



ADAPTATION FUND

AFB/B.38-39/2
5 May 2022

Adaptation Fund Board

**REQUEST FOR EXTENSION OF PROJECT COMPLETION
DATE : AGENCE POUR LE DEVELOPPEMENT AGRICOLE
(MOROCCO)**

Background

1. The Adaptation Fund Board (the Board) at its twenty-fifth meeting, approved a four- and half-year project titled “Climate changes adaptation project in oasis zones – PACC-ZO”, submitted by the Agence pour le Developpement Agricole (ADA) for a requested amount of US\$9,970,000 (decision B. 25/13)
2. The objective of the project is to help reduce the vulnerability of people and oasis agro ecosystems in Morocco to climate change by increasing the adaptive capacity of local actors, increasing the resilience of the target ecosystem and by disseminating knowledge management.
3. The project includes five main components: i) Improving adaptive capacities of the water sector; ii) Diversifying income sources and improving the living conditions of populations vulnerable to climate change in the targeted areas; iii) Improving the ecosystems’ resilience in response to climate change and variability; iv) Improving stakeholder awareness through the management and exchange of knowledge and v) Strengthening the capacities of participants in the design and implementation of adaptation measures.
4. As mandated by the decision, an agreement was prepared and signed between the Board and ADA in July 2015 and the project starts its implementation on 14 December 2015.
5. On 29 July 2020, ADA had submitted a request for extension of the project completion date from 14 December 2020 to 14 June 2022 in compliance with the Adaptation Fund Project/Programme Delay Policy (AFB/B.29-30/3/Rev.1 and Decision B.29-30/15). The Board through its decision B.35.a-35.b/77 approved the request for an eighteen-month extension of the project completion date until 14 June 2022.
6. As of May 2022, a total amount of US\$ 9,648,637 had been disbursed to the project by the trustee, corresponding to 97% of the project funding. In addition, the project has submitted its fourth project performance report (PPR) in March 2022 which was cleared by the Adaptation Fund Secretariat in April 2022, and the fifth and last PPR is expected during the second quarter of 2023. The project went through a mid-term evaluation (MTE) process, with the MTE report was finalized in May 2020.
7. Considering the further delays experienced by the project since the last extension of completion date and additional challenges created by the ongoing pandemic of COVID19, the entity has submitted a second no-cost extension request (Annex 1), postponing the project completion date from 14 June 2022 to 14 December 2023.
8. As outlined in the Adaptation Fund Project/Programme Delay Policy, a request for an extension of the project/programme completion date must be submitted by the implementing entity at least six months prior to the official completion date. This request for extension of the completion date is submitted with delay and not in compliance with the Project/Programme Delay Policy. The implementing entity has faced some implementation challenges due to COVID19 and late processing of budgetary activities which delayed the submission on this request.
9. The reason for this second request for extension of the project completion date, as outlined in Annex 1 submitted by ADA, includes the fact that the project is facing delays due to unanticipated procurement challenges related to the last set of activities which involves multiple stakeholders including beneficiaries in remote areas. In addition, the implementing entity has

taken steps to implement activities funded by the project investment income (US\$ 216,964) generated throughout the project duration. To help mitigate these issues and any further risk of delay in the context of the COVID19 pandemic, ADA prepared an updated workplan with detailed timeline (Annex 2).

10. The project also faced several challenges due to the COVID19 which impacted the implementation of multiple activities due to restrictions imposed by the country. Most of the activities planned for year 2020 and 2021 were severally delayed including procurement processes and stakeholders' consultations.

Secretariat's review of the request

11. Following a review of the request, the secretariat finds that given the explanation provided by ADA, this request of an eighteen-month extension is justified and will allow the completion of all the remaining activities which are under implementation. It should also be noted that this extension will allow adequate time to complete the learning and reflection processes of the project, and to allow for project reporting and closure processes.

12. 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

13. Therefore, the Board may consider and decide to approve the request for an eighteen-month extension of the project completion date from 14 June 2022 to 14 December 2023 for the project "Climate Change Adaptation Project in Oasis Zones (PACC-ZO)" as requested by ADA.

Annex

1. Request for an extension of the project completion date from ADA
2. Overview of the remaining activities



N°68.8 /ADA/DAF/DMF/SE

Rabat,

22 AVR. 2022

ANNEX A : REQUEST FOR EXTENSION OF CONCRETE ADAPTATION PROJECT/PROGRAMME

Request for extension of project/programme:

Implementing Entity Name: Agency for Agricultural Development (ADA)			
AF Project/programme ID: MAR/NIE/Agri/2013/1			
Project/programme Title: Climate Change Adaptation Project in Oasis Zones (PACC-ZO)			
Country: MOROCCO			
Project/Programme Approval (date)	09th Avril 2015		
Expected Project/programme Completion (date)	June 2022	Proposed Revised Completion (date):	December 2023

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

As part of the project's implementation monitoring, we have the honor to highlight the satisfactory rate of implementation and the funds' overall execution rate of 97% which denotes the efforts undertaken and the performances registered on the project implementation, despite the impact of the Covid 19 pandemic.

