



ADAPTATION FUND

AFB/B.35-36/4  
4 December 2020

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Adaptation Fund Board

**REQUEST FOR EXTENSION OF PROJECT COMPLETION  
DATE: UNITED NATIONS HUMAN SETTLEMENTS  
PROGRAMME (LAO PEOPLE'S DEMOCRATIC REPUBLIC)**

## Background

1. The Adaptation Fund Board (the Board) at its twenty-eight meeting, approved a four year project titled “Enhancing the climate and disaster resilience of the most vulnerable rural and emerging urban human settlements in Lao PDR”, submitted by the United Nations Human Settlements Programme (UN-Habitat) for a requested amount of US\$ 4,500,000 (Decision B.28/17).
2. The main objective of the project is to enhance the climate and disaster resilience of the most vulnerable rural and emerging urban human settlements in Southern Lao People’s Democratic Republic (Lao PDR) by increasing sustainable access to basic infrastructure systems and services, emphasizing resilience to storms, floods, droughts, landslides and disease outbreaks. It aims to achieve its goal through four outcomes: i) Institutional level strengthening to reduce vulnerability in human settlements; ii) Building capacity at the human settlement and community level for climate resilience; iii) Enhance climate and disaster resilient infrastructure systems in human settlements and; iv) Ensure project compliance with AF and UN-Habitat standards for Knowledge Management, Advocacy and Monitoring.
3. As mandated by the decision, an agreement was prepared and signed between the Board and UN-Habitat on 22 November 2016 and the project started implementation on 24 February 2017.
4. This is the first no-cost extension of 18 months for extending the project completion date from 24 February 2021 to 24 August 2022.
5. 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. The request was received ahead of the aforementioned deadline.
6. The implementing entity has submitted three project performance reports (PPR) to the secretariat, which have been cleared by the secretariat. As of 2 April 2020, a total project funding for an amount of US\$ 3,920,648 has been disbursed by the trustee, including the implementing entity fees, which corresponds to 87% of the approved grant.
7. The reason for an extension request for the project completion date extension, as outlined in the memo shared by UN-Habitat, is mainly due to a sequence of weather events and man-made disasters, in 2018 and 2019 that severely affected the three targeted provinces of Attapeu, Sekong and Saravane impeding the completion of the activities as per the project’s initial schedule.
8. The collapse of an auxiliary dam on 24 July 2018 at the construction site of the Xepien-Xenamnoy hydropower dam in Attapeu province as a consequence of heavy rainfall caused by Tropical Storm Son Tinh, resulted in the release of five billion cubic meters of water that affected villages downstream, decimating several communities and vital infrastructure. Furthermore, extreme rainfall in the country worsened the scenario further, causing floods in 15 provinces. As a result, the project’s executing entities - the provincial Departments of Public Works and Transport, were heavily engaged in the post disaster needs assessment and the recovery efforts.
9. Furthermore, the recurrence of floods in September 2019 as a consequence of the Tropical Depression Kajiki, affected six provinces including the targeted provinces of Attapeu, Sekong and Saravane harming and displacing a number of vulnerable communities, as well as,

impacting key infrastructure such as bridges, schools, health centers, hospitals and roads. Again, the executing entities, were leading majority of the recovery efforts.

10. Lastly, the COVID-19 crisis in 2020 exacerbated the project delay and resulted in an almost complete shutdown of project activities for three months.

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

11. Following a review of the request by the secretariat and considering the explanation provided by UN-Habitat related to the natural and man-made disasters as well the COVID-19 pandemic, the secretariat is of the view that this request of a eighteen-months extension will safeguard the quality of its execution and is justified.

12. 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**

13. The Board may consider and decide to approve the request for an eighteen-months extension of the project completion date from 24 February 2021 to 24 August 2022 for the project "Enhancing the climate and disaster resilience of the most vulnerable rural and emerging urban human settlements in Lao PDR" as requested by UN-Habitat.

### **Annex**

1. Request for an extension of the project completion date from UN-Habitat

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

### ANNEX A: REQUEST FOR EXTENSION OF CONCRETE ADAPTATION PROJECT/PROGRAMME

*Request for extension of project/programme completion date*

<b>Implementing Entity Name:</b> United Nations Human Settlements Programme (UN-Habitat)			
<b>AF Project/programme ID:</b> LAO/MIE/DRR/2016/1			
<b>Project/programme Title:</b> Enhancing the Climate and Disaster Resilience of the Most Vulnerable Rural and Emerging Urban Human Settlements in Lao PDR			
<b>Country:</b> Lao PDR			
<b>Project/Programme Approval (date)</b>	07 October 2016 – Project Started on 24 February 2017		
<b>Expected Project/programme Completion (date)</b>	24/02/2021	<b>Proposed Revised Completion (date):</b>	24/08/2022

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

Several milestones of the AF project in Lao PDR were achieved so far. However, a sequence of weather events and man-made disasters, in 2018 and 2019 have severely affected Attapeu, Sekong and Saravane provinces impeding the completion of the activities as per our initial schedule. Further the COVID-19 crisis in 2020 has resulted in an almost complete shutdown of project activities for three months.

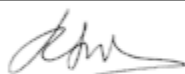
- On 24 July 2018, an auxiliary dam collapsed at the construction site of the Xepien-Xenamnoy hydropower dam, in Attapeu province, as a consequence of heavy rainfall caused by Tropical Storm Son Tinh. The dam's collapse resulted in the release of 5 billion cubic meters of water that affected villages downstream, decimating several communities, destroying houses, fields, roads and bridges. Furthermore, extreme rainfall along the country worsened the scenario further, causing floods that affected 86,760 people in 15 provinces. The Post-Disaster Needs Assessment (PDNA) was led by the Government of Lao PDR and conducted by a multiagency team comprising the European Union (EU), the United Nations, the World Bank/Global Facility for Disaster Reduction and Recovery, and other relevant stakeholders. UN-Habitat was a key partner, leading the shelter and WASH sector assessment. The project executing entities (the provincial Departments of Public Works and Transport) were also heavily engaged in the post disaster needs assessment and the recovery efforts.
- Subsequently in September 2019, floods affected 6 provinces (including Attapeu, Sekong and Saravane) as a consequence of the Tropical Depression Kajiki, harming 59,613 families of which 33,407 were displaced to 20 evacuation centres. By mid-October, a total of 97 bridges, 747 schools, 43 health centres and hospitals and 462 roads were affected by the floods. At least 765,000 people were affected and 19 killed by Tropical Storm Podul and Tropical Depression Kajiki in the entire country. Again, the executing entities, were heavily involved (and to a large extent leading) in the recovery efforts.

- The COVID-19 pandemic has halted our on-going implementation due to the lockdown measures imposed by the government to overcome the crisis. Inter-provincial travel was banned; work-from-Home arrangements were imposed for all, including government officials. Whilst these restrictions have recently been lifted, these measures resulted in a further delay of at least three-month.

In light of the events described above, we are requesting a no-cost extension of 18 months until August 2022 in order to complete the remaining tasks. The approval of the changes proposed is key for ensuring the projects' completion and safeguard the quality of its execution.

*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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UN-Habitat

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Date: June 24, 2020

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