

**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
<b>Total</b>	<b>JPY</b>	<b>2,740,000,000.00</b>
	<b>USD</b>	<b>27,400,000.00</b>

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

## ...Cont

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

# 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
<b>Total</b>		<b>2,740,000,000</b>	<b>2,148,718,014</b>	<b>793,666,041</b>	<b>76,978,010</b>	<b>77,005,010.00</b>	

**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
	<b>Total</b>	<b>79,677,734.00</b>	<b>71,033,275.00</b>

## SOURCE OF BUDGET OF THE COUNTERPART-FUND PROJECTS

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

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

## ...Cont

2007-2010	Halhale Horticulture Development Project	<ul style="list-style-type: none"> <li>- 24.8 hectares of land is Developed.</li> <li>- 11 kinds of Horticultural seeds and crops were planted.</li> <li>- 806.45 Quintals of vegetables and crops were harvested.</li> <li>-845,237.17 Nakfa was earned from the sales of the harvested vegetables &amp; crops.</li> <li>- Put the project as a pilot for the surrounding villages.</li> <li>- farmers of nearby villages are introduced in the system.</li> <li>- Transfer the technology to the farmers.</li> <li>- Contribute towards government efforts in domestic market stabilization.</li> </ul> <p><u>Problem encountered</u></p> <ul style="list-style-type: none"> <li>-Lack of foreign currency which is demanded for purchasing of vehicle, tractor and irrigation pumps.</li> <li>-Lack of contractor for construction of reservoir.</li> <li>- Shortage of skilled man power and daily laborer.</li> <li>-Shortage of fuel for irrigation pumps</li> <li>-Shortage of tractors during ploughing season.</li> </ul>	13,457,400	3,689,997.93	9,767,002.07	27.42
-----------	--	--	------------	--------------	--------------	-------



## ...Cont

2007-2008	<b>Community Forestry and Horticulture Development Nurseries Rehabilitation Project</b>	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 <b>Problem Encountered</b> -Shortage of farm tools in domestic supply.	7,012,500	6,077,709.76	934,790.24	86.67
-----------	---	---	-----------	--------------	------------	-------

**...Cont**

2007-2010	<b>Korbarya Community Dairy Development Project</b>	<ul style="list-style-type: none"> <li>- Cow sheds are modified</li> <li>- Irrigation equipment are installed</li> <li>-Installation of electric line to field and cow sheds is conducted</li> <li>- 18 dairy cows and 1 bull are procured.</li> <li>- Purchasing of Machinery and Equipment is conducted</li> <li>- Purchasing of milk Equipment is conducted</li> <li>-64 cows and 1 bull are existing in the dairy development project.</li> <li>-40,220 liters of milk was harvested and was sold to Korbaria administrative and Dekemhare town at A price of 20 Nacfa.</li> </ul>	<b>10,590,500</b>	<b>10,583,738.36</b>	<b>6,761.64</b>	<b>99.93</b>
-----------	---	--	-------------------	----------------------	-----------------	--------------

**...Cont**

2007-2010	<b>Fiza Irrigated Project</b>	- 2 wells are developed for irrigation system - Electric line installation is conducted	<b>7,945,300</b>	<b>672,112.91</b>	<b>7,273,187.913</b>	<b>8.45</b>
-----------	-------------------------------	--	------------------	-------------------	----------------------	-------------

## ...Cont

2007-2010	<b>Anseba Community Dairy Development Project</b>	<b>1. Suture</b> -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		<b>1. Glass</b> 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
		<b>3.Daerotay</b> -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
		<b>4.Encode</b> -Materials for the pipeline installation was purchased -pipe installation was conducted	3,102,612.00	263,054.30	2,839,557.70	2.40
		<b>Total of Anseba Community Dairy Dev` t</b>	<b>24,324,045.00</b>	<b>10,686,059.34</b>	<b>13,637,985.66</b>	<b>43.93</b>
		<b>GRAND TOTAL OF ALL PROJECTS</b>	<b>79,677,334.00</b>	<b>41,474,537,.16</b>	<b>38,202,796.83</b>	<b>52.0%</b>