



**ADB Accountability Mechanism
Compliance Review Panel**

**Annual Monitoring Report 2006-2007
to the Board of Directors
on Implementation of Remedial Actions on the Inspection Request
on the Chashma Right Bank Irrigation Project (Stage III) in Pakistan
(ADB Loan No. 1146-PAK[SF])**

12 November 2007

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Abbreviations, Glossary and Currency

Abbreviations

ADB	-	Asian Development Bank
BCRC	-	Board Compliance Review Committee
BIC	-	Board Inspection Committee
CBIO	-	crop-based irrigation operation
CRBC	-	Chashma Right Bank Canal
CRBIP	-	Chashma Right Bank Irrigation Project
CRP	-	Compliance Review Panel
DCO	-	District Coordination Officer
ECNEC	-	Executive Committee of the National Economic Council
EMP	-	Environmental Management Plan
FEMU	-	Federal Environmental Management Unit
FCC	-	flood carrier channel
FO	-	farmer organization
GOP	-	Government of Pakistan
GRSC	-	Grievance Redress and Settlement Committee
IPD	-	Irrigation and Power Department
LAC	-	Land Acquisition Collector
M&E	-	monitoring and evaluation
MOWP	-	Ministry of Water and Power
NDP	-	National Drainage Program
NWFP	-	North-West Frontier Province
PC-1	-	Proforma 1 of the Planning Commission
PIDA	-	Punjab Irrigation and Drainage Authority
PIME	-	project impact monitoring and evaluation
PRM	-	Pakistan Resident Mission
TA	-	technical assistance
WAPDA	-	Water and Power Development Authority
WUA	-	water users association

Glossary

<i>chakbandi</i>	hydrological boundaries of a canal outlet
cusec	cubic foot per second
<i>kanal</i>	<i>one-eighth acre or 20 marlas</i>
<i>marla</i>	20.9 square meters
<i>nakka</i>	specified outlet or turnout point on the official watercourse from which farmers divert water into their fields
<i>nullah</i>	natural channel or gully formed by hill torrents that flow only when precipitation falls in its catchment area, from which water is diverted for <i>rod kohi</i> agriculture
<i>rod kohi</i>	spate irrigation system from hill torrent flood waters
tehsil	a sub-district unit of local government
union	a sub-tehsil unit of local government
<i>warabandi</i>	registered water rotation system

Currency

\$	US dollar
PRs.	Pakistan rupee

About the Compliance Review Panel

The Compliance Review Panel (CRP or Panel) is a 3-member independent body, appointed by the Board of Directors (Board) of the Asian Development Bank (ADB). The Panel carries out the compliance review phase of the ADB Accountability Mechanism. People who are directly, materially and adversely affected by an ADB-assisted project in the course of its formulation, processing, or implementation can file a request for compliance review with the CRP after going through the consultation phase of the Mechanism.

The Panel investigates whether the harm suffered by project-affected people is caused by ADB's non-compliance of its operational policies and procedures, and recommends to the Board remedial actions. It also monitors implementation of the Board-approved remedial actions and provides the Board with reports at least annually for a period of 5 years unless otherwise specified by the Board. The Panel reports directly to the Board on all activities, except for specific activities where it reports to the Board Compliance Review Committee (BCRC) to clear its terms of reference for a compliance review and to review its draft monitoring reports. BCRC is a standing Board committee of six members.

Currently, the Panel consists of Augustinus Rumansara as Chair, and Richard Bissell and Antonio La Viña as Members.

Augustinus Rumansara is an Indonesian national. Before joining the CRP, he worked with the private sector in Indonesia at BP (formerly British Petroleum) as Vice-President for Integrated Social Strategies. Prior to that, he worked for many years with civil society organizations from grassroots community groups to regional and international NGO advocacy networks. His work included facilitating advocacy activities of Indonesian NGOs with national and foreign governments, and multilateral development banks to promote concerns for human rights, equity and justice, people's participation, good governance, sustainable development, and environment conservation.

Richard Bissell, a United States national, is an international economist currently serving as a senior executive with the National Academy of Sciences, Washington, DC. He has worked extensively in the past on enhancing community participation in development with the World Commission on Dams, the World Bank Inspection Panel, and the United States Agency for International Development.

Antonio La Viña is a Philippine national. He is presently Dean, Ateneo School of Government, Philippines and Philippine country representative, Ashoka: Innovators for the Public. Prior to this, he was a Senior Fellow and Program Director at the World Resources Institute, USA; the Undersecretary for Legal and Legislative Affairs and Attached Agencies at the Department of Environment and Natural Resources, Philippines; and law professor at the University of the Philippines. He was the cofounder, trustee, researcher and policy director for the Legal Rights and Natural Resources Center/Kasama sa Kalikasan – Friends of the Earth, Philippines.

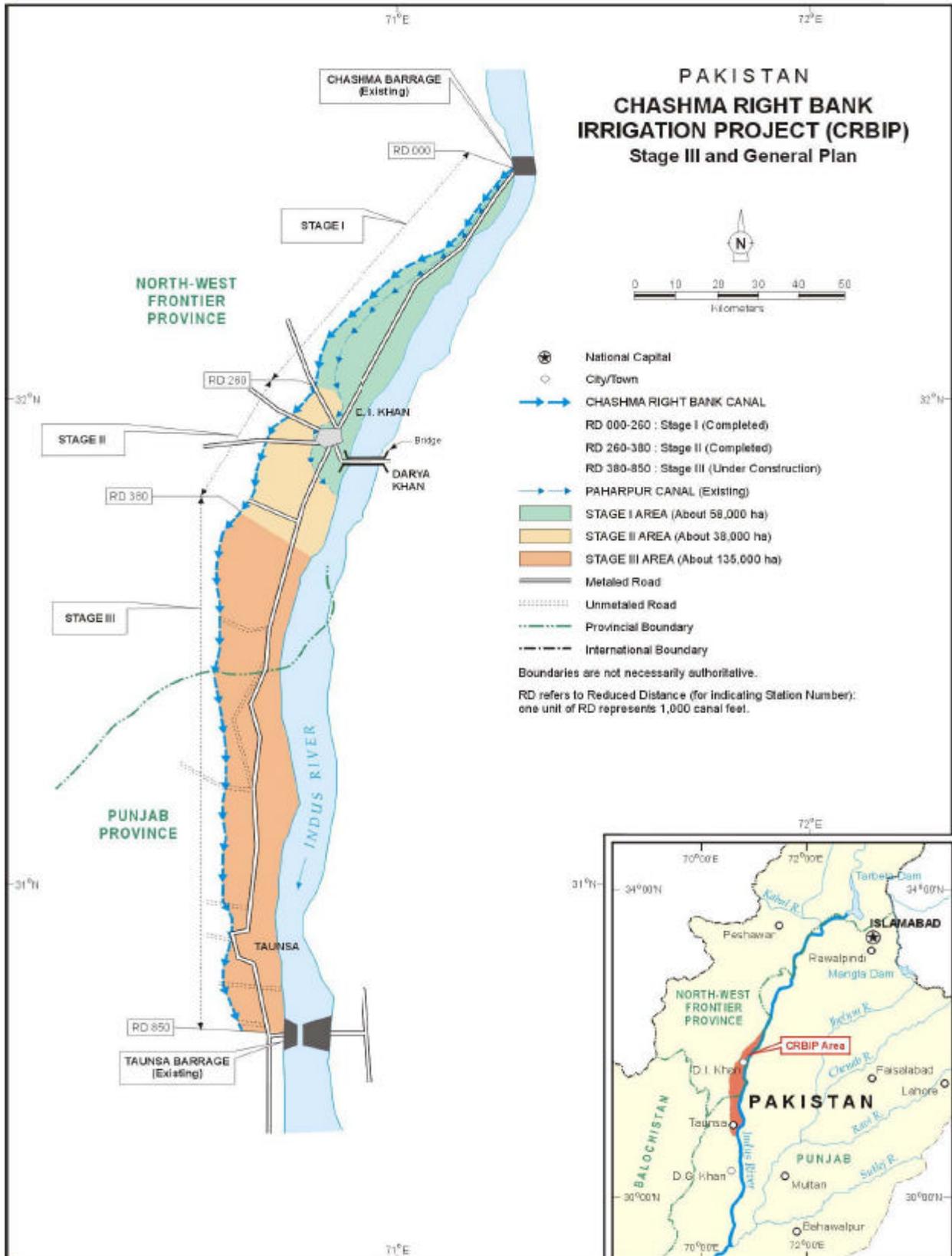
For more information on the CRP, visit www.compliance.adb.org.

Acknowledgements

The Compliance Review Panel acknowledges and records its thanks to the following for cooperating with the Panel, communicating their views, and/or assisting the Panel in preparing this Annual Monitoring Report:

- ADB Management, staff and consultants at ADB Headquarters and at ADB's Pakistan Resident Mission; and
- Members of the ADB Board of Directors.

Map



I. Introduction

1. In August 2004, the ADB Board of Directors (Board) mandated the Compliance Review Panel (CRP or Panel) to monitor ADB Management's implementation of the Board-approved remedial actions under the Chashma Right Bank Irrigation Project (Stage III) (Chashma Project or Project)¹ in Pakistan. The Panel was tasked to apply the relevant procedures of the ADB Accountability Mechanism policy² as the inspection request under the Chashma Project was carried out under the previous Inspection Function.

2. The Panel has already prepared and issued to the Board two annual monitoring reports in 2005 and 2006.³ This is the CRP's Third Annual Monitoring Report for the Chashma Project and covers the period from 7 July 2006 to 15 June 2007, as well as information provided by Management following the Panel's discussions with ADB staff and consultants up to 24 July 2007, before the draft report was prepared and forwarded to the Board Compliance Review Committee (BCRC) for its review.

3. In preparing this report, the CRP has examined the issues covered in its previous reports and used the reports provided by Management and staff, including the updated Action Plan agreed by ADB and the Government of Pakistan (GOP). The CRP has also discussed and obtained feedback from ADB staff both in its Headquarters and consultants associated with the Chashma Project. Because the Panel was unable to travel to Pakistan as security clearance was not given by ADB's Pakistan Resident Mission (PRM), the Panel could not gather views and insights at the field level, including the project area, through meetings with affected people, GOP, and other parties to the same degree as in its previous monitoring reports. The Panel will field a mission to Pakistan later this year when PRM's security clearance is given to update parts of this report which would benefit from information obtained at the field level.

4. In accordance with paragraph 48 of the CRP Operating Procedures, the CRP forwarded on 1 August 2007 a draft report to BCRC for its review. The CRP finalized this report in consultation with the BCRC.

5. The monitoring report outlines the following:

- a description of the Chashma Project, with its scope and cofinanciers;
- the Board-approved remedial actions resulting from the investigation of the inspection request;
- a summary of CRP's monitoring;
- Management's measures to comply with the Board-approved remedial actions and to bring the Project into compliance, recognizing those measures taken by

¹ Loan No. 1146-PAK (SF) approved in 1991.

² At http://www.adb.org/Documents/Policies/ADB_Accountability_Mechanism/ADB_accountability_mechanism.pdf.

³ The CRP issued its first Annual Monitoring Report (first annual monitoring report) from 19 August 2004, the date of the Board's mandate, to 31 August 2005, available at [http://www.compliance.adb.org/dir0035p.nsf/attachments/ChashmaMonitoringRpt2005-12Sep05.pdf/\\$FILE/ChashmaMonitoringRpt2005-12Sep05.pdf](http://www.compliance.adb.org/dir0035p.nsf/attachments/ChashmaMonitoringRpt2005-12Sep05.pdf/$FILE/ChashmaMonitoringRpt2005-12Sep05.pdf). The CRP also issued 2 other reports in 2005 – a progress report in March at [http://www.compliance.adb.org/dir0035p.nsf/attachments/ChashmaMonitoring_ProgressReport_17Mar05.pdf/\\$FILE/ChashmaMonitoring_ProgressReport_17Mar05.pdf](http://www.compliance.adb.org/dir0035p.nsf/attachments/ChashmaMonitoring_ProgressReport_17Mar05.pdf/$FILE/ChashmaMonitoring_ProgressReport_17Mar05.pdf) and a supplementary report to the first annual monitoring report in December at [http://www.compliance.adb.org/dir0035p.nsf/attachments/ChashmaMonitoringSuppRpt2005-Final-26Jun06-rev.pdf/\\$FILE/ChashmaMonitoringSuppRpt2005-Final-26Jun06-rev.pdf](http://www.compliance.adb.org/dir0035p.nsf/attachments/ChashmaMonitoringSuppRpt2005-Final-26Jun06-rev.pdf/$FILE/ChashmaMonitoringSuppRpt2005-Final-26Jun06-rev.pdf). The CRP issued its 2005-2006 annual monitoring report (second annual monitoring report) on 18 August 2006 and is available at [http://www.compliance.adb.org/dir0035p.nsf/attachments/Chashma-2ndAnnMonitoringRpt2006-18Aug06.pdf/\\$FILE/Chashma-2ndAnnMonitoringRpt2006-18Aug06.pdf](http://www.compliance.adb.org/dir0035p.nsf/attachments/Chashma-2ndAnnMonitoringRpt2006-18Aug06.pdf/$FILE/Chashma-2ndAnnMonitoringRpt2006-18Aug06.pdf).

- Management following the Panel's discussions with ADB staff up to 24 July 2007; and CRP's findings and assessment; and
- CRP's conclusions.

II. Project Description

6. The Chashma Project was approved by the Board in December 1991 and covers a total cultivable command area of 135,000 hectares (ha) of arid but potentially productive land. It is the third and final stage of the overall Chashma Right Bank Irrigation Project (CRBIP), which has a total area of 231,000 ha in the North-West Frontier Province (NWFP) and Punjab (see Map). Stages I and II were financed by ADB and their operations were commissioned in January 1987 and May 1993, respectively.

