

## **PRESS RELEASE**

### **ASIAN DEVELOPMENT BANK (ADB) AND GOVERNMENT OF INDIA SIGN \$75 MILLION LOAN TO IMPROVE URBAN SERVICES IN 4 KARNATAKA TOWNS**

The Asian Development Bank and the Government of India signed a \$75 million loan on 27.11.2018 to provide 24 x7 water supply in Karnataka's four coastal towns of Kundapura, Mangalore Puttur and Udupi and improve sanitation infrastructure for Mangalore town.

The signatories to the tranche 2 loan agreement of Karnataka Integrated Urban Water Management Investment Program were Sameer Kumar Khare, Additional Secretary (Fund Bank and ADB), Department of Economic Affairs, Ministry of Finance, who signed for the Government of India, and Sabyasachi Mitra, Deputy Country Director of ADB's India Resident Mission, who signed for ADB.

The Program, approved by ADB Board in 2014, aims to improve urban water resource management in selected river basins in Karnataka through modernization and expansion of urban water supply and sanitation infrastructure and strengthening institutions to improve water use efficiency, water resource planning, monitoring and service delivery. The \$75 million tranche 1 loan is helping strengthen urban water supply and sanitation services in three other towns of the State- Byadagi, Davangere, and Harihar.

"The investment program is supporting four coastal towns in Karnataka to provide continuous piped water supply to people, and promote efficient and sustainable use of water. It will also adopt information technology based smart water management system and undertake community awareness programs on water conservation and demand management." said Mr. Khare.

"Apart from providing continuous piped water supply and improved sanitation services to nearly one million people, the Program is helping the urban local bodies to become efficient and responsive urban water utility service provider." said Mr. Mitra.

The provision of performance-based construct and operate contract (PBCOC) modality, piloted by ADB in another urban project in the state, will help ensure the sustainable water service delivery through the optimal risk allocation between the public sector and private water operator.

The project finances will be used to augment water treatment production capacity by about 16 MLD, layabout 90kilometers of new water transmission lines and feeder mains, construct 29 overhead tanks and four ground-level service reservoirs and establish town level supervisory control and data acquisition system to strengthen the centralized supervision and control of water flow and water pressure. Other outputs include 1,300 km long distribution network and provision of about 140,000 household connections with new meters. In Mangalore, about 11 km of pumping mains will be installed to rehabilitate the sewerage system.

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