

## **Asian Development Bank Accountability Mechanism Compliance Review Panel**

### **Terms of Reference for Monitoring under the Chashma Right Bank Irrigation Project (Stage III) Inspection Request**

#### **I. Introduction**

1. The Terms of Reference (TOR) of the Compliance Review Panel (CRP)'s monitoring under the Inspection Request for the Chashma Right Bank Irrigation Project (Stage III) - the Project - are provided below. The TOR is for use by the CRP and interested parties, including ADB's Board of Directors (Board), the Board Compliance Review Committee (BCRC), ADB Management and staff, the Government of Pakistan (GoP) and the executing agencies,<sup>1</sup> the requesters<sup>2</sup> and members of the public.

2. The Board decided on the Chashma Project Inspection Request on 19 August 2004. Details on the Chashma Project Inspection Request, including the Inspection Panel's Report and the Board Inspection Committee (BIC)'s Report and Recommendation, are available at [http://www.adb.org/Inspection/projects/chashma\\_right.asp](http://www.adb.org/Inspection/projects/chashma_right.asp). The ADB Inspection Function has been terminated. As a result, the Board has asked the Compliance Review Panel, part of the new ADB Accountability Mechanism, to monitor implementation of the Board decision in the Chashma Project Inspection Request even though the monitoring does not arise from a request for compliance review under the ADB Accountability Mechanism. CRP is aware that this is a unique monitoring mandate for CRP, and that cooperation from all parties is needed to ensure a meaningful monitoring exercise.

3. The draft TOR was posted on the CRP website <http://www.compliance.adb.org> on 28 Sep 2004 for information and comments by 12 October 2004. No comments were received from interested parties. The CRP finalized the TOR on 13 October 2004. The CRP noted that ADB has not reached complete agreement with GoP on the remedial actions specific to the Project in Annex 4 of the TOR.

#### **II. Board decision on the Chashma Project Inspection Request**

4. The BIC's Report recommended that:

Acknowledging that, in implementation, Management will need to take into consideration the factors discussed in BIC's Report, paragraphs 31 to 38 (**Annex 1**)

- (i) ADB should implement the recommendation of the Inspection Panel (**Annex 2**); and
- (ii) CRP should monitor the implementation by ADB of this decision, applying relevant procedures of the Accountability Mechanism (**Annex 3**).

5. The Board approved BIC's recommendation. The President stated the following:

- ADB will seriously review the Board's comments and suggestions as well as the lessons learned for incorporation in ADB's internal business processes; and
- A mission will be sent to Pakistan promptly to discuss with the Government a comprehensive action plan to implement the recommendations approved by the Board.

### III. Terms of Reference for CRP's Monitoring

#### A. Scope

6. The CRP will, cognizant of the Board's decision to include the considerations in paragraphs 31 to 38 of the BIC's Report, monitor the implementation of:

- **Recommendations specific to the Project** – ADB's role in remedial actions for the Project as set out in paragraphs (i), (ii) and (iii) of the Inspection Panel's recommendations; and
- **General Recommendations applying to all ADB-assisted projects** – remedial actions by ADB as set out in paragraphs (iv) and (v) of the Inspection Panel's recommendations.

#### B. Implementation of the Recommendations by ADB Management

7. The ADB Management will implement the specific recommendations as follows:

- **On Recommendation (i) 1**, ADB will discuss with GoP on possible extension of the Project completion date to address the most significant of the remaining problems in the Project.
  - **On Recommendation (i) 2**, ADB will discuss with GoP on possible utilization of the surplus loan proceeds to address the most significant of the remaining problems in the Project.
  - **On Recommendation (i) 3**, if there is agreement between ADB and GoP on the matters in (i)1 and (i)2 above, ADB will ensure that remedial actions are carried out in accordance with currently applicable ADB requirements, including:
    - (a) full participation of affected communities and their representatives;
    - (b) full compensation for any losses;
    - (c) restoration of livelihoods of communities and households that have been adversely affected;
    - (d) assessment of the environmental and social impacts of any new construction work or major changes in the water management regimes for the Project; and
    - (e) monitoring and evaluation by an independent entity, acceptable to all parties.
  - **On Recommendation (ii)**, ADB will discuss with GoP arrangements to ensure long-term funding for at least 5 years for the implementation of a full Environmental Management Plan to be carried out for the Project, following an Environmental Impact Assessment of the Project.
  - **On Recommendation (iii)**, agreement to be reached between ADB and GoP on the matters in (i)1, (i)2, and (ii) above, including any timetables, to be carried out as legally binding obligations upon the parties.<sup>3</sup>
8. The ADB Management will implement the general recommendations as follows:
- (i) **On Recommendation (iv)**, ADB will, with respect to ongoing and future large-scale irrigation projects, ensure that appropriate, reliable, transparent and participatory

