

# Shattered Lives and Broken Promises



The Unresolved Legacy of the World Bank's National Drainage Program in Pakistan—an Eyewitness Account

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Linking Human Rights and Environmental Protection

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## Abbreviations

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|             |                               |             |  |
|-------------|-------------------------------|-------------|--|
| <b>IP</b>   | Inspection Panel              | <b>PPAF</b> | Pakistan Poverty Alleviation Fund      |
| <b>IRN</b>  | International Rivers Network  | <b>SIDA</b> | Sindh Irrigation & Drainage Authority  |
| <b>KPOD</b> | Kadhan Pateji Outfall Drain   | <b>SCAD</b> | Sindh Coastal Area Development Program |
| <b>LBOD</b> | Left Bank Outfall Drain       | <b>WSIP</b> | Water Sector Improvement Project       |
| <b>NDP</b>  | National Drainage Program     |             |  |
| <b>NGO</b>  | Non-governmental organization |             |  |



*A village in the desert near LBOD. Photo by Ann-Kathrin Schneider, IRN.*

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## EXECUTIVE SUMMARY

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**I**n 2006, the World Bank's Inspection Panel (IP) issued its investigation report for the Bank-funded Pakistan National Drainage Program (NDP). The IP report found that Bank management had violated six of the Bank's safeguard policies in the NDP project, contributing to the loss of lives and livelihoods in Pakistan's southern Sindh province.

In response to the findings of the IP investigation, Bank management outlined measures they would take to address the policy violations and problems in the NDP.

The World Bank's

Executive Directors approved the Southern Sindh Water Management Action Plan in November 2006 and asked Bank management to report on progress of the Action Plan's implementation by June 2007. The progress report was published on July 5, 2007. It acknowledges some shortcomings in the implementation of the Action Plan, but claims that progress has been made in certain areas.

**The World Bank's Action Plan was not prepared in consultation with the requesters of the Inspection Panel case, nor with the people living in the NDP-affected areas.**

In April 2007, an International Rivers Network staff member visited the affected areas in Sindh province to gather first-hand information regarding the implementa-

tion of the Action Plan. In early July 2007, one of the requesters of the NDP Inspection Panel case spoke with people living in the areas affected by the NDP project, including those that were to benefit from the implementation of the Action Plan. This report summarizes information gathered during these field visits and interviews with representatives of the Sindh Irrigation & Drainage Authority and the World Bank.

The World Bank's Action Plan was not prepared in consultation with the requesters of the Inspection Panel case, nor with the people living in the NDP-affected areas. The Action Plan does not include adequate measures to mitigate the impacts of World Bank-funded water projects<sup>1</sup> on the affected people and ecosystems, nor does it provide compensation for the losses of the affected people. It ignores the requesters' and the affected people's suggestions regarding long-term solutions to the problem of drainage effluent disposal and fails to provide alternative solutions.

Major elements of the Action Plan, such as the main livelihoods component, the Sindh Coastal Areas Development Program, and the primary ecological component, the assessment of the *dhand*s, have been delayed and are inconclusive. Other elements, including the Water Sector Improvement Project, have no connection to the damages caused by the NDP and the LBOD projects. The lack of an appropriate response to the damages caused by the World Bank-funded NDP project and by earlier World Bank projects, as described in the 2006 Inspection Panel investigation

report, leaves the people in southern Sindh in an extremely vulnerable position.

The faulty design and implementation of the World Bank-funded projects in Sindh province have directly contributed to the loss of lives during the 2003 monsoon and floods. Due to the severe shortcomings of the Action Plan and the extremely slow progress of its implementation, the "severe flooding risks in the lower Indus Basin of Sindh Province" (World Bank Board Press Release, Nov 2006) are as great today as they were four years ago. The observation of the Inspection Panel from 2006 still holds true:

*"To a very large degree, the damages suffered by people in the project-affected areas, described in this report, have not been redressed, and many of the same conditions that led to these harms are still in place."*  
(Inspection Panel, 2006, p. xxxvii)

Immediate action is required to reduce the extreme vulnerability and suffering of the people in the lower Indus Basin of Sindh province.

