



Presentation from
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**International
Finance Corporation**
World Bank Group

Large vs Small Scale Irrigation

Lessons learned

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SOFITEX BURKINA FASO

PROJECT OVERVIEW



Flagship regional project moving into implementation. National level importance, regional level scale up within West Africa.

Company

SOFITEX is responsible for collection, marketing, and ginning of raw cotton and cotton seeds produced by smallholder farmers in Burkina Faso. Represent 80% of sector. Main export crop of BF, Largest exporter of cotton in West Africa.

Focus areas

- Climate smart agricultural practices: rainfed to supplementary irrigation
- Optimized based on farmer gender, role and location
- Crop productivity in Maize as well as Cotton to improve food security and incomes

Components

- Farmer training in CSA practices and use of supplementary irrigation structures / equipment.
- Installation and financial support for small-scale water management infrastructure and equipment (grant)
- Facilitating access to finance for farmers for their share of this investment (loan)

Development Impact

- **Farmers Reach:** 160,000 farms in supply chain
- **Farmer Productivity:** Improve production by 50% and increase climate resilience
- **Access to Finance:** Local Bank will extend credit



Private sector

- Financial Institutions: Ecobank, Coris, Bank of Africa
- Offtaker: Sofitex – 80% of sector in BF
- Farmers: Cooperatives / UNPCB

Public Sector

- CILSS
- Ministry of Agriculture - DGADI
- INERA

WBG

- IFC
- SII
- GPOBA
- CSA project

Climate Smart Cotton Concept

Initiative aims to introduce CSA for cotton farmers in West Africa region

Current Concept

Objective: Demonstrate impact of practices on Climate resilience, crop productivity and rainfall water use efficiency in cotton

Identified Stakeholders:

- **Farmers** – Small reservoirs, Contour planting, mulching and supplementary irrigation
- **Financial Institutions – commercial** finance for land management and pumps
- **Sofitex** extension/ farmer outreach, access to finance, repayment mechanism for farmers
- **Min of Ag** Scale up under Sahel Irrigation Initiative

Cotton Farms –
160,000

Area coverage –800,000
hectares

Financing

Cost of irrigation equipment will be extended as a loan from banks to farmers, whereas infrastructure requirements will be paid by grant during initial phase

Anti Erosion

Cost of labour ~\$270/ Ha

50% OBA Grant

Labour and local materials
Farmer contributes 50%

i.e. rock lines / Land formation / runoff channels

Supplementary Irrigation

Equipment & Reservoirs ~\$1,400/ Ha

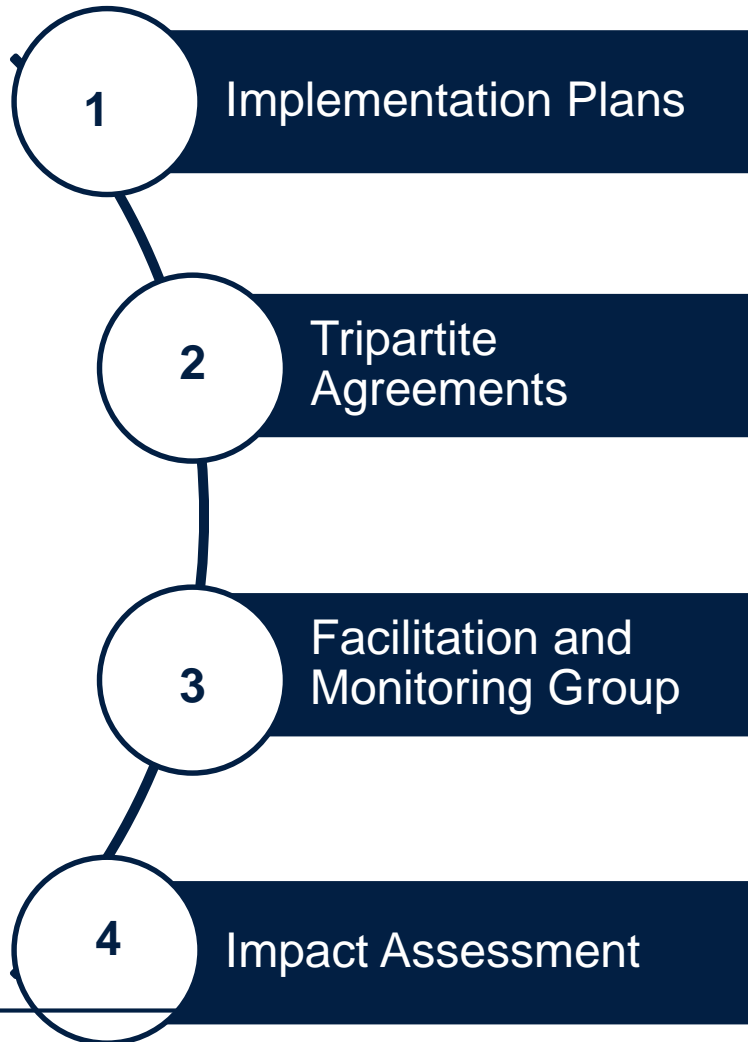
Grant + Banks + Farmers

Reservoirs: High capital, long term investment. Labour and machinery for reservoir development

Irrigation Equipment : Medium term capital investment / Operation and maintenance costs. Pumps, fuel, servicing, hoses

Stakeholder Engagement Model

Program centers around cotton company and financial institutions' participation



- **Sofitex** accountability for **coverage** of all farmers in command areas (key facilitator)
- Support from research institutes (Cirad, INERA, 2IE)
- Facilitation of **bank credit** through tripartite agreements :
 - Farmer / Union
 - Sofitex
 - Financial Institution
- Sofitex to deduct loan amount from farmer dues
- **Multi-Stakeholder Group** – Implementation Improvements and Progress Monitoring
 - Financial institutions
 - Sofitex
 - GPOBA / IFC
- **External agency** to assess implementation results
- **IFC and Sofitex** to assess productivity gains and water savings

Scale up

National and Regional Needs

Extend reach within Sofitex supply base

Transfer to other producers / crops in BF

Replication in Region (CILSS, SII)