



ADAPTATION FUND

AFB/B.35.a-35.b/21
15 September 2020

Adaptation Fund Board

**REQUEST FOR EXTENSION OF PROJECT COMPLETION
DATE: NATIONAL BANK FOR AGRICULTURE AND RURAL
DEVELOPMENT (INDIA)**

Background

1. The Adaptation Fund Board (the Board) at its twenty-sixth meeting, approved a three year project titled “Climate Proofing of Watershed Development Projects in the States of Tamil Nadu and Rajasthan”, submitted by the National Bank for Agriculture and Rural Development (NABARD) for a requested amount of US\$ 1,344,155 (Decision B. 26/15).
2. The main objective of the project is to improve climate resilience and build adaptive capacities of the communities to climate change in the rain-fed areas of Tamil Nadu and Rajasthan through achieving five outcomes: i) Improving adaptation to climate variability / change in farm sector with better management and maintenance of soil and water regime enabling better crop / pasture land productivity and resultant increase in income of small and marginal farmers; ii) Promoting climate resilient farming system and diversification of livelihoods engaging community and their associations in the concrete adaptation pathway; iii) Reducing climate change vulnerability and process of marginalization with integration of risk mitigation products, like crop, weather and market advisory; and information system; and iv) Creation of knowledge management system on climate change adaptation and sharing the learning to wider audience for replication and technology cascading.
3. As mandated by the decision, an agreement was prepared and signed between the Board and NABARD in November 2015 and the project started implementation in January 2016.
4. A first no-cost extension of 10 months of the project completion date from September 2019 to 30 June 2020 was approved in Decision B.33-34/1.
5. This is the second no-cost extension request of nine months for extending the project completion date from 30 June 2020 to 31 March 2021.
6. 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 project 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 aforementioned.
7. The implementing entity has submitted two project performance reports (PPR) to the secretariat, which have been cleared by the secretariat. As of 15 September 2020, the total project funding for an amount of US\$ 1,344,155 has been disbursed by the trustee, including the implementing entity fees, which corresponds to 100% of the approved grant.
8. The reason for an extension request for the project completion date extension, as outlined in the memo shared by NABARD, is mainly due to the COVID-19 pandemic and the related government shutdown of all socio-economic activities except essential services. Moreover, the last tranche of funding was received in March 2020 and, as a result, a significant amount of that tranche is still available with the Executing Entities.

Secretariat’s review of the request

9. Following a review of the request by the secretariat and considering the explanation provided by NABARD related to the COVID-19 pandemic that prevented the disbursement of the last tranche by the Executing Entities to project activities, the secretariat is of the view that this request of a nine-months extension is justified.

10. Finally, the secretariat acknowledges that this no-cost programme 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

11. The Board may consider and decide to approve the request for an additional nine-months extension of the project completion date from 20 June 2020 to 31 March 2021 for the project “Climate Proofing of Watershed Development Projects in the States of Tamil Nadu and Rajasthan” as requested by NABARD.

Annex

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

Annex 1: Request for an Extension of the Project Completion Date

ANNEXURE - A

REQUEST FOR EXTENSION OF CONCRETE ADAPTATION PROJECT/PROGRAMME


Request for extension of project/programme completion date

Implementing Entity Name: National Bank for Agriculture and Rural Development (NABARD)			
AF Project/programme ID: IND/NIE/Water/2013/1			
Project/programme Title: Climate Proofing of Watershed Development projects in the States of Tamil Nadu and Rajasthan			
Country: India			
Project/Programme Approval (date)	10/09/2015		
Date of Inception Workshop (Official start date)	01/09/2016		
Expected Project/programme Completion (date)	31/08/2019 30/6/2020 (Extended Timeline)	Proposed Revised Completion (date):	31/03/2021

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

<p>COVID-19: In order to control the spread of COVID-19, the Indian government took a decision of complete shutdown of all socio-economic activities except essential services. Since March 24, 2020 there has been various degree of restrictions in the country and it has affected implementation progress of various works/activities under different sub-projects. Certain season bound field-activities could not be undertaken in the pre-monsoon season (i.e., March April & May 2020), since the field staff could not move due to ban on public transport. Procurement of materials for undertaking various water conservation works could not be taken up due to transport restrictions. All the planned training and capacity building measures stopped on account of ban on social and community gatherings. This by itself may delay the project by six months.</p> <p>Moreover, funds for the last instalment of the project were received in March 2020 and considerable amount of unspent fund is available with the EEs. In view of the aforesaid reasons, the Executing Entities have requested for another nine months extension.</p> <p>NABARD Regional Offices, at Jaipur and Chennai through the concerned District Development Managers (DDMs), NABARD, have been regularly monitoring progress of the project. All the project activities will be completed by March 2021.</p> <p>In view of the above and the prevailing uncertainty due to COVID 19, it is recommended that 09 months extension may be granted to the project up to 31 March 2021.</p>
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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.	
<p>Name & Signature: Dr Surendra Babu </p> <p>Project/programme contact person: Dr Surendra Babu, Deputy General Manager, NABARD, Mumbai, India.</p>	
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