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## Summary of Major Concerns:

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**The Action Plan does not address the root cause of the disaster in Sindh province, which is the faulty design of the LBOD drainage disposal system.** This oversight indicates that Bank management has not responded to the requesters' concerns. The requesters as well as drainage experts have repeatedly asserted that the existing disposal system is the primary cause of the water-related problems in the area, leading to seawater-intrusion, flooding and the loss of agricultural land. The Bank and the regional government have failed to consider numerous alternatives to the current system. Unless the drainage problem is resolved, all other efforts to improve livelihoods in the affected areas and restore degraded habitats will be futile.

**The Action Plan was not prepared nor has it been implemented in consultation with the affected people.** The people in the affected areas of Sindh have repeatedly expressed their needs and demands to the World

Bank and the government in writing and in public meetings. However, the World Bank did not consult with the affected people in the Action Plan's development and the needs and demands expressed by the people are not reflected in it. The Bank has not disseminated the Action Plan in local languages in the affected areas, explained the content of the Plan or discussed implementation priorities with the people of southern Sindh. The Bank has not "engage[d] the people affected by the project in a participatory way" (World Bank Board Press Statement November 2006), as suggested by the Bank's Board of Directors. The Bank has not implemented the plan in close consultation with affected people, as called for by the Inspection Panel.

**The central livelihoods program of the Action Plan does not target the villages affected by the Bank's projects.** The affected villages were not the first to

receive livelihood programs and they only receive one-third of the total financial assistance offered in the framework of the livelihoods program. The livelihoods program receives a much smaller share than the infrastructure-oriented parts of the Action Plan.

**The central ecological component of the project, the *dhand*s study, is inadequate and has not been completed.** Instead of determining programs to restore the degraded ecosystems, the Action Plan suggests that more studies are needed before the “extent and severity” of the impacts of the Tidal Link structures on the *dhand*s can be determined. Since the degradation of the *dhand*s and shallow lakes in Sindh began in 1999, there has not been any action taken to reverse the loss of biodiversity in the *dhand*s ecosystem and thereby reduce the out-migration of people whose livelihoods depend on the integrity of these ecosystems. The Action Plan’s suggestion to conduct more studies does not at all reflect the seriousness of the situation. Furthermore, even the promised studies have not yet been completed.

**The vulnerability of the villagers in the LBOD<sup>2</sup>-affected areas in southern Sindh has not been reduced.** Flood early-warning and management systems and physical structures to reduce the vulnerability to floods have not been improved since November last year. This is partly due to a major shortcoming of the Action Plan, which only required an *assessment* of existing flood management systems, but not an *improvement* of these systems. The assessment has been carried out by the district government, but residents of the area report that no flood early-warning or flood management systems are in place. The Action Plan, in paragraph 25, suggests that “the most vulnerable villages and areas will be identified, ... [where] construction of flood platforms and refuges, construction of small flood bunds, improving drains [will be undertaken] ... .” **This has not taken place.**

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## Recommendations:

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- The World Bank should **revise the Action Plan** in close consultation with affected communities, especially to address the root causes of the faulty drainage network. The World Bank should organize meetings to develop the revised Action Plan in cooperation with affected people’s representatives and civil society organizations, as well as local elected government officials. The revised Action Plan should be translated and printed in local languages and distributed widely in the region. The implementation of the Action Plan should be discussed regularly in village meetings in the affected areas of southern Sindh.
- World Bank management should identify the villages most affected by the LBOD project and develop and implement comprehensive **livelihoods programs** with local government officials and civil society organizations working in these areas. Livelihood programs for the affected areas should be clearly prioritized over programs for the entire coastal region of Sindh. The Sindh Coastal Area Development Program should focus on improving the livelihoods of the affected people and rehabilitating the destroyed ecosystems.
- The World Bank, in close cooperation with the local governments in Sindh responsible for flood management, should implement **flood early warning and management systems** and urgently **construct flood platforms** in the most vulnerable villages.
- The Executive Directors of the World Bank should **authorize the Inspection Panel to monitor the implementation of the revised Action Plan** as well as the level of consultation with the affected people, and report their findings to the World Bank’s Executive Directors.



*Children near the LBOD drain. Photo by Ann-Kathrin Schneider*

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## INTRODUCTION

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In 2006, the World Bank's Inspection Panel (IP) issued its investigation report for the Bank-funded Pakistan National Drainage Program (NDP). The IP report found that Bank management had violated six of the Bank's safeguard policies in the NDP project, contributing to the loss of lives and livelihoods in Pakistan's southern Sindh province.

