 30 November 2021 for the project "Developing Climate Resilience of Farming Communities in the Drought Prone Parts of Uzbekistan" as requested by UNDP.

Annex

1. Request for an extension of the project completion date from UNDP;
2. Project budget balance for 2019-2021;
3. Three-year project work plan and budget.

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

AF Project/programme ID: 82613			
Project/programme Title: Developing Climate Resilience of Farming Communities in the Drought Prone Parts of Uzbekistan			
Country: Uzbekistan			
Project/Programme Approval (date)	12 February 2014 (project launched on 1 May 2014)		
Expected Project/programme Completion (date)	31 May 2020	Proposed Revised Completion (date):	30 November 2021

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

The extension is requested to compensate for the following delays and circumstances that the project faced during its launch and implementation: i) 4 months required for the operational start of project activities following the approval of the project by the AF Secretariat in February 2014; ii) implementation gaps/delays between the funding tranches; iii) delays/adjustments brought forward by changes in the Government policies and the national context.

1. Following the approval of the project by the AF in February 2014, corresponding agreement between the AF and UNDP was signed in March 2014. However, national approval of the project, including the appointment of the National Project Coordinator and the signing of the Project Document by UNDP and the Government (Uzhydromet) took place only in May 2014.
2. In 2015, the project faced a significant delay with receiving of the 2nd tranche of funding. It was received on 28 September 2015, i.e. 6 months after the submission of the PPR (31 March 2015) to the AF Secretariat. Given the very season-dependant nature of adaptation activities/outputs, this affected the project delivery and achieving of its targets as the implementation of some key activities (procurement of required equipment and implementation of best adaptation practices and approaches) were postponed to 2016-2017.
3. In 2016, due to the change in the country's leadership, comprehensive reform process in the country was launched by the new President, including adjustments to national policy, finance, economic and institutional systems. These included the devaluation of national currency, reorganization of farming, subsistent pastoralists and household plots, institutional changes in the Government including the reorganization of the national partner agency (Uzhydromet) under the Ministry of Emergency Situations. The given reform process necessitated the project to be responsive to changes and emerging opportunities that envisaged some deviations from the initially planned project implementation milestones and deadlines. To adapt to these reforms and changes in the country, as per the decision of the project board, the project implementation and management was revised accordingly to enhance its implementation capacity on the ground in Karakalpakstan (project pilot region). Moreover in 2018, with substantial support of UNDP Country Office, the project team succeeded in the procurement 83 units of agro, water and resource-saving machinery and equipment (amounted to USD 795,000) for the implementation of best adaptation practices by farming, subsistent pastoralists, 10 established cooperatives of rural households as well as operation of Extension Services Centers in Karakalpakstan. However, the achievement of corresponding outputs, i.e. adaptation benefits, requires much time than that is currently remaining as per the Project Document, i.e. until 31 May 2020.

Therefore, 18 months extension is being requested as it is expected to provide the project with sufficient time to complete all the planned activities and ensure the sustainability of the project results through greater uptake and ownership by the project beneficiaries and partners as well as establish a sound ground for their scaling-up across the country. This is the first and only extension request for the project. The need for an extension has been recommended within the MTR done in 2018, discussed and agreed with the UNDP Regional Office/RBEC. It has been also considered during the 5th meeting of the Project Board and endorsed through its decision. The requested extension for the period of 18 months will allow for successful finalization of the project, including its meaningful terminal evaluation. Requested extension will not cause any increase in the Project Management Costs, and it remains within the allowable limit as per the financial regulations of the AF.

Provide an overview of the remaining AF grant:
Remaining Project Funds as of (20 February 2019)

Origin	Approved prodoc budget	Total expenditure as of 20 February 2019	Balance
AF grants	4,990,878	2,536,423 USD	2,454,455 USD
UNDP	221,868*	169,550 USD	52,318 USD

* Please note that initial budget of UNDP as per the project document is 200,000 USD. But, the financing was increased by UNDP in 2018 in order to cover the project management costs to ensure compliance with the AF financial rules.

1. Attach the initial request for project extension received from the government partner or implementing partner, as applicable. (steering committee minutes of meeting)
2. Attach the work plan for the remaining project funds for the extension period.

