



ZULFIKARABAD

A project for elite by elite

Naseer Memon

July 2012

Keti
Bunder

Dabeji

Keti
Bunder
Taluka

Kharo
Chan

Jadewari

Achu

Kharo
Chan
Taluka

Wasain

Mirpur
Sakro
Taluka

Mirpur
Sakro

Miranwali

Ghorabari
Taluka

Ghorabari

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Context

Zulfikarabad, initially named as Jheruk city was first heard in 2009. The scheme was later relocated to further south of Thatta district in Jati, Shah Bunder, Keti Bunder and Kharo Chhan talukas.

A meeting chaired by the President on 28th January 2011 was told that the project would require 1.6 million acres of land in the four coastal talukas of Thatta district. More than 1.2 million acres of the earmarked land is presently undersea. A presentation of the Board of Revenue 1.3 million acres land can be utilized for the city, of which 0.96 million acres is reclaimable and 0.36 million acres are immediately available.

The presentation mentioned two options for location of the new city and provided the following breakup of the available land.

Name of Taluka	Available state land (Na Kabuli, Forest and Katcha land)- Acres	Land under sea (can be reclaimed after constructing dyke)- Acres	Land under bogus entries	Other land-Acres
Option-1				
Jamshoro	-	-	100,000	
Thatta	30,000 (Katcha) 44,000 (Forest)	Nil	350,000	Mining 70,000 a. Wind mills 33,000 b. Cattle farming 33,000
Mirpur Sakro	100 (Katcha)	400,000	50,000	50,000
Ghorabari	4,500 (Katcha) 17,800 (Forest)	30,000	-	-
Mirpur Bathoro	1,600 (Katcha) 40,000 (Forest)	Nil	-	-
Sujawal	2,000 (Katcha) 40,000 (Forest)	Nil	-	-
Total Option-1= 666,000 Acres				
Option-2				
Jati	280,000 2,000 (Katcha) 3,700 (Forest)	168,000	-	-
Shah Bunder	32,000 (Katcha) 1,300 (Forest)	500,000	-	-
Kharo Chhan	5,0000 (Katchha)	176,000	-	-
Keti Bunder	1000 (Katcha)	111,000		
Total Option-2= 1,290,000 Acres				

The presentation proposed two options for the location of the city. First option, mentioned as preferred one includes talukas of Jati, Shah Bunder, Kharo Chhan and Keti Bunder. These talukas are located on the two sides of Indus River. A 6 km long bridge at Dhandhari is proposed to connect the two sides. The presentation identifies additional potential areas for extension of the project. These areas include south-east of Jheruk town trailing to the north of Jati town, covering Mirpur Bathoro, Sujawal, Shah Bunder and Jati talukas. The second option proposed the city to be located between Super Highway and National Highway.

Expression of interest issued by the Zulfikarabd Development Authority for Conceptual Master Planning of the city provides the following distribution of available land.

S. No	Taluka	Land under sea (acres)	Available state land available (acres)	Total Land (acres)
1	Keti Bunder	89,052.22	1,088	90,140.22
2	Kharo Chhan	167,575.19	25,696.25	193,272.4
3	Shah Bunder	535,238.05	29,989.10	565,277.15
4	Jaati	175,175.09	308,537.14	483,712.23
	Total	967,040.55	365,310	1,332,353.24

Govt. of Sindh has established Sindh Land Management and Development Company to acquire land for the project. The Company did not waste time to occupy 200,000 acres by declaring it illegally occupied land. The action prompted protest by local fishing communities, settled in the areas since their forefathers. Civil society and political organizations supported the poor voiceless fishing communities and eventually government had to stop land occupation.