In response to the findings of the IP investigation, Bank management outlined measures they would take to address the policy violations and problems in the NDP. In September 2006, the Management of the World Bank produced the "Management Report and Recommendations in Response to the Inspection Panel Investigation Report". Chapter seven of this report consists of the Management Action Plan (Action Plan). The Action Plan contains activities and projects for the immediate and short term, the medium term and the long term. In October 2006, World Bank management produced the "Elaboration of the Short Term Action Plan" (Short Term Action Plan), which entails a detailed explanation of five activities. The Short Term Action Plan is also referred to as the "Southern Sindh Water Management Action Plan". The timeframe for the various activities of the Short Term Action Plan differs, but most projects and activi-

ties are supposed to be completed in 2007.

The World Bank's Executive Directors approved the Southern Sindh Water Management Action Plan in November 2006 and asked Bank management to report on progress of the Action Plan's implementation by June 2007. The progress report was published on July 5, 2007. It acknowledges some shortcomings in the implementation of the Action Plan, but claims that progress has been made in certain areas.

This report focuses on the implementation of the Short Term Action Plan. In addition to assessing the implementation of the proposed activities, the report evaluates whether the proposed activities constitute adequate redress for the impacts of World Bank projects on the ecosystems and livelihoods in southern Sindh, as described in the IP investigation report.

**The Short Term Action Plan includes the following components:**

- Implementation of the **Sindh Coastal Areas Development Program (SCAD)** in southern Sindh.
- Rapid **assessment of ecological and livelihood conditions in the *dhands*** to identify immediate measures to improve livelihoods and ecological conditions.
- Rapid **assessment of existing local government flood risk management systems** to reduce flood damage and vulnerability by building capacity and improving flood risk response.
- **Assessment of the condition of the right embankment of the LBOD** spinal drain and KPOD and preparation of a detailed maintenance plan.
- **Processing of the Water Sector Improvement Project (WSIP)** in order to ensure a rapid start-up of the technical studies for measures to improve the performance of LBOD, in addition to preparing a comprehensive flood and drainage plan for the left bank of the Indus in southern Sindh.

**The following sections assess the implementation of the five components of the Action Plan.**





*Families live on the embankments of the LBOD drain in Sindh. Photo by Ann-Kathrin Schneider, IRN.*

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## SINDH COASTAL AREAS DEVELOPMENT PROGRAM

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**T**he Sindh Coastal Areas Development Program is the central part of the Short Term Action Plan. It is the only part of the Action Plan that directly addresses the adverse impacts of the project on the affected population.

In a press statement dated November 2006, the World Bank describes the importance of the SCAD for the Action Plan: “Improving the livelihoods of thousands of poor families who have suffered adverse impacts at

the very tail end of the Indus River system in southern Pakistan is at the core of a new water management Action Plan.”

According to the Inspection Panel investigation report, the families in southern Sindh have suffered the following adverse impacts as a result of World Bank-funded water projects:

- Destruction of agricultural lands due to salinity.
- Destruction of grazing lands.
- Salinization of groundwater.
- Brackish drinking water.
- Reduction in fish stock.
- Destruction of homes, livestock and farms and the deaths of more than a hundred people during the 2003 floods.
- Temporary dislocation.

*“The Panel heard from local people south of the canal that the water in their villages was no longer fit to drink or grow crops, and they had to walk several kilometres across the canal for water. The increased salinity has also made vast tracts of agricultural land unproductive. Many villagers interviewed by the Panel claim their land has become so barren, that they can no longer plant anything of value.” (Inspection Panel, July 2006, p.113)*

The SCAD is meant to address the adverse impacts of the project, but it is hard to understand how the activities and projects planned under the SCAD will provide redress to the affected people or restore their productive capacity and livelihoods.

The SCAD is being implemented by the Pakistan Poverty Alleviation Fund (PPAF) through PPAF partner organizations. The PPAF was created by the Government of Pakistan in 2000 and focuses on micro-credit and community infrastructure projects. PPAF provides loans to poor people via civil society partner organizations.

