

Water experts, economists stress need of converting water resources into a competitive advantage



KARACHI: Water Experts and Economists have emphasized the need of converting the water resources of Pakistan into a competitive advantage for the national economy for growth, employment generation, rural poverty alleviation and prosperity for the masses.

They unanimously demanded to dissolve the current Ministry of Water and Power and instead establish a separate water ministry to look after the water related affairs with more focus on water resource management than on generating power only. The experts and panelists expressed these views while speaking at different session of International Water Conference – “Securing Sustainable Water for All”, organized by the Hisaar Foundation here Tuesday.

Experts said that Pakistan direly need a concerted effort to develop consensus on depoliticizing decision making on dams and build up support for equitable distribution of costs and benefits of the water economy. Foreign and local Economists and Water Experts emphasized the need to recognize water resources as a potential competitive advantage for Pakistan’s economy. All we need is a very clear national vision for water resources management and development for fostering national prosperity and poverty alleviation, they underlined.

Former Member WAPDA and a Senior Advisor to the Global Water Partnership (GWP), UNDP and International Water Management Institute IWMI Khalid Mohtadullah said that presently there is no approved water policy in the country while in the wake of climate change and related water management crisis, its need has become most urgent.

He said that too many institutions managing water and too many laws governing it serves no purpose. There is no single organization responsible for the integrity of water resources of the Indus river basin-thus no one is responsible

or could be held accountable for failures in water resources management.

WAPDA was expected to be the custodian of the water of the basin, but in reality this never happened due to overlapping roles and responsibilities of several water related institutions in the country. Pakistan's economy is basically a water economy. If we manage its water resources well it will flourish otherwise poverty will remain rampant and our aspiration for prosperity will languish unendingly, added Khalid Mohtadullah.

Former Finance Minister Dr. Salman Shah said that we need to build consensus amongst provinces to develop a national water policy. He said that to keep up with India, Pakistan needs to at least double its growth rate to around nine to ten percent every year for the next 35 years. A tall order that needs massive reforms in the way the economy is managed and run.

He said that employment generation and poverty alleviation are closely related to economic growth of the country. He informed that in Pakistan, 1 million acre feet of water at farm gate generates approximate \$500 million output, whereas in California 1 million acre feet (MAF) of water generates \$2 billion of output.

He said that at current water efficiency bringing 20 million acres of land under irrigation would need 47 maf of additional water, which, at current agriculture productivity would add \$23 billion in direct agriculture GDP.

Talking about Agriculture Benefits of Kalabagh Dam Dr. Shah informed that 1 maf of water diversion to new farms through new storages can generate up to \$1b output depending on efficiency of water use and high value crops hence adding 10000 maf of water would add up to \$10 billion annually to agricultural GDP of Pakistan. Sindh and Punjab will get 37% share each (\$ 3.7 billion each) while KPK will get 14% share(\$ 1.4 billion) and Balochistan will get 12% share (\$1.2 billion).

Talking about the Power Generation Potential of KBD, he said that there could be a Hydel power capacity potential of 80000 MW while current capacity is 6500 MW only. He informed that 1000 mw capacity on our rivers generate annual average 4.6 billion units of power, 10000 mw will generate 46 billion units of power annually at Rs 2 per unit (as a byproduct of a multipurpose dam).

He further revealed that the annual cost of producing equivalent power from Diesel/furnace oil will be Rs 500 billion at current prices while KBD alone can save Rs 200 billion annually by reducing annual imports of fuel oil by \$2 to \$ 3 billion.

He said that hydel power generation would also help in equivalent drop in current account deficit, would strengthen balance of payment, build reserves and strengthen the Rupee. The Agricultural growth (\$10 b to \$20b) will eliminate rural poverty; eliminate malnourishment in rural Sindh, Southern Punjab and KPK. It will give a major boost in agricultural exports, multiplier impact on manufacturing and services, flood control benefits for southern Punjab and Sindh the cost of getting all these benefits is approximately \$8 to \$10 billion only which would be required to build the new Dam.

Mr. Marc-Andre Franche, Country Director, UNDP, Dr. Ishrat Hussain, Dean and the Director IBA, Mehmood Nawaz Shah member Board of Directors, Sindh Board of Investment and Sindh Abadgar Board Simi Kamal Founding Chairperson of Hisaar Foundation and number of other experts and panelists spoke at the first day of the conference.