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Government of India and ADB Sign US \$ 100 Million Loan for 'Climate Adaptation in Vennar Subbasin of Cauvery Delta project' in Tamil Nadu

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The Government of India and the Asian Development Bank (ADB) today signed a \$100 million loan agreement to strengthen key irrigation and drainage system and improve water management in the Vennar sub-basin of the Cauvery delta in Tamil Nadu. The financing will be used to strengthen embankments of six major irrigation water channels in the Vennar system and rehabilitate 13 irrigation pumping schemes.

“The Cauvery river basin is a critical source of water for agriculture, both within Tamil Nadu and neighbouring states. The vast majority of the delta’s population is engaged in farming and fishing. The project aims to improve existing infrastructure and will provide flood protection and renewed access to irrigation,” said Mr. Raj Kumar, Joint Secretary (Multilateral Institutions), Department of Economic Affairs, Ministry of Finance, who signed the agreement on behalf of the Government of India.

“The loan will support Tamil Nadu’s water resources professionals to manage resources better, and with greater involvement of the stakeholders they service,” said Mr. L. B. Sondjaja, Deputy Country Director of ADB’s India Resident Mission, who signed the loan agreement for ADB. “Communities will be involved in planning and delivery of water services. Flood forecasting and warning systems will be installed and a flood risks map drawn up to help communities respond more effectively to extreme events.”



A separate project agreement was signed by Mr. V. Shanmugam, Chief Engineer, Water Resources Department, on behalf of the State of Tamil Nadu.

The loan from ADB's ordinary capital resources has a 25-year term. The Water Resources Department of the State of Tamil Nadu is responsible for implementing the project, which is expected to be completed by December 2020.