mechanisms are in place to carry out the requirements under ADB's policy on involuntary resettlement; and policy on anticorruption specifically relating to:

- (a) adequate compensation on a land-for-land basis, or a cash compensation basis that will enable buying of land of equivalent value;
- (b) any issues relating to corruption; and
- (c) implementation of resettlement according to ADB policy.

(ii) **On Recommendation (v)**, ADB will ensure that:

- (a) Sufficient resources are available to ensure a satisfactory level of support for, and monitoring of the implementation of resettlement plans, environmental management plans or other measures required under ADB's safeguard policies, and
- (b) Staff is aware of their duties and obligations in the formulation, processing and implementation of projects pursuant to policies and procedures.

### **C. Understandings**

9. The CRP records its understandings in carrying out its monitoring task under this specific Board mandate as follows: The CRP monitors implementation by ADB of the Board decision approving the Inspection Panel's recommendation. It notes BIC's acknowledgment recommended to the Board that ADB Management will need to take into account factors discussed in paragraphs 31 to 38 of the BIC's Report in implementing the Board decision. It also notes the flexibility required in considering the views of concerned stakeholders – ADB Management, GoP, executing agencies, requesters, and project affectees – to give effect to (i) project compliance and (ii) achievement of the objectives under the remedial actions. The steps taken by ADB to carry out such actions may be adjusted, depending on the timing and the change of circumstances during the monitoring process.

10. The CRP also records its understandings in monitoring the implementing of the Inspection Panel's recommendation:

- On the "most significant of the remaining problems in the Project" in recommendation (i), the CRP has reviewed the Inspection Panel's Report and notes that this term is not specifically identified. In reviewing the BIC's Report, it understands that the "most significant of the remaining problems" will be addressed by Management under the following six initiatives/processes:
  - (i) the follow-up actions to implement the Grievance Redress and Settlement Committee (GRSC) recommendations;
  - (ii) the follow-up work to make progress on the Hill Torrent Management Plan (HTMP);
  - (iii) the follow-up work to make progress on the Environment Management Plan (EMP);
  - (iv) forest degradation and reduced access to fuel wood;
  - (v) restricted access to grazing land in previously unirrigated land; and
  - (vi) the possible development of new agro-industries.
- The CRP may, in the course of monitoring the implementation of issues under these six areas, also monitor other significant implementation issues, brought to its attention that may have been excluded under the above-mentioned initiatives/processes.

- The CRP notes BIC's acknowledgement that ADB Management will take up the issues in the six initiatives/processes with GoP. Present discussions with GoP indicate that these matters will be subject to detailed analysis by GoP, and that any agreement reached will take into account ADB's policies and procedures, the availability of financial and other resources, and the applicable laws and regulations in Pakistan.
- On "currently applicable ADB requirements" in recommendation (i), the CRP will monitor the compliance of remedial actions with ADB policies that were applicable at the time of the design of the relevant project component or when such component was changed and approved by ADB.
- On "monitoring and evaluation by an independent entity acceptable to all parties" in recommendation (i), the CRP understands that the monitoring and evaluation GoP will cover the activities under the six initiatives/processes and other areas that may be identified in the course of implementing remedial steps.
- On the implementation of a "full Environmental Management Plan for the Project, following preparation of a full Environmental Impact Assessment of the Project" in recommendation (iii), the CRP notes BIC's views referred to in paragraph 34 of its Report and will consider the possible added value for the affected people as well as the feasibility of carrying out this activity at this stage.
- Finally, the CRP takes into account BIC's acknowledgement that the Inspection Panel's recommendations (iv) and (v) are of "general application rather than of specific application to the steps required to be taken under the Project."

