

The Inspection Committee has made available the final report prepared by ADB's Management on progress of the Grievance Redress and Settlement Committee (GRSC), the comments of the Requesters on the final report, and the additional information from Management in response to the Inspection Committee's inquiries. In doing so, the Inspection Committee does not accept responsibility for the accuracy of the contents of the final report, the comments, and the additional information, or for the opinions expressed in them. These are the responsibility of the parties that prepared the report, the comments, and the additional information.

CHASHMA RIGHT BANK IRRIGATION PROJECT (STAGE III) (Loan 1146-PAK [SF])

FINAL REPORT ON

THE GRIEVANCE REDRESS PROCESS

February 2004

I. INTRODUCTION

1. Submitted herewith is the final report on the grievance redress process to resolve the outstanding issues of the Chashma Right Bank Irrigation Project (Stage III) (the Project). In para. 28 of the ADB Management's Response to the Request for Inspection that was submitted to the ADB Board Inspection Committee (BIC) on 7 February 2003, Management committed to report to the BIC on the Grievance Redress and Settlement Committee's (GRSC) operations, recommendations, and implementation thereof following completion of the GRSC's work.

2. Management submitted its Mid-Term Report (MTR) on the Progress of the Grievance Redress Process to the BIC on 29 July 2003, in accordance with the requirements of para. 103 of the BIC's recommendation report that was approved by ADB's Board of Directors on 2 April 2003.¹ ADB Management submitted supplementary explanations requested by BIC on 12 September 2003. On 29 September 2003, the BIC considered these documents as well as two responses from the Requesters dated 29 August and 4 September 2003, and decided not to commence the inspection process immediately but wait until December 2003.

3. As reported in paras. 2-6 of the Mid-Term Report, the timeframe for GRSC operations was revised in May 2003, moving the completion of the GRSC's activities from 3 November 2003 to 31 December 2003. In accordance with the revised timeframe, submission of the final report of the GRSC operations was moved to January 2004. This report was prepared based on the GRSC's End-of-Tenure Report that was received by ADB in an e-mail on 5 February 2004 (Appendix 1), in addition to the findings of various ADB missions to the Project area. The report also discusses the progress of other actions to address the concerns of the affected people.

II. GRIEVANCE REDRESS AND SETTLEMENT COMMITTEE (GRSC)

A. Composition of GRSC

4. Nomination of the GRSC members was completed by 19 May 2003.² In accordance with the terms of reference (TOR),³ the GRSC was composed of the members shown in Table 1 below.

¹ ADB. 12 March 2003. Report of the Board Inspection Committee to the Board of Directors on the Request for Inspection on Chashma Right Bank Irrigation Project (Stage III) in the Islamic Republic of Pakistan.

² The process of establishment of GRSC and nomination of its members is described in paras. 2 to 4 of the MTR.

³ The TOR for GRSC are attached as Annex 3 to the End-of-Tenure Report in Appendix 1.

Table 1: GRSC Members

Name	Member Title	Remarks
Mr. Muhammad Aqil Mirza	Chairperson/National Legal Expert	Retired High Court Judge.
Mr. Muhammad Bilal	Representative of the federal Government's Economic Affairs Division (EAD)	EAD official.
Mr. Saif-ur-Rehman	Representative of WAPDA	Director (Headquarters), Chashma Right Bank Canal.
Mr. Bagh Ali Shahid (Alternate: Mr. Abdul Rehman Baig)	Representative of Government of Punjab	Chief Engineer, D.G. Khan, Irrigation and Power Department (IPD). The alternate is Senior Engineer, IPD.
Mr. Mohammad Iqbal	Representative of Government of North West Frontier Province (NWFP)	Executive Engineer, Irrigation and Power Department.
Mr. Muhammad Shafi Ghauri in August 2003 who replaced Mr. Abdul Wahab Khan	National Land Acquisition Expert	Mr. Khan is a retired magistrate. Upon completion of Mr. Khan's contract, he was replaced by Mr. Ghauri, who is a retired revenue officer.
Mr. Jamshed Tirmizi	International Resettlement Specialist	Consultant (Sociologist/Anthropologist)
Mr. Latifullah Khan Alizai	Nazim of Dera Ismail Khan (D.I. Khan) District, NWFP	Elected head of the district.
Mr. Sardar Jamal Khan Leghari (Alternate: Mr. Muhammad Tariq Khitran)	Nazim of Dera Ghazi Khan (D.G. Khan) District, Punjab	Elected head of the district. The alternate is the Nazim of Jalowali Union Council cum District Council member.
Mr. Soaib Nasir Main Khel	Representative of Affected People, D.I. Khan District	Mr. Alizai nominated Mr. Khel in consultation with the District Council members. He is the Nazim of Garaisa Khan Union Council.
Mr. Saedar Muhammad Akram Khan Malghani who replaced Mr. Iftikhar-ul-Hassan Sangi, who resigned in September 2003	Representative of Affected People, D.G. Khan District	Mr. Sangi is a farmer/landowner, nominated by Mr. Leghari and approved by the District Council. Resignation was for personal reasons. Mr. Malghani is the Nazim of Sokkar Union Council.