The majority of the funding for the PPAF comes from the World Bank’s International Development Association (IDA) with additional contributions from other major donors such as Germany and the United States. Although the budget of the PPAF from 2008-2011 totals US\$ 368 million, only US\$ 6 million over two years has been directed to the SCAD to “improve the livelihoods of thousands of poor families who have suffered adverse impacts”, in the words of the World Bank.

In April 2007 a maximum of US\$ 2 million of the US\$ 6 million were disbursed to the PPAF’s ten partner organizations under the framework of the SCAD. The monies were used for a spot-survey of 2,000 villages with coastal access in southern Sindh. According to the World Bank in Pakistan, the villages affected by LBOD were not singled out or prioritized for the project. As of April 2007, no livelihood program had started in those villages. According to the World Bank office in Islamabad, it was hoped that work would be initiated by June 2007. It was decided that the SCAD should

The Short Term Action Plan describes the goals of the SCAD in the following way:

“The scope of the SCAD includes

- Better access to basic services and facilitating infrastructure
- Higher income generation through improved crop, fisheries and livestock production, marketing and micro-finance services
- Secure access to, and better management of the coastal area natural resources
- Viable community organizations that can operate in partnership with the public and private sector and NGOs
- Improved access to high quality education, information, training and better nutrition and health.” (World Bank, Short Term Action Plan, page 4)

not focus on the 50 affected villages, but instead on all villages with coastal access. This runs counter to the World Bank’s statement from November 2006, which reads: “The program will focus special attention on those people close to LBOD for whom the IP found that the LBOD was a contributing factor to flood damage.” (World Bank, November 2006, page 2)

The progress report on the implementation of the Action Plan from July 2007 mentions that three partner organizations have been working in the following sub-districts along LBOD: Golarchi, Tando Bago and Jati. According to the report, 98 livelihood programs have been initiated in 36 villages in these sub-districts. In total, only one-third of the funds will be allocated for programs in Badin, the area most affected by the failures of the LBOD. This indicates that the people affected by the World Bank-funded projects will not be the prime beneficiaries of the Coastal Area Development Program.

The total allocation for the two phases of the SCAD project is US\$18 million. Compared to the size of the LBOD project (roughly US\$1 billion), and the disaster

this project has created in the area, the US\$ 18 million allocated for the livelihood restoration program is inadequate. Moreover, only one-third of this amount, or US\$ 6 million, will actually be spent in the affected areas. The requesters mention in their response to the Action Plan: "Half of the organizations and money will be spent in either Thatta or Karachi, which is not the concern of the requesters. This does not mean that these areas do not deserve the programs, but requesters were particularly concerned with the area affected by LBOD. Bank has cleverly connected the other areas with the LBOD area to give the impression that there is no difference between the disaster created by LBOD and problems of other areas."

The amount of money allocated to the areas affected by the LBOD project under the SCAD is equivalent to

**Compared to the size of the LBOD project (roughly US\$ 1 billion), and the disaster this project has created in the area, the US\$ 18 million allocated for the livelihood restoration program is inadequate. Only one-third of this amount, or US\$ 6 million, will actually be spent in the affected areas.**

30% of the value of the damages caused by the 2003 floods. However, the people who experienced the flood damages were never adequately compensated for the loss of assets, crops and temporary displacement. The SCAD project funding is entirely inadequate to compensate for the losses of 2003.

A Pakistani partner organization of Oxfam counted that 172 villages were affected by the 2003 floods. Thirty-six of these are being targeted for assistance as part of the Sindh Coastal Areas Development Program. Different sources have reported that a list of SCAD projects exists, but there is no information about which programs will be implemented in which villages. The process of choosing villages and identifying livelihood programs has been carried out without public participation.



*Increased salinity on the fields near Ketu Bandar. Photo by Ann-Kathrin Schneider, IRN.*



*A fisherman shows his catch near the LBOD drain.  
Photo by Ann-Kathrin Schneider, IRN.*

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## ASSESSMENT OF ECOLOGICAL AND LIVELIHOOD CONDITIONS IN THE *DHANDS*

