



ADAPTATION FUND

Adaptation Fund Board Secretariat

Approval of a minor budget reallocation for the project: International Fund for Agricultural Development (IFAD) – Tunisia

Type of request: Minor

Summary of request

On 13 February 2026, the International Fund for Agricultural Development (IFAD) submitted a request for a minor budget reallocation and related adjustments at output level for the project “*Economic, Social and Solidarity Insertion for Resilience in the Governorate of Kairouan (IESS-Adapt)*”, implemented in Tunisia. The request seeks to reallocate funds across selected components and outputs to reflect implementation experience, updated cost structures, and technical recommendations arising from supervision missions and the mid-term review.

Additionally, the proposed changes include the cancellation of Output 1.2.3, which aimed to stabilize 400 hectares of dry, vulnerable, and degraded land through cactus plantations benefiting 400 beneficiaries, and Output 3.1.2, which planned an impact study on the use of cactus as an indigenous approach for consolidating degraded and vulnerable land. The cactus planting activity (land stabilization using *Opuntia ficus-indica*) was cancelled due to the invasion of the false carmine cochineal (*Dactylopius opuntiae*), which has severely affected prickly pear plantations across the Kairouan region, with infestation rates estimated between 60 and 100 per cent. Also, roads climate proofing activity has been downscaled from 50 km to 25.45 km following implementation delays, cost increases, and alignment with IFAD-financed road works.

These changes respond primarily to inflation-driven cost increases, procurement challenges, and feasibility considerations, including the scaling-down, modification, or cancellation of certain activities, and the reinforcement of others demonstrating stronger implementation performance and impact potential. The request does not alter the project’s total approved budget, overall objective, or core outcomes, but aims to optimize resource use and ensure the effective completion and consolidation of project activities.

The Designated Authority for Tunisia has been duly notified and has formally endorsed the proposed changes.

Secretariat’s review of the request

The Secretariat has reviewed the restructured project document and supporting documentation submitted by IFAD and confirms that the cumulative percentage of budget reallocation at output level is 10.35 per cent constituting a minor request.

The Secretariat notes that the requested changes are consistent with the Policy on Project Post-Approval Requests for Changes in Projects/Programmes and meet the criteria for a minor request, as they do not result in an increase in the approved grant amount, nor do they materially alter the project’s scope, objective, or risk profile.

The Secretariat further notes that the budget reallocation reflects adaptive management in response to implementation realities and incorporates recommendations from the mid-term review to enhance efficiency, feasibility, and impact.

Conclusion

Following its review, the Secretariat confirms that the request for minor budget reallocation and associated revisions to the results framework for the project “Economic, Social and Solidarity Insertion for Resilience in the Governorate of Kairouan (IESS-Adapt)” is cleared, in accordance with Decision B.44/44 and the Policy on Project Post-Approval Requests for Changes in Projects/Programmes.

Clearance: AFBSEC-2026-10