B. Timeframe of GRSC Activities

5. Due to the delay in full nomination of the GRSC members, the GRSC revised the timeframe provided in the TOR and prepared a new work plan. Table 2 shows the originally envisaged timeframe in the Memorandum of Understanding (MOU) on GRSC dated 28 January 2003, and the actual dates of GRSC's accomplishments.

Table 2: Timeframe of GRSC Activities

Milestones	Timeframe in MOU and TOR	Actual Dates
Commencement of GRSC activities	3 March 2003	20 May 2003
Finalization of detailed working method and plan	Within five days of constitution (8 March 2003)	25 May 2003

Milestones	Timeframe in MOU and TOR	Actual Dates
Preparation of entitlement matrix	Within 15 days of constitution (20 March 2003)	First draft 10 June 2003 (21 days after constitution). Finalized on 3 July 2003 (44 days after constitution)
Preparation of categories of loss	Within 21 days of constitution (26 March 2003)	First draft 10 June 2003 (21 days after constitution). Finalized on 3 July 2003 (44 days after constitution)
Receipt of grievances	To be completed 3 months after constitution (3 June 2003)	Completed on 15 September 2003, extended by 15 days from the planned date (3 months and 26 days after constitution)
Recommendations on remedial measures	Within 5 months after constitution (3 August 2003)	Submitted on 15 October 2003 (4 months and 25 days after constitution)
Monitoring of implementation of GRSC recommendations	Within 8 months after constitution (3 November 2003)	Until 31 December 2003 (5 months and 11 days after constitution)

C. GRSC Meetings

6. The GRSC met 13 times, as listed in Table 3 below:

Table 3: GRSC Meetings and Agendas

Date and Place	Agenda
3 March 2003, D.I. Khan	<ul style="list-style-type: none"> • Preliminary meeting • Status of land acquisition and proposals to accelerate the land acquisition process (only 3 members attended)
20 May 2003, D.I. Khan	<ul style="list-style-type: none"> • Inaugural meeting • Orientation on the project
21 May 2003, D.I. Khan	<ul style="list-style-type: none"> • Method of operations and work plan
22 May 2003, D.I. Khan	<ul style="list-style-type: none"> • Detailed work plan
5 June 2003, D.I. Khan	<ul style="list-style-type: none"> • Plan for information dissemination • Establishment of information centers • Field consultations and site visits • Hearing of special interest groups, including nongovernmental organizations (NGOs) • Presentation by one of the Inspection Requestors to the GRSC members
18 June 2003, Taunsa	<ul style="list-style-type: none"> • Progress of the public information campaign • Acceleration of land compensation payments • Draft entitlement matrix
3 July 2003, D.I. Khan	<ul style="list-style-type: none"> • Approval of the entitlement matrix • Progress of the public information campaign • Acceleration of land compensation payments
22 July 2003, D.I. Khan	<ul style="list-style-type: none"> • Acceleration of land compensation payments • Additional public information campaign • Translation of the entitlement matrix

Date and Place	Agenda
4 August 2003, Taunsa	<ul style="list-style-type: none"> • Report on land acquisition status and constraints (this should have been submitted by the National Land Acquisition Expert, but was not delivered) • Fresh advertisement and publicity plan of the entitlement matrix and acceptance of grievances during August 2003 and thereafter • Approach to address the technical aspects of the irrigation system • Appearance of one of the Inspection Requesters at the meeting
28 August 2003, D.I. Khan	<ul style="list-style-type: none"> • Land acquisition status and constraints • Floods on 20 August 2003 (the meeting did not have the quorum of seven members)
18 September 2003, D.I. Khan	<ul style="list-style-type: none"> • Extension of the last date for receiving grievances from 31 August 2003 to 15 September 2003 • Constraints to land compensation payment • Technical issues that need to be addressed by the Irrigation Departments
11 October 2003, D.I. Khan	<ul style="list-style-type: none"> • Approval of GRSC's recommendations for remedial measures
29 December 2003, D.I. Khan	<ul style="list-style-type: none"> • Status of implementation of the recommendations • Contents of the end-of-tenure report. • Closure of GRSC office effective 31 December 2003

