Master class



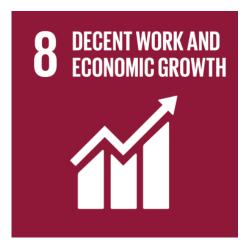
& the concept of pro-poor water productivity

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28 March 2018

Water productivity and the SDGs















- Roughly half the world's population still lives on the equivalent of about US\$2 a day
- On average income inequality increased by 11% in developing countries between 1990 and 2010.
- More than 75% of the population are living today in societies where income is more unequally distributed than it was in the 1990s.

SDG 10 target:

 By 2030, progressively achieve and sustain income growth of the bottom 40% of the population at a rate higher than the national average.

Workers - 4% Plantation owners - 17% Multinational traders - 38% Retailers - 41%

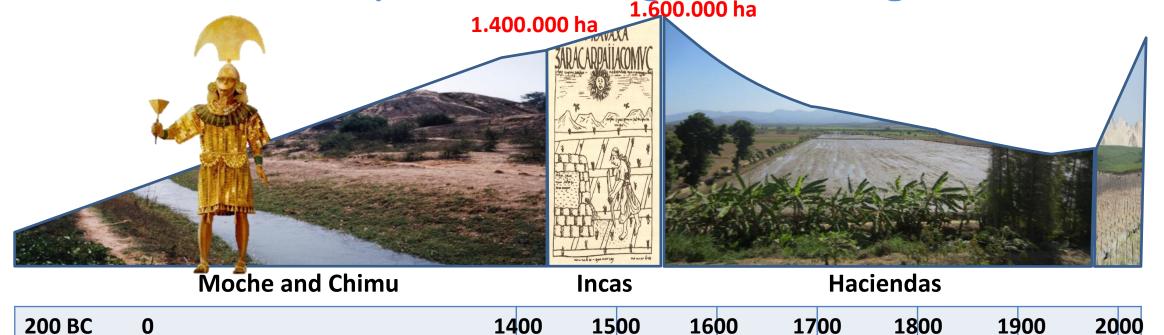
Who gets what?

Source: SOMO

Peru



Historical development of large scale irrigation in Peru





use of groundwater

for smallholders

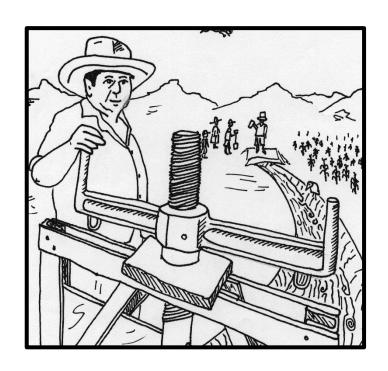
Irrigation in Peru: a long history...

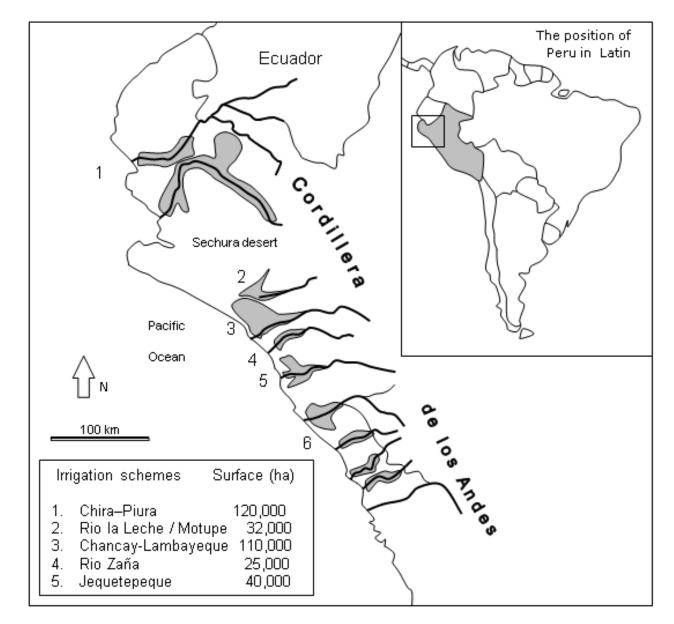


Moche and Chimu: Hydraulic societies



Haciendas (1530 – 1969)