#### **D. Table of Remedial Actions**

11. Based on the recommendations and understandings above, the CRP has identified remedial actions for implementation provided in the Table of Remedial Actions in **Annex 4** (specific) and **Annex 5** (general) of this document. CRP is conscious that in the course of monitoring, both the content of remedial actions and the way in which they are implemented may change.

12. The CRP will discuss with concerned stakeholders the most significant of the remaining problems in the Project, achievement indicators and timeframes in **Annex 4**. For all actions, appropriate achievement indicators will need to be assessed and agreed upon among the concerned stakeholders so that CRP's monitoring is specific, quantifiable, and objective.

#### **E. How will the monitoring be conducted?**

13. Mr. Augustinus Rumansara, Chair, CRP is the Lead Post-Decision Monitor who is overall in charge of the monitoring process. He will be assisted by the other CRP members, Mr. Richard Bissell and Mr. Vitus Fernando, with support from Mr. Rolf Zelius, CRP Secretary and Mr. Suresh Nanwani, CRP Associate Secretary.

14. The methodology of monitoring implementation of remedial actions by ADB will include the following: (i) consultations with Board members, ADB Management and staff, the Government of Pakistan, including the Director representing Pakistan on ADB's Board of Directors, executing agencies, and the requesters; (ii) review relevant documents; (iii) site visits; and (iv) any information received from the requesters or the public.

15. The CRP is open to views from all parties, including the requesters and the public, regarding the status of implementation. Views should be submitted to the CRP at [crp@adb.org](mailto:crp@adb.org). The CRP will post information on the monitoring process on the CRP website <http://www.compliance.adb.org>.

16. The CRP will provide the Board with an annual monitoring report as requested by the Board. This report will focus on the implementation of the Board decision related to remedial actions, including the CRP's determination of the progress in bringing the Project into compliance. The CRP may provide the Board with additional reports on implementation progress, which will also be posted on the CRP website. CRP will finalize its reports in consultation with BCRC before making them available to the Board, the concerned stakeholders, and the public.

#### **F. Whose actions are subject to monitoring?**

17. The party responsible for implementation of the specific and general remedial actions is ADB Management that is the ADB President together with his team of Vice Presidents and the Managing Director General. The CRP has been informed that the Vice President for Operations Group 1 is the focal point for Management for implementing the remedial actions, with the Director General, South Asia Department responsible for the day-to-day activities.

18. ADB will work closely with GoP and the affected people to assist in implementation of remedial actions and assist in ensuring compliance with ADB policies and procedures during the implementation process. The actions of the GoP are not for the CRP to monitor, although the cooperation of the GoP and the executing agencies is vital for successful implementation of remedial actions.

#### **G. Time schedule**

19. CRP's first annual monitoring report will be provided to the Board before 19 August 2005.

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- <sup>1</sup> The executing agencies are (1) Water and Power Development Authority (WAPDA); (2) North-West Frontier Province (NWFP); and (3) the Province of Punjab.
- <sup>2</sup> The requesters are (1) Mr. Ahsan Wagha, Damaan Development Organization, (2) Mr. Zafar Iqbal Lund, Hirak Development Center, (3) Mr. Mushtaq Gadi, SUNGI Development Foundation, (4) Mr. Mohammad Nauman, Creed Alliance, (5) Mr. Khadim Hussain, Action Aid-Pakistan, and (6) Mr. Shafi Qiasrani, CRBIP Affectees Committee, all authorized to represent the Project affectees in the Chashma Inspection Request. The CRP notes that the requesters have disengaged themselves from their role as requesters in the inspection process.
- <sup>3</sup> The CRP has a mandate to monitor and to report to the Board on ADB's actions. It will not consider the appropriateness or need to monitor any legal obligations for the Government of Pakistan, unless there is a need for ADB to follow-up on obligations agreed with the Government.

## Board Inspection Committee's Report and Recommendation

A summary of the relevant paragraphs from paras. 31 to 38 of Board Inspection Committee (BIC)'s Report and Recommendation is reproduced below.