Some advocates of the project liken Zulfikarabad project with Keti Bunder project of 1995 and try to justify it. Benazir Bhutto's second government launched the Keti Bunder project which was later abandoned by Nawaz Sharif's second government as part of his political rivalry. The Keti Bunder project had the following key components (i) A 5280 mega watt electricity generation plant (ii) a deep sea port at Keti Bunder, at a distance of 148 kms from Karachi (iii) Thar coal field development (iv) Developing railway line from Islamkot to Jungshahi (v) Power transmission line from Keti Bunder to Jamshoro. An agreement of the project was signed between Consolidated Electric Power Asia (CEPA). However the government of PPP was removed in 1996 and later in 1998 the Nawaz Sharif government terminated the project. Keti Bunder and Zulfikarabad projects although resembling to each other are different in many ways. The Keti Bunder project was not a residential city of millions of people. It was primarily a commercial project to generate economic opportunities

without jeopardizing interests of local communities or threatening fragile demographic balance in Sindh. Most importantly the geo-political scenario was entirely different that triggers serious apprehensions among local population. In pre-9/11 situation USA and China did not have similar military interests in Indian Ocean. There are new vested interests operating in the province to seek separate province within Sindh and they eye upon the resource rich coastal strip of the province. Also fragility of demographic balance in the wake of 1998 became more obvious and a major cause of anxiety among natives of Sindh. In this context Zulfikarabad cannot be compared with the aborted Ketu Bunder project.

“ZDA is headed by a Managing Director (M.D) working under the Department of Special Initiatives, which is administered by a Secretary to the Government of Sindh. MD is the sole authority responsible for the functioning of the authority assisted by a number of officers and officials working within the organization. It is mainly focused on the creation of the new city of Zulfikarabad, for which it orchestrates everything starting from the human resources to the material resources relevant for the establishment of offices and appropriate infrastructure to facilitate the proposed city. Its offices are situated at Karachi and Thatta (under process).

ZDA is responsible for steering the course of events in regard to conceptual plans, master planning, surveying, contouring, environment, coast, land management, policy making, ecosystem and anything that comes within its purview for establishment of the new city, Zulfikarabad.”

According to newspaper reports, the authority enjoys rare powers of approving any scheme under the project even without seeking approval from the provincial planning and development department. A high power Executive Committee of the Authority has been empowered to take all decisions. Chief Secretary of the province would be just an ordinary member of the Authority, ceremonially chaired by the Chief Minister and practically operated by Managing Director,

currently an ex-service man. Both Managing Director Lieutenant General (Rtd) Syed Iftikhar Hussain Shah and the Director Operations Mr. Shaukat Alvi do not have domicile of Sindh province and hence cannot be appointed in Govt. of Sindh under the Sindh Civil Servants Rules 1974 (daily Kawish: 14th March 2012). The Managing Director drawing hefty salary of approx. 0.9 million rupees per month plus perks has no relevant expertise of town planning, engineering etc. This is probably only development scheme of its kind in a province, for which key decisions are taken in meetings chaired by the President of Pakistan. Sindh government has no practical role in planning and implementation of this project. This intriguing institutional array reflects an indecent haste on part of government to kick off the project. In a bid to expedite the project, government has even violated the project management guidelines of the planning commission of Pakistan. The guidelines require ECNEC to approve any project of worth more than Rs. 500 million. So far the project has not been produced before ECNEC for approval.

So far no prefeasibility (PC-III), feasibility (PC-II) and the project document (PC-I) are available that may explain technical and other details of the project. As per laid down procedures every public sector or public-private partnership project must have these documents otherwise the project is considered illegal or irregular. In absence of these documents, very limited information is available on the project through

newspaper reports. Government officials did not make public disclosure of any project details. Official website of ZDA provides hardly any information on the project. Most of the links provided on the website appear under construction. Several official meetings have been reported in newspapers but the website does not provide any information of such meetings or decisions taken during these meetings.

China Factor

Government of Sindh claims that China will invest money to develop the mega city. China has shown its keen interest in the scheme. Delegations of Chinese investors frequently meet the President to lobby for major contracts in the project. The president has also recently visited China and the two countries have signed MoU to implement the project through Chinese companies. A news item published in daily Dawn on 25th August 2011 mentions that Chinese companies have submitted a proposal to establish an economic zone in Zulfikarabad. The 15 years project of the economic zone is proposed to be completed in three phases, each of five years.

China has strategic interests in the area. Its “String of Pearls” strategy aims at extending its economic and military interests in the region. Being the second largest economy of the world, China wants to establish its economic and military writ in the strategic corridor extending from Strait of Hormuz to Strait of Malacca.

