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THE INSPECTION PANEL

THIRD REPORT AND RECOMMENDATION ON A REQUEST FOR INSPECTION

INDIA

AMARAVATI SUSTAINABLE INFRASTRUCTURE AND INSTITUTIONAL DEVELOPMENT PROJECT (P159808)

MARCH 29, 2019

The Inspection Panel

Third Report and Recommendation on a Request for Inspection

India: Amaravati Sustainable Infrastructure and Institutional Development Project (P159808)

A. Background

1. On May 25, 2017, the Inspection Panel (the “Panel”) received a Request for Inspection (the “Request”) of the India Amaravati Sustainable Infrastructure and Institutional Development Project (the “Project”).¹ The Request was submitted by landowners from the area of the new capital city Amaravati in Andhra Pradesh, India (the “Requesters”), alleging harm from a Land Pooling Scheme (LPS) used to assemble the lands required for Amaravati, as well as from other Project activities. On May 27, 2017, the Panel received another communication from a large group of farmers in support of the Request. The Requesters asked the Panel to keep their identities confidential.

2. In 2016, the Bank was asked to support urban infrastructure required for the development of Amaravati² and consequently started preparing a Project with the development objective of providing “*select urban infrastructure in designated locations of Amaravati Capital City, and to support the initial development of its institutional and governance structure.*”³ The total financing for the Project is US\$715 million, of which International Bank for Reconstruction and Development financing is proposed to be US\$300 million. The Asian Infrastructure Investment Bank is considering co-financing of US\$200 million and the Government of India will provide financing of US\$215 million.⁴ The Project is classified as Environmental Category A and is currently awaiting approval. Project appraisal was completed in December 2018 and negotiations took place in January 2019.

3. The Requesters allege harm to their livelihoods, environment and food security due to non-compliance of the Bank with its environmental and social policies in preparation of the Project. They argue that neither the LPS nor the Land Acquisition, Resettlement and Rehabilitation Act (LARR) provide adequate compensation to restore the affected people’s livelihoods. The Requesters claim the Bank did not accurately assess the nature and magnitude of the Project-related displacement and did not ensure that the LPS complies with the Bank’s Policy on Involuntary Resettlement, OP/BP 4.12. In addition, the Requesters claim that the component relating to flood mitigation was not adequately addressed in the Environmental and Social Management Framework (ESMF). They also raise concerns about a lack of consultation and participation of affected people and allege that people were intimidated and coerced to participate in the LPS.

¹ The Project was previously named “Amaravati Sustainable Capital City Development Project.” According to Management, it was renamed to better reflect the scope of the Project, which only supports certain aspects of the city’s development.

² Management Response. p. 3.

³ Draft Project Appraisal Document (PAD), February 7, 2019, p. 21.

⁴ Draft PAD, February 7, 2019, p. 6.

4. The Panel registered the Request on June 12, 2017, and notified the Board of Executive Directors (the “Board”) and Bank Management (the “Management”). Management submitted its Response on July 21, 2017. The Panel conducted an eligibility visit to India and on September 27, 2017, submitted its Report and Recommendation to the Board. In its Report, the Panel confirmed that the Request met the technical eligibility criteria and recommended “*carrying out an investigation into the alleged issues of harm and related potential non-compliance with Bank policies, especially relating to involuntary resettlement (OP/BP 4.12).*”⁵

5. Following the submission of the Panel’s Report and Recommendation, Bank Management on November 27, 2017, submitted to the Panel an Addendum to the Management Response, which included “*clarifications, updates and proposed actions to complement and clarify the actions*” presented in the Management Response.⁶ The Panel determined that the Addendum and its actions provided an opportunity for the Bank to address the Requesters’ concerns and to introduce measures to ensure that the Project preparation was in compliance with Bank policies and procedures.⁷ Consequently, on November 27, 2017, the Panel updated its Report and Recommendation, deferring its recommendation as to whether an investigation was warranted by up to six months, when key planned assessment studies as well as other Management actions were expected to be completed. The Board approved the Panel’s updated recommendation on December 12, 2017.

6. On June 26, 2018, the Panel issued its Second Report and Recommendation, which was approved by the Board on July 13, 2018. In its Report, the Panel stated that several actions to address the Requesters’ concerns, including the assessment studies that would serve as inputs to the Project’s safeguard instruments, required more time to be completed.⁸ The Panel noted that the assessment studies were a key element of Management’s actions and that the authorization to appraise the Project could only be requested after the safeguard instruments had been disclosed. The Panel therefore proposed a second deferral of its recommendation for nine months or when Management authorized the appraisal of the Project, whichever arose earlier. The Panel’s reports of September 27, 2017, November 27, 2017 and June 26, 2018 and related Management reports, are attached to this report as Annex I.⁹

B. Developments since the Panel’s Second Report and Recommendation

7. **Project status.** In July 2018, Management conducted a mission to finalize pending aspects related to the preparation of various Project components and particularly the safeguard

⁵ Inspection Panel Report and Recommendation on a Request for Inspection, India: Amaravati Sustainable Capital City Development Project (P159808).

⁶ Addendum to the Management Response to the Request for Inspection Panel Review of the India: Proposed Amaravati Sustainable Capital City Development Project, p. 1.

⁷ Inspection Panel, India: Amaravati Sustainable Capital City Development Project (P159808), Updated Report and Recommendation.

⁸ Inspection Panel Second Report and Recommendation on a Request for Inspection, India: Amaravati Sustainable Capital City Development Project (P159808).