**para. 31.** ..., the BIC acknowledges that several elements of the Panel's recommendation, particularly those in part (i), have already been under active discussion between the Government of Pakistan and ADB for an extended period. This includes ... follow up actions to implement the recommendations of the GRSC (Grievance Redress and Settlement Committee). These ... have all been agreed to by the Government with the exception of the additional compensation premium (Recommendation # 1(b)). It also includes follow up work to make progress on the Hill Torrent Management Plan and the EMP (Environmental Management Plan). At least in principle, the follow up actions required to fully implement the recommendations of the GRSC and meet the policy intent of both the EMP and the Hill Torrent Management Plan would appear to have the potential to address all of the specific outstanding issues with the Project identified by the Panel with the possible exception of:

- Forest degradation and reduced access to fuel wood;
- Restricted access to grazing land in previously unirrigated land; and
- The possible development of new agro-industries.

**Para. 32.** The BIC understands from its consultations with Management, however, that Management proposes to take up these issues also in any future discussions with the Government.

**Para. 33.** The BIC notes Management's observation that "in moving forward, continued dialogue with the Government and other stakeholders is of vital importance to resolve the outstanding issues". Further dialogue which encompasses all of the outstanding issues with the Project, to the maximum extent feasible, would be desirable. Similarly, adequate monitoring and follow up are important. Amongst other things, appropriate monitoring will establish whether adequate measures are put in place in respect of "139 out of the compensated 462 households ...still residing in the flood impact zone," which is clearly a high priority issue of concern, and to assess whether the intent of ADB's resettlement policy that the living conditions of resettled persons have at least been restored, has been achieved in practice.

**Para. 34.** ...the BIC notes that the Panel has recommended (in parts (i), (ii) and (iii) of its recommendation) that ADB discuss certain important matters with the Government of Pakistan. The BIC recognizes that these matters will be subject to detailed analysis by the Government of Pakistan and that any agreement reached pursuant to such discussions will need to take full account of ADB's policies and procedures, the availability of financial and other resources, and of applicable laws and regulations in Pakistan. The implementation, monitoring and evaluation of environmental management measures will need to be carried out with due regard to the actual implementation status of the Project and the need to redress unresolved issues with appropriate involvement by local people and in timely fashion.

**Para. 35.** The BIC also notes that parts (iv) and (v) of the Panel's recommendation express observations in connection with (a) the carrying out by ADB of its safeguard policies with respect to ongoing and future large scale canal irrigation projects; (b) the availability of

adequate resources for carrying out and monitoring safeguard policies; and (c) raising staff awareness of the requirements of ADB's operational policies and procedures. These are of general application rather than of specific application to the steps required to be taken under the Project.

**Para. 37.** Consistent with the spirit of the specific arrangements in respect of monitoring and follow up of Board decisions incorporated under the Accountability Mechanism, the BIC further recommends that in addition to any arrangement that ADB Management may seek to put in place with the Government of Pakistan and the relevant Executing Agency regarding their responsibilities in this area in relation to the Project, monitoring of ADB's implementation of the Board's decision in this matter on behalf of the Board should be undertaken by the Compliance Review Panel (CRP), in accordance with the procedures set out in para. 133 of the Accountability Mechanism policy.

**Para. 38.** Amongst other things, this procedure requires an annual report to the Board on implementation of Board decisions relating to remedial measures. The methodology for monitoring will include consultations with Management, the Requesters, the Executing Agency/Government and Board members; document review; and site visits. The CRP will also consider any information received from the Requester and the public. The new Policy requires that the CRP will finalize its reports in consultation with the Board Compliance Review Committee (BCRC) before making them available to the Board, Management, the Requester, the Executing Agency/Government and the public.

### Inspection Panel's Recommendation

The Inspection Panel's Recommendation is set out below, taken from the Inspection Panel's Report.

