



Project Summary Information

Date of Document: February 2, 2021	
Project Name	Extension, Renovation, and Modernization of Grand Anicut Canal System
Document Code	PD000362-PSI-IND
AIIB member	Republic of India
Sector/Subsector	Water / Irrigation
Status of Financing	Under Preparation
Project Description	The renovation and modernization of the Grand Anicut Canal system will be carried out through various interventions including lining the bed and side walls of the canal, repair / replacement of the water regulating structures, de-silting the tanks, and introduction of canal automation system. These interventions are expected to result in increased conveyance efficiency thereby increasing land under irrigation in the region and ensure equitable distribution of water to farmers based on the need (through the automation system) resulting in sustainable agricultural practices. The renovated structures will also reduce the instances of canal breaches and flooding of the towns and villages in the Cauvery Delta region.
Objective	The objective is to improve the water carrying capacity and the irrigation efficiency of the Grand Anicut Canal System.
Expected Results	The project is expected to yield the following results that will be measured and monitored: <ul style="list-style-type: none"> (i) Increased water conveyance efficiency of the Grand Anicut Canal System (%); (ii) Restoration of capacity of its main canal and its distribution systems (increased water flow in cubic feet per second); and (iii) Increased land area under irrigation (hectares or acres).
Environmental and Social Category	B
Environmental and Social Information	AIIB's Environmental and Social Policy (ESP), including the Environment and Social Standards (ESSs) and the Environmental and Social Exclusion List will apply to this Project. ESS 1 (Environmental and Social Assessment and Management) and ESS 2 (Involuntary Resettlement) are applicable to the Environmental and Social (ES) aspects of the project. Applicability of ESS 3 (Indigenous Peoples) will be further assessed. The project has been preliminarily assigned Category B.

	<p>The project will deliver positive ES benefits through improving the water resource conservation and increasing the agricultural productivity. The predicted negative impacts are mainly from construction during the project implementation period, such as noise, dust, tree felling, increased turbidity due to desilting operations, and impacts associated with the disposal of silts. The impacts and related mitigation measures will be identified and compiled in the Environmental and Social Impact Assessment accompanied with the Environmental and Social Management Plan. The project is unlikely to involve land acquisition since all works will be within the available right-of-way. To address any potential displacement impacts for the distribution canals, a Resettlement Planning Framework complying with ESS 2 is being prepared.</p> <p>A multi-tier Grievance Redress Mechanism (GRM) will be established at the project level to receive and facilitate resolution of the concerns or complaints of the people who believe they have been adversely affected by ES impacts of the project. In addition to the above GRM for addressing complaints from the local community, a commensurate mechanism will be made available at the contractor level for worker's grievances. All ES information including GRM at the project level and the Project-affected People's Mechanism of AIIB will be posted on the website of client in both English and Tamil.</p>		
Cost and Financing Plan	Project Cost: USD365 million Financing Plan: AIIB: USD230 million Government of Tamil Nadu: USD135 million		
Borrower	Republic of India		
Implementing Entity	Water Resources Department (WRD), Government of Tamil Nadu		
Estimated date of loan closing (SBF)	April 30, 2026		
Contact Points:	AIIB	Borrower	Implementing Entity
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Date of Concept Decision	February 2, 2021
Estimated Date of Appraisal Decision	May 2021
Estimated Date of Financing Approval	July 2021
Independent Accountability Mechanism	The Project-affected People's Mechanism (PPM) has been established by the bank to provide an opportunity for the independent and impartial review of submissions from project affected people who believe they have been or are likely to be adversely affected by the AIIB's failure to implement its ESP in situations when their concerns cannot be addressed satisfactorily through the project-level GRM or the AIIB's management processes. Information about the PPM is available at https://www.aiib.org/en/policies-strategies/operational-policies/policy-on-the-project-affected-mechanism.html