

Peoples' Review of ADB: Sindh Rural Development Project

Draft Report



Participatory
Development
Initiatives [PDI]



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Peoples' Review of ADB: Sindh Rural Development Project

Draft Report

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Abbreviations

ADB	Asian Development Bank
BOR	Board of Revenue
CBO	Community-based Organization
EIRR	Economic Internal Rate of Return
ha	Hectare
IEE	Initial Environmental Examination
ILO	International Labor Organization
IPRSP	Interim Poverty Reduction Strategy Paper
KB	Khushhali Bank
LBOD	Left Bank Outfall Drainage
LGD	Local Government Department
LRA	Land Revenue Act
MTR	Midterm Review
NGO	Non government Organization
NIC	National Identity Card
NPV	Net Present Value
O&M	Operation and Maintenance
PCU	Provincial Coordination Unit
PIO	Project Implementation Office
PIR	Poverty Impact Ratio
PPTA	Project Preparatory Technical Assistance
PSC	Provincial Steering Committee
SKAA	Sindh Katchi Abadis Authority
SRDP	Sindh Rural Development Project
SSTA	Small Scale Technical Assistance
STA	Sindh Tenancy Act
ZPC	<i>Zila</i> Project Committee

Chapter -1

Introduction & Background of the Peoples Review

1.1 Background

Sindh Rural Development Project [SRDP] of Asian Development Bank is claimed to be as an integrated participatory project of Asian Development Bank [ADB] to be implemented over a period of seven years in Sindh. The project objective is to improve social status and economic well-being of the rural poor in four canal irrigated southern districts of Sindh- Thatta, Badin, Sanghar and Mirpurkhas.

The local government, Government of Sindh is the executing agency. Key implementation partner agencies are Sindh Katchi Abadis Authority (SKAA), Board of Revenue Sindh, NGOs, and district governments of Badin, Mirpurkhas, Sanghar and Thatta. The estimated project cost is \$62.50 million equivalent, of which \$50 million (or Rs. 3 Billion) is financed by the Asian Development Bank.

The project is under implementation since 2004 with the loan closing date of 30th June, 2010. However, the project is being severely criticized by the civil society. There is criticism on the objectives and activities to be undertaken by the project as well as the project implementation mechanism and the progress the project has so far made.

Keeping in view the above facts the peoples' review of the project was included in annual plan of ELBAG in consultation with other partners / members of ELBAG core group. The basic objective of the Peoples Review of the project through civil society consultation and study is to look into the realities of the criticism of the project and bring facts and figures about the project and its implementation process. It is also important because it is a loan project and the loan has to be repaid by the Government through the taxes of the common people within the time span of 30 years. Even in the case of no any effective and positive change as a result of the project activities, the burden of the loan would be on the shoulders of the whole nation.

1.2 Objectives

- To examine the objectives and the relevance of the project objectives with the projects of ADB Sindh Rural Development Project
- Assess the implementation process and flaws in the implementation process of the project.

- Examine the real causes of the flawed implementation and the impact of such process on the local community and sustainable livelihoods development process
- To assess the local community and independent civil society perspective about the implementation process of the project
- Prepare comprehensive suggestions for the proper and flawless implementation of the project for the benefit of the local communities

1.3 Methodology

The study mainly depended on the primary as well as secondary sources of information. The local communities of the project area, civil society activists, officials and the key informants were the important primary source of information on the project. For that purpose focus group discussions were organized in four districts i.e. Thatta, Badin, Mirpurkhas, and Sanghar in which the project is being implemented. The discussions were held with the communities, civil society organizations, beneficiary and other district level stakeholders. Discussions were opened with a presentation on the Project interventions/ strategies, implementation process and outcomes/ impact. The presentation was followed by feedback by the participants sharing their views and experiences about the project in their respective district.

The final and the important activity was the provincial level consultative workshop on SRDP interventions / strategies, implementation process and outcomes. The draft report of the study on SRDP along with the district level community feedback received in the focus group discussions in the workshop was shared by the consultant with the participants of the conference. The other key stakeholders were invited to share their viewpoint and experiences. Asian Development Bank and Sindh Government's Project Team were also specially invited to look into the people's perception on their project and also share their own viewpoint on the same topics and issues through their presentation. However, they refrained from participating in the conference.

Besides the primary data, secondary data was also collected and reviewed for the study. The secondary data including the basic documents of the project, project progress reports, monitoring and assessment reports. The secondary data was enriched through key informant interviews. Those interviewed included independent economic and social development experts, community development experts, and government officials related to the project.

Chapter -2

Background & Introduction to Sindh Rural Development Project [SRDP]

2.1 Background of the Issue

Sindh is the agricultural province of Pakistan. The total land area of Sindh, 14.1 million hectares (or 34.84 million acres), represents 18% of total geographical area of Pakistan. Out of this nearly 39 per cent or 5.45 million hectares (or 13.45 million acres) are cultivable. The current population of the province is 30 million. The rural population of the province constitutes 51.1% of the total population. Majority of this population is living in its 66,000 villages and settlements. More than 80% of the rural population depends on agriculture and its allied businesses. Agriculture is the dominant economic activity in the province.

About 80% of the agriculture land of the province is cultivated through controlled irrigation system. The irrigation system of Sindh comprises of three barrages i.e. Sukkur, Guddu, and Kotri, having a gross command area of 15 million acres. However, cultivation takes place on only 8 million acres. The major crops of Sindh are: rice, wheat, cotton, sugarcane, oilseeds, vegetables, and fruits such as banana, mangoes, guava, and dates.

During early 1970s, farm economy began to change in lower Sindh, particularly in Mirpurkhas division consisting of Mirpurkhas, Sanghar, Umerkot and Tharparkar districts. Zamindars began to use tractors and other inputs such as fertilizer and pesticides. They started cultivating cash crops such as cotton, sugarcane and vegetables particularly onion and chilies. These crops are labor intensive and require sustained labor for high production. The cash crops changed the agrarian economy of the area and zamindars needed cheap labor to extract maximum income from their lands.

During this time, many families belonging to Tharparkar district migrated to irrigated area or were working as casual labor in the above districts. They were lured by zamindars to engage in farming on sharecropping by advancing them excess credit. They knew that the bonded haris could not repay the loan. But, by advancing them credit, zamindars made them bonded labor.

Zamindars also knew that the bonded haris were illiterate, belonged to socially vulnerable minority, suppressed and hard working. On top of every thing, the bonded hari had large number of family members and all were used in farming. Thus, cheap, vulnerable, illiterate, hardworking and voiceless labor was needed by zamindars.

Not only big zamindars but middle level landowners also began this practice of advancing loan to the bonded haris. In this way, the tradition of bondage labor spread in irrigated area of Mirpurkhas division. With time, the bondage was promoted and strengthened.

Although the civil society organizations in Sindh had been claiming the existence of bonded labor in certain parts of Sindh since 1980s, however, this issue received first boom when during Army Operation in Sindh Province, army authorities busted a private jail near Tando Allahyar in Hyderabad district of the province in 1992. The busting of this jail received tremendous media coverage nationally as well as international as the photos of the chained haris started publishing in the print media with the horrifying stories of their exploitation including chaining them to their beds during nights, and forcing them to work under the shadow of guns and the stories of rape of the bonded women by the land owner and his henchmen etc.

This also proved to be a starting point in what can be termed as daring struggle of the civil society organizations against the menace of bonded labor in agriculture sector in Sindh. Human Rights Commission of Pakistan through its Task Force established in Hyderabad Sindh, Sindhi Qaumi Saath and a number of other organizations played a key role in getting the bonded haris released, sometimes even forcibly by conducting civil society raids on the private jails and the agriculture fields of the landlords.

