



ADAPTATION FUND

AFB/B.44-45/3

9 June 2025

Adaptation Fund Board

**REQUEST FOR NO COST EXTENSION OF PROJECT
COMPLETION DATE: THE PARTNERSHIP FOR
GOVERNANCE REFORM IN INDONESIA (INDONESIA)**

Background

1. The Adaptation Fund Board (the Board) during the intersessional period between its thirty-fifth a. and thirty-fifth b. meeting, approved a three-year project titled “Safekeeping-Surviving-Sustaining towards Resilience: 3S Approach to Build Coastal City Resilience to Climate Change Impacts and Natural Disasters in Pekalongan City, Central Java Province” submitted by the Partnership for Governance Reform in Indonesia (Kemitraan) for a total amount of US\$ 5,972,670 (Decision B. 35.a-35.b/50).
2. The overall objective of the project is to build resilience in the city of Pekalongan, to the adverse impacts of climate change through soft and hard interventions building communities’ socio-economic and institutional capacity to cope with climate change. This will be achieved through the following outcomes: (i) Enhancing protection along the costal line of Pekalongan City; (ii) Enhancing coastal community capacity thorough these measures: (a) Developing and implementing Local Climate Change Adaptation Action Plan (RAD API), and a climate change information system; (b) Strengthening vertical coordination by enhancing provincial government’s capacity in mainstreaming climate change adaptation and resilience into Central Java Province development plan which in turn could foster better climate-related policy on climate financing and bottom-up planning; and (c) Strengthening vertical coordination and collaboration between national and local government in climate adaptation, and fostering knowledge, toolkits and methodologies on coastal resilience for the national government; and (iii) Improving community’s resilience through alternative livelihoods and improvement of sanitation facilities.
3. As mandated by the decision, an agreement was prepared and signed between the Board and Kemitraan in January 2021 and the project started implementation on 15 July 2021.
4. The project implementing entity submitted two project performance reports (PPR), which have been cleared by the secretariat, and as of 17 February 2024, a total project funding for an amount of US\$ 4,769,865 including the project fees, has been disbursed by the trustee, which corresponds to 79.8% of the approved grant.
5. In April 2024, Kemitraan submitted a first request for a regular twelve-months no-cost extension of the project completion date from 15 July 2024 to 14 July 2025, which the Board approved (Decision B.42-43/11). In October 2024, Kemitraan submitted to the Board a request for change in project outputs, material change and revision of disbursement schedule following a restructuring of the project. This request was approved by the Board (Decision B.43/23).
6. On 6 February 2025, Kemitraan submitted a second request for a regular twelve-month no-cost extension of project completion date from 14 July 2025 to 13 July 2026 (see annex 1). Reasons behind raising such a request are on-going administrative processes at the Central Java Province to secure both a Coastal Space Utilization Permit (“KPPRL”) and the Environmental Management and Monitoring Plans (“UKL-UPL”) necessary to construct the breakwaters, carry out mangrove plantations and ecotourism activities that are both contingent upon the breakwaters’ completion.

Secretariat’s review of the request

7. Following a review of the request by the secretariat and considering the explanation provided by Kemitraan, the secretariat is of the view that this twelve-month no-cost extension request is justified. As evidenced by the memo provided by Kemitraan (Annex 1), it is noted that this request should allow sufficient time to deliver all remaining activities. Furthermore, the

secretariat acknowledges that the Designated Authority has been notified, in accordance with the amended Policy for Project/Programme Delays, as specified in Annex 1.

8. Finally, the secretariat reviewed the budget adjustments mentioned in Kemitraan's request. Such revisions constitute a minor change (defined by the Board as a cumulative change of less than twenty percent (20%) at the output level), which can be reviewed and cleared by the secretariat, in line with the provisions of decision B.44/44.

Recommendation

9. The Board may consider and decide to approve the request for a twelve-month no-cost extension of the project completion date from 14 July 2025 to 13 July 2026, for the project "Safekeeping-Surviving-Sustaining towards Resilience: 3S Approach to Build Coastal City Resilience to Climate Change Impacts and Natural Disasters in Pekalongan City, Central Java Province" as requested by Kemitraan.

Annex

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

Annex 1: Request for an extension of the project completion date from Kemitraan

AFB/B.34-35/6

ANNEX A: REQUEST FOR EXTENSION OF CONCRETE
ADAPTATION PROJECT/PROGRAMME*Request for extension of project/programme completion date*

Implementing Entity Name: KEMITRAAN (PARTNERSHIP)			
AF Project/programme ID: IDN/NIE/Multi/2017/1			
Project/programme Title: "Safekeeping-Surviving-Sustaining towards Resilience: 3S Approach to Build Coastal City Resilience to Climate Change Impacts and Natural Disasters in Pekalongan City, Central Java Province"			
Country: Indonesia			
Project/Programme Approval (date)	Sept 23, 2020		
Expected Project/programme Completion (date)	Jul 14, 2025	Proposed Revised Completion (date):	Jul 13, 2026

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

The AF-funded Pekalongan Project, "Safekeeping-Surviving-Sustaining towards Resilience: 3S Approach to Build Coastal City Resilience to Climate Change Impacts and Natural Disasters in Pekalongan City, Central Java Province", aimed at building coastal city resilience to climate change, has made significant progress over the past 3.5 years. However, despite securing crucial approvals, persistent delays in administrative processes and the critical interdependency of project components necessitate a second no-cost extension to ensure successful and sustainable outcomes.

Securing the necessary permits for the breakwater, including the Coastal Space Utilization Permit (KPPRL) and the Environmental Management and Monitoring Plans (UKL-UPL), has been a lengthy process. While the AF Secretariat approved the required output and disbursement modifications in late 2024 -and issued amendment to contract by January 2025-, administrative processes at the Central Java Province remain ongoing until end of January 2025.

The mangrove planting, crucial for restoring coastal sedimentation and mitigating tidal impacts, is *directly contingent* upon the breakwater's completion. The breakwater provides the necessary stable environment for successful mangrove establishment. Furthermore, the ecotourism component at the Mangrove Centre, designed to provide sustainable livelihoods, is dependent on the successful establishment of the mangroves *and* the accessibility afforded by the completed breakwater.

Based on oceanic season forecasts, breakwater construction is projected to begin in March 2025 and is unlikely to be completed before October 2025. This timeline exceeds the project's current extended termination date. Mangrove planting, which can only commence after the breakwater is finished, will require additional time to observe sedimentation patterns and ensure suitable planting conditions.

A six-month operational period is essential to ensure the proper functioning of the constructed infrastructure and the newly planted mangroves. This period will allow for monitoring of the breakwater's effectiveness, assessment of mangrove growth and sedimentation patterns, and refinement of the ecotourism activities. This monitoring and evaluation will be crucial for long-term sustainability and knowledge sharing.

Therefore, to ensure the successful and sustainable completion of all project components, including the critical breakwater construction, mangrove planting, and related ecotourism development, we request a second no-cost extension until July 13, 2026. This extension will allow for the full realization of the project's intended benefits and contribute significantly to building coastal resilience in Pekalongan. This extension request necessitates budget adjustments, detailed in the enclosed annex.

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.



Eva Sundari
Acting Executive Director Kemitraan
Implementing Entity Coordinator

Date: (January 30, 2025)

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