



COMPACT GOAL

The compact was focused on reducing poverty and accelerating economic growth by enabling improved agricultural productivity and expanding access to markets and services through critical infrastructure investments in the irrigation and road sectors, and capacity building in the high value agriculture sector.



COMPACT AT A GLANCE

Compact Signed	01-22-2010
Entry Into Force	09-01-2010
Compact End Date	09-01-2015
Compact Total	\$262,000,000
Amount Committed	\$259,371,697
Amount Expended	\$259,371,697
Estimated Program Beneficiaries	414,000
Estimated Increase in Household Income	\$260,000,000

% OF TOTAL COMPACT	BUDGET (USD MILLIONS)
50%	Transition to High Value Agriculture \$130.2
42%	Road Rehabilitation \$110.2
1%	Monitoring And Evaluation \$3.0
7%	Program Administration And Control \$18.4

■ Project Preparation ■ Project Implementation

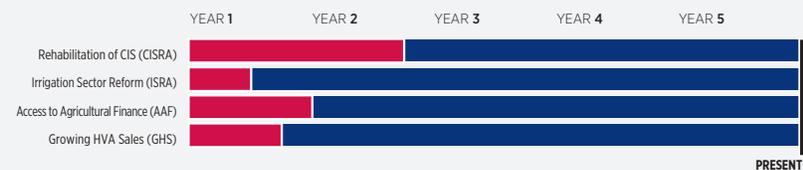
Transition to High Value Agriculture

Rehabilitation of up to 11 irrigation systems servicing up to 15,500 hectares to facilitate transition to high value agriculture (HVA). Technical assistance to support the establishment of water user associations that will be legally responsible for O&M of the systems. Financing for post harvest infrastructure and HVA technical assistance for farmers and agribusiness.

Projected Long-Term Results
(Up to 20 years)

ESTIMATED BENEFICIARIES	ESTIMATED INCREASE IN HOUSEHOLD INCOME
112,000	\$123,000,000

PROJECT COST	TOTAL CONTRACT COMMITMENTS	TOTAL PROJECT EXPENDITURES ¹
\$130,257,320	\$129,431,667	\$129,418,646



PROJECTED RESULTS BY END OF COMPACT

The project was expected to yield an economic rate of return of approximately 12.7 percent, and increase the incomes of approximately 32,000 households, with an average total benefit over 20 years equal to 170 percent of the beneficiaries' current annual income. The expected closeout ERR will be lower than the original estimate due to increased costs and revised assumptions about transition rates of land to high value agriculture.

PROGRESS TO DATE

Prior to September 1, 2015, construction on 10 irrigation systems was completed and 10 water user associations were formed and prepared for asset management transfer. The Access to Agricultural Finance Activity disbursed over \$11.7 million in loans and \$0.8 million in equipment leases.

PROJECT ACHIEVEMENTS

The Irrigation System Rehabilitation Activity rebuilt 10 irrigation systems covering over 11,500 hectares. The Irrigation Sector Reform Activity formed 10 water user associations to manage the rebuilt systems. The Access to Agricultural Finance Activity disbursed over \$11.7m in loans to 62 borrowers and financed \$0.8m in equipment leases. The Growing High Value Sales project helped farmers increase sales of produce in new global markets.

Road Rehabilitation	PROJECT COST	TOTAL CONTRACT COMMITMENTS					TOTAL PROJECT EXPENDITURES†			
	\$110,256,082	\$109,749,558					\$109,748,554			
<p>Rehabilitation of about 93 km of the M2 and R7 roads connecting Sarateni to Soroca, and with a major junction west of Soroca. The project also included small community infrastructure improvements in towns and villages along the road. The project was completed on time with savings of about \$21 million.</p> <hr/> <p>Projected Long-Term Results (Up to 20 years)</p> <table border="0"> <tr> <td style="text-align: center;">ESTIMATED BENEFICIARIES</td> <td style="text-align: center;">ESTIMATED INCREASE IN HOUSEHOLD INCOME</td> </tr> <tr> <td style="text-align: center;">302,000</td> <td style="text-align: center;">\$137,000,000</td> </tr> </table>	ESTIMATED BENEFICIARIES	ESTIMATED INCREASE IN HOUSEHOLD INCOME	302,000	\$137,000,000						
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302,000	\$137,000,000									
	<p>PROJECTED RESULTS BY END OF COMPACT</p> <p>The expected economic rate of return on the rehabilitated road is approximately 21 percent. The rehabilitated road will reduce the cost and time required to transport goods and services, as well as losses to the national economy resulting from deteriorated road conditions. The final closeout ERR may be different, however.</p>		<p>PROGRESS TO DATE</p> <p>The \$110m project was completed on time and with \$21m in savings.</p>		<p>PROJECT ACHIEVEMENTS</p> <p>About 96 km of the main road and its extensions, and about 20 km total of numerous small roads, were completed on time and \$21m under budget. The project included higher road safety standards and also included \$2.5m in small social infrastructure investments in villages impacted by the construction works, such as paved access roads to schools, and an extension of the M2 road to the Soroca Fire & Rescue Station and yard works at the station.</p>					

†Expenditures are the sum of cash outlays and quarterly accruals for work completed but not yet paid or invoiced.