



**ADB Accountability Mechanism
Compliance Review Panel**

Annual Monitoring Report 2005-2006

**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])**

18 August 2006

Contents

Page

Abbreviations, Glossary and Currency	ii
About the Compliance Review Panel	iii
Acknowledgements	iv
Map	v
I. Introduction	1
II. Project Description	1
III. Inspection Request, Investigation and Board-Approved Remedial Actions	3
IV. CRP Monitoring	4
V. Findings and Assessment.....	6
A. Progress in Achieving Compliance.....	6
B. Project-specific recommendations.....	6
C. General recommendations	19
VI. Conclusions.....	20
Appendixes	
1. Inspection Panel's Recommendations	22
2. Board Inspection Committee's Recommendations	23
3. List of Persons Met	24
4. Table of Project-Specific Remedial Actions	27
5. Table of General Remedial Actions	46
6. Photos from the CRP Monitoring Mission	47

Abbreviations, Glossary and Currency

Abbreviations

ADB	-	Asian Development Bank
BCRC	-	Board Compliance Review Committee
BIC	-	Board Inspection Committee
BOR	-	Board of Revenue
CBIO	-	crop-based irrigation operation
CRBC	-	Chashma Right Bank Canal
CRBIP	-	Chashma Right Bank Irrigation Project
CRP	-	Compliance Review Panel
CWRD	-	Central and West Asia Department
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
PIME	-	project impact monitoring and evaluation
RSDD	-	Regional and Sustainable Development Department
SARD	-	South Asia Department
TA	-	Technical Assistance
WAPDA	-	Water and Power Development Authority
WUA	-	water users association

Glossary

<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
<i>tehsil</i>	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) is a 3-member independent body, appointed by the ADB Board of Directors (Board), which 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 CRP 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. The CRP 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 CRP 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 6 members.

Currently, the CRP consists of Augustinus Rumansara as Chair, and Richard Bissell and Vitus Fernando 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.

Vitus Fernando, a Sri Lankan national, is currently working on a series of policy and institutional issues related to international development cooperation. He has held senior positions with a variety of multilateral and bilateral agencies, and at the national level, with the Ministries of Planning and Economic Affairs; Fisheries; and Environment and Forests in Sri Lanka. He was the director of the Asia/Pacific Program of the International Union for Conservation of Nature.

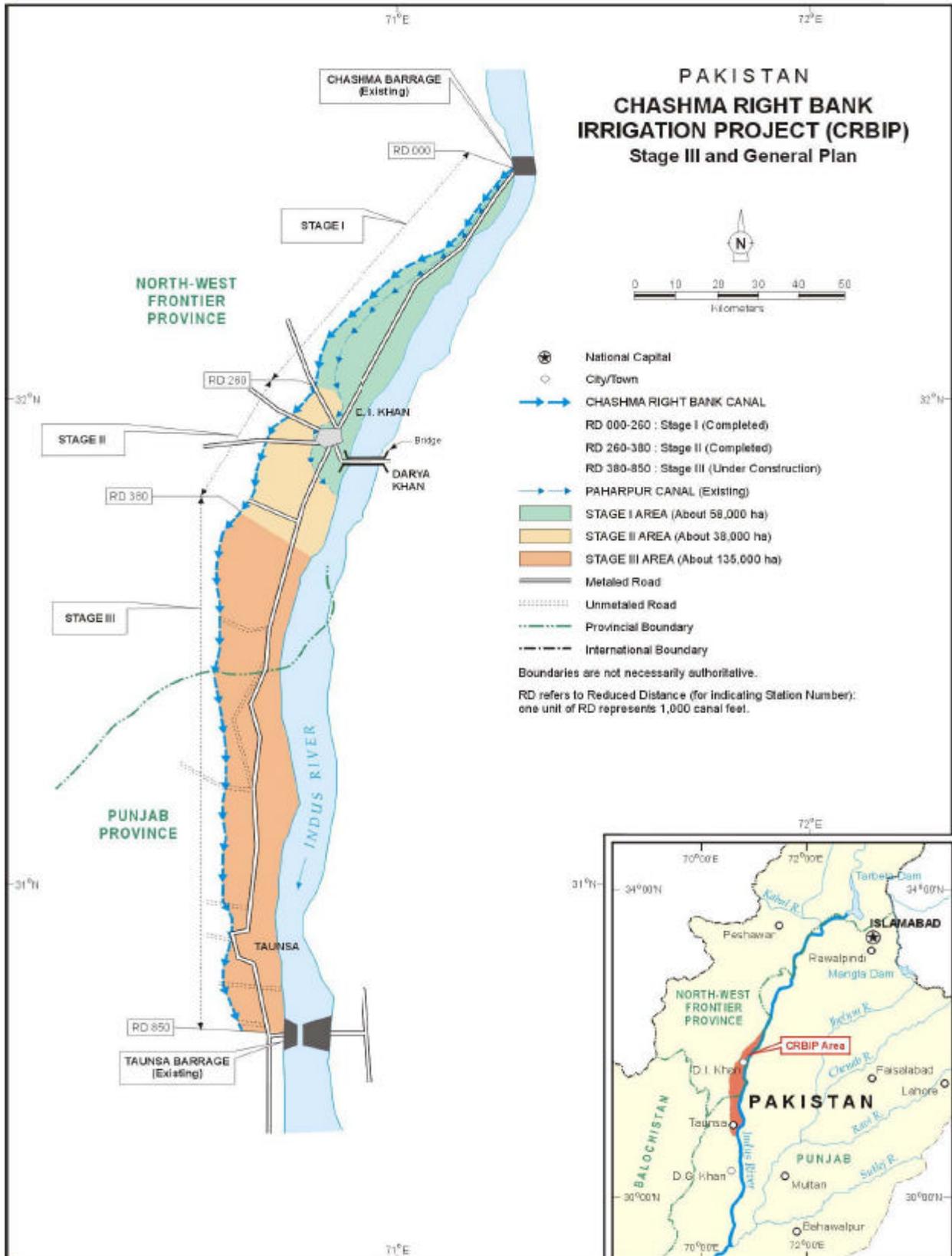
For more information on the CRP, visit www.compliance.adb.org.

Acknowledgements

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

- the Executive Director for Pakistan on the ADB Board of Directors
- ADB Management and staff
- the government of Pakistan; the government of Punjab province; the government of the North-West Frontier Province (NWFP); the Water and Power Development Authority; the Irrigation and Power Departments of Punjab and NWFP; and other government agencies and
- affected people in the project area of the Chashma Right Bank Irrigation Project (Stage III).

Map



I. Introduction

1. In August 2004, the ADB Board of Directors (Board) mandated the Compliance Review Panel (CRP) 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. This is the CRP's Second Annual Monitoring Report for the Chashma Project and covers the period from 1 September 2005 to 6 July 2006, when the CRP completed its monitoring review mission in Pakistan.³
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 Plans 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 in the Pakistan Resident Mission (PRM), consultants associated with the Chashma Project and working on related Technical Assistance (TA) projects; GOP and executing agency officials; and Chashma affectees during the CRP's monitoring mission in Pakistan from 28 June to 6 July 2006.
4. In accordance with paragraph 48 of the CRP Operating Procedures, the CRP forwarded on 26 July 2006 a draft report to the Board Compliance Review Committee (BCRC) for its review, followed by a revised draft on 11 August 2006. 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, 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

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 (1st 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/$FILE/ChashmaMonitoringRpt2005-12Sep05.pdf). The CRP also issued 2 other reports in 2005 – a progress report in March at [http://www.compliance.adb.org/dir0035p.nsf/attachments/ChashmaMonitoringProgressReport17Mar05.pdf/\\$FILE/ChashmaMonitoringProgressReport17Mar05.pdf](http://www.compliance.adb.org/dir0035p.nsf/attachments/ChashmaMonitoringProgressReport17Mar05.pdf/$FILE/ChashmaMonitoringProgressReport17Mar05.pdf), and a supplementary report to the Annual Report in December at [http://www.compliance.adb.org/dir0035p.nsf/attachments/ChashmaMonitoringSuppRpt2005-Final-26Jun06-rev.pdf/\\$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).

has a total area of 231,000 ha in the North-West Frontier Province (NWFP) and Punjab. Stages I and II were financed by ADB and their operations were commissioned in January 1987 and May 1993, respectively.

