

**ASIAN DEVELOPMENT BANK (ADB)**  
**TERMS OF REFERENCE FOR THE INSPECTION PANEL**  
**FOR THE**  
**CHASHMA RIGHT BANK IRRIGATION PROJECT (STAGE III)**  
**JANUARY 2004**

**Project Name:** CHASHMA RIGHT BANK IRRIGATION PROJECT (STAGE III)  
(ADB LOAN No: 1146-PAK [SF])

**Project Location:** Chashma, North-West Frontier and Punjab Provinces, Pakistan

**Project Status:** ADB Loan No. 1146-PAK [SF] for \$185 million was approved by ADB Board of Directors (the Board) in December 1991; ADB additional financing for the Project in the amount of \$33.5 million was approved in June 1999; as of 30 January 2004, Project construction is approximately 99% complete, and 80.34% of the total amount of the ADB loan has been disbursed.

**ADB Department Involved:** South Asia Regional Department (SARD)  
Agriculture, Environment and Natural Resources Division

**Inspection Panel Members:** **Mr. A.R.B. Amerasinghe**  
**Mr. Goran Eklof**  
**Mr. Neeraj N. Joshi**  
**Mr. Larry Williams**

**ADB Contact Person:** Ms. Jill M. Drilon  
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## 1. Purpose; Authority; Inspection Policy

- a. **Purpose:** The purpose of the inspection is to determine independently whether ADB has complied with its operational policies and procedures in processing or implementing the Chashma Right Bank Irrigation Project (Stage III) in Pakistan (the Project). If the Inspection Panel (the Panel) determines that ADB has not complied with its policies, it must further determine whether this noncompliance has had, or is likely to have, a direct and material adverse effect on the rights and interests of the individuals who requested the inspection and the groups and individuals they represent (the Requesters). These Terms of Reference (TORs) for the Panel set forth (i) the specific terms and conditions applicable to the inspection that the Panel will undertake and (ii) the general terms and conditions under which the Panel should conduct its activities.
  - b. **Authority:** These TORs are based on the Board paper R225-95, the “*Establishment of an Inspection Function*” (10 November 1995), approved by the Board of Directors on 5 December 1995 (the *Inspection Policy*) and the *Inspection Procedures*, as approved by the Inspection Committee of the ADB’s Board of Directors on 9 October 1996 (the *Inspection Procedures*).
  - c. **Inspection Policy:** ADB’s *Inspection Policy* is intended to ensure that ADB’s “operational policies and procedures” are followed in the formulation, processing and implementation of ADB-financed projects. Appendix 1 defines such operational policies and procedures, and sets out other provisions relevant to the inspection.
2. **Role of the Board Inspection Committee:** Under paragraph 19 of the *Inspection Policy*, the Board Inspection Committee (the BIC) is charged with supervising inspections. Paragraph 39 stipulates that the BIC “...provide the Panel with appropriate terms of reference and a suggested time period within which to conduct the inspection.” According to paragraph 40 of the *Inspection Policy*, the Chairperson of the BIC must also approve the engagement of consultants required by the Panel. The *Inspection Procedures*, in paragraph 55, further provide that the Panel will “...report periodically to the Committee on the progress of its inspection, and will advise the Committee promptly of any necessary changes in the Panel’s work plan. If necessary, the Committee may also ask the Panel for interim reports.” The Panel will submit its final written report to the BIC, with a copy provided to Management, pursuant to paragraph 43 of the *Inspection Policy* and paragraph 56 of the *Inspection Procedures*.
  3. **Privileges and Immunities of Inspection Panel:** Paragraph 42 of the *Inspection Policy* states: “In the performance of their functions, Panel members will be entitled to enjoy the privileges and immunities accorded to experts performing missions for the Bank under the Bank’s Charter.” Article 55 of the Charter sets out such privileges and immunities.
  4. **Project to be Inspected.** Appendix 2 to these TORs sets forth a description of the Project which the Panel shall inspect in accordance with these TORs.