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: 25 March 2019

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Annex 2: Project budget balance for 2019-2021

Developing Climate Resilience of Farming Communities in the Drought Prone Parts of Uzbekistan					
Project Budget Balance for 2019 and 2021					
Adaptation Fund			UNDP Fund		
Year	Expenditure		Year	Expenditure	
2014	26,545		2014	7,324	
2015	180,238		2015	25,364	
2016	493,873		2016	-	6,021
2017	573,041		2017		54,132
2018	922,934		2018		86,837
2019	1,297,744		2019		54,232
2020	1,011,792		2020		
2021	484,710		2021		
Total Fund	4,990,878		Total Fund	221,868	
Expenditure 2019	339,791		Expenditure 2019	1,914	
Balance	2,454,455		Balance	52,318	
Note: Expenditure for 2019 was taken as of 20 Feb 2019 and includes commitments as well					

Annex 3: Three-year project work plan and budget.

No	Description of goods, services or works	Estimated Total Contract Amount (USD)	Donor	Amount to be spent in 2019	Target date for TOR/Specs preparation	Estimated Completion of activities
1	Implementation of the concept of the development the multi-modules communication platform	22,000.00	AF	22,000.00	Jun-19	Aug-19
2	Procurement of hardware to support multi-module communication platform	12,000.00	AF	12,000.00	Sep-19	Sep-19
3	Hiring national consultants/Developers of the software to manage data receiving, transmitting and storage for multi-module communication platform	5,600.00	AF	5,600.00	Jun-19	Aug-19
4	Hiring national consultant on maintenance of automated hydrometeorological equipment and communication facilities	8,500.00	AF	8,500.00	Apr-19	Jun-19
5	Develop Road Map Extension Service Centers Development	12,000.00	AF	12,000.00	Apr-19	Jun-19
6	Procurement of the Demo set of the agro conservation and water saving equipment for Extension Service Centers	7,000.00	AF	7,000.00	Mar-19	Mar-19
7	Procurement of the Demo set of the substances and equipment that facilitate soil salinity reduction for Extension Service Centers	9,000.00	AF	9,000.00	Mar-19	Mar-19
8	Procurement of the Soil and water quality control equipment for Extension Service Centers	5,000.00	AF	5,000.00	Mar-19	Mar-19
9	Hiring national consultants on development and conducting the Hands-on thematic trainings	9,000.00	AF	9,000.00	Apr-19	Aug-19
10	Implementation of the project's outreach mechanism to ensure 40000 stakeholders are adopted adaptation measures	128,000.00	AF	128,000.00	Apr-19	Nov-19
11	Procurement of equipment to support project's outreach mechanism implementation	107,512.00	AF	107,512.00	Mar-19	May-19
12	Procurement of hydroponic based green bio mass production units with capacity: 40, 80 and 120 kg per day	62,000.00	AF	62,000.00	Feb-19	Apr-19
13	Procurement of fruit seedlings and necessary minerals for establishment of intensive gardening in all pilot sites of 10ha including drip irrigation systems	22,000.00	AF	22,000.00	Mar-19	Apr-19
14	Establishment of the 5 demo plots (0.5 ha each) for demonstration of the advantages of integrated land management approach and water saving practices	20,000.00	AF	20,000.00	Mar-19	Apr-19
15	Drilling and maintain 15 wells with depth up to 30 m at all project's piloting districts	30,000.00	AF	30,000.00	Mar-19	May-19
16	Hiring a specialist to select the representatives of project target groups	6,300.00	AF	6,300.00	Mar-19	Apr-19