7. The Project has four components: (i) construction of the main canal and related facilities, including protection against flooding and erosion; (ii) construction of distributary canal and drainage facilities; (iii) on-farm water management; and (iv) agricultural and livestock extension. It also includes support for operation and maintenance and project monitoring. A grant of \$1 million, financed from ADB's Japan Special Fund, was also provided to strengthen environmental management for water resources development.

8. The estimated project cost in the Report and Recommendation of the President was \$287.5 million equivalent, with an ADB loan of \$185 million, Kreditanstalt für Wiederaufbau (KfW) providing a loan of \$40 million, and GOP financing the remaining \$62.5 million. In 1999, the Board approved additional financing of \$33.5 million resulting from a change in scope under the National Drainage Sector Project (Loan No. 1413-PAK[SF]) to meet a \$50.5 million equivalent financing gap caused by anticipated cost overruns.

9. The borrower is the GOP. The project executing agencies are the Water and Power Development Authority (WAPDA); NWFP's Planning, Environment and Development Department; and Punjab's Planning and Development Department.

10. As of 30 June 2007, the project is 99% complete and the undisbursed loan amount is about \$33.6 million. The loan closing date, originally scheduled on 30 September 2000, has been extended several times and was in March 2005 extended to 30 June 2009, for actions to be taken under the Project following the Board-approved remedial actions under the Chashma inspection request.

III. Inspection Request, Investigation and Board-Approved Remedial Actions

11. In November 2002, a request for the Chashma inspection was filed with the Board Inspection Committee (BIC) under the previous inspection function. The requesters⁴ claimed ADB had breached its operational policies and procedures in formulating and processing the Project, with material adverse effect on Chashma affectees. Various issues were raised, including the following: project-induced flooding and involuntary resettlement; inadequate compensation for loss of land, other assets and livelihoods; adverse impacts on traditional *rod kohi* farmers; design-related social and environmental problems; and lack of information sharing, consultation and participation of affected people.

⁴ Mr. Ahsan Wagha of Damaan Development Organization; Mr. Zafar Iqbal Lund of HIRAK Development Center; Mr. Mushtaq Gadi of Sungai Development Foundation; Mr. Muhammad Nauman of Creed Alliance; Mr. Khadim Hussain of Action Aid-Pakistan; and Mr. Shafi Qiasrani of CRBIP Affectees, as project affectees, all authorized to represent the project affectees in the Chashma inspection request.

12. In March 2003, BIC submitted its report to the Board recommending an inspection to commence in December 2003, after the scheduled completion of a grievance redress process established by GOP in consultation with ADB.⁵ The Board approved BIC's recommendation and an Inspection Panel conducted the investigation in early 2004. The CRP notes that the requesters chose to disengage from their role as requesters in the inspection process in March 2004 when the Inspection Panel carried out its investigation in the project area. The Inspection Panel submitted to BIC its final report⁶ in June 2004.

13. In August 2004, the Board considered the BIC Report and Recommendation (BIC Report)⁷ on the Chashma inspection request. The BIC Report recommended to the Board that in the implementation of the Board-approved remedial actions, Management will need to take into consideration the factors considered in paragraphs 31 to 38 of the BIC Report. The Board, in approving BIC's recommendation, approved (i) the Inspection Panel's recommendation and (ii) that the CRP monitor ADB's implementation of the Board decision, applying the relevant procedures of the ADB Accountability Mechanism.⁸

14. The Inspection Panel's recommendation is provided in Appendix 1. It consists of five parts – parts (i), (ii) and (iii) are specific to the Project, and parts (iv) and (v) are of general application. The CRP highlights BIC's acknowledgement of Management's need to consider the factors discussed in paragraphs 31 to 38 of the BIC Report in understanding how Management will implement the Board-approved remedial actions. The relevant provisions in paragraphs 31, 33, and 34 of the BIC Report are provided in Appendix 2.

IV. CRP Monitoring

15. CRP's monitoring is carried out by CRP Chair Mr. Augustinus Rumansara as Lead Post-Decision Monitor. He is assisted by CRP Members, Mr. Richard Bissell and Mr. Antonio La Viña, with support from the CRP secretariat. The CRP's terms of reference for monitoring was finalized in October 2004, after a draft was posted on the CRP website inviting comments and information by interested parties, including ADB Management and the ex-requesters.

16. ADB Vice President (Operations 1) is the focal point for Management for implementing the remedial actions, with the Director General, Central and West Asia Department (CWRD) responsible for the day-to-day activities.⁹

17. From late 2004, ADB worked with GOP on a draft action plan based on the Board's decision. GOP confirmed the Aide-Memoire of ADB's February 2005 mission containing the final draft action plan. In 2005, the Panel provided the Board with three monitoring reports on the status of Management's implementation of the remedial actions: a progress report in March; the mandatory Annual Monitoring Report from 19 August 2004, the date of the Board's mandate, to 31 August 2005 (the first annual monitoring report); and a supplementary report to its first

⁵ The Grievance Redress and Settlement Committee (GRSC) was established by GOP in February 2003 with ADB's assistance to reach a solution to all outstanding problems raised by land acquisition, resettlement, compensation, and rehabilitation accruing to claimants under the Project. The GRSC carried out its activities from its inauguration in May 2003 to December 2003.

⁶ At http://www.adb.org/documents/inspection/pak/chashma_irrigation/appendix6-panel-report.pdf.

⁷ At http://www.adb.org/documents/inspection/pak/chashma_irrigation/text.pdf.

⁸ The Board decision is at [http://www.compliance.adb.org/dir0035p.nsf/attachments/Board%20Decision-Chashma%20monitoring.pdf/\\$FILE/Board%20Decision-Chashma%20monitoring.pdf](http://www.compliance.adb.org/dir0035p.nsf/attachments/Board%20Decision-Chashma%20monitoring.pdf/$FILE/Board%20Decision-Chashma%20monitoring.pdf).

⁹ Prior to 1 May 2006, when ADB's realignment of the regional departments took place, the Director General, South Asia Department (SARD), was responsible for the day-to-day activities, as SARD previously covered Pakistan in its activities.

annual monitoring report in December 2005. The Panel also provided its Second Annual Monitoring Report 2005-2006 (second annual monitoring report) to the Board on 18 August 2006. These reports are posted at the CRP website.¹⁰

18. The CRP obtained from the Alternate Executive Director from Pakistan on the Board of Directors GOP's consent to the Panel fielding a mission in Pakistan from 16 to 27 July 2007. The mission was deferred to a later date in July but this was then cancelled as security clearance was still not given by PRM for travel to Peshawar and to the project area in Punjab and NWFP. As the Panel is required to issue its annual monitoring report to the Board by end August after its draft report is reviewed by BCRC for a 3-week period, the CRP has based its third annual monitoring report on a desk review. The Panel will field a monitoring mission later this year after PRM gives its security clearance for travel to Pakistan, including the project area.

19. In the 1-year period covered by this report, the Panel received and reviewed ADB staff two back-to-office reports (BTORs) of Technical Assistance (TA) review mission and Management's Third Progress Report on the Remedial Actions of 22 June 2007, as well as other materials and information provided by ADB staff. The two BTORs, both dated 7 April 2007, are from the mission carried out from 20 to 23 March 2007 reviewing TA 4718-PAK: Independent Monitoring of Remedial Actions for the Chashma Right Bank Irrigation Project, Stage III and TA 4719-PAK: Additional Works for Preparation of the Hill Torrents Management Project, both associated with the Chashma Project. The Panel notes that ADB staff discussed and made findings on the status of the Action Plan agreed by ADB and GOP in the course of the review mission.

20. Additionally, the Panel reviewed the reports of the consultants under TA 4718-PAK which are available on the ADB website,¹¹ the draft final report of the consultants under TA 4719-PAK, and other studies provided by ADB staff including those relating to the programs carried out under the Environment Management Plan (EMP).

21. The CRP discussed with and obtained information from ADB staff in its Headquarters and the consultants under TA 4718-PAK through email, telephone, meetings and/or teleconference. The list of persons interviewed by the Panel is in Appendix 3. The CRP also discussed with ADB staff updates on the Action Plan and the implementation status as of 22 June 2007 provided by Management. The table on Project-specific recommendations in the Action Plan is in Appendix 4 and the table on general recommendations is in Appendix 5, with the last column of each table on "Compliance status" filled in by the CRP based on its determination of the progress made.

V. Findings and Assessment

A. Progress in Achieving Compliance

22. Overall, the CRP finds that compared to the previous year covered by the Panel's Second Annual Monitoring Report 2005-2006, slow progress has been made during the last

¹⁰ At <http://www.compliance.adb.org/dir0035p.nsf/alldocs/ELLN-6NHABE?OpenDocument>.

¹¹ Five consultancy reports prepared under TA 4918-PAK have been posted on the ADB website at <http://www.adb.org/documents/reports/consultant/39589-PAK/default.asp>. Two individual consultants were engaged under the TA to contribute to effective implementation of the remedial actions under the Chashma Project including the GRSC recommendations. The reports are 3 quarterly reports of the monitoring and evaluation specialist (of July 2006, November 2006, and February 2007) and 2 survey reports (of December 2006 and May 2007) of the participatory assessment specialist.

year in Management's efforts to achieve compliance with the project-specific recommendations and minimal progress has been made by ADB in achieving compliance with the general recommendations. The detailed findings and assessment for each recommendation are provided below.

B. Project-specific recommendations

23. Grievance Redress and Settlement Committee (GRSC) recommendation # 1(a) on awarding market value and not the average sale price in compensation for land acquisition cases¹²

- In the CRP's supplementary report to its first annual monitoring report, the CRP stated that Punjab has applied the "market price" while NWFP's position was to use the "average transaction price" (para. 21).
- In its second annual monitoring report, the Panel clarified with NWFP government officials on NWFP's position and was informed that NWFP's position in using the "average transaction price" was based on the average of the previous year's recorded sales as this was in accordance with NWFP guidelines and this method was considered to be reliable and verifiable.
- The CRP notes Management's report that it has followed up with NWFP and that NWFP has reconfirmed continued use of "average transaction price" as it is "following the provincial regulations".
- The CRP finds that it is clear that Punjab is applying the "market price" while NWFP continues to apply the "average transaction price" in determining the market value.
- The CRP finds that Management is in non-compliance on this recommendation.
- The CRP repeats its recommendation that ADB move forward and take up this matter separately with GOP on application of the Land Acquisition Act in the country, including the provinces, so that ongoing and future projects funded by ADB involving land acquisition do not encounter separate and different treatment within the country and are in accordance with the standards specified in ADB's policy on involuntary resettlement.

24. GRSC recommendation # 1(b) on award of compensation premium¹³

- Compliance in accordance with the Board action was confirmed by the Panel in its second annual monitoring report.¹⁴

¹² This recommendation is as follows: "The Land Acquisition Collectors of D.I. Khan and Taunsa shall make and announce the awards in the manner given below:- (a) Market value as determined by the District authorities at the date of publication of notification U/S 4 (1) of the Land Acquisition Act (LAA) and not the average sale price will determine the amount of compensation."

¹³ This recommendation is as follows: "The Land Acquisition Collectors of D.I. Khan and Taunsa shall make and announce the awards in the manner given below:- (b) 25% of the aforesaid amount of compensation shall be additionally awarded."

25. GRSC recommendation # 1(c) on payment of interest from the date of possession to date of actual payment of compensation¹⁵

- Compliance was confirmed by the Panel in its second annual monitoring report,

26. GRSC recommendation # 1(d) on process of notification of payment of compensation¹⁶

- Compliance was confirmed by the Panel in its second annual monitoring report.

27. GRSC recommendation # 1(e) on awards to be made (more than 50% as of October 2003) and supplementary awards to be made where awards have already been announced or payments made¹⁷

- The CRP notes the following as of March 2007 which has not changed since the Panel's second annual monitoring report: in NWFP, 100% of the awards have been announced and about 73% of the awards have been paid, and that in Punjab, 97% of the awards have been announced and 82% have been paid. The progress in Punjab has been the same since January 2006 and the completion of land acquisition payments has been hampered by the delayed designation of the Land Acquisition Collector (LAC) in Taunsa (the position has been filled in November 2006).
- The Panel notes from the monitoring and evaluation specialist consultant's report of February 2007 that he estimates that compensation is due to "as many as ten thousand project affectees of CRBIP-III in Punjab, mainly small landholders, including widows and dependents of deceased landholders" and that the delays in payment are long outstanding. (emphasis added)¹⁸ The Panel urges Management to monitor and supervise the consultant's work by following up on the number of persons to be compensated in Punjab and NWFP so as to arrive at an accurate assessment of the work that needs to be done under this recommendation.
- On the making of supplementary awards, the CRP notes that GOP will not apply appropriate dates in calculating interest retroactively as compensation has already been paid to the landowners. The CRP understands that this matter covering interest under GRSC recommendation # 1(c) also covers award of market value under GRSC recommendation # 1(a) and award of compensation premium under GRSC recommendation # 1(b). The CRP notes Management's report that this recommendation will not be pursued.
- On the first part of this recommendation relating to more than 50% of awards to be made as of October 2003, the CRP is concerned about the lack of progress

¹⁴ The Panel notes that the Board-approved BIC Report in para. 31 expressly acknowledged that all GRSC recommendations except this recommendation were accepted by GOP and also notes in its first annual monitoring report that the usual 15% compensation premium will continue to be applied by GOP.

¹⁵ This recommendation is reproduced in full in Appendix 4.

¹⁶ This recommendation is reproduced in full in Appendix 4.

