

**Minutes of 3<sup>rd</sup> meeting of Project Steering Committee for  
WSIP held on August 27, 2008 under the Chairmanship of  
Additional Chief Secretary (Dev), P&D Department, GoSindh**

List of the participants is attached at Annex-A

After introductions of participants of the meeting and welcome remarks, the Chair stated that WSIP is very important Project of the irrigation and drainage sector. He expressed his concern over the delay in implementation of the Project due to one or other reason including delay in deployment of Project staff in SIDA particularly non appointment of Project Director, although the Project Credit has already been made effective from December 2007 by the World Bank and Project Management Consultants /Procurement Agent (PMC/A) on board. The chair therefore, urged that all partners of the Project have to play their positive role and take all necessary steps to speedup the implementation of the Project to get the project benefits in time. He (Chair) further directed that the meeting of the Committee should be held on regular basis (on 27<sup>th</sup> of the alternative months). On the suggestion of rep. of FOs, the Chair directed MD SIDA to ensure that the meetings of AWBs are held regularly on monthly basis (5<sup>th</sup> day of every month). Rep. of P&D Department, PCMU and PMC/A would also participate in the meetings as observers.

**Item # 1: Confirmation of the minutes of second meeting of the Committee:**

2. The forum was informed that the minutes of 2<sup>nd</sup> meeting of Steering Committee held on November 27, 2007 were circulated to all concerned departments/agencies and participants of the meeting. No comments on the minutes have been received from any quarter. The Chair, however, enquired from all the participants for any comments. *All participants agreed with the minutes of previous meeting, hence minutes of the second meeting were confirmed. Copy of minutes of the 2<sup>nd</sup> meeting is attached at Annex-B.*

3. Regarding transfer of administrative control of Ghotki Feeder AWB (GFCAWB) by Irrigation and Power Department, the MD SIDA informed the forum that the World Bank has asked SIDA that due to transfer of administrative control, the AWB will not be eligible for investment under WSIP Project. On a query from Chair, MD SIDA informed that under WSIP an amount of Rs. 1689 million has been allocated for improvement of GFCAWB. The representative of FOs being member of the Committee has recorded his protest against the transfer of AWB and requested for de-notification. *After detailed discussions the Committee unanimously disapproved the action of IPD (being contrary to the spirit of Ordinance) and directed SIDA to look into the matter through the legal aspects in accordance with the SWMO-02.*

**Item # 2: Overall Project implementation Status / Overview:**

4. Giving the Project implementation status, it was informed that project activities have been started from July 2007. Office of Project Coordination & Monitoring Unit (PCMU) established and procurement process of staff has been completed and was under approval. GoSindh signed the agreement with FAO and team of FAO has started their activities from May 2008 as Project Management Consultants /Procurement Agent (PMC/A). The process for other Consultancy Services i.e. Project Implementation Consultants (PIC) and Monitoring & Evaluation (M&E) Consultants has also been started and consultants would be on board in early 2009. Project account has been opened and funds have been received from the World Bank by the SIDA. Action on other activities have been initiated i.e. creation of Website for Procurement and Complaints handling system, updating of Project Implementation Plan (PIP) etc. Recently the World Bank arranged three days training Program for the staff of SIDA, PCMU and PMC/A on managing the financial and procurement issues under the Bank's funded project. *The Chair directed that website of SIDA should be operated properly and updated on regular basis and it*

*should have (in addition to English) local languages links particularly in Sindhi and Urdu and all reports, documents of SIDA related with public awareness should be placed on website.*

**Item # 3: Review of compliance status of decisions of second meeting of Committee:**

5. The Committee reviewed the compliance status of decisions of second meeting wherein the decisions of Committee was required as under:

**i. Appointment of Project Director for implementation of WSIP:**

It was informed that based on the decision of selection committee headed by ACS (Dev.) the position was re-advertised. On response to EOI 25 CVs received, and evaluated by PMC/A and prepared shortlist. Interviews of short listed candidates (11) scheduled on August 7, 2008 were again postponed due to insistence of the IPD that department was not on board. The Committee noted that the postponement of interviews again and again is delaying the appointment process on one hand and damaging the creditability of GoSindh on the other, since candidates called twice may not take serious to come again for interview. This is also violation of the mutual understanding /agreement signed between the World Bank and GoSindh/Pakistan under the Project. Due to non availability of Project Director the implementation of the Project is badly suffering and not moving as per schedule. The Chair made it clear that P&D Department wants to implement the Project in letter and spirit in accordance with the Project design/schedule as the P&D Department has been made responsible for overall monitoring and management of the Project. Some suggestions came from the participants of the meeting to settle the matter and finally *it was decided that matter should be brought up to the Chief Minister Sindh during the presentation being arranged by IPD/SIDA.*

