



Press Brief

India, World Bank sign two loan agreements for Coastal Zone Management and Remediation of Polluted Sites

22nd July 2010

The Government of India and the World Bank today signed two loan agreements, one for the Integrated Coastal Zone Management (ICZM) Project and another for Capacity Building for Industrial Pollution Management (CBIPMP), which aims to remediate ten highly polluted sites in the country.

The ICZM loan will provide assistance to implement the Integrated Coastal Zone Management (ICZM) project with overall cost of **Rs.1155.63crore**, in which, the World Bank will contribute an amount of Rs.897crore (77.7%), GOI Rs.177.49crore (15.5%) and the States Rs.80.02crores (6.9%).

The CBIPMP project will aim to remediate ten highly polluted sites, two in Andhra Pradesh and eight in West Bengal on a pilot basis, develop a National Plan for rehabilitation of polluted sites and build human and technical capacity in selected Pollution Control Boards for undertaking environmentally sound remediation of polluted sites. The estimated cost of the project, to be implemented for a period of five years, is **Rs. 339.26 crores**. The project will be funded through financial assistance from the World Bank (85%) and contribution from the Union Ministry of Environment and Forests and the Government of Andhra Pradesh and West Bengal (15%).

Welcoming the signing of the agreements, the Minister of State (I/C), Environment & Forests, Mr. Jairam Ramesh noted: "These are both very significant projects for us. India has a vast coastline which needs to be conserved and protected based on scientific principles. The capacity of our states for coastal management also needs to be enhanced. The ICZM project will enable us to make the investments in these areas. The CBIPMP Project is also critical as we attempt to clean up our polluted sites and develop longer term capacity for remediation. While both these projects are being launched with a focus on a few states, I am eager that we scale these up rapidly to include the other states. We have already initiated discussions in this direction both within government and with the World Bank. We are also in talks with the World Bank for another important project to strengthen the technical and human capacity of our Central and State Pollution Control Boards/Committees. I welcome the positive and proactive manner in which these projects have been negotiated and look forward to their implementation."



[A] Integrated Coastal Zone Management (ICZM) Project

The ICZM Project consists of four components which include National and three State level components.

Component I is a national component. This component includes:

[i] Mapping; delineation and demarcation of the hazard lines; and delineation of coastal sediment cells all along the mainland coast of India shall be undertaken by Survey of India. The cost involved is Rs.125Cr.

[ii] Mapping, delineation and demarcation of Environmentally Sensitive Areas (ESAs)

[iii] Capacity building of the MoEF and the State Coastal Zone Management Authorities, and Nation-wide training program for coastal zone management

[iv] Setting up of a National Centre for Sustainable Coastal Management (NCSCM). The NCSCM shall be set up in Anna University in Chennai with an outlay of Rs.116crores. The centre will be working with the collaborating institutes in each of the coastal States/UTs.

This component has a budget outlay of **Rs.355.41 crores**

Component II, will comprise of capacity building of the Gujarat state government, including the State Pollution Control Board, for effective management of the coastal areas. Pilot studies will be undertaken on the ICZM approach for the stretch falling along Gulf of Kachchh. Further, Transplantation of corals in Gulf of Kachchh, sewage treatment facilities for Jamnagar District would also be undertaken. This component will also support priority investments in Gujarat, all located in the Gulf of Kachchh, to complement the ICZMP. Under the project a Green Action for National Dandi Heritage Initiative (G.A.N.D.H.I.) will also be developed. This component was launched on 7th July, 2010. The budget for the Gujarat component is **Rs.298.34crores**.

Component III includes pilot studies for Orissa coast. The component includes, capacity building of the state level agencies and institutions; preparation of an ICZM plan for the coastal sediment cells in the stretches of Paradip-Dhamra and Gopalpur-Chilika; regional coastal process study, and priority investments. The project will support capacity building in the area of coastal management and wetland research. The priority investments in Orissa shall be concentrated in two stretches namely, (i) Gopalpur-Chilika and (ii) Paradip-Dhamra. The budget for the Orissa component is **Rs.201.62crores**.