7. The Project has 4 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.



Chashma main canal used by residents for washing clothes and bathing.

8. The estimated project cost in the Report and Recommendation of the President (RRP) 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 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 2006, the project progress is 99% complete and the amount of the undisbursed loan amount is \$40 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.

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 5 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.

⁴ Mr. Ahsan Wagha of Damaan Development Organization; Mr. Zafar Iqbal Lund of Hirk Development Center; Mr. Mushtaq Gadi of Sungi 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.

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).

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. Vitus Fernando, 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, South Asia Department (SARD) responsible for the day-to-day activities. With ADB's realignment of the regional departments, effective 1 May 2006, the Central and West Asia Department (CWRD) is now the operations department covering Pakistan in its activities. The CRP understands that the Director General, CWRD is responsible for the day-to-day activities. The CRP also understands that the Project and related TA projects have been handed over from SARD to CWRD in June 2006, following a joint review mission in that month by SARD and CWRD staff.

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 3 monitoring reports⁹ 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; and a supplementary report to the Annual Monitoring Report in December.

18. The CRP reviewed ADB staff back-to-office reports covering Project review missions from October 2005 to June 2006¹⁰ and Management's Second Progress Report on the Remedial Actions of 16 June 2006, as well as other materials and information provided by ADB staff. Prior to fielding its monitoring mission, the CRP also met ADB staff in its Headquarters to get updates, including their communications with GOP and NGOs.

19. The CRP's monitoring mission in Pakistan from 28 June to 6 July 2006 was led by Mr. Rumansara.¹¹ The CRP met with and obtained feedback from ADB staff in its Headquarters and PRM; consultants associated with the Chashma Project and working on related TA projects;¹² GOP and executing agency officials; and Chashma affectees. The CRP did not meet NGOs because of their decision to extend their boycott of ADB processes on the Chashma Project to include the CRP and its activities. The list of persons met by the CRP mission is in Appendix 3. In July 2006, the CRP was provided with updates on the Action Plan and a table on Project-specific recommendations.¹³ The table on Project-specific recommendations with the Action Plan is in Appendix 4 and the table on general recommendations is in Appendix 5 (with the last

⁹ These monitoring reports are posted on the CRP website www.compliance.adb.org at the Registry for the Chashma Project Monitoring.

¹⁰ The CRP notes that 5 ADB project review missions were fielded during this period – in October and November 2005, and in February, May, and June 2006.

¹¹ He was assisted by Mr. Vitus Fernando, CRP Member; Mr. Rolf Zelius, CRP Secretary; Mr. Suresh Nanwani, CRP Associate Secretary; Ms. Marie Antoinette Virtucio, Compliance Coordination Officer; and Ms. Zenab Alvi, a translator engaged during the CRP's 4-day field visit from 1 to 4 July 2006. At the CRP's request, Mr. Binsar Tambunan, ADB staff member from CWRD, the operations department responsible for administration of this project, joined the mission in the first 2 days of the field visit.

¹² TA No. 4718-PAK: Independent Monitoring of Remedial Actions for the Chashma Right Bank Irrigation Project, Stage III, approved in December 2005; and TA No. 4719-PAK: Additional Works for Preparation of Hill Torrents Management Project, approved in December 2005.

¹³ The CRP received from Management on 13 July 2006 an updated Action Plan as of 2 July 2006.

column on "Compliance status" filled in by the CRP based on its determination of the progress made).

20. The CRP visited the following sites in the project area: the incomplete Mahoi flood carrier channel (FCC); Hafizabad and Maru;¹⁴ Kanewali West, a deserted village in the flood impact zone; and Kanewali East in the command area, where most of the Kanewali West residents have moved. The CRP also visited the following sites: the tail-end of a distributary where the third watercourse is still under construction; a distributary where sump pump wells were installed; and the main canal where illegal pumps were installed to draw water from the canal. Some photos from the CRP monitoring mission are in Appendix 6.

21. The CRP met Chashma affectees at the sites and in the Chashma Right Bank Canal (CRBC) Colony at Taunsa Sharif at Irrigation and Power Department (IPD)-Punjab's office. They provided views on the benefits and problems of the Project. The CRP obtained views from the government officials in the field, including those from WAPDA; IPD-Punjab; IPD-NWFP; the Complaint Center in D.I. Khan; and the Land Acquisition Collector (LAC), NWFP.¹⁵ The CRP found that on the whole the Project had benefited the people in that there was increased agricultural land; increased water supply for crop cultivation; and more employment opportunities. Problems faced by the people covered a wide range: inadequate compensation received for land acquired; improvement works needed for Hafizabad and Maru;¹⁶ lack of irrigated water due to incomplete watercourse; divergent views among the peoples over the construction of the incomplete FCCs at Mahoi and Jat Wah.¹⁷



Project affectees discussing their problems on the incomplete Jat Wah flood carrier channel.

¹⁴ Hafizabad and Maru are 2 of the 8 villages in the flood impact zone protected by WAPDA through improvement of works. These villages are covered in the GRSC recommendation # 13.

¹⁵ The CRP wishes to record its thanks to WAPDA, IPD-Punjab, and IPD-NWFP for the hospitality, transport, and accommodation provided to the CRP during the field visit.

¹⁶ For Hafizabad, the improvement works include construction of a mosque, a drinking water tank; a water pond for animals; 2 latrines (one for males and one for females); shingled ramps; and stone pitching for the bunds. For Maru, the improvement works include a shingled approach road and stone pitching for the bunds.

¹⁷ The incomplete construction of the FCCs at Mahoi and Jat Wah is covered in GRSC recommendation # 15.

V. Findings and Assessment

A. Progress in Achieving Compliance

22. The CRP finds that the momentum has picked up especially in the first half of 2006 on Management's efforts to achieve compliance with the project-specific recommendations. The CRP finds that little progress has been made by ADB in achieving compliance with the general recommendations.

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 cases**¹⁸

- In the CRP's Supplementary Report to its 1st 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). The CRP clarified with NWFP government officials on NWFP's position. The CRP 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 of NWFP's position of using the "average transaction price" and that this recommendation will not be pursued.
- The CRP finds that it is clear that Punjab has applied the "market price" while NWFP has applied the "average transaction price" in determining the market value. What is not clear is the substantive impact of these standards in meeting this recommendation.
- The CRP finds that Management is in non-compliance on this recommendation.
- The CRP urges ADB to 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 treatment and are in accordance with the standards specified in ADB's policy on involuntary resettlement.

24. **GRSC recommendation # 1(b) on award of compensation premium**¹⁹

- The GRSC recommended a compensation premium of 25% for involuntary land acquisition under this recommendation instead of the usual 15%.²⁰ In para. 34 of

¹⁸ 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."

¹⁹ 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."

the CRP 1st Annual Monitoring Report, the CRP noted (i) that the BIC Report, approved by the Board, stated that all GRSC recommendations except this recommendation were accepted by GOP and (ii) stated that ADB staff informed that the usual 15% compensation premium will continue to be applied by GOP.

- The CRP understands that GOP has been applying the usual 15% compensation and notes Management's report that this recommendation will not be pursued.
- The CRP notes that award of compensation premium of 15% was expressly acknowledged in para. 31 of the Board-approved BIC Report and that the Board did not specifically insist on the 25% rate. In accordance with the Board action, the CRP finds Management in compliance.

25. GRSC recommendation # 1(c) on payment of interest from the date of possession to date of actual payment of compensation²¹

- In the CRP's Supplementary Report to its 1st Annual Monitoring Report, the CRP stated that the interest is being paid and there was general satisfaction with the process of notification of payment of interest from its discussion with the project affectees during the CRP's monitoring mission (para. 23).
- The CRP finds that Management has complied with this recommendation.

