



ADAPTATION FUND

AFB/B.45-46/7
19 February 2026

Adaptation Fund Board

**REQUEST FOR NO COST EXTENSION OF PROJECT
COMPLETION DATE: DEVELOPMENT BANK OF LATIN
AMERICA (ARGENTINA, URUGUAY)**

Background

1. The Adaptation Fund Board (the Board) during the intersessional period between its thirty-third and thirty-fourth meeting, approved a five-year project titled “*Climate change adaptation in vulnerable coastal cities and ecosystems of the Uruguay River*” submitted by the Development Bank of Latin America (CAF) for a total amount of US\$ 13,999,996 (Decision 33-34/27).
2. The overall objective of the project is to promote resilience in the communities located in the basin of the Uruguay River, and reducing their vulnerability by means of developing instruments, tools and shared experiences for planning and adapting to climate change. This will be achieved through the following objectives: (i) Reduce vulnerability conditions and contribute to build climate change and variability resilience in vulnerable coastal communities and ecosystems of the lower Uruguay river, including adaptation measures based on communities and ecosystems, while focusing and streamlining human rights, gender and generations perspectives; (ii) Promote institutional strengthening by considering climate change mid and long-term scenarios in land management public policies, plans and programs for the vulnerable cities and ecosystems identified in each country; (iii) Promote an integrated climate risk management in the identified cities and ecosystems for each country, fostering the development and implementation of early warning systems (EWS); (iv) Reduce the coastal cities’ vulnerability by implementing sustainable infrastructure adapted to the adverse effects of climate change; and (v) Promote climate change adaptation (CCA) in both river’s margins by exchanging urban, environmental, social, educational and cultural experiences and knowledge management.
3. As mandated by the decision, an agreement was prepared and signed between the Board and Kemitraan in December 2019 and the project started implementation on 4 August 2021.
4. The project implementing entity submitted three project performance reports (PPR), which have been cleared by the secretariat, and as of 10 February 2026, a total project funding for an amount of US\$ 13,999,996 including the project fees, has been disbursed by the trustee, which corresponds to 100% of the approved grant.
5. In February 2025, CAF submitted a first request for a regular twelve-months no-cost extension of the project completion date from 4 August 2025 to 4 August 2026, which was considered a minor change and, therefore, was cleared by the Secretariat (AFBSEC-2025-01).
6. On 4 February 2026, CAF submitted a second request for a regular twelve-month no-cost extension of the project completion date, proposing to extend it from 4 August 2026 to 4 August 2027 (see Annex 1).
7. Since the approval of the previous no-cost extension, the project has experienced delays related to governmental reorganization processes and institutional transitions in Argentina. This transition required the revalidation of institutional counterparts, adjustments to internal procedures, and the reconfiguration of approval and signature workflows necessary for project implementation.

Secretariat’s review of the request

1. Following a review of the request by the secretariat and considering the explanation provided by CAF, the secretariat is of the view that this additional twelve-month no-cost extension request is justified. As evidenced by the memo provided by CAF (Annex 1), this request should

allow the closure of all remaining activities in Argentina. Furthermore, the secretariat acknowledges that the Designated Authorities have been notified, in accordance with the amended Policy for Project/Programme Delays, as specified in Annex 1.

Recommendation

2. The Board may consider and decide to approve the request for a twelve-month no-cost extension of the project completion date from 4 August 2026 to 4 August 2027, for the project "*Climate change adaptation in vulnerable coastal cities and ecosystems of the Uruguay River*" as requested by CAF.

Annex

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

Annex 1: Request for an extension of the project completion date from CAF**ANNEX A: REQUEST FOR EXTENSION OF CONCRETE ADAPTATION PROJECT/PROGRAMME***Request for extension of project/programme completion date*

Implementing Entity Name: Development Bank of Latin America (CAF)			
AF Project/programme ID: LAC/RIE/DRR/2017/1			
Project/programme Title: Climate Change adaptation in vulnerable coastal cities and ecosystems of the Uruguay River			
Country: Argentina/Uruguay)			
Project/Programme Approval (date)	Approval Date: 07/15/2019 Agreement CAF – AF: 12/12/2019 Star Date: 08/04/2021 (Inception Workshop)		
Expected Project/programme Completion (date)	4 August 2026	Proposed Revised Completion (date):	4 August 2027

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

Since the approval of the previous 12-month extension (Clearance: AFBSEC-2025-01, notified under Ref: 2025/079), project implementation has experienced persistent delays, particularly in the national component of Argentina, associated with successive governmental reorganization processes and institutional transitions.

In December 2025, a new reorganization of the federal administration took place through Decree No. 866/2025, which transferred the then Secretariat of Tourism, Environment and Sports from the Ministry of the Interior to the Office of the Chief of Cabinet of Ministers, redefining mandates, hierarchical reporting lines, administrative authorities, and budgetary arrangements. This transition has required the revalidation of institutional counterparts, the adjustment of internal procedures, and the reconfiguration of approval and signature workflows relevant to project implementation.

In operational terms, these changes have resulted in temporary interruptions and extended timelines for technical validations, administrative authorizations, and inter-institutional coordination, affecting the overall implementation schedule. Consequently, an additional twelve-month extension is required to complete the following activities:

- Activity 7.7 Protection and redefinition of the Artaláz Stream Wetland in the city of Colón;
- Activity 7.8 Remediation and redefinition of vacant lots within the Barrio Norte Defense and Cantera 25 de Mayo in the city of Concepción del Uruguay
- Activity 11.1 Adequacy of infrastructure required to upgrade resilience to CC in the Estero de Farrapos Protected Area, and
- Activity 11.4 structural consolidation of historic buildings, coastal protection, and enhancement of the historical ensemble of Calera del Palmar or de Barquín in El Palmar National Park (PNEP)

It should be noted that the national component in Uruguay continues to show steady progress and is expected to reach closure in July of the current year; likewise, the regional activities were closed on 4 August. Accordingly, the requested extension is strictly limited to the national component of Argentina, in order to complete the outstanding activities under that component.

Based on the above, a no-cost extension of twelve months is requested, extending the project's closing date to 4 August 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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