⁹ These documents can also be accessed electronically on the Panel’s website at:

<http://www.inspectionpanel.org/panel-cases/amaravati-sustainable-infrastructure-and-institutional-development-project-p159808>

documents.¹⁰ Management conducted a follow-up mission in October 2018. The mission focused on the preparation of the Livelihood Restoration Plan for Vulnerable Families and the Women's Safety and Risk Mitigation Action Plan, as well as actions related to the ongoing roads contracts as per the recommendations of the technical, environmental and social audits.¹¹ Based on the agreements reached and subsequent actions by the government, appraisal was completed in December 2018 and negotiations took place in January 2019.¹²

Requesters' Updates

8. The Requesters have been following the Project closely and have been in regular communication with the Panel. The Requesters reiterated the concerns summarized below.

9. **Environmental aspects.** The Requesters argue the Project should have triggered the Bank Policy on Natural Habitats (OP/BP 4.04), as the Project is using floodplains, including wetlands, for infrastructure, especially roads. The Requesters explain that the Project will increase the risk of flooding in the capital city and request an assessment of hydrogeomorphology in the area. The Requesters contend that the Project will affect the multi-crop irrigated lands, which produce more than 120 types of crops, and thus lead to food insecurity. They explain that Project documents incorrectly characterize the area as agricultural fields, mainly with commercial crops.

10. **Indigenous peoples.** The Requesters argue that the Bank Policy on Indigenous Peoples (OP/BP 4.10) should have been triggered since there are tribes in the Project area and their livelihoods are affected by the Project. They claim that both tribes are recognized as scheduled tribes under the national law.

11. **Consultation, participation and disclosure of information.** The Requesters claim that the consultations with affected communities have been inadequate, they have not been properly informed of the advantages and disadvantages of LPS versus LARR, and the Project has not taken any of the communities' suggestions or concerns into account. They contend that several Project documents have not been disclosed and request access to the assessment studies on the LPS.

12. **Intimidation, coercion and retaliation.** The Requesters allege that several incidents of intimidation and coercion have taken place since January 2018 and claim that protests by farmers who joined LPS were suppressed by the government. They also claim that the Andhra Pradesh Capital Region Development Authority (APCRDA) and the Government of Andhra Pradesh (GoAP) intimidate people to prevent them from openly criticizing Amaravati. They question the credibility of the non-governmental organization (NGO) Vasavya Mahila Mandali (VMM), which was hired under the Project to assess issues related to coercion.

13. **Grievance redress mechanism (GRM).** The Requesters claim the GRM has failed to address the concerns that have been raised by affected people. They allege the GRM is sophisticated on paper but is not working properly in practice.

¹⁰ Aide-memoire pre-appraisal mission: July 23-26, 2018.

¹¹ Aide-memoire pre-appraisal mission: October 19-25, 2018.

¹² Appraisal completion note.

14. **Citizen Advisory Committee.** The Requesters question both how representative the Citizen Advisory Committee is and its independence. They state they have never interacted with the Committee and request representation in this body.

15. **Involuntary resettlement.** The Requesters question the legality of the LPS and claim that the World Bank is violating national law by supporting the LPS. They allege that the LPS is unconstitutional and that amendments to LARR to incorporate land pooling schemes are currently being challenged in the Supreme Court.

16. The Requesters further allege implementation of the LPS has been slow and the returnable plots have not received services. According to them, affected people have not yet taken physical possession of their urban plots and there is a lack of clarity on their dimensions. They continue to question the premise that the values of the returnable plots will be higher than the values of their previous lands and argue that the increase will depend on the development of infrastructure and the location of the plots. They claim that statements in Project documents about the expected value increase are speculative. They also claim that the farmers participating in the LPS had to surrender their rights to go to court or obtain other legal assistance. The Requesters further argue that, contrary to Management's assertion, there is no farmland available in the area and affected people who would like to continue farming would have to either move or commute long distances every day.

17. The Requesters raise several concerns about the adequacy of livelihood restoration measures under the Project. They explain affected people have difficulty accessing their entitlements. According to the Requesters, not only is the pension of 2,500 Indian Rupees (INR) for the landless workers significantly lower than their previous income and insufficient to cover the rising living costs of INR 12,000 per household, but payments are made irregularly.

18. They allege that affected people are neither able to reliably access employment opportunities under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) program, nor interest free loans, subsidized food, medical or educational benefits. In addition, they claim that the skills training program supported by the Project is not effective and most people are left to self-employment without a stable source of income. The Requesters also explain that they were told that a livelihood improvement plan would be prepared for landowners receiving an annuity of less than INR 75,000 and for landless farmers receiving monthly pensions. They claim such a plan has not yet been prepared. The Requesters also express concern about the quality and independence of the consultants preparing the LPS assessments.

Management Updates

19. On March 5, 2019, Management submitted to the Panel a document on the progress of measures in the Management Response (July 2017) and its Addendum (November 2017) in response to the Request. This document is attached in full to this Report as Annex II. As summarized below, Management considers that all actions are completed or ongoing.

20. **Environmental aspects.** Management explains that Environmental Assessments (EAs) and Environment Management Plans (EMPs) for the 10 priority roads and flood mitigation works

have been prepared and disclosed. An ESMF for forthcoming investments has also been cleared and disclosed.

21. **Consultation, participation and disclosure of information.** Management states it has supported APCRDA to establish a strong stakeholder and communications team to improve consultations. Management explains it has reviewed the consultation process to date, including the availability and accessibility of Project information in local languages. Management has also prepared a communications approach and advised APCRDA on outreach materials. APCRDA has hired a communications firm and strengthened its communications campaign through videos, printed materials, radio and television advertisements in local languages, as well as through an increased social media presence. According to Management, safeguard documents have also been made available online and in public information centers.

