

MitKat Special Report – Cauvery Dispute – Recent Developments



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MitKat Advisory Services Pvt. Ltd.



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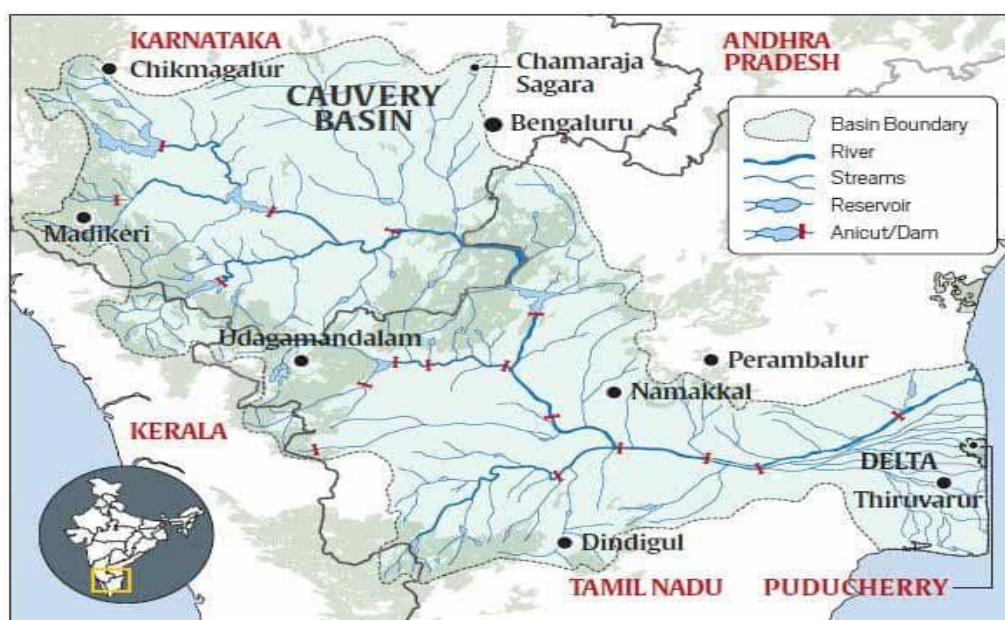
Introduction

Water-sharing in India has historically remained a matter of inter-state hostilities with consequences on governments, agrarian stakeholders, citizens, and businesses alike. Varied topographies, unpredictable monsoons, political changes, and ethno-nationalist entities have the potential of significantly heightening the narrative of these issues, and the Cauvery water dispute has been among the foremost topics in India's recent history.

The Cauvery River is a significant water body spanning the south Indian states of Karnataka, Tamil Nadu, Kerala, and the Union Territory of Puducherry. However, flare-ups and prolonged inconclusive discussions have primarily centred on the states of Karnataka and Tamil Nadu.

The geographic location of Tamil Nadu is such that historically it has relied on upper riparian states to meet its water needs. The Cauvery River originating in Karnataka is crucial for this purpose. Since 1974, inter-state disputes have caused occasional flare-ups, with the main issue of contention being a lack of consensus between the states of Karnataka and Tamil Nadu. During years of inadequate monsoon, the issue became more pronounced.

In 2018, the Cauvery Water Management Authority (CWMA) and the Cauvery Water Regulation Committee (CWRC) were established to ensure the implementation of the judgment. Since then, the two bodies have been holding meetings to take stock of the situation. In times of insufficient rains, the irrigation requirement of farmers of both states is not met which leads to the two states relitigating their dispute.



Source: Map of Cauvery River (India Express)

Latest Developments

- A monthly schedule is in place for Karnataka which stipulates the quantity of water to be released for Tamil Nadu. As per the schedule, Karnataka must provide Tamil Nadu at Biligundlu a total quantity of 177.25 TMC in a “normal” water year (June to May) and 123.14 TMC is to be given during the period from June to September. This is the season of the southwest monsoon, and it is during this period when the monsoon yields lower rainfall than anticipated that the Cauvery issue witnesses flare-ups.
- The CWMA, at its meeting on **11 August**, asked Karnataka to schedule its releases in such a way as to ensure that starting from 12 August, 10,000 cusecs of water were realized at Biligundlu for the next 15 days. Under such an agreement, Karnataka would have to provide **0.86 TMC a day or 12.9 TMC total in the 15 days**. It was also decided that based on future rainfall, there would be a re-evaluation of the quantity to be released.
- However, Tamil Nadu expressed its disapproval of Karnataka during the meeting to abide by the quantity that was agreed upon at the meeting of the CWRC the previous day— **which was a figure of 15,000 cusecs for 15 days**. On the other hand, Karnataka during the authority’s meeting, said it **would release only 8,000 cusecs up to 22 August**.
- Karnataka has argued that less-than-expected rainfall in the Cauvery catchment including in Kerala has led to the poor inflow to its reservoirs. Chief Minister Siddaramaiah has cited the data of the Meteorological Department, Kodagu, the district (Cauvery’s place of origin) to highlight that it **received 44 percent less rainfall from 01 June to 15 August** than what it was expected to experience and thus the state is not in a position to release the quantity of water demanded by Tamil Nadu.
- **On 14 August**, the Tamil Nadu government approached the Supreme Court and sought its intervention to make Karnataka immediately release 24,000 cubic feet per second (cusecs) from its reservoirs and ensure the availability of the specified quantity of water at Biligundlu on the inter-state border for the remainder of the month. It also requested the Court to order Karnataka to ensure the release of 36.76 TMC (thousand million cubic feet) stipulated for September 2023 as per the Cauvery Water Disputes Tribunal (CWDT)’s final award of February 2007 that was modified by the Supreme Court in 2018.
- **On 25 August**, the Supreme Court refused to pass an order while hearing a plea of the Tamil Nadu government to release 24,000 cusecs of Cauvery water stating that it does not possess expertise on the matter. On 28 August, CRWC passed an interim order asking Karnataka to release 5,000 cusecs of water to TN daily for the **next 15 days till 02 September**.

