



CHASHMA RIGHT BANK IRRIGATION PROJECT III, PAKISTAN

Bank Information Center, March 2003

The Asian Development Bank has come under fire for its support of the Chashma Right Bank Irrigation Project. The project involves the construction of a 274-kilometer-long irrigation canal along the Indus River in Pakistan. The project has destroyed traditional irrigation systems, flooded villages and forced people to move from their homes and lands. Efforts to compensate people for their losses have been inadequate. The overall planning and implementation of the project has been marked by a severe lack of transparency, and affected people have been excluded from the decision-making process.

Last November, local communities filed a request to the ADB for an inspection of Chashma based on violations of its social and environmental policies and material harm to communities. The Bank is expected to decide later this month on whether an inspection will be launched.

PROJECT DESCRIPTION

The project, which runs through the Punjab and North-west Frontier provinces, involves the construction of the main canal and hundreds of distribution canals, cross-drainage structures and bridges.

Work on Stage III began in 1993 and was 94 percent complete as of October 2002. Stage III covers 144 kilometers (90 miles) of the length of the canal, and a cultivable command area of 135,000 hectares. Stages I and II were completed in 1987 and 1994, respectively.

The ADB is the main financier of the US\$454 million project, providing US\$299 million or 66 percent of the total cost. The remaining costs are provided by the Pakistani government and KfW of Germany. Pakistan's Water and Power Development Authority (WAPDA) is the main executing agency for this project.

FLOODING AND DISPLACEMENT

Local communities and independent experts believe that project design was not guided by social and environmental concerns and disregarded local hydrological conditions. This has caused serious harm to surrounding areas.

The main irrigation canal cuts through the paths of numerous natural hill-torrents from the mountain range to the west, which communities have depended on for centuries. The cross drainage structures block safe and timely passage of these

flows. As a result, serious flooding occurs during the monsoon season. Sokkar, the largest settlement on the Right Bank with a population of over 10,000, had not experienced damaging floods in the preceding two decades. However, it was flooded three times in 2001. Local NGOs reported that in the most serious flood, one person died and eighty houses were demolished. The ADB maintains this flood was not related to the project. Sokkar, in fact, was not considered to be under the threat of flooding from the project and was excluded from surveys.

Flooding also severely affects the downstream riverine belt where the floodwater empties into the Indus River, causing damage to crops, buildings and settlements.

Because of the potential flooding, when the ADB conducted a social survey of twelve villages in the project area, all but one opted for resettlement to higher grounds over simply receiving flood protection. However, within a month, WAPDA staff informed the ADB that there was no longer need for a resettlement plan since all of those villages were willing to accept cash compensation. Thus, nominal cash compensation was paid to those villages for flood protection.

It should be noted that many other villages were not included in the social survey. Local NGOs estimate that more than twenty villages face displacement because of the project, but that there is no resettlement plan for any of them.

LACK OF TRANSPARENCY AND ADEQUATE COMPENSATION

The planning and implementation of Chashma has been marked by a severe lack of transparency. Project authorities refused to share relevant documents and information, despite repeated requests made by local communities and concerned NGOs. Construction, which involves the destruction of farms and crops, began without informing the affected communities. Affected people did not participate in the process of land acquisition or the valuation of property.

More than 19,000 acres of land was acquired for project construction. There have been reports that WAPDA and local officials demanded that local people leave their ancestral land in the project area and threatened to use police force if they remained. The Pakistani government did not consult communities about compensation for lost land and livelihoods.

A large number of affected people have not been compensated at all, and those who have received compensation say that the amount is far less than market value. According to villagers, the current market rate is more than 100,000 rupees per acre, but the compensation rates announced so far are less than one quarter of that.

In addition, corruption in the land compensation process in Pakistan is widespread, and affected villagers claim that far more land than is needed was acquired for the project.

DESTRUCTION OF TRADITIONAL SYSTEMS

The project destroyed the traditional rowed-kohi irrigation system, which utilizes the natural flood flows of numerous hill-torrents. The rowed-kohi system has been the economic, social and cultural core of the surrounding communities for centuries, and still supports a large portion of the local population.

Many communities outside of the area to be irrigated by the main canal no longer have access to the traditional floodwaters. Within the canal command area, the cost of conversion from rowed-kohi irrigation to canal irrigation is very high, especially for small-scale farmers who constitute most of the local population.

The cross-drainage structures and distribution canals also severed communities and disrupted the mobility of the residents. The abandonment of the rowed-kohi system will likely lead to the loss of livelihoods and valuable community support networks built around the system.

ENVIRONMENTAL IMPACTS

In addition, the project is leading to deforestation, loss of biodiversity, water logging and salinization, land degradation and soil erosion and increased use of chemical

fertilizers and pesticides. Despite these impacts, the ADB classified the project as Category B. This means the project does not require a full environmental impact assessment. The environmental management plan was prepared without any public participation, and the ADB has done little to implement it.

REQUEST FOR ADB INSPECTION

Inhabitants of the project area have taken action and raised their concerns to WAPDA and the ADB. Pakistani NGOs carried out an independent survey of the affected communities in February 2001. Their efforts led the ADB to conduct an internal review of the project, which confirmed many of the concerns of affected communities. The ADB organized a dialogue in March 2002, however, it failed to answer communities' needs. Several large-scale demonstrations were staged in the summer and fall of 2002 by project affectees in protest.

The ADB has worked with executing agencies to establish a Grievance Redress and Settlement Committee (GRSC) to address the unresolved issues of land acquisition, resettlement, and compensation. Local communities have serious doubts about the effectiveness of the GRSC, as no NGOs or independent legal experts are admitted as part of GRSC and it does not have the power to implement its recommendations.

In November 2002, local communities filed a request to the ADB for an inspection of the project based on violations of its social and environmental policies. The Board Inspection Committee will meet on March 11, 2003 to make a recommendation to the Board of Directors on whether or not to set up an inspection panel for this project. The full Board is expected to meet on March 25 to give its decision on the Inspection request. Although the ADB is currently in the process of revising its inspection mechanism, the current (existing) mechanism will be applied to this case.

FOR MORE INFORMATION

Ahsan Wagha, Damaan Development Organization, Pakistan, Tel: 92 51 2299230
Email: damaan@isp.sdnpk.org

Mushtaq Gadi, MAUJ, Pakistan
Email: mushtaq_gadi@hotmail.com

NGO Forum on the ADB, Philippines
Email: forum@asiagate.net

Bank Information Center, USA
Tel: 202-624-0622
Email: mzaman@bicusa.org