Box: 2.1

Bonded Labor, Sindh Government and ADB Loan Money

Issue of bonded labor emerged in 1990s when the local newspaper started publishing the reports of bonded labor. However the break through was reported when in 1992 Pakistan Army claimed to have discovered Private Jail of a landlord belong to Khokhar Tribe in Hyderabad district. The stories of the inmates of the jail received headlines in May newspapers, which greatly sensitized the civil society organizations. After such a disclosure, the civil society organizations as well as the political organizations of Sindh initiated a campaign for the freedom of those bonded haris from the clutches of the landlords. Human Rights Commission of Pakistan especially its Task Force established in Hyderabad was in forefronts. Resultantly, thousands of haris were got freed. However, the landlords as well as Sindh Government had been completely denying the existence of the bonded labor and the private Jails in Sindh. The land owners and Sindh Government officials even went to the extent of blaming the civil society organization of being agents of Zionists, engaged in destroying the agriculture Sector of Sindh. However, all this changed when Asian Development Bank conducted a study in the districts of Mirpurkhas, Sanghar, Badin and Thatta and offered a loan for “eradicating the bonded labor in the agriculture sector in those four districts. Sindh government happily accepted the loan, thus officially accepting the existence of the bonded labor in the agriculture sector of the province.

The attitude of the government towards the issue of bonded labor in agriculture sector remained mixed with the federal government acknowledging the existence

of the problem while the provincial government in Sindh had been denying the existence of any kinds of private jails of the landowners in the province.

In the second government of Benazir Bhutto the local administration was found cooperative and extended support to the HRCP in releasing the bonded haris. Veteran Communist Leader Jam Saqi was appointed by PPP Government as Advisor to Sindh Chief Minister on Hari Issues. According to him, he wrote a letter to all deputy commissioners to collect information on the bonded haris and send him a report. All deputy commissioners including of Sanghar, Mirpurkhas and Umerkot districts, where most of the bonded haris exist, replied that there is no any private jail or bonded labor in their areas. He was asked by Benazir Bhutto to be tough and free all the bonded haris but the provincial administration advised him to go slow.

After the PPP Government the provincial government completely went in the support of the influential landowners who not only denied the existence of the private jails but also alleged that those talking in the terms of the existence of the private jails of landowners in Sindh province are basically agents of Zionists and wanted to destroy the agriculture economy of Sindh.

Amidst the situation of the denial by the Provincial Government of Sindh about the existence of the bonded labor in agriculture sector and the presence of private jails in the province, Asian Development Bank initiated a process for launching a loan project in Sindh for the abolition of the bonded labor in Agriculture Sector in 1998 with the name of Sindh Rural Development Project. In this regard Technical Assistance [TA] to Pakistan for Preparing the Sindh Rural Development Project was prepared in 1998. The Inception Report for this project was prepared by Agrodev Canada in November 1999 and the final report was submitted to Asian Development Bank in the early months of year 2000. Later on there was another exercise of the Preparation of Small –Scale Technical Assistance [SSTA] to Pakistan for Additional Preparatory Work on Sindh Rural Development Project was carried out in 2001.

The Report and the Recommendations of the President to the Board of Directors on the Proposed Loan for Sindh Rural Development Project was prepared in October 2002. The loan project was approved in the same year.

2.2 SRDP Objectives

According to the project documents the overall goal of the Project is to reduce poverty in four districts in southern Sindh through increasing empowerment and improving governance, improving access of the rural poor to public services, transferring technology for improved livelihoods, and providing essential infrastructure. The objective of the Project is to improve the social status and economic well-being of the poorest groups in the project area with a focus on the following target groups (i) haris and agricultural laborers, (ii) marginal owners-

cum-tenants (with less than 2 ha), and (iii) small village-based artisans. There will be a particular focus on women as the most disadvantaged among the target groups.

2.3 Project Components & Outputs

The project documents claim that the Project Framework has been developed through extensive consultation with the target groups, stakeholder organizations, and the government of Sindh during the project preparatory technical assistance (PPTA) and small-scale technical assistance (SSTA), and further refined during stakeholder workshops. There are five components following components of the project:

2.3.1 Improved Governance and Legal Support

According to the project documents the Project will strengthen its investment components and community-based improvement of rural livelihoods through a rights-based approach to development. This will be done by (i) improved recognition of and compliance with stakeholders' rights and obligations, (ii) capacity-building and institutional support for district government and other stakeholders, and (iii) review of relevant legislation.

The Project will assist in preparing and implementing a large-scale awareness-raising and knowledge-dissemination campaign on issues such as the amended tenancy legislation, land revenue legislation and forms, debt bondage, the importance of registration as a tenant, and national identity cards (NICs). The campaign will include the translation of relevant legislation into local languages, media campaigns, and community-based training and workshops with relevant stakeholders, including vigilance committees. To improve access to the justice system, the Project will train paralegals, directly support the provision of legal advice, and facilitate legal-aid referral initiatives.

2.3.2 Enhanced Social Processes at the Community Level

According to ADB Project documents the population in rural Sindh is extremely scattered and lives in very small settlements. In the four districts, only 35.2% of the rural population lives in villages of 50 households and above. To improve outreach to the poor target population and assure effective use of investments, a thorough process of selecting villages for project interventions will be applied. One "lead" NGO per district will be selected to support the CBOs in their community interventions. A more intensive level of intervention will be applied for a subset of villages through a holistic approach to improved settlement (village planning, small-scale infrastructure, and village link roads).

The process of selecting the groups of villages that will participate in the various levels of project activities will be explained and discussed in two workshops in

each district—the first to introduce the process and raise awareness of the issues, and the second to explain the selection process and the results. A second series of workshops will introduce the Project to CBOs operating in the area. Awareness-raising campaigns and delivery of services to village groups will be accompanied by an intensive process of practice-oriented capacity building for CBOs to enable them to function more effectively, and to extend their outreach. It is expected that some 640 CBOs will be directly strengthened, and that these will provide support and capacity-building services to around 3,200 village groups (at least one third of them women's groups).

A comprehensive package for functional and numeric literacy will be developed, consisting of state-of-the-art training manuals and teaching and learning materials (e.g., booklets, posters). The package will be appropriate for the training of head trainers from each district government's new executive district office for literacy and the office for community development.

Head trainers will provide training to trainers from the CBOs and the district government. CBOs and the district government will provide training of functional and numeric literacy for village groups. It is anticipated that head training programs will be organized around four workshops and about 48 head trainers (24 of them female), followed by 32 district-level training programs, each with about 40 participants (at least 20 of them women) attached to CBOs. These will provide literacy training to an estimated 3,200 village groups.

2.3.3 Improved Rural Livelihoods

According to ADB documents, wheat is the predominant crop, followed by cotton, rice, and sugarcane in the project area. Southern Sindh is also a major producer of vegetable crops (onion and chillies) and fruits. Marginal farmers tend to concentrate on wheat, cotton, rice, and fodder crops. Haris produce whatever the landlord decides on. Livestock production is an important element of the farming system and haris and marginal farmers keep animals as part of their subsistence strategy. Improvements in rural livelihoods will be carried out through four main groups of needs based community activities (i) strengthening agricultural support services, (ii) improving livestock management, (iii) introducing appropriate farm and household technologies, and (iv) improving access to institutional credit.

Strengthening agricultural support services will incorporate participatory extension techniques backed up by technical training in crop production, livestock management, and improved irrigation water use. This training will involve exposure visits for CBOs and staff of the district government office for agriculture to provincial and national research institutes, followed by establishing 1,600 demonstrations in villages, together with a similar number of field days.

Improved seed will be introduced in the project area and its multiplication promoted with seed blocks established in 1,600 villages, along with associated

training in the use and storage of the improved seed. Improved milk collection systems will be introduced through visits to demonstrate the operation of comparable systems in other areas of Sindh and the Punjab, followed by workshops organized to transfer this information to target farmers. In addition, the Project will provide resources to review, improve, and distribute extension manuals to assist and support CBOs in agricultural and livestock extension.