The impacts of the pandemic on the PACCZO project are closely linked to the nature of some activities which are based on beneficiary and partner groupings. These include thematic conferences, study tours, training workshops, technical seminars, awareness raising workshops, etc.

In this regard, **we propose to extend the duration of the project for 18 months**, to carry those activities and the ones planned within the last disbursement not received yet (**319 318 USD**).

The planned activities concern notably:

- The reinforcement of the fight against fires, started within the framework of the AWPB No.4 and having created a strong demand, especially after the outbreak of fires ravaging several palm groves;
- The organization of a seminar for the presentation and dissemination of the project results;
- The conclusion of a partnership agreement with the Regional Chamber of Agriculture of Draa-Tafilalet, for the creation of firefighting water points, within the framework of activity 3.2.4.1 "Setting up water points for firefighting".

And that to ensure:

- Compliance of project execution with the basic study document;
- Respect for commitments towards beneficiaries and partners;
- A programming of the remainders withdrawn from previous contracts;
- Considering the prevention and fight against fires threatening palm groves.

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.

Name & Signature :

Mr EL Mahdi ARRIFI
General Director
Agency for Agricultural Development

Le Directeur Général
de l'Agence pour le Développement Agricole

Signé : EL Mahdi ARRIFI



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Annex 1: Overview of the remaining activities

The progress of project activities has been negatively impacted over the past two years due to the Covid-19 pandemic. With a total of 1.1 million cases, Morocco was the second most affected African country by the pandemic, after South Africa. This has prompted it to take very strict health restrictions, namely general containment, followed by a gradual relaxation throughout the year 2020 and 2021.

1- Impact on the execution of PACCZO project activities:

The impacts of the pandemic on the PACCZO project are closely linked to the nature of some activities which are based on beneficiary and partner groupings. These include thematic conferences, study tours, training workshops, technical seminars, awareness raising workshops, etc. These impacts have also concerned activities not yet started:

▪ In the case of activities in progress (AWPB No.2 and AWPB No.3):

The activities subject to contracts and purchase orders directly impacted by the pandemic relate to actions initiated (travel, seminar, etc.) within the framework of AWPB No.2 and AWPB No.3:

Activities	number of suspended contracts due to the pandemic	Cost (Dhs)
Activities implemented directly by ANADOZA	7 contracts	Dhs 2,861,910 (US\$296,879)
Activities implemented within the framework of the partnership with the ORMVA of Tafilalet	4 contracts	Dhs 6,274,746 (US\$650,907)
Activities implemented within the framework of the partnership with the ORMVA of Ouarzazate	3 contracts	Dhs 3,500,000 (US\$363,071)
Activities implemented within the framework of the partnership with IAV Hassan II	1 contract	Dhs 2,500,000 (US\$259,336)
TOTAL	15 contracts	15.136 6 Dhs (1 570 193 \$ US)

These contracts, which totaled Dhs 15,136,656 (US\$ 1,570,193), were suspended for periods ranging from 7 to 16 months:

It should be noted that all these activities have been resumed in a staggered manner over time, starting in September 2020, with the exception of:

- The study trip to China; and
- Awareness campaigns in schools, due to the health restrictions taken in schools.

▪ For activities launched in 2020 (AWPB No.4):

The AWPB No.4 experienced difficulties in launching, executing and receiving the services planned for 2020-2021, due to the covid19 pandemic, in particular limiting consultation meetings with the populations for the identification of sites for selected transactions. The launch of these services was scheduled for January 2021 and were actually launched from June 2021, i.e. a delay of 6 months. The planned activities, totaling an amount of 6,600,000 Dhs (684,647 US\$).

Based on the elements presented above, it should be noted that the pandemic has impacted the execution of project activities, which concerns a total amount of 21,736,656 Dhs (2,254,840 \$US), representing 23.6% of the project cost. This rate can be qualified as considerable in relation to the project cost.



2- Other activities to be carried out:

The rest of the activities to be carried out concern:

▪ For the execution entity (ANDZOA):

- The reinforcement of the fight against fires, started within the framework of the AWPB No.4 and having created a strong demand, especially after the outbreak of fires ravaging several palm groves;
- The organization of a seminar for the presentation and dissemination of the project results;
- The conclusion of a partnership agreement with the Regional Chamber of Agriculture of Draa-Tafilalet, for the creation of firefighting water points, within the framework of activity 3.2.4.1 "Setting up water points for firefighting" for an amount of 1,000,000 dhs.

