



ADAPTATION FUND

AFB/B.34-35/1  
15 October 2019

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Adaptation Fund Board

**REQUEST FOR EXTENSION OF PROJECT COMPLETION  
DATE: INTERNATIONAL BANK FOR RECONSTRUCTION  
AND DEVELOPMENT (BELIZE)**

## Background

1. The Adaptation Fund Board (the Board) at its twenty-third/twenty-fourth meeting, approved a five-year project titled “Belize Marine Conservation and Climate Adaptation Project”, submitted by the International Bank for Reconstruction and Development (IBRD) for a requested amount of US\$ 6,000,000 (decision B. 23-24/17).
2. The overall goal of the project is to implement priority ecosystem-based marine conservation and climate adaptation measures to strengthen the climate resilience of the Belize Barrier Reef System. The project takes a two-pronged approach – both enhancing ecosystem function and therefore resilience through recovery and restoration, and reducing degradation caused by overexploitation and pollution. Specifically, the project supports (i) the improvement of the reef’s protection regime including an expansion and enforcement of the Marine Protected Areas (MPAs) and replenishment (no-take) zones in strategically selected locations to climate resilience, (ii) promotion of sustainable alternative livelihoods for affected users of the reef, and (iii) building local capacity and raising awareness regarding the overall health of the reef ecosystem and the climate resilience of coral reefs.
3. As mandated by the decision, an agreement was prepared and signed between the Board and IBRD.
4. The first tranche of disbursement for the implementation of the programme was released following signature of the agreement in August 2014. The first project performance report (PPR) for the project was submitted in April 2016 and cleared by the Adaptation Fund Board Secretariat (the secretariat) during the same month. The second PPR was received in February 2017 and cleared in March 2017, and the third and fourth PPR were received in May 2018 and May 2019 and cleared on May 2018 and May 2019 respectively.
5. As of October 2019, a total amount of US\$ 5,464,967 had been disbursed to the programme by the trustee, corresponding to 91% of the project funding.
6. The expected completion date of the project is 31 March 2020. On 10 October 2019, IBRD had submitted to the secretariat an extension of the project completion date until 30 September 2020 (Annex 1), being this is the first request for an extension for this project. 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 the programme completion date must be submitted by the implementing entity at least six months prior to the official completion date. However, such request was received a few days beyond the deadline afore-mentioned.
7. The reasons for this request for an extension of project completion date, as outlined by IBRD, include the fact that:
  - The project experienced delays in the implementation of the project component 3 which relates to the adaptation of alternative livelihoods by the project beneficiaries, due to fact that the process for identifying, developing and implementing subprojects’ proposals took longer time than expected, in addition to the lengthy process required to develop supporting documents such as business plans, and environmental and social safeguards assessments;

- Another set of challenges faced, includes the national and internal lengthy processes for obtaining necessary permits for the implementation of the sub-projects from different local organizations and agencies.

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

8. Following a review of the request, the secretariat finds that given the explanation provided by IBRD, this request of a six-month extension is justified and will allow the completion of all the sub-projects which are under implementation. It should also be noted that the implementing entity and the Project Implementing Agency Group put in place adaptative management measures to overcome the challenges afore-mentioned, which helped accelerating pending processes.

9. 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**

10. Therefore, the Board may consider and decide to approve the request for a six-month extension of the project completion date from 31 March 2020 to 30 September 2020 for the project "Marine Conservation and Climate Adaptation Project" as requested by IBRD.

### **Annex**

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

**Annex 1: Request for an extension of the project completion date*****Request for Extension of Project/Programme Completion Date***

Implementing Entity Name: <b>World Bank</b>			
AF Project/Programme ID: <b>P131408</b>			
Project/programme Title: <b>Marine Conservation and Climate Adaptation Project (MCCAP)</b>			
Country: <b>Belize</b>			
Project/Programme Approval (date)	<b>August 18<sup>th</sup>, 2014 (by AFB)</b>		
Expected Project/programme Completion (date)	<b>March 31<sup>st</sup>, 2020</b>	Proposed Revised Completion (date):	<b>September 30<sup>th</sup>, 2020</b>

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

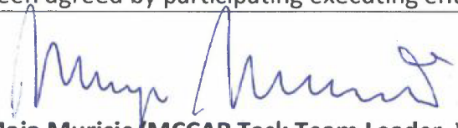
MCCAP continues to move in the right direction and show positive results. As of October 1<sup>st</sup>, 2019, the Project has disbursed 73% of its total funds. The project has made significant progress toward achieving the PDO, with the level of achievement varying between different outcomes and components. While Outcome 1 (Marine areas brought under biodiversity protection), Outcome 2 (Coastline brought under biodiversity protection) and Outcome 4 (Change of attitude and/or behavior of targeted beneficiaries) are all well advanced, Outcome 3 (Direct project beneficiaries who adopted alternative livelihoods) experienced slight delays. The implementation of activities supporting this outcome is on track, but for it to be successfully achieved, the extension of the Project is being sought, as also requested by the Government of Belize. The reasons for delays in the implementation of these activities and related request for the Project extension are as follows:

- The rolling-out of alternative livelihoods sub-projects to targeted beneficiaries has experienced delays due to long due diligence process of developing the subprojects' proposals. The strategy developed to accelerate that process was to learn from the lessons from past livelihood projects and contract a firm to develop sub-project proposals and conduct related safeguard assessments. Additional capacity development efforts and skills trainings were conducted to address observed capacity gaps among targeted communities. However, even with such approach in place, the identification and development of sub-projects proposals was not completed according to the initially planned Project schedule.
- In addition to observed challenges as they relate to the sub-projects' identification and preparation/implementation capacity of the targeted communities, another reason for delay was a lengthy process of developing business plans and required social and environmental safeguard documents. Though the Project Implementing Agency Group (PIAG) is taking proactive steps in meeting necessary social and environmental safeguards requirements for all sub-projects, this process has caused additional delays in the initiation of the sub-projects.
- Another set of challenges faced was in regard to national and internal processes for obtaining necessary permits and approvals from various local organizations and agencies. Noting that all planned sub-projects are underway and even though the PIAG is taking necessary steps to

accelerate such internal processes, the lengthy process of obtaining necessary internal approvals has caused additional delays in the sub-projects' implementation.

Considering the reasons stated above and noting that all sub-projects are underway, for their implementation to be successfully completed, 6 months extension of the Project closing date would be needed. This extension does not imply additional funds, nor does it include the change of project activities. On the contrary, it would allow MCCAP to fully achieve its objectives and outcomes and ensure that efforts to support an innovative and integrated approach to developing climate adaptation options, with a focus on conservation of the marine and coastal ecosystems, is also fully supporting livelihoods of the affected poor communities who largely depend on those natural resources.

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.	
 <b>Maja Murisic (MCCAP Task Team Leader, World Bank)</b>	
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