To improve livestock management (including the diagnosis of diseases) 300 youths selected from the target villages, as village-based livestock workers, will be trained. Once trained, these workers will provide their own villages and surrounding villages with information on improved livestock management, as well as undertaking fee-based services in disease prevention, diagnosis, and first aid. Linkages with Khushhalibank (KB) will allow these workers to expand their operations. In addition, the Project will target village women, offering training in livestock management through 1,600 training workshops to be held in the villages, and 1,600 refresher courses.

The Project will support village-level demonstrations and transfer of appropriate technologies (e.g., energy-saving stoves, storage facilities, preservation of food) for individual households. Demonstrations of appropriate household technologies will involve 1,600 village level workshops. Training on appropriate technologies for vegetable gardening will be organized through 1,600 workshops, and information on interventions proven in the project area disseminated, as income-diversification opportunities will be shared among lead NGOs and CBOs through six annual workshops and 12 biannual district fairs.

According to the project documents the Project will develop and support the extension of linkages between the target groups and KB for credit. KB will have branches in each of the project districts by the end of 2002. Lead NGOs under the Project will apply to become KB service providers. They would link their partner CBOs to credit from KB, to meet the needs of the target groups. Orientation sessions for CBOs will familiarize them with the procedural requirements of accessing KB funds.

2.3.4 Upgraded Rural Infrastructure and Settlement Improvement

According to the project documents a major component of the Project relates to upgrading rural infrastructure, carefully focusing activities in locations impacting most on the target groups and following set criteria. To deliver investments that benefit the target groups directly, the Project will only support subprojects prioritized through a participatory approach and reflecting needs identified by the communities. Roads to be improved under the Project will complement ongoing or planned road improvement projects in Sindh.

Two types of rural roads will be upgraded under the Project. First, around 750 kilometers (km) of "village link roads" will connect selected villages directly to the

district road or provincial highway network, or to the nearest district link road upgraded under the Project, or to another neighboring village itself connected to a district link road improved by the Project. Second, for selected clusters of project villages interconnected by village link roads, the Project will provide for some 200 km of bituminous “district link roads” that will connect the cluster to the district road network. In general, district link roads and village link roads will follow existing alignments, but with flexible geometric design standards to avoid land acquisition and involuntary resettlement.

Settlement infrastructure improvement will encompass the provision/upgrading of domestic drinking water supplies using different tested models such as shallow dug wells or small-scale tube wells connected to hand pumps in fresh groundwater areas and reservoirs for surface water diverted from irrigation canals and subsequently filtered in saline groundwater areas. Wastewater drainage systems will be upgraded and localized village infrastructure (e.g., village lanes) improved. The holistic model of the Sindh Katchi Abadis Authority (SKAA) will use participatory processes with village-level planning as an entry point to identify, prioritize, execute, and maintain subprojects. It is anticipated that 450 smaller villages (of 50–100 households) and 300 larger villages (of 100–200 households) will benefit from this subcomponent. Sanads will be issued on completion of improvement works.

2.3.5 Project Management Support

According to ADB documents Project management services will support timely implementation. This will include (i) engaging consultants and NGOs; (ii) procuring vehicles and equipment; and (iii) establishing accounting, monitoring, and reporting systems. The Project has a number of unique and important features of design and arrangements in implementation including (i) clear targeting of project components to specific beneficiary groups; (ii) focus on women according to a clearly defined gender strategy and plan; (iii) demand-driven identification and prioritization combined with a spatial planning approach to project interventions; (iv) district level implementation arrangements; and (v) a partnership between government, NGOs, CBOs, and beneficiaries in project activities.

The Project will apply a comprehensive set of selection criteria for its interventions to assure outreach to the target groups. To meet spatial concerns, more intensive interventions such as settlement infrastructure improvement, will only take place in villages meeting an additional set of secondary criteria. These villages are considered as future “growth poles”, where services should be more concentrated to attract people from the small and scattered villages.

Project activities are programmed, coordinated, and implemented at the district level in support of the Government’s devolution process, with project coordination being a provincial task. Functions of detailed planning, preparing annual work

programs, selecting target villages, implementing subcomponents, and monitoring project activities will be at the district level and below. Implementation will involve a partnership between a lead NGO selected for each district and the district government, while thematic NGOs, provincial agencies, and specialized institutes will provide capacity building and backstopping as required. The focus is therefore on capacity building at the district level of both NGOs and district government, with strong linkages to the CBOs, which are the focal point for both identifying needs and priorities, and for service delivery.

2.4 Project Cost

The total cost of the Project is estimated at about \$62.50 million equivalent, including physical and price contingencies, taxes, and duties. Of the total cost, \$10.65 million (17%) comprises the foreign exchange cost, and \$51.85 million equivalent (83%) comprises local currency cost including taxes and duties. The indicative project cost estimate by component is summarized in the following Table:

Component	Foreign Exchange (PKR million)	Local Currency (PKR million)	Total Cost (PKR million)	%
A. Base Cost				
Improved Governance and Capacity Building	5.51	119.19	124.7	4%
Enhancing Social Processes at Community Level	5.51	162.3	167.81	6%
Improving Rural Livelihood	5.51	332.12	337.63	11%
Establishing and Upgrading Community Infrastructure	-	2,200.78	2,200.78	74%
Project Management Support	20.68	140.87	161.55	5%
Subtotal (A)	37.21	PKR 2,955.26	PKR 2,992.47	100%
B. Contingencies**				
1. Physical	1.86	59.07	60.93	
2. Price	2.74	612.24	614.98	
Subtotal (B)	4.6	671.31	675.91	
C. Interest During Implementation			85.67	
Total (PKR million)		PKR 3,626.57	PKR 3,754.05	
Total (US\$ million) approx at PKR 60/US\$		60,442,833	62,567,500	

2.5 Project Financing Plan

According to the project documents ADB provide a loan of \$50 million equivalent from its Asian Development Fund resources. The loan will have a term of 32

years, including a grace period of 8 years, with an interest charge of 1% per year during the grace period and 1.5% per year during the remaining term. ADB will finance 80% of the project cost including 100% of the foreign exchange cost (\$10.65 million) and 76% of the local currency cost (\$39.35 million). The Government will finance \$11.25 million equivalent of local currency cost. Beneficiaries will contribute about 2% in cash or labor.

2.6 Project Management and Coordination

According to the project documents the Executing Agency will be the Local Government Department (LGD) of the government of Sindh. The LGD will establish the provincial coordination unit (PCU) within the LGD in Karachi, and it will be headed by a project coordinator supported by a full-time deputy project coordinator. The PCU will provide interagency and inter-district coordination to project activities of SKAA and at the district level. The PCU will primarily have a supportive and facilitation role and will be responsible for policy guidance, consultant/NGO recruitment, procurement, consolidation of project progress and financial reports, and support monitoring and evaluation as well as ADB review missions. The PCU will establish its own work plan and include a work plan agreed with SKAA. An important responsibility will also be facilitating the sharing of inter-district experience and the identification of best practices and lessons learned. The PCU will serve as the secretariat of the steering committee and the focal point for liaison between the Government and ADB. It is anticipated that apart from the deputy project coordinator, the PCU will have a full-time professional staff of three, strengthened by 15 person-months of international consulting services in management support.

A provincial steering committee (PSC) will be established prior to loan effectiveness. It will be chaired by the additional chief secretary, planning and development department, with the following members (i) secretary local government; (ii) secretary finance; (iii) secretary labor; (iv) director general SKAA; (v) the four district coordination officers from the project districts; (vi) appropriate NGO representation;²⁹ (vii) one KB board member; (viii) project coordinator; (ix) senior chief (poverty alleviation), planning and development department; and (x) deputy project coordinator. The PSC will offer guidance on legal and governance initiatives, resolve interagency problems, and provide policy guidance as needed.