26. GRSC recommendation # 1(d) on process of notification of payment of compensation²²

- In the CRP's Supplementary Report to its 1st Annual Monitoring Report, the CRP stated that the affected people were usually informed of the award by a variety of means such as post, mosque announcements, personal notification by the LAC or word of mouth, and that the payment mode was typically effected within 1 month of announcement (para. 24).
- The CRP finds that Management has complied with this recommendation.

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 made²³

- The CRP notes the following as of 31 May 2006: 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 is hampered by the delayed designation of the LAC in Taunsa. The CRP notes that GOP has agreed to complete payment of

²⁰ Para. 11 of Final Report on the Grievance Redress Process dated February 2004 at <http://www.adb.org/documents/inspection/pak/GRSC-Report/Final-report.pdf>.

²¹ This recommendation is reproduced in full in Appendix 4.

²² This recommendation is reproduced in full in Appendix 4.

²³ This recommendation is reproduced in full in Appendix 4.

compensation by 31 December 2006, except for the 197 pending court cases in NWFP.²⁴

- 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.
- The CRP finds that Management has partially complied with the first part of this recommendation relating to more than 50% of awards to be made as of October 2003, and has not complied with the second part of this recommendation relating to the making of supplementary awards.

28. GRSC recommendation # 2 on identifying and compensating claims for damage to land during construction²⁵

- In the 1st 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 new Complaint Center.
- The CRP finds that Management has complied with this recommendation.

29. GRSC recommendation # 3 on verification of claims and compensation for crops and trees, loss of infrastructure and dwellings, etc²⁶

- The same arrangement as described above is also processing claims for lost crops, trees etc. The CRP finds that Management has complied with this recommendation.

30. GRSC recommendation # 4 on sanctioning additional nakkas²⁷ for severed land²⁸

- 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

²⁴ Information provided by ADB staff.

²⁵ 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."

²⁶ 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."

²⁷ *Nakkas* are specified outlets or turnout points on the official watercourse from which farmers divert water into their fields.

²⁸ 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."

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.

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

31. GRSC recommendation # 5 on land and other forms of compensation to smallholders for loss of income and livelihood, including tenants, sharecroppers or leaseholders²⁹

- 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 7 cases on this recommendation and after further investigation, 3 were found to own more than 5 acres and a female-headed household did not claim compensation. For the remaining 3 households, IPD-Punjab has not provided land, and has instead provided compensation by employing one person from each household. The employment is initially on a 3-month contractual basis and has the possibility to be extended.
- 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. While those who have received jobs say they are satisfied, the CRP is concerned about the long-term prospects for sustainable household income and livelihood.
- The CRP finds that partial compliance has been achieved in providing income and will 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 water³⁰

- 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.
- PC-1s³¹ have been prepared by the Public Health & Engineering Department (PHED) of NWFP and PHED-Punjab 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

²⁹ This recommendation is reproduced in full in Appendix 4.

³⁰ 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.

³¹ PC-1 is Proforma 1 of the Planning Commission. The CRP understands that this planning document PC-1 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.

CRP notes that the works are expected to be completed by August 2007 for NWFP and by August 2008 for Punjab. The CRP urges Management to follow up with the provinces and expedite implementation of this recommendation.

- 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 poor³²

- 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. A workshop has been held in December 2005 by the DCO in D.I. Khan. A workshop is planned in D.I. Khan and D.G. Khan with participation by public representatives and district government authorities.
- The CRP notes that further work needs to be done in identifying concrete programs on education, health, sanitation, agriculture and microcredit programs for implementation and in reporting on the status of these programs in the project area.
- The CRP finds that Management has partially complied with this recommendation.

34. GRSC recommendation # 8 on improving irrigation water management to achieve timely and adequate water flows to match fluctuations in farmers' water demand³³

- 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.

³² 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."

³³ This recommendation is reproduced in full in Appendix 4.

- The CRP notes that calibrated gauges have been installed. The CRP notes that Management has been following up with NWFP on the preparation and finalization of the PC-1 needed to carry out this recommendation. The CRP understands that a PC-1 for an irrigation improvement plan has been prepared by IPD-NWFP for this recommendation.
- The CRP urges Management to follow up with NWFP and Punjab and expedite implementation of this recommendation.
- The CRP finds that Management has partially complied with this recommendation.



CRP monitoring mission members inspecting an illegal pump by farmers to draw water from the Chashma main canal.

35. GRSC recommendation # 9 on finding means for land previously irrigated by rod kohi³⁴ to use canal water³⁵

- The CRP notes that in NWFP, 8 cases have been identified and that these will be solved by providing water from distributaries. IPD-Punjab has recommended to line at least 50% of watercourses for 106 sump wells and has prepared a PC-1 for constructing sump well minors.
- The CRP finds that Management has partially complied with this recommendation.

³⁴ Rod kohi is spate irrigation system from hill torrent flood waters.

³⁵ 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 systems³⁶

- The CRP notes that in NWFP, 623 WUAs have been organized and continuing efforts needs to be done on establishing FOs. Management has reported that in NWFP, workshops and corner meetings have been conducted to improve the irrigation practices of the command area.
- The CRP understands that in Punjab, WUAs and FOs have been organized in 8 out of the 25 distributaries and that workshops were conducted to develop the awareness about the regulation and successful operation of newly created irrigation network in Taunsa. The CRP notes that 25 FOs³⁷ are targeted to be established.
- 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 villages³⁸

- Management has reported that the ADB consultant has found that 3 out of 9 households have shifted to safe locations before June 2005 and that of the remaining 6 households, 3 have agreed to receive 5 marla³⁹ plots as provided in the recommendation and the other 3 have been offered land in the canal command area but they refuse to accept this offer. The CRP understands that consultations are underway for the remaining 3 households to receive 5 marlas in other locations.
- 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 zone⁴⁰

- The CRP notes that out of the 16 households identified by the ADB consultant, 6 have 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

³⁶ 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."

³⁷ One FO for each distributary.

³⁸ 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."

³⁹ 1 *marla* is 20.9 square meters.

⁴⁰ 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."

accepted. The CRP understands that consultations are underway for the provision of the marla plots in other locations.

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

39. GRSC recommendation # 13 on improvement of flood protection bund for the 8 protected villages⁴¹

- The CRP notes that a PC-1 to provide facilities such as animal water points, drains, and road improvement for the 8 protected villages⁴² has been prepared by WAPDA based on the consultations made by the ADB consultant and WAPDA. The CRP notes that the implementation of the works will take about 1 year after approval of the PC-1. 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 CRP finds that Management has partially complied with this recommendation.



Hafizabad, a protected village in the flood impact zone, in need of improvement works including shingled ramps, latrines, and stone pitching for the bunds.

⁴¹ 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."

⁴² These villages are Hafizabad, Maru, Jhangri, Jhok Katehra, Thatta Laghari, Sokar, Barghari, and Kurrwal.

40. GRSC recommendation # 14 on facilities on provision of water for animal and domestic use for the protected villages⁴³

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

41. GRSC recommendation # 15 on completion of remaining works on 2 incomplete flood carrier channels (FCCs)⁴⁴

- The 2 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 an ADB consultant and the CRP understands that they refuse to give up their lands.
- Management has reported that action is not progressing under this recommendation due to disagreement among the people. The CRP met the project affectees of these 2 areas and note that there are 2 groups of people. One group is for the completion of the FCCs because the incomplete FCCs are causing floods and damaging their crops while the other group is against the construction because their land is in the right of way.
- 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 PC-1.
- The CRP notes Management's report that that WAPDA will continue its efforts to reach a consensus through the union councils and that the participatory assessment specialist under TA No. 4718-PAK will work on this matter (expected in October 2006) to hopefully resolve this issue.
- 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 systems⁴⁵

- The CRP notes that in NWFP, more than 70% of tail watercourses have been completed and the rest is under completion; and in Punjab, the On-Farm Water

⁴³ 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 within the bund. These facilities will be planned, located and installed by the Project in close consultation with the community."

⁴⁴ The recommendation is as follows: "WAPDA will undertake the remaining works on incomplete FCCs before the on set of the next flood season."

⁴⁵ 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."