"Based on the issues and findings set forth in this Report, the Inspection Panel recommends that:

- (i) ADB discuss with the Government of Pakistan the possibility of extending the Project completion date and utilizing surplus loan proceeds to address the most significant of the remaining problems in the Project, as described in this Report. Assuming agreement with the Government on extension of the Project completion date and utilization of surplus loan proceeds, remedial actions for such problems are to be carried out in accordance with currently applicable ADB requirements, including full participation of the affected communities and their representatives, full compensation for any losses and restoration of livelihoods of communities and households that have been adversely affected, assessment of the environmental and social impacts of any new construction work or major changes in the water management regimes for the Project, and monitoring and evaluation by an independent entity acceptable to all parties;
- (ii) ADB discuss with the Government of Pakistan arrangements to ensure long-term funding (i.e., for at least five years) for the implementation of a full Environmental Management Plan for the Project, following preparation of a full Environmental Impact Assessment of the Project, so that a long-term approach can be adopted and meaningful consultative and participatory processes carried out;
- (iii) agreement between ADB and the Government on the matters described in items (i) and (ii) above, including any timetables, be captured and carried out as legally binding obligations upon the parties;
- (iv) with respect to ongoing and future large-scale canal irrigation projects of ADB, ADB ensure that appropriate, reliable, transparent and participatory mechanisms are in place, so that the requirements under ADB's Policy on Involuntary Resettlement and Anticorruption Policy, specifically with regard to the following, can be carried out:
  - (a) adequate compensation for land acquisition on a land-for-land basis or, when not possible, on a cash compensation basis at levels that enable the affected households to buy land of equivalent value;
  - (b) any issues relating to corruption; and
  - (c) the borrowing country's carrying out of any resettlement in accordance with requirements under ADB's Policy on Involuntary Resettlement; and
- (v) ADB ensure that
  - (a) sufficient ADB human resources are available to ensure a satisfactory level of support for, and monitoring of, the implementation of any resettlement plans, environmental management plans or other measures required under ADB's safeguard policies; and

- (b) ADB staff are aware of their duties and obligations in the formulation, processing and implementation of ADB-assisted projects pursuant to ADB's operational policies and procedures."

### Relevant Procedures for Monitoring under the ADB Accountability Mechanism

The relevant procedures for monitoring are provided in the ADB Accountability Mechanism policy paper and the Compliance Review Panel (CRP) Operating Procedures set out below.

**Para. 133 of the ADB Accountability Mechanism Policy:** CRP will monitor implementation of any remedial actions approved by the Board as a result of a compliance review. Unless the Board specifies a different timetable, CRP will annually report to the Board implementation of Board decisions related to remedial measures, including its determination on the progress in bringing the project into compliance. The methodology for monitoring will include consultations with Management, the requester(s), the executing agency (EA)/developing member country (DMC) government or the private project sponsor (PPS), and Board members; document review; and site visits. CRP will also consider any information received from the requester and the public regarding the status of implementation. CRP will forward to the Board Compliance Review Committee (BCRC) its draft reports on monitoring implementation of any remedial actions approved by the Board as a result of a compliance review for its review. CRP will finalize the reports in consultation with BCRC before making them available to the Board, Management, the requester, the EA/DMC government or the PPS, and the public.

**Para. 47 of the CRP Operating Procedures:** CRP will monitor implementation of any remedial actions approved by the Board as a result of a compliance review. Unless the Board specifies a different timetable, CRP will report as frequently as required or at least annually for a period of 5 years to the Board on implementation of Board decisions related to remedial measures, including its determination of the progress in bringing the project into compliance. After 5 years, CRP may recommend further monitoring of the project as necessary. The methodology for monitoring may include the following:

- (i) consultations with concerned stakeholders and Board members;
- (ii) document review;
- (iii) site visits; and
- (iv) any information received from the requester(s) and the public regarding the status of implementation.

**Para. 48 of the CRP Operating Procedures:** CRP will forward a draft monitoring report to BCRC for its review. BCRC will provide its comments on CRP's draft monitoring reports within 21 days after receipt of such report. CRP will finalize the reports in consultation with BCRC before making them available to the concerned stakeholders and the public.

**Para. 49 of the CRP Operating Procedures:** CRP's monitoring report will include the following:

- (i) a summary of the original request and any original Board decision on that request;
- (ii) a summary of any information provided by the requester(s), the concerned stakeholders, and any other interested parties;
- (iii) CRP's findings regarding the current status of implementation of the Board's decision; and
- (iv) any further recommendations by CRP as necessary to bring the project into compliance.