D. Information Dissemination and Consultations

7. The GRSC commenced its activities with a series of publicity campaigns to announce the establishment of GRSC and the mechanism of the grievance redress process. Announcements were made through various means, including newspaper advertisement, distribution of several thousand handbills and posters, public meetings with Union Council members, oral announcements using loudspeakers at about 200 village mosques, and GRSC members' field visits (for details see paras. 8-10 of MTR). All of the 22 villages located in the flood-impact zone in the west of the main canal were visited by GRSC members and consultations were made on villagers' perspectives about flood risk, flood protection measures, and compensation. The tails of 10 of 19 flood carrier channels (FCCs) were visited and people living near the tails of the FCCs that were not connected to the Indus River were consulted. Similarly, several tails of distributary canals were visited and people were consulted in villages experiencing excess water flows from the canal tails due to inadequate irrigation management. Within the irrigation command area, people were consulted mainly through orientation workshops at Union Councils and interviews during village visits. Given the large scale of the Project, covering about 135,000 ha in the command area alone and with estimated population of about 350,000, full consultation with the entire population in a limited period was not feasible; as such the Project area needed to be covered quickly, purposively and selectively.⁴ However, the GRSC could effectively conduct its activities in a participatory and consultative manner in collaboration with elected Union Councils in the Project area.

8. Based on the consultations and discussions with the people, local government, and implementing agencies, the GRSC drew up an entitlement matrix that specified nine main categories of loss to match the situation of the Project. Subsequent to GRSC's approval of the entitlement matrix on 3 July 2003, the GRSC announced the matrix to the public through the channels of the Union Council secretaries and media. An Urdu-language version of the entitlement matrix was published in three local newspapers: the daily *Sada-E-Haq* and *Apna*

⁴ See page 4 of the End-of-Tenure Report.

Akhba on 4 August and weekly *Al Monzoor* on 16 August 2003 (Appendix 2). Handbills about the entitlement matrix were distributed in the entire project area, followed by village-to-village announcements made from vehicle-mounted loudspeakers.

E. Receipt of Grievances

9. The GRSC received grievances during the period from 4 July to 15 September 2003. In total, 8,914 persons filed 5,212 separate grievances. The GRSC issued a brief Receipt-of-Grievance Status Report on 22 September 2003, summarizing the categories of grievances received (Appendix 3). The percentage breakdown of grievances received can be grouped into the categories of loss in the entitlement matrix as shown in Table 4 below.⁵

Table 4: Grievances Received by Category of Loss

Types of Losses in the Entitlement Matrix	%
1. Permanent loss of land	15.2
2. Damage to land	11.5
3. Severance of agricultural land holding	9.6
4.1 Permanent loss of land resulting a farmer's entire agricultural holding being reduced to 5 acres or less	0.0 (1 claim)
4.2 Temporary loss of access to land for cultivation	no claims
4.3 Loss of standing crops, orchards and trees	19.0
4.4 Reduced opportunity for grazing and fuel wood collection etc. in previously unirrigated land	32.4
4.5 temporary closure of business, shop, etc.	1.3
4.6 Relocation of business, shop, etc.	0.3
5. Loss of productive agricultural infrastructure	0.8
6. Loss of public infrastructure	0.1
7. Loss of commercial infrastructure	3.0
8. Loss of dwelling	2.0
9. Exclusion of land previously irrigated by Rod Kohi	0.3
Other grievances on irrigation and infrastructure	4.5
TOTAL	100.0

F. Recommendations for Mitigation of Adverse Impact

10. The GRSC reviewed all grievances received and prepared recommendations that were approved in the GRSC meeting held on 11 October 2003 with majority support. The final recommendation report was submitted to the Ministry of Water and Power (MOWP) on 15 October 2003 (Appendix 4). Sixteen specific recommendations were made covering the categories of loss indicated in the entitlement matrix. Copies of the individual grievances for each category were forwarded to the agencies responsible for taking recommended actions.

