

Early Warning System

ADB-49107-009

Integrated Urban Flood Management for the Chennai-Kosasthalaiyar Basin Project

Early Warning System

ADB-49107-009

Integrated Urban Flood Management for the Chennai-Kosasthalaiyar Basin Project

Quick Facts

Countries	India
Specific Location	Chennai
Financial Institutions	Asian Development Bank (ADB)
Status	Approved
Bank Risk Rating	B
Voting Date	2021-09-28
Borrower	Government of India
Sectors	Infrastructure, Water and Sanitation
Investment Type(s)	Loan
Investment Amount (USD)	$ 251.00 million
Loan Amount (USD)	$ 251.00 million
Project Cost (USD)	$ 470.50 million

Project Description

According to ADB website, the project will strengthen climate and disaster resilience in the Chennai-Kosasthalaiyar River basin. It will reduce the exposure of 1.9 million people to seasonal flooding by (i) improving climate-resilient urban flood protection infrastructure; (ii) enhancing urban flood preparedness of the Greater Chennai Corporation (GCC), the civic body that governs the city of Chennai, and project communities; and (iii) establishing measures for sustaining the operation and maintenance (O&M) of the stormwater drainage system in the GCC.

PROJECT RATIONALE

Chennai is ranked the most vulnerable to climate change among large Indian cities. The city is relatively low and flat and three major rivers traverse a coastal bowl. In 2015, severe flooding claimed more than 400 lives. The floods destroyed property and livelihoods particularly of the poor and other vulnerable groups residing next to water bodies. With rapid urbanization, the city's floodwater retention capacity is constrained and diminished. Flood risk management is inadequate due to the inappropriate urban planning, limited flood forecasting and early warning systems, and inadequate response capacity and awareness of the GCC and communities. The project reinforces pillars 2 and 3 of ADB's country partnership strategy for India, 2018-2022 by supporting inclusive urbanization and improving climate and disaster resilience.

Investment Description

- Asian Development Bank (ADB)

The Government of India has requested a regular loan of $251 million from ADB's ordinary capital resources to help finance the project. The loan will have a 25-year term, including a grace period of 6 years; an annual interest rate determined in accordance with ADB's London interbank offered rate (LIBOR)-based lending facility; a commitment charge of 0.15% per year; and such other terms and conditions set forth in draft loan and project agreements. Based on the custom-tailored repayment method, the average maturity is 15.95 years, and the maturity premium payable to ADB is 0.10% per year.

The loan will finance expenditures in relation to (i) part of the civil works and equipment, (ii) consulting services, and (iii) PBI schemes. The Government of Tamil Nadu will provide $219.5 million to cover (i) part of the civil works and equipment, (ii) taxes and duties, (iii) land acquisition and resettlement, (iv) contingencies, and (v) financing charges during implementation. The Government of Tamil Nadu has provided assurance that it will meet any financing shortfall to ensure that the project outputs are fully achieved. Climate adaptation is estimated to cost $141.6 million. ADB will finance $87.0 million in adaptation costs (61.4%) and the government will finance $54.6 million (38.6%).

Contact Information

Responsible ADB Officer	Matsunaga, Akira
Responsible ADB Department	South Asia Department
Responsible ADB Division	Urban Development and Water Division, SARD
Executing Agencies	Municipal Administration and Water Supply Dep't Government of Tamil Nadu Fort St. George Chennai -600-009

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

- Climate Change Assessment [Original Source]
- Environmental Due Diligence Part B
- Environmental Due Diligence Report Part A [Original Source]
- Initial Environmental Examination Part A [Original Source]
- Initial Environmental Examination Part B [Original Source]
- Initial Environmental Examination Part C [Original Source]
- Initial Environmental Examination Part D [Original Source]
- Initial Poverty and Social Analysis
- Land Acquisition and Resettlement Due Diligence Report [Original Source]
- Loan Agreement [Original Source]
- Project Agreement [Original Source]
- Project Disclosure PDF [Original Source]
- Report and Recommendations of the President [Original Source]
- Resettlement Plan [Original Source]

Other Related Projects

- ADB-49107-012 Integrated Urban Flood Management for the Chennai-Kosasthalaiyar Basin Project - Additional Financing