¹⁷ This recommendation is reproduced in full in Appendix 4.

¹⁸ At <http://www.adb.org/documents/reports/consultant/39589-PAK/39589-PAK-02-TACR.pdf> at page 6.

given that the deadline that was originally agreed by ADB with GOP in the Action Plan was December 2005¹⁹ and later extended to December 2006, the date given by Management in its third progress report of 25 June 2007. The Panel finds that Management has partially complied with this recommendation.

- On the second part of this recommendation relating to the making of supplementary awards, the Panel finds Management has not complied with this recommendation and urges Management to follow up on this recommendation.

28. GRSC recommendation # 2 on identifying and compensating claims for damage to land during construction²⁰

- In the first annual monitoring report, the CRP noted ADB Management's status report of 1 August 2005 that the action was completed, except for new evidence brought for claims found illegitimate and for additional claims to be received by the Chashma Office under the Complaint Center established in June 2005 to receive new claims under the Project.
- As of 31 May 2006, the Complaint Center received 49 claims in total, and as of 30 June 2007,²¹ received 94 claims in total, 23 from NWFP and 71 from Punjab. The Panel notes from the progress report from 1 June 2006 to 30 June 2007 that four claims have been resolved, with the rest under processing or examination by WAPDA or sent to the concerned government agencies.
- The Panel finds that Management has complied with this recommendation, subject to monitoring of new claims received.

29. GRSC recommendation # 3 on verification of claims and compensation for crops and trees, loss of infrastructure and dwellings, etc.²²

- The same arrangement as described in the GRSC recommendation # 2 above is also followed by the Complaint Center in processing claims for lost crops, trees etc.
- The Panel finds that Management has complied with this recommendation, subject to monitoring of new claims received.

30. GRSC recommendation # 4 on sanctioning additional *nakkas*²³ for severed land²⁴

¹⁹ Panel's first annual monitoring report, Appendix 1 on Table of Chashma Project Specific Remedial Actions, at page 19.

²⁰ This recommendation is as follows: "The Project Director CRBC will inquire into all the claims for damage to land received by GRSC and ensure that in all instances where earth from land has been removed, or land has otherwise been damaged and no compensation has been paid are duly compensated without any delay."

²¹ WAPDA's brief on the action plan for implementation of GRSC recommendations dated 30 June 2007 provided by ADB staff.

²² This recommendation is as follows: "Claims received by GRSC for non-payments of the crops and trees, loss of agricultural and commercial infrastructure and dwellings etc. shall be verified and paid in a transparent manner without delay in accordance to the compensation policy specified in Items 4, 5, 6, 7 & 8 of the Entitlement Matrix."

²³ *Nakkas* are specified outlets or turnout points on the official watercourse from which farmers divert water into their fields.

- Management reports that in NWFP, a survey of the complainants received by GRSC (415 claims were forwarded by ADB to Ministry of Water and Power [MOWP]) were not on severed land but on general complaints such as shortage of water or other complaints. Similarly in Punjab, the authorities contacted all claimants (252 claims were forwarded by ADB to MOWP) and found that most of the claims were related to land compensations. Management has also reported that action under this recommendation is completed and that both provinces agreed that new claims received will be investigated.
- Compliance was confirmed by the Panel in its second annual monitoring report.

31. GRSC recommendation # 5 on land and other forms of compensation to smallholders for loss of income and livelihood, including tenants, sharecroppers or leaseholders²⁵

- Under this recommendation, 5 acres of state land would be provided to landowners whose landholdings became less than 5 acres as a result of land acquisition. Also, appropriate measures should be taken to secure their livelihoods. The CRP notes that there are no cases relevant to this recommendation for NWFP. In the case of Punjab, there were seven cases on this recommendation and after further investigation, three were found to own more than 5 acres and a female-headed household did not claim compensation. For the remaining three households, Irrigation and Power Department (IPD) Punjab has not provided land, and has instead provided compensation by employing one person from each household.
- Management has reported that the action under this recommendation is completed even though the compensation is different from that recommended and does not provide for long-term restoration of income. Management also reports that the three persons are still employed.
- The CRP is concerned about the long-term prospects for sustainable household income and livelihood for these three persons.
- The CRP finds that partial compliance has been achieved in providing income and will continue to monitor the activities of Management to ensure that the affectees obtain a secure livelihood.

32. GRSC recommendation # 6 on formulation of domestic water sanction policy for landless communities and infrastructure installation for domestic use of canal water²⁶

- The CRP understands that IPD-Punjab and IPD-NWFP have estimated water for domestic use of landless communities and have sanctioned 2.4 cusecs and 4.0 cusecs of canal water, respectively.

²⁴ This recommendation is as follows: "Chief Engineers of the respective Irrigation Departments will take appropriate steps and announce the procedure for sanctioning additional nakkas for the severed land, as provided for in item No. 3 of the Entitlement Matrix, by or before 20-12-2003."

²⁵ This recommendation is reproduced in full in Appendix 4.

²⁶ This recommendation is as follows: "Irrigation Departments will formulate a domestic water supply sanction policy and the Project will initiate a program of infrastructure installation for domestic use of canal water in landless communities of the Stage III canal command developed in close consultation with women users."

- In 2006, PC-1s²⁷ were prepared by the Public Health & Engineering Department (PHED)-NWFP for PRs. 33 million and PHED-Punjab for PRs. 458 million for the water supply systems including tube well schemes, canal water schemes and the operation and maintenance of these water supply schemes which requires the involvement of the communities. The approval of the two PC-1s has been delayed as resubmissions of PC-1s were required. As a result, neither PC-1 will meet its goal of completing works by August 2007 for NWFP and by August 2008 for Punjab. The Panel urges Management to follow up with the GOP and the provinces and provide them assistance in moving forward the two PC-1s for approval in order to expedite implementation of this recommendation and other related measures.
- The CRP finds that Management has partially complied with this recommendation.

33. GRSC recommendation # 7 on identification of programs in education, health, sanitation, agriculture, and microcredit in the project area, and facilitating contact to enable communities and individuals to access regional programs of relevance to women and the poor²⁸

- Management has reported that action under this recommendation is in progress. The CRP notes that meetings have been held between the District Coordination Officers (DCOs) of D.I. Khan and D.G. Khan and provincial and federal agencies and that these programs are a continuous process and underway in different sectors.
- In NWFP, the DCO D.I. Khan conducted a workshop in December 2005. Management reports that programs have been established on sanitation, education, health, and agriculture in the project area.
- In Punjab, continuing efforts have been made through the local government units, as well as provincial and national programs. The schedule for implementing a workshop is yet to be finalized by the DCO D.G. Khan.
- The Panel urges Management to follow up with Punjab on the implementation of this recommendation and with NWFP on providing access to affectees on the other programs under this recommendation such as micro-credit and those that are relevant to women and the poor.
- The CRP finds that Management has partially complied with this recommendation.

²⁷ PC-1 is Proforma 1 of the Planning Commission. The CRP understands that PC-1, a planning document, is required for "development investment" such as an investment loan or grant funds leading to an investment loan project and that Pakistan's Executive Committee of the National Economic Council (ECNEC) is the final approving authority for the PC-1.

²⁸ This recommendation is as follows: "Identify federal, provincial and private sector programs in education, health, sanitation, agriculture and microcredit operating in the project area or which can be directed to the project area. Facilitate contact through workshops to provide a focal role for councilors at the tehsil and union council level, to enable communities and individuals access to regional programs of relevance to women and the poor."

34. GRSC recommendation # 8 on improving irrigation water management to achieve timely and adequate water flows to match fluctuations in farmers' water demand²⁹

- The CRP notes that recommendations for improving irrigation water management include the introduction and implementation of the crop-based irrigation operation (CBIO), calibration of gauges, watercourse development, establishment of *warabandi* on watercourses, and establishment of water users associations (WUAs) and farmer organizations (FOs).
- Management has reported that most of the recommendations have been accepted except for CBIO. The CRP understands that CBIO has been rejected by Punjab as it would be contrary to the authorized discharge limits under the Water Apportionment Accord 1991 agreed by the provinces, and by NWFP as the farmers cannot be told what crops they should cultivate. In both provinces, workshops have been conducted and will continue to create farmer awareness of local regulations and laws relating to canal and irrigation management.
- The CRP notes that calibrated gauges have been installed. The CRP also notes that Management has followed up with NWFP on the PC-1 needed to carry out this recommendation, with the PC-1 approved on 20 March 2007 at a cost of PRs. 321.94 million.³⁰ The Panel urges Management to follow up on the carrying out of the works under this PC-1.
- The CRP finds that Management has partially complied with this recommendation.

35. GRSC recommendation # 9 on finding means for land previously irrigated by *rod kohi*³¹ to use canal water³²

- Management reports that IPD-Punjab and IPD-NWFP are of the view that sump pumps directly from the main canal will endanger its safety and adversely affect the operational discipline of the canal irrigation system.
- The CRP notes that in NWFP, eight cases have been identified as farmers with sump pumps connected to the main canal have been solved by providing water from distributaries.
- IPD-Punjab has recommended to line 100% of watercourses for 106 sump wells to command all 20,825 acres of lift irrigation area in Punjab. In 2006 a PC-1 amounting to PRs. 413.9 million was prepared to command all 20,825 acres of lift irrigation area in Punjab. Management reports that the PC-1 remains pending and the Panel urges Management to address greater attention to ensure that the PC-1 approval moves forward.
- The CRP finds that Management has partially complied with this recommendation.

²⁹ This recommendation is reproduced in full in Appendix 4.

³⁰ This amount also includes additional bridges for other remedial measures.

³¹ *Rod kohi* is spate irrigation system from hill torrent flood waters.

³² This recommendation is reproduced in full in Appendix 4.

36. GRSC recommendation # 10 on initiation of farmer irrigation organizations and conduct of workshops on operating principles of registered water rotation systems³³

- Management reports that IPD-NWFP has conducted four workshops and corner meetings, and will continue to improve the irrigation practices in the canal command area. 715 WUAs have been established, 623 watercourses are partially lined, and 92 watercourse works are in progress.
- In Punjab, 7 workshops were conducted to develop awareness on irrigation system regulation and operation. Punjab Irrigation and Drainage Authority (PIDA) has deputed a team of social mobilizers to organize farmers at watercourse and distributary levels. Social mobilization has been carried out on all 28 distributaries in Punjab, and elections of FOs have been carried out for 23 distributaries. Management also reports 262 cases of *warabandi* have been settled and 68 cases of shifting *chakbandi* have been dealt with.
- The CRP notes the continuing efforts in NWFP and Punjab to improve the irrigation practices in the canal command through orientation workshops and assistance to the farmers in forming FOs and WUAs and addressing irrigation related cases.
- The Panel urges Management to follow up with the authorities concerned on the number of WUAs and FOs to be established in NWFP and Punjab under this recommendation.
- The CRP finds that Management has partially complied with this recommendation.

37. GRSC recommendation # 11 on provision of land and shifting allowance to the landless in unprotected villages³⁴

- In its report of 22 June 2007, Management reported that the ADB consultant found that three out of nine households have shifted to safe locations before June 2005 and that of the remaining six households, three have agreed to receive 5-*marla*³⁵ plots as provided in the recommendation and the other three have been offered land in the canal command area but they refuse to accept this offer. The CRP noted that consultations were underway for the remaining three households to receive 5 *marlas* in other locations.

³³ This recommendation is as follows: "Pending the initiation of farmer irrigation organization on the water course and distributary levels, workshops will be conducted to orient members of all union, tehsil and district councils in the CRBIP III canal command, on the operating principles of the warabandi continuous flow system of irrigation."

³⁴ This recommendation is as follows: "The landless in unprotected villages in addition to the compensation they have already received for the structure of their home will be given ownership of at least 5 marlas residential land in the canal command area. By living in the command area they are expected to benefit from the increased opportunity for labor that has arisen from irrigated agriculture. In addition they are entitled to a shifting allowance and a one-time subsistence allowance equivalent to six months official minimum wages."

³⁵ 1 *marla* is 20.9 square meters.

- Management now reports that of the remaining three households, one has now agreed to receive the 5-*marla* plot and two have refused to accept the plots, and have asked for allocation of 4 *kanals* (20 *marlas*) land to each of them.
- The Panel urges Management to follow up with the authorities concerned on the carrying out of this recommendation.
- The CRP finds that Management has partially complied with this recommendation.

38. GRSC recommendation # 12 on provision of land to the landowners located only in the flood impact zone³⁶

- In its second annual monitoring report, the CRP noted that out of the 16 households identified by the ADB consultant, six shifted to safe locations before June 2005 and that of the remaining 10 households who were offered land in the canal command area, none has accepted and consultations were underway for the provision of the *marla* plots in other locations.
- It is now reported that the participatory assessment specialist has carried out further consultation and the remaining 10 families have refused to shift to other places.³⁷ The Panel urges Management to follow up to resolve this issue.
- The Panel finds that Management has partially complied with this recommendation.

39. GRSC recommendation # 13 on improvement of flood protection bund for the eight protected villages³⁸

- The CRP notes that the PC-1 prepared by WAPDA to provide facilities such as animal water points, drains, and road improvement for the eight protected villages³⁹ has been approved by the Executive Committee of the National Economic Council (ECNEC) in August 2006, with an estimated cost of PRs. 865.834 million for this recommendation and other remedial works. The Panel also notes that 11 civil works contracts have been awarded for about PRs. 82.8 million and that these contracts have been implemented since October and November 2006. Management reports that other civil works contracts have yet to be procured.
- The participatory assessment specialist conducted a survey of the eight protected villages from March to May 2007. He reports that most of the

³⁶ This recommendation is as follows: "The increased risk of flood to the dwellings of those who are landowners, but only in the impact zone, will be mitigated through a provision of at least 5 marlas land for housing in the vicinity of their settlement, but outside the flood impact zone."