11. The GRSC recommendations comprised: (i) a compensation premium of 25% for involuntary land acquisition, instead of the usual 15%, and prompt resolution of all pending land acquisition cases; (ii) payment of interest on delayed compensation should cover the entire

⁵ For clarity, item 4 is disaggregated into sub-items based on the detailed data on grievances received.

period from the date of possession of land to date of payment; (iii) prompt resolution of compensation claims for damage to land, buildings, crops and trees; (iv) provision of five acres of new land to farmers whose holdings were reduced to less than five acres as a result of land acquisition; (v) providing irrigation water access to farms at high elevations within the command area; (vi) provision of new housing plots to landless households in the flood impact zone west of the main canal; (vii) provision of facilities so that families can access canal water for household and livestock uses; (viii) extension of incomplete flood carrier channels to the Indus River; (ix) narrow protection bunds for two west bank villages should be rebuilt at a reasonable distance from dwellings; (x) linking of communities to existing programs for education, health, sanitation, agriculture and microcredit; and (xi) improvements in irrigation water management and distribution.

12. A summary of the recommendations was published through local Urdu-language newspapers: the daily *Sada-E-Haq* on 31 October 2003, and *Apna Akhba* and the weekly *Al Monzoor* on 3 November 2003 (Appendix 5). Copies of the full recommendations were also distributed to Union Councils in the project area for distribution to interested people.

G. Implementation of the Recommendations

13. The MOU signed by ADB and the Government on 28 January 2003 provides that “WAPDA and Provincial Governments will be responsible for implementing the GRSC’s recommendations consistent with the national laws and procedures therein (para. 4).” Following the submission of the recommendation report, the GRSC requested Government agencies concerned to implement the recommended actions within the timeframe agreed to by GRSC. However, WAPDA initially rejected GRSC’s recommendations on: (i) the 25% compensation premium; (ii) provision of pump sumps along the main canal for lift irrigation from distributaries because this would be is topographically impossible; (iii) rebuilding the protection embankment for Katehra and Hafiz Abad villages; (iv) provision of animal watering facilities in the protected villages in the west of the main canal; and (v) provision of five *marlas* (104.5 m²) of residential land to households that opted to relocate from the flood impact zone (WAPDA indicated this is a policy matter to be decided by the Government). WAPDA only agreed to the extension of the incomplete FCCs, for which a survey was being undertaken.⁶

14. A meeting to discuss GRSC’s recommendations was held on 8 December 2003, chaired by the Secretary, MOWP, and attended by personnel from WAPDA and the provinces of NWFP and Punjab, the Chairman, GRSC, the International Resettlement Specialist, the National Land Acquisition Expert, and the ADB Mission. The meeting concluded:

- (i) All recommendations, including those earlier rejected by WAPDA, except Recommendation #1(b) (25% compensation premium), were accepted by the Government;
- (ii) No consensus on Recommendation #1[b] was reached between GRSC and the Government. The Government deems that land acquisition was executed by WAPDA on behalf of the Provincial Governments and not for WAPDA itself;
- (iii) The Government agreed to make timely effort to implement the recommendation to provide five acres of land for smallholders whose land was reduced to less than five

⁶ WAPDA’s response was received through a fax to ADB dated 15 November 2003.

acres as a result of land acquisition (Recommendation #5), based on past practices and conventions;

- (iv) Recommendations #11 and #12 for provision of five marlas of land (104.5 m²) to the vulnerable dwellers in the flood impact zone were accepted by the Government for an indicative limit of about 100 households, pending the census survey that is currently underway to identify eligible claimants;
- (v) The GRSC would update the implementation schedule of all required actions, with completion targeted by 29 February 2004; and
- (vi) MOWP would issue instructions to the concerned departments according to the revised schedule to be provided by GRSC.

15. The GRSC subsequently revised the implementation schedule (Annex 2 to Appendix 1) for completion of recommended actions by 29 February 2004, and circulated it to all concerned Government agencies. Before the closure of the GRSC on 31 December 2003, no action had been reported by the concerned agencies, except for the survey conducted for extension of the FCCs. However, in a meeting held with ADB on 9 February 2004, MOWP and WAPDA confirmed the revised implementation schedule. MOWP and WAPDA are responsible for longer-term monitoring, as provided in para. 18 of the TOR for the GRSC which states *“After resolution of the Committee, GOP will make arrangements for the long-term monitoring and evaluation of the implementation of the recommendations of the Committee and of the entire Project.”* ADB will continue to follow up with the Government on the progress of the implementation.