Forty percent of seaborne crude oil passes through the Strait of Hormuz at one end of the ocean, and 50 percent of the world's merchant fleet capacity is hosted at the Strait of Malacca, at the other end (*Robert D. Kaplan, Monsoon*). It is worth mentioning that China was the main financier of the Gwadar port project, which also envisaged a world class modern city to be built around the port. China provided some 80% of the 250 million US\$ Gwadar port project. Supporting Gwadar port project is also considered as part of the same strategy which failed due to insurgency in Balochistan. Chinese engineers were also targeted in Gwadar. There is a perception that USA wants to confront China to frustrate its design of becoming regional superpower. Gwadar became a casualty of this cold war in Arabian Sea, Indian Ocean and South China Sea. After losing toehold in Gwadar, it is believed that China wants to create Zulfikarabad as an alternate of Gwadar. If these perceptions are correct than there is a possibility that Balochistan-like situation can be created in Sindh to frustrate this initiative of China. Ultimately people of Sindh will pay the price for such adventure.

Rights of local communities

Coastal strip is globally considered as an enticing location for commercial investments e.g. housing, tourism, industry and trade. Most expensive residential schemes are developed along coastal towns and cities. According to some estimates approximately three billion people on earth live within 200 kilometers of

coast and 14 out of 17 biggest cities of the world are located on coastline. This development is often materialized at the cost of indigenous communities. In this backdrop civil society has expressed its serious reservations on social and environmental implications of this scheme. Involuntary displacement of thousands of people from coastal villages is apparently afoot.

Managing Director of ZDA expressed his desire to establish a city like Shenzhen that he recently visited in China. Shenzhen model is an alarming reference. Here is a brief account of Shenzhen. According to Wikipedia, “Shēnzhèn is a major city in the south of Southern China's Guangdong Province, situated immediately north of Hong Kong. The area became China's first—and one of the most successful—Special Economic Zones (SEZs). It currently also holds sub-provincial administrative status, with powers slightly less than a province. Shenzhen is located in the Pearl River Delta, bordering Hong Kong. Shenzhen has seen its population and activity develop rapidly since the establishment of the SEZ. Shenzhen's population is roughly ten million. About six million of these people are migrant workers. Shenzhen is the largest migrant city in China. Prior to the establishment of Special Economic Zone, the indigenous local communities could be divided into Cantonese and Hakka . Since 1980s, the unprecedented influx of immigrants drastically altered the linguistic landscape, in which Shenzhen as a whole has undergone a language shift towards Mandarin,

which was both promoted by China's Central Government as a national lingua franca and natively spoken by most of the out-of-province immigrants and their descendants . Since then, the Cantonese and Hakka indigenous populations were diluted into trivial proportions. Albeit the Mandarin's ubiquity, Cantonese, Hakka and Teochew are still spoken among people of in-province ancestries in private occasions to a lesser extent than Mandarin.” These details sufficiently indicate what happens to indigenous communities when such mega cities are developed. Fate of poor communities in the project area would not be different than the natives of Shenzhen.

Chinese, the prospective developers of this mega project posses tainted record of forced displacement for executing mega infrastructure projects. Three Gorges dam project in China dislodged some 1.7 million people. Olympics of 2008 rendered another 1.2 million people homeless in China. Pakistan does not have impressive track record in this context. Resettlement of few thousand people of much smaller projects like Chotiari reservoir reeked with massive embezzlements and nepotism. Plight of the would-be displaced communities of Zulfikarabad is a foregone conclusion.

Demography

Sindhis have serious concern on likely influx of hundreds of thousands of people in the dream city of Zulfikarabad. Sindhis are living under a hanging sword of turning into minority on their own land. According to 1998 census, Sindhi speaking population was 60 percent in Sindh province, which indicates a precarious situation for them. Demography of urban areas is already unfavorable for Sindhis, where Sindhi speaking population was only 25.8% against 78.75% Punjabi speaking in urban Punjab and 73.55% Pashto speaking in Urban KP. Demography of Karachi, the capital of Sindh was even worse with Sindhi speaking population only 7.7%. According to the census of 1998, Sindh had some 2.83 million migrants and 2.5 million of them were settled in urban areas. The trend shows that the new city will become new hub of in-migration. According to unofficial estimates, Karachi additionally houses 3 to 4 million illegal immigrants. Official estimates are bit conservative. Ex Minister for Home Affairs Sindh, Dr. Zulfiqar Mirza informed the Sindh Assembly on 6th February 2009 that over 1.56 million immigrants were living in Sindh (*Daily Times, Lahore 7th Feb 2009*). A modern city like Zulfikarabad requires surplus capital and trained human resource to benefit from new economic opportunities in the city. Whereas the new city will offer new opportunities of investment in industry, port & shipping, trade, business, real estate, transport and services, rural Sindh is bereft of capital and skilled human resource to benefit from these