³⁷ At <http://www.adb.org/documents/reports/consultant/39589-PAK/39589-03-PAK-TACR.pdf> at page 78.

³⁸ The recommendation is as follows: "The communities in Protected Villages will determine measures considered necessary to improve the flood protection bund and the Project will agree on appropriate modifications or additions. GRSC recommends removing the existing flood protection bunds in Jhok Katehra and Hafiz Abad, and rebuilding them at a reasonable distance (to be agreed in consultations with the community) from the dwellings. The land needed to widen these bunds will be acquired under the LAA."

³⁹ These villages are Hafizabad, Maru, Jhangri, Jhok Katehra, Thatta Laghari, Sokar, Barghari, and Kurrwal.

construction works have started in seven protected villages (information on the remaining protected village, Jhok Katehra, is given below) and that core groups, consisting of residents from these villages, have been formed to monitor the construction of facilities until their completion. These core groups provide feedback to the consultant on the quality of construction and other issues which in turn are forwarded to WAPDA. The consultant reports that the affectees in these villages are satisfied with the constructed facilities and that the core groups have committed to undertake operations and maintenance of these facilities upon their handover.

- The Panel notes from the participatory assessment consultant's report of May 2007 that there has been considerable progress made in the provision of facilities and works to these seven protected villages. These include shingled ramps, stone pitching, and latrines in Hafizabad, and shingled approach road and stone pitching in Maru. The Panel had visited these two protected villages in June 2006 and noted that these facilities were specifically requested by the residents in the Panel's interviews with them. The Panel will ascertain the improvements made in these two villages in its next visit to the project area.
- The Panel notes from the participatory assessment specialist's December 2006 and May 2007 reports that requests for additional measures have been made by project affectees in some protected villages. These additional requests which are not included in the approved PC-1 have been forwarded by the consultant to GOP and ADB by way of recommendations in his reports for their consideration. The Panel notes that one additional request has been approved by GOP and one additional request is still pending for consideration by GOP and ADB.
- The CRP notes that for Jhok Katehra, where the owners of the surrounding land do not agree to provide their land, WAPDA will consult with the villagers and landowners to prepare an acceptable plan.
- The participatory assessment specialist has stated in his May 2007 report that although provision has been made in the PC-1 for extension of existing protection embankment in Jhok Katehra, the work could not commence due to social conflicts between the residents and the owner of the land on whose land extension work would be carried out.⁴⁰ The Panel urges Management to follow up on the resolution of this long-standing matter through suitable approaches.
- The CRP finds that there is considerable progress in the implementation of recommendations # 13 and # 14 (which applies to the provision of related facilities to the protected villages), except for the long-standing improvements requirements for Jhok Katehra where no progress has been made. The Panel finds that Management has partially complied with this recommendation.

40. GRSC recommendation # 14 on facilities on provision of water for animal and domestic use for the protected villages⁴¹

⁴⁰ At <http://www.adb.org/documents/reports/consultant/39589-PAK/39589-03-PAK-TACR.pdf> at page 78.

⁴¹ The recommendation is as follows: "Animal watering points that draw water from the main canal will be provided in Protected Villages, inside the bund. Provision of canal water for domestic use by community will also be made

- The CRP notes that the action taken under this recommendation is also part of the action taken in the GRSC recommendation # 13.
- The CRP finds that Management has partially complied with this recommendation.

41. GRSC recommendation # 15 on completion of remaining works on two incomplete flood carrier channels (FCCs)⁴²

- The two incomplete FCCs are Mahoi and Jat Wah. WAPDA has completed the design for completion of the FCCs. Landowners in the right of way of the FCCs have been consulted by WAPDA and the participatory assessment specialist.
- Management has reported that action is not progressing under this recommendation due to the refusal of the landowners in the right of way to give up their lands. Management reports that the ADB consultant has undertaken several consultations with these landowners as well as other project affectees from March to May 2007 which concluded without any result. In his May 2007 report, the consultant met the project affectees of Jat Wah and Mahoi FCCs and was provided information on the project affectees' monetary losses caused to crops due to flood damages from 2001 to date.⁴³
- Management has also reported that prior to the commencement of works, WAPDA will complete land acquisition in accordance with ADB's policy on involuntary resettlement and that GRSC recommendation # 5 will be applied for the compensation. The CRP understands that the cost of the FCCs is included in WAPDA's approved PC-1 for PRs. 865.834 million.
- The CRP notes Management's report that WAPDA will continue its efforts to reach a consensus through the union councils. The Panel urges Management to follow up on the resolution of this long-standing matter through suitable approaches.
- The CRP finds that Management has not complied with this recommendation.

42. GRSC recommendation # 16 on construction of incomplete tail watercourses and institution of the registered water rotation systems⁴⁴

- The CRP notes that in NWFP, more than 70% of tail watercourses have been completed and the rest is under construction; and in Punjab, the On-Farm Water Management department is reported as having completed its improvement of the watercourses over the last year – of the remaining five, one has been completed and four were given to the tenants of the landowners.

within the bund. These facilities will be planned, located and installed by the Project in close consultation with the community."

⁴² The recommendation is as follows: "WAPDA will undertake the remaining works on incomplete FCCs before the onset of the next flood season."

⁴³ At <http://www.adb.org/documents/reports/consultant/39589-PAK/39589-03-PAK-TACR.pdf> at pages 50-58.

⁴⁴ The recommendation is as follows: "Tail watercourses on all distributaries need to be inspected for completion jointly by respective OFWM and Irrigation Departments. All incomplete watercourses should be constructed and warabandi instituted in close coordination of OFWM, Irrigation Department and the communities."

- The CRP finds that Management has partially complied with this recommendation.

43. Environmental Management Plan (EMP)

- Management has reported that the EMP will be implemented in two phases, the first by the Federal Environmental and Monitoring Unit (FEMU) under the National Drainage Sector Project⁴⁵ until its closure in December 2006, and the second by a special unit in WAPDA with FEMU staff under the Chashma Project.
- The first phase of the EMP commenced in May 2006 and consists of four programs:⁴⁶ (i) studies of ecological changes induced by the Project; (ii) environmental awareness program; (iii) participatory irrigation management; and (iv) survey of drainage barrier and sandy soils. The Panel received reports on programs (i) and (ii) in May 2007, and reports on the remaining two programs on 20 July 2007.
- The second phase of the EMP which has yet to start will be financed from the Chashma Project and will consist of 15 programs.⁴⁷ The CRP understands that this phase will also cover the outstanding issues with the Project on forest degradation; reduced grazing land; and potential pollution from agro-industries. The CRP notes that a PC-1 for Phase II of the EMP was prepared by FEMU in May 2006 and submitted to MOWP in March 2007. Management reports that MOWP has returned the PC-1 directing that FEMU resubmit the PC-1 through WAPDA Project Review Committee. The Panel notes from the monitoring and evaluation specialist's draft fourth quarterly progress report of 22 May 2007 that FEMU has submitted the PC-1 to the WAPDA Project Review Committee and that processing is estimated to take a year.
- The Panel urges Management to follow up with the authorities concerned to move forward the PC-1 processing and approval.
- The Panel notes from the four reports provided that various recommendations have been made including measures to minimize or overcome the ecological impacts caused by the Project; promote environmental education in the local communities; protect water pollution through a proper disposal of effluent and solid waste into the canals; introduce participatory irrigation management for better irrigation practices; and a salinity management plan to minimize the harmful impacts of barrier soils. The Panel looks forward to receiving clear

⁴⁵ Loan No. 1413-PAK (SF).

⁴⁶ Management reports that there were 5 programs but the 5th program (impact assessment of agro-chemicals and integrated pest management) is now undertaken by the provincial agriculture departments.

⁴⁷ They are (i) environmental monitoring and evaluation; (ii) environmental awareness program; (iii) soil, water conservation and watershed management in the *barani* (rainfed) area of Taunsa and adjacent tribal area; (iv) afforestation along the Chashma Right Bank Canal in Tehsil Taunsa; (v) livestock development and sustainable livelihood in Punjab area; (vi) livestock development and sustainable livelihood in NWFP; (vii) fisheries development program in Punjab; (viii) fisheries development program in NWFP; (ix) conservation of wildlife in Punjab; (x) conservation of wildlife in NWFP; (xi) water supplies and sanitation scheme in Basti Sheki Ibrahim, Punjab; (xii) rural water supply and sanitation project for Kaheri village, NWFP; (xiii) ecotourism development at Chashma barrage; (xiv) socioculture program; and (xv) strengthening the role of women in development.

directions from Management on how it proposes to incorporate the outcomes of the reports under the EMP to address the environmental impacts of the Project.

- The CRP finds that Management has partially complied with this recommendation.

44. **Hill Torrent Management Plan**

- In December 2005, ADB approved a grant of \$150,000 under TA No. 4719-PAK for Additional Works for Preparation of Hill Torrents Management Project (HTMP) to finance the re-design work to be undertaken by IPD-Punjab.⁴⁸ The hill torrents covered under this TA are those three in the project area - Sanghar, Vehowa, and Kaura. ADB carried out a review mission in March 2007 to check on the consultants' activities and discuss on the technical aspects of the Hill Torrent Management Plan. The redesign work was completed in April 2007 with a revised PC-1 prepared and submitted by IPD-Punjab in March 2007. The consultants provided to ADB a draft final report in April 2007 and the TA was closed in April 2007.
- Management reports that it is appraising HTMP for possible financing from the loan savings under the Project and addressing the safeguards issues for HTMP. Management informs that it will prepare a paper for the Board of Directors after reviewing previous studies including the initial environmental examination prepared under the feasibility study and through a staff consultancy in June 2006, and discussing with GOP in its next review mission to Pakistan for this Project.
- In its second annual monitoring report, the Panel stated that ADB planned to formulate a small project on a pilot basis on watershed management activities in the catchments of the hill torrents in the project area. Management informs in its report of 22 June 2007 that its proposal to formulate this small project on a pilot basis "has been found not feasible and will no longer be pursued".
- The CRP finds that Management has partially complied with this recommendation.

45. **Other Remedial Measures**⁴⁹

- Management has reported that action is in progress for the three matters identified in these measures: (i) addressing the issue of reduced transportation access due to canals; (ii) addressing the flood problem in the area along the Vehowa Nullah caused by the embankment constructed under IPD-Punjab's program (that is outside the Chashma Project); and (iii) identifying other measures.

⁴⁸ In March 2005, IPD-Punjab completed with its own resources a feasibility study that updated an earlier study carried out in 1995-1996. ADB and IPD-Punjab reviewed the final report and noted that while the study in general provided an adequate basis for project appraisal, there was technical uncertainty in the design of some structures that may lead to vulnerability to potential large floods. ADB and IPD-Punjab agreed that additional work was needed to review the structural design which resulted in TA No. 4719-PAK.

⁴⁹ The actions agreed on these measures are reproduced in full in Appendix 4.

- The CRP understands that the first and third matters are covered by WAPDA's PC-1 and IPD-Punjab's PC-1 and NWFP's PC-1 relating to their specific areas of responsibility on the construction of bridges to improve access. The works have been delayed, as the ECNEC approval of the WAPDA PC-1 was obtained only in August 2006, and tendering still has to be carried out. For NWFP and Punjab, 116 additional bridges have been identified, and PC-1s for both provinces have received approval, with tendering ongoing and an expected 1-year construction phase from start of work.
- The CRP understands that the second matter is covered by the action taken under the Hill Torrent Management Project in TA 4719-PAK.
- The CRP finds that Management has partially complied with this recommendation.

46. **Monitoring and Evaluation (M&E)**

- In para. 46 of the Panel's first annual monitoring report, the CRP stated that (i) Management should re-address the need to have "monitoring and evaluation by an independent entity acceptable to all parties" as part of the remedial actions and (ii) the M&E should at the minimum cover (a) implementation of GRSC recommendations; (b) environmental management measures under the EMP; and (c) the follow-up project impact monitoring and evaluation (PIME) studies.⁵⁰
- On M&E of implementation of GRSC recommendations, ADB approved in December 2005 a grant of \$150,000 under TA No. 4718-PAK for Independent Monitoring of Remedial Actions for the Chashma Right Bank Irrigation Project Stage III, to "help all recommendations made by the Inspection Panel be adequately completed by the Government".⁵¹ Under the TA, ADB has engaged a monitoring and evaluation specialist to monitor the overall progress of the implementation of the Action Plan and a participatory assessment specialist to monitor implementation of specific matters under the Action Plan such as the extension of the incomplete Jat Wah and Mahoi FCCs and carry out specific surveys on the villages located in the west of the main canal.
- Over the last year, the consultants have prepared reports on their respective assignments. These reports include the status of the implementation of the remedial actions under the Action Plan, attending government meetings to discuss the progress of the Action Plan, and getting feedback from the project affectees on the impact of the remedial measures. The Panel notes that both consultants submit their draft reports to GOP and ADB for comments before they finalize them and ADB posts the finalized reports on its website.

⁵⁰ The PIME Studies (Phase II) and Stage III Benchmark (December 2002) were prepared by technical assistance consulting services financed by KfW. An "Institutions Report" also prepared in December 2002 under these consulting services identified a local counterpart institution, Pakistan Council for Research on Water Resources (PCRWR), to carry out PIME after Project completion. The proposed terms of reference for the follow-up PIME studies would include assessment of adverse impacts identified in the Inspection Panel's Report.

⁵¹ Para. 5 of the TA report for TA 4718-PAK.

