

**STATE OF ERITREA
MINISTRY OF AGRICULTURE**

**Summary Report on Japan Support
to the Agricultural Sector under KR2
Programme**

July 2011

Summary of Japanese Grant KR2 for Eritrea

Type of Grant	F. year	Grant Amount in JPY
KR2	1995	300,000,000.00
KR2	1996	300,000,000.00
KR2	1999	530,000,000.00
KR2	2000	500,000,000.00
KR2	2001	500,000,000.00
KR2	2004	300,000,000.00
KR2	2006	310,000,000.00
Total	JPY	2,740,000,000.00
	USD	27,400,000.00

- Exchange rate is the IMF average rate of the month of Exchange of Notes signed.
- The above mentioned support covered delivery of inputs fertilizer, agricultural chemicals, and Agricultural machinery.

Actual results of the Procurement of Agricultural Inputs for 2KR 1995 - 2KR 2006

Sn	Description	Unit	Qty
1	Fertilizer		
	DAP	mt	8659.5
	UREA	mt	4241.49
	SOP	mt	872.00
2	Agri. Chemicals		
	Mancozeb 80% WP	kg	49215
	Fenitrothion WEP 100% ulv	lts	28415
	Malathion 50% EC	lts	8495
	Diamothate 50% EC	lts	11017
	Fenipropatrin10%EC	lts	9229
	Clorpyrifos (ethyl)48%EC	lts	14404
	Traidamefon 25% WP	kg	4800
	Fenvalerate20%EC	lts	3917
	Carbaryl 85% WP	kg	5960
	Diazion60%EC	lts	2000
	Goggles	pcs	6000
	Dust Proof Mask	pcs	5000
	Gloves	pair	7000
	Boots	pair	6000
	Over all Clothes	pcs	6000
	Power Mist Sprayer	pcs	1225
	Pnematic Hand Sprayer	pcs	1225
	Boom Sprayer Tractor Mounted	unit	21

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3	Agri. Machinery		
	Irrigation Pump	unit	532
	Tractors	unit	276
	Disc Plow	unit	274
	Disc Harrow	unit	270
	Trailer	unit	201
	Combine Harvester	unit	22
	Bulldozer 200HP	unit	1
	Excavator 120 HP	unit	2
	Motor Grader 135HP	unit	1
	Wheel Loader 170HP	unit	1
	Thresher	unit	90
	Mobile Work Shop	unit	3
	Seeder With Fertilizer	unit	20
	Broad Caster	unit	5
	Ridger	unit	32
	Rear Grader	unit	4
	Rotary Ditcher	unit	10

THE ACTUAL RESULT OF COUNTERPART FUND OF KR2 AS OF JUNE 30, 2011

Fiscal year	Date of E/N	Amount Yen	Deposit Obligation		Local Currency	Result of Deposit	% of Deposit
			F.O.B	Obligation (Yen)			
1995		300,000,000	228,593,850	76,197,950	4,674,998	4,674,998.00	100
1996		300,000,000	294,151,061	98,050,354	5,315,701	5,315,701.00	100
1999		500,000,000	338,061,603	112,853,862	10,274,849	10,274,849.00	100
2000		530,000,000	401,859,787	133,953,262	10,923,923	10,923,923.00	100
2001		500,000,000	420,991,457	140,330,485	15,384,126	15,384,126.00	100
2004		300,000,000	227,075,456	113,537,728	14,864,698	14,864,698.00	100
2006		310,000,000	237,484,800	118,742,400	15,566,715	15,566,715.00	100
Total		2,740,000,000	2,148,718,014	793,666,041	76,978,010	77,005,010.00	

NB- Exchange of rate is calculated by IMF average rate signing month of the **Exchange of Notes**.

List of the projects for the utilization of Counterpart fund (CPF)

Agreed year	Name of the project	Agreed amount of money	Disbursed money
2007-2010	Halhale Hrticultural Development	13,457,400.00	4,812,707.00
2007-2010	Berik Rural Integrated Development Project	16,347,989.00	16,347,989.00
2007-2010	Anseba Dairy Development Project	24,324,045.00	24,324,045.00
2007-2010	Kurbarria Community Dairy Development	10,590,500.00	10,590,500.00
2007-2010	Fiza Irrigation Project	7,945,300.00	7,945,300.00
2007-2008	Community Forestry and Horticulture Development Nurseries Rehabilitation Project	7,012,500.00	7,012,734.00
	Total	79,677,734.00	71,033,275.00

SOURCE OF BUDGET OF THE COUNTERPART-FUND PROJECTS

KR2 (MOA)	Nakfa 46,546,597.00
KR (MOLSA)	" <u>33,131,137.00</u>
Total Budget	79,677,734.00