Table of Remedial Actions Specific to the Project

Rec. No.	Recommendations for specific remedial actions	Achievement Indicator	Timeframe <sup>1</sup>
(i)1	ADB and GoP agree on an extended Project completion date, to address the most significant of the remaining problems in the Project	Satisfactory <sup>2</sup> agreement reached	
(i)2	ADB and GoP agree on use of surplus loan proceeds to address the most significant of the remaining problems in the Project	Satisfactory agreement reached	
(i)3	If agreement is reached on the above issues, ADB will assist to ensure that remedial actions are carried out in accordance with applicable ADB requirements, including compensation; participation; restoration of livelihoods; assessment of the environmental and social impacts of new construction work/ major changes in the water management regimes; and monitoring and evaluation (M&E)	1) Compensation paid to eligible parties 2) Participatory process conducted through village consultations, announcements, and open fora for Project affectees/other stakeholders 3) Restoration of livelihoods 4) Completion of assessments for new work/major changes 5) Establishment of a M&E system acceptable to all parties 6) ADB policies and procedures have been complied with in implementing remedial actions	
(iii)	Agreement on extending project completion date and surplus loan funds for GRSC, HTMP and EMP, with timetables, to be carried out as legally binding obligations upon the parties Discussion and agreement	Satisfactory arrangements in place	

<sup>1</sup> The timeframe in this table is counted from the date of agreement between ADB and GoP on the matters in (i)1 and (i)2 of the Recommendation, unless otherwise specified.

<sup>2</sup> The term “satisfactory” used in this table, means that the CRP will make its own judgment on the level of achievement obtained and/or the process in which the achievement was met.

Rec. No.	The 1 <sup>st</sup> of the 6 initiatives/processes under which the remaining problems are to be addressed	Achievement Indicator	Timeframe
(i)3/1	The follow-up actions to be implemented under the Grievance Redress and Settlement Committee (GRSC)		
GRSC 1	Compensation for all land acquisition cases <ul style="list-style-type: none"> <li>• Determine number of awards made and to be made</li> <li>• For awards made, payment of compensation</li> <li>• For awards not yet made, make awards and pay compensation</li> </ul>	All landowners compensated adequately, and supplementary compensation is determined and paid to those who were previously paid less than adequate compensation	
GRSC 2	Identify and compensate claims for damage to land during construction <ul style="list-style-type: none"> <li>• Complete inquiry</li> <li>• Pay damage caused or lost opportunities for earth removed</li> </ul>	Number of cases satisfactory settled	
GRSC 3	Verification of claims and compensation for crops and trees, loss of infrastructure and dwellings, etc. <ul style="list-style-type: none"> <li>• Complete verification</li> <li>• Payment of compensation, etc.</li> </ul>	Number of cases satisfactory settled	
GRSC 4	Sanctioning additional nakkas (turnouts) for severed land <ul style="list-style-type: none"> <li>• Identify severed land</li> <li>• Allocate nakkas for severed land</li> </ul>	Number of cases satisfactory settled	
GRSC 5	Land for land compensation for smallholders for loss of income and livelihood <ul style="list-style-type: none"> <li>• Identify number of eligible smallholders</li> <li>• Identify available land to be given</li> <li>• Agreement reached on land to be given</li> <li>• Payment of compensation</li> </ul>	Number of smallholders who were given 5 acres of land	
GRSC 6	Formulation of domestic water sanction policy for landless communities and infrastructure installation for domestic use of canal water <ul style="list-style-type: none"> <li>• Identification of villages</li> <li>• Completion of program</li> </ul>	Number of villages provided facilities for domestic water use	