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**T**he Action Plan does not respond to the situation of the *dhands* as described in the Inspection Panel report. “More specifically, the failure of the LBOD Tidal Link has been a major cause of harms to the *dhands* wetland ecosystem in Southern Badin. With the collapse of the Tidal Link weir, the water and salinity balance of the *dhands* ecosystem has changed profoundly. The Tidal Link flow is now intermingled with the flow to and from the *dhands* and the Rann of Kutch at every tide cycle through the breaches along the embankments, and salinity of the *dhands* has risen sharply. This had led to major decreases in birds and water-fowl, the loss of distinctive vegetation and other fauna in the shallower areas of the *dhands*, and major decreases in fish species and numbers in the *dhands*.” (Inspection Panel, July 2006, page 57)

Instead of determining programs to restore the degraded ecosystems, the Action Plan suggests that more studies are needed before the “extent and severity” of the impacts of the Tidal Link structures on the *dhands* can be determined. World Bank management suggests that the Bank, in cooperation with SIDA, undertake a “diagnostic study of the *dhands*” by July 2007.

The July 2007 progress report admits the delay in finalizing the *dhands* diagnostic studies: “A rapid assessment of ecological and livelihood conditions of the *dhands* in the vicinity of the outfall system has progressed less than expected.”

At present, two organizations are working on the *dhands* study: the National Institute of Oceanography and a local NGO that focuses on the socio-economic aspects. The status of the study and its projected completion date is unclear. The Terms of Reference for the study have not been made available to the people living in the area, and the timeline and objectives of the study have not been disclosed.

Since the degradation of the *dhands* and shallow lakes in Sindh began in 1999, there has not been any action

**Since the degradation of the *dhands* and shallow lakes in Sindh began in 1999, there has not been any action taken to reverse the loss of biodiversity in the *dhands* ecosystem and thereby reduce the out-migration of people whose livelihoods depend on the integrity of these ecosystems.**

taken to reverse the loss of biodiversity in the *dhands* ecosystem and thereby reduce the out-migration of people whose livelihoods depend on the integrity of these ecosystems.

Ghulam Rassol Mallah, who lives near Narreri lake, one of the affected *dhands*, reported in July 2007:

*“In the 1980s, when the lake was still productive, we used to catch fish, birds and use the vegetation on the lake shore to make mats. We used to graze animals around the lake and there were a lot of wild animals. Now, the lake is dry and people use the remaining vegetation for firewood and the little water that’s left in the lake is polluted.”*

The Action Plan’s suggestion to conduct more studies does not at all reflect the seriousness of the situation. Furthermore, even the promised studies have not yet been completed. More than a year after the IP report, there is still no plan for mitigating the negative impacts of the projects on the natural environment in southern Sindh, reviving the lakes, or restoring the livelihoods of the people depending on them.



A mosque in Mirpurkhas, marked by the floods. Photo by Ann-Kathrin Schneider, IRN.

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## ASSESSMENT OF THE LOCAL GOVERNMENT'S FLOOD RISK MANAGEMENT SYSTEMS

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People in southern Sindh are subject to the risks of severe flooding. The faulty design and implementation of the World Bank-funded projects in Sindh province have directly contributed to the loss of lives during the 2003 monsoon and floods. In response to the Inspection Panel report, World Bank management acknowledged the importance of flood management and the shortcomings of the Sindh local government's existing flood management systems. The Action Plan therefore requires a study to "identify gaps in this system and to formulate a program to fill those gaps with plans, systems, facilities and equipment as appropriate." (World Bank, October 2006, page 6) Due to the severe shortcomings of the Action Plan and the extremely slow progress of its implementation, the "severe flooding risks in the lower Indus Basin of Sindh Province" (World Bank Board Press Release, Nov 2006) are as great today as they were four years ago.

*"The cyclone of 1999 and the flood of 2003 had profound effects on people's lives and livelihoods. People in the area are visibly traumatized by the repeated flood events and relate it to the outfall system. The Panel heard vivid accounts of the human suffering and devastation caused by the flood. A major concern is that*

*these floods could happen again at any time. People feel vulnerable and abandoned because so little has been done in the past years to mitigate the damage and provide better protection." (Inspection Panel, July 2006, page 91)*

Since the publication of the Action Plan, the Sindh government has prepared a contingency plan to combat cyclones and floods, as indicated in the July progress report. However, the plan is vague and does not identify the existing gaps or the necessary mechanisms and equipment to improve the faulty flood risk management system.

The contingency plan suggests measures such as:

- “Keep boats and vehicles ready for evacuation from low lying areas”,
- Food supply must be kept ready”, and
- “Relief camps should be properly managed”.