22. **Intimidation, coercion and retaliation.** Management points out that the Project has hired the local NGO VMM to monitor the use of the GRM and communicate with affected people, particularly to identify instances of intimidation, coercion and retaliation. Management is monitoring media outlets in Andhra Pradesh on a daily basis for reports of possible coercion. According to Management, VMM has not reported any instance of coercion. The independent expert contracted by Management to assess the land acquisition process has also considered concerns related to coercion and has not found evidence that landowners under LPS were subject to coercion and intimidation. Management explains that an NGO has also been engaged by APCRDA to conduct outreach on the implementation of the overall Amaravati City Development Program, and to report any coercion. The NGO will start its activities by the time of Project effectiveness.

23. **Grievance redress mechanism.** Management states that a robust GRM has been set up for the city of Amaravati as a whole. In addition, APCRDA has established its own GRM. Management explains that the GRM provides multiple channels for affected people to lodge complaints, including online or by using several offices in Amaravati, a toll-free number and a mobile application. There are also several Project information centers with information about the GRM and how to access it. Management explains that these channels provide adequate avenues for affected people to express their grievances.

24. Management points out that the Bank hired VMM to conduct third-party monitoring for the Bank team. VMM monitors concerns and obtains feedback from affected people. VMM has participated in meetings and consultations with affected people, monitored grievances and submitted progress reports since January 2018. Management points out that the frequency of Bank missions has increased, with nine missions since July 2017.

25. **Citizen Advisory Committee.** Management states that the Committee was established in July 2018 and comprises 12 members, including academics, affected landowners and agricultural laborers. Among its members are five women and one member of a scheduled caste.¹³

¹³ Progress of Measures in Management Response and in Addendum to Management Response to the Request for Inspection Panel.

26. **Involuntary resettlement.** Management explains that the Resettlement Policy Framework (RPF), which includes provisions to manage the impacts of all land assembly instruments has been finalized and disclosed, as well as the Resettlement Action Plans (RAPs). Management states it has hired an independent expert to conduct due diligence on the land acquisition and resettlement aspects of the Project design and assess its compliance with OP 4.12. Management has also contracted VMM to assess the Project impacts on the livelihoods of landless agricultural laborers and tenants of agricultural lands whose land has been acquired under LARR, Negotiated Settlement (NS) and LPS. Management states that all assessments were completed, and their recommendations have been incorporated in the Project design and safeguard documents.

27. The independent assessment's recommendations to mitigate Project impacts included providing targeted livelihood support to 857 identified vulnerable landless farmers' households through: (i) improved access to government social security schemes; (ii) skills training tailored to the job supply; (iii) a job dashboard with information with employment opportunities; (iv) public transportation options for women to travel to work; and (v) creation of more employment opportunities under the MGNREGA. This assessment's recommendations also included measures to address the gaps between OP 4.12 and LARR through: (i) ensuring that compensation for structures will not be diminished due to depreciation; (ii) establishing the date of the census survey as the cut-off date for non-title holders; and (iii) providing assistance to all those occupying public lands.

28. Management explains that the Project's Component 3 – Citizen Benefit Sharing – has been developed specifically to finance skills development, training programs, financial literacy programs for vulnerable groups, pilots to address the needs of vulnerable groups on safety and transportation, as well as other measures to help farmers and landless agricultural laborers to access commercial and self-employment opportunities. According to Management, the design of this component has been discussed with APCRDA to incorporate recommendations from the report of VMM and the independent assessment. Management also points out that a local NGO was engaged to reach out to vulnerable groups who may need additional support to understand benefits under APCRDA's various programs and to access the GRM.

C. Panel Review

29. Since its Second Report and Recommendation, the Panel has maintained frequent communication with the Requesters and received additional documentation reiterating their earlier concerns. The Panel also has met several times with Bank Management to better understand the implementation of its proposed actions and the overall development and progress of the Project. The Panel has additionally conducted an initial review of Project documents and assessment studies.

30. The Panel acknowledges the innovative approach to urban development and to including Project-affected people (PAPs) as stakeholders and beneficiaries in the city's development. In a meeting with the Panel, Management described the Project as a high risk–high reward operation, and that the Bank considers its involvement worthwhile for several reasons. Management explained to the Panel that Amaravati is a new model for sustainable urbanization, is precedent-setting and offers a unique opportunity to provide support to an urbanization master plan where a

city is built from scratch. The Panel notes that the land pooling used for Amaravati may become an example to be replicated elsewhere and may influence urban planning and development efforts involving resettlement going forward.

31. The Panel also notes the substantial amount of land required for the new city, the large number of people affected and the complexity of a land assembly approach that has not been tested before in India nor supported by the World Bank in any part of the world at this scale.¹⁴ The overall land requirements for Amaravati city affect 30,572 landowning households in 25 villages¹⁵ who need to hand over their farmland through one of three land assembly instruments: LPS¹⁶, NS¹⁷ or LARR. In addition, 21,374 landless laborer households are economically displaced by the land assembly. The 25 existing villages within the boundaries of Amaravati city will be incorporated into the new city and will receive upgraded infrastructure and connectivity. According to Project documents, through this urban planning approach, physical displacement is minimized. The Panel observes, however, that both direct and indirect economic displacement is substantial due to the acquisition of all farmland of the 25 villages.

32. Only 30 percent of the Bank Project funds have been allocated to specific activities to date, which includes work on 10 priority roads and flood mitigation. The Project has therefore adopted a framework approach and has prepared an ESMF and RPF that will guide future EAs/EMPs and RAPs. For the road and flood mitigation work, which had been identified prior to appraisal, EAs and RAPs have been prepared and disclosed.