16. To assist the Government in implementing its recommendations, the GRSC identified three specific aspects that required technical expertise, comprising: (i) gender and social development, (ii) irrigation management, and (iii) participatory assessment in the flood impact zone. GRSC prepared TOR for three consultants in these fields (Appendix 6), who were subsequently recruited by ADB. The consultants were fielded in mid-December 2003.

H. Consultations with Inspection Requestors

17. In line with its policy to involve public interest groups, NGOs, and any other groups of affected persons, the GRSC made efforts to consult with the Inspection Requestors. This approach was also consistent with the BIC’s recommendation in para. 94 of its March 2003 report, which states *“BIC would encourage all parties, with good will, to avail themselves of the opportunity the GRSC presents. The BIC strongly urges all stakeholders to support and participate in the grievance redress process to create the optimum conditions for them to succeed within the eight-month timeframe.”*

18. Subsequent to a meeting with one of the Inspection Requestors on 5 June 2003,⁷ the GRSC invited all Inspection Requestors to attend the GRSC meetings held on 22 July and 4 August 2003. Although these invitations were ignored or rejected by most of the Inspection Requestors, one Requester, Mr. Muhammad Shafi Qaisrani, a representative of the Chashma Affectees Committee, came to the GRSC meeting on 4 August 2003 and conveyed his group’s concerns about the Project. Subsequently, on 7 August 2003, a GRSC member, together with the ADB Mission, visited Mr. Qaisrani’s house in Tibbi Qaisrani village and listened to his complaints in detail. A summary of the discussion is in Appendix 7.

⁷ For details, see para. 12 and Appendix 5 of the MTR.

19. On 23 August 2003, the GRSC received an invitation from the office of Mr. Mushtaq Gadi, one of the Requesters, to attend a consultation meeting with the project affectees to be held the following day (24 August 2003), but “only as an observer.” Due to the short notice and the limited role as an observer, the senior GRSC personnel could not participate in the event, but one GRSC office staff was sent to observe the meeting. He subsequently informed GRSC that: (i) the meeting was held in a tent set up outside the Taunsa Town Hall and attended by about 150 people; (ii) two speakers gave speeches that urged the participants to: (a) not cooperate with GRSC, and (b) not pay *abiana* (irrigation service fee) to the Government; and (iii) apart from these speeches, there was no apparent consultation with the participants or opportunity for them to air their views. Although the GRSC was concerned about this effort to disrupt the grievance redress process, the GRSC later concluded that the meeting had relatively little negative impact on GRSC activities, as demonstrated by the large number of grievances registered.⁸

I. ADB’s Support for GRSC

20. As provided in para. 20 of the GRSC’s TOR, ADB financed the costs of the national land acquisition expert, the international resettlement specialist, the national legal expert, the secretary and support staff to the GRSC, and local consultant assistance, along with other operational costs of GRSC. ADB provided its financial support for the GRSC activities through a technical assistance grant and ADB’s separate administrative budget.⁹ ADB staff closely followed the activities from GRSC’s establishment to its closure, and provided prompt support whenever requested. In total, ADB fielded five missions from Headquarters in Manila and six missions from its Pakistan Resident Mission between May and December 2003. ADB staff attended 10 of the 13 GRSC meetings as an observer.

III. OTHER ACTIONS TO ADDRESS THE OUTSTANDING ISSUES

A. Land Acquisition and Compensation

21. As of 31 January 2004, awards of compensation had been announced for 4,052 acres (67% out of 6,061 acres acquired) in NWFP, and 8,900 acres (92% out of 9,720 acres acquired) in Punjab.¹⁰ These figures compared with 2,688 acres (44%) in NWFP, and 4,815 acres (50%) in Punjab Province as of 22 July 2003, as reported in the MTR.

22. Although the progress in Punjab has accelerated significantly, it is still behind the targets as assured by the Punjab Board of Revenue at the Provincial Project Coordination Committee meeting on 14 October 2003, i.e., completion of all award announcements by 31 October 2003 and all payments by 31 December 2003. Similarly, the progress in NWFP is behind the target as expressed by the NWFP Government in the meeting held at MOWP on 2 October 2003, according to which announcements of all awards were to be completed by 30 November 2003. The GRSC’s analysis of the slow process of the land acquisition is provided in pages 10 and 11 of Appendix 1. ADB will further monitor progress.

