

How environmentally friendly and socially just is the AIIB? - Pakistan: National Motorway M-4 (Shorkot-Khanewal Section)

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15.03.2024 – The AIIB project 'Pakistan- M4 Shorkot-Khanewal section' is part of the M-4 Faisalabad-Multan motorway, which is 240 kilometers long and divided into four sections. The AIIB project describes the fourth section (64 km), the Shorkot-Khanewal in the Punjab Province of Pakistan. The aim of the project is to build a transport corridor between Islamabad, Faisalabad, and Multan, connecting various parts of Pakistan.

Finances: The total investment for the project is 273 million USD.

The Co-financiers are: AIIB with 100 million USD (Loan No 000001); Asian Development Bank (ADB) with 100 million USD; Foreign, Commonwealth and Development Office UK (FCDO) with 34 million USD and Government of Pakistan (GOP) with 39 million USD.

Project details

1. Land Acquisition and Resettlement Impacts of M-4 Shorkot-Khanewal Project

The project was approved in the very first Board of Directors meeting of the AIIB in June 2016.

The M-4 Faisalabad-Multan motorway, which is 240 kilometers long, was divided into four sections. Faisalabad-Gojra and Khanewal-Multan sections had already been completed, also the fourth section of Shorkot-Khanewal has also been completed.

The proposed project constructed a 62-kilometer (km) four-lane, access-controlled motorway connecting Gojra and Shorkot with Khanewal in Punjab Province and improve the institutional capacity of the National Highway Authority (NHA).

The project road alignment passed through green fields for 64km.

Along this line 100 meters ROW (right of way) and additional 40 meters ROW of interchange loops carriageways has been acquired to execute the project civil works. The ROW land was acquired following Faisalabad –Khanewal (M-4) Project (Section-III). Following the provisions of Land Acquisition Act 1894 and ADB's Safeguards Policy Statement (SPS, 2009), a 'Land Acquisition and Resettlement Plan' (LARP) was finalized and approved in January 2016. Land awards for ROW carriageway land and one interchange carriageway land located in District Jhang and Khanewal were implemented afterwards.

2. Environment Impact Assessment (EIA)

EIA of the Shorkot-Khanewal Section project was originally submitted in March 2007 and updated the EIA in June 2014 and in July 2015. The AIIB fully relies on ADB's due diligence and seems not to take any responsibility.

3. Relevant Legislation and Guidelines



To carry out the approved EIA Study, the environmental legislation and Guidelines enforced by the Pakistan Environmental Protection Agency and Asian Development Bank's (ADB) Safeguard Policy Statement (SPS) 2009 needed to be followed.

4. Land Acquisition Act, 1894 Including Later Amendments

The Land Acquisition Act, 1894, is a "law for the acquisition of land needed for public purposes and for companies and for determining the amount of compensation to be paid on account of such acquisition". The exercise of the power of acquisition has been limited to public purposes. The principles laid down for the determination of compensation, as clarified by judicial pronouncements made from time to time, reflect the anxiety of the law-giver to compensate those who have been deprived of property, adequately. The land needed for the construction of road will be acquired under normal conditions based on prevailing market prices or negotiated prices between NHA and the owners of land.

Project Concerns - Areas of Concern

- 1. The most significant impact of the project was the resettlement of residents (2754 persons according to LARP) and (and what? The purchase of?) 1616.7 acres of private land of about 35 villages of Shorkot and Khanewal.
- 2. The project took about 4715 acres of agricultural land out of production.
- 3. Land acquired by force and no prevailing rates given.
- 4. During the visit on August 6, 2023 of the affected areas, Mr. Safdar (a resident of the village) revealed that no proper consultation was made with them and Mr. Safdar told Pakaid that no one even asked them for the price of their own land. Most of the people are illiterate, so they were just asked to sign and collect the payment.
- 5. A total of 61.842 fruit trees and 29.819 non-fruit trees were cut down. Replantation done by the project was done without any plan of taking care of the plants, so most died due to the dry environment of the project area.
- 6. People were not aware about the complaint mechanism. They lodged their complaint in the Deputy Commissioner Office, but this office rejected their complaints and sent them to NHA (National Highway Authority) implementing agency in Islamabad. The people were disheartened as the distance of Islamabad was too long from Shorkot, therefore they gave up.
- 7. No reference to the AIIB complaint mechanism in the project documents could be found. Only Government and NHA references were present.

Organization monitoring

PakAid Pakistan is monitoring the project.

Links for case study/ background information:

- 1) <u>https://www.aiib.org/en/projects/details/2016/approved/Pakistan-National-Motorway-M-4.html</u>
- 2) https://www.adb.org/projects/documents/pak-national-motorway-m4-gsks-af-mar-2016-eia
- 3) https://www.adb.org/sites/default/files/project-documents/48402-002-rp-01_0.pdf
- 4) <u>https://www.adb.org/sites/default/files/project-documents/48402/48402-001-smr-en_10.pdf</u>