33. **Environmental aspects.** The Panel observes that the ESMF does not identify major lakes or recognized wetlands other than small irrigation ponds in and around the Amaravati capital city. Furthermore, the ESMF recognizes the agricultural value of the land and describes the cropping patterns per village over a period of time, indicating the existence of predominantly commercial crops. In addition, the EAs and EMPs for the 10 priority roads and flood mitigation works are based on a collection of primary and secondary baseline environmental source data, which included discussions with key stakeholders on the potential impacts of the Project. As to the hydrogeology of the area, the Panel notes that the EA for flood mitigation works lists the hydrogeomorphological units in the Project area. The Panel's review of the EAs for roads and flood mitigation works indicate that environmental monitoring plans for the pre-construction, construction and operational phases are described. In addition, provisions have been made for an independent technical review of EAs and EMPs by a third-party agency and the deployment of a third-party engineer on site.

34. **Indigenous peoples.** The Requesters claim that there are scheduled tribes in the Project area that were affected, and that OP/BP 4.10 should have been triggered. However, the Project

¹⁴ The Panel understands that the World Bank has supported few smaller-scale land pooling or land readjustment projects. The independent assessment commissioned by the Bank to review the land assembly instruments explained that land pooling for Amaravati is possibly the largest example of this land policy instrument to be undertaken anywhere in the world, and certainly the largest in India. (Independent Assessment, p. 1.)

¹⁵ The PAD explains there are 29 habitations including 25 villages within the perimeter of Amaravati. Consistent with the PAD, this report will refer to these as "25 villages." Draft PAD, February 7, 2019, p. 17.

¹⁶ The LPS mechanism is described in the Andhra Pradesh Capital Region Development Authority Act of 2014 (APCRDA Act 2014) and was launched by the GoAP through Government Order no. 1 in January 2015.

¹⁷ Established by the GoAP through Government Order no. 153 in April 2017.

Appraisal Document (PAD) explains that even though there are a few scheduled tribal families in the Project area, they are integrated into mainstream society and do not fulfill the characteristics described in OP/BP 4.10. Therefore, Management considers that OP/BP 4.10 is not applicable to the Project.¹⁸

35. **Consultation, participation and information disclosure.** The Requesters allege that the consultations with affected people have been inadequate. The Panel notes that the Bank's engagement in Amaravati started in mid-2016, after the LPS had been rolled out in January 2015. The PAD notes that while many consultations took place before and during the LPS, "*some of these sessions were not systematically recorded or documented, as they were often informal and/or door-to-door type of meetings, instead of large formal sessions.*"¹⁹ The PAD explains that due diligence was conducted by Management to understand the extent and quality of these efforts. Based on information by APCRDA, thousands of consultations took place since 2014 following each phase of development of the capital city.²⁰ The independent assessment explains that each landowner was consulted on six occasions and required to confirm their agreement before the LPS process was completed. The independent assessment states that "*the fact that 26,829 landowners voluntarily signed up to the LPS and 4,740 chose not to confirms that awareness of the option was widespread.*"²¹ During recent meetings with the Panel, Management explained that it reviewed again the consultation and participation aspects of the Project and verified that the affected people are well-informed about the Project's risks and benefits.

36. The framework documents for the Project, the RPF and ESMF, were disclosed in December 2016 and publicly consulted in January 2017. This consultation workshop was attended by about 150 people. In August 2017, public consultations on the draft ESMF, RPF, RAP and EMP for the road works took place with participation of more than 350 affected people over two days in four villages within the footprint of the new capital city. As part of the preparation of the RAPs for the roads and flood mitigation works, consultations in different formats were held, including individual discussions, focus group discussions²² and public consultations with different stakeholders. Both RAPs explain that Telugu versions of the invitation and subject matter for discussion were distributed prior to the consultations, the draft RAPs were disclosed by APCRDA ahead of consultation meetings and Telugu translations of the public consultation notes were provided.²³ The Panel acknowledges that a communications firm has been hired and the Project has strengthened its communications campaign and increased its social media presence.

¹⁸ Draft PAD, February 7, 2019, p. 33.

¹⁹ Draft PAD, February 7, 2019, p. 127.

²⁰ Draft PAD, February 7, 2019, p. 127.

²¹ Independent Assessment, pp. 20 and 21.

²² For the RAP for the roads, a total of 22 focus group discussions were conducted in April and July 2017 in 10 villages with around 225 people including landless, women's groups, scheduled castes/tribes, physically displaced people and people on government lands. As mentioned above, the RAP for the roads was also part of public consultations in four villages during August 2017. For the RAP for flood mitigation works, 20 focus group discussions were conducted in 14 villages with around 165 participants of different segments of the affected population. Four public consultation workshops were held for this RAP in January 2018 in four different villages, with 272 participants. RAP for road works, pp. 25, 26 and 73-97, RAP for flood mitigation works, pp. 25-28 and 72-96.

²³ RAP for roads, p. 20 and RAP for flood mitigation works, p. 25.

37. **Intimidation, coercion and retaliation.** The Requesters raise concerns about intimidation and coercion against those who criticize the Project or refuse to participate in the LPS. The Panel understands that Management has hired an independent expert who has reviewed allegations of intimidation and coercion. In the independent assessment, the expert states that he undertook a site visit to the Project area where he had meetings with local NGOs and residents without finding evidence of intimidation or coercion. The independent assessment explains that while it is inevitable that a large number of problems will arise in a Project of this scale, there was considerable evidence that “*challenges are being addressed in an open and genuine manner.*”²⁴ The Panel also understands that third-party monitoring is being conducted by VMM, which is monitoring the use of the GRM and communicating with affected people to identify possible instances of intimidation or coercion. Management explains that VMM reports from January, February and March 2018 have not indicated any instance of coercion.²⁵ According to Management, an NGO was appointed to conduct outreach on the implementation of the overall Amaravati City Development Program, including on coercion.²⁶