5. **Scope.** These TORs govern the performance and activities of the Panel and are based upon the *Inspection Policy* and *Inspection Procedures*. The specific provisions concerning the Panel are set forth in paragraphs 39-43 of the *Inspection Policy* and paragraphs 47 to 58 of the *Inspection Procedures*. The scope of the inspection is outlined in the BIC's report and recommendation to the Board on *Inspection Request: Chashma Right Bank Irrigation Project (Stage III)* (R47-03), Section VI, "Summary of Findings" (See Appendix 3). The BIC concludes that further investigation is warranted into ADB's action with respect to the following OMs and staff instructions: OM 21, Environmental Considerations; OM 23, Benefit Monitoring and Evaluation; OM 13, Supplementary Financing; OM 32, Bank's Operational Missions; OM 50, Involuntary Resettlement; OM 47, Social Dimensions; staff instruction on Socio-cultural Impacts of Bank Projects; and staff instruction on Indigenous Peoples. In the event of a finding of noncompliance, the Panel should make a further finding as to whether this noncompliance has resulted or may result in direct and material harm to the rights and interests of the Requesters; and make any further recommendations, if appropriate, for any remedial changes in the scope or implementation of the Project. In making any such recommendations, the Panel will take account of the measures taken by Management to address the concerns of affected people, as well as the processes and outcome of any grievance redress process.
  
6. **The Inspection Authorities.** The *Inspection Policy* and *Inspection Procedures*, as supplemented by these TORs (including the timetable and budget approved by the BIC), govern the overall performance and activities of the Panel. Any change or modification to these TORs should be made only with prior written approval of the BIC. Should there be any conflict between any provision of the *Inspection Policy* and *Inspection Procedures* and these TORs, the *Inspection Policy* and *Inspection Procedures* shall prevail.
  
7. **Consent Required from the Concerned Government.** Paragraph 52 of the *Inspection Procedures* provides that the Panel may visit the Project area and meet with the requesters, other local communities, organizations and groups, project managers and government officials in the Project area in the country where the project is located. However, before the Panel or any of its consultants undertakes such activities, the BIC must confirm with the Director representing the relevant country that the government of the country has no objection. If the Government objects to any such activities, the Panel should modify its work plan accordingly, as stated in paragraph 52 and carry out its review on the basis of reports and other information available to the Panel and ADB.
  
8. **Conduct of Interviews.** The obtaining of evidence through interviews of ADB staff, consultants and other concerned persons including the requesters, members of other local communities, organizations and groups, project managers and government officials in Pakistan should be conducted in the manner determined by the Panel after consultation with the parties concerned.  
Where ADB staff are to be interviewed by the Panel, the terms of paragraph 51 of the ADB's *Inspection Procedures* should be noted namely, in conducting an inspection a Panel will have access to all concerned ADB staff and pertinent ADB documents, and may consult as necessary with officers or staff from relevant Departments and other Officers, as well as Management. The Panel may obtain information from interviews in the following manner:

- a. The Panel should seek an interview with the person concerned (the interviewee) through the Secretary to the Panel (the Secretary), who will contact the interviewee through the appropriate channel.
- b. The Panel may select one or more of its members to conduct each interview (interviewer).
- c. The interviewer should initially inform the interviewee of the purpose of the interview, ask if the interviewee agrees to be interviewed, state that the interview results may become publicly available, and set a mutually convenient date, time and place for the interview. As far as possible, the BIC recommends that interviews be tape recorded, while noting that there may be cases in which tape recordings may not be possible or appropriate (e.g. a preliminary interview or an interview with individuals who may be intimidated by the presence of the recorder). If the interviewer wishes to tape record and/or have another Panel member or Panel consultant (if any) present, the interviewer should inform the interviewee before the interview.
- d. Promptly after the interview, the interviewer should prepare an accurate written summary of the interview (including questions asked and responses and additional information given), and date and sign the summary. The interviewer should feel free (but is not required) to invite the interviewee to review, and if they wish sign and date, such final written summary.
- e. The interviewer and the Panel should, for the duration of the Panel's existence, keep the written summary of each interview as part of its confidential files and not disclose the summaries to any other party except the BIC. The BIC may decide whether, in accordance with ADB's policy on confidentiality and disclosure of information, any documents should be treated as confidential, and the duration of confidentiality, subject to paragraph 6(f) below.
- f. If the interviewee provides, or offers to provide, any information, including documents, which the interviewee asks to be kept confidential, paragraph 43 of the *Inspection Policy* and paragraph 58 of the *Inspection Procedures* should be followed, namely "Any information required to be kept confidential under the ADB's policy on confidentiality and disclosure of Information will be segregated and submitted by the Panel to the [BIC] as a separate, confidential supplement to the Panel's report."
- g. If an interviewee wishes to provide information to the Panel that can be made public but does not wish to be identified as the source of the information, the Panel may receive and refer to that information in its Report but should not include the identity of the source of the information in the Panel's Report.
- h. If the Panel uses any of the interviewee's responses in its final report to the BIC, the Panel should make an appropriate citation to the written summary of the interviewee as part of its documentary evidence cited to support its findings and conclusions. If any such response contains confidential information and the Panel desires to include this confidential information in its final report to the BIC, it should prepare a separate confidential addendum to its final report that includes such confidential information.