⁸ Information in this paragraph is based on the ADB Mission’s communication with GRSC members and an interview with the GRSC office staff who attended the meeting in Taunsa.

⁹ TA No. 4127-PAK: Rural Livelihood Enhancement through Participatory Resettlement in Irrigation Development, approved for \$150,000 on 13 June 2003. Additional administrative expenses, including those for staff consultants, totaled about \$100,000.

¹⁰ Based on information provided by the Government to ADB in a meeting held on 9 February 2004.

B. Hill Torrent Management Plan

23. Subsequent to the approval in June 2003 of the PC-2 document (Government project concept and budget) for an updated feasibility study on the hill torrent management plan,¹¹ the Irrigation and Power Department of the Government of Punjab (IPD-Punjab) initiated recruitment of consultants (para. 23 of MTR). A contract with the selected consulting firm (National Engineering Services Pakistan [Pvt] Limited) was signed in early February 2004. The study is ongoing currently and is scheduled to finish in September 2004. ADB expressed its willingness to finance the study from the Project loan proceeds. However, IPD-Punjab decided to use its own resources for the study. Provided that the loan closing is extended,¹² ADB will review the feasibility of this plan and will consider financing its implementation from the Project's loan savings.

C. Environment Management Plan

24. The Environment Management Unit (EMU) was established within WAPDA in May 2003 (para. 24 of MTR). On 11 August 2003, a meeting on the environment component of the National Drainage Sector Project (NDSP)¹³ was held between EMU, the Punjab Provincial EMU, and ADB. It was agreed that: (i) the EMU would review the environment management plan (EMP) for the Project prepared in 1995¹⁴ and a proposal for a salinity management plan that had been prepared in 2001;¹⁵ (ii) based on these documents, EMP would prepare a draft proposal for implementation of the EMP and submit it to ADB; and (iii) the draft proposal would be reviewed by the stakeholders, including the Inspection Requesters.

25. In January 2004, EMU submitted a draft EMP that would, prior to its finalization, be discussed at stakeholder workshops scheduled for 10 February 2004 at D.I. Khan and 11 February 2004 at Taunsa. The Government agencies concerned, local environmental NGOs, and the Inspection Requesters were invited to the workshops, in which an ADB Mission also participated. There were about 45 participants in each of the two workshops, including the representative of the Chashma Affectees Committee (Mr. Qaisrani, see para. 18), representatives of local NGOs that are active in the fields of social welfare, agriculture, forestry and natural resources, representatives of women, local councilors, and lawyers. However, with the exception of Mr. Qaisrani, other Requesters did not attend.¹⁶ The two workshops in principal agreed to the draft EMP and provided a number of practical suggestions on its implementation.

¹¹ Two previous studies were conducted during the 1990s, namely, Japan International Cooperation Agency, October 1992, *Feasibility Study of Irrigation Based Upon Flood Flows of D.G. Khan Hill Torrents*; and NESPAK, February 1996, *Master Feasibility Studies for Flood Management of Hill Torrents of Pakistan, Flood Management of D. G. Khan Hill Torrents*.

¹² During the meeting held at MOWP on 8 December 2003 (para. 14 above), WAPDA informally agreed to a further 12-month extension of the loan closing date, which passed on 31 December 2003, but no formal request for extension has yet been received from the Government. ADB is following up on this issue.

¹³ Loan No. 1413-PAK (SF), approved for \$140 million in December 1995.

¹⁴ Sir. MacDonald & Partners Ltd. et al., *Supporting Report-I, Environment Management Plan of Chashma Right Bank Irrigation Project, Strengthening Environment Management for Water Resource Development in WAPDA Project*, March 1995 (financed by ADB TA 1629-PAK).

¹⁵ AHT International GmbH, *Salinity Management Plan Proposal*, Project Management Consultancy Report, No. PMC 34, June 2001 (financed by ADB Loan 1146-PAK).

¹⁶ On 9 February 2004, one of the Requesters (Mr. Mushtaq Gadi) informed ADB that he would reject the EMU's invitation to participate in the workshops.

Finalization and implementation of the EMP, which is covenanted under the loan agreement of NDSP, will be closely monitored by ADB.

