

AFB/B.44-45/4 9 June 2025

Adaptation Fund Board

REQUEST FOR NO COST EXTENSION OF PROJECT COMPLETION DATE: UNITED NATIONS HUMAN SETTLEMENTS PROGRAMME (PAKISTAN)

Background

1. The Adaptation Fund Board (the Board) during the intersessional period between its thirty-fifth a. thirty-fifth b. meeting, approved a three-year project titled "Enhance community, local and national-level urban climate change resilience to water scarcity, caused by floods and droughts in Rawalpindi and Nowshera, Pakistan" submitted by the United Nations Human Settlements Programme (UN-Habitat) for a total amount of US\$ 6,094,000 (Decision B. 35.a-35.b/20).

2. The overall objective of the project is to enhance community local and national-level urban climate change resilience to water scarcity, caused by floods and droughts in Rawalpindi and Nowshera cities. This will be achieved through the following components: (i) Community level activities: Enhance community and household-level flood resilient water harvesting facilities (using innovative techniques) and to strengthen capacities to plan, construct, operate, maintain and replicate these; (ii) District / city level activities: Enhance city and district-level water harvesting facilities in public buildings and on water storages in public gardens, develop district / city level spatial strategies as tool to assess climate change related floods, droughts and water scarcity to plan for and manage climate change risks and to strengthen capacities to plan, construct, operate, maintain and replicate water harvesting facilities in public buildings and gardens; and (iii) National level activities: Strengthen national level capacity to guide / direct city level development considering climate change and disaster risks and impacts, especially water scarcity caused by floods and droughts.

3. As mandated by the decision, an agreement was prepared and signed between the Board and UN-Habitat in July 2020 and the project started implementation on 22 December 2020.

4. UN-Habitat submitted four project performance reports (PPRs). As of 20 May 2025, three PPRs were cleared by the secretariat and a total project funding for an amount of US\$ 5,385,995 including the project fees has been disbursed by the trustee, which corresponds to 88.4% of the approved grant.

5. On 14 March 2024, UN-Habitat submitted a first request for a COVID-related twelvemonths no-cost extension of the project completion date from 22 December 2024 to 22 December 2025, which the secretariat cleared through its letter with reference 2024/050.

6. On 10 April 2025, UN-Habitat submitted a second request for a no cost extension of the project completion timeline from 22 December 2025 to 22 December 2026 (see annex 1). The request is based on several factors including (i) prolonged impacts of the COVID-19 pandemic, which delayed the signing of formal agreements with the Executing Entities; and (ii) internal administrative challenges, such as staff turnover and lengthy approval processes within the Executing Entities. This request aligns with the recommendations made by the project mid-erm evaluation, completed in October 2024.

Secretariat's review of the request

7. Following a review of the request by the secretariat and considering the explanation provided by UN-Habitat, the secretariat is of the view that this twelve-month extension request is justified. As evidenced by the memo provided by UN-Habitat (Annex 1), it is noted that this request should allow sufficient time to deliver all remaining activities. Finally, 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.

Recommendation

8. The Board may consider and decide to approve the request for a twelve-month no-cost extension of the project completion date from 22 December 2025 to 22 December 2026, for the project "Enhance community, local and national-level urban climate change resilience to water scarcity, caused by floods and droughts in Rawalpindi and Nowshera, Pakistan" 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 from UN-Habitat

REQUEST FOR NO-COST EXTENSION OF PAKISTAN'S ADAPTATION FUND PROJECT/PROGRAMME

Subject: Request for no-cost extension of project/programme completion date

Implementing Entity Name: United Nations Human Settlements Programme (UN-Habitat)			
AF Project/programme ID: AF00000197			
Project/programme Title: Enhance community, local and national-level urban climate change resilience to water scarcity, caused by floods and droughts in Rawalpindi and Nowshera, Pakistan			
Country: Pakistan			
Project/Programme Approval (date)	July 2020		
Expected Project/programme Completion (date)	22/12/2025	Proposed Revised Completion (date)	22/12/2026

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

Pakistan's ongoing Adaptation Fund project titled "Enhance community, local and national-level urban climate change resilience to water scarcity, caused by floods and droughts in Rawalpindi and Nowshera, Pakistan" is a joint collaboration of the UN-Habitat, Adaptation Fund Board, and the Government of Pakistan.

The project is active and in its final year of implementation. The following are the key challenges faced by the project:

- The project inception workshop was conducted during December 2020, and soon after the launching of the project, the country was affected for more than one and a half years due to the COVID-19 pandemic. The prolonged duration of the pandemic caused delays in signing formal agreements with the Implementing Partners.
- The project also encountered delays because of internal administrative issues, including a change of officers and lengthy approval processes among the implementing partners in the government sector.

In addition, the midterm evaluation conducted in October 2024 recommends extending the project duration for one more year so that all planned outputs are implemented and completed with quality results.

Due to the above-mentioned and to achieve the remaining interventions of the project, a one-year no-cost extension of the project is required from 22 December 2025 to 22 December 2026.

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 National Authority (DNA) of the Government of Pakistan for AF has been notified as per the attached confirmation.

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