



11<sup>th</sup> October 2014

Chief Secretary,  
Government of Sindh,  
Sindh Secretariat Building,  
Karachi.

**Sub: Changes after the approval of PC-I by ECC in the Karachi Water  
Supply Project K-IV**

Dear Sir,

Transparency International Pakistan refers its letter dated 13-7-2013, addressed to the Minister of Local government when MoU signed in the Chairman KWSB office on 4<sup>th</sup> July 2013 between KWSB and China International Water and Electric Corporation (CWE) on the Greater Karachi Water Supply Project K-IV. The good sense prevailed and no action was taken on the MoU. **Annex-A.**

The K-IV Project thereafter was approved by Prime Minister Nawaz Sharif on July 10, 2014, to be built at a cost of 25.6 billion rupees in the next four years, and the Executive Committee of the National Economic Council (ECNEC), the highest committee of the federal cabinet approved the PC-I and agreed that the federal government and the Sindh government would each bear half of the project's cost.

However, following the ECNEC approval, Sindh government has started delaying tactics. The news reported in press Dawn of Sep 03, 2014 is quoted below.

*The chief minister, who was presiding over a meeting held here at CM House to decide the execution of the K-IV, rejected the KWSB proposal based on 124-km-long waterway which needed acquisition of 13,324 acres and two to three pumping stations to take the water from the Keenjhar lake to Karachi.*

*This proposal would not only consume funds more than its estimated cost, but could cause delay in completion of the scheme and was not affordable, the chief minister said.*

*Describing the scheme as most important to solve the water shortage problem being faced by the people of Karachi, Mr Shah said his government was giving priority to execute this plan as soon as possible.*

*He said it was because of his stand that the federal government agreed to share 50 per cent of the total estimated cost of Rs25.551 billion. "Although we have reserved an initial amount of Rs849 million, the government is ready to arrange more funds to get this scheme completed within three to four years," he said.*

*The chief minister recalled that during a survey made earlier nine routes were identified to bring water from the Keenjhar lake to Karachi and he advised the committee to study all proposed routes and identify the most economical route which could be implemented at the earliest.*



*He asked the members of the committee to engage consultants and KWSB engineers and submit a detailed report with route drawings and status, size of land and their recommendations for the mode of water supply.*

*Local Government Minister Sharjeel Memon on the occasion assured the chief minister of implementation on the scheme as soon as possible.*

*Earlier briefing the meeting, additional chief secretary (development) Muhammad Wasim said this project was conceived at its estimated cost of Rs25.551 billion to be implemented in three phases.*

*"The first phase is designed to carry 260 MGD, which will be followed by second phase with same capacity while its third phase to take 130 MGD from Keenjhar to Karachi and for its first phase Rs849 million has been earmarked this year and the Sindh government to share 50 per cent matching grant from the federal government," he said.*

*"If work is started this year the scheme can be completed within three to four years," he added.*

Any changes in the Project route will require a detailed design. And the design Consultancy contract will have to be awarded through SPPRA prescribed process, which will take 4-6 months to award contract, 12-18 months to prepare new feasibility report, Design, PC-I and then commence the K-IV supervision consultancy contract Tendering. This will delay the K-IV bay at least 2 more years.

Transparency International Pakistan request the Chief secretary to inform the Planning Commission of Pakistan and Ministry of Finance about the status of the project, as since last 2 months nothing concrete has come out of the committee meeting.

Transparency International Pakistan is striving for across the board application of Rule of Law, which is the only way to stop corruption.

With Regards,

Sohail Muzaffar  
Chairman

Copies forwarded for the information and action under the authority to:

1. Chief Minister, Sindh, Karachi.
2. Senator Ishaq Dar, Minister Finance, Islamabad.
3. Mr. Ahsan Iqbal, Dy Chairman Planning Commission, Islamabad.
4. Registrar, Supreme Court of Pakistan, Islamabad.
5. Director General, NAB (A&P), Islamabad.
6. Managing Director, SPPRA, Karachi.