17	Hiring a specialist to provide technical assistance in intensive gardening at 10 ha	5,000.00	AF	5,000.00	Mar-19	Jun-19
18	Hiring national consultants/trainers on demo of integrated land management and water saving applications	8,000.00	AF	8,000.00	Mar-19	Aug-19
19	Logistics support for trainings and PR project's activities	6,000.00	AF	6,000.00	Mar-19	Sep-19
20	Procurement of 6 hydroponic based green fodder production units with capacity 500kg/day	135,000.00	AF	135,000.00	Jul-19	Oct-19
21	Procurement of mower, chipper machine, granulator and mixing machine 6 sets	33,000.00	AF	33,000.00	Mar-19	May-19
22	Procurement of the 6 mobile diesel-powered water pump units	9,000.00	AF	9,000.00	Mar-19	Apr-19
23	Procurement of the 2 square balers	42,000.00	AF	42,000.00	May-19	Jul-19
24	Establishment of the desert plants and cereal crops nurseries	22,000.00	AF	22,000.00	Mar-19	May-19
25	Conducting 10 thematic seminars/trainings/meetings at pilot districts	12,000.00	AF	12,000.00	May-19	Sep-19
26	Logistics support for at least 4 "Field Days" with decision makers, local authorities, farmers and local communities	6,000.00	AF	6,000.00	May-19	Jun-19
27	Printing services (quarterly bulletins, project's publications, visibility materials)	6,000.00	AF	6,000.00	Jun-19	Jun-19
28	Conducting 4 farm and pasture land demonstration meeting	6,000.00	AF	6,000.00	May-19	May-19
29	Hiring a procurement specialist	5,280.00	AF	5,280.00	Jan-19	Jun-19
30	Car maintenance services and fuel costs	6,280.00	AF	6,280.00	Jan-19	Dec-19
	Total	767,472.00				
	The proposed budget for 2019	1,297,744.00				
	Remaining total amount	530,272.00				
				230,131 USD costs of 2018 transferred to CDR 2019		
				123,800 USD salary expenses		
				54333 USD Open Pos which will be closed in 2019		
				48,913 USD travel expenses		
				73,095 USD other procurements under 5000 USD		

No	Description of goods, services or works	Estimated Total Contract Amount (USD)	Donor	Amount to be spent in 2020	Target date for TOR/Specs preparation	Estimated Completion of activities
1	Procurement of hardware to support multi-module communication platform (20 IT sets of data and information receiving and transmitting equipment)	50,000.00	AF	50,000.00	Feb-20	Mar-20
2	Procurement of the Internet connection service for 30 end users of the multi modules information platform	7,906.00	AF	7,906.00	Jan-20	Dec-20
3	Hiring national consultants on in-situ installation, setting up and configuring of IT sets and data and information receiving and transmitting equipment supporting functionality of the multi-modules information platform	6,360.00	AF	6,360.00	Feb-20	Jun-20
4	Hiring National Consultant/Developer of the database and software to manage data collection, storage and provision at multi-modules information platform to secure climate, hydrometeorological and DEWS data and information continuous delivery to the end-users in user friendly form.	8,880.00	AF	8,880.00	Feb-20	Jul-20
5	Hiring National Consultant on development of User Guidance for updated version of DEWS with new objects and instruments integrated into system	5,600.00	AF	5,600.00	Feb-20	Jul-20
6	Logistics for trainings on use of the outputs by the updated DEWS to be held in Tashkent and at 5 project piloting districts for at least 550 persons	5,000.00	AF	5,000.00	Aug-20	Sep-20
7	National Consultant/Facilitator of the Road Map Extension Service Centers Development implementation	9,402.00	AF	9,402.00	Feb-20	Nov-20
8	Conducting at least 8 thematic seminars/trainings/meetings including "Open Farmers' Days" on pilots to bring national and regional decision makers and farmers/pastoralists together with provision of the thematic printing and publications for at least 20000 stakeholders	18,000.00	AF	18,000.00	Sep-20	Dec-20
9	Procurement the equipment to support project's outreach mechanism implementation to ensure achievement of the project's task on coverage identified in RRF number of stakeholders trained in agri-conservation practices and adopted them	238,000.00	AF	238,000.00	Jan-20	Apr-20
10	Procurement of fruit trees seedlings for establishment of intensive gardening in all pilot sites of 10 ha including drip irrigation systems	25,000.00	AF	25,000.00	Jan-20	Feb-20
11	Drilling and maintain at least 20 wells with depth up to 30 m being equipped with solar energy driven water pumps at all project's piloting districts	40,500.00	AF	40,500.00	May-20	Jul-20

