

## **World Bank is responsible for delay**

### **Subernarekha Multipurpose Project**

The Subernarekha Multipurpose Project prepared by the Bihar Engineers was handed over to world bank in 1979. World Bank took another two year for appraisal (pre sanction) of the Subernarekha Multipurpose Project. In the process the estimated cost of the project increased from Rs.130 crores to Rs.480 crores by October, 1981. Thus, the World Bank assistance of about. 1150 million received between 1982-83 and 1988-89, so far did not even offset the increase in the post of the project necessitated by their lengthy procedure and employment of incompetent expert in appraisal (as observed in project completion report-January 1990 by World Bank).

The interesting part of this is that after all this rigmarole causing exorbitant increase in cost there was no change either in scope of the project or any technical feature whatsoever. The size of reservoir and the canals remained unchanged; the only contribution was through use of some new jargons and modification in form not in substance. The increase in cost was also due to inclusion of certain items like provision of lined water course and line field communication facilities and training of Engineers in irrigation management etc. such provisions in normal irrigation projects are made in cad programmes which follows completion of the main engineering components of the projects. Inclusion of very high capital cost on these had very adverse financial implication

#### **IMPLEMENTATION:**

The World Bank intentionally, rather mischievously did not provide for financial assistance through the implementation of the project till full completion. Nor it provided for completion of any particular self contained unit or component of the project, such as, completion of Chandil Dam and/or icha dam, completion of Chandil Dam and Chandi Canal System or Kharkai Dam and Kharkai canal system etc. Intentionally it provided for only partial execution of all such works in the name of first slice. As a result of work generated over last 6 years through herculean efforts was abruptly slowed down and it is languishing since then for want of funds. This clearly indicates that World Bank purposely got work started all over and stopped assistance abruptly to ensure no completion subsystem and hence non-accrual of benefits. This has yet another serious implication. The slowing down of activity will result, rather it has already resulted, in slippage in implementation schedule and consequent further cost over run.

The cost of the project has escalated abnormally because the World Bank directly interfered with the established codes and practices of the State Govt. some of these are:

1. Provision of mobilization advance at the rate of 5 to 10 % to contractors has resulted in colossal loss of 25 to 30 crores (roughly)
2. In works department of Bihar tenders with rate 15 % over the estimated rates are nor normally entertained. But un SMP the sky is the limit (60 to 70 % above).
3. For SMP the CWC has been designated as consultant (technical). But the world Bank unilaterally appointed private consultant and with his Conn Vance got the design flood discharge of Chandil and Icha Dams abnormally increases. It was due to their undue pressure that the project authorities succumbed the drastic increase resulting in cost escalation.

### **A blind leading a blind:**

In course of execution of this project as many as 44 large and small missions involving 258 staff weeks visited the project area and the project headquarters. They spent, in all, over 150 days in the project area. Project engineers and the administrators naturally spent at least twice the number of days in preparing project, filling in questionnaires, and arranging their visits to different offices and project sites. All these, in fact, resulted in confusion getting worse confused every time and told upon the progress of work and performance of workers. World Bank's claims that such visits went a long way in enhancing the capability of project engineers are misplaced of course the members of the various missions appeared to be learning during their visits and discussion, and hopefully they will render better service to other projects elsewhere in future but the most disturbing feature of this is fresh feasibility report and only the world Bank will take up pre-sanction appraisal and would perhaps, consider scope of further assistance, obviously this process is designed to deprive the project of financial assistance for another 3-4 years.

### **Vested Interests:**

1. The World Bank intentionally avoided environmental impact study of the project during pre-section appraisal because it wanted to created problem later. The staff appraisal report did not contain programme of such studies even during implementation of the project. So much that when the project authorities submitted proposal for acceptance, it was

- flatly refused on the ground that it was not included in the SAR and hence, its cost was not reimbursable and, now it has suddenly become champion of environmental projection, and is creating problem for to project authorities in various ways.
2. Though the World Bank is not giving financial assistance for last two years. It is interfering with the projects execution by insisting a on preparation of feasibility report for the second slice through Delhi based consultant with of region collaboration firstly there was no need for fresh feasibility report, and secondly no need for association foreign experts at all unless it is intended to create more implications. The performance of USA consulting firms namely 'Harza Engineering Company' with Consulting Engineering Services (Delhi) and Luis Berger with water and power consultancy service (Delhi) has so far been far from each factor and now attempts are being made by the world Bank to induct them in Subernarekha project with ulterior motives.
  3. Possibly there is nexus between the world Bank and some consultancy firms in Delhi who could do what the world Bank wanted them to do. The way the World Bank has so far succeeded in non-implementation of kharkai barrage and canal system essential for Bihar in connivance with Delhi-based consulting firms bear testimony to this. On one hand the World Bank funded the work unsatisfactorily in earlier assignments and on the other they are being forcefully canvassed for engagement in preparation of feasibility report. It is strange that the World Bank is sending mission after mission to Bihar even when they had stopped financing the project.
  4. The World Bank in collusion with a Delhi based consultancy firm is trying to create inter state disputes (between Bihar and Orissa). Based on incomplete and incorrect studies done by this firm it is being attempted to drive wedge between Bihar and Orissa. If this is not nipped in the bud the future of the project is bound to jeopardize. The states should see through the rigmarole and ask the World Bank to keep off, the monkey business must stop.
  5. The World Bank is also trying to promote interest of foreign companies by forcing the state Government to accept operation technique and technologies (at a very high cost) which are neither needed for such a small canal system nor appropriate from theoretical and practical considerations. If such provisions are introduced at this stage when the execution of canals and a canal system are near completion stage, the

remaining works of canals will be delayed additionally by 2-3 years. One could ask what the dozen of technical missions doing so long? Were they only busy in identifying issues which could be used for creation of problems when work is progressing so that people of the area get impatient to get long-awaited benefits away from their pocket.