A separate project implementation office (PIO) will be established in each district with the district coordination officer being the ex-officio project director. The executive district officer, community development, will serve as the deputy project director with two full-time staff (project officer and accountant), support staff, and facilities. Other officers from the relevant district government offices will liaise with the PIO as needed. This structure is intended to ensure efficiency and control within the Project while fostering and maintaining clear communications

and effective cooperation with the various entities involved in project implementation.

Zila project committees (ZPCs) chaired by the *zila nazim* will play an active role in implementation of the Project. Each ZPC should comprise the district coordination officer, the executive district officers of the district government offices for works and services, revenue, literacy, finance and planning, community development, and agriculture; the Project's gender specialist and representatives from SKAA, the lead NGO, and two thematic NGOs. The ZPCs will ensure that all components are implemented efficiently and effectively and that the anticipated outcomes at district level are achieved. Specifically, the ZPCs will (i) endorse villages selected for project interventions in accordance with the primary selection criteria, (ii) review implementation of partnership arrangements with NGOs/CBOs, (iii) approve the annual work program and budget prepared by the PIO, (iv) review and approve draft quarterly and draft annual reports to be submitted to the PCU, (v) monitor the implementation of project activities and outcomes, and (vi) formulate solutions to impediments to project implementation.

Chapter -3

Issues in Project Objectives, Strategies & Suggested Interventions

3.1 Analysis of the Project Objectives

The key objective of the project is to reduce poverty and bonded labor in agriculture sector in the four districts of Sindh i.e. Mirpurkhas, Sanghar, Badin and Thatta. Basically it was in the Inception Report in which poverty and bonded labor in agriculture emerged as the key issues of the rural areas of Sindh especially in the four districts of Thatta, Badin, Mirpurkhas and Sanghar where the cases of the bonded labor in agriculture sector were reported as high. While discussing the poverty the Inception Report of the project reads:

“Poverty levels are high in Sindh: 37% of the population lives below the poverty line; 20% of the urban and 53% of the rural population are poor. While economic growth in the farm and non-farm sectors is a necessary condition for improving rural livelihoods, this growth must have a core pro-poor dimension if it is to generate significant improvements in the livelihoods of the agricultural communities in rural Sindh. Here, structural rigidities, imbalance in access to resources, the differential impacts of the introduction of new technologies, weak governance, and a lack of empowerment constrain any benefits of sector economic growth from “trickling down” to the majority of the population, which consists of the over half of households that do not own agricultural land, and the further one quarter of households that own 2 hectares (ha) or less.

The four districts (of Badin, Mirpurkhas, Sanghar, and Thatta) have a combined rural population of about 4.6 million in 0.8 million households, or 27% of the rural population of Sindh province. Poverty is widespread throughout the four districts. According to nationwide comparative rankings of social indicators, none of the four districts was found in the first or second quartile, two were in the third, and two were in the bottom quartile. Badin appeared as the poorest district in Sindh.”

While discussing the rural indebtedness including bonded labor the project document reads:

“The existing sharecropping tenancy system, concentrated in the canal-irrigated areas of the four districts, is historically deep-rooted and perpetuates the deeply entrenched poverty of tenants and agricultural labor through unbalanced revenue-sharing and cost-sharing arrangements and a complex system of dependencies. Changes over time, the influx of migrants, and the introduction of modern technologies have altered the relationship to the disadvantage of the hari. The landlord meets the haris’ needs (e.g., for agricultural inputs, consumption, social events, emergencies) through advances, with the accounts

of these transactions kept by him, and often not transparent. However, even if these accounts were managed openly, haris' extremely low literacy rate would inhibit their control over the entries. The debt accumulates over the years. Haris cannot leave the landlord without clearing their debt, and become bonded."

On the basis of the above mentioned analysis of the situation, Asian Development Bank [ADB] prepared the Sindh Rural Development Project's objectives and the strategies and activities to achieve the same objectives. However, during the people's review of the project detailed discussions were held on the project objectives, strategies and activities. It was found that the civil society perception is completely different from that of Asian Development Bank with regard to the basic causes of the poverty and indebtedness in the rural Sindh as well as the solution of the poverty and indebtedness in the region.

3.2 Issues in the Relevancy of Project Activities with the Objectives

According to the civil society perspective the Inception Reports and other reports related to the project have rightly identified the basic issue of the poverty and the backwardness in the province. However, basic causes of those problems/ issues have not properly addressed in the project strategies and activities. According to majority civil society view that though it is a fact that poverty is on increase in Sindh and there are also private jails of the influential landowners in different parts of the province. However, poverty and bonded labor in agriculture in Sindh are not basically the causes. These are the effects of the basic causes. And one of the causes is the unequal land ownership which has kept all the systems of exploitation including jagirdari, sardari and land lordship systems intact in the province. A number of studies show that majority of the land in Sindh is still owned by minority of the influential landlords. This point is also proved from the Project Inception Report documents which read:

A majority of rural households in the four districts do not own agricultural or homestead land. Tenant farms alone represent 44% of all private farms. Of those who do own land in rural areas, fewer than 20% are large landlords but this group owns over 60% of the private farms.

The basic cause of such unequal ownership of the land resources is the failure of the successive governments in Pakistan in carrying out and implementing proper land reforms. Though enforced two times the land reforms were not properly carried in Pakistan and its is still the unfulfilled agenda in Pakistan when in out neighboring country India land reforms have been implemented in letter and spirit. In fact in October 1959 Martial Law Government led by General Mohammed Ayub Khan assumed power in Pakistan. Soon after assuming power, the General appointed a seven -member commission to study the land ownership and tenancy situation, and recommend measures to ensure justice and security to the tenant farmers. The Commission submitted its recommendations on

January 20, 1959, and the General enforced the Land Reforms on the same day accepting the recommendations of the Commission.

Though the aim of the land reforms was constructive and it was promulgated with great force and speed, it failed to accomplish the desired results. The vested interest of the landowners and imprecise nature of the legislation frustrated the objectives of the reform. Instead of being surrendered the land was transferred in the name of relatives to satisfy the legislation. Some owners even managed to own 50,000 acres or more. It neither broke the power of landlords nor made the tenancy humane. In reality it dispersed this power to some extent among the landowning classes, which now included the civil and military elite. The generous allowances given to landlords in the Land Reforms Regulation of 1959, "neither reduced the landlord's political influence much nor precluded their loyalty to the new regime.

Further Land Reforms were announced in 1972 by the Government of PPP, which became effective in 1973. Individual land ownership was scaled down to 150 irrigated acres and 300 un-irrigated acres, or any equivalent combination, with no exemptions for gardens or trees. Exemptions were limited to only 20 percent additional land for owners having tractors and tube-well. The ceiling could also be exceeded for poor quality land. Holdings in excess of the

Box: 3.1

Let us Purchase Liberties of Bonded Haris from the Landlords!

Some of the civil society activists, who have somehow managed to participate in some of the initial project planning workshops of SRDP, were astonished to learn that one of the activities of the project was to "purchase" the bonded haris from the land lords to set them free. Asian Development Bank in place of putting pressure on the implementation of the Bonded Labor Act 1992, to get those bonded haris freed is offering money for those who had made the peasants as bonded. This according to the civil society organizations was supposed to further encourage the landowners to make more peasants as their bonded labor and claim money for their release. However, following the strong opposition by the civil society organizations the idea of the purchase of bonded haris from landlords was dropped.

ceiling were resumed without any compensation. Government servants who acquired the land between January 1959 and two years after their retirement were allowed to keep only 100 acres.

The land Reforms have brought limited success. Most of the landlords saved their estates through benami transfers by maneuvering alterations in the revenue record, and where they could not do so, they surrendered only such areas which were barren and uncultivable waste consisting mostly of sand dunes and affected by water logging and salinity.

