## MEXICO: MANAGEMENT TRANSFER ON A GRAND SCALE\*

During the 1989 - 1994 National Plan period, the Mexican Government expects to transfer management of 26 of the 77 large-scale irrigation districts to water users' associations. Irrigation districts manage systems which exceed 1,500 hectares (ha) in area. The total area planned for management transfer during the period includes 2.17 million ha of irrigated land with 292,130 irrigators. This constitutes one-third of the total irrigated land in the country. Eventually all of the 77 districts (3.2 million ha) will be transferred to water user management. These 77 districts currently produce 30 percent of the total crop value produced in Mexico, on roughly 15 percent of the total agricultural land.

The National Plan states that under the transfer program, local associations (including either cooperatives or groups of private owners) "shall take over the operation, conservation and maintenance of water infrastructure." It states that the basic objective is to see that "irrigation districts shall be financially self-sufficient and administratively independent." The National Water Commission (CNA) is overseeing planning and implementation of the transfer program.

A key motivation for the transfer program is financial. In the early 1970s water fee revenues covered roughly 75 percent of the management costs of the districts. In 1989, the fees covered only about 15 percent of management costs. Authorities estimate that, in order to cover full O & M costs, annual water fees will have to increase to the peso equivalent of about US \$25 per irrigated acre, which would constitute about eight percent of farm-level cultivation costs.

The government expects to transfer management for districts to users' associations after system improvements are made, associations are organized and adequate levels of fee collection are reached. Local management will be federated from the lateral to main canal levels.

Considerable diversity in irrigated conditions exists around Mexico. In the Northeast, large-scale farms of about 19 ha each are common. In the Southeast, two-hectare farms are the norm. About 73 percent of irrigated land included in the transfer program are in the Northeast and Northwest parts of the country. Yaqui in the Northwest is one of the first districts where management has already been transferred to users' associations, which are federated up to the sectional

level. The associations are now purchasing water from district authorities, who still retain control at the district level.

The country also has 2.8 million ha of land which is irrigated by about 27,000 small- and medium-scale irrigation systems (below 1,500 ha in size). These are already under local management.

Mexico is rushing ahead with perhaps the single most ambitious irrigation management transfer program in the world. The next few years will be a crucial time to test the idea that such basic change can be achieved on such a grand scale in so little time. The rest of the world will be watching for the results and seeing what can be learned from the experience.

## Future Trends of Southeast Asian Irrigated Agriculture: A Regional Synthesis

As part of a joint 5-year program in the region, IIMI conducted a workshop on "Irrigated Agriculture in Southeast Asia beyond 2000" in Langkawi, Malaysia from 5 to 9 October 1992. The event was sponsored by the German Foundation for International Development (DSE) and the International Irrigation Management Institute (IIMI), and co-sponsored by the Universiti Pertanian Malaysia (UPM). The workshop brought together a large number of participants drawn from national and international departments and agencies concerned with the future of irrigated agriculture in Indonesia, Malaysia, the Philippines and Thailand.

The workshop focused on the future of irrigated agriculture in a 20-year perspective, first at the country and then at the regional level. The discussions resulted in the formulation of a Regional Statement which defines two main areas of common concern for the region: first, adjustments of the public/private sector balance and relationships in irrigated agriculture and second, planning and management of water resources use.

The actions called for at the regional level, in regard to these two major concerns, lie in the areas of information exchange and networked research and involve the sharing and use of information and experiences from countries inside, as well as outside of the region.

<sup>\*</sup>Much of the information for the above story was taken from a paper by Roberto Melville of the Universidad Iberoamericana in Mexico City, entitled, "Mexican Hydraulic Policy," presented at the Center for Latin American and Caribbean Studies, Michigan State University, July 29, 1992. — (D. Vermillion)

## Accelerated Privatization . . .

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employee, they responded that they would seek for the most professional person they could find.

Contracts with private companies currently entail a 50:50 share system between farmers and the company. No such sharing of the harvest is done under the WNAC or under self-management, which has followed an individual account system. During the 1991 – 92 season, one scheme still managed by the WNAC obtained wheat yields of seven sacks per feddan (roughly one acre). A nearby scheme newly managed by a contracting

private company achieved yields of 11.5 sacks per feddan. But because of the share system, farmers only obtained a net income of three sacks per feddan in the high-yielding three schemes (managed by the private company), whereas farmers obtained a net income of four sacks per feddan in the lower-yielding scheme which was still managed by the WNAC.

Privatization is coming fast to the farmers of Sudan, without the benefit of phased institutional or infrastructural development and training. The outcome of these rapid changes is unclear, particularly for

social equity and local control over resources. Experience elsewhere suggests that development of viable local institutions is a prerequisite to sustainable irrigated agriculture.

With partial assistance from the Ford Foundation, IIMI is monitoring the effects of privatization of irrigated agriculture both in sample large-scale gravity schemes and in pump schemes along the White Nile. It is also facilitating review and discussion of the policy changes and participating in collaborative research, committees and workshops. (D. Vermillion/M. Shafique, IIMI)