Rec. No.	The 1 <sup>st</sup> of the 6 initiatives/processes under which the remaining problems are to be addressed	Achievement Indicator	Timeframe
GRSC 7	Identify programs in education, health, sanitation, agriculture, and microcredit in the project area, and facilitating contact to enable communities to access regional programs <ul style="list-style-type: none"> <li>• Identify programs</li> <li>• Facilitating contact</li> </ul>	Programs identified and facilitation of contacts in place	
GRSC 8	Improve the irrigation water management to achieve timely and adequate water flows to match fluctuations in farmers' water demand <ul style="list-style-type: none"> <li>• Review of, and agreement on, existing institutional arrangements, protocols, and practices for regulation, and discharge and escape protocols on main canals and tributaries</li> <li>• Implementation of improvements</li> <li>• Installation of gauges for improvement of irrigation-management system</li> </ul>	All irrigators receive adequate volume of water in a timely manner	
GRSC 9	Find means for land previously irrigated by rodh kohi (spate irrigation system from hill torrent flood waters) to use canal water <ul style="list-style-type: none"> <li>• Consultation with landowners</li> <li>• Prepare and agree on plans</li> </ul>	Land previously irrigated by rodh kohi can access canal water	
GRSC 10	Pending initiation of farmer irrigation organizations, conduct workshops for members of all union, tehsil, and district councils in CRBIP III canal command area, on operating principles of warabandi (registered water rotation system) continuous flow of system of irrigation <ul style="list-style-type: none"> <li>• Initiating farmer irrigation organizations</li> <li>• Complete workshops</li> </ul>	Awareness by communities of operating principles of warabandi under the continuous flow irrigation system	
GRSC 11	Provide ownership of residential land of at least 5 marlas (about 104.5 sq. m.) plus shifting allowance equivalent to 6 months of official minimum wages to the landless in the unprotected villages <ul style="list-style-type: none"> <li>• Determine eligible number of households</li> <li>• Provide land and shifting allowance</li> </ul>	Provision of land and shifting allowance to the eligible households	
GRSC 12	Provision of suitable residential land of at least 5 marlas to the landowners located only in the flood impact zone <ul style="list-style-type: none"> <li>• Determine the number of eligible households</li> <li>• Provide land</li> </ul>	Provision of land to the eligible households	

Rec. No.	The 1 <sup>st</sup> of the 6 initiatives/processes under which the remaining problems are to be addressed	Achievement Indicator	Timeframe
GRSC 13	Improvement of flood protection bund for the 8 protected villages <ul style="list-style-type: none"> <li>• Decision by the 8 protected villages of measures to improve flood protection bund</li> <li>• Agreement on appropriate measures</li> <li>• Confirmation of the number of villages on removing existing bunds and acquisition of land for rebuilding bund</li> </ul>	Agreement by villages on improvement of flood protection bunds, provision of appropriate measures, and acquisition of land for rebuilding bund	
GRSC 14	Facilities on provision water for animal and domestic use for the protected villages <ul style="list-style-type: none"> <li>• Provision of animal watering points and canal water for domestic use within the bund</li> </ul>	Installation of facilities	
GRSC 15	Completion of remaining works on the 2 incomplete flood carrier channels (FCCs) before the onset of the next flood season <ul style="list-style-type: none"> <li>• Carry out of social assessment</li> <li>• Prepare resettlement plan according to ADB policy</li> <li>• Complete land acquisition process</li> <li>• Complete physical work on the FCCs</li> </ul>	Physical completion of work on the FCCs, including land acquisition	
GRSC 16	Construction of incomplete tail watercourses and institute warabandi <ul style="list-style-type: none"> <li>• Inspect tail watercourses</li> <li>• Identify and construct incomplete tail watercourses in consultation with communities</li> <li>• Institute warabandi for constructed tail watercourses in consultation with communities</li> </ul>	Completion of construction of incomplete tail watercourses and institution of warabandi	
	<b>The 2<sup>nd</sup> of the 6 initiatives/processes under which the remaining problems are to be addressed</b>		
(i)3/2	Follow-up work to make progress on the Hill Torrent Management Plan (HTMP); and agreement between ADB and GoP		
	Submission of a draft final report	Proposed plan adequately addresses the issues of effective use of flood flows and reduced floods in downstream area, and complies with ADB's policies	