- The Panel finds the consultant reports under TA 4718-PAK useful in assisting the Panel to have an enhanced understanding of the impact of the remedial actions on the ground, the direction of the implementation progress, and the feedback received from project affectees.
- As ADB reviews the draft consultant reports and posts on its website the finalized reports, which contain recommendations for ADB and GOP, the Panel finds that ADB can exercise better supervision of these consultants and the quality of their reports through joint field visits in the project area and government meetings to ensure that necessary support is provided to GOP to carry out the GRSC recommendations and other remedial actions in the Action Plan.
- The Panel notes that the TA activities end in December 2007. In view of many activities that require follow up under the Action Plan, the Panel recommends that Management make suitable arrangements to cover M&E of the outstanding matters.
- On M&E of environmental management measures under the EMP, the CRP notes that this matter is covered by the EMP section above.
- On the follow-up PIME studies, the CRP notes that GOP proposed in late 2004 to conduct these studies by establishing three "independent cells" under WAPDA, NWFP's Board of Revenue (BOR), and Punjab's BOR. The CRP understands that ADB is still waiting for a concrete proposal on this matter. The CRP finds Management has made no progress on this matter and urges Management to follow up.
- The CRP finds there is compliance on M&E of implementation of GRSC recommendations, which the Panel will continue to monitor. The Panel finds Management has partially complied with the M&E of environmental management measures under the EMP, subject to satisfactory implementation. The CRP finds there is non-compliance on the follow-up PIME studies. Accordingly, the CRP finds that Management has partially complied with this recommendation.

47. **Grievance Redress Mechanism**

- A Complaint Center was established in the Chashma Right Bank Canal (CRBC) Office in D. I. Khan in June 2005 to receive new claims on the Project. Establishment of the complaint center was announced to the public by distributing posters in the villages, displaying posters in public places, announcement in mosques through loud speakers and notification to district government and public representatives.
- As of 31 May 2006, the Complaint Center received 49 claims in total, and as of 30 June 2007,⁵² received 94 claims in total, 23 from NWFP and 71 from Punjab. The claims cover a number of issues including compensation of land and trees; work on roads and bunds; and demand for bridges. Claims are forwarded by the Complaint Center to responsible departments for action and WAPDA monitors

⁵² WAPDA's brief on the action plan for implementation of GRSC recommendations dated 30 June 2007 provided by ADB staff.

the actions taken by responsible government agencies on these claims. The Panel notes from the progress report from 1 June 2006 to 30 June 2007 that four claims have been resolved, with the rest under processing or examination by WAPDA or sent to the concerned government agencies.

- The CRP finds that Management has complied with this recommendation.

C. General recommendations

48. **Inspection Panel's general recommendation (iv): With respect to ongoing and future large-scale canal irrigation projects of ADB, ADB should 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) to provide 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 any resettlement in accordance with requirements under ADB's policy on involuntary resettlement.**

- Management has reported that since the Chashma Project was approved by the Board in 1991, there have been successive improvements in safeguard requirements and operational procedures with the approval of safeguard policies from 1995 to 2002. The Panel understands that these safeguard policies are identified by ADB as involuntary resettlement, indigenous peoples, and environment. The ADB-wide reorganization in 2002 saw the creation of the Regional and Sustainable Development Department (RSDD) and one of its divisions, Environment and Social Safeguard Division (RSES) to support safeguard implementation and help operations departments to ensure compliance in project processing and implementation. There have been recent improvements in policies and staff guides such as the public communications policy and the staff guide on public consultation and participation in April 2006.
- Management reports that involuntary resettlement enhancement activities are carried out for implementing agencies for selected ADB projects and that an update of the involuntary resettlement policy's Handbook is expected to be finalized after approval of the revised involuntary resettlement policy. The Panel assumes that the reference to the approval of the revised involuntary resettlement policy refers to the current ADB's safeguard policy update which is "planned to be completed in 2008". The Panel notes that the safeguard policy update was originally scheduled to be completed in 2007, as stated in the Panel's second annual monitoring report.
- The CRP expects that the outcome of the safeguard policy update and the revisions will further address the issues raised in this recommendation and looks forward to receiving these documents on their completion.
- On the issue of strengthened anticorruption measures, the CRP has been provided with concrete steps taken to address issues relating to corruption.

- The CRP finds that Management has partially complied with this recommendation.

49. **Inspection Panel's general recommendation (v): ADB should 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) that 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.**

- Management reports that a principal safeguards specialist has joined the Private Sector Operations Department (PSOD) where a dramatic increase in sensitive projects was noticed recently. PSOD is expected to be further strengthened with recruitment of three safeguard staff members to beef up its safeguard capacity.
- The issue of staffing on safeguard resources across ADB is now delayed and will be known under the safeguard policy update, "planned to be completed in 2008". The Panel expects at that stage to be provided with Management's assessment of whether sufficient staff resources are available to support and monitor the implementation of the safeguard policies in the operations departments, including PSOD and RSDD.
- On the adequacy of staff awareness of ADB's operational policies and procedures and safeguard policies in particular, safeguard training programs are held at least thrice a year for ADB staff in headquarters and country offices and staff are made aware of their obligations and duties in formulating, processing, and implementing ADB-assisted projects. Information is disseminated on the respective safeguard websites on environment, involuntary resettlement, and indigenous peoples.
- The CRP is not able to ascertain, based on the information provided, whether there is adequacy of staff resources and/or awareness on ADB's operational policies and procedures, including the safeguard policies.
- The CRP finds that Management has not complied with this recommendation.

VI. Conclusions

50. The CRP finds ADB's implementation of the project-specific and general remedial actions has resulted in slow progress in complying with the Board-approved remedial actions and bringing the project into compliance. The spectrum of compliance status is as follows:

- Management has complied with the following:
 - Project-specific remedial actions on GRSC recommendations # 1(b) as accepted by the Board; 1(c); 1(d); 2; 3; and 4 and
 - Project-specific remedial actions on the Grievance Redress Mechanism
- Management has partially complied with the following:

- Project-specific remedial actions on GRSC recommendations # 1(e) [the first part of this recommendation]; 5; 6; 7; 8; 9; 10; 11; 12; 13; 14; and 16
 - Project-specific remedial actions on the EMP
 - Project-specific remedial actions on the Hill Torrent Management Plan
 - Project-specific remedial actions on Other Remedial Measures
 - Project-specific remedial actions on Monitoring and Evaluation and
 - General remedial actions on the Inspection Panel's recommendation (iv)
- Management has not complied with the following:
 - Project-specific remedial actions on GRSC recommendations # 1(a); 1(e) [the second part of this recommendation]; and 15 and
 - General remedial actions on the Inspection Panel's recommendation (v).

51. The Panel notes that Management has not taken sufficient actions for the Panel to move the compliance rating on any individual recommendation or remedial action to a higher category, relative to its latest second monitoring report.

52. On Management's implementation of, and compliance with, the Action Plan, the CRP finds that ADB has not made enough efforts to meet the GRSC recommendations and other related measures. A major handicap is the insufficient monitoring and support by ADB to provide support to the government authorities to ensure that the PC-1s move forward for approval so that the activities can be carried out under the Action Plan. In the Panel's conclusions last year, there were seven PC-1s awaiting approval and after 1 year, only three have been approved. The Panel urges Management to follow up on the four PC-1s under processing for approval⁵³ to expedite implementation.

53. The Panel finds that Management has not provided adequate resources to ensure that the Project is placed back into compliance. The Panel notes that only one mission was fielded by ADB over the last year covering a review of TA 4718-PAK and TA 4719-PAK, and the implementation of the Action Plan, and that no field visit in the project area was carried out. The Panel is of the view that site visits are critical in enabling analysis and verification of the ground reality on the implementation of the GRSC recommendations and other remedial actions as well as coordination with the government authorities on the steps that need to be taken. It may be helpful for Management to consider suitable arrangements to provide follow up and assistance to the government authorities.

54. The Panel notes that there is limited progress in the implementation of the Action Plan agreed by both GOP and ADB and there is a need for ADB to closely follow up. The Panel urges Management to ensure that it closely monitors and provides the necessary support to GOP in expediting implementation of the Action Plan agreed by both parties.

55. The CRP finds Management's implementation of, and compliance with, the general remedial actions continues to be as unsatisfactory on the whole. Management's efforts in ensuring compliance with the general remedial actions have been carried out with a "business as usual" approach and are spartan in terms of providing concrete steps taken to address these matters.

⁵³ These are by (1) by IPD-Punjab for GRSC recommendation # 9); (2) PHED-NWFP for GRSC recommendation # 6; (3) PHED-Punjab for GRSC recommendation # 6; and (4) FEMU for the second phase of the EMP.

56. The Panel will field a mission to Pakistan later this year when security clearance is given by PRM to update parts of this report which would benefit from information obtained at the field level.

57. The CRP will provide the Board in August 2008 its fourth Annual Monitoring Report 2007-2008 following consultation with the BCRC.

/S/ Augustinus Rumansara
Chair, Compliance Review Panel
12 November 2007

Inspection Panel's Recommendations

The Inspection Panel's recommendations are taken from Appendix 2 of the Board Inspection Committee Report and Recommendation on the Chashma Inspection Request.⁵⁴

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.

⁵⁴ At http://www.adb.org/documents/inspection/pak/chashma_irrigation/appendix2-panel-recommendations.pdf.

Board Inspection Committee's Recommendations

Relevant provisions of the Board Inspection Committee's recommendations from the Board Inspection Committee Report and Recommendation on the Chashma Inspection Request⁵⁵ are quoted 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. 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.

⁵⁵ At http://www.adb.org/documents/inspection/pak/chashma_irrigation/text.pdf.

Persons interviewed by the Compliance Review Panel

1. ADB Headquarters

Mr. Binsar Tambunan, Head, Project Administration Unit, Central and West Asia Department

2. Consultants associated with the Chashma Right Bank Irrigation Project (Stage III)

Mr. Syed Ayub Qutub, Monitoring and Evaluation Specialist, Technical Assistance 4718-PAK: Independent Monitoring of Remedial Actions for the Chashma Right Bank Irrigation Project (Stage III)

Mr. Syed Amir-ul Hassan Zaidi, Participatory Assessment Specialist, Technical Assistance 4718-PAK: Independent Monitoring of Remedial Actions for the Chashma Right Bank Irrigation Project (Stage III)

Table of Project-Specific Remedial Actions

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 22 June 2007	Implementation Risks	Compliance Status determined by the Compliance Review Panel
<p>A. GRSC Recommendations</p> <p>Recommendation # 1</p> <p>The Land Acquisition Collectors of D.I.Khan and Taunsa shall make and announce the awards in the manner given below:-</p> <p>(a) Market value as determined by the District authorities at the date of publication of notification U/S 4 (1) of the Land Acquisition Act (LAA) and not the average sale price will determine the amount of compensation.</p> <p>(b) 25 % of the aforesaid amount of compensation shall be additionally awarded.</p>	<p>A.1.(a) As the average transaction price can also be considered to represent the market value, the Government disagrees with this recommendation.</p> <p>A.1.(b) The Government has a different interpretation of the Land Acquisition Act (LAA) and related regulations from that of the GRSC. The Government, therefore, disagrees to implement this recommendation.</p>		<p>The average transaction price issue has been raised time and again. The Government repeated its firm position that the average transaction price can be considered to represent market value and will be used for all projects in NWFP.</p>		<p>Not complied with. (Para. 23 of CRP Annual Monitoring Report 2006-2007)</p> <p>Complied with, as the Board-approved Board Inspection Committee Report acknowledged award of 15% as compensation premium. (Para. 24 of CRP Annual Monitoring Report 2006-2007)</p>

Note: CDWP – Central Development Working Party; DCO – District Coordination Officer; IPD – Irrigation and Power Department; LAC – Land Acquisition Collectors; OFWM – On Farm Water Management; PDWP – Provincial Development Working Party

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 22 June 2007	Implementation Risks	Compliance Status determined by the Compliance Review Panel
<p>(c) Interest shall be paid on the aforesaid two amounts to the affectee from the date of possession (which in the cases both at D.I.Khan and Taunsa) is the date of notification U/S 4 (I) of LAA to the date of actual payment of compensation to the affectee. It may be clarified that date of announcement of the award is totally irrelevant. The interest U/S 34 LAA for delayed payment of compensation has to be paid from the date of possession of land till the date of payment of compensation. However, to make it practicable a period of one month from date of announcement of the award can be ignored for the purpose of calculation of the interest.</p>	<p>A.1.(c) The LACs of D.I.Khan and Taunsa, shall calculate the interest for delayed payment from the date of possession to the date of actual notification to individual landowners (this is not the date of Gazette announcement). The period after notification is considered a delay due to landowners and, therefore, not subject to the interest.</p>		<p>Implemented as reported by WAPDA and the Ministry of Water and Power (MOWP).</p>	<p>Due to changes of LACs, different methods of interest rate calculation may be applied.</p>	<p>Complied with. (Para. 25 of CRP Annual Monitoring Report 2006-2007)</p>
<p>(d) The compensation together with the interest shall be paid to affectees through cheques/Vouchers/cash in the Villages of the affectees or in the nearby union council offices, in open assembly. But prior notice to the affectees in the Villages shall be given by the subordinate staff of the LAC through beat of drums and announcements in the mosques.</p>	<p>A.1.(d) Compensation and interest shall be paid in a manner as described in the recommendation #1(d), and completed without further delay.</p>	<p>31 Dec 2006</p>	<p>Being implemented as reported by WAPDA and the Ministry of Water and Power.</p>	<p>Due to changes of LACs, different methods of compensation payment may be applied.</p>	<p>Complied with. (Para. 26 of CRP Annual Monitoring Report 2006-2007)</p>
<p>(e) More than 50 % awards have yet to be made (as of October 2003). These awards can be made on the aforementioned lines without any complications. Difficulty may, however, arise in those cases where</p>	<p>A.1 (e) 1 Compensation and interest payment shall be completed without further delay.</p>	<p>31 Dec 2006 (except for cases in the</p>	<p>Action in progress. As of March 2007: in NWFP, awards were announced for all of 5,763 acres, and out of the total funds of PRs 183.8 million to be paid, PRs 134.7 million or 73% was</p>	<p>Compensation payment may delay due to absence of land owners, cumbersomeness</p>	<p>Partially complied with on the first part of this recommendation. (Para. 27 of CRP Annual Monitoring</p>

