**Myanmar: Irrigated Agriculture Inclusive Development Project**

**Project Name**: Irrigated Agriculture Inclusive Development Project

**Project Number**: 47152-002

**Country**: Myanmar

**Project Status**: Active

**Project Type / Modality of Assistance**
- Grant
- Loan
- Technical Assistance

**Source of Funding / Amount**
- **Grant: Irrigated Agriculture Inclusive Development Project**
  - Asia Investment Facility: US$ 22.30 million

- **Loan 3477-MYA: Irrigated Agriculture Inclusive Development Project**
  - concessional ordinary capital resources lending / Asian Development Fund: US$ 75.00 million

- **Loan: Irrigated Agriculture Inclusive Development Project**
  - Agence Francaise de Developpement: US$ 27.90 million

- **TA 9248-MYA: Rural Productivity and Ecosystems Services Enhanced in Central Dry Zone Forest Reserves**
  - Global Environment Facility: US$ 4.79 million

**Strategic Agendas**
- Environmentally sustainable growth
- Inclusive economic growth

**Drivers of Change**
- Governance and capacity development
- Partnerships

**Sector / Subsector**
- Agriculture, natural resources and rural development
- Agricultural drainage
- Agricultural policy, institutional and capacity development
- Agro-industry, marketing, and trade
- Irrigation
- Rural flood protection

**Gender Equity and Mainstreaming**
- Effective gender mainstreaming

**Description**

The sector project will increase agricultural value added by improving irrigation and strengthening agricultural value chains in three regions of Myanmar’s central dry zone (CDZ), it will support the development of district-wide agricultural value chains and the modernization of irrigation systems in Magway district of the Magway region, Shwebo district of the Sagaing region, and Meiktila and Yamethin districts in the Mandalay region during a 7-year implementation period. The irrigation system rehabilitation and modernization component will cover about 20,000 hectares (ha) and benefit about 24,000 households. Parallel to the Asian Development Bank (ADB) project, cofinancing from the Agence Francaise de Developpement (AFD) will strengthen local, regional, and national capacity for integrated water resources management (IWRM).

**Project Rationale and Linkage to Country/Regional Strategy**

The Central Dry Zone (CDZ) region, straddling large parts of Mandalay, Magway and lower Sagaing divisions, is one of the most food insecure, water-stressed, climate sensitive and natural resource poor regions in Myanmar. The CDZ region has the second highest population density in Myanmar but remains one of the least developed. Access and availability of water resources are key determinants of rural poverty with livelihoods largely dependent on the southwest monsoon. Principal crops in the CDZ consist of oil seeds and legumes, chillies, and vegetables grown as rainfall, upland crops during the wet season. Rice cultivation depends on irrigation, even during the monsoon season. Seasonal water shortages caused by low and erratic annual rainfall patterns and sandy and fragile soils that are at high risk of water and wind erosion limit paddy rice cultivation, render rainfed agriculture a high risk endeavor, and contribute to low agricultural production. Under such uncertain climatic and rainfall conditions, the provision of functional canal irrigation systems is critical to safeguarding crops. Stimulating and developing agricultural value chains will help ensure balanced, integrated rural development and income growth for farmers in the CDZ. Improvements in the value chains through research and development and extension delivery of improved cropping systems that increase the production of pulses, oilseeds, and other non-rice crops are necessary to raise both on-farm and off-farm agricultural productivity. A predictable water supply is key but only a part of the solution. Along with improving access to irrigation, a broader focus on integrated value chain development will help enhance the production base and ensure that farmers have more access to production credit and quality seeds and other farm inputs at reasonable prices.

**Impact**

- Food security for domestic consumption and higher nutritional value by all citizens attained
- Socioeconomic status of rural people through increased agricultural productivity enhanced
- Food security for domestic consumption and higher nutritional value by all citizens attained
- Socioeconomic status of rural people through increased agricultural productivity enhanced
- Quality and standard of agricultural products to compete in international markets improved

**Project Outcome**

**Description of Outcome**

- Income increased income and poverty reduced for rural populations in the project areas.

**Progress Toward Outcome**

- Output indicators to be achieved

**Implementation Progress**

**Description of Project Outputs**

- Effective agricultural value chains in oilseeds, pulses, and horticultural crops developed
- Reliability of agricultural water supplies improved and irrigated area increased in subproject areas
Status of Implementation Progress (Outputs, Activities, and Issues)  
To be achieved

Geographical Location  
Magway District, Magway Region, Mandalay Region, Mekitla District, Sagaing Region, Shwebo District, Yamethin District

Safeguard Categories

<table>
<thead>
<tr>
<th>Safeguard Categories</th>
<th>B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environment</td>
<td>B</td>
</tr>
<tr>
<td>Involuntary Resettlement</td>
<td>B</td>
</tr>
<tr>
<td>Indigenous Peoples</td>
<td>B</td>
</tr>
</tbody>
</table>

Summary of Environmental and Social Aspects

Environmental Aspects  
Environment impacts will not be significant since the project will only involve rehabilitation, tertiary and on-farm irrigation system development. Indigenous peoples concerns will be confirmed and addressed. The project team will conduct due diligence and prepare safeguard requirements compliant with ADB’s Safeguard Policy Statement (2009).