Rec. No.	The 2 <sup>nd</sup> of the 6 initiatives/processes under which the remaining problems are to be addressed	Achievement Indicator	Timeframe
	Finalization of plan with feedback from local communities	Satisfactory participation from local communities	
	Discussion and agreement on ADB to finance plan	Satisfactory agreement reached	
	Agreement on extending project completion date and use of surplus loan funds for this matter, with any timetables, to be carried out as legally binding obligations upon the parties	Satisfactory agreement reached	
	<b>The 3<sup>rd</sup> of the 6 initiatives/processes under which the remaining problems are to be addressed</b>		
(i)3/3, (ii)	Follow-up work to make progress on the Environment Management Plan (EMP); discussion with GoP on arrangements to ensure long-term funding for the implementation of a full EMP; and agreement between ADB and GoP	Satisfactory arrangements in place	
	Confirmation of implementation of EMP approved in May 2004 under the National Drainage Sector Project till loan closing date of 31 December 2006 (extension of loan closing date is being processed by ADB)	Implementation complete	
	Finalization of an extended EMP to include assessment of forest degradation and reduced access to wood; potential impact of new agro-industries; and restricted access to grazing land on previously unirrigated land	Agreement of inclusion	
(ii)	Discussion and agreement on arrangements for long-term funding by ADB from the surplus loan proceeds of at least 5 years (till at least 30 June 2009) for the implementation of a full EMP or an extended EMP for the Project, following an assessment of the need for preparation of a full Environmental Impact Assessment of the Project	Satisfactory agreement on funding and need for further analysis	

Rec. No.	The 4 <sup>th</sup> of the 6 initiatives/processes under which the remaining problems are to be addressed	Achievement Indicator	Timeframe
(i)3/4	Problems to be addressed under the area of "forest degradation and reduced access to fuel wood"		
	Inclusion of forest degradation in the expanded EMP	The status of forest degradation and its impacts are assessed and mitigation measures are implemented, if necessary.	
	<b>The 5<sup>th</sup> of the 6 initiatives/processes under which the remaining problems are to be addressed</b>		
(i)3/5	Problems to be addressed under the area of "Restricted access to grazing land in previously unirrigated land"		
	Inclusion of restricted access in the expanded EMP	The impact of reduced grazing land on livelihood is assessed and livelihood enhancement measures are implemented if necessary.	
	<b>The 6<sup>th</sup> of the 6 initiatives/processes under which the remaining problems are to be addressed</b>		
(i)3/6	Problems to be addressed under the area of "The possible development of new agro-industries"		
	Inclusion of agro-industries in the expanded Environmental Management Plan (EMP)	Environmental assessment of existing agro-industries, mitigation measures proposed and implemented. If necessary, pre-investment environmental assessment for future investment established and operationalized.	

Table of General Remedial Actions

Rec. No.	Recommendations for general remedial actions	Expected response	Timeframe <sup>3</sup>
(iv)	With respect to ongoing and future large-scale canal irrigation projects, ADB will ensure that appropriate, reliable, transparent and participatory mechanisms are in place, so that the requirements under ADB's policy on involuntary resettlement and anticorruption policy, specifically with regard to the following, can be carried out:	Provide to the CRP a list of ongoing and planned irrigation projects and steps taken to ensure that appropriate, reliable, transparent and participatory mechanisms are in place	
	a) Adequate compensation for land acquisition and for land-for-land basis, or when not possible, on cash compensation basis at levels that enable the affected households to buy land of equivalent value	Provide report to CRP on measures taken to meet the recommendation	
	b) Any issues relating to corruption	Provide report to CRP on measures taken to meet the recommendation	
	c) That the borrowing country's carrying out any resettlement in accordance with requirements under ADB's policy on involuntary resettlement	Provide report to CRP on measures taken to meet the recommendation	

<sup>3</sup> The timeframe in this table will be provided by ADB Management.

Rec. No.	Recommendations for general remedial actions	Expected response	Timeframe
(v)	ADB will ensure that:		
	a) Sufficient resources are available to ensure a satisfactory level of support for, and monitoring of the implementation of resettlement plans, environmental management plans or other measures required under ADB's safeguard policies	Provide report to CRP on measures taken to meet the recommendation	
	b) ADB staff is aware of their duties and obligations in the formulation, processing and implementation of projects pursuant to policies and procedures	Provide report to CRP on measures taken to meet the recommendation	