Indonesia **15 Komering Irrigation Project (2)**

The project's objective was to increase rice yields by constructing of secondary irrigation and drainage channels in the Komering irrigation area, which spans the two provinces of South Sumatra and Lampung on the island of Sumatra, and thereby contribute to the alleviation of poverty by improving the incomes of local farmers.

Loan Amount/Disbursed Amount: 6,544 million yen/5,335 million yen Loan Agreement: December 1995 Terms and Conditions: Interest rate, 2.5%; Repayment period, 30 years (grace period, 10 years); General untied Final Disbursement Date: December 2001 External Evaluator: Takuya Okada (KRI International Corp.) Field Survey: July 2003



Evaluation Result

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Α

Irrigation facilities (secondary and tertiary irrigation channels and drainage) were basically developed in accordance with project (Phase 2) plans, and the schedule and costs were almost as planned. Rice yields in the Komering area (area irrigated by Phase 1 and Phase 2 projects: 46,557ha) have reached 371,060 tons (the figure for Niigata prefecture is approx. 600,000 tons), attaining 95% of the planned value of 389,298 tons. Per hectare yields at the evaluation were 3.8 tons (wet season) and 4.2 tons (dry season), which equates to 75-77% of the target figures, i.e. 5.0 tons (wet season) and 5.5 tons (dry season). Since approximately 60% of the project area is newly-developed rice fields, it is predicted that unit crops will reach planned levels once the production capacity of the rain-fed paddies has stabilized a few years hence, at which points rice yields are expected to rise above the target level. In the beneficiary survey, approximately 70% of respondents stated that "employment opportunities have risen" and "incomes have increased", while around 40% stated that "children now have more opportunities to receive secondary education", confirming that the project has raised the incomes of approximately 30 thousand farming households and has

created job opportunities. Primary irrigation channels are operated and managed by the central government, secondary channels by local governments, and tertiary channels by the water utilization associations (WUA), and there are no problems in the technical capacity, operation and maintenance system, or financial condition of these organizations. In a few years when the planned effects of this project will be fully generated, it is hoped that the executing agency - the Komering Irrigation Project Office, Ministry of Public Works will reconfirm the realization of effects.

Third-Party Evaluator's Opinion

The completion of Komering Irrigation Project II has improved the socioeconomic condition of rice farmers in the region. At last, it may expect to save limited foreign exchange to pay back public debt and achieve food security simultaneously.

Third-Party Evaluator: Mr. Syafruddin Karimi Obtained a doctorate in economics from Florida State University. Presently holds the post of Professor, Department of Economics, Andaras University. Specializes in water resources, community development, issues of development, etc.





A farmer who received newly-developed land for rice cropping via this project. He acquired the land through the project and began cultivating rice in the second half of 2002. His first crop yielded 1.2 tons/ha, his second crop (the first crop of 2003) produced 3.0 tons/ha. Productivity is increasing steadily and he is currently expecting results from his third crop.