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 22 June 2007	Implementation Risks	Compliance Status determined by the Compliance Review Panel
<p>the awards have already been announced or payments thereunder made. In such cases where the awards have already been announced, the Land Acquisition Collectors shall announce supplementary awards by giving additional compensations as detailed in the preceding sub paras (a), (b) and (c) and the additional amounts should be disbursed in the manner given in sub para (d).</p>	<p>A.1.(e) 2 The Government cannot apply the appropriate dates in calculating interest retroactively, because compensations were paid being agreed to by the landowners. This recommendation will not be able to be pursued.</p> <p>A.1.(e) 3 The Ministry of Water and Power (MOWP), through newly established monitoring cell, will report the progress to ADB bi-monthly.</p> <p>A.1.(e) 5 LAA will be followed as appropriate for any undue delay.</p>	<p>courts)</p>	<p>paid. Payments are still in process for about 24 acres, and expected to be completed by end June 2007.</p> <p>In Punjab, out of 9,820 acres, awards were announced for 9,540 acres or 97%, and out of the total funds of PRs 587.4 million, PRs 480.0 million or 82% was paid. The progress in Punjab is hampered by delayed designation of LAC in Taunsa. The Government did not meet its deadline of 31 December 2006.</p> <p>Reported on the average bi-monthly or more frequent basis.</p> <p>Being followed as required.</p>	<p>of encashing crossed checks, and other reasons.</p>	<p>Report 2006-2007)</p> <p>Not complied with on the second part of this recommendation. (Para. 27 of CRP Annual Monitoring Report 2006-2007)</p>
<p>Recommendation # 2</p> <p>The Project Director CRBC will inquire into all the claims for damage to land received by GRSC and ensure that in all instances where earth from land has been removed, or land has otherwise been damaged and no compensation has been paid are duly compensated without any delay.</p>	<p>A.2.1 Based on the claims received by GRSC, WAPDA, together with LACs, will look into legitimacy of the claims and if claims are legitimate, request LAC to pay eligible compensation. The result will be reported to MOWP.</p>		<p>Action completed. NWFP received 688 claims (for both #2 and #3). After investigation of the claims, 84 claims were found legitimate and compensation was paid accordingly. Others were judged illegitimate and declined. Punjab received 740 claims to which notices requesting supporting</p>		<p>Complied with. (Para. 28 of CRP Annual Monitoring Report 2006-2007)</p>

Note: CDWP – Central Development Working Party; DCO – District Coordination Officer; IPD – Irrigation and Power Department; LAC – Land Acquisition Collectors; OFWM – On Farm Water Management; PDWP – Provincial Development Working Party

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 22 June 2007	Implementation Risks	Compliance Status determined by the Compliance Review Panel
	<p>A.2.2 Additional claims received by CRBC office will be treated the same manner as those received by GRSC.</p>		<p>information were issued. All claims were without any supporting documentary evidence and considered illegitimate.</p> <p>Action in progress. During the period 1 June 2006 to 31 May 2007, WAPDA's Complaint Center received 42 additional complaints, 12 in NWFP and 30 in Punjab. The complaints consist of 22 for land compensation, 4 demands for bridges, 3 for compensation of built-up property, 2 for redress of grievances, 2 for compensation of trees and 1 each for compensation for barrow, repair and maintenance of road, repair and maintenance of bund, safety of drain, protection bund, demand of water pipe not closed, restoration of Jatwah FCC, demand of road, and demand of equal distribution of compensation among their brothers.</p> <p>Land compensation issues were forwarded to the concerned LAC. Other issues were reported "under process" or "under examination."</p>		

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 22 June 2007	Implementation Risks	Compliance Status determined by the Compliance Review Panel
<p>Recommendation # 3</p> <p>Claims received by GRSC for non-payments of the crops and trees, loss of agricultural and commercial infrastructure and dwellings etc. shall be verified and paid in a transparent manner without delay in accordance to the compensation policy specified in Items 4,5,6, 7 & 8 of the Entitlement Matrix.</p>	<p>A.3.1 Based on the claims received by GRSC, WAPDA, together with LACs, will look into legitimacy of the claims and if claims are legitimate, request LAC to pay eligible compensation. All efforts would be made to verify the claims through original record, and payment would be made accordingly. However, tempered copies are not acceptable as evidences. The result will be reported to MOWP.</p> <p>A.3.2 Additional claims received by CRBC office will be treated the same manner as those received by GRSC.</p>		<p>Action completed. As reported in Recommendation #2.</p> <p>Action in progress. As reported for Recommendation #2.</p>		<p>Complied with. (Para.29 of CRP Annual Monitoring Report 2006-2007)</p>
<p>Recommendation # 4</p> <p>Chief Engineers of the respective Irrigation Departments will take appropriate steps and announce the procedure for sanctioning additional nakkas for the severed land, as provided for in item No.3 of the Entitlement Matrix, by or before 20-12-2003.</p>	<p>A.4.1 The LACs shall prepare village wise lists of the owners whose lands have been acquired. These lists shall be forwarded to the District Coordination Officer (DCO) concerned, who will identify, through his subordinate Revenue staff, the affectees whose holdings have been severed due to the acquisition.</p>		<p>Action completed. IPD-NWFP reported that a survey on the complainants received by GRSC has been carried out, and found that none of complaints received was on severed land but general complaints such as shortage of water or other subjects.</p> <p>In Punjab, Irrigation and Drainage Authority contacted all claimants received by GRSC and also found that none of the claims was for severed land.</p>		<p>Complied with. (Para. 30 of CRP Annual Monitoring Report 2006-2007)</p>

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Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 22 June 2007	Implementation Risks	Compliance Status determined by the Compliance Review Panel
	<p>A.4.2 LAC will forward the list of such affectees to respective Chief Engineer, Irrigation.</p> <p>A.4.3 Chief Engineer, Irrigation, through Divisional Canal Officer and Subdivisional Canal Officer will consult with owners of severed land and prepare work plans that are agreeable to the owners and submit to MOWP. MOWP will send a copy to ADB. In addition to the list provided by LAC, 415 claims in NWFP and 252 claims in Punjab received by GRSC will be treated in the same manner.</p> <p>A.4.4 Irrigation and Power Departments of NWFP and Punjab complete the provision of nakkas for all severed land.</p>		<p>Most of the claims were related to land compensation.</p> <p>Both IPDs agreed that new claims, if received, will be investigated.</p>		
<p>Recommendation # 5</p> <p>Respective Boards of Revenue will grant five (5) acres state land on proprietorship basis on nominal prices to the legal owners entitled compensated for loss of income and livelihood through acquisition under Item 4.1 of the Entitlement Matrix. Entitled tenant/share cropper or leaseholder for such holdings, if any, will also be compensated as specified at 4.1 of the compensation policy column of the</p>	<p>A.5.1 Provincial Governments will identify marginalized landowners whose land holdings became less than 5 acres as a result of land acquisition.</p> <p>A.5.2 Provincial Governments will take appropriate measures to secure their livelihood based on the genuine needs of the identified households.</p>		<p>Action completed. NWFP reported that there was no relevant case found from its record. Punjab identified 7 cases and through further investigation, one was found to own more than 5 acres. The rest of 6 households were contacted by Dera Ghazi Khan District Coordination Officer and two</p>	<p>Employment offered to the 3 persons may not be extended, if their performance is not satisfactory.</p>	<p>Partially complied with. (Para. 31 of CRP Annual Monitoring Report 2006-2007)</p>

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 22 June 2007	Implementation Risks	Compliance Status determined by the Compliance Review Panel
Entitlement Matrix by the PD CRBC at the expense of the Project. (One grievance each in NWFP and Punjab was received by GRSC)	A.5.3 Provincial Governments will report to MOWP. MOWP forward the report to ADB for review.		more were found to own more than 5 acres of land. One female-headed household confirmed that she neither claimed nor applied for any compensation. From the remaining 3 households, IPD-Punjab employed one person each as a water man in May 2006 at the salary of PRs 3,000 per month. The 3 persons are still employed.		
<p>Recommendation # 6</p> <p>Irrigation Departments will formulate a domestic water supply sanction policy and the Project will initiate a program of infrastructure installation for domestic use of canal water in landless communities of the Stage III canal command developed in close consultation with women users.</p>	A.6.1 The Gender Specialist's report identified 142 landless villages (42 villages in 4 Union Councils in D.I Khan, and 100 villages in 11 Union Councils in D.G.Khan) for the water supply scheme. Irrigation and Power Departments will sanction the canal water for domestic use by these landless communities. IPDs will prepare an action plan and submit to MOWP.		<p>IPDs of NWFP and Punjab have sanctioned 2.4 cusecs and 4.0 cusecs, respectively, of canal water for domestic water supply. The Works and Services Department (WSD) of NWFP and the Public Health Engineering Department (PHED) of Punjab have prepared PC-1s.</p> <p>In NWFP. A PC-1 for 15 canal water supply systems and 5 tubewell schemes, amounting to PRs 33 million, was submitted to WSD by the District Works and Services on 10 June 2006. PDWP had returned the PC-1 with some observations. The PC-1 was resubmitted to the Chief Engineer WSD for further process. The PC-1 includes involvement of an NGO to work for community mobilization.</p>	<p>Operation and maintenance plan for tubewell schemes is not clear in the draft PC-1.</p> <p>Approval of PC-1 may require more time.</p>	Partially complied with. (Para. 32 of CRP Annual Monitoring Report 2006-2007)

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Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 22 June 2007	Implementation Risks	Compliance Status determined by the Compliance Review Panel
	A.6.2 The submitted action plan will be implemented. MOWP will monitor the implementation and report to ADB.	31 Aug 2007 (NWFP) 31 Jul 2008 (Punjab)	<p>In Punjab, PHED proposed 50 schemes for 100 villages comprising 34 tubewells and 16 canal water schemes with a total cost estimate of PRs 458 million. The same approach as adopted under the Punjab Community Water Supply and Sanitation Sector Project is applied, and villagers are ready for the maintenance of the scheme. PC-1 was approved by PDWP on 10May 2006. MOWP returned the PC-1 to the respective department. The PC-1 needs to be resubmitted to MOWP.</p> <p>Not started yet. For NWFP's PC-1, PDWP and CDWP approvals are needed. Community mobilization and construction would take about one year. For Punjab's PC-1, CDWP approval is needed. Community mobilization and construction would take about 2 years.</p>	PC-1. Approval may require longer time than expected. Implementation may delay.	
<p>Recommendation # 7</p> <p>Identify federal, provincial and private sector programs in education, health, sanitation, agriculture and microcredit operating in the project area or which can be directed to the project area. Facilitate contact through workshops to provide a</p>	A.7.1 WAPDA will review all applications received by GRSC under Item 4.4 of the Entitlement Matrix, and in coordination with the DCOs, District Nazims and relevant Union		<p>Action in progress. Meetings were convened with District Coordination Officers (DCOs) of D.I. Khan and D.G. Khan on 31 October 2005. It was reported by</p>		Partially complied with. (Para. 33 of CRP Annual Monitoring Report 2006-2007)

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 22 June 2007	Implementation Risks	Compliance Status determined by the Compliance Review Panel
<p>focal role for councilors at the tehsil and union council level, to enable communities and individuals access to regional programs of relevance to women and the poor.</p>	<p>Councils, re-assess the difficulties among the claimants, and identify the mitigation measures to mitigate the difficulties.</p> <p>A.7.2 WAPDA will identify relevant development programs from the list in Annex 2 of the Gender Specialist's report or other programs, and contact and request them to implement activities in the villages from which applications are received, and the 142 villages identified by the Gender Specialist.</p> <p>A.7.3 WAPDA will report the result of the above effort and implementation status of the programs mobilized in the affected villages to MOWP.</p>		<p>the respective provincial and federal line agencies that such programs are a continuous process and are underway in different sectors. In the meetings it was decided to conduct a workshop/ seminar each at D.I. Khan and D. G. Khan with full participation by the public representatives and district government authorities. DCO D.I. Khan and provincial line agencies conducted a workshop on 29 Dec 2005. A second workshop will be conducted on the availability of DCO D.I. Khan or his representative.</p> <p>In Punjab, continuing effort has been made through the local government units, as well as provincial and national programs such as the Citizens Community Board program and ADB-financed D.G. Khan Rural Development Project. The schedule for implementing a workshop is yet to be finalized by DCO D.G. Khan.</p>		
<p>Recommendation # 8</p> <p>After review by an independent irrigation management specialist, existing institutional arrangements, protocols and practices for regulation, particularly at the main canal-distributary interface, and discharge and</p>	<p>A.8.1 MOWP will request IPDs to review the report of the Irrigation Management Specialist and propose adequate measures to address the issues raised in the report. Such</p>	<p>Continuous</p>	<p>Action in progress. Most of the proposals for improved irrigation practices except for introduction of Crop-Based Irrigation Operations (CBIO) have been</p>		<p>Partially complied with. (Para. 34 of CRP Annual Monitoring Report 2006-2007)</p>