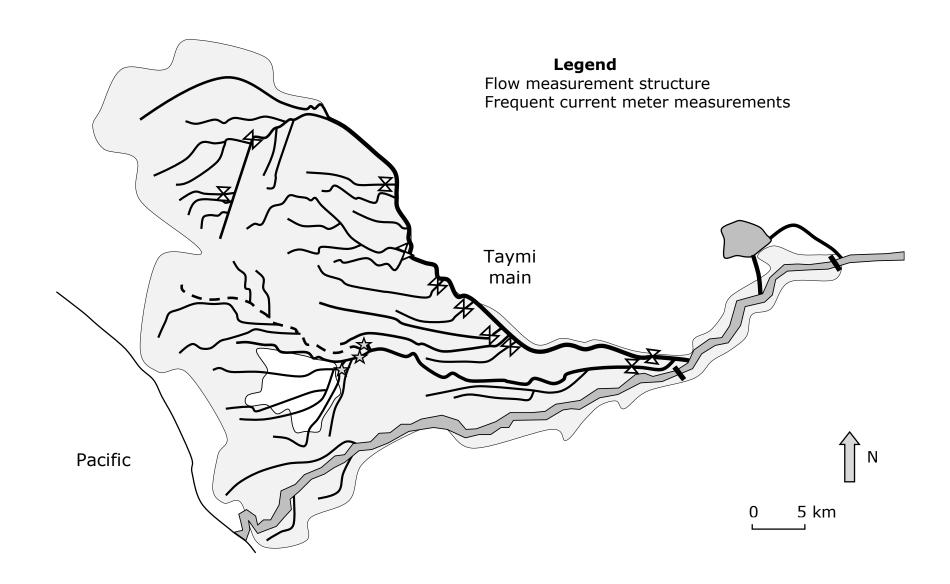








Irrigation system Chancay-Lambayeque: 110,000 ha









Management transfers

1969 Agrarian Reform

Haciendas -> Min. Agriculture



1992 Irrigation Management Transfer (IMT)

Min. Agriculture -> Water Users' Associations + their company

Successful IMT



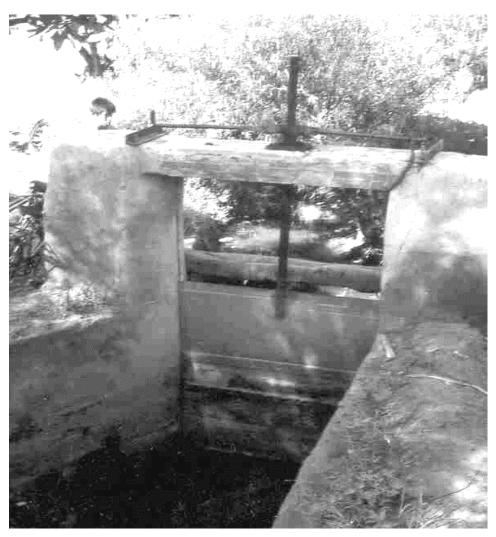


On demand irrigation turns

Payment per volume



Volumetric water control

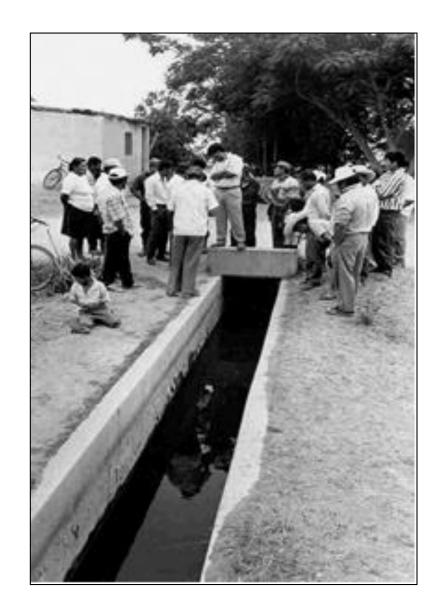




High levels of performance















Olmos irrigation project



38,100 ha sold to 10 companies:

