Dear Colleague,

This memo serves as an addendum to our recent Quarterly Report on implementation of the Kilombero Rice and Maize Production (KRAMP) project. This addendum addresses project environmental management and compliance, with particular reference to the project Environmental Mitigation and Monitoring Plan (EMMP).

Overall, KRAMP is doing a fine job complying with applicable environmental compliance requirements. As we reach the one-year milestone, the project is now implementing most of the activities planned under Component 1 (establishment of irrigation infrastructure) and Component 2 (farmer technical assistance and training). All mitigation measures specified in the EMMP are in place and environmental monitoring is being conducted on an ongoing basis.

There have been some challenges understanding the requirements in the Reg. 216 documents, but we believe the EMMP in its current form, and our overall culture of environmental stewardship, are appropriate to the risks of this project. Following is a summary of environmental management successes and challenges for Component 1 and Component 2 activities in the previous quarter.

Component 1:

- River flow measurement devices and related procedures are in place and functioning well. We have found that historical data is not sufficient for current forecasting needs and have engaged several experts to assist with development of additional tools/resources. As the rainy season will continue for at least 4 more weeks we are confident that the current rate of diversion will not exceed limits for at least 6 weeks, at which point the new forecasting tool will be available.

- Final clean-up and remediation is complete at the primary diversion site. The construction contractor has assured us that the fuel spill has been addressed and that the new barrier is high enough to prevent children from fishing off of the weir.

- Community-based maintenance teams have been formed and are now in place in 8 villages. They have received instruction in maintenance practices and we have observed their good work. More importantly there have been no complaints from farmers or the District Agriculture Officer of mal-functioning equipment or reduced accessibility.

Component 2:

- The project was able to access significant data from the Ministry of Agriculture regarding soil type/quality on participating farms, saving considerable resources. This has been recorded at the project level. Training in the safe and sustainable use of fertilizer incorporates BMPs and has found strong support from a national network of agro-dealers. Based on response to date we anticipate fertilizer use to scale-up quite rapidly.