Management department is working on the improvement of the watercourses, with 5 remaining watercourses to be complete.

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



Tailend of a distributary in Mauza Dona Shumali with two lined watercourses and a third watercourse to be constructed where 3 persons (extreme right) are standing.

43. Environmental Management Plan (EMP)

- Management has reported that the EMP will be implemented in 2 phases, the first by the Federal Environmental and Monitoring Unit (FEMU) under the National Drainage Sector Project⁴⁶ 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 4 programs: (i) study of ecological changes induced by the Project; (ii) environmental awareness program; (iii) participatory irrigation management; and (iv) survey of drainage barrier and sandy soil. These programs are expected to be completed by October 2006.
- The second phase of EMP which has yet to start will be financed from the Chashma Project and will consist of 15 programs.⁴⁷ The CRP understands that

⁴⁶ Loan No. 1413-PAK (SF).

⁴⁷ They are (i) environmental monitoring and evaluation; (ii) environmental awareness program; (iii) soil, water conservation and watershed management in Tehsil Taunsa; (iv) afforestation along the Chashma Right Bank Canal in Tehsil Taunsa; (v) livestock development programme for Punjab; (vi) livestock development programme

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 and submitted by FEMU to MOWP on 30 June 2006.

- 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 3 in the project area - Sanghar, Vehowa, and Kaura. The redesign work is expected to be completed by September 2006 and a revised PC-1 is expected to be prepared by October 2006. The recruitment of the consultants is still ongoing, as only 4 have been engaged including the Team Leader, and the remaining 2 have yet to be engaged due to disagreements over remuneration. This may impact the completion of the redesign work targeted by September 2006.
- To supplement HTMP, ADB is considering watershed management activities in the catchments of the hill torrents in the project area. Management reports that such activities are challenging due to remoteness, difficult climate, security constraints in the watershed area, and ADB has proposed to formulate a small project on a pilot basis to be financed from the Japan Fund for Poverty Reduction (JFPR). ADB staff will use the draft project proposal already prepared by the United Nations Food and Agriculture Organization (FAO)⁴⁹ on the formulation of a project which will be elaborated further in the JFPR proposal.
- The CRP urges Management to speed up the consultancy needs under this TA given that the TA was approved in December 2005 and that the work is scheduled to commence over a 3-month period from July to September 2006. The CRP understands that a PC-1 will be prepared based on the design review undertaken under the TA.
- The CRP finds that Management has partially complied with this recommendation.

for NWFP; (vii) fisheries development programme for Punjab; (viii) fisheries development program for NWFP; (ix) conservation of wildlife for Punjab, (x) conservation of wildlife for NWFP; (xi) water supply and sanitation scheme in Basti Shaikh Ibrahim, Punjab; (xii) water supply and sanitation in Kaheeri village, NWFP; (xiii) ecotourism development at Chashma barrage; (xiv) socioculture program; and (xv) strengthening role of women in development.

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 CRP understands that FAO was approached by ADB as it has experience in watershed management of hill torrents in the project area, and that FAO's consultant has prepared in June 2006 a draft project proposal.

45. **Other Remedial Measures**⁵⁰

- Management has reported that action is in progress for the 3 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.
- 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 are scheduled to be completed by July 2007, upon approval of the PC-1s.
- The CRP understands that the second matter is covered by the action taken under the Hill Torrent Management Project, for which TA No. 4719 is underway.
- The CRP finds that Management has partially complied with this recommendation.

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

- In para. 46 of the CRP 1st 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.⁵¹
- On M&E of implementation of GRSC recommendations, the CRP recommended in para. 26 of its 1st Annual Monitoring Report that ADB consider allocating adequate grant funds to secure this activity. In December 2005, ADB approved 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. The CRP notes that the TA activities will help all recommendations made by the Inspection Panel be adequately completed by GOP. The CRP also notes that GOP has invited the TA consultant to attend the government's meetings to discuss the progress of the action plan.
- An independent monitoring and evaluation specialist and a participatory assessment specialist have been engaged for overall monitoring and evaluation of the agreed action plan, and specific surveys on the villages located in the west of the main canal and the extension of the incomplete Mahoi and Jat Wah FCCs.

⁵⁰ The actions agreed on these measures are reproduced in full in Appendix 4.

⁵¹ 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.

- The CRP notes that 2 surveys will be carried out under this TA, for 2 months each in 2006 and 2007, following implementation by WAPDA on the implementation of village improvement facilities which is expected in October 2006. A survey will also be made to monitor the change in living status and land ownership of the affected people who shifted from the flood impact zone to the canal command area.
- The TA will also include evaluation of selected cases under GRSC recommendations # 2 and 3 and whether they were processed in accordance with procedures and monitoring of actions taken on claims received by the Complaint Center under the CRBC Office. The CRP looks forward to receiving the consultants' reports.
- 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 3 "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 partial compliance on M&E of implementation of GRSC recommendations and 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 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.
- The Complaint Center has, as of 31 May 2006, received 49 claims in total, 4 more than the number received during the CRP's visit in November 2005 and that these claims are being processed. Claims are forwarded by the Complaint Center to responsible departments for action and WAPDA monitors the actions taken by responsible government agencies on these claims.
- The CRP was told that the Complaint Center will continue to operate as long as it is seen to serve its purpose. More posters and announcements about its existence will be given and a complaint box will be set up in Taman to facilitate the submission of complaints from people in the D.I. Khan area.

- The CRP finds that Management has complied with this recommendation. The CRP looks forward to receiving report progress on the claims received and settled by the Complaint Center.

C. General recommendations

48. **Inspection Panel's general recommendation (iv): ADB should, with respect to ongoing and future large-scale canal irrigation projects of 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) 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 the operational principles of ADB's policy on involuntary resettlement include that adequate compensation, rehabilitation, and relocation arrangements are planned and budgeted, that resettlement plans and/or frameworks seek to ensure that borrowers implement the requirements of the policy, and that the adequacy of the resettlement plans/frameworks are being assessed through ADB's safeguard policy compliance review and monitoring systems. Management has reported that the recently approved Public Communications Policy also provides additional safeguards. Management reported that RSDD is carrying out safeguard policy compliance review and monitoring throughout the project cycle and there is close cooperation between RSDD who has the oversight responsibility, the regional departments who have the operational responsibility, and the borrower who is implementing the project/program.
- The CRP believes that the principles under the involuntary resettlement policy as well as the new Public Communications Policy adequately cover the issues mentioned in this recommendation. However, the CRP believes that further initiatives are necessary to help strengthen borrower's abilities to comply with these principles, especially on the issue of replacement value for land acquisition. A review of the safeguard policies is under preparation and is expected to be completed in 2007.⁵² The ADB's *Handbook on Resettlement* is being revised. The CRP expects that the outcome of these reviews and 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.

⁵² At <http://www.adb.org/Safeguards/policy.asp>.

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 is aware of their duties and obligations in the formulation, processing and implementation of ADB-assisted projects pursuant to ADB's operational policies and procedures.**

- The issue of staffing is expected to be addressed under the safeguard policy review, and the CRP 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 these policies in the operations departments (including country offices) as well as RSDD.
- On the adequacy of staff awareness of ADB's operational policies and procedures and safeguard policies in particular, CRP has been informed that ADB-wide orientation programs on social and environmental safeguards are provided to ADB staff at least thrice a year, and orientation programs are held at divisional levels and in country offices.
- The CRP is not able to ascertain whether there is adequacy of staff resources and/or awareness on ADB's operational policies and procedures, including 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 limited 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
 - 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. On Management's implementation of, and compliance with, the Action Plan, the CRP finds that ADB has made significant efforts to meet the GRSC recommendations and other related measures but that circumstances have made it difficult or impossible to comply with all of these recommendations. The CRP finds that there is scope for ensuring compliance with a number of project-specific remedial actions and the Action Plan with the approval of the 7 PC-1s⁵³ that have been prepared to implement the Action Plan and urges Management to follow up on these to expedite implementation.

52. The CRP views Management's implementation of, and compliance with, the general remedial actions 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. The CRP will provide the Board in August 2007 its third Annual Monitoring Report following consultation with the BCRC.