The Sindh government’s contingency plan does not provide comprehensive details on the suggested measures. It simply reassures people that “early warning of cyclones and heavy rains will be communicated through radio, TV and the Police wireless system”.

It is therefore incorrect that “progress has been made in assessing and improving local government flood management systems”, as the Bank’s July 2007 progress report asserts. The Sindh government’s flood and cyclone contingency plan does not represent progress since it neither includes concrete measures to improve

**The Sindh government’s flood and cyclone contingency plan does not represent progress since it neither includes concrete measures to improve the existing system, nor commits additional capacity or financial resources for better flood management.**

the existing system, nor commits additional capacity or financial resources for better flood management. In terms of improving flood management structures and systems, few things have changed and the people are as vulnerable as they were in 1999 and 2003. Even Bank management concludes in its July 2007 progress report: “The flood management plan for Badin needs further improvement.”

In addition to the flood management systems study, the Action Plan suggests (but does not require) that “immediate measures” to improve local flood management be taken in “vulnerable villages”. The Plan says that the vulnerable villages should be identified and immediate measures, such as constructing flood platforms and improving people’s mobility, should be taken. Neither of these suggestions has been implemented.

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## ASSESSMENT OF THE CONDITION OF THE RIGHT EMBANKMENTS OF THE LBOD and the KPOD

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The Action Plan requests a “detailed field examination of the right embankment of the spinal drain and Kadhan Pateji Outfall Drain (KPOD)” as well as “identifying vulnerable sections and specific measures needed to complete the repair of old breaches and eliminate the weaknesses of the embankment”. The Action Plan says that the Bank would be willing to provide support for the implementation of the suggested measures, if requested. The deadline for this assessment was May 2007.

The assessment has been carried out and the repair works are being undertaken, with funding of more than US\$ 12 million provided by the Bank as of May 2007. This money has been used to undertake repairs, and to strengthen the banks of the LBOD and the KPOD. Strengthening the banks of the existing outfall system has more than doubled the canals’ discharge capacity.

It is important to note two things when analysing these figures and the activities that have been undertaken. Firstly, in the first phase, only US\$ 6 million will be spent on livelihoods projects in the affected areas, while a total of nearly US\$ 30 million will be spent on construction works. So much more funding is allocated for construction works than for livelihoods and environmental restoration programs.

Secondly, the approach to the construction works chosen by the World Bank contradicts the perspective of people living near the drains. In a people’s tribunal in September 2007, people in the area voiced their opposition to the recent increase in the drains’ discharge capacity, carried out under the Action Plan. They claim that while experience suggests that the current route of the LBOD and its Tidal Link is unsustainable, millions of dollars is being spent on bolstering the faulty system rather than on establishing viable solutions. Experience in the area shows that because of the route chosen for the LBOD, sea water will continue to flow up the drain and erode the banks, no matter how often the embankments are repaired.

Kamal Rajo of Ahmed Rajo village reports that the people living near the KPOD also fear that the current way of strengthening the Northern embankment of KPOD, by stone pitching, is endangering their livelihoods. In the 2003 floods, the banks were breached, both on the northern and the southern side of the drain, dispersing the floods and thereby saving the people. They fear that if the Northern embankments are strengthened, all flood waters will flow over the Southern embankment and trap them.

Alternatives to the existing drainage system exist, such as the old natural drainage routes via the Runn of Kutch, and need to be examined urgently. The Inspection Panel requesters in their response to the Action Plan wrote in early 2007: “There are several components of this plan. None of the component really addresses the issues of the safe disposal of LBOD effluents, alternate route of disposal.” (NDP Inspection Requesters, 2007, page 15). Repairing the current system is not an adequate response to the findings of the Inspection Panel and the environmental and social disaster in southern Sindh. Alternatives need to be urgently examined.



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# PROCESSING OF THE WATER SECTOR IMPROVEMENT PROJECT (WSIP)

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On September 18, 2007, the World Bank approved US\$ 150 million for the Sindh Water Sector Improvement Project (WSIP). The “accelerated” processing of this project constitutes the fifth part of the Action Plan. However, it is hard to understand how the WSIP project is related to the findings of the NDP Inspection Panel report. The WSIP project has a different geographical focus than the LBOD/NDP project, and targets a different issue. The WSIP project focuses on the rehabilitation of barrages and irrigation canals in northern Sindh, whereas the NDP Inspection Panel case deals with drainage canals in southern Sindh.