38. **Grievance redress mechanism.** The Requesters raise concerns about the effectiveness of the GRM and claim that none of their complaints were addressed through the GRM. Management considers that APCRDA has put in place a robust and effective GRM.²⁷ The PAD explains that a GRM has been set up for the Amaravati city as a whole and provides multiple avenues for affected people to lodge complaints.²⁸ In addition, APCRDA has established its own GRM in which complaints can be submitted through several channels, including online and in person.²⁹ The PAD states that public information centers have been created in every village within Amaravati, where people can access information regarding the GRM and register complaints.³⁰ Management also explains that an NGO has been hired by APCRDA to assist vulnerable people to lodge complaints and will start its activities by the time of Project effectiveness.³¹ In addition, a separate three-stage GRM for land acquisition has been established in accordance with LARR.³²

39. According to the PAD, 4,208 complaints have been received to date and 95 percent of them have been addressed. The document points out that processes for grievance resolution exist and are functional and records are well maintained. The resolutions of grievances are monitored closely, and citizens are aware of and receive responses from the GRM.³³ However, during the Bank mission in October 2018, APCRDA staff and complainants identified several areas where improvements were needed, including consolidating multiple APCRDA grievances databases; standardizing grievance processes; building capacity of APCRDA staff; harmonizing and creating

²⁴ Independent Assessment, p. 23.

²⁵ Progress of Measures in Management Response and in Addendum to Management Response to the Request for Inspection Panel, p. 6.

²⁶ Progress of Measures in Management Response and in Addendum to Management Response to the Request for Inspection Panel, p. 1.

²⁷ Draft PAD, February 7, 2019, p. 132.

²⁸ Draft PAD, February 7, 2019, p. 134.

²⁹ Progress of Measures in Management Response and in Addendum to Management Response to the Request for Inspection Panel, p. 2.

³⁰ Draft PAD, February 7, 2019, p. 76.

³¹ Progress of Measures in Management Response and in Addendum to Management Response to the Request for Inspection Panel, p. 1.

³² Draft PAD, February 7, 2019, p. 134.

³³ Draft PAD, February 7, 2019, pp. 135-137.

new grievances categories; better responding to grievances and improving reporting and analysis of grievance trends.³⁴ While there might be a need to make adjustments to the GRM, the Panel notes that Management has made important efforts to ensure that there is an accessible and well-developed GRM in place.

40. **Citizen Advisory Committee.** The Requesters raise concerns about the independence and the representativeness of the Citizen Advisory Committee. The Panel understands that it has been established to advise APCRDA on the overall implementation of the land pooling scheme and the land acquisition under the Project. It held its first meeting in July 2018. According to Management, the Committee is comprised of 12 members and includes two academics, five women (landowners/village residents), one agricultural laborer and four landowners, one of whom is from a scheduled caste.³⁵ According to the PAD, the Project will track the proportion of recommendations from the Committee that were adopted and implemented.³⁶ The Panel considers the creation of the committee a positive step to enhance stakeholder participation in the Project, increase transparency and potentially improve Project implementation.

41. **Involuntary resettlement.** The Requesters raise several issues concerning the legality of the LPS and claim that it is unconstitutional. They also informed the Panel about several cases that are currently under judicial review in different courts in India, including the High Court of Andhra Pradesh, the Supreme Court and the National Green Tribunal. The Panel notes that allegations about the legality of the LPS within the national framework are outside the Panel's mandate.

42. The Panel observes that land pooling is not explicitly described or anticipated as a land assembly instrument in the Bank's Involuntary Resettlement Policy OP/BP 4.12, and therefore does not fit entirely within the policy. The Panel considers that while the Bank's policy should not be an obstacle for supporting innovative developments in land acquisition and resettlement, the policy's objectives and requirements for livelihood restoration or improvement must be achieved in any involuntary resettlement scheme supported by the Bank.

43. The initial footprint of the Bank Project corresponds to 30 percent of Bank financing. The RAP for the roads explains that since not all interventions to be financed by the Bank Project have been identified by appraisal, the overall impacts on land requirements and potential involuntary resettlement cannot be determined upfront.³⁷ The initial footprint directly affects 3,933 land-owning households; 2,042 of these are in the footprint of the road works and 1,891 in the footprint of the flood mitigation works. The Panel notes that, in addition to these land-owning households in the initial Project's footprint who need to give their farmland for the development of Amaravati, the Bank recognizes all 21,374 landless laborer households³⁸ as PAPs, as it is challenging to differentiate between landless laborers affected by land assembly within and outside the Bank Project boundaries. APCRDA has agreed that all landless families registered for pension by July 15, 2018, will be considered PAPs for purposes of livelihood restoration measures.³⁹ Thus, the

³⁴ Aide-memoire pre-appraisal mission: October 19-25, 2018, p. 7.

³⁵ Progress of Measures in Management Response and in Addendum to Management Response to the Request for Inspection Panel, p. 1.

³⁶ Draft PAD, February 7, 2019, p. 48.

³⁷ RAP for roads, p. 5.

³⁸ The category of landless laborers also includes landless tenants.

³⁹ RPF (August 2018), p. 8.

Panel notes that the Bank needs to ensure that the livelihood provisions for these 25,307 households initially affected and others affected by future Project investments are in line with Bank policy OP/BP 4.12 and are implemented accordingly.

Table: Numbers of affected people in the initial Bank Project footprint (30% financing)

Categories of Project-affected people	Number of households
Landowners affected by 10 priority roads	2,042
Landowners affected by flood mitigation works	1,891
Landless laborers	21,374
Total	25,307*

* Based on the average household size of 3.7 in Guntur,⁴⁰ the closest urban center to Amaravati, the number of Bank Project-affected people can be estimated to be around 93,635.