opportunities. In this backdrop the new city of expected population of 10 million would receive influx of millions of people from other parts of the country and the region. It will convert Sindhis into a minority within a decade. Therefore Sindhis consider Zulfikarabad as a tool for their demographic genocide.

Water needs

A city with a population of 10 will require substantial supply of water. Experience of Karachi suggests that institutions responsible for this vital service lack efficiency and credibility. According to a research by Orangi Pilot Project (OPP), Karachi currently receives 695 million gallons per day (mgd) including 654 mgd from River Indus and 50 mgd from Hub dam. According to standards of water consumption, the city of 16 million residents needs approx 600 mgd water. Fudged population figures of Karachi jack-up this quantity to 1000 mgd. Industries require another 123 mgd to meet their needs. Whereas sufficient water is being supplied to the city for meeting residents' needs, tanker mafia siphons large quantity of water. OPP report estimates up to 50 billion rupees annual income of these tanker suppliers. Some 40% of water is leaked due to poor infrastructure. Hence the issue of water shortage in Karachi is artificial and city water managers are responsible for this. As a result of these shortages K-1V project has been launched to bridge the gap between supply and demand of drinking water in Karachi. This would require diverting 1,200 cusecs of additional water

from Indus River that may affect irrigation for 300,000 acres of agriculture land in Thatta (*Daily Dawn: 25th May 2012*). Indus River System Authority (IRSA) has already refused this supply from Tarbela dam for Karachi. The city is bragged as mini Pakistan but when it comes to water needs, Sindh province is asked to sacrifice share of its water.

In this backdrop there is no doubt that the new mini Pakistan or probably mini China will further encroach upon Indus River to meet its water needs. Ground water in large parts of coastal talukas is brackish; rendering several villages deserted. Hence canal water would be required inevitably for the new city. Tail reaches of Indus canals in Sindh remain perennially water thirsty and additional diversion would snatch local communities from their livelihood resource. According to “Baseline Survey of Coastal Areas” conducted under Sindh Coastal Community Development Project of Govt. of Sindh and Asian Development Bank, these four talukas grow various crops, vegetables and fruits on more than 0.14 million acres. Diverting water for the city would render agricultural land un-irrigated hence depriving communities from their livelihood. Karachi experience shows that tanker mafia will find a new business hub for their lucrative business. Who will pay the price for this water? Certainly poor local communities.

Environmental issues

Indus Delta is jewel in the crown of Pakistan's ecological heritage. For its rich biodiversity, the Delta is declared as a Ramsar site and attains great environmental significance. Indus Delta has already been degraded due to shortage of fresh water flows and resultant sea intrusion. The four talukas are among the most degraded areas in the Delta. Advocates of Zulfikarabad project propagate that through reclamation of land in tidal areas, sea intrusion will be stopped and that will save land from further encroachment by sea. If government wants to conserve land in the area, a properly constructed embankment can do the needful. In case of new city the land might be saved but not for the benefit local poor communities. The available land will become a magnet for private sector investors. According to a document of WWF Pakistan, the area where the city is proposed houses about 50 percent of the country's remaining mangroves cover most of that is declared as protected since 1950s. Recent studies on the existing land use of the location indicate that mangrove forests, wet mudflats and seawater in various major and minor creeks cover 7.2, 40.2 and 20 percent of the total area of the site, respectively (WWF Pakistan). The remaining one third is the inland area which comprises of agriculture and inland vegetation on about 9 percent and uncultivated agricultural land and residential areas on 24 percent of the total area of proposed Zulfikarabad site. More than 135,000 acres of the proposed site are covered with mangroves forests.