/S/ Augustinus Rumansara
Chair, Compliance Review Panel
18 August 2006

⁵³ These are by (1) WAPDA for GRSC recommendations #13, 14, and 15, and for Other Remedial Measures; (2) IPD-NWFP for GRSC recommendation # 8 and for Other Remedial Measures; (3) IPD-Punjab for Other Remedial Measures; (4) by IPD-Punjab for GRSC recommendation # 9); (5) PHED-NWFP for GRSC recommendation # 6; (6) PHED-Punjab for GRSC recommendation # 6; and (7) FEMU for the second phase of the EMP.

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.

List of Persons Met

Meeting at ADB Pakistan Resident Mission (PRM)

1. Mr. Peter Fedon, Country Director, PRM
2. Mr. Manzoor Rehman, Senior Project Implementation Specialist, PRM
3. Mr. Raza Farrukh, Project Implementation Officer, PRM
4. Mr. Tatsuo Matsuo, Head, Project Administration Unit/ Principal Project Specialist, South Asia Department, ADB Headquarters
5. Mr. Binsar Tambunan, Head, Project Administration Unit/Senior Project Specialist, Central and West Asia Department, ADB Headquarters

Meeting with the Ministry of Water and Power (MOWP)

1. Mr. Ashfaq Mahmood, Secretary, MOWP
2. Mr. Riaz Ahmad Khan, Advisor, MOWP
3. Mr. Adeel Ashraf, Deputy Secretary (Water II), MOWP
4. Mr. Rashid Ali, Deputy Secretary (Water), MOWP
5. Mr. Arshad Mahmood, Joint Secretary (Water), MOWP
6. Mr. Huq Mali Khan Mahsud, Superintending Engineer, WAPDA, CRBC, D.I. Khan
7. Mr. Niaz Sarwar Baloch, Executive Engineer, Chashma Right Bank Canal (CRBC) Irrigation & Power Department (IPD), NWFP, D.I. Khan
8. Mr. Ch. Karamat Ali, Chief, Physical Planning and Housing, Planning & Development Dept (PDD), Punjab
9. Mr. Syed Ayub Qutub, Monitoring & Evaluation Specialist, TA Consultant, TA No.4718-PAK
10. Mr. Akbar Khan Marwat, Land Acquisition Collector, NWFP, CRBC, D. I. Khan
11. Brig. (Ret) Mushtaq Ahmed, General Manager, Projects North, Water & Power Development Authority (WAPDA)
12. Mr. Faqir Mohammad Javed, Secretary, Board of Revenue, Punjab

Meeting with the Planning, Environment & Development Department (PDD), North West Frontier Province

1. Mr. Ikram Khan, Additional Secretary, PDD
2. Mr. Muhammad Tayyaba Awan, Secretary, Board of Revenue
3. Mr. D. Khan, Chief Planning Officer, Agriculture Department
4. Mr. Sher Afzal Khan, Director, On Farm Water Management (OFWM), Agriculture Dept
5. Mr. Ijaz Ahmad Khawak, Deputy Director, OFWM
6. Mr. Baseer Khan, Chief, Green Sector, PDD
7. Mr. Mohammad Bakhtiar Khan, Section Officer Dev-III, Finance Department
8. Mr. Niaz Sarwar Baloch, Executive Engineer, CRBC, IPD-NWFP, D.I. Khan
9. Mr. Masud-ur-Rehman Khan, Deputy District Officer, Water and Sanitation Division, Work and Services Department
10. Mr. Muhammad Aslam Khan, Chief Engineer, PHED
11. Mr. Muhammad Asghar, Chief, Foreign Aid, PDD
12. Mr. Zakauallah, Assistant Chief, Foreign Aid, PDD
13. Mr. Riaz Ahmad Khan, Superintending Engineer, IPD

Meeting with the Planning & Development Department (PDD), Punjab

1. Mr. Suleiman Ghani, Chairman, PDD
2. Mr. Mohammad Abid Bodhla, Member Engineering, PDD
3. Mr. Arif Nadeem, Secretary, Irrigation and Power Department (IPD)

4. Mr. Faqir Mohammad Javed, Secretary, Board of Revenue
5. Mr. Asrar-ul-Haq, Additional Secretary, IPD
6. Mr. A. Sattar Khan Lillah, Director, Works and Administration, Public Health and Engineering Department (PHED)
7. Mr. Ch. Karamat Ali, Chief, Physical Planning and Housing, PDD
8. Mr. Abdul Hafeez, Chief Engineer, IPD, D.G. Khan
9. Mr. Mohammad Ijaz, DCO, Lahore
10. Mr. Wasif Sultan Ali Khan, Chief (Water), PDD
11. Mr. Aftab Malik, Deputy Director, DGKRD, on behalf of DCO, D.G. Khan
12. Mr. Huq Mali Khan Mahsud, Superintending Engineer, WAPDA, CRBC, D.I. Khan
13. Mr. Mushtaq Ahmad Gill, Director General, On Farm Water Management (OFWM), Agriculture Dept
14. Mr. Javed Ahmad Malik, Chief Engineer (South), PHED
15. Mr. Mazhar Ali Khan, Secretary, Housing and Urban Planning Department, PHED
16. Mr. Nazim Riaz, Senior Chief, Economic Capital Assistance (ECA), PDD
17. Mr. Anwar Hussein Rahi, Assistant Chief, ECA-1, PDD

Meeting with Water and Power Development Authority (WAPDA)

1. Mr. Tariq Hamid, Chairman
2. Mr. Muhammad Mushtaq Chaudhry, Member (Water)

Meetings with technical assistance (TA) consultants

1. Mr. Syed Ayub Qutub, Monitoring & Evaluation Specialist, TA 4718-PAK
2. Mr. Syed Amir-ul-Hassan Zaidi, Participatory Assessment Specialist, TA No. 4718-PAK
3. Mr. Yunus Javed, Team Leader, Hill Torrent Management Project (HTMP), TA No. 4719-PAK
4. Mr. Faisal Javed, Design Engineer, HTMP, TA No. 4719-PAK

Government Officials met in the Project Area

1. Mr. Huq Mali Khan Mahsud, Superintending Engineer, WAPDA, CRBC, D.I. Khan
2. Mr. J.R. Toosy, Superintending Engineer, Derajat Canal Circle, D.G. Khan, IPD-Punjab
3. Mr. Muhammad Asghar Dogar, Executive Engineer, CRBC, Taunsa, IPD-Punjab
4. Mr. Muhammad Sharif Shah, Subdivisional Officer CRBC, Taunsa, IPD-Punjab
5. Mr. Jam Muhammad Lakhmir, Executive Engineer, CRBC, WAPDA, D.I. Khan (also Head of the Complaint Cell)
6. Mr. Muhammad Walayat Shakir, Junior Engineer, CRBC, WAPDA, D. I. Khan (also Member of the Complaint Cell)
7. Mr. Muhammad Shafiq, Subdivisional Officer, CRBC, WAPDA, D.I. Khan (also Member of the Complaint Cell)
8. Mr. Azim Baluch, Subengineer, CRBC, Taunsa, IPD-Punjab
9. Mr. Athar Khan, Subdivisional Officer, contract 67, CRBC, Taunsa, IPD-Punjab
10. Mr. Asghar Shah, Zilledar reporting to Subdivisional Officer, IPD-Punjab
11. Mr. Shahid Azhar, Executive Engineer, PHED-Punjab
12. Mr. Akhtar Parvez, Field Officer, Vehowa, National Rural Sports Program
13. Mr. Muhammad Ramzan, Gauge Reader, CRBC, WAPDA
14. Mr. Abdul Qayum Chief Engineer, Chashma Power Complex, CRBC, WAPDA
15. Mr. Sheikh Muhammad Jalil, Executive Engineer, CRBC, IPD-NWFP, D.I. Khan (till February 2006), now Executive Engineer for Stage I
16. Mr. Niaz Sarwar Baloch, Executive Engineer, CRBC, IPD-NWFP, D.I. Khan (from February 2006)