The so-called transfer of resumed lands to the landless took two forms. In some cases, fictitious tenants or peasants became the recipients of the resumed land. Landless were made owners in name only. The landlords continued to own the

landless haris handed over to their landlords the titles they had received, many in the well-publicized open kutcharis and continued their work as tenants. The ownership of land without finance or inputs would often invite the displeasure of the landlord without gaining complete independence from him.

Thus as a result of no proper and fair land reforms, the influence of the landlords not only remained intact but also increased with the passage of time. Any effort towards reducing poverty and bonded labor in agriculture without reducing the influence of the influential landowners has not achieved desired results. The previous projects and programs especially those financed by the IFIs have also been ignoring the basic causes of rural poverty and bonded labor in agriculture sector and the same has been done by this project also.

Without addressing the basic issue of unequal landownership the steps suggested in the project including providing imparting training to the Revenue Officials and other officials of District Government, Training of basic accounting systems to the haris, literacy campaign in some area and some infrastructure development activities in some specific areas suggested in the project documents may not yield major positive result towards reducing poverty and the issue of bonded labor in Sindh. The real empowerment to the poor communities of rural Sindh is likely to come only through the real land reforms eroding the influence of the big landlords and giving empowerment to the peasantry in rural Sindh. However, this project is completely silent on such any activity.

Besides the historically entrenched jagirdari, sardari and landlordship systems, during the recent years, irrigation water shortage has also emerged as one of the key causes of reduced agriculture production thus contributing towards growing poverty and rural exploitation by the influential landowners. The causes of this shortage range from the overall water shortages in the Indus Irrigation System to improper distribution of water among the four provinces and violation of the Water Accord 1999.

In Sindh province, the total average withdrawal from its three barrages is around 44 MAF both during Rabi and Kharif. The water is conveyed through a network of canals, branch canals, distributaries and minors, and ultimately passes through more than 4,200 watercourses of the province. Taking an average of 4 kilometers length of each watercourse, the total length of the irrigation water conveyance system beyond outlets or modules comes to 160,000 kilometers in the province. The major portion of the irrigation water quantity in Sindh is lost during its conveyance process – from Indus River to canals and from canals to distributaries and then watercourses. This results in the lack of optimum irrigation waters for the growers especially those in tail-reaches and as well as increase in the twin menace of water logging and salinity.

Major losses of water also occur in the tertiary conveyance system consisting of old, badly constructed and poorly maintained watercourses in Sindh. The

reasons are seepage, spillage, and side leakage from the watercourses. Thin, distorted, and silt-loaded banks, elevated blind reaches and zigzag sections, rodent holes, and distorted sections due to animal crossings and bathing also greatly contribute to water losses. Improper cleaning, maintenance, and vegetation growing on watercourses are also the main causes of the operational losses. Similarly, as watercourses are unlined and also face the problem of silting, as a result not only water seepage occurs from these watercourses but also some times water even overflows the vulnerable banks of unlined watercourses. 20% losses, from canals, distributaries, and minors, amounts to 8.8 MAF or 1.088 Million Hectare Meters. 35 percent losses from watercourses amount to 15.41 MAF or 1.9 Million Hectare Meters. Similarly, 15 percent losses of irrigation also occur due to unlevelled fields and improper application, which amounts to 6.6 MAF or 0.814 Million-Hectare Meters. Thus, about 70 percent of canal water i.e. 30.82 MAF is lost in conveyance system and in field applications:

Sindh has alluvial soil; therefore, it has great property of water percolation and seepage. In the developed world the irrigation system on such alluvial land is completely "lined," but in Sindh almost the whole irrigation system is unlined, resulting in great percolation and seepage of irrigation water during its transportation.

Besides, the failure in introducing the latest irrigation systems including trickle and sprinkle irrigation systems and reliance on the old systems is also causing losses in the irrigation water and thus depriving the crops from the water they need. However, the project has not addressed this key problem of the rural economy which is directly and largely affecting the rural agriculture sector in Sindh and greatly contributing towards further increase in the ratio of poverty in the province. The project documents are also silent on this key issue and the project does not suggest any kind of activity with regard to addressing this key issue in the province especially in the four project districts.

One of the key causes of reduction in the incomes in the rural setting and growing poverty is the non-availability of certified seeds and other inputs for agriculture sector in Sindh province in general and in those four project districts in particular. Sindh Seed Corporation has miserably failed in providing certified seed while there are no other private initiatives in Sindh for developing certified seed. As a result the growers in these districts are compelled to purchase seed from open markets. Majority of the farmers usually purchase seed from Punjab with the hope that the seed would be certified. However, they usually receive impure and uncertified seed. Such an important issue of the agriculture sector is unaddressed in the project. Similarly, although the project documents have identified lack of drinking water, irrigation water, lack of education and health facilities as some of the key problems of the district.

Besides, in Pakistan in general and Sindh in particular, bad government especially lack of implementation on the laws and rules have been the key cause of deterioration in the socio economic conditions and growing poverty and natural resource degradation in the province. The process of awareness and capacity

building has been in place in Sindh and other parts of the province and millions of rupees are spend on the trainings and capacity building. However, what is important is the implementation on the rules and laws by all the concerned. The project activities ignore this aspect and emphasis on the capacity building which is only a mere part of the whole problem.

Besides the poverty and indebtedness health and education problems have been identified as the key problems in the project districts even in the project documents. For example the project Inception document reads:

Health and education indicators are very poor. Adult literacy rates are 10.5% for women and 34.7% for men. Rural link roads are in urgent need of upgrading. Only 10.5% of the rural population has access to safe drinking water and sanitation. Drinking water is the major expressed need of the rural poor

However, despite such an alarming situation of health and education in the project district, the project has not suggested any health activity. However, some activities of adult literacy have been suggested in the project. In this way the project activities largely fail in addressing the real causes of poverty and exploitation in the four project districts.

3.3 Lack of Need Based Capacity Building

The project has a complete component titled “Improved Governance and Capacity Building”. About 4 percent of the total project amount has been allocated to this component. According to this component training and capacity building activities would be undertaken for the officials of Board of Revenue to proper revenue record keeping. There are also trainings of the NGOs, CBOs and local communities. However, the civil society terms majority of those trainings as irrelevant which would provide no any help in achieving the objectives of poverty reduction. For example, there are host of trainings for the officials of Board of Revenue for proper revenue record maintenance. The civil society perception is that the officials of the Board of Revenue know very well how to maintain the record manually. What is basically important is that there is need to computerize the same record and provide training of computerization of the record to the Board of Revenue officials.

According to the civil society perspective the local communities basically face host of problems as still the land record of the Board of Revenue is being prepared manually. This not only results in inordinate delays in receiving copies of record but also encourages of corruption and changes in the records. The only option to reduce the possibilities of corruption as well as inordinate delays is that the record of the revenue should be computerized and then there should be trainings of the Revenue Department officials on how to maintain the computerized record including feeding the record in the computers and issuing the record copies etc.

Similarly, there are a lot of trainings for the NGOs, CBOs and the civil society organizations which are again the wastage of the loan amount as those kinds of trainings are already being imparted by other different agencies through a number of other projects and programs. Besides, when there are a number of options of receiving trainings and capacity building through grants, therefore there is no need to take loans for such trainings.

3.4 Generalization of the Issues of All the Districts

The four districts of Sindh i.e. Mirpurkhas, Sanghar, Badin and Thatta in which the project has been launched, have diverse topography, socio economic conditions and issues of rural economy and livelihoods. For example, Mirpurkhas is pure agriculture district with good agriculture crops especially cotton crops and mango orchards. Although Sanghar district is also an agriculture district however, it has a large region which is called as Achhro Thar. Besides, the Sanghar has a also network of freshwater lakes including a major lake known as Chotiaron. On the contrary Badin and Thatta are the coastal districts having mixed rural economy of agriculture and coastal fisheries.