According to WSIP information on the World Bank’s website, the objective of the project is “to improve the efficiency and effectiveness of irrigation water distribution”. The impacts of the NDP and LBOD project are related to drainage infrastructure, not irrigation. The Action Plan describes that one element of the WSIP project, namely the “flood and drainage management plan”, will include options to improve LBOD and thereby respond to the findings of the Inspection Panel case. It has yet to be seen whether these studies, representing only a small part of the WSIP project, will adequately address the problems identified by the Inspection Panel.

**The WSIP project has a different geographical focus than the LBOD/NDP project, and targets a different issue. The WSIP project focuses on the rehabilitation of barrages and irrigation canals in Northern Sindh, whereas the NDP Inspection Panel case deals with drainage canals in southern Sindh.**

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## CONCLUSION

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**D**espite an Inspection Panel investigation finding that the World Bank-funded NDP project violated six binding safeguard policies and contributed to the destruction of valuable ecosystems and the loss of lives and livelihoods, Bank management has so far failed to address the problems caused by its water projects in Sindh. A detailed analysis of the Action Plan and its implementation shows that it was developed without the participation of affected communities and does not respond to the problems identified by the Inspection Panel in 2006.

In the Board discussion of the NDP Inspection Panel investigation, Bank management assured the Executive Directors that “improving the livelihoods of thousands of poor families who have suffered adverse impacts is at the core of a new water management action plan.” However, in reality, the “thousands of poor families” will only receive a fraction of the assistance the Bank is granting for the rehabilitation of infrastructure, most of which is destined for projects far away from where those families live. Contrary to what the Bank declared at the Board meeting in November 2006, the Action Plan does not respond adequately to the findings of the Inspection Panel.

The gaps in participation and consultation surrounding the Action Plan are now evident, as is the lack of political will to address the environmental destruction caused by the LBOD. This severely threatens the credibility and effectiveness of the Bank’s engagement in Pakistan’s water sector. While the Bank is committing increasing financial resources for the sector, the people in Sindh are increasingly mobilizing against World Bank projects. Their experience has been that the

**However, in reality, the “thousands of poor families” will only receive a fraction of the assistance the Bank is granting for the rehabilitation of infrastructure, most of which is destined for projects far away from where those families live.**

World Bank-funded faulty drainage structures have greatly contributed to the deterioration of their living conditions and that the Bank has not redressed the mistakes of the past. More than a year after the IP report, there is still no plan for mitigating the negative impacts of the projects on the natural environment in southern Sindh, including the shallow lakes, the *dhands*, that were pronounced “biologically dead” by the Inspection Panel.

If the Bank wants to stay engaged in the water sector in Pakistan, it needs to seek sustainable solutions for the disposal of drainage effluent, restore the ecosystems near the drains and work with the people at the tail end of the system. Fixing the breaches of the existing drainage canals in Sindh year after year, while neglecting the fundamental weaknesses of the system, is not the solution. The World Bank needs to revise its action plan in close consultation with the affected people and give the Inspection Panel a role in monitoring its implementation. Immediate action is required to reduce the extreme vulnerability and suffering of the people in the lower Indus Basin of Sindh province.

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## ENDNOTES

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1. The NDP project was originally planned as the first phase of a multi-year program for the water sector in Sindh, comprising of infrastructure investments, institutional reform, research and sector planning. The NDP project included the completion of the Left Bank Outfall Drain (LBOD). The LBOD consists of a "Spinal Drain" and related structures that drain irrigation and agriculture effluent from the north to the sea. The final connection of the LBOD to the sea is called the "Tidal Link". The LBOD was originally funded by an IDA credit approved in 1984 and closed in 1997.
2. The Left Bank Outfall Drain (LBOD) consists of a "Spinal Drain" and related structures that drain irrigation and agriculture effluent from the north to the sea. The final connection of the LBOD to the sea is called the "Tidal Link". The LBOD was originally funded by an IDA credit approved in 1984 and closed in 1997. The NDP project, launched in 1997, included the completion of the Left Bank Outfall Drain (LBOD).



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