Project affected people met

1. Mr. Sajjad Hussain, Makwal Kalan
2. Mr. Sadiq Muhammad, Mahoi
3. Mr. Gul Muhammad, Mahoi
4. Mr. Muhammad Sadeeq, Mahoi
5. Mr. Zulfiqar, Moza Chapri
6. Mr. Ghulam Farid, Moza Chapri
7. Mr. Mansoor Malik, Naib Nazim, Union Council Nari
8. Mr. Amanullah, Bohar
9. Mr. Muhammad Shoab, Bohar
10. Mr. Hafiz Illahi Baksh, Hafizabad
11. Mr. Qadir Baksh, Hafizabad
12. Mr. Manzoor Hussain, Maru
13. Mr. Shah Behraam, Maru
14. Mr. Muhammad Riaz, Maru
15. Mr. Faizullah, Maru
16. Mr. Ghulam Abbas, Jhangri but met in Kanewali West village
17. Mr. Abdul Majeed, Kanewali East
18. Mr. Ghulam Hasan, Kanewali East
19. Mr. Meherdad, Kanewali East
20. Mr. Ameer Muhammad, Kanewali East
21. Mr. Muhammad Haneef, Kanewali East
22. Mr. Ghulam Fareed, Jat Wah
23. Mr. Muhammad Hanif, Jat Wah
24. Mr. Javed Iqbal, Jat Wah
25. Mr. Sher Muhammad, Jat Wah
26. Mr. Muhammad Ramzan, Jat Wah
27. Mr. Muhammad Anwar, Jat Wah
28. Mr. Muhammad Hussain, Jat Wah
29. Mr. Malik Akhtar Muhammad , Jat Wah
30. Mr. Muhammad Ismail, Jat Wah
31. Mr. Haji Bhutta, Jat Wah
32. Mr. Muhammad Umair, Vehowa
33. Mr. Fakhar Abbas, Sokar
34. Mr. Muhammad Ramzan, Basti Beezak
35. Mr. Gulsher Khan, Basti Bezak

Table of Project-Specific Remedial Actions

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 2 July 2006	Implementation Risks	Compliance Status determined by the Compliance Review Panel
<p>A. GRSC Recommendations Recommendation # 1 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>(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 (1) of LAA to the date of actual payment of compensation to the affectee. It may</p>	<p>A.1.(a) As the average transaction price can also be considered to represent the market value, this recommendation will not be pursued.</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>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</p>		<p>A concern of the Compliance Review Panel on the use of average transaction price (ATP) in NWFP was raised again to the Government in February 2006 and June 2006. However, the Government repeated its firm position to continue to use the ATP for all projects in NWFP.</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 interest rate calculation might be applied.</p>	<p>Not complied with. (Para. 23 of CRP Annual Monitoring Report 2005-2006)</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 2005-2006).</p> <p>Complied with. (Para. 25 of CRP Annual Monitoring Report 2005-2006)</p>

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 2 July 2006	Implementation Risks	Compliance Status determined by the Compliance Review Panel
<p>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>(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>(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 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>notification is considered a delay due to landowners and, therefore, not subject to the interest.</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>A.1 (e) 1 Compensation and interest payment shall be completed without further delay.</p>	<p>31 Dec 2006</p> <p>31 Dec 2006 (except for cases in the courts)</p>	<p>Being implemented as reported by WAPDA and the Ministry of Water and Power.</p> <p>Action in progress. As of 31 May 2006: in NWFP, awards were announced for all of 5,763 acres, and out of the total funds of PRs 183.8 million, PRs 134.7 million or 73% was paid. 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 million or 82% was paid. Progress in Punjab remains the same as that of 31 Jan 06, hampered by delayed designation of LAC in Taunsa. The Government agreed to complete payment of</p>	<p>Due to changes of LACs, different methods of compensation payment might be applied.</p> <p>Appointment of LAC in Taunsa may delay further.</p> <p>Compensation payment might delay due to absence of land owners, Cumbersomene ss of encashing crossed checks, and other reasons.</p>	<p>Complied with. (Para. 26 of CRP Annual Monitoring Report 2005-2006)</p> <p>Partially complied with on the first part of this recommendation. (Para. 27 of CRP Annual Monitoring Report 2005-2006)</p>

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 2 July 2006	Implementation Risks	Compliance Status determined by the Compliance Review Panel
	<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>compensation by 31 Dec 2006, except for pending court cases.</p> <p>Reported on the average bi-monthly or more frequent basis.</p> <p>Being followed as required.</p>		<p>Not complied with on the second part of this recommendation. (Para. 27 of CRP)</p> <p>Annual Monitoring Report 2005-2006)</p>
<p>Recommendation # 2 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>A.2.2 Additional claims received by CRBC office will be treated the same manner as those received by GRSC.</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 information were issued. All claims were without any supporting documentary evidence and considered illegitimate.</p> <p>Action in progress. As of 31 May 2006, WAPDA's Complaint Center received 49 additional complaints, 11 in NWFP and 38 in Punjab. The requests consist of</p>	<p>As it is virtually impossible to verify the claims for the past, the judgment of illegitimacy may not be necessarily correct. Claimants may take advantage of these difficulties.</p>	<p>Complied with. (Para. 28 of CRP Annual Monitoring Report 2005-2006)</p>

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 2 July 2006	Implementation Risks	Compliance Status determined by the Compliance Review Panel
			compensation for flood damage (28), land (7), and trees (1); 3 for additional bridges; 7 for improvement of protected villages; 2 for irrigation water, and; 1 for closing bund. Bridges and improvement of protected villages are covered by the PC-1s that are being processed. Others were reported "under process" or "under examination."		
<p>Recommendation # 3 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>		Complied with. (Para. 29 of CRP Annual Monitoring Report 2005-2006)
<p>Recommendation # 4 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</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 the complaints received was on severed land but general complaints such as</p>		Complied with. (Para. 30 of CRP Annual Monitoring Report 2005-2006)

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 2 July 2006	Implementation Risks	Compliance Status determined by the Compliance Review Panel
	<p>holdings have been severed due to the acquisition.</p> <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>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. Most of the claims were related to land compensation. Both IPDs agreed that new claims, if received, will be investigated.</p>		
<p>Recommendation # 5 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 Entitlement Matrix by the PD CRBC at the expense of the Project. (One grievance each in NWFP and Punjab was received by GRSC)</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>A.5.3 Provincial Governments will report to MOWP. MOWP forward the report to ADB for review.</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 (D.G.) Khan District Coordination Officer and two 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 rest of 3</p>	<p>There could be overlooked cases.</p> <p>Employment offered to the 3 persons may not be extended, if their performance is not satisfactorily.</p>	<p>Partially complied with. (Para. 31 of CRP Annual Monitoring Report 2005-2006)</p>

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 2 July 2006	Implementation Risks	Compliance Status determined by the Compliance Review Panel
			households, IPD-Punjab employed one person each as a water man in May 2006 at the salary of PRs 3,000 per month. The employment is initially contract basis, but extendable to be of regular status.		
<p>Recommendation # 6 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>	<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>		<p>Action in Progress. IPDs of NWFP and Punjab sanctioned 2.4 and 4.0 cusecs, respectively, for water supply. In NWFP, a PC-1 for 15 canal water supply systems and 5 tubewell schemes, amounting to PRs 33 million, was submitted to Works and Services Department (WSD) in NWFP by the District Works and Services on 10 June 2006. The PC-1 includes involvement of an NGO to work for community mobilization. In Punjab, Public Health Engineering Department (PHED) proposed 50 schemes for 100 villages comprising 34 tubewell and 16 canal water schemes. The total cost is estimated at PRs 438 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 10 May 2006 and submitted to CDWP in June 2006.</p>	<p>Operation and maintenance of tubewell schemes is not clear in the draft PC-1. Approval might require more time.</p>	<p>Partially complied with. (Para. 32 of CRP Annual Monitoring Report 2005-2006)</p>

