

CEG3004 - PRCC WEST DELTA

SECTOR	WATER RESOURCES FOR AGRICULTURAL USE	PROJECT COST	2 M€
AFD BOARD DECISION	: FEBRUARY 18, 2008	COFINANCIERS	BENEFICIARIES 0,5 M€
GRANT AGREEMENT SIGNED ON	:	AFD GRANT	1,5 M€
RATIFICATION BY PARLIAMENT	:	MATURITY/ GRACE PERIOD	-
EFFECTIVENESS	:	TYPE OF LOAN	GRANT
1 ST DISBURSEMENT	:	DIRECT BENEFICIARY	MINISTRY OF WATER RESSOURCES AND IRRIGATION
DEADLINE FOR DISBURSEMENT	:	DISBURSEMENT RATE	0%

Project Description : Supporting the creation of a services company serving the growers of the West Delta area. The company will provide technical assistance to the growers to maximise their benefits from utilizing the irrigation water delivered by the West Delta Water Conservation and Rehabilitation Project (CEG 3002). Therefore, they should be able to bear the full cost of water, as planned in the West Delta Project (CEG 3002).

Implementing Agency : Services Company, created within the framework of the project.

Other partners :

- The Ministry of Water Resources and Irrigation,
- The Water Users Council, which includes representatives of the growers in the West Delta area.

Final beneficiaries : Farms of the West Delta area, and especially the smaller farms whose productivity is too low to bear the cost of water delivered by the scheme.

Development objective : Ensuring the sustainability of the irrigated perimeter in the West Delta area through a broader participation of farmers to the West Delta Water Conservation and Rehabilitation Project.

Project's specific objectives :

- Improving the growers marketing capacities through a better control of quality standards, better information on markets, and improving the marketing networks, more especially for exports.
- Setting-up a services company which will break even on medium term by selling services tailored to farmers' needs.

Content of the Project: Setting up a sustainable institution that will provide Technical Assistance services to small and medium growers of West Delta to increase the value added of their productions; this service provider will be controlled by the small and medium growers themselves. It should be able to break even by the end of the project.

The AFD grant is part of the PRCC (Program for the Enhancement of the marketing capacities of developing countries), managed jointly by the AFD and the French Ministry of Finance.

Financing Plan :

The total cost of the project, 2 M€, will be financed by the PRCC grant (75%) and by the beneficiaries financial participation to the training and technical support programs implemented by the services company.

Project duration : 4 years (2008-2011)

Impact :

- Improvement of the agricultural practices of small farmers, strengthening of their marketing networks.
- Increasing the productivity and incomes of the small farmers, allowing them to pay for water delivery, from the benefit they will get from their crops, and thus to participate to the West Delta Project.
- Creation of a service provider for growers, which should be self financed at the end of the project. This institution could have a private or association status and will maintain close relationships with the Water Users Council of the West Delta area.