



HNB

Agriculture Finance Forum 2012 -
Uganda



AGRIFIN
Agriculture Finance Support Facility

Short-term and Long-term Financial Products

HNB's Experience on Irrigation Finance

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A Bit of History....

"Let not even a drop of rain water go to the sea without benefiting man".

Parakrama Bahu The Great, 1153–1186 AD

He either built or restored

- 163 major tanks (reservoirs)
- 2,617 minor tanks
- 3,910 irrigation channels
- 328 stone sluices and 168 sluice blocks, besides repairing 1,969 breaches in embankments.
- His greatest creation the Parakrama Samudraya (Sea of Parakrama). With an area of 30 km² and an enclosing embankment 14 kilometres long, it irrigated nearly 100 km².



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- **Small scale village reservoirs and cascade system**

In the beginning there were small scale village reservoirs with a simple channel system. The ancient tank builders took advantage of the nature of the terrain to make strings of tanks in the valleys called the small tank cascade system.

Today Sri Lanka has about 10,000 village tanks irrigating the villages.

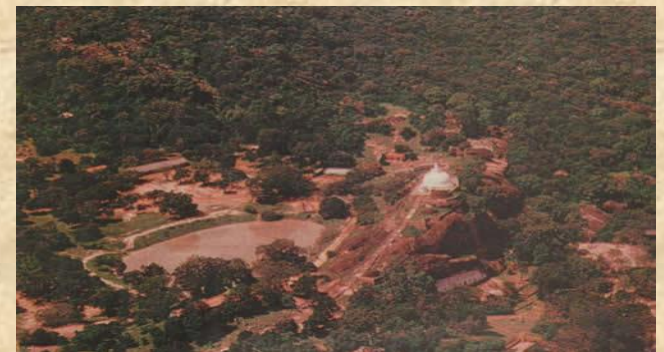
- **Large scale reservoirs and the invention of sluice**

The ingenuity of the Sinhala irrigation engineers is best exemplified by the invention made by the Sinhala irrigation engineers more than 2200 years ago of a sluice called “biso kotuwa”

- **Large reservoirs and Earthen dams**

- **Large reservoirs and Canals**

Long canals with exceedingly low gradient, such as 87 km long Jaya Ganga, with a gradient of less than 10cm per kilometers within its first 27 km, it continued to behave as a natural stream.



HNB's Financing for Irrigation

The Bank has extended credit facilities for irrigation activities, targeting to small holder farming community such as,

- Drip irrigation
- Sprinkler system
- Agro wells / water pumps
- Solar panels (to drive water pumps)



Drip Irrigation

To facilitate long term & medium term agriculture activities (Papaya , orange, passion-fruit, grapes, coconut plantation etc)



Sprinkler System

Mainly use for short-term cultivation / plantation activities
(Vegetables, flower plantation, short-term fruits)



Solar panels (to drive water pumps)

Uses with irrigation systems for gardens, allotments, greenhouses and polytunnels. When the sun is shining you need more water and so the solar power is there for the pump.



Agro wells / water pumps

To support agri activities during both seasons and majority of them depending on rain water.

Features of Irrigation Finance

- Average loan quantum – US \$ 1,000 – 10,000
- Tenure – 3 to 5 years
- Sector covered – Commercial agro producers in the dry zone regions and the central hill region