D. Improvement of the Irrigation System and Management

26. As reported in para. 27 of the MTR, inadequate irrigation management by users is considered to be causing periodic shortfalls or excess flows of irrigation water. The Government of Punjab held a Provincial Project Coordination Committee meeting on 14 October 2003, chaired by the Chairman, Planning and Development Board, and attended by WAPDA, IPD, the Agriculture Department, the Department of Finance, and the Board of Revenue. In the meeting, IPD-Punjab expressed concern about the quality of construction works and improper functioning of the irrigation system.¹⁷ After the meeting, IPD-Punjab submitted a detailed list of defects in the irrigation system to the provincial Planning and Development Department. WAPDA and IPD-Punjab are undertaking repairs of the defects, including rectification of defective civil works by the defaulting contractor. In order to improve the irrigation system, IPD-NWFP submitted a proposal for a subproject under NDSP to improve the canal system in the NWFP command area, including that of Stages I and II of Chashma Right Bank Irrigation Project. The subproject proposal was reviewed and approved by the NDSP Project Office and by ADB, and will be implemented under NDSP.

27. In addition to these efforts, a consultant has been working in the field to clarify the issues related to irrigation management (para. 16). The findings of this specialist are scheduled to be available by end-March 2004, and will be discussed with WAPDA, the Provincial IPDs, and the Provincial Agriculture Departments, prior to being finalized for implementation.

E. Cross Drainage Structures on the Indus Highway (para. 25 of MTR)

28. The National Highway Authority, which is responsible for the construction of the crossing structures, is constructing causeways at four FCCs (Para Rabit, Bhati, Jat Wah, and Mahoi). The ADB Mission in October 2003 visited the construction sites to observe progress (see pictures in Appendix 8). According to WAPDA, the works were nearly complete as of 12 February 2004, except for surface treatment for the causeways and stone-pitching works on the bed of FCCs for protection of the causeways.

F. Incomplete Flood Carrier Channels (para. 26 of MTR)

29. Subsequent to the discussions with the ADB Mission in August 2003, WAPDA officials carried out field investigations and concluded that two FCCs, Mahoi and Jat Wah, need to be extended to the Indus River. WAPDA informed ADB that the survey work was completed in November 2003, the design has been submitted for WAPDA's internal approval, and tenders are being invited for completion by end-June 2004. Extension of the FCCs before the onset of the next rainy season (around July 2004) was also recommended by GRSC (Recommendation #15), to which WAPDA agreed. ADB will monitor the progress of this work.

G. Other Preventive Measures for Future Floods

30. The ADB Mission fielded in October 2003 requested WAPDA to: (i) expand the bridge at Sokkar village and strengthen the compaction of the protection bund; and (ii) install a culvert on

¹⁷ IPD-Punjab recognizes that the operational teething problems associated with any newly developed, large-scale irrigation system have been amplified because of the defects of the construction works.

the district road that crosses the main canal at RD 804 near Barewali village,¹⁸ so that flood water can be drained to Chit Bantri superpassage.¹⁹ WAPDA agreed to investigate these matters and take appropriate actions. WAPDA also informed the Mission that a protection embankment will be provided for Distributary No. 53, which was breached by the flood on 20 August 2003. The design survey is underway and ADB is monitoring progress.

H. Floods in August 2003

31. On 20 and 27 August 2003 the Project area had relatively heavy rainfalls, which led to flooding in and around the Project. Because the Inspection Requesters subsequently made claims to the BIC about the consequences of this event, it is appropriate to describe herein the actions taken by WAPDA and GRSC, and the findings of a subsequent ADB review mission.

32. In late August the GRSC and WAPDA informed ADB in a series of phone calls and e-mails that the floods had damaged cotton fields at the end of the incomplete FCCs and Project structures at some locations. This information included: (i) the protection bund for Sokkar village had been eroded at one spot due to hill torrent flows on 20 August 2003; (ii) WAPDA staff and the GRSC members visited Sokkar village on 23 August 2003 to investigate the situation, and identified necessary repair work for the damaged section of the bund; (iii) the water had not entered inside the protection bund and, thus, there was no damage to Sokkar village; (iv) from the tails of Jat Wah and Mahoi FCCs, water passed through the river belt to the Indus River, causing damage to cotton fields lying along the passes; (v) apart from the flooding at the end of the FCCs, many other locations in the river belt were also flooded due to increased water level of the Indus River, rather than the incomplete FCCs; (vi) the lining of Distributary No. 53 was damaged by hill torrents between RD 4 and 17; (vii) on 27 August 2003, due to diversion of the nullah (flood path) flow by villagers upstream, the main canal embankment was breached at five locations between RD 580 and RD 583, and the canal lining was damaged at one location; (viii) the protection bund at Sokkar village that was repaired after the flood of 20 August 2003 functioned adequately during the flood of 27 August 2003; (ix) a strip of barren land was inundated by water trapped by the embankment in many locations along the main canal; and (x) according to local people, one person died in the area west of the main canal due to flood water from hill torrents, but this incident was not related to the Project.²⁰

