

**Islamic Republic of Pakistan****Additional Financing for Sindh Water Sector Improvement Phase 1 Project****Chair Summary\*****December 16, 2014**

Executive Directors approved an Additional Credit in the amount of SDR 93.1 million (US\$138 million equivalent) to the Islamic Republic of Pakistan for the Sindh Water Sector Improvement Phase 1 Project (IDA/R2014-0321) on the terms and conditions set out in the President's Memorandum.

Executive Directors expressed continued support for the objective of the project, which would improve water management in irrigated areas and increase sustainability through participation of users in water management. They also acknowledged the purpose of the Additional Financing, which would help complete the original works and activities. Significant increase in project cost was highlighted by the Directors, which the task team attributed to a combination of change in quantum of works, increase in unit cost, and underestimation of cost at appraisal.

Executive Directors recognized the importance of irrigated agriculture in addressing poverty alleviation to which this project contributes. Meanwhile, they emphasized that lessons must be drawn from the project design and implementation, including, careful and transparent monitoring of challenges, such as cost increases, inclusion of better intermediate targets for more accurate reporting on progress, and strengthening the existing citizens' engagement to ensure users' satisfaction.

---

\*This summary is not an approved record.