**ii. Preparation of Terms of References (TORs) for feasibility study for Barrages:**

The representative of IPD stated that department has already requested WAPDA for carrying out study for Guddu Barrage, whereas some studies were also under way; therefore it would be very difficult for IPD to take action on the subject. *However, he stated that IPD will respond to PCMU within three days about their future requirements to utilize the funds for the subject activity so that further action could be taken accordingly.*

**iii. Preparation of Terms of References (TORs) for Regional Plan for Left Bank Indus River including Indus Delta and Coastal Zone:**

MD SIDA stated that the process for preparation of draft TORs has been initiated. Consultation meetings have been held with SEPA, SCDA, NIO, NCAWP, and that the consultative Workshop will be arranged shortly. The delay in process (nine months) was noted by the Committee and SIDA was directed to take all possible efforts to complete the process without further loss of time. *It was decided that draft TORs prepared may be shared with PMC/A for their input. SIDA may arrange consultative workshop as soon as possible.*

**iv. Procurement of staff and Performance Evaluation of existing staff of SIDA:**

The matter was discussed in detail and it was observed that SIDA did not follow the procedure properly as agreed/decided at different forums of WSIP-I i.e. World Bank's Appraisal Missions and Project Steering Committee regarding recruitment of project staff in SIDA and AWBs to become eligible for financing under the Project. In addition it was reminded time and again through the letters/reminders by PCMU, PMC/A as well as P&D Department. The Chair made it clear that amount spent by SIDA from WSIP on account of

salaries of the Project staff would not be eligible till required formalities are completed. Any expenditure incurred should be treated as un-authorized and SIDA should be responsible for it. The reps of Finance Department stated procurement process as agreed/decided in the project documents should be followed.

*After detailed discussions it was decided that SIDA must follow the procedure laid down in the project documents for appointment of Project staff being financed under WSIP in transparent manner by advertisement all positions to be deployed in SIDA financed through the Project. It was clarified that the post of MD SIDA is on non development budget of SIDA, therefore, there is no need to advertise the MD's position. However, if MD SIDA wants to get the salary out of WSIP funds instead of non development SIDA budget, then the same rule will apply for MD's position as well.*

On a query from the Chair regarding releases of ADP funds from GoSindh, MD SIDA informed that funds are being received through IPD. In this regard the Chair directed that matter should be taken up with Finance Department to release the ADP funds directly to SIDA. In this regard SIDA should submit a reference to P&D Department. Chair desired that year wise details of funds received by SIDA from GoSindh or other sources for Development or non development and expenditure incurred by SIDA may be provided. MD SIDA informed that *a presentation on the subject matter has been arranged on September 1<sup>st</sup> 2008, where such information will be submitted/ presented.*

Matter regarding delegation of Powers from IPD to SIDA, It was apprised that I&P Department has reservation on the decision of SIDA Board meeting through which draft delegation of powers from IPD to SIDA was circulated. IPD was of the view that such issue was not discussed in the SIDA Board meeting. The Chair directed to arrange meeting of the SIDA Board and further action would be taken on the basis of decision of the SIDA Board.

**Item # 4: Review of compliance Status of decisions of meeting held under the Chairmanship of Chief Secretary Sindh on WSIP-I**

6. Forum was informed that as desired by the Chief Secretary Sindh, a meeting under his chairmanship was held on January 26, 2008 to review the implementation of the WSIP. During the meeting the progress / status of the project was reviewed and the specific issues requiring immediate attention were discussed and decisions were taken for speedy implementation of the Project. The minutes of the meeting were circulated to all participants of the meeting for taking further action. MD SIDA proposed some amendment in the minutes. In this regard it was decided that SIDA should bring such proposal/ amendment in writing to PCMU. *The Committee reviewed the compliance status of the decisions as under:*

Ref. #	Decisions of the meeting	Discussions/Decision
iv)	<b>Function / operation of SIDA system under irrigation reforms:</b>	
a)	<i>SIDA should immediately prepare recruitment rules, financial rules and technical powers etc and get these cleared by SIDA Board so that further action could be taken.</i>	<b>No Progress.</b>
b)	<i>IPD should move the case for collection of drainage cess immediately after general election and get the notification issued so that</i>	<b>Committee directed IPD to start the process for arrangement of meeting of the Committee. SIDA will pursue</b>

	<i>collection could be started.</i>	<i>with IPD.</i>
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**Item # 5: Actions required as per approved Project Appraisal Document (PAD) of Sindh Water Sector Improvement Project Phase-I (WSIP-I)**

7. The Committee reviewed the compliance status of the actions required to be taken by SIDA for speedy implementation of the Project and took the following decisions:

