



OFFICE OF THE VICE-PRESIDENT (OPERATIONS 1)

15 January 2004

To : Mr. Stephen Sedgwick
Chair, Board Inspection Committee

From : Vice-President (Operations 1) (*original signed*)

Subject : **Chashma Right Bank Irrigation Project (Stage III)**
– Comments on the draft terms of reference for the Inspection Panel

1. We appreciate the opportunity provided in your memo dated 4 December 2003, which invited Management's comments on the terms of reference (TOR) for the Chashma Inspection Panel. We have noted that the draft TOR are mostly consistent with the *Inspection Policy* and *Inspection Procedures*, and therefore have only a few comments.

2. **Review Steps and Timetable (Appendix 4).** We note that the Requesters and Management are to be given 15 days to comment on the draft Inspection Report (items 8 and 9 of Appendix 4). This step is not explicitly required in the *Inspection Procedure*. Based on the clarification we received from the Secretary, Board Inspection Committee (BIC), we understand that the commenting step before submission of the Panel's final report to the BIC will be followed by Management's formal response to the final report. We welcome the opportunity for additional consultation that will be provided by the commenting step, and have three suggestions to ensure that this step is fully fair and effective:

- (i) In addition to the Requesters and Management, the Government should be given the opportunity to comment on the draft report.
- (ii) 15 days will not be sufficient for Management to prepare comprehensive comments on the draft report, since the analysis involved will be equivalent to that required for our response to the final report. Therefore, we propose that a period of 30 days be given.
- (iii) The Panel's final report should include a discussion of the comments received from the Requesters, Management and the Government, and the Panel's corresponding responses.

3. **Executing Agency (Appendix 2).** The Project has three executing agencies comprising the Water and Power Development Authority of Pakistan (WAPDA), the Northwest Frontier Province, and the Province of Punjab. The latter two should be added to paragraph 4 of Appendix 2.

4. **Suggestion on Engagement of Consultants (para. 12).** As provided in paragraph 12 of the draft TOR, the Panel may propose the engagement of one or more consultants if the

Panel determines that it does not possess all the technical expertise required to conduct the inspection. Given the scale and complexity of the Chashma project, we consider that expertise in the field of irrigation engineering and hydrology is essential to comprehensively investigate ADB's actions on project design, environmental assessment, supervision of implementation, and remedial measures. However, we note that the Panel members do not have this expertise. Therefore, we strongly recommend that the Panel engage a specialist in irrigation engineering and hydrology as a consultant to the Panel.

cc: President
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