

# When Water Flows, Economic Growth Follows

Ashot Abrahamyan is a farmer in Armenia whose apricot orchards lie beneath picturesque purple mountains. His farm is 30 meters above the closest public canal; so in order to irrigate, he had to pump water for more than seven hours every day. For decades, less than three kilometers of the canal system were operational. Beginning late 2009, to respond to the irrigation needs of Mr. Abrahamyan and hundreds of other Armenian farmers, the Millennium Challenge Corporation (MCC) funded the reconstruction of gravity-fed irrigation systems as part of its compact with Armenia.



*Ashot Abrahamyan points out the limitations of his old and rusted irrigation system.*

Mr. Abrahamyan describes his situation prior to and after the reconstruction, “The water in the old canal was limited and much of it vanished through the cracks in the concrete and the broken flumes. Thanks to the new canal, I will be able to save money and irrigate for two to three hours instead of eight. This will also increase the number of peaches I can grow and harvest.”

MCC is funding \$113 million in repairs to gravity-fed irrigation systems as well as the rehabilitation of canals, pumping stations, and drainage systems throughout Armenia. Major construction and rehabilitation have begun on 17 critical water pumping stations and five gravity-fed irrigation systems throughout Armenia.

- ★ A \$36 million investment in pumping stations will provide reliable water for irrigation and improve agricultural productivity for 100 Armenian communities in six regions.
- ★ A \$7 million investment in gravity-fed irrigation systems will increase arable land and reduce electrical consumption.



*Repairs to Armenia's main irrigation canals will allow farmers to produce higher agricultural yields, increasing their income.*

- ★ A \$16 million investment in the Ararat Valley Drainage System will reduce ground water levels in 35 communities of the Ararat and Armavir provinces and will increase crop productivity in the biggest agricultural zone in Armenia, while also maintaining an optimally balanced ecosystem in the wetlands.

Mr. Abrahamyan is one of the lead demonstration farmers for MCA-Armenia, which is managing the compact's implementation. His orchards will benefit not only from improvements to the gravity system, but also from a more stable irrigation system that he developed after receiving training from MCC-funded on-farm water management experts. He learned ways to modify his system to improve its efficiency and save both water and energy. He will access water through the pipe outlet installed on the siphon of the canal, which will feed his pump. With construction completed in the areas near his farm, Mr. Abrahamyan is excited about the new irrigation season.

A year from now, more than 61,000 farmers in 23 communities in the Ararat, Armavir, Gegharkunik, Lori, and Shirak provinces of Armenia will see their own irrigation systems completed and precious water supplied to their lands without losses and at a lower price. MCC and MCA-Armenia look forward to making a difference in the lives of farmers like Mr. Abrahamyan, who are counting on the water, the technical expertise, and the hope that this program brings. After work is completed, even farmers at the farthest ends of the canals will be able to access water and farm lands that had been deserted.

MCC's total investment in the agricultural and water sector in Armenia will be approximately \$180 million when the program ends in September 2011. The Irrigated Agriculture project will benefit over 420,000 people by improving the quality of irrigation and increasing agricultural productivity. By rehabilitating and constructing main canals, gravity-fed irrigation systems and pumping stations; strengthening the capacity of local and national water supply entities; and providing technical and rural credit assistance to farmers, MCC expects farmers to shift from low-value to high-value crops and income from agriculture in rural areas to increase.