ADAPTATION FUND

AFB/B.47-48/8
24 November 2026

Adaptation Fund Board

REQUEST FOR NO-COST EXTENSION OF PROJECT COMPLETION DATE: UNITED NATIONS ENVIRONMENT PROGRAMME (PARAGUAY)

Background

1. The Adaptation Fund Board (the Board) at its twenty-ninth meeting, approved a five-year project titled “Ecosystem Based Approaches for Reducing the Vulnerability of Food Security to the Impacts of Climate Change in the Chaco region of Paraguay”, submitted by the United Nations Environment Programme (UNEP) for a total amount of US$ 7,128,450.00 (Decision B.29/19).

2. The goal of this project is to reduce the vulnerability of the population (selected family agriculture producers and indigenous communities) of the Chaco Region of Paraguay to the impacts of climate change on food security. In order to do so, the project addresses the main barriers for adaptation in the selected region. Specifically, the project seeks i) to improve information and knowledge for climate resilience; ii) to implement concrete cost-effective on-the-ground adaptation measures; and iii) to strengthen the institutional capacities to adequately address climate change adaptation issues. The project is organized accordingly in three components: i) Knowledge management on vulnerability and climate change resiliency improved; ii) adaptive capacity in rural areas of greatest vulnerability strengthened through concrete agro-ecosystem based adaptation measures; and iii) capacity development and awareness to upscale effective implementation of adaptation measures at the national and local levels.

3. As mandated by the decision, an agreement was prepared and signed between the Board and UNEP on 30 June 2017 and the project started implementation on 4 November 2019.

4. As of 17 November 2026, seven Project Performance Reports (PPRs) were cleared by the secretariat, and a total project funding of US$ 7,128,450, including the project fees has been disbursed by the trustee, which corresponds to 100% of the approved grant.

5. UNEP was granted two no-cost extensions of the project completion date. In August 2022, UNEP submitted a first request for a COVID-related twelve-months no-cost extension of the project completion date from 11 April 2024 to 10 April 2025, which the secretariat cleared in accordance with Decision B.35.b/16. On 5 September 2025, the project was granted a second, twenty-four month, extension of project completion date from 10 April 2025 to 30 March 2027 October 2025, which was approved by the Board through Decision B.44-45/16.

6. On October 11, 2026, UNEP submitted a third request for a no-cost extension, seeking to extend the project completion date from 30 March 2027 to 30 September 2028 (see Annex 1). According to UNEP, the requested eighteen-month extension is needed to consolidate and sustain the adaptation results achieved to date, complete the remaining ecosystem-based adaptation activities, strengthen community adaptation planning processes, monitor and assess the effectiveness of adaptation measures, and document lessons learned and good practices. UNEP indicates that the additional time will also enable the project to build on the progress achieved following the implementation arrangement changes approved by the Board through Decision B.42-43/20, while addressing implementation delays experienced during earlier phases of the project, including challenges related to climate variability, difficult access conditions in the Chaco region, and the impacts of El Niño events.

Secretariat's review of the request

7. Following a review of the request by the secretariat and considering the explanation provided by UNEP, the secretariat is of the view that this eighteen-month no-cost extension request is justified. As evidenced by the memo provided by UNEP, it is noted that this request would enable the project to complete and consolidate remaining ecosystem-based adaptation activities, strengthen community adaptation planning processes, monitor and assess the effectiveness of adaptation measures, and document lessons learned and good practices. 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 wish to consider and approve the request for an eighteen-month no-cost extension of the project completion date from 30 March 2027 to 30 September 2028, for the project "*Ecosystem Based Approaches for Reducing the Vulnerability of Food Security to the Impacts of Climate Change in the Chaco Region of Paraguay*", as requested by UNEP.

Annex

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

Annex 1: Request for an extension of the programme completion date

Annex A: Request for extension

Request for extension of project/programme completion date

AF Project/programme ID:	044MPYFR
Project/programme Title:	Ecosystem Based Approaches for Reducing the Vulnerability of Food Security to the Impacts of Climate Change in the Chaco region of Paraguay
Country:	Paraguay
Project/programme Approval (date):	17 March 2017
Expected Project/programme Completion (date):	30 March 2027
Proposed Revised Completion (date):	**30 September 2028**

Reasons/justifications for the extension of project/programme completion. The disbursement schedule is attached.