9. **Access to Documents.** The Panel will have access to all relevant ADB documents necessary to discharge these TORs, including documents necessary to fully understand the context of the Project, such as those relating to all three stages of the Project or associated technical assistance. It may also request or will accept any other information or documents relating to the inspection from the Requesters, ADB's Management or any other party. Panel members will adhere to ADB's policy on confidentiality and disclosure of information with respect to any information they receive.
10. **Additional Means of Investigation.** If the Panel desires to use other means of investigation in addition to the means described in paragraphs 8 and 9 above, in its belief that these would substantially assist in its inspection, the Panel should make a recommendation to the BIC. If the BIC approves the recommendation, the Panel should ensure, to the greatest extent practicable, that an appropriate written record is prepared, in accordance with the provisions of paragraph 8(d). The Panel should seek to ensure that all such evidence that may be used in its deliberations and in its final report to the BIC shall be as accurate and complete as possible.
11. **Publicity.** During the inspection, particularly during a site visit if any, panel members will exercise discretion, maintain a low profile in the country, and will not give media interviews while making site visits in the borrowing country. The panel members will not give any media interviews relating to the substance of the inspection at any stage of the inspection. Any news releases will be made by the BIC in accordance with its established procedures.
12. **Engagement of Consultants.** If the Panel determines that it does not possess all the technical expertise required to conduct the inspection, it may propose the engagement of one or more consultants to the Chairman of the BIC for approval, indicating the type of expertise required, the work to be done and the likely duration of the assignment. If necessary, the BIC will meet with the Panel to clarify aspects of the proposed work plan and discuss the need for consulting services or other special arrangements. In accordance with paragraph 40 of the *Inspection Policy* and paragraph 50 of the *Inspection Procedures*, any consultants "will be engaged in accordance with the Bank's standard procedures relating to staff consultants."
13. **Use of Interpreters and Translators.** The Panel should, so far as practicable, conduct its activities and the inspection using the English language, which is ADB's official working language. It is recognized that it will not be practicable in all cases to use English, especially as some of the persons that the Panel may wish to interview may not speak English. Therefore, on these occasions, it will be necessary for an interpreter or translator, acceptable to the parties to the inspection and to the interviewees, to be retained. If the Panel, in order to conduct its inspection, requires the services of interpreters or translators, it should so far as practicable notify the Chairman of the BIC in advance and come to an arrangement with BIC on the terms and conditions including compensation and payment of expenses for translators. These matters should as far as possible be addressed in the work plan to be prepared by the Panel.

**14. Expense Documentation and Audit**

- a. The Panel may, in accordance with provisions stipulated in the work plan and budget, offer to reimburse any necessary travel expenses for any interviewee upon the submission of written documentation substantiating such expense incurred, but it shall not otherwise offer, make or authorize any payments or give any consideration of any kind to any interviewee.
  - b. The Panel, and each Panel member, may incur expenses authorized in the work plan and budget. Each Panel member should submit full original documentation of all expenses incurred in the performance of his or her duties under these TORs either when such expenses are incurred or promptly upon completion of the Panel's work. Any claim for reimbursement of expenses should include full original documentation therefor. In accordance with ADB's standard procedures, the Panel's expenses will be subject to audit by ADB's Office of the General Auditor. These requirements apply equally and fully to any translator, interpreter or consultant retained by the Panel.
- 15. Periodic Reports.** In order to enable the BIC to inform the public of the progress of the inspection, the Panel will report to the BIC periodically on its progress, focusing on the process rather than the substance of the investigation. The BIC should then make summary reports publicly available, including posting them on the matrix in the inspection function website, so that all concerned persons may gauge the progress and timing of the inspection.
- 16. Legal Advice.** To provide advice on questions referred to in paragraph 51 of the *Inspection Procedures*, separate Counsel will be provided by the General Counsel from within his office. This person should not have been involved in giving advice to Management with respect to the Project or this inspection, and should be suitably firewalled within the Office of the General Counsel. If the Panel requires advice on other questions of law, it may seek advice from such separate Counsel or may propose that a legal consultant be engaged under paragraph 9 above.
- 17. Draft report.** At the completion of its inspection, the panel will issue a draft report of its findings and recommendations simultaneously to the Requesters and Management for comments. Each party is free to provide comments on the draft report, but only the Panel's final view on these matters will be reflected in its final report. The comments from Management and the Requester will be attached to the Panel's final report.
- 18. Delivery of Panel Materials and Work Product.** Upon completion of the Panel's work, the Panel and each Panel member should deliver to the BIC all originals, copies and any extracts and summaries of the materials, documents and work product that the Panel has obtained, received, developed or created during its existence and should not keep any such items unless expressly authorized in advance and in writing by the BIC. The BIC shall retain all such items as it deems appropriate in a secure place. These requirements apply equally to any translator or consultant retained by the Panel.