However, the project documents suppose that all the four districts have same topography and socio economic conditions but also the same problems and issues. Similarly, the operational part of the project also suggests same activities for addressing the problems of all the districts. However, the facts on the ground are completely different. For example the problems in Achhro Thar region in Sanghar district are completely different from the agriculture region of the district. There is severe shortage of water in Achhro Thar. The region has no agriculture economy. However, the project does not address the problems related to Achhro Thar region of the area.

Similar is the case of Badin and Thatta districts. The coastal tehsils of those districts have completely separate livelihood patterns. Those coastal tehsils which are in proximity with the sea have fishing as the key livelihood in place of agriculture livelihood. These coastal tehsils have their own specific problems which include growing seawater intrusion, due to reduction in fresh Indus River water etc. There is large scale reduction in the natural livelihood resources in the coastal tehsils including the fisheries and agriculture resources as well as mangrove forests etc. However, the project is completely silent on those threats. Interestingly, project document does not address any single livelihood issue associated with the fishermen communities of the coastal tehsils of Thatta and Badin.

Besides the coastal fisheries there are a number of inland fishing grounds in not only Thatta and Badin but also in Sanghar and Mirpurkhas. These inland fishing grounds have their own livelihood patterns and problems. Some of the key inland fishing grounds include Kenjhar in Thatta, Nareri Lake in Badin as well as

Chotiarion in Sanghar district. A number of studies have also shown that the fisher folk communities including the coastal and inland fisher folk communities are the poorest communities facing a number of threats to their livelihoods. However, the project does not address the livelihood problems of the coastal as well as inland fisher folk communities of all those four districts.

Chapter -4

Issues in Project Implementation Process

4.1 Role of Katchi Abadis Authority

Besides the objectives and strategies of the project there are serious problems in the implementation process of SRSP. According to the project documents the Executing Agency will be the Local Government Department (LGD) of the government of Sindh. The LGD will establish the provincial coordination unit (PCU) within the LGD in Karachi, and it will be headed by a project coordinator supported by a full-time deputy project coordinator. The PCU will provide interagency and inter-district coordination to project activities of SKAA and at the district level. The PCU will primarily have a supportive and facilitation role and will be responsible for policy guidance, consultant/NGO recruitment, procurement, consolidation of project progress and financial reports, and support monitoring and evaluation as well as ADB review missions. The PCU will establish its own work plan and include a work plan agreed with SKAA.

The matter of giving Katchi Abadis Authority a key role in the project implementation remained a bone of contention between Sindh Government and the Asian Development Bank from the first day of the project implementation. It was ADB idea to give key implementing role to the Katchi Abadis authority. While Sindh Government intended to implement the project through the district governments. To find the point of agreement it was mutually agreed by ADB and Sindh Government that the project would be implemented by Katchi Abadis Authorities jointly with the District Government departments.

Although this resolved the conflict between Sindh Government and ADB, however, it largely hampered the implementation process of the project. The Sindh Government and ADB agreement did not soften the attitude of different departments against each other. The departments like Board of Revenue and Irrigation Department were of the view that it is neither the mandate of Sindh Katchi Abadis Authority [SKAA] nor does SKAA have the capacity to lead the project. According to the officials of those departments the key activities of the project include agriculture and irrigation infrastructure development and the capacity building of the revenue authorities and the common peasants on revenue matters. SKAA has no experience and capacity to deal with those activities, therefore those departments showed lack of cooperation with the lead implementing body i.e. Katchi Abadis Authority.

The project provides for improved settlement infrastructure in 300 villages of 100-200 households and 450 villages of 50-100 households. The total estimated cost of this component is \$33.1 million, which is 53% of total project cost. This entire

component is to be implemented by SKAA. The implementation of this component is also cross-linked with BOR. Both agencies are at daggers drawn.

4.2 Issues in the Provincial Steering Committee

According to the project documents a provincial steering committee (PSC) will be established prior to loan effectiveness. It will be chaired by the additional chief secretary, planning and development department, with the following members (i) secretary local government; (ii) secretary finance; (iii) secretary labor; (iv) director general SKAA; (v) the four district coordination officers from the project districts; (vi) appropriate NGO representation; (vii) one KB board member; (viii) project coordinator; (ix) senior chief (poverty alleviation), planning and development department; and (x) deputy project coordinator. The PSC will offer guidance on legal and governance initiatives, resolve interagency problems, and provide policy guidance as needed.

However, in practice the Provincial Steering Committee has no civil society representation as no NGO has been given any membership in the Provincial Steering Committee. As a result the Provincial Project Steering Committee is basically the group of bureaucrats without any civil society and elected representation in the project. As such all the decision taken by the Provincial Steering Committee can not be termed as participatory and representative.

4.3 Issues in Zila Project Committees [ZPCs]

According to the project documents Zila project committees (ZPCs) chaired by the *zila nazim* will play an active role in implementation of the Project. The project documents further say that Each ZPC should comprise the district coordination officer, the executive district officers of the district government offices for works and services, revenue, literacy, finance and planning, community development, and agriculture; the Project's gender specialist and representatives from SKAA, the lead NGO, and two thematic NGOs. The ZPCs will ensure that all components are implemented efficiently and effectively and that the anticipated outcomes at district level are achieved. Specifically, the ZPCs will (i) endorse villages selected for project interventions in accordance with the primary selection criteria, (ii) review implementation of partnership arrangements with NGOs/CBOs, (iii) approve the annual work program and budget prepared by the PIO, (iv) review and approve draft quarterly and draft annual reports to be submitted to the PCU, (v) monitor the implementation of project activities and outcomes, and (vi) formulate solutions to impediments to project implementation.

However, the practical situation is completely different. Again the civil society is also out from the Zila Project Committees. Recruitment of lead NGOs in the four districts has been advertised three times in nationwide newspapers no selection has taken place reportedly because of political interference. According to project design, many project covenants are interrelated and no work on development

can be initiated until lead NGOs are recruited and mobilized. Similarly, village selection for project interventions is the mandate of Zila project committees and since NGOs are important members of Zila project committees, the process of village selection/identification can not be termed as participatory and representative until these NGOs are brought on board.

In year 2000 some civil society organizations were asked to submit their proposals for taking the responsibility of being lead organization in the district. However, still this process has not been completed. This delay has created a lot of controversies as well as delays in other project activities. For example, while the process of the selection of lead organization has been delayed, there are unofficial reports that the officials of the project have been giving assurances to more than one organization in each district of selecting them as lead organization. In one of the consultative workshops in Mirpurkhas District one of the participants even blamed one of the SRDP District officials of taking bribes from a number of civil society organizations to assure them that they would be selected as lead organization. There are also reports that the same official even issued fake letters of recommendation for different organizations at the same place and in the same district to show the letters to those organizations assuring them that they have been recommended as lead organization.

This kind of delaying tactics resulted in even bone of contention between different civil society organizations. Many organizations tried to browbeat each other in the race for this top slot. Some were even found in secret contacts with the project officials to seek for their organization and oppose the selection of other organizations.

4.4 Issues in Community Participation in the Implementation Process

During the project preparation process some workshops were held at district level as well as in Karachi with different stakeholders. However, once the project has been initiated, there is no community as well as stakeholder participation in the implementation process. The civil society organizations in all the four districts of Sindh confirmed during the workshops that although they know about the existence of the office of Sindh Rural Development Project in their respective district and they also see the double door four by four vehicles of the project being used by the project officials and the officials of district government especially DCO office. However, they have not been invited to attend even any single event to discuss the project implementation process. They have never been taken into confidence in the project implementation process. Some of the civil society activists even testified that after learning about the establishment of the office of Sindh Rural Development Project in their respective district they themselves took initiatives to coordinate with the district offices. However, they received negative response on the visit of those offices. The officials present in the offices were not ready to provide any information about the project and their attitude was also unwelcoming. When they were asked about the project and the

details of the activities in the respective district, they refused to divulge any thing saying that only DCO of the district is authorized to provide information.