Component IV involves pilot ICZM studies for West Bengal. The project will support capacity building of the various agencies involved in coastal management and priority investments. This component mainly addresses the coastal zone management issues in three sectors of West Bengal namely, Sundarban, Haldia and Digha-Shankarpur. The budget for the West Bengal component is **Rs.300.26 crs**.



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This World Bank ICZM project is for a period of 5 years. The other States/Union territories would be considered in the subsequent phase of the project. The process has already been initiated and letters has been issued to the Chief Ministers requesting them to send the proposals.

The Ministry of Environment and Forests is a nodal agency to implement the above project. The Ministry has set up a Society of Integrated Coastal Management (SICOM) for implementing the project. The States of Gujarat, Orissa and West Bengal set up a state level State Project Management Units (SPMU).

The total number of indirect beneficiaries is 3.56 crore people from the three state components. The total number of indirect beneficiaries from the project, is 6.30 crore people.

[B] Capacity Building for Industrial Pollution Management Project (CBIPMP)

The objective of this pilot project is to build human and technical capacity in selected Pollution Control Boards for undertaking environmentally sound remediation of polluted sites and to develop a National programme for rehabilitation of polluted sites. Ten highly polluted sites, two in Andhra Pradesh and eight in West Bengal, have been identified for remediation on a pilot basis. The estimated cost of the project, to be implemented over a period of five years, is USD 75.39 million.

Project Components:

The CBIPMP has three components:

1. Investments in remediation, rehabilitation and environmental improvements of identified contaminated sites
2. Preparation of a National Plan for Rehabilitation of Polluted Sites (NPRPS) by 2012
3. Capacity building of CPCB & the SPCBs.

Implementation strategy

Ministry of Environment and Forests is the nodal agency to implement the above project. A Project Oversight Committee (POC) under the chairmanship of the Secretary (E&F) with the representatives of the concerned Ministries / Departments and experts will be set up in the Ministry of Environment and Forests. Besides, Management Consultants will be engaged by MoEF to assist in project monitoring and management. A State Project Steering Committee (PSC) will be set up in Andhra Pradesh and West Bengal under the chairmanship of the



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Secretary, Department of Environment with representatives of the departments concerned and experts. In addition, Project Implementation Units will be set up in the State Pollution Control Boards of Andhra Pradesh and West Bengal to monitor project implementation and management.

Funding Pattern

The project will be funded through financial assistance from the World Bank (85 %) and contribution from the Union Ministry of Environment and Forests and the Governments of Andhra Pradesh and West Bengal (15 %).

Participating agencies	Contribution (Rs. in crores)	Percentage
Govt. of India	3.51	1%
State contribution		
i) Andhra Pradesh	27.45	8%
ii) West Bengal	19.62	6%
World Bank contribution		
i) IBRD	113.45	33%
ii) IDA	175.23	52%
Total	339.26	100%

Expected Impact of the Project

The project will help in the development of a policy, institutional and methodological framework for the establishment of a National Programme for Rehabilitation of Polluted Sites (NPRPS). It will include inventorization of polluted sites, establishing 'best practice' solutions and engaging multiple stakeholders in the implementation, including cost recovery mechanisms.

The project is also expected to build the technical capacity of select SPCBs for undertaking environmentally sound remediation of polluted sites. Ten highly polluted sites, two in Andhra Pradesh (Noor Mohammed Kunta in Hyderabad and municipal dumpsite in Kadapa) and Eight in West Bengal (Dhapa municipal dump site in Kolkata and seven hazardous waste sites in Hooghly district), have been identified for remediation on pilot basis. It is anticipated that a National Plan for rehabilitation of Polluted Sites (NPRPS) shall be developed by 2012 and the project will result in environmental benefits i.e. improvement in Water and air quality, improved hygienic conditions, health benefits such as reduction in water borne, vector borne diseases and economic benefits i.e. employment generation during rehabilitation and remediation of contaminated sites.