These activities are scheduled under AWPB No.5 and will be financed by:

- **The last payment estimated at 3,186,713.56 Dhs (330 572 \$US (still to be paid));**
- **The amount of contracts and purchase orders disengaged from previous budgets (1,000,000 dhs; 103 734 \$US)**

▪ For the Implementing Entity (ADA):

These are mainly the following activities:

- The production of an institutional film ;
- Completion of the final project evaluation ;
- The organization of a closing workshop ;
- Capacity building.



Annex 2: Focus on the project progress status

The PACCZO project targets two areas that are particularly vulnerable to climate change: the Intermediate Gheris Basin and the Maïder Basin with different issues that are representative of the area.

Compared to the forecasts, the schedule of ADA payments to ANDZOA was as follows:

	AWPB No.1 (2016)	AWPB No.2 (2017)	AWPB No.3 (2018)	AWPB No. 4 (2019)	AWPB No.5 (2020)	Total
Project Fund (\$US)	2 372 700	4 007 500	1 552 850	323 850	59 090	8 315 990
Execution Cost (\$US)	264 162	255 596	141 482	141 482	70 228	872 950
Total (\$US)	2 636 862	4 263 096	1 694 332	465 332	129 318	9 188 940
Total (MAD)	25 431 500	41 115 889	16 341 168	4 487 945	1 247 221	88 623 723
Cumulative payments (MAD)*	25 431 500	66 547 389	82 888 557	87 376 502	88 623 723	--
% of Cumulative payments	29%	75%	94%	99%	100%	--

These are 5 payments initially spread out between 2015 and 2020. The actual payment operations carried out to date are as follows:

	AWPB No.1 (2016)	AWPB No. 2 (2017)	AWPB No.3 (2018-2019)	AWPB No.4 (2019)
Amounts transferred to ANDZOA (MAD)	25 431 500	39 594 335	16 080 053	4 288 750
Dates	28/10/2015	15/09/2017	02/08/2019	09/12/2020
Cumulative payments (MAD)	25 431 500	65 025 835	81 105 888	85 394 668
% of Cumulative disbursements	29%	73%	92%	96%

- It was noted that 96% of the payments were made at the end of the 4th AWPB; this rate is very satisfactory;

- The overall execution rate of the funds provided is 97%: \$ 8,583,433 on a total of \$8,858,368 in payments received;

For each AWPB executed, the financial position statements of the funds received are as follows:

	Total of 5 components	ESMP	Execution Cost	TOTAL	Payments received
AWPB No. 1	21 917 051	969 600	2 029 185	24 915 836	25 431 530
Payment	19 446 898	960 000	2 029 185	22 436 083	
AWPB No. 2	37 846 316	480 000	1 733 366	40 064 482	39 594 335
Payment	37 737 908	480 000	1 730 990	39 948 898	
AWPB No. 3	15 577 111	242 400	1 369 094	17 188 605	16 080 054
Payment	14 604 060	240 000	1 365 252	16 209 312	
AWPB No. 4	4 100 000	-	332 994	4 432 994	4 288 750
Payment	4 100 000	-	50 000	4 150 000	
Total Payments Dh	75 888 866	1 680 000	5 175 427	82 744 293	85 394 668
Total Payments \$	7 872 289	174 274	536 870	8 583 433	8 858 368



Annex 3: Focus on the AWPB No.4 progress status

The activities of the AWPB No.4 have focused on component 3 "improving the resilience of ecosystems in response to climate change and variability", through activities to enhance the oasis heritage, and the protection of it against the phenomena threatening it, namely silting and fires.

These activities were carried out in a partnership framework aimed at complementarity and synergy between ANDZOA and ORMVA of Tafilalet and concern the Tinejda area. The total cost of AWPB No.4 is six million six hundred thousand Dirhams (6,600,000.00 Dhs) of which (4,100,000 Dhs) as a PACCZO contribution paid to ORMVAT in December 2020.

The overall setup is as follows:

Designations of actions	ANDZOA	ORMVATF	TOTAL
Develop access and tracks within the palm groves (rehabilitation, solar lighting, nameplates, etc.) including technical assistance.	3,100,000	-	3,100,000
Oasis rehabilitation works and irrigation network development (cleaning of clumps, khattaras and seguias and structures, etc.)	-	2,500,000	2,500,000
Develop tourist interpretation spaces	400,000	-	400,000
Develop 20 water points for firefighting.	600,000	-	600,000
Total	4,100,000	2,500,000	6,600,000

- The progress of the implementation of the convention is **80%**.

