



ADAPTATION FUND

AFB/B.35.a-35.b/5
24 April 2020

Adaptation Fund Board

**REQUEST FOR EXTENSION OF PROJECT COMPLETION
DATE: AGENCIA NACIONAL DE INVESTIGACION E
INNOVACION (URUGUAY)**

Background

1. The Adaptation Fund Board (the Board) at its sixteenth meeting, approved a five-year project titled “Building Resilience to Climate Change and Variability in Vulnerable Smallholders” submitted by the Agencia Nacional de Investigación e Innovación (ANII) for a total amount of US\$ 9,967,678 (decision B.19/9).

2. The overall objective of the project is to contribute to building national capacity to adapt to CC and variability focusing on critical sectors for the national economy, employment and exports. The project is comprised of four main components, namely: i) Resilience increase at the farm level in smallholders located in extremely drought-sensitive Landscape Units; ii) Development of a local network for climate change monitoring, awareness and response and iii) Knowledge Management on CC and variability.

3. As mandated by the decision, an agreement was prepared and signed between the Board and ANII on 27 December 2011.

4. ANII submitted the first no-cost extension request in November 2016, this was approved by the Board through decision B.28-29/2, postponing the completion date from 30 June 2017 to 31 December 2018. A second no-cost extension request for 16 months was submitted to Adaptation Fund Board Secretariat (the secretariat) in August 2018 and was approved by the Board through decision B.31-32/25, setting the project completion date to 30 April 2020.

5. During its thirty-third meeting, the Board considered the Report of the Accreditation Panel contained in Document AFB.B.33/4 and considered the implications of the re-accreditation process on the project implemented by ANII, which did not submit a re-accreditation application as at 15 October 2018.

6. Following the discussions, the Board decided to request the secretariat to prepare a possible revision of re-accreditation policy, in collaboration with the Accreditation Panel, that would take into account its implication on the implementing entities' ongoing project implementation; and to review the implication of an implementing entity's accreditation expiration on its project implementation and the standard legal agreement signed between the Board and the implementing entity (Decision B.33/9).

7. In line with decision B.33/9, the secretariat prepared document AFB/B/34/5, and as a result of this document and discussion, the Board decided:

- a) *To approve the revised Standard Legal Agreement as contained in Annex I to document AFB/B.34/5;*
- b) *To approve the revised re-accreditation process as contained in Annex II to document AFB/B.34/5; and*
- c) *To request the secretariat to communicate this decision and the revised re-accreditation process and the revised standard legal agreement to the implementing entities.*

(Decision B.34/3)

8. On 23 April 2020, ANII submitted a third request for extension of the project completion date from 30 April to 30 September 2020 (see Annex 1). As outlined in the Adaptation Fund Project/Programme Delay Policy (AFB/B.29-30/3/Rev.1; Decision B.29-30/15 and Decision B.34-35/12), 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, due to late processing of the request at the entity level and the COVID-19 outbreak, the request was received only after the deadline afore mentioned.

9. The project implementing entity submitted seven project performance reports (PPR) to the secretariat. The project went through a mid-term evaluation (MTE) process, with a MTE report finalized in July 2016. As of 24 April 2020, the total project amount of US\$ 9,967,678 had been fully disbursed by the trustee, including the implementing entity fees.

10. The reason for an additional request for project completion date extension, as outlined in the memo shared by ANII, includes the fact that the project is facing delays due to the national health emergency in the face of the COVID-19 pandemic, which is hindering the normal performance of the project. This is affecting also the suppliers of goods and services as well as the procurement processes, which were initiated before this health emergency. In addition, the Ministry of Agriculture and Fishing has declared an agricultural emergency on March 9, 2020 for livestock and dairy in certain geographic areas of Uruguay which exacerbates the delays in the project implementation. This emergency was extended to the farm sector on March 20th, 2020, and to areas which are included in the project's scope.

Secretariat's review of the request

11. Following a review of the request by the secretariat and considering the explanation provided by ANII related to COVID19 outbreak, the secretariat believes that this request of a further five-months extension is justified. As evidenced by the memo provided by ANII (Annex 1), it is noted that this request for extension will ensure the completion of all planned activities in the project target areas, pending the evolution of the COVID-19 pandemic and related measures taken at national level.

12. According to the latest PPR submitted covering the calendar year 2019, the project has disbursed 90% of the total grant (excluding the project fees) to the executing entity. The project has been rated satisfactory by both the Implementing and the Executing Entity.

13. Finally, the secretariat acknowledges that this no-cost project extension request has been agreed with the Executing Entity and endorsed by the Designated Authority, in accordance with the Adaptation Fund Policy for Project/Programme Delays, as specified in Annex 1.

Recommendation

14. The Board may consider and decide to approve the request for an additional five-months extension of the project completion date from 30 April 2020 to 30 September 2020 for the project "Building Resilience to Climate Change and Variability in Vulnerable Smallholders" as requested by ANII.

Annex

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

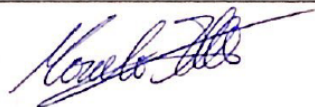
Annex 1: Request for an Extension of the Project Completion Date*Request for extension of project/programme completion date*

Implementing Entity Name: Agencia Nacional de Investigación e Innovación			
AF Project/programme ID:			
Project/programme Title: "Building Resilience to Climate Change and Variability in Vulnerable Smallholders" Project			
Country: Uruguay			
Project/Programme Approval (date)			
Expected Project/programme Completion (date)	April 30, 2020	Proposed Revised Completion (date):	September 30, 2020

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

On March 13, 2020, the Government declared a state of national health emergency in the face of the COVID-19 pandemic. This has involved extreme measures related to the traffic of people, and the isolation of a certain portion of population, among many other measures. This hinders the normal performance of the Project, since the closure activities of subprojects are indefinitely suspended, implying these activities visits to the involved farms, not only by private technicians but also by technicians from our Ministry. Likewise, sanitary measures affect not only the suppliers of goods and services, who are restricted in the possibility of fulfilling their contracts due to difficulties in stock or distribution, but also affect procurement processes that were in progress before this emergency. Additionally, on March 9, 2020, the Ministry declared an agricultural emergency for livestock and dairy in certain geographical areas of the country. Subsequently, on March 20, 2020, was extended this emergency to farm sector, also adding geographic areas. Furthermore, considering that the Project's landscape units focus include geographic areas in agricultural emergency, the Ministry considers essential the strengthening of technical assistance and special treatment of animal health and welfare aspects, which strengthen the resilience of smallholders to variability and climate change, as the drought we are running of.

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.	
Name & Signature	Marcelo Batto Lindsay 
Project/programme contact person	
Date: (Month, Day, Year)	Tel. and Email: mbatto@unii.org.uy