



Executive Board Consultation

Climate-Resilient On-Farm Water Management in the Nile Valley (CROWN) | Egypt

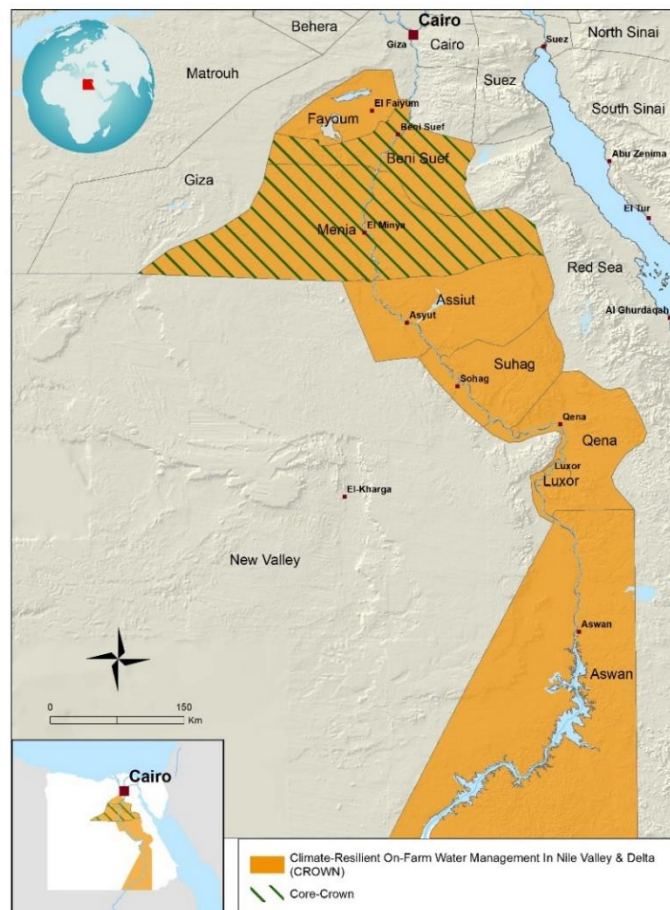
CROWN AT A GLANCE

Duration of CROWN 7 years + 5 years (duration of extension)

Project Area Core CROWN: (2 Governorates): *Beni Sweif & Minya*
 Extended CROWN (8 Governorates): *Fayoum, Beni Sweif, Minya, Assiut, Sohag, Qena, Luxor and Aswan*

Implementing Agency Ministry of Agriculture and Land Reclamation
 Ministry of Water Resources and Irrigation

Beneficiaries Core CROWN: 33,300 Households
 Extended CROWN: 1,100,000 Households



Financing

- Total Cost: €153.4 million
- IFAD12: €46.3 million
 - BRAM: €11.9 million
 - Financing Gap: €55.3 million
 - Beneficiaries: €6.8 million
 - Government : €29.5 million
 - Private Sector: €3.1 million
 - Partner Financial Institutions: €0.5 million

Co-financing Ratio

Domestic: 26%



CROWN RATIONALE

Problem Context
<ul style="list-style-type: none">• Severe and growing water scarcity due to climate change, water losses from poor irrigation infrastructure and lack of water management.
<ul style="list-style-type: none">• Growing vulnerability to climate change and crop loss due to increased heat waves, evapotranspiration and declining soil fertility. Limited access to quality and climate resilient production inputs, climate smart technologies, and practices.
<ul style="list-style-type: none">• Low sales volumes and returns, increased production costs, and limited post-harvest handling and marketing infrastructure.• Limited extension, market and business development services as well as high transaction costs.• Limited accessibility to affordable financial services.• Lack of employment opportunities for women and youth.
<ul style="list-style-type: none">• Limited collaborative arrangements along the value chains; high land fragmentation limits economies of scale and profitability; challenging social norms.



