

# Water for Growth, People and Environment Karnataka, India



## Focus Areas

- Improving water efficiency in the sugarcane sector
- Developing market linkages for sustainable agriculture
- Reusing wastewater

## The Challenge

- Karnataka contributes 7 percent of India's national GDP and it is one of the fastest-growing states in the union. Karnataka's population is expected to increase to 80 million and the water-stressed state is projected to need double the amount of water in 2030 as it uses today.
- A total of 26 districts in Karnataka have been hit by drought, limiting the supply of drinking water for communities and fodder for their cattle, in addition to water for agriculture, industrial, and urban consumption. The long-standing Cauvery River water dispute between the state of Tamil Nadu and Karnataka continues, recently leading to violent outbursts in both states.
- The 2030 WRG's hydro-economic analysis of Karnataka showed that it could become the most progressive agri-water state in India, increase average farmer incomes by 100 percent, and reduce demand by 11.2 billion cubic meters of water by 2030. To achieve this vision, the state will need to implement integrated water resources management and increase investment in infrastructure.

## Results and Outcomes

### Improving water efficiency in the sugarcane sector

- The 2030 WRG is supporting the government of Karnataka to introduce the state-wide adoption of micro-irrigation for sugarcane, through a multi-stakeholder approach.

- Through these public-private partnerships, the 2030 WRG is helping to unlock blended finance through the government and commercial banks, including financial risk mitigation measures through tripartite arrangements between banks, sugar mills and farmers.
- The banks will loan the funds for drip irrigation to the state's 700,000 sugarcane farmers, while the government will pay for retrofitting infrastructure requirements in command areas.

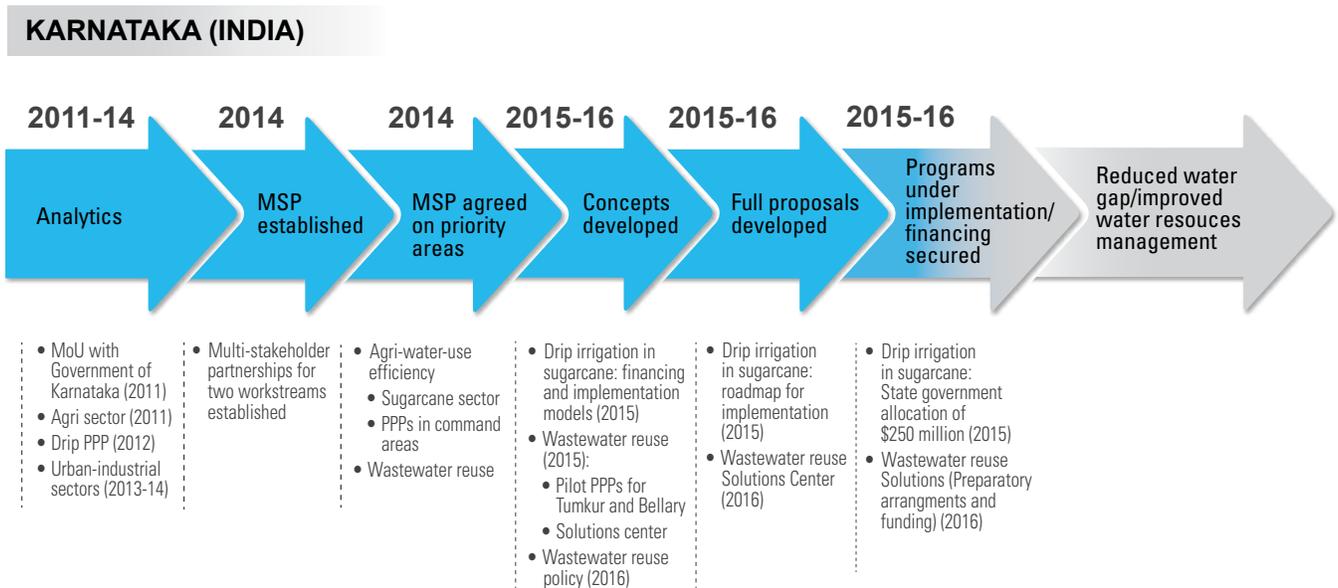
### Supporting market linkages

- The 2030 WRG is working on systematic market linkages with agribusiness companies under the Drip-to-Market Agro Corridor (DMAC). DMAC looks at scaling drip irrigation through a corridor approach, linked with market-based mechanisms for offtake of produce.
- Under this approach, 2030 WRG has facilitated six MOUs between the Government of Karnataka and private sector

agribusiness companies for procurement from the area, with additional partnerships structured through an alliance of agribusiness partners.

### Reusing wastewater

- The 2030 WRG, together with the Urban Development Department, the Department of Industries and Commerce, the Karnataka Pollution Control Board, private companies, civil society organizations, and academia, has instituted a formal committee to develop a policy framework to implement wastewater reuse in Karnataka.
- The 2030 WRG assisted the Urban Development Department in envisioning and formalizing a resource center to help urban local bodies and potential wastewater reuse customers identify viable projects, conduct financial and economic analysis, provide transaction support, and assist with the implementation of wastewater reuse projects.



### Who We Are

The 2030 Water Resources Group is a unique public-private-civil society collaboration. We facilitate open, trust-based dialogue processes to drive action on water resources reform in water stressed countries in developing economies. The ultimate aim of such reforms and actions is to close the gap between water demand and supply by the year 2030.

### Our Mission

If countries maintain a business-as-usual approach to managing water, we can expect a 40 percent gap between fresh water supply and demand by 2030. Our mission is to help countries achieve water security by facilitating collective action between government, private sector and the civil society.

### Contact

Bastiaan Mohrmann | Regional Co-Head Asia | [bmohrmann@ifc.org](mailto:bmohrmann@ifc.org)  
 L. V. Nagarajan | Program Representative Karnataka | [l.v.nagarajan@gmail.com](mailto:l.v.nagarajan@gmail.com)  
[www.2030wrg.org](http://www.2030wrg.org)