- This is 3rd no-cost extension of the project. A first 12-month extension, from 10 April 2024 to 10 April 2025, was granted in the context of the Adaptation Fund's temporary measures addressing project implementation delays related to the COVID-19 pandemic. Subsequently, a second 24-month no-cost extension, from 10 April 2025 to 30 March 2027, was approved by the Adaptation Fund Board in September 2025 (Decision B.44-45/16) due to accumulated implementation delays, including execution difficulties during the earlier stages of the Project, a six-month suspension in 2021, the process of changing the Executing Entity between 2022 and 2024, as well as implementation constraints associated with the COVID-19 pandemic.
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- Since then and following the corrective measures adopted in response to the Mid-Term Review (MTR) recommendations and the strengthening of implementation arrangements, the Project has made significant progress. The incorporation of Investigación para el Desarrollo (ID) as Executing Entity, together with strengthened field presence, technical assistance, monitoring and coordination, has accelerated implementation. This has translated into tangible progress in ecosystem-based adaptation (EbA) interventions related to water security, sustainable and agroecological food production, resilient livelihoods, ecosystem restoration and conservation, and community capacity development.

- Notwithstanding this progress, the environmental and operational conditions of the Paraguayan Chaco require sufficient implementation and post-implementation time to consolidate the results achieved. Strong climate variability, long distances between intervention sites and limited access during periods of high rainfall narrow the effective window for field implementation. These challenges have been and will be exacerbated by El Niño-related effects, which tend to intensify rainfall and disrupt accessibility, implementation schedules and field operations across the intervention areas.

- Under these perspectives, climate variability underlines the importance of monitoring effectiveness of EbA measures, adopt an adaptative approach and introduce adjustments where necessary.
- The extension will provide the additional time required to consolidate the EbA model implemented in the target communities and to strengthen evidence-based adaptation planning. Particular attention will be given to the continued use and updating of Community Adaptation Plans as dynamic planning instruments, integrating the climate, environmental and territorial information generated during implementation and strengthening their application in community and institutional decision-making.
- The additional period will also strengthen the monitoring and assessment of Project results and impacts, including the sustainability of the measures implemented under all three Project components. This will allow the Project to consolidate technical evidence on the effectiveness of the EbA interventions and to strengthen the basis for their sustainability and potential replication in other vulnerable areas of the Paraguayan Chaco.
- The extension will further strengthen knowledge management and the systematic documentation of lessons learned, including complementarities and linkages between the Project and other relevant initiatives implemented by the Ministry of Environment and Sustainable Development (MADES) and partner institutions in the Chaco. The resulting evidence and knowledge products will support institutional learning, the transfer of Project experience and the design of future climate adaptation initiatives in Paraguay.
- During the extension period, the Project will utilize the USD 305,799.02 in available interest income to consolidate EbA actions, primarily under Component 2 and following Adaptation Fund policy on Investment Income Earned by Implementing Entities (AFB/EFC.21/6) and AFB30 Report -Decision B.30/40. Implemented in accordance with the relevant Adaptation Fund policy on investment income, those resources will directly contribute to the consolidation needs already identified in PPR7. Particularly, these resources will support the strengthening measures related to water security, agroecological and climate-resilient food production, resilient livelihoods, ecosystem restoration and conservation, and community capacities associated with these interventions by (i) strengthening evidence-based adaptation planning, including through the use and consolidation of studies and knowledge generated under Component 1; (ii) consolidating the EbA model implemented in the target communities under Component 2; and (iii) supporting the documentation and exchange of associated lessons learned, including complementarities with similar initiatives implemented in the Chaco, under Component 3. These resources will not modify the Project's approved objective, outcomes, outputs or final targets.

- On this basis, an **eighteen-month no-cost extension** is requested, extending the Project completion date from 30 March 2027 to 30 September 2028. The proposed extension does not modify the Project objective, components, outcomes, outputs, final targets or target intervention areas. It will provide the additional time required to consolidate results, complete planned activities, strengthen sustainability and ensure an orderly Project closure, including final monitoring and reporting. A corresponding timeline is attached to this document. Also, the revised prodoc includes the revised timeline (table 26) as well.

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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