Project Logic
<ul style="list-style-type: none">• Increased smallholder productivity and resilience through more efficient water management.
<ul style="list-style-type: none">• Increased smallholder productivity and resilience through climate smart agriculture.
<ul style="list-style-type: none">• Strengthened farmers, women, and youth participation in inclusive, environmentally and economically resilient value chains, and better access to finance and markets.
<ul style="list-style-type: none">• Influencing and promoting policies and government practices that increase smallholder farmers collaboration resulting in higher resilience and profitability.



CROWN COMPONENTS

COMPONENT 1:

Climate resilience through irrigation infrastructure and climate smart agriculture

- Enhancing climate resilience through improved irrigation reduces costs and water losses, ensures fair distribution, and demonstrates benefits of modern, efficient practices.
- Leveraging climate-smart agriculture and improving irrigation systems via better practices, capacity building, land consolidation, and empowerment of women/youth through farmer business schools and FFS.

COMPONENT 2:

Resilient and inclusive value chains

- Integrating smallholders into resilient, inclusive value chains by promoting private sector involvement, improving market access, contract farming, and upgrading storage/aggregation facilities.
- Promoting inclusive finance for irrigation and agriculture activities, NGOs, MFIs, MSMEs, with technical support to financial institutions for product innovation.
- Enhancing resilience of women and youth by supporting high-value crops, animal husbandry, dairy, processing enterprises, and environmental services in rural areas.

COMPONENT 3:

Policy and project management

- Demonstrating and disseminating effective irrigation methodologies and agronomic practices, modeling climate-smart agriculture (CSA), leveraging private sector expertise, and promoting stakeholder engagement in water regulation and legislation.
- Strengthening project management through efficient planning, resource allocation, monitoring, and evaluation, to ensure timely delivery, quality results, stakeholder engagement, and sustainable impact.



CROWN SPECIAL FEATURES

Mainstreaming Themes

- IFAD climate finance estimated at €57,900, 000 (99.4%)
- Youth sensitive project, facilitating training, and participation of youth in VCs.
- Inclusive targeting of vulnerable groups in development planning and implementation, including women-headed households and unemployed youth.

Building on Lessons Learned

- **Adoption Challenges in Modern Irrigation:** OFID's experience showed that farmers resist adopting drip irrigation due to high costs with no evidence of clear productivity.
- **Trust barriers in water flow management:** SAIL project reveals trust issues between farmers and line ministries emphasizing need for transparent and reliable relationships.
- **Cross-Ministry Collaboration for Sustainable Impact:** CROWN will address these barriers through active collaboration between the Ministry of Agriculture and Land Reclamation (MoALR) and MoWRI. The coordination, under the umbrella of the NWFE initiative, aims to reinforce trust and optimize resource management.
- **Enhanced Poverty Targeting and Gender Inclusion:** CROWN will scale up value chain activities with a strong emphasis on poverty reduction and gender inclusion, fostering a more equitable approach to agricultural support and community engagement.

Partnerships & Strategic Alignment

- Contributing to SDGs: 1,2, 5, 13, 17
- **Strategic alignment**
 - IFAD's President signed partnership agreement on Egypt's platform for Nexus of Water, Food and Energy (NWFE).
 - NWFE National Climate Change Strategy 2050 (accelerating Egypt's national climate agenda, mobilizing climate finance to support Egypt's green transition).
 - UNSDCF
 - Current and future COSOP
- Partnerships
 - International, national and local development partners
 - Private sector



CROWN SPECIAL FEATURES

Introduced Innovations

- Supporting the achievement of the NWFE programme
- Demand driven, offering menu of options tailored to farmers' needs
- Comprehensive in combining infrastructure, agronomic practices, and value chain integration
- Address the climate and population growth challenges of increased water scarcity
- Will be based on providing more 'value per drop'
- Modular and replicable approach allowing for substantial additional finance and aggressive scaling
- Engage private sector in the financing especially by leveraging value chains actors



Thank you!