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 2 July 2006	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>Not yet started. For NWFP, approvals of PDWP and CDWP are needed for the PC-1, which are expected by end-August 2006. Community mobilization and construction would take about one year.</p> <p>For Punjab, CDWP approval of PC-1 is expected by end-July 2006. Community mobilization and construction would take about 2 years.</p>	<p>PC-1 approval may require longer time than expected.</p> <p>Implementation may delay.</p>	
<p>Recommendation # 7 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.</p>	<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 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>Action completed. Meetings were convened with District Coordination Officers (DCOs) of D.I. Khan and D.G. Khan on 31 Oct 2005. It was reported by the respective provincial and federal line agencies that such programs are a continuous process and are underway in different sectors. However, 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 05.</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-</p>		Partially complied with. (Para. 33 of CRP Annual Monitoring Report 2005-2006)

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 2 July 2006	Implementation Risks	Compliance Status determined by the Compliance Review Panel
			financed D.G. Khan Rural Development Project.		
<p>Recommendation # 8 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 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>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 proposal will be promptly implemented.</p> <p>A.8.2 MOWP will report the implementation status to ADB.</p>	Continuous	<p>Action in progress. Calibrated Gauges have been installed. In NFWP, a PC-1 for irrigation improvement plan was submitted to P&DD in late May 2005. The PC-1, excluding the recommended of the Irrigation Management Specialist to apply Crop-based Irrigation Operations (CBIO), was approved by PDWP and was submitted on 16 May 2006 to the Planning Commission for CDWP approval. The total cost is estimated at PRs 321.9 million. In Punjab, introduction of CBIO would go beyond authorized discharge limits under the Water Apportionment Accord 1991. A rotational program is implemented during Kharif (monsoon) and Rabi (winter) seasons. IPD and Punjab Irrigation and Drainage Authority (PIDA) jointly carried out several corner meetings and conducted 2 workshops on 15 Nov 2005 and 29 Mar 2006 with the farmers of 15 distributaries for awareness of the regulation and canal laws to improve the irrigation management practices</p>		Partially complied with. (Para. 34 of CRP Annual Monitoring Report 2005-2006)
<p>Recommendation # 9 WAPDA and Provincial Irrigation</p>	A.9.1 IPDs, being assisted by WAPDA,		Action in progress.		Partially complied with.

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 2 July 2006	Implementation Risks	Compliance Status determined by the Compliance Review Panel
<p>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 rod kohi. They will also propose an 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>will review the status of the 36,000 acres (15,175 acres 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 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</p>	<p>Plans completed by 31 Oct 2006 (NWFP) and 30 June 2006 (Punjab)</p>	<p>WAPDA and IPDs, are in the position that pump sump directly from the main canal endangers the safety of the canal and adversely affects the operational discipline of the whole system.</p> <p>IPD-NWFP reported that 8 cases have been identified. These cases will be solved by providing water from distributaries.</p> <p>Punjab carried out a survey and recommended to line at least 50% of watercourses for 106 sump wells to make all 20,825 acres are cultivable through the sump wells. PC-1 amounting to PRs 413.9 million for constructing sump well minors is being prepared and will be submitted to PDWP by 31 July 2006.</p>	<p>Not all areas might be irrigated.</p> <p>Irrigators may continue illegal pumping from the main canal.</p>	<p>(Para. 35 of CRP Annual Monitoring Report 2005-2006)</p>

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 2 July 2006	Implementation Risks	Compliance Status determined by the Compliance Review Panel
	implement the plans and report their completion to MOWP. MOWP will forward it to ADB.				
<p>Recommendation # 10 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>	A.10 IPDs will implement as recommended.		<p>Action substantially completed. In NWFP, four workshops and corner meetings have been conducted and will be continued by IPD to improve the irrigation practices in the canal command area. 623 water users associations (WUAs) were organized and their watercourses partially lined. In Punjab, workshops were conducted to develop the awareness about the regulation and successful operation of newly created irrigation network in Taunsa on 15 Nov 05, 29 May 06 and 19 Jun 06. Farmer organizations and WUAs were organized in 8 distributaries out of 25 targeted, 212 warabandi cases were settled, and chakbandi was shifted in 46 cases.</p>		Partially complied with. (Para. 36 of CRP Annual Monitoring Report 2005-2006)
<p>Recommendation # 11 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</p>	A.11.1 The Participatory Assessment Specialist identified 7 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 the Punjab will prepare a resettlement plan. MOWP will submit the plan to ADB.	31 Oct 06	<p>Action in progress. ADB consultant found that 3 out of 9 households have shifted to safe locations before Jun 05. Of the remaining 6 households, 3 agreed to receive 5 marla plots. The other 3 households are being consulted for receiving of the land.</p>	Consultation might not be successful.	Partially complied with. (Para. 37 of CRP Annual Monitoring Report 2005-2006)

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 2 July 2006	Implementation Risks	Compliance Status determined by the Compliance Review Panel
	consultant will submit a survey report on the 439 households (323 plus 116).		east in 60 years back.) Note: No. of households should be 321 instead of 323, while 439 should be 437 (321 plus 116).		
<p>Recommendation # 13 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.</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 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>	31 Jul 2007	<p>Action in progress. Based on the consultations made by ADB consultant and WAPDA, WAPDA prepared a plan to provide facilities such as animal watering points, drains, and road improvement for the 8 villages. A PC-1 was prepared in Aug 2005, cleared by WAPDA, and submitted to MOWP on 6 Feb 06. PC-1 was approved by CDWP on 28 Apr 06. ECNEC's anticipated approval is expected by 31 Jul 2006 after which the work will commence. The total cost for the works, including some others, is estimated at PRs 865.8 million. Implementation period is about one year.</p>	Implementation may take longer time than expected.	Partially complied with. (Para. 39 of CRP Annual Monitoring Report 2005-2006)

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 2 July 2006	Implementation Risks	Compliance Status determined by the Compliance Review Panel
	<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 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>Action not progressing due to disagreement among people. Land owners do not agree to acquisition of the surrounding land for the shift of the bund. WAPDA tries its level best to convince the people, but has not been successful. The effort will be continued. Meantime, 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>	Further consultation may not be successful.	

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 2 July 2006	Implementation Risks	Compliance Status determined by the Compliance Review Panel
<p>Recommendation # 14 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 with the community.</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. The facilities will be provided as per PC-1 of WAPDA.</p>		<p>Partially complied with. (Para. 40 of CRP Annual Monitoring Report 2005-2006)</p>
<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 (LA) 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 LA/resettlement plan (RP). In case 200 or more people will experience major impacts, a full RP should be prepared; otherwise a short RP should be prepared. GRSC's Recommendation #5 will also be applied for the compensation. ADB will be consulted on the requirements in the LA process. WAPDA will submit a LA/RP to ADB through MOWP for clearance.</p> <p>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.</p>		<p>Action not progressing due to disagreement among people. WAPDA completed the design for extension of the FCCs. Land owners of the FCC alignments were consulted by ADB consultant 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 ADB consultant. WAPDA will continue its effort to reach a consensus through Union Council.</p> <p>Under TA 4718-PAK, ADB will field the consultant for further consultation in Oct-Nov 2006.</p>	<p>Further consultation may not be successful.</p>	<p>Not complied with. (Para. 41 of CRP Annual Monitoring Report 2005-2006)</p>

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 2 July 2006	Implementation Risks	Compliance Status determined by the Compliance Review Panel
<p>Recommendation # 16 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 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>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. As of 31 May 06, 5 water courses remain incomplete but will be completed by 31 Jul 2006.</p> <p>Completed. This problem has been solved.</p>	<p>Implementation may take longer time than expected.</p>	<p>Partially complied with. (Para. 42 of CRP Annual Monitoring Report 2005-2006)</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</p>		<p>Action completed. Submitted to MOWP on 17 Feb 05.</p>		<p>Partially complied with. (Para. 43 of CRP Annual</p>

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 2 July 2006	Implementation Risks	Compliance Status determined by the Compliance Review Panel
	<p>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>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>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, and the PC-1 will be submitted directly from FEMU to MOWP.</p> <p>Four studies have commenced in May 2006.</p> <p>Monthly report for May 2006 was received.</p>		<p>Monitoring Report 2005-2006)</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</p>		<p>Submitted in Nov 2004</p> <p>Held in February 2005. ADB is concerned about the design of</p>		<p>Partially complied with. (Para. 44 of CRP Annual Monitoring Report 2005-2006)</p>

