

Way Rarem Irrigation Project ()



Diverging Point of Water Distribution (right side) from Trunk Channel (left side)

Outline of Loan Agreement

Loan Amount/ Loan Disbursed Amount	¥1,623 million / ¥1,558 million
Loan Agreement	September 1991
Terms and Conditions	Interest rate: 2.6%, Repayment period: 30 years (grace period: 10 years)
Final Disbursement Date	October 1997

Project Profile

The Way Rarem Irrigation Projects (I~III) aimed to build irrigation facilities in the basin of Rarem River, Lampung Province. The project was to rehabilitate and upgrade the facilities built under those projects in order to maintain their functionality, and to procure equipment for their maintenance.

Results and Evaluation

Unit rice yields in this irrigation area after project completion reached 98% of the planned target value for the rainy season, largely fulfilling the plan. Yields in the dry season have only reached 72% of the target, but they are growing year by year. The cropped area used for rice cultivation largely fulfilled the plan in 1993, when Phase III of the project was completed, but since 1994, and even after the completion of the project, the cultivated area has fallen short of the plan. The main cause appears to be the increasing area used for growing palawija (mixed grains) instead of rice, and water shortage. An interview survey of 100 farming households found a generally favorable evaluation of the facilities as they are now, but many respondents were not satisfied with the water management system run by the regional government, and instability in the water supply was indicated as a problem.

A comprehensive approach should be taken for measures such as increasing the budget for better maintenance of the facilities, and using water users association to improve the maintenance system. A Japan's ODA loan (Project Type Sector Loan) is being used to support the rehabilitation of trunk and branch canals and subsequent measures.