



CARTA N° 106– 2009/ JURS

Salas, 05 de Junio del 2009

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We, the Junta de Usuarios de Rio Seco, an organization that represents the users of underground water from the Ica Aquifer, in the northern sector of the Ica Valley, lodge a complaint concerning the Agrokasa Project number 26821.

We live and work in the areas known as Villacuri and Lanchas. We are attaching a map that shows the complete area of the Ica Aquifer from which we are part. In our case, we live and develop agriculture with this aquifer as the only source of water, since we have no river or precipitation in the area.

We can be contacted through the following addresses, telephones, fax numbers and emails:

- Junta Usuarios Rio Seco President: Federico Vaccari Cusianovich (511)998381864
fmvaccari@hotmail.com
- Comision Regantes Subsuelo Villacuri President: Amalia Ghiglino Zimic (511)998154721
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- Comision Regantes Subsuelo Lanchas President: Dagoberto Laines Diaz (511)997505379
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The basis of the complaint is as follows:

1. A description of the name, location and nature of the project is as follows:
 - a. Project number : 26821
 - b. Company Name: Sociedad Agricola Drokasa S.A.
 - c. Country : Peru
 - d. Sector : Agriculture and Forestry
 - e. Environmental Category : B
 - f. Agribusiness : the project, as presented by the company, includes a loan to support implementation of the investment program to develop new areas in the northern farm (Barranca) and hydraulic improvements in Ica that includes actions to reduce stress in the Ica Aquifer.
2. IFC is involved in the project providing the loan to support the investments .
3. The project sponsor is AGROKASA S.A.
4. We are likely to be affected by social and environmental impacts of the project in the following ways:

- a. It is widely known that the overuse of the Ica Aquifer is an **extremely significant** issue. Since a number of years ago –even before Agrokasa settled its initial operation in the area- the government through the Water Authorities has been implementing different regulations as an effort to reduce the extraction of water from the underground; we can go as far as the mid 50’s, when the authority forbid to drill more wells. As you know, “a recent World Bank report and diagnosis of Peruvian ground water resources, acknowledge overexploitation of the Ica aquifer and the need for scientific approaches to address impacts”. It has taken many years to accept the dramatic situation that we all have create due to the rapid increase in agriculture production areas, specially from the development of big companies (like Agrokasa) in the southern sector of the valley, whom use wells from the valley and pumped the water to their new desert areas. Aquifer natural recharge is insufficient to balance the actual water demands, and this has been demonstrated by the monitoring of wells during the past years that indicates a permanent reduction in the static level of the aquifer . A prove of this is the same Agrokasa company, where some of their wells have had a dramatic decreased, which is the main reason for their requirement of new wells in other areas of the valley. This reduction has affected specially small farmers that had no financial possibility to drill deeper their wells. We can send you a copy of the report that shows the permanent lowering of this level. Therefore, proposal as the one Agrokasa is presenting will not only increase the water problem but also contribute to make worse the social problem.
- b. It is also known that the aquifer is only one and that any action has an impact in the whole area (whole aquifer). The reduction in the static level and in the quality of the water (salinization) that we are all suffering, are important issues that should be taken in consideration before making more developments. In the Procedure Standards No.4 (9) you recommend to “avoid or minimize adverse impacts due to project activities on soil, water and other natural resources in use by the affected communities” . We completely agree with your Guidance Note 4, No.16 regarding “special precaution to prevent reduction or degradation of the water resources “ and No.17 that recommends “quality of soil and water should be protected”). We are working with the government to develop technical alternatives to recover the aquifer. This is the only possibility to avoid the collapse of the whole valley in a short time. We have all accepted the commitment of maintaining the same rate of water extraction in our wells, until we can complete the artificial recharge that will recover the viability of our farms and lands, but control of this is not being made properly due to the lack of compromise from the same growers and lack of power of local authorities . We all need more water and we should work together to accomplish this. All the **recharge areas should be maintain untouched**, since recharge benefits all the aquifer, and this means benefit for all users. The drilling of four Ranney-type wells as pretended in areas for natural recharge due to intermittent water flows is not a possibility

that could be accepted. We consider that taking water from one site to pump it to another, probably will solve Agrokasa's water problems, but for sure will only make worse the situation of the whole valley. Even though the main consequence is another: many growers could pretend the same, leading to collapse in a very short time.

- c. We consider of great importance to wait for the presentation of the Environmental Assessment (EA) that Agrokasa is preparing with full documentation of baseline situation, water extraction rates, permit conditions, monitoring data of actual wells, etc. We demand your attention on this presentation since it should accomplish your Procedure Standards No.6 regarding Sustainable Natural Resources Management. In the Environmental and Social Review Summary, at this point says: "Ground water sustainability for Agrokasa's Ica farming activities **is complicated by limited aquifer recharge**. The World Bank report from late 2008, among others, highlights overexploitation and the need for scientific approaches to address impacts."

In addition to the principal issue we would like to point out that the procedure required by ITF, regarding the Environmental and Social Review Summary that Agrokasa should have accomplished, includes local access of project documentation. After all the information of how they were going to accomplish this, it textually says: "In addition a printed copy of the EA will be delivered to and available from: Junta de Regantes de Agua del Subsuelo de Ica and Villacuri". We have never received this copy. We have just got a copy of the publication in a local newspaper that says that we have received a copy of the Environmental and Social Action Plan (EAP) that we had never received. We have been at the Asociación de Agricultores of Ica and at the Municipality of Pueblo Nuevo asking for the project documentation and they told us that "somebody put some papers on a improvised bulletin board but they were blown by the wind; some were lost and some of them were recovered and placed somewhere (???)". As you can see, the information has not been properly disclosed to all parties, even though it is an important requirement and a very important issue for all of us.

We will appreciate if you could send all information and disclosures regarding these matters, especially the Environmental Assessment (EA) that the company Agrokasa is preparing, to the following:

- JUNTA DE USUARIOS DE RIO SECO
(Comisión Regantes de Aguas Subterráneas de Villacuri y Comisión de Regantes de Lanchas)

Av. Abraham Valdelomar 239, 2º Piso, (Carretera Panamericana Sur km. 293), Salas -Guadalupe, Ica, PERU, and electronically to: juntausuariosrioseco@gmail.com Telephone: + (5156) 406-174.



- **Asociación de Agricultores de Ica**, Apartado Postal N° 77, Ica, PERU, Telefax +(5156) 234-121 , and electronically to AAICA@terra.com.pe .
- **Junta de Usuarios de Agua Subterranea del Valle de Ica**, Apartado Postal N° 77, Ica, PERU, Telefax +(5156) 234-121 , and electronically to juasvi@gmail.com
- **Autoridad Local de Agua Ica (ALA-ICA)** Calle Lambayeque No. 169 Cercado Ica telephone (5156) 211138 and electronically to ala-ica@ana.gob.pe
- **Autoridad local de Agua Rio Seco (ALA-RIO SECO)** Calle Libertad 350 Piso 2 Distrito de Salas, Guadalupe Telephone (5156)406246 and electronically to ala-rioseco@ana.gob.pe

It is of great importance that the protection of the Environmental and Social issues should be reviewed to avoid negative impacts that we are not even able to measure.

Sincerely,

Federico Vaccari
President
Junta Usuarios Rio Seco
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