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Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 22 June 2007	Implementation Risks	Compliance Status determined by the Compliance Review Panel
<p>escape protocols on the main canal and distributaries will be discussed and agreed during a two-day workshop. This will be attended by WAPDA, Provincial Irrigation Departments and farmers' representatives. Improvements to achieve timely and adequate flows to match fluctuations in farmers' water demand (within authorized discharge limits) will be implemented immediately. Calibrated easy to read gauges will be installed at all provincial transfer and main canal-distributary interface points.</p>	<p>proposal will be promptly implemented.</p> <p>A.8.2 MOWP will report the implementation status to ADB.</p>		<p>accepted by NWFP and Punjab. Calibrated Gauges have been installed.</p> <p>In NWFP, the PC-1 for irrigation improvement was submitted to P&DD in late May 2005. The PC-1 has been approved by CDWP on 20 March 2007. The total cost is estimated at PRs 321.9 million.</p> <p>In Punjab, regulation is being observed by implementing the rotational program during Kharif (monsoon) and Rabi (winter) seasons. IPD and Punjab Irrigation and Drainage Authority (PIDA) jointly carried out several corner meetings and conducted workshops on 15 November 2005, 24 May 2006 and 19 June 2006 with the farmers of 15 distributaries for awareness of the regulation and canal laws to improve irrigation management.</p>		
<p>Recommendation # 9</p> <p>WAPDA and Provincial Irrigation Departments will make known their reservations for not allowing irrigation from sumps on the main canal when the topography does not permit farmers to convey water lifted from designated points on distributaries to portions of their land, particularly if these were previously irrigated by rodh kohi. They will also propose an</p>	<p>A.9.1 IPDs, being assisted by WAPDA, will review the status of the 36,000 acres (15,175 ares in NWFP and 20,825 acres in Punjab) lift irrigation area, and clarify the area and number of landowners that have been adequately irrigated by existing pump sumps, and those that can not receive sufficient water</p>	<p>Plans completed by</p> <p>31 Oct 2006 (NWFP) and</p>	<p>Action in progress.</p> <p>WAPDA and IPDs are in the position that pump sump directly from the main canal will endanger the safety of the canal and adversely affect the operational discipline of the whole system.</p>	<p>Not all area might be irrigated by this measure.</p>	<p>Partially complied with. (Para. 35 of CRP Annual Monitoring Report 2006-2007)</p>

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 22 June 2007	Implementation Risks	Compliance Status determined by the Compliance Review Panel
<p>alternate solution, if provision from the main canal is not possible. After receiving a response the independent irrigation management specialist will review the issue, including the option of creating new chakbandis for this land with provision for lift irrigation from sumps in the main canal, or possibly from specially built in-right-of way (ROW) minors along the main canal.</p>	<p>due to high elevation of land, problems in watercourses, and being denied access by influential farmers.</p> <p>A.9.2 Based on the findings from the review and adequate consultation with the farmers, IPDs will identify an adequate measure for each landowner who does not receive sufficient irrigation water from sumps, as recommended by the Irrigation Management Specialist in Sections 6.4 and 7.3 of his report. Each IPD will consolidate such measures to a Lift Irrigation Improvement Plan and submit to MOWP. MOWP will forward a copy to ADB.</p> <p>A.9.3 IPDs will check if all the areas that had Rod Kohi water rights are covered by the sanctioned 36,000 acres. In case any former Rod Kohi area is not covered by the lift irrigation scheme, additional water right for use of the canal water should be given to the landowners. This will be reported in the Lift Irrigation Improvement Plan</p> <p>A.9.4 IPDs and OFWMs will promptly implement the plans and report their completion to MOWP. MOWP will forward it to ADB.</p>	<p>30 June 2006 (Punjab)</p>	<p>IPD-NWFP reported that 8 cases have been identified. The cases have been resolved by providing water from distributaries.</p> <p>Punjab carried out a survey and recommended to line 100% of watercourses for 106 sump wells to command all 20,825 acres. A PC-1 amounting to PRs 413.9 million for constructing sump well minors was prepared. Approval of the PC-1 is pending owing to high level observations.</p>	<p>Irrigators may continue illegal pumping from the main canal.</p>	

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Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 22 June 2007	Implementation Risks	Compliance Status determined by the Compliance Review Panel
<p>Recommendation # 10</p> <p>Pending the initiation of farmer irrigation organization on the water course and distributary levels, workshops will be conducted to orient members of all union, tehsil and district councils in the CRBIP III canal command, on the operating principles of the warabandi continuous flow system of irrigation.</p>	<p>A.10 IPDs will implement as recommended.</p>		<p>Action in progress.</p> <p>In NWFP, IPD conducted 4 workshops and corner meetings and will continue to improve the irrigation practices in the canal command area. 715 water users associations have been established, 623 watercourses partially lined and 92 watercourses works in progress.</p> <p>PIDA has deputed a team of social mobilizers for organizing farmers at watercourse and distributary levels.</p> <p>Social mobilization has been carried out on 28 distributaries, elections on 23 distributaries held, 262 warabandi cases settled, 68 cases of shifting Chakbandi dealt with; and seven workshops were conducted to develop awareness on irrigation system regulation and operation.</p>		<p>Partially complied with. (Para. 36 of CRP Annual Monitoring Report 2006-2007)</p>
<p>Recommendation # 11</p> <p>The landless in unprotected villages in addition to the compensation they have already received for the structure of their home will be given ownership of at least 5 marlas residential land in the canal command area. By living in the command area they are expected to benefit from the increased opportunity for labor that has</p>	<p>A.11.1 The Participatory Assessment Specialist identified 9 households that are categorized into this group out of the total 462 households (he states in page 8 of his report that 2 additional households would be eligible for this provision). Provinces of NWFP and (note: all of 9</p>	<p>31 Oct 06</p>	<p>Action in progress. The independent Participatory Assessment Specialist found that 3 out of 9 households have shifted to safe locations before June 05. Of the 6 households, 4 agreed to receive 5 marla plots. The four were summoned by the</p>	<p>Consultation may not be successful.</p>	<p>Partially complied with. (Para. 37 of CRP Annual Monitoring Report 2006-2007)</p>

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 22 June 2007	Implementation Risks	Compliance Status determined by the Compliance Review Panel
<p>arisen from irrigated agriculture. In addition they are entitled to a shifting allowance and a one-time subsistence allowance equivalent to six months official minimum wages.</p>	<p>households are located in Punjab) the Punjab will prepare a resettlement plan. MOWP will submit the plan to ADB.</p> <p>A.11.2 MOWP will monitor the progress of the resettlement plan and report to ADB.</p>		<p>revenue office, Taunsa for allotment of land. Two appeared while the other 2 did not. The revenue office issued fresh summons to the 2 who did not show up. District Revenue Officer D.G. Khan has issued instructions to revenue office, Taunsa for compliance on urgent basis.</p> <p>The remaining 2 households flatly refused to accept the 5 marla of land as per the recommendation. In one of the meetings they indicated acceptance if they are allotted at least 4 kanal land to each of them near RD 540-L.</p>		
<p>Recommendation # 12</p> <p>The increased risk of flood to the dwellings of those who are landowners, but only in the impact zone, will be mitigated through a provision of at least 5 marlas land for housing in the vicinity of their settlement, but outside the flood impact zone.</p>	<p>A.12.1 The Participatory Assessment Specialist identified 16 households that are categorized into this group out of the total 462 households. Provinces of NWFP and (note: all of 462 households are located in Punjab) the Punjab will prepare a resettlement plan. MOWP will submit the plan to ADB.</p>	<p>31 Oct 06</p>	<p>Action in progress. The Participatory Assessment Specialist found that 6 out of 16 households have shifted to safe locations before June 05. Out of a total of 16 remaining households under #11 and #12 (9+16-3-6=16), DCO, D.G. Khan contacted 13 households and offered 5 marla plots in the canal command area at different locations. But they did not agree to receive the 5 marla land. Upon further consultation by the Participatory Assessment Specialist, the remaining 10</p>	<p>Consultation may not be successful.</p>	<p>Partially complied with. (Para. 38 of CRP Annual Monitoring Report 2006-2007)</p>

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Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 22 June 2007	Implementation Risks	Compliance Status determined by the Compliance Review Panel
	<p>A.12.2 MOWP will monitor the progress of the resettlement plan and report to ADB.</p> <p>A.12.3 ADB's consultant will survey the living status of the entire 323 (note: this should be 321) households that have already moved out, as reported by the Participatory Assessment Specialist. Carefully identify any difficulties in their lives that are caused by the move from the villages in the flood impact zone. Prepare a mitigation measure, if such difficulties are found. The 116 households that own land in the safe area but have not moved out will also be surveyed. The consultant will submit a survey report on the 439 437 households (323 321 plus 116).</p>	31 Dec 2006	<p>households have refused to shift to other places.</p> <p>The consultant carried out a survey in Apr-Jun 05. He found that of 116 households, 32 shifted to safe locations since the last survey in December 2003-March 2004. Of 321 households, 124 were interviewed, all of them gave positive responses except for some in Kanewali East who face pressure from a landlord to vacate or buy the land. (Note: Kanewali people shifted to the east in 60 year back.)</p>		
<p>Recommendation # 13</p> <p>The communities in Protected Villages will determine measures considered necessary to improve the flood protection bund and the Project will agree on appropriate modifications or additions. GRSC recommends removing the existing flood protection bunds in Jhok Ketehra and Hafiz Abad, and rebuilding them at a reasonable distance (to be agreed in consultations with the community) from the dwellings. The land needed to widen these bunds will be</p>	<p>A.13.1 The Participatory Assessment Specialist reported in page 33 of his report that villagers of Hafiz Abad, through a signed memorandum informed that they do not demand rebuilding the embankment. However, they submitted a request for provision of basic facilities such as drains, water supply, water ponds for animal, privacy protection measures, a mosque, and</p>	31 Jul 2007	<p>Action in progress. Based on the consultations made by the Participatory Assessment Specialist and WAPDA, WAPDA prepared a plan to provide facilities such as animal watering points, drains, and road improvement for the 8 villages.</p>	<p>Implementation may take longer time than expected.</p>	<p>Partially complied with. (Para. 39 of CRP Annual Monitoring Report 2006-2007)</p>

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 22 June 2007	Implementation Risks	Compliance Status determined by the Compliance Review Panel
acquired under the LAA.	<p>lavatories. This village is, therefore, treated in the same manner as other 6 protected villages. WAPDA will review the requests of the 7 villages as provided in pages 11 to 48 of the report of the Participatory Assessment Specialist, consult with the villagers again, and prepare a draft plan to address these villagers' concerns. The draft plan will be presented to the villagers, and necessary revisions will be made based on their feedback. The plan will be finalized only after full agreement is reached and signed by the villagers. WAPDA will submit the final plan together with the signed agreements to MOWP. MOWP will forward it to ADB for clearance.</p> <p>A.13.2 When the works for the 7 villages are completed, WAPDA submit a report to ADB through MOWP.</p> <p>A.13.3 For Jhok Katehra, the Participatory Assessment Specialist reported that owners of the surrounding land would not agree to provide their land (page 38 to 42 of the report). WAPDA will consult again with the villagers and the landowners, and prepare an agreeable plan. The villagers' claims for compensation for the land of the existing embankment, a mosque and a brick kiln, and a well will be reviewed and</p>		<p>The total cost for the works, including some others, is estimated at PRs 865.8 million, which are included in a PC-1 prepared in August 2005. The PC-1 was approved by CDWP on 28 April 06. ECNEC's approval was obtained on 23 August 2006 and Administrative approval on 12 September 2006. 11 civil works contracts for a total of about PRs. 82.8 million have been awarded. Implementation of the contracts started in October and November 2006.</p> <p>Other civil works contracts have yet to be procured.</p> <p>Action halted due to disagreement among people. Provision has been made in the PC-1 of WAPDA for extension/shift of existing protection embankment in Katehra but work could not begin due to social conflicts between the residents and the owner of the land who do not agree for their land to be acquired for the extension/shift of the bund.</p>	Further consultation may not be successful.	