19. **Confidentiality and Public Disclosures.** During the Panel's existence, the Panel and each Panel member should keep strictly confidential all of its work, deliberations and records, including interviews and interview summaries and any confidential information and materials received from interviewees, in whatever form that these exist. Upon completion of the Panel's work, the Panel members should refrain from disclosing any information or matters that arose during the course of the Panel's existence, except matters that have been made publicly available. These provisions apply equally to any translator, interpreter or consultant retained by the Panel. During the course of the Inspection, the Panel and its members should not make any public disclosures regarding its work. These provisions apply equally and fully to any translator, interpreter or consultant retained by the Panel.
20. **Timetable, budget and work plan.** A proposed budget and timetable is attached as Appendix 4, to be finalized in consultation with the Panel. Subject to these TORs, the Panel's work plan and internal procedures will be finalized by the Panel in accordance with paragraph 39 of the *Inspection Policy* and paragraphs 48 and 49 of the *Inspection Procedures*.
21. We, the Panel members, hereby agree to abide by the terms and conditions set forth in these TORs in conducting the inspection of the Chashma Right Bank Irrigation Project (Stage III) in Pakistan:

Signed:

Date: 2 February 2004

A.R.B. Amerasinghe

Goran Eklof

Neeraj N. Joshi

Larry Williams

**PROVISIONS RELEVANT TO INSPECTION  
AS SET OUT IN INSPECTION POLICY AND INSPECTION PROCEDURES**

**1. Definition of ADB's "Operational Policies and Procedures":**

Paragraph 4 of the *Inspection Policy* provides this definition:

4. In this paper, the Bank's "**operational policies and procedures**" are defined as the Bank Policies and Operational Procedures set forth in the Bank's reorganized Operations Manual (OM) and, to the extent applicable, corresponding sections in earlier editions of the OM, but do not include Guidelines on Operational Procedures and similar documents or statements. The Bank's "operational policies and procedures" also include Staff Instructions that relate to the formulation, processing or implementation of Bank projects and that are intended to be incorporated eventually into the OM.

Paragraph 4 of the *Inspection Procedures* provides the following definition:

4. For purpose of the [Inspection] Policy, "operational policies and procedures" are defined as the ADB Policies and Operational Procedures set forth in the ADB's Operations Manual (the OM) and, to the extent applicable, corresponding paragraph in earlier editions of the OM (see paragraph. 17 below). They also include Staff Instructions that relate to the formulation, processing or implementation of ADB projects (but that have not yet been incorporated in the OM).

Paragraph 17 of the *Inspection Procedures* stipulates which "operational policies and procedures" may be considered with respect to a particular inspection:

17. The operational policies and procedures that apply to a project for purposes of the [Inspection] Policy are those that were in effect on the date the project was approved (or, in the case of a proposed project, those that were in effect on the date the inspection request was submitted to the Committee [i.e., BIC]).

**2. Scope of the Inspection:** The *Inspection Policy* is silent on the scope of the terms of reference for the Panel, and states only the following:

Subject to the terms of reference provided by the BIC, the Panel members may select from among themselves a Chairperson, and may determine the procedures to be followed to conduct the inspection and prepare their report.