4.5 Lack of Elected Representatives Participation in the Project Implementation

The scale and the level of the community participation in the project implementation is so low that even the local level elected representatives know little about SRDP and its implementation in their respective areas. The civil society consultation process showed that there is almost no information to the civil society and the elected representatives about the project and its implementation. It is only the bureaucracy especially the DCO office which has knowledge about the project also keeps its influence on the project implementation process.

The structure of the Zila Project Committee (ZPC) is designed in a way, that there is little community participation as well as the participation of the representatives of the local communities. For example, there is only one member of the local communities in the form of District Nazim, where all other members belong to the bureaucracy. These all members include the DCO, and the EDOs, of different departments. As still no lead civil society organization has been taken, therefore, the civil society organizations are also not properly represented in the project implantation process.

4.6 Lack of Coordination & Linkages with other Projects

One of the key shortcomings in the project is that the project management has no coordination and link with other many projects being implemented in the same districts. There are many other loan projects including On Farm Water Management [OFWM] funded by World Bank. There are a number of activities which are being simultaneously undertaken by all the projects resulting in the multiplication of the activities at the expense of the national exchequer.

4.7 Increased Political Influence in the Project Implementation Process

One of the key causes of delays in the project implementation is said to be the interference of the Provincial Advisor for Local Government and Rural Development in the project. There is an unwritten policy from the Advisor that no project activity should be undertaken without his permission. This makes the project activity approval process lengthy and cumbersome and results in the delay in the project implementation process.

The political interference is not limited to the ministry level as same is the case at bureaucracy level. After being entrusting with the responsibility of SRDP a race started to occupy the key position in Katchi Abadis authority i.e. the Position of Director General. The politics for this seat is so hot that after every three months

the DG is transferred and a new DG is appointed. Once appointed the new DG once again rolls back the whole process with regard to SRDP and initiate his own process. There are a number of examples of how the whole process is rolled back. If one can look into the process of selection of the lead civil society organization one would be astonished to know that so far advertisements have been published in the leading newspapers almost three times for selecting the lead organization however with the change of guard in the Katchi Abadis Authority the whole process of the selection has been rejected and a new process has been started. That is why that despite the passage of three years to the project implementation still the lead organization has not been selected.

Chapter - 5

Status of the Implementation on the Project

5.1 Overall Delayed Process

There are clear evidences to support that overall project activities including different its different sections are delayed due to a number of reasons some of them have been discussed in the earlier sections of the study. The estimated project cost is \$62.50 million equivalent, of which \$50 million (or Rs. 3 Billion) is financed by the Asian Development Bank. The project is under implementation since 2004 with the loan closing date of 30th June, 2010. About 40% of the actual project implementation period has passed, but the physical process is hardly about 5% by now. The amounts disbursed so far have been spent mostly on the project management support. No significant work in the villages, especially in the coastal districts of Thatta and Badin. Gross delay was made by the Government of Sindh during loan processing and establishment of project support offices. Delays have also occurred because of confusion about the mandate of various implementation agencies and non-fulfillment of various loan covenants due to inertia and undue bureaucratic red-tape.

Recruitment of lead NGOs in the four districts has been advertised three times in nationwide newspapers no selection ha taken place reportedly because of political interference. According to project design, many project covenants are interrelated and no work on development can be initiated until lead NGOs are recruited and mobilized. Similarly, village selection for project interventions is the mandate of Zila project committees and since NGOs are important members of Zila project committees, the process of village selection/identification cannot start until these NGOs are brought on board.

The project provides for 494 person months of 16 domestic and 27 person months of 5 international consultants. Domestic consultants have not been recruited so far. Out of 5 positions of international consultants, only one was appointed who suspended his services 6 months back due to interference in the selection process.

5.2 Delays in the Infrastructure Development Activities

Infrastructure development is one of the key components of the project. The project provides for improved settlement infrastructure in 300 villages of 100-200 households and 450 villages of 50-100 households. The total estimated cost of this component is \$33.1 million, which is 53% of total project cost. The delays in the infrastructure activities were noted even by the ADB Review Mission which visited Pakistan in November 2003. It was during this review mission that a

decision was taken in principle that the project would expedite its infrastructure development activities by identifying at least one village in each district to develop that village into a model village by providing all the basic facilities to the village including drinking water and drainage facilities, link roads and educational and health facilities. However, this decision has not been properly implemented by the project authorities.

5.3 Delayed Work on the Development of Model Villages

As per understanding between Sindh Government and ADB authorities in 2003 at least one model village was to be developed in each project district. However, during the peoples consultative workshops in all the four districts the local communities and civil society activists gave testimony that this process is fraught with the delays as well as political interference.

For example, Village Eisa Khan Bhatti has been selected for developing as model village in District Sanghar. However, the decision has proved to be a nightmare for the villagers. According to the officials visited their village some six months back and conducted a survey. They informed them that their village is being developed as model village; therefore they have to remove all the katcha boundaries of their houses and demolish their unnecessary poor infrastructures. According to the villagers, after that those officials visited a number of times to their village on the pretext of survey and forced them to serve them meals etc. The villagers said that on the instruction of those officials they have removed the katcha boundaries of their village. However, still not a single development activity has been undertaken in their village.

The tale of the villagers of the village in Badin District which was selected for being as Model Village is not different from the so-called Model Village of the other districts. SRDP authorities had selected two villages i.e. Village Karim Dino Moosaipoto and Hoat Moosaipoto in Union Council Kadi Qazia Tehsil Badin. It was announced that the villages would be provided with the roads, water supply, water ponds, drainage and other schemes. The Sindh Government Advisor for Local Government and Katchi Abadi Mr. Waseem Akhtar had laid the foundation stone of the Model Project Scheme Village Water Supply and Link Road of those villages on September 29, 2005. However, according to the villagers, despite the passage of more than one year to the laying of the foundation stone no substantial work has been done in the village.

The villagers of village Urs said that they were told that their Katcha road would be converted into a pacca road. Their village water Pond would be cemented. However, still the villagers have seen no real progress. In place of constructing pacca road the katcha road has been earth filled for three kilometers.

The Ordeal of the Roads Department Officials

According to the officials of Roads Department District Badin, the officials of Sindh Katchi Abadis Authorities contacted with them saying that they wanted to constructed a small village. Therefore, they should be provided with help. At the first instance, there was a lengthy questionnaire which they provided to the Roads Department asking them to fill that questionnaire. After filling that Roads Department undertook a survey and prepared a feasibility report of 15 km Road from Seerani to Shaikh Keerio Bhandari. The report was submitted to them. There was no response for a month and so. However, later on they came with a novel idea saying that this feasibility report should be changed and three feasibility reports should be prepared of 5 km of each. The same practice was completed by the Roads Department. However, during this whole process a large number of meetings were held on the issue of the construction of the piece of roads, in Badin and Karachi. The expenditure on the meetings was so high that it could have facilitated in the construction of a link road.

Despite all these efforts, only four kilometres of a low quality road could be constructed and since last one year the people of the area are still waiting for the construction of remaining 11 km of road. However, still there is no possibility of further construction of any road in the area.

Recently, the contractor who has only earth filled the road has informed the villagers that a team of Katchi Abadi Authority is scheduled to visit the village. The villagers have been asked by the contractor that they should give testimony to the Katchi Abadi authorities in writing that the work of the “construction of the road” has been done by the contractor up to the villagers’ satisfaction.

According to the villagers, they are in trouble. They are being force to arrange meals for those working on the Katcha road as well as the visiting officials of Katchi Abadi Authorities. The villagers said that if the government intends the real participation of the villagers in the village then they should hand over all the work to the villagers. They said that the villagers have their CCB registered. They are ready to carry out these development activities on the platform of their CCB and are even ready to pay 20 percent of the total development expenditures.

