GCC Small-Group Exercise:
Country X Agricultural Improvement Project

Objective
Improve food security and increase economic development opportunities by diversifying and expanding agricultural development.

Background
This $30 million project is planned to develop and diversify agricultural sector activities in a region of Country X. The agriculture sector in Country X is dominated by traditional livestock raising by nomadic and semi-nomadic communities, but there is growing attention by the government to improve the livelihood security and economic growth opportunities in rural areas by introducing new crops and expanding agricultural support systems. As more people abandon nomadic traditions and human population increases in some areas, the land is being stressed by overgrazing and economic opportunities do not meet the needs of the changing populations. While some resources have been allocated to improving non-livestock agricultural development, there is still a lack of basic infrastructure and expertise.

Key Issues
- Irrigation systems are inadequate for expansion of croplands or diversification of crops.
- The transport network is insufficient to bring crops to market.
- Processing facilities, such as cold storage, are lacking.
- Information about weather patterns, soil conditions and crop selection and other information to improve agricultural productivity for non-traditional crops and to make informed decisions is limited.

Environmental Context
The project area is typical of a steppe environment. The topography is predominately open plains, with some gently rolling hills. The flat open plains create strong and constant wind patterns in the area. Rainfall is extremely limited, though local people comment that weather patterns have been strange in recent years, with more rainfall than in the past. There is a river running through the project area that provides water for livestock and domestic needs and has been tapped for very limited agricultural use. The river is experiencing increasing sedimentation as over-exploitation of the surrounding area is overgrazed by communities that have increased their livestock activities and are living more settled livelihoods. There also is a major electrical transmission line running through the project area, carrying electricity from an aging and inefficient coal-fired power station to the north of the project area to Country X’s capital.

Proposed Activities
The project will include a large technical assistance and training component, intended to increased the knowledge and expertise of local farmers, so that they are increase their agricultural yields and diversity their crop varieties. Support will be provided to the government to strengthen and expand the reach of the agricultural extension service. A variety of infrastructure improvement activities are planned including significant expansion of the irrigation network, using water from the river in the project area. The project also will improve existing roads and construct new roads to facilitate transport of harvested crops and livestock. In addition, the project will fund the construction of agricultural processing facilities, particularly cold storage for cash crops grown in the area.