Paragraph 47 of the *Inspection Procedures* requires that these TORs specify the scope of the inspection and the Panel's activities as follows:

- a. The scope of the inspection extends only to ADB's operational policies and procedures [see *definition in Paragraph 3 below*], and therefore the policies and procedures of other development finance institutions would be relevant only to the extent ADB's own policies and procedures expressly refer to those of other institutions;
- b. For similar reasons, the laws, policies and regulations of a borrowing member country or executing agency should be considered only to the extent directly relevant to ADB's compliance with its operational policies and procedures;
- c. The focus of the inspection is on ADB's conduct, and therefore the conduct of parties other than ADB should be considered only to the extent directly relevant to assessing ADB's compliance with its operational policies and procedures; and
- d. Due consideration should be given to the exercise of professional judgment by ADB's Management, staff and consultants in interpreting and applying ADB's operational policies and procedures.

### 3. Contents of the Panel's Written Report to the BIC:

Paragraph 43 of the *Inspection Policy* states, with respect to requirements for the Panel's report:

Each Panel shall submit a written report to the BIC, with a copy provided to Management. This report shall

- identify all relevant facts
- make a finding as to whether the Bank has complied with its operational policies and procedures
- make recommendations, if appropriate, for any remedial changes in the scope or implementation of the inspected project.

In arriving at its findings, the Panel shall give due consideration to the exercise of professional judgment by the Bank's Management, staff and consultants in interpreting and applying the Bank's operational policies and procedures to the inspected project. Any information required to be kept confidential under the Bank's policy on confidentiality and disclosure of information shall be segregated and submitted as a separate, confidential supplement to the report. The complete report (excluding any such confidential supplement) shall be given to the applicant for inspection as provided in paragraph 44 below and will become publicly available as provided in paragraph 46 below.

Paragraph 56 of the *Inspection Procedures* requires that, at the conclusion of its inspection, the Panel will submit a written report to the BIC, which will:

- a. Identify all relevant facts;

- b. Make a finding as to whether ADB has complied with its operational policies and procedures in connection with the inspected project;
- c. In the event of noncompliance, make a further finding as to whether this noncompliance has resulted or may result in direct and material harm to the requester (or the group the requester represents); and
- d. Make recommendations, if appropriate, for any remedial changes in the scope or implementation of the project.

4. **Other Special Provisions:**

Paragraph 43 of the *Inspection Policy* makes this provision about the Panel's findings and conclusions:

43. In conducting an inspection, a Panel should endeavor to arrive at its findings and recommendations by consensus.

Paragraph 57 of the *Inspection Procedures*:

"A Panel should endeavor to arrive at its findings and recommendations by consensus. In the absence of consensus, its report will state the findings and recommendation(s), if any, of the majority together with the minority view."

## Appendix 2 to TOR

## DESCRIPTION OF THE PROJECT TO BE INSPECTED

1. **Project Name:** CHASHMA RIGHT BANK IRRIGATION PROJECT (STAGE III)  
(ADB LOAN No: 1146-PAK [SF])

2. **Project Location and Address:** Chashma, Pakistan

3. **Project Status:**

a.  Pre-Board Approval

b.  Post-Board Approval Date Approved: 17 December 1991

c. **Description of the Project's Current Status:**

ADB Loan No. 1146-PAK [SF] for \$185 million was approved by ADB Board of Directors (the Board) in December 1991; ADB additional financing for the Project in the amount of \$33.5 million was approved in June 1999; as of 30 January 2004, Project construction is approximately 99% complete, and 80.34% of the total amount of the ADB loan has been disbursed.

d. **ADB Department Involved:**

South Asia Regional Department (SARD)  
Agriculture, Environment and Natural Resources Division

4. **Executing Agency or Other Organization Involved:**

Water and Power Development Authority, Pakistan

Northwest Frontier Province

Province of Punjab

5. **Description of the Project:**

The following description of the Project is taken from the Loan and Project Summary of the *Report and Recommendation of the President to the Board of Directors on a Proposed Loan and Technical Assistance to the Islamic Republic of Pakistan for the Chashma Right Bank Irrigation Project (Stage III)*, dated 18 November 1991.