Recent Developments

- **Bharatiya Janata Party (BJP)** leaders and workers staged a protest on **21 August**, on the Bengaluru-Mysuru Highway in Mandya against the Congress government's decision to release Cauvery water to Tamil Nadu. Farmers' organizations and the JD(S) extended their support to the BJP's protest and raised slogans against the state government.
- **Aam Aadmi Party (AAP)** led by its State President Mukhyamantri Chandru joined the protest by the Federation of Karnataka Farmers' Associations against the release of water from Kabini reservoir in Mysuru to Tamil Nadu on **23 August**.
- Hassan district unit of the **Janata Dal (Secular)** party staged a protest in Hassan on 28 August, opposing the release of Cauvery water to Tamil Nadu and demanding that the State government declare the entire district as drought-hit.
- The farmers held a sit-in against the government in front of the Cauvery Irrigation Corporation office at the main gate of the KRS dam in Mandya on **29 August**.
- **On 30 August**, farmer unions protested the CWRC decision to release 5,000 cusecs of river water per day into Tamil Nadu for 15 days in Mandya. The protests took place near the Krishna Raja Sagara (KRS) dam. Farmers along with the members of the Bhoo Tayi Horata Samiti also demonstrated on the Bengaluru-Mysore highway.
- Farmers belonging to Karnataka Rajya Raitha Sangha (KRRS) launched a protest near the Krishnaraja Sagar (KRS) on **30 August**.
- Amma Makkal Munnetra Kazhagam (AMMK) has announced that a protest demonstration will be held near Mannargudi Periyar statue, Tiruvarur district on **05 September** in this regard.

Forecast

- While the Cauvery Water Regulation Committee (CWRC) has issued an order mandating the release of 5,000 cusecs of water per day for a duration of 15 days, it is anticipated that protests and agitations will continue due to differing interpretations and concerns regarding the execution of these directives.
- Further, the positions and priorities of political leadership in Karnataka and Tamil Nadu could influence the direction of the dispute. The approaching general election and the dynamic between the Congress and DMK parties might lead to shifts in negotiation strategies.
- As water becomes scarcer in the event of prolonged monsoon deficits, tensions between Karnataka and Tamil Nadu could escalate. Disagreements over water-sharing during deficit years might lead to protests, conflicts, and strained inter-state relations.
- Meanwhile, deficit water years could also prompt states and authorities to reevaluate and refine their water policies, considering factors like conservation, efficient use, and allocation strategies.

The shared challenge of deficit water might lead to renewed efforts in finding cooperative solutions between Karnataka and Tamil Nadu, emphasizing sustainable water management.

- Given the economic and social significance of the dispute, there could be increased efforts towards finding collaborative and negotiated solutions. Both Karnataka and Tamil Nadu might recognize the importance of resolving the issue in a way that accommodates the needs of both states while promoting sustainable water management.

Impact on Business

Protests arising from the Cauvery water dispute have been a recurring phenomenon, reflecting the deep-seated economic implications, and regional sentiments associated with the issue. These disruptions and uncertainties can impact various aspects of trade and economic activities:

- **Supply Chain Delays:** Industries relying on cross-border supply chains might experience disruptions due to protests, and disturbances related to the dispute.
- **Logistic Delays:** Protests and disturbances could lead to roadblocks and transportation delays, affecting the movement of goods between the states. The need for alternative transportation methods to bypass protest-affected areas can lead to higher transportation costs for goods in transit.
- **Security Implications:** Employees who commute through areas with ongoing protests might be at risk of encountering roadblocks, traffic disruptions/delays, and potential clashes, impacting their safety during travel. In the event of heightened inter-state tensions, vehicles with a Karnataka number plate may face hostility in Tamil Nadu, and vice versa.
- **Infrastructure Damage:** Businesses might face damage to their physical infrastructure, facilities, and assets due to vandalism, arson, or other forms of violence, in case of escalation.
- **Operational Cost:** If the issue persists, businesses might need to invest in enhanced security measures, such as hiring additional security personnel or upgrading security systems, to protect their assets and employees.
- Karnataka has faced a monsoon deficit in 2023, and in the event of sustained inadequate rainfall, the Cauvery water-sharing issue may witness protests, which could result in restrictive orders such as prohibitory orders aimed at maintaining law and order. These orders can involve limitations on movement, gatherings, and activities in specific areas affected by the protests.
- Further, buses and vehicles with registration of the other states might get targeted, resulting in tension between the two states.
- If the demands of the farmers are not addressed, the Cauvery water dispute has the potential to escalate into a more disruptive situation.

Conclusion

While the dispute surrounding the Cauvery water-sharing remains a complex and longstanding challenge with far-reaching implications for Karnataka and Tamil Nadu, the ongoing deliberations, including the roles of the Cauvery Water Management Authority and the Cauvery Water Regulation Committee, are likely to play a significant role in shaping the dispute's trajectory.

Moreover, the issue of deficit water in the context of the Cauvery water dispute underscores the intricate challenges faced by the riparian states of Karnataka and Tamil Nadu. The recurring deficits in water availability amplify the problem of equitable distribution, agricultural sustenance, and socio-economic stability.

As deficit years pose a heightened risk to the balance between the states, it becomes evident that sustainable water management, effective negotiation, and collaborative solutions are imperative to navigate this contentious issue.



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