Grupo Gloria: 15,600 ha

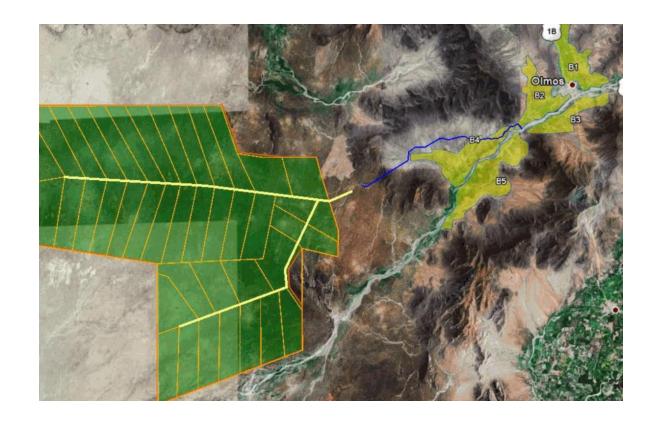
8 companies: 4,500 ha

Odebrecht: 18,000 ha

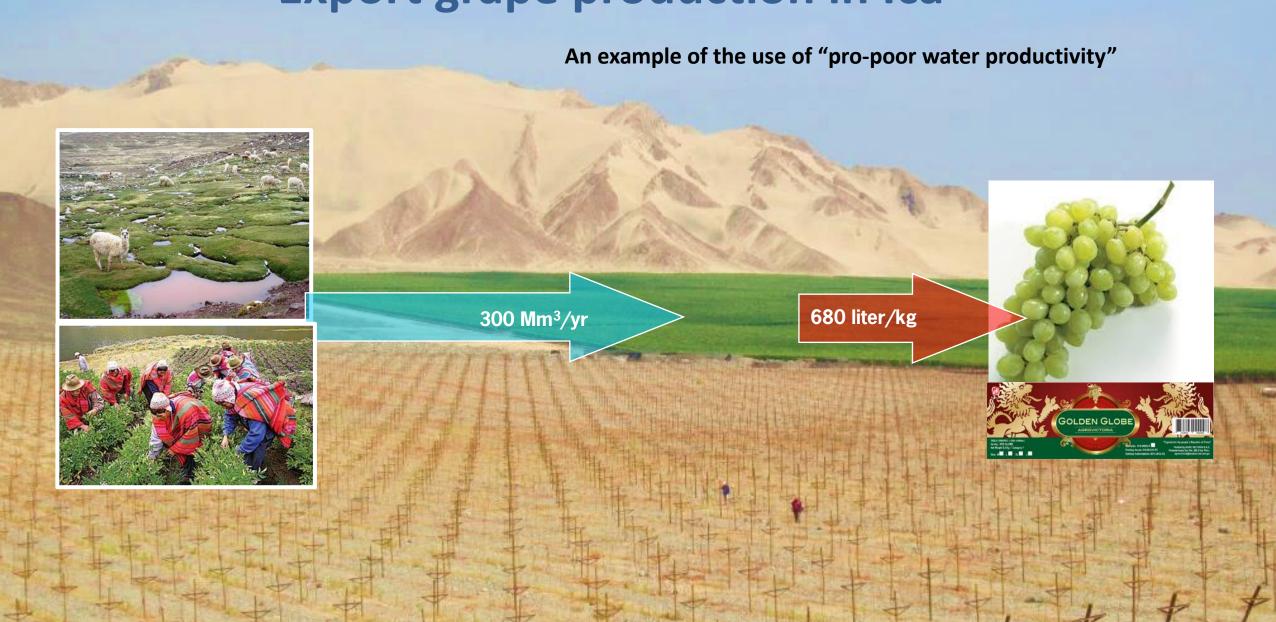
Very low prices: 4,723 US\$/ha

BOOT concession 25 years





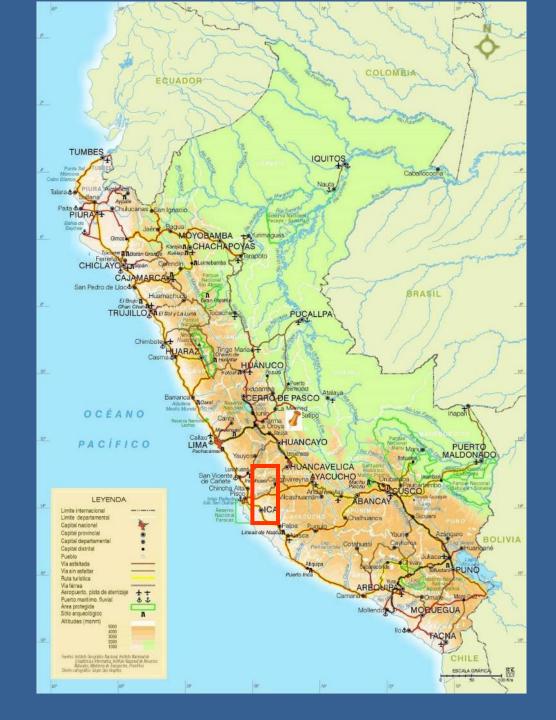
Export grape production in Ica



Ingahuasi project in Ica

Interbasin water transfer from poor highlands to export agriculture in the Coast

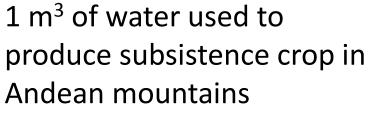






Non-fungible extractions

1 m³ of water used to produce asparagus in the desert Coast of Peru



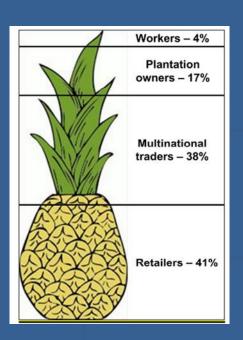




Pro-poor water productivity

Asparagus in coast

Subsistence highland Agriculture



Net income for investor/land owner per hectare (US\$/ha)

8,900

470

Pro-poor water productivity: Economic value generated for poor people by the consumption of a certain volume of water in a watershed

Any water productivity indicators should take into account:

- Ecological effects caused by the use of water (and energy being used for pumping)
- Beneficial use of return flows (Dry and Wet water savings)
- Cultural values of water and rationale in the local farming system
- Possible alternative economic uses (by certain group)
- **Distribution of the costs and benefits** of the water consumption

Historically in Peru: water productivity increased, but pro-poor water productivity decreased



Thank you for your attention!