Project description: The project consists of the following parts:

Part A – main Canal and Related Facilities: (i) construction of the Stage III portion of the concrete-lined main canal, (ii) construction of flood-protection facilities, (iii) provision of mapping for the entire Chashma Right Bank Irrigation Project (CRBIP) area, (iv)

extension and improvement of the communication system of the CRBIP, (v) provision of erosion protection;

Part B – Distributary Canal and Drainage Facilities: (i) construction of 500 km of distributary and minor canals and about 500 km of service and access roads, and (ii) construction of surface-drainage facilities;

Part C – On-farm Water Management; and

Part D – Agricultural and Livestock Extension: (i) institutional strengthening of agricultural extension services of NWFP and Punjab, upgrading of market facilities and provision of two feeder markets; and (ii) institutional strengthening of NWFP's and Punjab's Livestock Departments. The Project also includes the provision of equipment and vehicles for Project implementation; operation and maintenance, consulting services and support for Project monitoring.

**Project cost:** The Project cost is estimated at \$287.5 million equivalent comprising foreign exchange cost of \$94.4 million and local currency cost of \$193.1 million.

**Technical Assistance:** A technical assistance grant of \$1,000,000 is proposed for strengthening environmental management for water resources development. The grant will be financed from the Japan Special Fund.

**Project benefits:** The Project will provide irrigation and drainage facilities to about 135,000 ha of cultivable command area with a full development annual cropping intensity of 150 per cent. The annual incremental production of wheat at full development is estimated at 211,000 mt, paddy at 57,000 mt, maize at 52,000 mt, sugar at 28,000 mt and seed cotton 23,000 mt. Gross farmgate output is expected to increase by \$117 million and \$20 million from crop and livestock production, respectively. The economic internal rate of return (EIRR) of the Project is estimated at about 20 per cent. For the whole CRBIP system, the overall EIRR is estimated at 14 per cent.

## Appendix 3 to TOR

## SCOPE OF INSPECTION AS OUTLINED IN BIC'S REPORT TO THE BOARD

The operational policies and procedures (OPPs) listed in this Appendix reflect the Request for Inspection (Request) that was filed with the BIC. The table below is the summary of the BIC's findings as presented in its report and recommendation to the Board on the Chashma Right Bank Irrigation Project (CRBIP), dated 12 March 2003. The table identifies OPPs and staff instructions where further investigation into ADB's actions is warranted. The scope of the inspection shall be limited to ADB's actions regarding the policies specified as warranting further investigation in the table below.

Paragraph Reference	Requirement or Consideration	BIC's Findings	Roster Member's Findings	BIC's Comments (if any)
23(a)	A brief description or identification of the project	Meets requirement	Meets requirement	
23(b)	An identification of the sender	Meets requirement	Meets requirement	Authorization to represent affected persons provided
23(c) and (d)	A brief description of the operational policy or procedure alleged to have been breached and a description of the act or omission by ADB that may have led to this violation	<p>Meets requirement in the following OMs:</p> <p><b>Loan approval, 1991</b></p> <ul style="list-style-type: none"> <li>▪ OM21, environmental considerations</li> <li>▪ OM23, benefit monitoring and evaluation</li> <li>▪ Staff Instruction, socio-cultural impacts</li> </ul> <p><b>Supplementary financing, 1999</b></p> <ul style="list-style-type: none"> <li>▪ OM13, supplementary financing</li> <li>▪ OM32, bank's operational missions</li> <li>▪ OM 50, involuntary resettlement</li> <li>▪ OM 47, social dimensions</li> </ul>	<p>Meets requirement in the following OMs:</p> <p><b>Loan approval, 1991</b></p> <ul style="list-style-type: none"> <li>▪ OM21, environmental considerations</li> <li>▪ OM 23 does not appear to have been violated but requires further clarification</li> <li>▪ Not discussed</li> </ul> <p><b>Supplementary financing, 1999</b></p> <ul style="list-style-type: none"> <li>▪ OM13, supplementary financing</li> <li>▪ OM32, bank's operational missions</li> <li>▪ OM 50, involuntary resettlement</li> <li>▪ OM 47, social dimensions</li> </ul>	<p>Further investigation warranted into ADB's actions regarding:</p> <ul style="list-style-type: none"> <li>▪ Environmental categorization and impact of any miscategorization</li> <li>▪ Comprehensiveness of environmental assessment</li> <li>▪ Implementation of mitigation measures</li> <li>▪ Adequacy of social surveys</li> <li>▪ Adequacy of benchmark information</li> <li>▪ Adequacy of consideration of socio-cultural aspects</li> <li>▪ Impact of limited reappraisal on requesters' claims</li> <li>▪ Impact of limited reappraisal on requesters' claims</li> <li>▪ Adequacy of consultation</li> <li>▪ Adequacy and timeliness of compensation</li> <li>▪ Preparation of resettlement plan</li> <li>▪ Provision of social safety nets for vulnerable groups</li> </ul>