Almost half of those mangroves are within protected area under the administrative jurisdictions of Sindh Forest Departments, but the department was not consulted at any stage. Like was Pakistan's Environmental Protection Act requires an Environmental Impact Assessment (to which Social Impact Assessment is a component) of such kind of project. Considering the scope of the project ideally a Strategic Impact Assessment should be conducted. However all these requirements have been flagrantly violated.

Vulnerability to natural disasters

Coastal cities are not considered salubrious locations any more. Environmental hazards and coastal disasters have made such cities more vulnerable. Tsunamis of East-Asian coast in 2004 and of Japan in 2011 provide ample evidence of alarming vulnerability of coastal cities. Tourism, industry, shipping and aqua-culture are some of the prime areas of interest for investors. Natural ecosystem is gradually encroached and eventually replaced by concrete and steel in such areas. Tsunami hit East-Asian countries developed shrimp farming into a \$9 billion industry by erasing mangroves forests in vast swathes. Massive wave of destruction caused by the 2004 tsunami dwarfed all economic gain that shrimp industry claimed in these countries. Mangroves could have reduced the impact of tsunami. According to some reports, Sindh coast witnessed an average of four cyclones in a century; however the

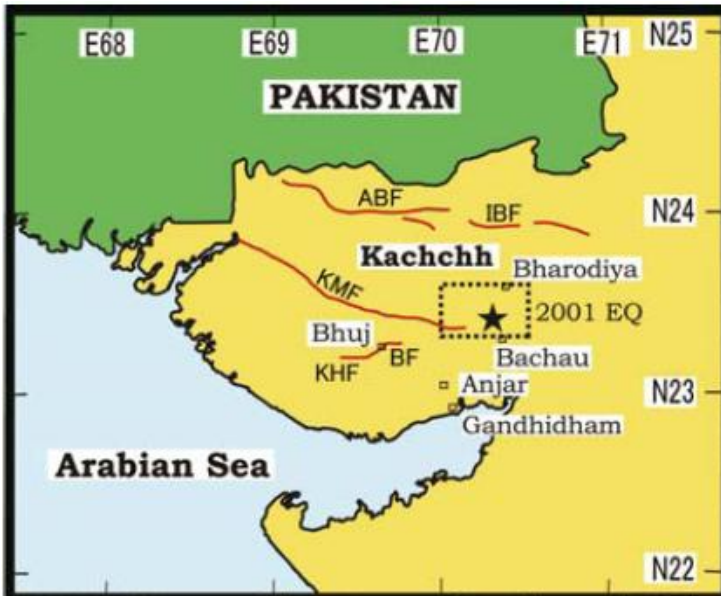
frequency and intensity has increased manifold and the period of 1971-2001 records 14 cyclones. From 2001 to 2010 two high intensity cyclones i.e. cyclone Yemyin and cyclone Phet narrowly missed Sindh coast. Thus Zulfikarabad would be exposed to serious potential hazards. Experience of Karachi has proved that urban development in coastal areas causes irreparable damage to mangroves forests and coastal ecology. Over past decades Karachi coast has lost much of its precious mangroves cover. Karachi Port Trust, Port Qasim Authority and Sindh Forest Department failed to contain rampant cutting of mangroves, in spite of their tall claims. According to reports, mangroves are depleting at the rate of 2.3 percent per annum in Indus Delta, which is an ecological disaster. Zulfikarabad is likely to remove mangroves cover from these locations making it vulnerable to coastal disasters.

The area chosen for the new city is an active seismic zone. Centuries old accounts of devastating earthquakes are available. According to some historians an earthquake in 893 AD destroyed historic settlement of Debal in Indus Delta. According to some other references a village Samawani in Thatta was sunk down with its 30,000 population owing to an earthquake (*"Seismic Hazard in Karachi, Pakistan: Uncertain Past, Uncertain Future"* by Roger Bilham et al)

The proposed city is located in an active seismic zone near Allah Band Fault; a potential threat of severe earthquake. In its southeast lies Gujarat Seismic Zone

(GSZ) Makran Subduction Zone (MSZ) in north-west that poses serious threat to the proposed city. Bhuj earth quake of 2001 caused devastation in the adjoining areas across the border. The massive earthquake killed 18,500 people. The earthquake was also noticeable in Karachi where some buildings were cracked. Parts of Badin and Tahrparkar districts felt severe jolts and structures were damaged.