Status Report
Utilization of the Counterpart fund projects
Duration 2007-2010

Source of Fund KR2 46,546,597.00 KR 33,131,137.00 Total 79,677,734.00

Project period	Project Title	Activities Accomplished	Total Allocated Budget	Total Expenditure	Remaining Balance	Utilization in %
2007-2010	Berik Rural Integrated dev` t Project	<p>1. Agricultural Sector Component</p> <ul style="list-style-type: none"> - 2 Dams are Constructed in Adi-bidel and Adi-konxi that can reserve 90,000 and 110,000 meter cubic respectively and can develop 10 hectares of land. - Rehabilitation of 1 Dam that can contain 250,000 meter cubic and can develop 15 hectares of land. - Development of one community nursery which 930,000 tree seedlings are developed and distributed to farmers and schools - Introduction of Improved Stoves which 360 improved stoves are distributed to 360 house holds <p>2. Public Works Sector Component</p> <ul style="list-style-type: none"> - Hydro geo-physical survey is conducted for Water supply of Ametsi village. <p>3. Edication Sector Component</p> <ul style="list-style-type: none"> - 9 Schools are fenced and 21,680 varieties of tree seedlings are planted in the school compound 	16,347,989	10,182,967.30	6,165,021.70	62.28

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<p>2007-2010</p>	<p>Halhale Horticulture Development Project</p>	<ul style="list-style-type: none"> - 24.8 hectares of land is Developed. - 11 kinds of Horticultural seeds and crops were planted. - 806.45 Quintals of vegetables and crops were harvested. -845,237.17 Nakfa was earned from the sales of the harvested vegetables & crops. - Put the project as a pilot for the surrounding villages. - farmers of nearby villages are introduced in the system. - Transfer the technology to the farmers. - Contribute towards government efforts in domestic market stabilization. <p><u>Problem encountered</u></p> <ul style="list-style-type: none"> -Lack of foreign currency which is demanded for purchasing of vehicle, tractor and irrigation pumps. -Lack of contractor for construction of reservoir. - Shortage of skilled man power and daily laborer. -Shortage of fuel for irrigation pumps -Shortage of tractors during ploughing season. 	<p>13,457,400</p>	<p>3,689,997.93</p>	<p>9,767,002.07</p>	<p>27.42</p>
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2007-2008	Community Forestry and Horticulture Development Nurseries Rehabilitation Project	Supply of the following farm tools and plastic bags for community nursery: -1000 pcs mattock -1500 " Shovel - 252 " spade with handle - 600 " by-pass p-runner - 50 " knives for cutting trees - 54,000kg of plastic bags for tree seedlings Problem Encountered -Shortage of farm tools in domestic supply.	7,012,500	6,077,709.76	934,790.24	86.67
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2007-2010	Korbarya Community Dairy Development Project	<ul style="list-style-type: none"> - Cow sheds are modified - Irrigation equipment are installed -Installation of electric line to field and cow sheds is conducted - 18 dairy cows and 1 bull are procured. - Purchasing of Machinery and Equipment is conducted - Purchasing of milk Equipment is conducted -64 cows and 1 bull are existing in the dairy development project. -40,220 liters of milk was harvested and was sold to Korbaria administrative and Dekemhare town at A price of 20 Nacfa. 	10,590,500	10,583,738.36	6,761.64	99.93
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2007-2010	Fiza Irrigated Project	- 2 wells are developed for irrigation system - Electric line installation is conducted	7,945,300	672,112.91	7,273,187.913	8.45
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2007-2010	Anseba Community Dairy Development Project	1. Suture -Electric Installation with wells & booster was conducted -2 wells were connected with reservoir -Construction of electric control house was conducted - Pump Test was conducted for old wells and new wells -118 cows and 2 bulls are existing. -88,620 lts. Of milk was harvested and was sold to Keren city and Hamelmalo at a price of 18-20 NKF. Per lit.	5,819,240.89	3,220,284.12	2,598,956.77	55.34
2007-2010		1. Glass To secure water availability of Glass project, Contract agreement was signed between MOA Zoba Anseba and Eritrean Core Water Drilling Company. But no implementation is conducted.	6,622,231.17	-	6,622,231.17	000
		3.Daerotay -Sub surface dam was under constructed -146 cows and 3 bulls are existing -215,838 liters of milk was harvested and was sold to keren and Hagaz at a price of 18-20 Nakfga /lit.	8,686,360.94	7,095,149.67	1,591,211.27	81.70
		4.Encode -Materials for the pipeline installation was purchased -pipe installation was conducted	3,102,612.00	263,054.30	2,839,557.70	2.40
		Total of Anseba Community Dairy Dev` t	24,324,045.00	10,686,059.34	13,637,985.66	43.93
		GRAND TOTAL OF ALL PROJECTS	79,677,334.00	41,474,537,.16	38,202,796.83	52.0%