Paragraph Reference	Requirement or Consideration	BIC's Findings	Roster Member's Findings	BIC's Comments (if any)
		<ul style="list-style-type: none"> <li>▪ Staff Instruction, indigenous peoples</li> </ul> <p><b>Policies or laws that are not within the scope of inspection:</b></p> <ul style="list-style-type: none"> <li>▪ Land Acquisition Act, 1894</li> <li>▪ ILO convention 169</li> <li>▪ Guidelines on Social Analysis of Development Projects</li> <li>▪ Staff Instruction on Revisions to RRP and TA format</li> </ul>	<ul style="list-style-type: none"> <li>▪ Not discussed</li> </ul> <p><b>Policies or laws that are not within the scope of inspection:</b></p> <ul style="list-style-type: none"> <li>▪ Land Acquisition Act, 1894</li> <li>▪ ILO convention 169</li> <li>▪ Guidelines on Social Analysis of Development Projects</li> </ul>	<ul style="list-style-type: none"> <li>▪ Adoption of participatory approach</li> </ul> <p><b>No further investigation warranted</b></p>
23(e)	An explanation of how the requester has been or is likely to be directly and materially harmed by ADB's act or omission, and what rights or interests of the group have been or are likely to be adversely affected	Meets requirement	Meets requirement	The extent of harm and links to alleged policy violations warrant further investigation.
31(b)	A description of the steps taken by the Requester to bring the grievance to ADB's attention, and a description of why ADB's response was inadequate	Meets requirement	Meets requirement	
7(f)	Whether Management has adequately responded to the claims made in the Request (either by demonstrating that it has followed its operational policies and procedures, or by outlining specific steps that Management is taking or intends to take to correct any failure to follow those policies and procedures and to address any harm caused by such failure)	Management has taken actions in response to unexpected flooding and resettlement issues since 1995.	Management has worked hard to gain agreement by the Government and the EA to establish the GRSC. However, the GRSC is not realistic and will not address the concerns of the affected people.	BIC is not in a position to determine the adequacy of any proposed remedial measures. Further investigation is required.

## Appendix 4 to TOR

**PROPOSED BUDGET AND TIMETABLE OF THE INSPECTION PANEL****CHASHMA RIGHT BANK IRRIGATION PROJECT (STAGE III)****I. PROPOSED BUDGET**

<b>Item</b>	<b>Amount (US\$)</b>
Fees (4 Panel members)	350,000
Airfares	40,000
Hotel and subsistence	55,000
Consultants	45,000
Communications and out-of-pocket expenses	5,000
Contingency	5,000
<b>Total</b>	<b>\$500,000</b>

**II. REVISED PROVISIONAL TIMETABLE**

<b>Task Description</b>	<b>I. Target Dates</b>
1. Panel commences preparatory work	December 2003
2. BIC convenes Panel for organizational meeting	26 January 2004
3. BIC and Panel finalize TORs, work plan, timetable and budget	End January
4. Panel reviews additional background documents, including translated documents	2-29 February
5. Panel conducts interviews with ADB staff, consultants	1-19 March
6. Panel engages hydrology engineer	15 March
7. Panel prepares for visit to project area	22-26 March
8. Panel visits Pakistan, including project area	29 March- 8 April
9. Panel submits draft Inspection Report to Requesters and Management for comments	23 April
10. Panel considers comments from Requesters and Management and finalizes report	24 May-9 June
11. Panel submits final Inspection report, all work papers, final accounts and reimbursement requests to BIC	10 June

**Stages of Inspection:**

- Initial review of documents
- Initial organizational meeting with BIC (Manila)
  - finalize TORs
  - complete work plan, budget and timetable
  - determine documents and translations required
- Field visits to obtain factual information (Pakistan)
  - interviews with requesters, government officials etc.
  - public consultations, if required
  -
- Visit to ADB to obtain factual information (Manila)
  - interviews with ADB staff
- Data and information verification (Manila and Pakistan)
  - cross-checking
  - identifying contradictions, etc.
- **Conclusion and report writing (Manila)**