

February 27, 2015

Signing of Japanese ODA Loan Agreement with India

Improving the living environment and mitigating river pollution

On February 27, the Japan International Cooperation Agency (JICA) signed an ODA loan agreement with the Government of India to provide a Japanese official development assistance (ODA) loan of up to 15,620 million yen for the Guwahati Sewerage Project.

Guwahati, the capital of Assam State, is a hub of trade and commerce in the northeast of India. The population of Guwahati rapidly increased from 891,000 in 2001 to 1,176,000 in 2011 and is expected to reach 2,112,000 by 2035. The demand for water and associated sewer services is expected to increase proportionately.

Guwahati currently relies extensively on septic tanks due to the lack of an integrated public sewer system. Untreated and semi-treated sewage is often discharged into neighboring drains and low-lying areas, and the discharged effluent water flows into the river which passes through the city, resulting in unsanitary conditions in the surrounding areas and putting ground and surface water sources at risk for pollution.

In 2009, JICA extended ODA loan assistance to Guwahati to provide a safe, reliable supply of water. As the water usage grows, the volume of effluent generated in the city will considerably increase as well. Hence, it is imperative that an integrated scientific sewer system, including pumping stations and sewage treatment plants, be developed to improve the living environment for residents and mitigate the pollution of water sources.

This project will construct a sewer network exceeding 700 kilometers in length, and sewage treatment plants along with a SCADA (supervisory control and data acquisition) system for remote control and monitoring. The project will also include consulting services related to the design of the sewer network, construction management and capacity building of the Guwahati Jal Board, the executing agency of the project, for subsequent operation and maintenance.

The loan for this project is one of the first outcomes of the announcement to provide 3.5 trillion yen of public and private investment and financing, including ODA, to India over a period of five years, which was made by Japanese Prime Minister Shinzo Abe at the Summit Meeting with Prime Minister Narendra Modi in Japan on September 1, 2014.

Reference

1. Terms and Amounts of Loan

Project title	Amount (million yen)	Annual interest rate (%)		Repayment period (years)	Grace period (years)	Procurement
		Project	Consulting services			
Guwahati Sewerage Project	15,620	0.30	0.01	40	10	General untied

2. Executing Agency

Guwahati Jal Board

Address: Saikia Commercial Complex, Christian Basti, G.S. Road, Guwahati - 781005, Assam, India

Phone: +91 (0361) 2340132, fax: +91 (0361) 2346213

3. Planned Implementation Schedule

(1) Completion of project: March 2022 – when the facilities are put into service

(2) Issuing of letters of invitation for consulting services (including construction supervision): Under preparation

(3) Tender announcement of initial procurement package for international competitive bidding on project construction:

Construction of sewerage treatment plant

Release date: July 2016