According to a research paper “Active fault traces along Bhuj Fault and Katrol Hill Fault, and trenching survey at Wandhay, Kachchh, Gujarat, India” written by Michio Morino, Javed N Malik, Prashant Mishra, Chandrashekhar Bhuiyan and Fumio Kaneko, the Kachchh region has experienced three moderate to large magnitude earth quakes since the 19th century. The paper mentions that apart from active Allah Bund Fault and Katrol Hill Fault, Island Belt Fault, Kachchh Mainland Fault and Bhuj Fault there are some blind faults. The very fact makes seismic hazard assessment of the area difficult and complex. These faults run very close to Pakistan border (see figure below) and any strong earthquake can generate devastating tsunami and cause havoc in the areas straddling Pakistan, where the new city is being proposed.



Seismic Map of Areas Near Project Location

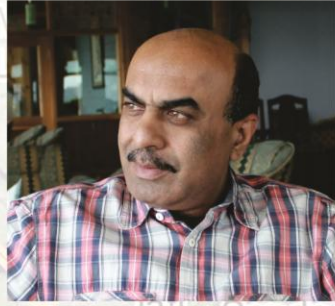
Hence Zulfikarabad would require immense resources to erect earthquake proof infrastructure. Karachi located 150 kms away has also been receiving seismic shocks. In January 2011 the city was struck by a earthquake of 7.3 magnitude; little less than 7.6 magnitude quake of 2005 that brought unprecedented disaster in Kashmir and parts of Khyber Pakhtunkhwa. Karachi survived this earthquake only because its epicenter was located in Balochistan and at the depth of 67 kms. However this earthquake indicates the vulnerability of the coastal strip. Makran coast located in the east of Karachi has witnessed

earthquakes and tsunamis. In 1945 an earthquake, followed by a tsunami struck the area and the impact was even noticed in Karachi. It brought considerable damage on Makran coast. Tsunamis are not new to Pakistan coast. More recently on 10th April 2012 an earthquake of 8.7 magnitude struck off the coast of Indonesia. Tsunami warning was issued and Pakistan was also among the countries under watch for a possible tsunami.

Misplaced priorities

Looking at shambolic infrastructure and substandard quality of services in Sindh, one wonders why these resources cannot be veered to improve the existing infrastructure and services in the province. Most of the province is devoid of vehicle-worthy highways, link roads and basic infrastructure in secondary cities. Housing, drinking water and sanitation facilities are not available in large parts of big cities and secondary towns of Sindh. Thousands of schools and health facilities are without basic facilities but government is remiss of fast decaying structures and services. For example according to official data 10,722 schools are without building and 24,559 are without drinking water facility in the province (Sindh Economic Survey 2009-2011). The same document reads “provision of health facilities in Sindh is grossly inadequate”. The province has only 3.5 doctors per 10,000 people and only 1.1 nurses against the same number of people. During the last two floods of 2010 and 2011, Sindh has suffered tormenting losses. Some

50,000 villages were affected and approx. 2.5 million houses were damaged. According to the damage assessment of 2010 floods, damages to public and private infrastructure cost 372 billion rupees. Damages of 2011 flood were not less than that. The provincial government does not have enough money to repair the damaged infrastructure. To reduce population pressure on Karachi more prudent strategies are required. Rural-urban migration in Sindh is mainly an outcome of increasing poverty, pressure on land and water resources and law and order situation in rural areas that has forced rural population to move into urban areas for better opportunities of life. More investment in rural towns, district and taluka headquarters of Sindh can reduce the pace of rural-urban migration. Similarly more stringent immigration systems and strict check on in-migration from other countries can provide substantial relief to Karachi. Rather than addressing the causes of in-migration, developing a new city is supply side approach, which is a solution riddled with several new problems. In this backdrop Zulfikarabad is misplaced priority and pouring billions of dollars to build such a mega city lacks prescience.



Naseer Memon is a social activist. He regularly writes on the issues of public interests. This document is a position paper on recently announce Zulfikarabad mega city project in Sindh. The document covers key aspects of the scheme *inter alia* rights of local communities, violation of procedures, demographic balance, environmental issues, vulnerability to natural disaster and development priorities.