44. The Land Pooling Scheme. LPS is a mechanism by which land-owning households give their farmland in return for a smaller urban serviced plot (referred to as “returnable plot”)⁴¹ in Amaravati city that is expected to increase in value, together with other entitlements.⁴² Land assembly under the LPS started in January 2015 prior to the Bank’s involvement in mid-2016. The majority of affected landowners in Amaravati have signed up to LPS. By early 2018, approximately 86 percent of 33,000 acres of private land required for the capital city had been assembled through the LPS.⁴³ By the time of issuing this report, 28,281 landowners had participated in the LPS according to APCRDA’s online dashboard.⁴⁴ Within the Bank Project initial footprint, 3,511 out of the total 3,933 households have joined LPS.

45. Negotiated Settlement. Through this mechanism APCRDA and the land-owning household agree on the terms of a compensation package in which the compensation involves a land-for-land exchange as well as housing and relocation assistance.⁴⁵ This mechanism applies only to land acquired within the boundaries of existing villages. Within the Bank’s initial footprint 241 households chose NS (about 6 percent), of which about a quarter have already given consent.⁴⁶ The Bank-financed roads affect 214 households in seven villages, where people are physically displaced.⁴⁷ The flood mitigation works physically displace 27 families.⁴⁸ The resettlement areas

⁴⁰ <http://www.censusindia.gov.in/2011census/hh-series/hh01.html> [accessed March 27, 2019]. The average household size in the state of Andhra Pradesh is 4.0, in rural areas 3.9 and in urban areas 4.1.

⁴¹ The size of the returnable plots is smaller, up to 30 percent that of the original plot. RPF (August 2018), p. 26.

⁴² LPS entitlements, in addition to the returnable plot, include: Indian Rupees (INR) 30,000 annuity per acre of dry land lost and INR 50,000 per acre for irrigated land lost annually for 10 years. Land holders with less than one acre receive a minimum of INR 30,000 annuity annually for ten years; one-time compensation for gardens; waiver of agricultural loans up to INR 150,000; interest-free loans for setting up self-employment enterprises; employment opportunities under MGNREGA; free education and access to medical facilities; access to affordable food at canteens. For more details, see: RAP for roads, p. 55, RAP for flood mitigation works, p. 52.

⁴³ Draft PAD, February 7, 2019, p. 18.

⁴⁴ <https://crda.ap.gov.in/APCRDA/Userinterface/dashboard/DashboardMainVer.aspx#> [accessed March 26, 2019]

⁴⁵ Entitlements under NS include replacement land in resettlement sites, a construction grant and transitional support, including transportation cost. For more details, see: RAP for roads, pp. 58, 59, and RAP for flood mitigation works, pp. 55, 56.

⁴⁶ PAD, February 7, 2019, pp. 34.

⁴⁷ RAP for roads, p. 19.

⁴⁸ RAP for flood mitigation works, p. 17.

are identified within the same village and displaced households are expected to move less than one to two kilometers.⁴⁹

46. Land Acquisition, Rehabilitation and Resettlement Act. If neither of the first two mechanisms are successful, APCRDA will resort to LARR, the 2013 law that provides for involuntary taking of the land.⁵⁰ Within the Bank's initial footprint, the land of 181 households will be acquired under LARR. By the time of the appraisal of the Project, seven of these 181 households had been awarded compensation under LARR, but none of them took the compensation and decided instead to contest the land acquisition process through the Indian judicial system. Their compensation has been deposited into an escrow account. The remaining 174 households are at various stages of the land acquisition process; 36 of these households have filed cases and the courts have issued a stay order to further compensation awards until a government review of the land acquisition process is completed. The PAD explains that this may delay the timely handover of land and progress of works. According to the PAD, APCRDA is following up with the courts for early hearing of these cases to enable the completion of the land acquisition process.⁵¹

47. Entitlements and livelihood restoration of landowners. The main premise of the LPS mechanism is that landowners give their farmland for the development of the city and receive smaller urban serviced plots of higher value in return. The independent assessment of land assembly instruments notes that the success of LPS depends upon the ability to ensure that the market values of the returnable plots will be sufficient to justify the social, economic and environmental costs. It states that "*it is remarkable that the overwhelming majority of landowners in Amaravati agreed to contribute their land to the LPS, especially as no guarantees can be provided of future values.*"⁵²

48. The independent assessment refers to a study⁵³ commissioned by the Bank to document land prices in the Amaravati area, which found that "*LPS farmers in Amaravati have already received on an average 2.7 times the local average rates for rural land in 2017 through a combination of value of returnable urban land/plots (at current government guideline value rates of urban land).*"⁵⁴ This study also estimates that the values received by farmers, based on current market rates, would be seven to 28 times higher than the estimated market value of rural lands that were given for LPS.⁵⁵ The October 2018 aide-memoire explains 15 sales of returnable plots in Amaravati were registered between November 2017 and September 2018 and were sold for between three and 13 times the value of the land given, even before any of the plots had received services.⁵⁶ The Panel notes the Requesters' concern about delays in the provision of services affecting land values.

⁴⁹ RAP for roads, p. 20, RAP for flood mitigation works, p. 18.

⁵⁰ People under LARR receive cash compensation for loss of land (including solatium of 100% on the final compensation amount), trees, structures, crops as well as transitional support. For more details, see: RAP for roads, pp. 56, 57, and RAP for flood mitigation works, pp. 53, 54.

⁵¹ PAD, February 7, 2019, p. 34.

⁵² Independent Assessment, p. 10.

⁵³ Crisil, Note on Land Pooling Scheme for development of Amaravati, capital city of Andhra Pradesh.

⁵⁴ Independent Assessment, p. 15.

⁵⁵ Independent Assessment, p. 15.

⁵⁶ Aide Memoire, October 2018, p. 24.