5.4 Issues in Area Identification for Development

The process of the selection of different villages and areas for development is also resulting in delays in the development process. The selection criterion for the development of the villages is fraught with flaws. For example, only those villages are selected for development which are situated on the government land. In there has been practice since centuries that the peasants usually settle near the land which are cultivated by them to ensure their easy accessibility to the land. For that purpose they usually settle on the fringes of the land of the landlord which they cultivate. These settlements slowly and gradually develop and become big villages. Selecting the villages which are on the government lands would give little benefit to the peasants which are under the influence of the landowners. There is little possibility of benefit to the poor communities and their villages as a result of the criterion of the selection of the villages for development.

Box: 5.2**Political Influence in Selecting Model Villages**

It was decided mutually between the project authorities, Sindh government and the ADB mission in December 2003 to select at least one village in each district to develop the same village as Model Village providing the entire basic infrastructure to the village communities. However, there have been procedural flaws in the selection of the village on the basis of merit.

Although, some criteria were developed for the selection of the villages, however, when the selection process started, no criteria were followed. For example, in Mirpurkhas a number of participants informed that in Badin a village which was owned by a MNA of the district was selected for developing as model village. However, later on a row was developed as some of the officials were of the view that the village is not in district Mirpurkhas. It is in district Badin. In place of being in Degri taluka of Mirpurkhas the village was actually situated in Matli taluka of Badin.

Similarly, there is another criterion which is also flawed. The criterion says that the villages situated on the government land should have population of only 200 villages. It further dims the possibility of the villages being identified and benefited as usually the villages once established on the government land grow fast as there is no restriction on the part of any influential person to stop the growth of those villages. Those villages usually develop and convert into towns and even cities. Only those villages maintain their village identification which are situated on the lands of the landowners. It is because they would not grow fast.

5.5 Some Common Flaws in the Project Implementation Process

There are a number of other flaws which are also hampering the process of implementation on the project. Some of the flaws are as under:

- The project also suffers from non-reasonable budgeting. For example there is budget bottom line that one Kilometer of a road is to be constructed in Rs 800,000. These are the budget assumptions of almost half decade back; now due to the increase in the price of each and every input the overall road construction cost has increased many folds. However, the Project Authorities are stuck on the same old cost. This has resulted in the low standard of road construction and other physical infrastructure development activities.
- One of the drawbacks of the project is the high cost being spent on the consultants. A number of foreign consultants have been hired for the project on heavy consultancy charges. This has drawn big project amounts to the payments to the consultants.

- Although the project has not delivered any tangible results, however, the expenditure on the offices, vehicles, TA. DA has been alarming. There are four project offices only in Karachi. These project offices are on rent. Similarly, offices on heavy rent have also been established in each district. It has greater financial burden on the project at the cost of development activities.

Chapter- 6

Conclusion & Recommendations

6.1 Conclusion

The conclusion drawn from the process of very careful and participatory civil society consultative dialogues coupled with secondary data review and informant interview suggest clearly that ADB: Sindh Rural Development Project is flawed from the designing to implementation. The project activities have little relevancy in the project objectives. The implementation process is flawed and non-participatory. Similarly, the implementation process is largely delayed which has affected the overall outcome of the project.

6.2 Suggestions for the Project

- The project has completely failed in achieving its basic objectives due to severe delays in the implementation, conflicts between different implementing agencies and political influence. Therefore, the implementation process of the project should be completely reviewed and improved.
- In place of giving leading role in any agency including Sindh Katchi Abadis Authority [SKAA] and Sindh Rural Development Department, the project should have an independent but very small leading team which should implement all the project activities through the already working District Government Departments
- Instead of selecting one leading NGO in any district, the project implementing agencies should work jointly with all leading NGOs at district and also taluka level. There is a need that a district level coordination council of all the civil society organizations should be established which should monitor the project activities and represent the civil society in the project activities.
- The training and capacity building section of the project should be completely reviewed and only necessary trainings should be incorporated in the project which should be directly imparted to the target groups / populations in place of creating a hierarchy of the trainers.
- The training component of the project should be made realistic and need based. For example the Tapedars and Mukhtiarkars in the district know very well about the manual record keeping as they have been practicing this activity since long. What is important is the computerization of the Revenue Record and the computer recording making training to the Tapedars and the Mukhtiarkars of the districts. Otherwise the training on the manual record keeping would be wastage of the money.

- One has to be realistic about the need of taking loans for the capacity building / training of the officials and the common people when there is greater scope and possibility of availability of grant from different international organizations including UNDP for the capacity building activities. With small efforts by Sindh Government and even the civil society organizations a number of international organizations can offer grants for the capacity building endeavours. Thus the national can be prevented from a big burden of loans in the name of capacity building.
- As the physical infrastructure activities are to be undertaken at Union Council in the villages, there is need that the recommendations for the development activities should come directly from the Union Councils. These recommendations should go to the district councils and after being finalized here the SRDP authorities should implement those recommendations and should carry out the development activities suggested by the union councils and district councils.
- There is strong need of land reforms in the agriculture sector of Sindh which should contain the influence of the influential landlords. However, the past practices have proved that the only measures of taking land from the big landowners and distributing the same among the landless has not served the purpose of real reforms in the agriculture sector. On the contrary, it has created problems of strained relationships between the landowners and land tillers on the one hand and the land fragmentation menace on the other.
- Similarly, the future land distribution program among the landless has should be launched with a comprehensive program of the rehabilitation of the landless tillers. This program should include, not only distributing lands among them but also creating awareness among them through proper education and awareness activities but, there should also be a program of introducing and strengthening organizations of such growers .The program should also include the provision of micro-credit and other facilities for ensuring availability of inputs for these distributed land as the growers should not look to the big landowners or middlemen for such things.

6.3 Suggestions for the Civil Society

- Civil Society should initiate a campaign on the lack of proper implementation of the project at tehsil level in all the four districts. Rallies and consultation workshops should be organized to make the local communities aware about the basic objectives of the project / loan and the present status of the implementation as to develop pressure groups at the local level for the proper implementation of the project.
- Articles should be written in media about the loan, its conditions and the status of its poor implementation as the local communities should be aware and sensitized about the real status of affairs.

- There is need to develop a network of the civil society of at least the four districts for playing a role of watch dog monitoring the project implementation process, flaws in the process and develop civil society pressures for removing those flaws.
- The report on the flaws the project implementation in SRDP should be prepared and shared with all the stakeholders. The report should also be translated in Sindhi Language and the translated version of the report should be largely shared with the local communities.
- The civil society organizations should simplify the information about different loan projects of the IFIs and should largely disseminate among the communities
- District and Provincial level networks should be launched for initiating campaigns against the ill planning and improper implementation of the IFIs projects

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Annex - I

Consultative Workshop on ADB: Sindh Rural Development Project On Tuesday August 22, 2006 Thatta List of the Participants

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Annexure –II

Consultative Workshop on ADB: Sindh Rural Development Project On August 23rd, 2006 Badin

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10	Ameer Mandhro	Affair Magazine Badin
11	Nakash Alwani	BiF/LFP
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13	Muhammad Uris	Badin
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16	Sawan Khashkhelly	Badin
17	Hidayat Ali	Itafaq Tanzeem Badin
18	Showo	Badin
19	Haji Muhammad Nawaz	Badin
20	Asghar Ali	BRDS Badin
21	Zaheer Abbas	BRDS Badin
22	Muhammad Usmaan Ansari	Badin Press Club
23	Abdul Majeed	Badin Press
24	Ishrat Qambrani	BRDS Badin
25	Abila	BRDS Badin
26	Abdullah Talpur	Badin
27	Imran khan	Badin
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37	Allah Bachayo Chang	BRDS
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39	Sawar Khashkheli	BRDS
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Annex-III

Consultative Workshop on ADB: Sindh Rural Development Project September 4, 2006 Sanghar

List of the Participants

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25	Maria	Member	SHWO	
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Annex-IV

Peoples Conference on ADB: 8th September 2006. Press Club Hyderabad

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