

THE GOVERNMENT OF INDIA AND THE ASIAN DEVELOPMENT BANK (ADB) SIGN A \$60 MILLION LOAN AGREEMENT TO REDUCE FLOODS AND THE RIVERBANK EROSION IN ASSAM

Relevant for: International Relations | Topic: India- Other groupings and agreements

Ministry of Finance

The Government of India and the Asian Development Bank (ADB) sign a \$60 Million Loan Agreement to reduce floods and the riverbank erosion in Assam

Posted On: 13 DEC 2018 5:25PM by PIB Delhi

The Asian Development Bank (ADB) and the Government of India signed a \$60 Million Loan Agreement here today in New Delhi to continue financing riverbank protection works, renovation of flood embankments, and community-based flood risk management activities in critically flood-prone areas along the Brahmaputra River in Assam.

The Tranche 2 loan is part of the \$120 million multi-tranche financing facility (MFF) for the Assam Integrated Flood and Riverbank Erosion Risk Management Investment Program approved by the ADB Board in October 2010.

The signatories to the loan agreement were Mr. Sameer Kumar Khare, Additional Secretary (Fund Bank and ADB), Department of Economic Affairs, Ministry of Finance, who signed on behalf of the Government of India; and Mr. Kenichi Yokoyama, Country Director of ADB's India Resident Mission, who signed for ADB.

After signing the loan agreement, MrKhare said that the Program is aimed at increasing the reliability and effectiveness of flood and riverbank erosion risk management systems in flood-prone areas of Assam, strengthening the disaster preparedness of the communities, and developing institutional capacity and knowledge base for flood forecasting.

Speaking on the occasion, Mr. Yokoyamasaid that the Project 2 under the Program will fund a combination of structural and nonstructural measures in the three subproject areas of Palasbari-Gumi, Kaziranga, and Dibrugarh along the Brahmaputra river which include 20 km of riverbank protection works and upgrading of 13 km of flood embankments.

The non-structural measures will cover community involvement and community-based flood risk management activities through establishing and training disaster management committees for strengthening local disaster preparedness and emergency response. The Project will continue to support the institutional capacity

development of the autonomous body anchored to the Assam Water Resources Department, named Flood and River Erosion Management Agency of Assam (FREMAA), and Assam State Disaster Management Authority (ASDMA), as the executing and implementing agencies for this Project.

The loan will have a 20-year term, including a grace period of 5 years, an Annual Interest Rate determined in accordance with ADB's lending facility based on the London Interbank Offered Rate (LIBOR), and a commitment charge of 0.15% per year.

DSM/RM/KA

(Release ID: 1555846) Visitor Counter : 213

END

Downloaded from **crackIAS.com**

© **Zuccess App** by crackIAS.com