33. A letter from the Inspection Requesters to the Chairman, BIC dated 4 September 2003 claimed that significant damage occurred due to the floods. The letter states "More than 300 houses were washed away, three persons died, and a breach occurred in the flood protection embankment of Sokkar village," and "according to formal reports from the project area, more than 80,000 acres of land in the riverine belt was severely flooded in the recent rains, and standing cotton crops was destroyed." The letter, however, did not indicate the source of the formal reports, or whether the alleged losses occurred in the Project area, or whether they were due to the Project.

¹⁸ RD (reduced distance) indicates the distance from the starting point of the canal in thousand feet. The main canal of the Stage III Project starts at RD380 and ends at RD849.

¹⁹ The ADB Mission visited the village in early August 2003 and was informed by the villagers that when floods come, the water along the main canal embankment is trapped by the road and does not drain to Chit Bantri FCC. This damages the crop field near the road and endangers some houses. The road was breached by the floods in late August 2003 (see paras. 31-34).

²⁰ Project-induced floods may be caused by water inundation being trapped at the embankment of the main canal, but floods from the hills would hit the villages regardless of the existence of the Project.

34. The ADB Mission in October 2003 visited the area along the main canal between Vahowa Nullah and Distributary No. 49 (from RD579 to RD814) to examine the effects of the flood, particularly focusing on the statements of the Inspection Requesters.²¹ The Mission noted that: (i) the main canal embankment was breached at five locations near Vahowa Nullah, but this had been repaired by WAPDA, and the breaches did not cause any damage in the command area; (ii) there was no remaining stagnant flood water at the 11 superpassages visited by the Mission, except for small ponds in some parts of nullah beds; (iii) flood water had mostly disappeared from the area visited along the main canal embankment, and a large area of barren land that was once submerged was being tilled for cropping, which indicates a positive impact; (iv) there had been no flood damage at all in Sokkar village, although the protection bund was partly eroded (but not breached) at one section due to increased water velocity at a narrow bridge on the district road near the bund;²² and (v) the eroded spot of this bund was repaired by WAPDA immediately after the incident. The Nazim of Sokkar Union Council confirmed the Mission's findings about Sokkar village. WAPDA also informed the Mission that the Provincial Board of Revenue investigated the damages in the river belt for compensation under its flood mitigation program. Overall, the Mission was unable to substantiate the Requesters' claims about flood losses. Pictures of some of the sites visited by the Mission are shown in Appendix 9.

IV. CONCLUSION

35. Overall, ADB Management believes that the GRSC has performed well and in accordance with its TOR. If the recommendations accepted by the Government are fully and promptly implemented, the Project-affected persons will be measurably better off than would have been the case without GRSC. Although the Government has not accepted all of GRSC's recommendations, ADB will continue its dialogue with the Government on the implementation of all GRSC recommendations and all other remedial measures for redress of any outstanding entitlements of the Project-affected persons.

Appendixes

1. *GRSC's End-of-Tenure Report, January 2004 (includes Entitlement Matrix)*
2. *Entitlement Matrix Advertised in Local Newspaper*
3. *GRSC's Receipt-of-Grievances Report, September 2003*
4. *GRSC's Recommendations for Adverse Impact Mitigation and Grievance Redress and Settlement, October 2003*
5. *Summary of GRSC Recommendations Announced Through Local Newspapers*
6. *Terms of Reference for Three Consultants*
7. *Summary of Discussions with Mr. Qaisrani*
8. *Progress of Construction Works for Causeways along the Indus Highway*
9. *Pictures of Flood Sites in August 2003, Showing Improvements*

²¹ The Mission visited 11 superpassages, including Sheikh Para, Litra, Para North, Bathi, Qaisrani, Rad Kanwan, Para left, Bighari, Bughlani, Jat Wah, and Chit Bantri.

²² The bridge crossing the nullah is narrower than the width of the nullah and, therefore, the road embankment at both sides of the bridge blocked the flood flows. Being narrower at the bridge, the velocity of the floodwater that hit the protection bund increased.