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Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 22 June 2007	Implementation Risks	Compliance Status determined by the Compliance Review Panel
	<p>a fair compensation will be offered, if justified. While awaiting an amicable solution between the two groups of villages, CDO's improvement plan will be implemented. WAPDA also agreed to re-route the road from the crest of the embankment to the ground level, and close the existing road, so that the villagers do not feel being peeped by passengers.</p> <p>A.13.4 In case acquisition of the surrounding land is not agreeable to the landowners, application of Recommendations #11 and 12 are considered. In such a case, WAPDA will carry out a property survey for all households, and prepare and submit a resettlement plan to MOWP. MOWP will forward it to ADB for clearance.</p> <p>A.13.5 When actions on Jhok Katehra are completed, WAPDA submit a completion report to MOWP. MOWP will forward it to ADB.</p>		<p>Livelihood facilities will also be provided for Katehra village, if villagers wish.</p> <p>This was found not an option as the villagers are refusing any other solution than cash compensation or rebuilding of the embankment. Cash compensation is not possible under the national law.</p> <p>Not started yet.</p>		
<p>Recommendation # 14</p> <p>Animal watering points that draw water from the main canal will be provided in Protected Villages, inside the bund. Provision of canal water for domestic use by community will also be made within the bund. These facilities will be planned, located and installed by the Project in close consultation</p>	<p>A.14 This will be undertaken under Action A.13.1 and A.13.2.</p>		<p>Action in progress. Reported in Recommendation #13.</p> <p>The remedial actions for facilities such as animal watering points, etc. have been completed in Kot Hafizabad, Maru and Bhargari while in Thatta Leghari, Jhangi,</p>		<p>Partially complied with. (Para. 40 of CRP Annual Monitoring Report 2006-2007)</p>

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with the community.			Sokar and Kurwal are under implementation. The residents of Katehra have refused to receive any remedial measures.		
<p>Recommendation # 15 WAPDA will undertake the remaining works on incomplete FCCs before the on set of the next flood season.</p>	<p>A.15.1 WAPDA informed ADB in July 2004 that the work plans are ready for Mahoi and Jat Wah Flood Carrier Channels (FCCs). Prior to commencement of the work, WAPDA should complete land acquisition, following ADB's Involuntary Resettlement Policy. WAPDA will first carry out a social assessment including identification of the owners of the right-of-way of FCCs and consultation with them, and prepare a land acquisition/ resettlement plan. In case 200 or more people will experience major impacts, a full resettlement plan should be prepared; otherwise a short resettlement plan should be prepared. GRSC's Recommendation #5 will also be applied for the compensation. ADB will be consulted on the requirements in the land acquisition process. WAPDA will submit a land acquisition/ resettlement plan to ADB through MOWP for clearance.</p>		<p>Action halted due to disagreement among people. WAPDA completed the design for extension of the FCCs. The cost of the FCCs is included in WAPDA's approved PC-1. Landowners in the FCC alignments were consulted by the Participatory Assessment Specialist (PAS) and WAPDA, but they are not ready to give their land for extension of the FCCs. A list of land owners were prepared by the PAS.</p> <p>PAS undertook several consultations with landowners as well as affected people up to May 2007 which concluded without any result. The affectees submitted statement of losses due to non completion of Jatwah and Mahoi drains and requested early completion of these drains.</p> <p>WAPDA will continue its effort to reach a consensus through Union Council.</p>	Further consultation may not be successful.	Not complied with. (Para. 41 of CRP Annual Monitoring Report 2006-2007)

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Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 22 June 2007	Implementation Risks	Compliance Status determined by the Compliance Review Panel
	A.15.2 Upon completion of the land acquisition process, WAPDA will commence and complete the work. WAPDA will report the completion to ADB through MOWP.		Not started yet.		
<p>Recommendation # 16</p> <p>Tail watercourses on all distributaries need to be inspected for completion jointly by respective OFWM and Irrigation Departments. All incomplete watercourses should be constructed and warabandi instituted in close coordination of OFWM, Irrigation Department and the communities.</p>	<p>A.16.1 IPDs and OFWMs will jointly inspect the existing watercourses, including those at the tail of distributaries and minors to identify incomplete watercourses and prepare a work plan to be submitted to MOWP (OFWM field team are currently working on improvement, including lining, of watercourses under the Government-funded National Program for Improvement of Watercourses. This recommendation will be undertaken under this program).</p> <p>A.16.2 Specifically for Mor Jhangi village where disagreement on the watercourse alignment among villagers is causing flooding, WAPDA, IPD-Punjab and OFWM-Punjab will consult with the villagers and the landowner in Retra village on the routes of the two tail watercourses of Minor Distributary 35. If necessary, the watercourses will be re-routed. The</p>	<p>31 Dec 2006 (NWFP)</p> <p>31 Jul 2006 (Punjab)</p>	<p>Action in progress. In NWFP, more than 70% of tail watercourses were completed and the rest are under process.</p> <p>OFWM-Punjab surveyed 136 tail outlets in 2005, and found that 84 watercourses are complete, 17 are incomplete, and 35 are partially complete. OFWM field teams are currently working on improvement of watercourses.</p> <p>5 watercourses remained incomplete as of 31 May 2006. Of these, 1 has been completed, while alignments of the remaining 4 have been given to the tenants of zamindars.</p> <p>Completed. The problem of Mor Jhangi village watercourse alignment is reported as already solved.</p>	<p>Implementation may take longer time than expected.</p>	<p>Partially complied with. (Para. 42 of CRP Annual Monitoring Report 2006-2007)</p>

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 22 June 2007	Implementation Risks	Compliance Status determined by the Compliance Review Panel
	<p>Union Council of Mor Jhangi, and the District OFWM Officer will help in solving any disagreement among the villagers. WAPDA will report the agreed solution, and the progress on implementation of the agreed measures to MOWP and ADB.</p>				
<p>B. Environmental Management Plan (EMP)</p>	<p>B.1 The Federal Environmental Management Unit (FEMU) under NDP will reformulate the current EMP expanding its scope to adequately cover the outstanding environmental issues, including forest degradation, reduced grazing land, and potential pollution from agro-industries. The implementation period of the expanded EMP will be up to June 2009. FEMU will submit revised EMP plan to ADB, WAPDA and MOWP.</p> <p>B.2 FEMU will prepare a PC-4 2 (note: this should be PC-2) document of EMP for the period 2005-2006 that will be covered by the National Drainage Sector Project, and submit to MOWP for approval.</p> <p>B.3 FEMU will prepare another PC-1 document of EMP for the period 2007-2009 that will be covered by the Chashma Project, and submit to MOWP for approval.</p>		<p>Action completed. Submitted to MOWP on 17 Feb 05.</p> <p>MOWP confirmed that new PC-2 or approval of the revised PC-1 for NDP is not required. MOWP informed Chief Engineer, NDP of this.</p> <p>FEMU prepared a first draft of PC-1 in Feb 06 and a revised PC-1 on 9 May 06. It was agreed in Feb 06 that FEMU will be attached to WAPDA CRBC office for the EMP implementation. The PC-1, with a cost estimate of PRs. 188 million, was submitted</p>		<p>Partially complied with. (Para. 43 of CRP Annual Monitoring Report 2006-2007)</p>

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Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 22 June 2007	Implementation Risks	Compliance Status determined by the Compliance Review Panel
	<p>B.4 FEMU will commence implementation of the revised EMP.</p> <p>B.5 FEMU will submit quarterly progress reports of the expanded EMP to MOWP and ADB.</p>		<p>to MOWP on 20 March 2007. MOWP returned FEMU's PC-1, , with the directions to resubmit the PC-1 through WAPDA Project Review Committee.</p> <p>Four studies commenced in May 2006 and were completed by December 2006. FEMU have submitted two reports to ADB on 31 May 2007. These reports pertain to: (i) study of Ecological Impacts, and (ii) Environmental Awareness Programme. Reports of the other two studies/activities are still under review by FEMU.</p> <p>Status Reports have been received art ADB. The last was for October 2006.</p>		
C. Hill Torrent Management Plan	<p>C.1 The consultants will submit a draft final report of the updated feasibility study to IPD-Punjab. IPD-Punjab will submit a copy to MOWP and ADB.</p> <p>C.2 IPD-Punjab and ADB will review and provide comments on the draft final report. As already stated in the TOR for the updated feasibility study, to be eligible for ADB financing, the plan will have to satisfy ADB's existing safeguard policies on environment,</p>		<p>Submitted in Nov 2004</p> <p>Held in February 2005. ADB was concerned about the design of the proposed structures and fielded a consultant in August 2005. The consultant recommended revisions of the design, based on which ADB</p>		<p>Partially complied with. (Para. 44 of CRP Annual Monitoring Report 2006-2007)</p>

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 22 June 2007	Implementation Risks	Compliance Status determined by the Compliance Review Panel
	<p>involuntary resettlement and indigenous people. ADB will review if these policies were complied. The plan also should reflect the feedback from the people who would be benefited or affected by the plan through the consultations made under the study. A tripartite meeting will discuss necessary follow-up analyses with the consultants.</p> <p>C.3 If necessary, the consultants will carry out additional study. The consultants will submit a final report to IPD-Punjab. IPD-Punjab will submit a copy to MOWP and ADB for clearance.</p> <p>C.4 IPD-Punjab will prepare PC-1.</p> <p>C.5 ECNEC will approve PC-1</p> <p>C.6 ADB approval of the major change in the Project scope</p> <p>C.7 IPD-Punjab will establish a project office, mobilize staff, recruit consultants, and start procurement.</p> <p>C.8 IPD-Punjab will complete the works and submit a completion report to</p>	<p></p> <p></p> <p>31 Oct 2006</p> <p></p> <p>31 Jan 2007</p> <p>15 Jan 2007</p> <p>28 Feb 2007</p> <p>1 Apr 2007</p>	<p>approved the provision of a small scale TA grant to review the design, in December 2005. The design review activities have been completed in March 2007. Further discussions are planned to be held with IPD Punjab and the consultants.</p> <p>Final Report of the additional study was submitted to IPD Punjab on 31 March 2007, which includes draft PC-1.</p> <p>PC-1 has been prepared based on the design review undertaken under the small scale TA grant.</p>	<p></p> <p></p> <p></p> <p></p> <p></p> <p>Implementation may take longer</p>	

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Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 22 June 2007	Implementation Risks	Compliance Status determined by the Compliance Review Panel
	MOWP and ADB.			time than expected.	
<p>D. Other Remedial Measures</p> <p>1. To address the issue of reduced transportation access due to canals (Note: Existing bridges over the 151 km-long main canal are 12 district road bridges, 26 village road bridges, and 28 footbridges. The average interval is 2.3 km for pedestrians and 4.0 km for vehicles. Those over 644 km-long distributaries are 41 arterial road bridges, 23 district road bridges, 176 village road bridges, and 691 footbridges. The average interval is 0.7 km for pedestrians and 2.7 km for vehicles.)</p>	<p>D.1.1 WAPDA and IPDs will prepare criteria for provision of additional vehicle road bridges and footbridges to the main canal and distributaries, in consultation with relevant Districts and all Union Councils in the Project area. The criteria will be submitted to ADB for clearance.</p> <p>D.1.2 Following the criteria and in consultation with user villagers, WAPDA and IPD will provide additional bridges in accord with the criteria under D.1.1. WAPDA will submit a completion report to MOWP and ADB.</p>	<p>31 Jul 07</p>	<p>Action in progress. WAPDA identified 5 bridges on the main canal and 1 bridge on FCC #22 (Toa Nullah), and FCC #2 in Stage II area. The plan is included in the PC-1 for Recommendations #13 and #14. The PC-1 was approved by CDWP on 28 April 2006 and ECNEC's approval was obtained on 23 August 2006. Tendering of the works is still to be carried out.</p> <p>IPD NWFP and Punjab identified 60 and 56 additional bridges along the distributaries, respectively.</p> <p>NWFP's PC-1 for Recommendation #8 that was submitted to MOWP on 16 May 2006 covers this. This PC-1 was approved by CDWP on 20 March 2007, and administrative approval issued on 16 May 2007.</p> <p>Punjab prepared a separate PC-1 amounting to PRs 45.66 million. The PC-1 was approved by PDWP on 16 March 2006, and submitted to MOWP on 15</p>	<p>Implementation may take longer time than expected.</p>	<p>Partially complied with. (Para. 45 of CRP Annual Monitoring Report 2006-2007)</p>

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 22 June 2007	Implementation Risks	Compliance Status determined by the Compliance Review Panel
<p>2. To address the flood problem in the area along the Vehowa Nullah that is caused by the embankment that was constructed under an IPD-Punjab's own program (outside the Project).</p> <p>3. Others, if identified.</p>	<p>D.2 Protection of Mauza Churkin is included in the Hill Torrent Management Plan and will be addressed adequately.</p> <p>D.3 WAPDA and IPDs will promptly implement any other actions that will remedy adversely affected people, as agreed to with ADB.</p>		<p>April 2006. Tendering is in process. Construction will take about one year</p> <p>Included in Action C.</p> <p>Action in progress. WAPDA carried out a survey for drainage of the stagnant water on the right side of the main canal. The plan to install pipes to the main canal embankment is included in WAPDA's approved PC-1.</p>		
<p>E. Project Monitoring and Evaluation</p>	<p>E.1 An independent cell within WAPDA and BORs will be established in a transparent manner with the head of the cell to be appointed in consultation with ADB. The Government will submit a concrete proposal in this regard.</p> <p>E.2 Established monitoring cell will report the status to WAPDA and MOWP. Reports will be forwarded to ADB.</p>		<p>Establishment of a cell was notified to ADB in June 2005. Nomination of the Chief Engineer, Gomal Zam Gam Project for the head of the cell was agreed to by ADB.</p> <p>Reported to MOWP on the average bimonthly basis.</p>		<p>Partially complied with. (Para. 46 of CRP Annual Monitoring Report 2006-2007)</p>
<p>F. Grievance Redress Mechanism</p>	<p>F.1 Establishment of a complaint center under CRBC Office, which will be announced to the people in the</p>		<p>Action in progress. Established in June 2005. The establishment was announced to the public</p>		<p>Complied with. (Para. 47 of CRP Annual</p>

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	<p>Project area. WAPDA would nominate a committee consisting of an executive engineer and two junior engineers to register and process the complaints on trial basis for six months and submit monthly progress report to the Ministry of Water and Power and ADB for review.</p> <p>F.2 After the trial period is over, continuation or revision will be considered based on the performance of the mechanism.</p>		<p>through distributing a poster in villages and displaying at public places, announcement in mosques through loud speakers, and notification to district government and public representatives. WAPDA agreed to submit a list of complaints received, including relevant authorities for action, and status of action for each complaint.</p> <p>This will be continued.</p>		<p>Monitoring Report 2006-2007)</p>

Table of General Remedial Actions

Inspection Panel Recommendation Number	Recommendations for general remedial actions	Compliance status determined by the Compliance Review Panel
(iv)	<p>With respect to ongoing and future large-scale canal irrigation projects of ADB, ADB should 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:</p> <ul style="list-style-type: none"> (a) to provide 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 any resettlement in accordance with requirements under ADB's policy on involuntary resettlement 	<p>Partially complied with. (Para. 48 of CRP Annual Monitoring Report 2006-2007)</p>
(v)	<p>ADB should ensure that</p> <ul style="list-style-type: none"> (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) that 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 	<p>Not complied with. (Para. 49 of CRP Annual Monitoring Report 2006-2007)</p>