



ADAPTATION FUND

AFB/B.45-46/2  
6 December 2025

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Adaptation Fund Board

**REQUEST FOR NO COST EXTENSION OF PROJECT  
COMPLETION DATE: NATIONAL ENVIRONMENT  
MANAGEMENT COUNCIL (TANZANIA)**

## **Background**

1. The Adaptation Fund Board (the Board), through its intersessional Decision B.35.a-35.b/52, approved a four-year project titled “Strategic Water Harvesting Technologies for Enhancing Resilience to Climate Change in Rural Communities in Semi-Arid Areas of Tanzania (SWAHAT)” in Tanzania. The project was submitted by the National Environment Management Council (NEMC), a national implementing entity of the Adaptation Fund, for a total requested amount of US\$ 1,280,000.
2. The objective of the project is to enhance resilience and adaptation of semi-arid rural communities to climate change-induced impacts of drought, floods, and water scarcity. This will be achieved through five integrated components for concrete adaptation strategies: (i) installation and rehabilitation of community water harvesting facilities that will integrate agriculture, livestock, tree planting and aquaculture; (ii) development and implementation of participatory afforestation program for locally adapted fruit and forest trees; (iii) development of integrated climate resilient livelihoods diversification through improved technologies in agriculture; (iv) formulation and implementation of interventions for integrated management of emerging climate change related pests and diseases that affect crops and livestock productivity; and (v) knowledge management.
3. As mandated by the decision, an agreement was prepared and signed between the Board and NEMC on 30 July 2021 and the project started implementation on 13 October 2021.
4. The project implementing entity submitted three project performance reports (PPR), which have been cleared by the secretariat, and to date, a total project funding of US\$ 1,187,797 including the project fees, has been disbursed by the trustee, which corresponds to about 93% of the approved grant.
5. In August 2025, NEMC submitted a request for a twenty-four-month no-cost extension of the project completion date, from 12 October 2025 to 11 October 2027 (see Annex 1). The request is based on accumulated delays in accessing project funds: first by NEMC from the Bank of Tanzania, and subsequently by Sokoine University of Agriculture, the Executing Entity, from NEMC. These delays have affected the pace of project implementation. The fund flows were slowed by lengthy administrative procedures, including approval requirements from the Ministry of Finance and regular reporting and verification processes.

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

6. Following a review of the request by the Secretariat and considering the explanation provided by NEMC, the Secretariat is of the view that this twenty-four-month no-cost extension request is justified. As evidenced by the memo provided by NEMC (Annex 1), it is noted that this request should allow sufficient time to deliver all remaining activities.
7. Finally, the secretariat acknowledges that this no-cost project extension request has been agreed with the Executing Entity and the Designated Authority has been notified, in accordance with the Adaptation Fund Policy for Project/Programme Delays, as specified in Annex 1.

## **Recommendation**

8. Having considered the request and its annex, the Board may consider and decide

to approve the request for a twenty-four-month no-cost extension of the project completion date from 12 October 2025 to 11 October 2027, for the project “Strategic Water Harvesting Technologies for Enhancing Resilience to Climate Change in Rural Communities in Semi-Arid Areas of Tanzania (SWAHAT)” in Tanzania as requested by NEMC.

**Annex 1: Request for an extension of the project completion date from NEMC***Request for extension of project/programme completion date*

<b>Implementing Entity Name</b>	NEMC	National Environment Management Council (NEMC)
<b>AF Project/programme ID:</b>	N/A	
<b>Project/programme Title:</b>	Strategic Water Harvesting Technologies for Enhancing Resilience to Climate Change in Rural Communities in Semi-Arid Areas of Tanzania (SWAHAT)	
<b>Project/Programme Approval (date)</b>	May 6 <sup>th</sup> , 2020	
<b>Expected Project/programme Completion (date)</b>	October 12 <sup>th</sup> , 2025	
<b>Proposed Revised Completion (date):</b>	October 11 <sup>th</sup> , 2027	

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

Upon the signing of the Grant Agreement (GA) between the Adaptation Fund Board (AFB) and the Implementing Entity (NEMC), the funds for Year 1 were transferred by the AF Secretariat to NEMC's account at the Bank of Tanzania, in compliance with government regulations. However, accessing the funds required approval from the Ministry of Finance (MoF), which was delayed by approximately one year due to the following reasons:

**1. Initial Misunderstanding by the Ministry of Finance (MoF):**

The MoF did not initially understand why NEMC had to sign the GA with the Adaptation Fund (AF), as it was contrary to standard government procedures for external financing. According to these procedures, external financing (both grants and loans) should be facilitated through a government ministry, with the MoF signing on behalf of departments and agencies. However, after multiple communications between NEMC, MoF, and AF, the MoF came to understand that the AF can only sign a GA with its accredited entities. Consequently, the MoF granted NEMC the necessary instruments to proceed with the signing of the Grant Agreement.

**2. Transition to the D-Fund System:**

The funds were transferred to NEMC's account during the government's transition to the D-Fund system, a centralized system for managing and tracking funds received from development partners. As a result, NEMC had to undergo the D-Fund registration and approval process,

which further delayed the release of funds. Ultimately, funds were transferred to the Executing Entity (EE) in the first week of October 2021, allowing for the project inception workshop to be held on October 13, 2021.

The D-Fund system, which requires 22 approvals for each tranche of funds transferred to NEMC, must be followed annually, and this process, coupled with technical issues with the system, has contributed to delays. On average, once funds from AF are received, it takes approximately 2-3 months to get clearance and approval in the D-Fund system before they are disbursed to the EEs.

### 3. Quarterly Transfers and Verification Delays

As a control mechanism, NEMC does not transfer the full yearly amount to the EE all at once. Transfers are made quarterly, with each subsequent transfer contingent upon the receipt of quarterly reports from the EE and verification by the Implementing Entity (IE) of the project's progress. This process often adds to delays in project implementation.

### 4. Delays Due to Review of Project Performance Reports (PPR):

Further delays in project implementation have been caused by the prolonged back-and-forth review process of Project Performance Reports (PPRs). For example, clearance for PPR2 has not yet been received, resulting in a delay in the release of funds for Year 3 (2024).

### 5. Request for extension

Due to the reasons stated above, a request for extension of this project for a period of 24 months from October 12<sup>th</sup>, 2025 to October 11<sup>th</sup>, 2027.

#### *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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Date: March 28<sup>th</sup>, 2025

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