<b>S No.</b>	<b>Activity/Actions</b>	<b>Discussions/Decision</b>
i)	The interim financial statements would be submitted within 45 days after closing of each quarter in a consolidated form.	MD SIDA informed that procedure is being done on regular basis.
ii)	Annual Work Program for the next Fiscal Year would be finalized by March 31 of each year.	MD SIDA stated that Work Plan should be prepared by PIC. <i>However, SIDA was directed to prepare draft work program in consultation with project partners and get it finalized as soon as PIC on board. The draft Annual Work Plan will be forwarded to the PCMU in two weeks time.</i>
iii)	Appointment of independent private auditors of SIDA.	MD SIDA informed that process has been started. Response to EOI submitted by different firms has been sent by post to PMC/A for evaluation. <i>TL PMC/A stated that he has not yet received information from SIDA and that evaluation would be carried out as soon as proposals are received from SIDA.</i>
iv)	Website would be established and made fully operational and procurement complaints handling system is put in place at PCMU and SIDA by not later than March 31, 2008.	MD SIDA informed that website of SIDA is in operation, however, it would be updated in light of discussions held in the meeting. TL PMC/A informed that for creation of procurement website at PCMU, EOI has been published in newspapers and contract would be signed shortly after approval of ACS(Dev) P&D Department.
v)	An immediate filling of vacant posts of critical FM staff in SIDA as designated under SOFWM Project.  One incremental staff at the level of Sr Accounts Officer shall be recruited through the Procurement Agent to join SIDA.	It was suggested that since SOFWM was being wound up in December 2008, therefore there would be no need to appoint the staff only for four months, as work is being smoothly done in SIDA.  <i>It was decided that SIDA will process the case separately giving full justification.</i>

vi)	Explore possibility of establishing a radio station/or broadcasting information on local radio FM band.	<i>SIDA may buy dedicated prime time from the Radio/ TV urgently.</i>
<b>S No.</b>	<b>Activity/Actions</b>	<b>Discussions/Decision</b>
vii)	Maintain the dedicated Bank account in the commercial Bank by each AWBs to keep the Project funds separate from their own monies.	MD SIDA informed that NCAWB maintained separate Bank account whereas <i>other two AWBs will be pursued for opening of their Bank account for the Project. A report to this effect will be sent to PCMU in a fortnight.</i>
viii)	Form a Procurement Team	MD SIDA informed that team has already been formed, however, it was <i>decided that team will formally be notified by MD SIDA within three days.</i>
ix)	Directors/XENs and all other staff for AWBs will be hired competitively from market	<i>SIDA will take action within 15 days</i>
x)	A Clear role of FOs in water charges collection and authority to take actions against defaulters has to be reflected in FOs' byelaws.	MD SIDA informed that steps for awareness of FOs have already been taken however, it would further be accelerated. <i>It was decided to implement the earlier decision in letter and spirit.</i>
xi)	A quota for women and sharecroppers at FO level would ensure higher and effective representation of farmers. NGOs can play a useful role.	MD SIDA informed that for ensuring quota of women and share croppers at FOs level amendments in SWMO-02 are required. In the meantime role of women has been promoted and more than 28 farmer women's groups have been formed. Many farmers women have also been inducted in general body and Board of Management of FOs. In addition NGOs and Civil societies are being consulted from time to time for better implementation.
xii)	Technical assistance and training to be provided to FOs in the form of staff and through social mobilization unit of SIDA. Social Mobilization has to be accompanied with good communication strategy.  The EMU and SDC of SIDA should be strengthened in order to support implementation of EMF/EMPs under the Project.	MD SIDA informed that all efforts are being taken to provide support to FOs through social mobilization teams posted in each AWB and providing trainings to FOs. In addition 3 information Kiosks centers have also been established to support FOs. On a query from Chair, it was informed that about 8302 farmers have been provided training in different fields of management. <i>The Chair desired that more efforts should be taken to provide full support to FOs to make them fully operational in their field.</i>  It was informed that the process was under way, TORs of some of staff members to be deployed under the Project in EMU and SDC, SIDA have been prepared and got

		approved and EOI appeared in newspapers. <b><i>The Chair directed that deployment should be made in accordance with the agreed procurement procedure and in a transparent manner.</i></b>
<b>S No.</b>	<b>Activity/Actions</b>	<b>Discussions/Decision</b>
xiii)	Encourage representatives of civil society groups and FOs in particular to attend the public bid openings and other procurement steps and  establish a mechanism whereby FOs and media and civil society groups can become involved in the monitoring the progress of the project including implementation	SIDA was directed to ensure the participation of FOs, media and civil societies in bid openings under the Project and also their involvement in the monitoring mechanism of the project implementation activities.
xiv)	Complaint handling mechanism will be established by each I.A. All complaints received shall be responded within seven days of receipt with copy to PMCA, PSC and the World Bank	Since the activity was of very important nature, therefore, Committee <b><i>directed SIDA to establish complaint handling system immediately through helpline telephone system by using 0800 phone facility.</i></b>
xv)	Strategy / Plan for capacity building of SIDA/AWBs and FOs	MD SIDA informed that draft plan has been prepared and it would further be modified /updated in light of comments of PCMU. It was suggested that PMC/A may be involved in preparation of plan if they agree.

