Early Warning System

ADB-47381-005

Mahaweli Water Security Investment Program - Tranche 2

Early Warning System

Mahaweli Water Security Investment Program - Tranche 2

ADB-47381-005

Quick Facts

Countries	Sri Lanka
Specific Location	Mahaweli river basin
Financial Institutions	Asian Development Bank (ADB)
Status	Active
Bank Risk Rating	A
Voting Date	2017-12-13
Borrower	Government of Sri Lanka
Sectors	Agriculture and Forestry, Construction, Water and Sanitation
Investment Type(s)	Loan
Investment Amount (USD)	$ 210.00 million
Loan Amount (USD)	$ 210.00 million

Project Description

According to the bank website, "the Mahaweli Water Security Investment Program will accelerate the economic activities of Sri Lanka's northern dry zone region by transferring surplus water from the Mahaweli river basin for irrigation, drinking and commercial purposes. It will develop bulk water conveyance and storage infrastructure planned under the North Central Province Canal Program (NCPCP), a high priority program of the government that will support completion of the Mahaweli Development Program (MDP), which started in 1973.

Key components of the MDP were completed in the 1980s, notably several irrigation systems and large dams for hydropower; however, the planned components for water transfers to the northern dry zone were not implemented largely because of the prolonged conflict. After the conflict ended in 2009, the government prioritized completion of the MDP by initiating the NCPCP. The investment program supports the government's sector objective of ensuring water availability to water users, providing water in adequate quantities with improved management, enhancing productivity and water user efficiency, and addressing the spatial variation of water availability, climate change and disaster vulnerability, as described in the Public Investment Programme 2017-2020. The outcome will be access to water resources for agricultural and drinking purposes in project areas secured.

ADB and the government signed the financing framework agreement (FFA) for the investment program on 23 April 2015. On 24 June 2015, the Board approved the provision of loans to Sri Lanka under a multitranche financing facility (MFF) of up to $453 million equivalent to be implemented between July 2015 and December 2024. The MFF comprises three tranches and uses the time-slicing approach with individual tranche outputs covering pieces of the overall facility's outputs: (i) new and improved water conveyance and storage infrastructure constructed; (ii) systems for improving water resources management productivity developed; and (iii) multidisciplinary investment program management operational. Output 1 under the investment program will implement three projects: (i) the Upper Elahera Canal Project (UECP) comprising about 101 kilometers (km) of water conveyance infrastructure linking the existing reservoirs at Kalu Ganga, Moragahakanda, Huruluwewa, Eruwewa, and Mahakanadarawa, which supply existing irrigation and town supply schemes; (ii) the North Western Province Canal Project (NWPCP) that will construct about 91 km of new and rehabilitated conveyance channels and two new reservoirs at Mahakithula and Mahakirula to transfer water from the Dambula Oya River and Wemedilla reservoir to command existing irrigation and town supply schemes; and (iii) the Minipe Left Bank Canal Rehabilitation Project (MLBCRP) that will increase storage in its head reservoir and rehabilitate about 74 km of existing canals to improve conveyance and reliability of service to existing farmers."

Investment Description

- Asian Development Bank (ADB)

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Sinohydro Corporation	Contractor	-

Contact Information

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ACCOUNTABILITY MECHANISM OF ADB

The Accountability Mechanism is an independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an Asian Development Bank-financed project. If you submit a complaint to the Accountability Mechanism, they may investigate to assess whether the Asian Development Bank is following its own policies and procedures for preventing harm to people or the environment. You can learn more about the Accountability Mechanism and how to file a complaint at: http://www.adb.org/site/accountability-mechanism/main

Bank Documents

- Amendment to the Loan Agreement for Loan 3625-SRI: Mahaweli Water Security Investment Program - Tran [Original Source]
- Annexes 1-4 (2 of 3) (5.91 MB) [Original Source]
- Annexes 5-8 (3 of 3) (6.72 MB) [Original Source]
- Environmental Impact Assessment: Upper Elahera Canal Project
- Loan Agreement (Ordinary Operations [Concessional]) for Loan 3626-SRI: Mahaweli Water Security Inves [Original Source]
- Loan Agreement (Ordinary Operations) for Loan 3625-SRI: Mahaweli Water Security Investment Program - [Original Source]
- Mahaweli Water Security Investment Program (Tranche 2): Periodic Financing Request Report [Original Source]
- Mahaweli Water Security Investment Program (Tranche 2): Tranche Report [Original Source]
- Mahaweli Water Security Investment Program - Tranche 2: Kaluganga-Moragahakanda Transfer Canal Invol [Original Source]
- Mahaweli Water Security Investment Program - Tranche 2: Upper Elahera Canal Project (UEC-ICB-2A) Res [Original Source]
- Main Report (1 of 3) (5.81 MB) [Original Source]
- Periodic Financing Request Report
- Project Disclosure PDF [Original Source]
- Water Resources Development Investment Program - Tranches 1 and 2: Upper Elahera Canal Environmental [Original Source]

Other Related Projects

- ADB-47381-002 Mahaweli Water Security Investment Program - Tranche 1
- ADB-47381-001 Mahaweli Water Security Investment Program
- ADB-47381-003 Water Resources Development Investment Program
- ADB-47381-006 Mahaweli Water Security Investment Program (Tranche 3)