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REPORT ON
KARACHI COASTAL COMPREHENSIVE DEVELOPMENT ZONE (KCCDZ)

National Institute of Maritime Affairs (NIMA), Karachi
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A Brief Report on
Karachi Coastal Comprehensive Development Zone (KCCDZ)

Introduction:

1. Recently Pakistan and China have agreed to include multi-billion dollar KCCDZ project for Karachi Port under China Pakistan Economic Corridor (CPEC) framework. Joint Cooperation Committee (JCC), a high level decision making committee on CPEC projects, in its 10th meeting took a very important and timely decision to enhance the port infrastructure and its hinterland. The JCC meeting was held on 23rd September 2021. The KCCDZ project is an initiative of the Ministry of Maritime Affairs with a vision to transform Karachi port into an ultramodern urban infrastructure zone similar to the top port cities of the world.



Map of the proposed Site for KCCDZ: 1. Machar Colony; 2. Mangrove vegetation; 3. Existing swampy area; 4. Karachi Port; 5. Sewage Treatment Plant (TP-3).

Project Details:

2. The project is an exceptional investment plan, even for CPEC, with direct Chinese investment of USD 3.5 billion in partnership with Karachi Port Trust (KPT). The project

will be developed on reclaimed area of approximately 640 hactares. The whole area to be reclaimed for KCCDZ, lies under the jurisdiction of KPT, is depicted in the map above. Proposed site for KCCDZ project lies on the western backwaters (marshland) between West Wharf on the west (see Area-4 on Map) and TP3 Sewage Treatment Plant in the east (see Area -5 on Map) including Machar Colony which extends up to Maripur road towards north. Area-1 shown in the map is a populated area of Machar Colony with over 0.5 million individuals. Area-2 is an existing mangrove patch which appears to have been avoided in the project design. Area-3 is the marshy land which is inundated by the tidal currents; remain exposed during low tides.

KCCDZ project will be a flagship project not only for Pakistan but for the entire region. The project is being anticipated as environment friendly mega project which includes the following:

a. Four new berths at Karachi port to support Pakistan's expanding maritime sector.
b. A state-of-the-art fisheries port
c. A modern fisheries export processing zone
d. A water treatment plant at the mouth of Lyari river
e. A harbor crossing bridge which will rise from behind the deep-sea port with exit-ramps for Manora Island and Sandspit beach.
f. Residential units for the rehabilitation of dislocated population, schools and higher education institution.

Current Status of the Project

3. The KCCDZ is a mage project which is agreed upon by the JCC on CPEC in its 10th meeting. No ground work has been started so far. In an interview to Arab News Minister MoMA said that Chinese would complete the project in five to six years. KPT and Chinese will execute the project. The project will benefit Pakistan through expansion in maritime businesses, for example, port and shipping, fisheries as well as other allied services.

Brief Analysis:

4. Although the project appears to be an excellent initiative taken by MoMA but there exist a few reservations which are being highlighted in the digital media by journalists and representatives of civic society with respect to the following:

a. **Conflict of interest:** The project will involve multiple institutions and other stakeholders, for example, Karachi Port, Pakistan Navy, residents of Machar Colony, environmental activists, etc., either directly or indirectly. There would be a conflict of interest and all stake holders would want to have an access to information for more clarity. For smooth execution of the project it is inevitable to take all stakeholders in confidence through dialogue and by resolving their issues and reservations.

b. **Displacement of Inhabitants:** The main stakeholder in the whole scenario is the human population, i.e. the residents of Machar Colony (Area 1 in Figure above). Reportedly some 20-25 thousand families consisted of over 0.5 million people are currently residing there. The population. of the area (Machar Colony) largely consists of refuges of Bengali and Burmese Rohingya origins who mostly do not have legal papers to establish their right to claim an alternative and therefore may suffer as a consequence. The inhabitants of the proposed project area must be rehabilitated amicably through the course of project execution.

c. **Environmental Degradation:** Concerns on the environmental issue is also being highlighted. The area proposed to be reclaimed for the development activity is a marshy land with a patch of mangrove plants (Area-2 in Figure above). The developmental activities may be planned in a manner so that it minimizes the ecosystem losses and if any number of mangrove trees are damaged as a result of construction and other project activities, an equal numbers or more trees be grown at an alternative site. No information is available whether an Environmental Impact Assessment (EIA) of the project has been done or will be done as part of the project. It is strongly recommended to carry out an EIA before execution of the project.

d. **Speculations:** It is speculated in print and social media that due to the security conditions in Balochistan, the $60 billionear marked for Gwadar multiple maga-

projects under CPEC for port development including associated infrastructure is being shifted to Karachi. However, this notion is rejected by the Federal Minister, MoMA, who stated that the CEPEC is expanding its framework and is entering in Karachi in addition to the Gwadar project.

Conclusion:

5. The project details on KCCDZ obtained so far look promising. Revamping of Karachi port is needed for catering the increasing shipping and trans-shipping activities in Pakistan. However, there are some speculations and conflicts regarding the KCCDZ project in print and digital media. In response to these speculations the only information available is through the Federal Minister's press release and interviews to newspapers. The project plans disseminated by the Federal Minister will have implications such as, human displacement from Machar Colony and possible environmental degradation particularly due to the utilization of marshland and mangrove area.

Recommendations:

6. Following is recommended with respect to KCCDZ project:

a. Decisions on conflicting issues, for example, rehabilitation of dislodged Machar Colony community should be made and managed through consultative process.
b. The Ministry should take all stakeholders in confidence before the project execution.
c. The environmental issue is the main concern. Although the design apparently avoids the mangrove forest patch, however a detailed Environmental Impact Assessment study should be done.