**Item # 6: Issues/items identified / pointed out by SIDA under WSIP-I:**

8. It was informed that SIDA has identified / pointed out three issues/items and requested for consideration / approval of the Committee. The Committee discussed the issues as under:

- I. **Appointment of senior Accounts officer under WSIP-I.** It was decided that SIDA should process the case separately by providing full details of present position of finance wing and justification for requirement beside available post in approved PC-I of WSIP could be readjusted against proposed assignment.
- II. **Payment of contingent staff/unforeseen expenditure for SIDA Secretariat:** It was pointed out that issue for utilizing of project funds has already be discussed in detail and it was made it clear that amount spent from WSIP would not be eligible till the provision is made and the required formalities are completed as per project documents. Therefore, MD SIDA has to ensure the compliance.

**III. Rectification of typing error for the position of Manager Social Mobilization and Gender:** MD SIDA pointed out the typing error in the PC-I of WSIP wherein the position of Manager Social Mobilization & gender has been written as Assistant Manager and requested for rectification of word Assistant. *The Committee agreed in principal with the suggestion of SIDA and directed SIDA to initiate the process the case separately with full details.*

9. Before ending the meeting, following some points/issues were raised by the participants of the meeting and discussed as under:

- a. MD, SIDA pointed out issue / problem facing by the AWBs in collection of Abiana. After detailed discussion it was suggested that activity should be carried out through out sourcing. Mr. Zahid Hussain Bhurgri FO Member stated that he will extend his full cooperation to SIDA and AWBs in collection of Abiana from FOs.
- b. Sr. Chief (W&P) P&D Department will participate in the meetings of Committee as an co-opt member
- c. Mr. Ylli DEDJA, Team Leader PMC/A suggested that in future SIDA may submit detailed report showing the implementation status of project activities and also activities carried out by SIDA in addition to WSIP-I as this report will help participants of the PSC to know the progress made by SIDA. He further suggested that all partners of the Project have to work jointly in favour of the Project. Committee appreciated the suggestions of Team Leader, PMC/A and directed SIDA to take note of it.

10. The meeting ended with a vote from and to the Chair.

**List of the Participants of the 3<sup>rd</sup> meeting of PSC, WSIP held on August 27, 2008**

- i. Mr. Nazar Hussain Mahar, In Chair  
Additional Chief Secretary (Dev), P&D Department
- ii. Mr. Najam-ul-Saqib Siddiqui, Additional Secretary (SGA&C) GoSindh
- iii. Ms. Abida Lodhi, Additional Secretary (Dev) Finance Department, GoSindh
- iv. Syed Mazhar Ali Shah, Additional Secretary Irrigation & Power Department, GoSindh
- v. Dr. Salam Memon, Project Coordinator, WSIP, PCMU.
- vi. Mr. Muhammad Hashim Leghari, Managing Director SIDA
- vii. Mr. Qabool Shaikh, Director General, Coastal Development Authority (CDA)
- viii. Mr. Fazal A. Nizamani, Senior Chief (W&P) P&D Department, GoSindh
- ix. Agha Zafarullah Durrani, Director General, SOFWM, Agriculture Department
- x. Mr. Ylli DEDJA, Team Leader, PMC/A
- xi. Mr. Zahid Hussain Bhurgri, FO representative, NCAWB Mirpurkhas
- xii. Mr. Moula Bux Mirbahar, General Manager Operation, SIDA
- xiii. Dr. Mumtaz Ahmed Suhag, General Manager R&D, SIDA
- xiv. Mr. Nazeer Ahmed Memon, Social Development Specialist, SIDA
- xv. Mr. Abid Hussain Shaikh, DS (B&A) SGA&CD, GoSindh
- xvi. Mr. Faizullah Khatri, Assistant Chief (W&P) P&D Department, GoSindh
- xvii. Mr. Ghulam Hyder Qureshi, Sociologist, PCMU, WSIP
- xviii. Mr. Ali Asghar Mahasar, Director EMU, SIDA
- xix. Mr. Muhammad Bux Jakhio, Section Officer, Forest & Wildlife Department
- xx. Mr. Shaharyar Akhtar Kazi, Director, Coastal Development Authority (CDA)