49. The RPF also explains that LPS farmers have already recovered the value of their original plot and international experience suggests that once the city is developed, these values will increase further. According to the RPF, this indicates that LPS farmers have received adequate compensation.⁵⁷ The Panel notes that, while it is likely that the values will continue increasing as services get provided and the city develops, uncertainties remain, especially if a significant number of the around 28,000 landowners decide to sell their returnable plots resulting in oversupply on the market and thus lower prices. Considering that land values are based on projections, the Panel questions whether it is possible to establish with certainty that the compensation meets replacement value and notes that the affected landowners will bear the ultimate financial risk.

50. The Panel further notes that while it is likely that the economic value of the returnable urban serviced plots in Amaravati will indeed appreciate, the economic value of a property in and of itself does not constitute a livelihood. The market value of a property does not automatically translate into a production system or a job that provides income for food and other household expenses, sustains a family into the future and improves their standard of living. In order to realize the value increase, the owner would have to monetize it, either through selling it and using the proceeds to invest in a business or other income-generating activity or using it as collateral to borrow money to invest. The Panel notes that about 45 percent of PAPs within the footprint of the Bank-financed roads are illiterate and many have farmed their whole lives.⁵⁸ Therefore, they may lack financial literacy, as well as business and investment know-how, to successfully avail themselves of this alternative.

51. The Panel notes that Component 3 of the Bank Project, which is discussed in more detail below, aims to support the government's benefit-sharing measures, including the development and implementation of training programs, skill-building programs and financial literacy programs for vulnerable groups, such as women and youth. However, the description of this component lacks specificity and it is therefore not yet clear from Bank documents how it will be implemented. The Panel is also concerned that financial literacy programs appear to be targeted to vulnerable groups while there may be a need for such training among the affected population in general.

52. The Panel recognizes that, besides the provision of the returnable plot, LPS participants receive other entitlements, such as annuity payments for 10 years, agricultural loan waivers and access to interest-free loans for starting businesses. These additional benefits are discussed below since many of them are similar to the ones provided to landless laborers. Specific measures for vulnerable households are also discussed below, and parts of this analysis will also be relevant for landowners. The Panel is concerned that many of these benefits provide transitional support and questions whether they constitute an adequate livelihood restoration program.

53. Regarding the compensation for land assets, Bank policy requires that displaced people are consulted on, offered choices among, and provided with technically and economically feasible

The RPF explains that by July 2018, approximately 2,112 returnable plots had been sold by LPS participants, which confirms a market for returnable plots is developing and showing signs of activity and landowners are capturing the benefits from participating in the LPS. RPF, p. 7.

⁵⁷ RPF, p. 7.

⁵⁸ RAP for roads, p. 24.

resettlement alternatives.⁵⁹ The policy further states that land-for-land compensation is the preferred method under Bank policy for people with land-based livelihoods.⁶⁰ According to the policy, payment of cash compensation may be appropriate where active markets for land exist, displaced persons use such markets, and there is sufficient supply of land. Cash compensation levels need to be sufficient to replace the lost land and other assets at full replacement cost in local markets.⁶¹

54. The PAD explains that the Bank assessed the appropriateness of cash compensation under LARR and confirmed that an active market for agricultural land exists in the vicinity of Amaravati and that the cash compensation would be sufficient to purchase similar agricultural land in the area.⁶² Management explained to the Panel that this approach is preferable to giving farmland as compensation, since people will have more flexibility. For LPS participants, the independent assessment notes that the financial terms would be good enough to enable them to sell their urban plots and purchase a large area of agricultural land close to the new city to continue farming, probably on a larger scale than before.⁶³ However, the Requesters informed the Panel that there was no agricultural land available for purchase in the vicinity of Amaravati. According to them, those who wish to continue farming would have to move or commute long distances every day.

55. The Panel acknowledges the government designed the resettlement process prior to the Bank's involvement and thus the Bank's ability to influence the resettlement alternatives available to affected people may have been limited. While Management informed the Panel that due diligence on the existence of an active land market and affordability of agricultural land was conducted during Project preparation, the Panel notes that the details of such assessments are not reflected in Project documents. It is unclear from Project documents whether sufficient farmland would be available for sale, especially if a significant segment of the 30,572 landowning households affected by Amaravati chose to buy agricultural lands in the area to continue farming.

56. The Panel notes that, under LARR, three gaps were identified in relation to structure valuations, cut-off date requirements and assistance to those using/occupying public lands (squatters), and these were addressed in the safeguard instruments. The Panel further notes that the independent assessment concluded that no additional recommendations are considered necessary for landowners that are subject to LARR, other than those already included in the RPF and Project RAPS.⁶⁴

57. With regards to the NS policy, the independent assessment states that it is considered consistent with World Bank policies and explained that technical and financial support will be needed for vulnerable groups such as the elderly and female-headed households.⁶⁵

58. Livelihood restoration for landless laborers. The Panel recognizes Management's efforts to put in place measures for the landless laborers and considers this a significant element in the

⁵⁹ OP 4.12, para. 6.

⁶⁰ OP 4.12, para. 11.

⁶¹ OP 4.12, para. 12.

⁶² Draft PAD, February 7, 2019, p. 75.

⁶³ Independent Assessment, p. 29.

⁶⁴ Independent Assessment, p. 33.