Involuntary Resettlement  
There is a probability of land acquisition in irrigation infrastructure rehabilitation and development (including tertiary canals, land consolidation, rural roads and agricultural processing facilities, if any) in subprojects. The project team will identify the impacts of resettlement on civil works and prepare resettlement plan during implementation.

Indigenous Peoples  
The project team will identify whether indigenous people will be affected or not in each subproject during implementation.

Stakeholder Communication, Participation, and Consultation

During Project Design  
During implementation of the PPTA, consultation with the beneficiaries on the project design in participatory manner will be conducted.

During Project Implementation  
Consultation with the beneficiaries in participatory manner will be conducted during implementation.

Business Opportunities

Consulting Services  
All consulting services required for capacity development and project management support will be engaged in accordance with ADB’s Guidelines on the Use of Consultants (2015, as amended from time to time). The consultants was recruited through a firm selected using QCBS method at a ratio of 80:20 based on full technical proposals. A total of 94.0 person-months (pm) of consulting services (consisting of 24.0 pm of international and 70.0 pm of national input) will be required for project preparation. The consulting services will be recruited from a firm selected using QCBS method at a ratio of 80:20 based on a full technical proposal. The consultants will be recruited in accordance with ADB’s Guidelines on the Use of Consultants (2013, as amended from time to time). The new project management unit consultants’ recruitment is ongoing, and the Irrigation Systems Management Unit (Irrigation Design and Supervision) consultant firm will be on board by December 2019.

Procurement  
All procurement to be financed under the loan will be carried out in accordance with ADB’s Procurement Guidelines (2013, as amended from time to time). Very few qualified local consultants and private contractors presently exist in Myanmar to design and implement irrigation facilities as MOALI and other government agencies traditionally construct civil works using force account procedures based on standard designs and technical specifications. The procurement of civil works package for the rehabilitation of Chaung Magyi Irrigation System was signed in August 2019 and is now ongoing. Packages for accounting software, environmental baseline survey, international procurement specialist, national procurement officer, computer, vehicles, office equipment, and office furniture have been awarded.

Responsible ADB Officer  
Ryutaro Takaku

Responsible ADB Department  
Southeast Asia Department

Responsible ADB Division  
Environment, Natural Resources & Agriculture Division, SERD

Executing Agencies  
Ministry of Agriculture, Livestock and Irrigation  
MOALIMYANMAR@GMAIL.COM  
Office Bldg No. 15, Nay Pyi Taw, Myanmar

Timetable

<table>
<thead>
<tr>
<th>Timetable</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Concept Clearance</td>
<td>16 Dec 2013</td>
</tr>
<tr>
<td>Fact Finding</td>
<td>07 Dec 2015 to 11 Dec 2015</td>
</tr>
<tr>
<td>MRM</td>
<td>21 Jul 2016</td>
</tr>
<tr>
<td>Approval</td>
<td>28 Nov 2016</td>
</tr>
<tr>
<td>Last Review Mission</td>
<td>-</td>
</tr>
<tr>
<td>Last PDS Update</td>
<td>27 Sep 2019</td>
</tr>
</tbody>
</table>

Loan 3477-MYA

Loan Utilization

<table>
<thead>
<tr>
<th>Project Cost</th>
<th>Date</th>
<th>ADB</th>
<th>Others</th>
<th>Net Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>106.34</td>
<td>Cumulative Contract Awards</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
TA 9248-MYA

<table>
<thead>
<tr>
<th>Milestones</th>
<th>Approval</th>
<th>Signing Date</th>
<th>Effectivity Date</th>
<th>Closing</th>
<th>Original</th>
<th>Revised</th>
<th>Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>28 Nov 2016</td>
<td>07 Apr 2017</td>
<td>07 Apr 2017</td>
<td>31 Mar 2022</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financing Plan/TA Utilization</th>
<th>ADB</th>
<th>Cofinancing</th>
<th>Counterpart</th>
<th>Total</th>
<th>Date</th>
<th>Cumulative Disbursements</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Gov</td>
<td>Beneficiaries</td>
<td>Project Sponsor</td>
<td>Others</td>
<td>4,790,000.00</td>
<td>28 Nov 2016</td>
</tr>
</tbody>
</table>

Project Page: https://www.adb.org/projects/47152-002/main

Request for Information: http://www.adb.org/forms/request-information-form?subject=47152-002

Date Generated: 19 October 2019

ADB provides the information contained in this project data sheet (PDS) solely as a resource for its users without any form of assurance. Whilst ADB tries to provide high quality content, the information are provided "as is" without warranty of any kind, either express or implied, including without limitation warranties of merchantability, fitness for a particular purpose, and non-infringement. ADB specifically does not make any warranties or representations as to the accuracy or completeness of any such information.