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 2 July 2006	Implementation Risks	Compliance Status determined by the Compliance Review Panel
	<p>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, 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 MOWP and ADB.</p>	<p>31 Oct 2006</p> <p>31 Jan 2007</p> <p>15 Jan 2007</p> <p>28 Feb 2007</p> <p>1 Apr 2007</p>	<p>the proposed structures and fielded a consultant in August 2005. The consultant recommended revisions of the design, based on which ADB proposed provision of a small scale TA grant to review the design, which was approved in December 2005. Recruitment of consultants is still ongoing, being delayed due to disagreement over the remuneration. TA period will be three months.</p> <p>PC-1 will be prepared based on the design review that will be undertaken under the TA.</p>	<p>Implementation may take longer time than expected.</p>	
<p>D. Other Remedial Measures</p> <p>1. To address the issue of reduced</p>	<p>D.1.1 WAPDA and IPDs will prepare</p>		<p>Action in progress. WAPDA</p>		<p>Partially complied with.</p>

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 2 July 2006	Implementation Risks	Compliance Status determined by the Compliance Review Panel
<p>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>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>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>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>	31 Jul 07	<p>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 anticipated approval is expected to be obtained by 31 July 2006. IPD-NWFP and Punjab identified 60 and 56 additional bridges along the distributaries, respectively. NWFP's PC-1 for Recommendation #8 that was submitted to MOWP on 16 May 2006 covers this. 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 April 2006. 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 PC-1.</p>	Implementation may take longer time than expected.	(Para. 45 of CRP Annual Monitoring Report 2005-2006)
E. Project Monitoring and Evaluation	E.1 An independent cell within WAPDA and BORs will be established in a		Establishment of a cell was notified to ADB in June 2005.		Partially complied with.

Recommendations	Actions Agreed to by ADB and the Government	Due Date Agreed	Status as of 2 July 2006	Implementation Risks	Compliance Status determined by the Compliance Review Panel
	<p>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>Nomination of the Chief Engineer, Gomal Zam Dam Project for the head of the cell was agreed to by ADB.</p> <p>Reported to MOWP on the average bimonthly basis.</p>		<p>(Para. 46 of CRP Annual Monitoring Report 2005-2006)</p>
F. Grievance Redress Mechanism	<p>F.1 Establishment of a complaint center under CRBC Office, which will be announced to the people in the 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>Action in progress. Established in June 2005. The establishment was announced to the public 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. The latest list was provided to the June 2006 ADB mission.</p> <p>This will be continued. WAPDA agreed to take further announcement of the center throughout the project area again in July 2006.</p> <p>WAPDA agreed to set up a complaint box at its office in Taman to facilitate the submission of complaints from people in the D.I. Khan areas.</p>		<p>Complied with. (Para. 47 of CRP Annual Monitoring Report 2005-2006)</p>

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

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, ADB will ensure that appropriate, reliable, transparent and participatory mechanisms are in place, so that the requirements under ADB's policy on involuntary resettlement and anticorruption policy, specifically with regard to the following, can be carried out:</p> <ul style="list-style-type: none"> a) Adequate compensation for land acquisition and for land-for-land basis, or when not possible, on cash compensation basis at levels that enable the affected households to buy land of equivalent value b) Any issues relating to corruption c) That 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 2005-2006)</p>
(v)	<p>ADB will ensure that:</p> <ul style="list-style-type: none"> a) Sufficient resources are available to ensure a satisfactory level of support for, and monitoring of the implementation of resettlement plans, environmental management plans or other measures required under ADB's safeguard policies b) ADB staff is aware of their duties and obligations in the formulation, processing and implementation of projects pursuant to policies and procedures 	<p>Not complied with. (Para. 49 of CRP Annual Monitoring Report 2005-2006)</p>

Photos from the CRP Monitoring Mission

Photo 1: A project affectee explaining his problems to the CRP monitoring mission members in Mahoi.



Photo 2: Mr. Rumansara discussing with landowners and farmers over the incomplete flood carrier channel in Mahoi.



Photo 3: Mr. Fernando (extreme left) and government officials from WAPDA, IPD-Punjab, and IPD-NWFP at a meeting.



Photo 4: Mr. Rumansara (extreme left) inspecting a sump well constructed for farmers to draw water from a distributary off the Chashma main canal.



Photo 5: CRP monitoring mission members and an IPD-Punjab official at a meeting.



Photo 6: Distributary No. 41, off Chashma main canal. Adjoining land needs sump wells for irrigation.



Photo 7: Maru, a protected village in the flood impact zone, in need of improvement works including a shingled approach road and stone pitching for the bunds.



Photo 8: Mr. Rumansara (extreme right) listening to discussions between a WAPDA official (center) and project affectees in Kanewali East.

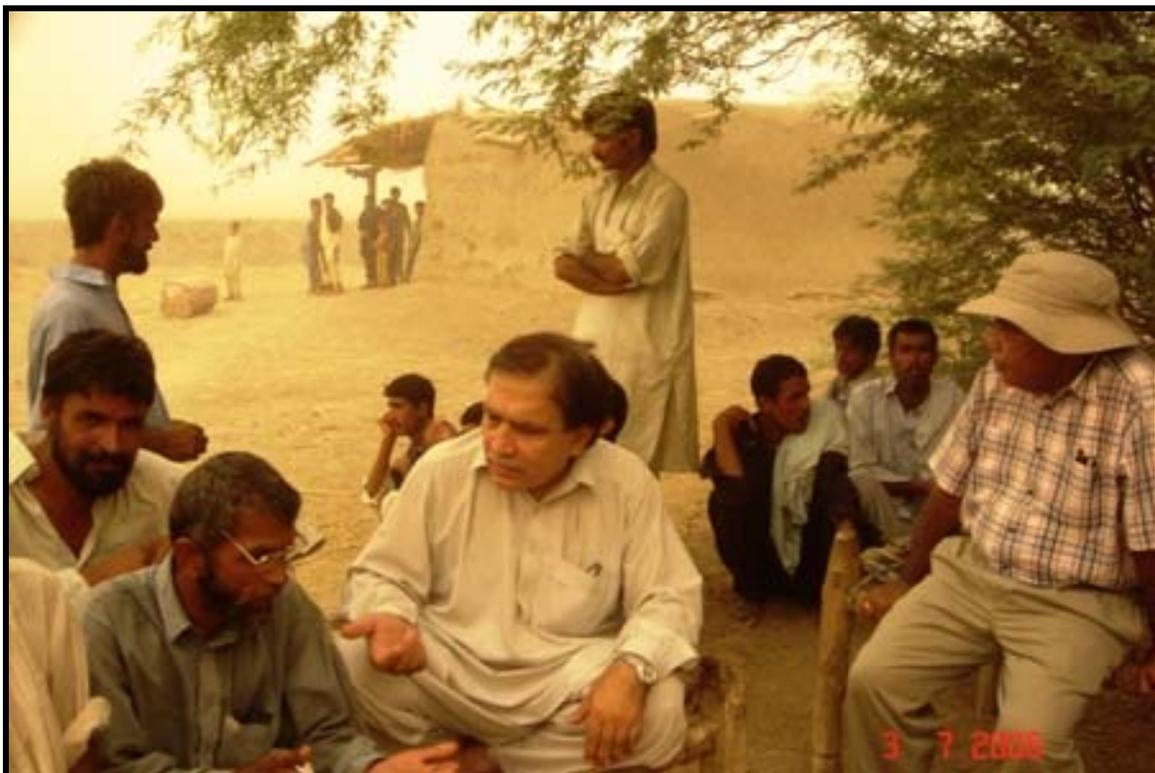


Photo 9: WAPDA official (second from left) and CRP monitoring mission members discussing with project affectees in Kanewali East.



Photo 10: Project affectees discussing their problems on the incomplete Jat Wah flood carrier channel.