12	Hiring National consultant on development and conducting thematic field trainings on agri-conservation practices for the project's targets groups	15,250.00	AF	15,250.00	Apr-20	Aug-20
13	Organize and conduct project's outreach mechanism implementation supportive field trainings on agri-conservation practices for project's target groups	30,000.00	AF	30,000.00	Jan-20	Nov-20
14	Logistics support for trainings and PR project's activites	8,000.00	AF	8,000.00	Apr-20	Nov-20
15	Procurement of 3 units of the 4 wheels tractors to build up the technical capacity of the local communities led with cooperative management to ensure that all field works realted to degraded pastures reclamation and establishment of the new pasture are in place	149,087.00	AF	149,087.00	Feb-20	Apr-20
16	Procurement of mower, chipper machine, granulator and mixer machine 3 sets	35,000.00	AF	35,000.00	Feb-20	Mar-20
17	Procurement of the equipment to support agrotechnical complex of works for reclaiming of the degraded pastures on the area of at least 6000 ha at project's piloting districts	151,000.00	AF	151,000.00	Apr-20	Jul-20
18	Conducting 5 thematic seminars/trainings/meetings at pilot districts with provision of the thematic printining and publications for at least 20000 stakeholders	18,000.00	AF	18,000.00	Sep-20	Nov-20
19	Hiring National procurement specialist	5,280.00	AF	5,280.00	Jan-20	Jul-20
20	Car technical service and fuel cost	6,280.00	AF	6,280.00	Jan-20	Nov-20
	Total	832,545.00				
	The proposed budget for 2020	1,011,792.00				
	Remaining total amount	179,247.00		112,800 USD salary expenses		
				13,400 USD travel expenses		
				53,047 USD other procurements under 5000 USD		

No	Description of goods, services or works	Estimated Total Contract Amount (USD)	Donor	Amount to be spent in 2021	Target date for TOR/Specs preparation	Estimated Completion of activities
1	National consultants (NC) to proceed with final assessment of efficiency of the automated hydrometeorological observational network at RK	8,520.00	AF	8,520.00	Jan-21	Mar-21
2	NC on development of the workshop agenda and conducting hands-on workshops on multi-module informational platform products use at Nukus and all project's piloting districts	8,520.00	AF	8,520.00	Jan-21	Mar-21
3	NC to proceed with final assessment of the efficiency of the multi-modules informational platform in terms of coverage of end user and use provided data and information.	6,360.00	AF	6,360.00	Jan-21	Mar-21
4	Logistics support for 6 hands-on workshops (at least 500 stakeholders) on multi-module informational platform products use at Nukus and all project's piloting districts	9,000.00	AF	9,000.00	Jan-21	Feb-21
5	Procurement the equipment to support project's outreach mechanism implementation to ensure achievement of the project's task on coverage identified in RRF number of stakeholders trianed in agri-conseravation parctices and adopted them	60,000.00	AF	60,000.00	Jan-21	Feb-21
6	NCs on development and conducting thematic field trainings on agri-conservation practices for the project's targets groups	10,350.00	AF	10,350.00	Mar-21	May-21
7	Organize and conduct project's outreach mechanism implementation supportive field trainings on agri-conservation practices for project's target groups	30,000.00	AF	30,000.00	Jan-21	May-21
8	Logistics support for trainings and PR project's activites.	6,000.00	AF	6,000.00	Jan-21	May-21
9	Procurement of 3 hydroponic units with container placing for green fodder production with capacity 500 kg per day	78,000.00	AF	78,000.00	Jan-21	May-21
10	Procurement of mower, chipper machine, granulator and mixer machine 3 sets	35,000.00	AF	35,000.00	Feb-21	May-21
11	Procurement of the equipment to support agrotechnical complex of works for reclaiming of the degraded pastures on the area of at least 6000 ha at project's piloting districs	111,000.00	AF	111,000.00	Dec-20	Mar-21
12	Conducting 5 thematic seminars/trainings/meetings at pilot districts with provision of the thematic printining and publications for at least 20000 stakeholders	10,000.00	AF	10,000.00	Jan-21	Jun-21
13	International Consultant to proceed with Project Final Evaluation	30,000.00	AF	30,000.00	Apr-21	Jun-21
14	Hiring National procurement specialist	5,280.00	AF	5,280.00	Jan-21	Jun-21
	Total	408,030.00				
	The proposed budget for 2021	484,710.00				
	Remaining total amount	76,680.00		56,300 USD salary expenses		
				3,000 USD travel expenses		
				17,380 USD other procurements under 5000 USD		