⁶⁵ Independent Assessment, p. 34.

new design of the Project. The Panel understands that 21,374 landless laborers households are included as affected people in the footprint of the World Bank Project.⁶⁶ The RAP explains that measures are in place to ensure consistency with OP/BP 4.12 in order to assist landless laborers to improve or at least restore their living standards prior to displacement. Landless laborers are entitled to: (i) a monthly pension of INR 2,500 (around US\$37) with annual adjustments for inflation for a period of 10 years; (ii) employment under the MGNREGA program for up to 365 days per year; (iii) access to interest-free loans to set up enterprises; (iv) access to skills upgrading and training opportunities; (v) provision of subsidized food; and (vi) free access to medical and educational benefits in designated facilities.⁶⁷ The Panel acknowledges that monthly household pensions are now deposited directly into women's bank accounts.⁶⁸

59. The Panel observes that the INR 2,500 monthly pension per household represents almost half of the average landless laborer household's pre-displacement income of INR 4,694.⁶⁹ The independent assessment states that the monthly pension is "*considerably lower*" than pre-LPS incomes and recommends an annual increase of 10 percent to ensure consistency with the increment offered to landowners under LPS. However, a decision was made by APCRDA to adjust the pension annually to inflation rates, and the inflation adjustment rate for the year 2018/2019 was 2.09 percent.⁷⁰ The Panel also notes that the independent assessment mentions that the pensions are not being paid on time, which is causing severe financial problems for already vulnerable households who lack savings.⁷¹ Management informed the Panel during a meeting that APCRDA has agreed to the retroactive payment of pensions, since most of the landless laborers were displaced in 2015, but the deadline for people to register to receive pension was only in July 2018.

60. The Panel notes that data on average incomes post-displacement have been gathered and reported by different sources. The independent assessment refers to a study by the Administrative Staff College of India (ASCI) from 2017 commissioned by APCRDA, which reports that 65 percent of the landless families are worse off after the implementation of the LPS.⁷² The PAD refers to the 2017 APCRDA sample socioeconomic survey among agricultural laborers that showed that the average family income was INR 8,476.⁷³ VMM also gathered data on landless laborers' incomes through focus group discussions in 2018 and put the average income of agricultural laborers at INR 9,636 per month⁷⁴ (considering the incomes of two people in a household and the INR 2,500 pension).⁷⁵ While there is an indication that incomes are increasing, the Panel notes that the methodologies used vary significantly (ranging from full surveys to sample surveys and focus group discussions) and thus do not provide a reliable basis for comparison. The independent assessment also recognizes that data differ substantially across sources given the

⁶⁶ RAP for roads, p. 6.

⁶⁷ RAP for roads, Annex 12, p. 128.

⁶⁸ Independent Assessment, p. 23.

⁶⁹ Independent Assessment, p. 7.

⁷⁰ Aide-memoire pre-appraisal mission: October 19-25, 2018, p. 3.

⁷¹ Independent Assessment, p. 23.

⁷² Independent Assessment, p. 6.

⁷³ Draft PAD, February 7, 2019, p. 19.

⁷⁴ VMM report, p. 14.

⁷⁵ Independent Assessment, p. 7.

different timing, dates and methodologies for data collection, and states that it is not possible to provide precise estimates of pre- and post-LPS incomes.⁷⁶

61. The Panel observes that while the majority of the landless laborers are women,⁷⁷ the independent assessment points out that the higher post-LPS incomes were largely due to the fact that men had moved to alternative non-agricultural livelihoods.⁷⁸ The independent assessment and VMM report state that women are the most affected as they either do not find work or have fewer days of work and are only getting an average of eight days of work per month.⁷⁹ At the same time, VMM reports that the cost of living is increasing due to urbanization with food prices already having increased by 20 percent.⁸⁰ The Panel understands that PAPs who used to rely, at least in part, on subsistence farming have to purchase their food, further increasing their expenses.

62. The Panel notes that, in addition to the pension payments for landless laborers and annuity payments for landowners, other entitlements are provided under the Project. Several of them are the same or similar for both categories of affected people, such as the job guarantees under MGNREGA and interest-free loans for starting businesses, as well as health and education benefits. While the Panel acknowledges that the implementation of the Bank Project has not yet started, the Panel notes that the design of the Project is based on government activities that are already under implementation and have encountered certain challenges as discussed below. The Panel notes that such challenges may continue under Bank Project implementation. The specific activities and their challenges are outlined below.

63. *MGNREGA*. The Panel observes that, according to the RPF and independent assessments, the design of the livelihood restoration measures is based on the assumption that landless laborer households would obtain higher income levels, in part due to employment through MGNREGA for 25 days a month.⁸¹ Nevertheless, the report from VMM and the independent assessment recognize that the MGNREGA scheme is insufficient to compensate for their income losses as the daily rates are low, the work provided is not always available locally, transportation costs are high, and women need to travel in unsafe conditions to jobs. The VMM assessment reports that 55,826 “man days” were provided by MGNREGA between 2017 and 2018, which the Panel notes amounts on average to only three days per year per landless household.⁸² The independent assessment also confirms these numbers.⁸³ It is worth noting that the MGNREGA is a national program and it seems unlikely that it would be modifiable by the Project despite such suggestions from the two assessments. The Panel observes that landowners are eligible for guaranteed employment up to 100 days per year under MGNREGA and therefore are likely to face similar challenges when relying on MGNREGA for restoring their livelihoods.

⁷⁶ Independent Assessment, p. 8.

⁷⁷ Estimates suggest that women constitute 70 percent of the agricultural laborers’ population.

⁷⁸ Independent Assessment, p. 7.

⁷⁹ VMM report, p. 27 and Independent Assessment, p. 7.

⁸⁰ VMM report, p. 29.

⁸¹ Independent Assessment, p. 16 and RPF, pp. 94-95. The assumptions are based on two family members working per household (men and women with the same pay) for 25 days per month under MGNREGA and the INR 2,500 pension.

⁸² VMM report p. 51.

⁸³ Independent Assessment, p. 25.

64. *Training, job placement and loan program.* Component 3 of the Project will support the GoAP's benefit-sharing measures for residents of Amaravati through: (i) training programs for farmers, landless families and other stakeholders to prepare them for life in an urban-setting; (ii) skills-building programs for citizens to access jobs and new economic opportunities; (iii) financial literacy for vulnerable groups; (iv) pilot programs to address safety and transportation issues for vulnerable groups; and (v) citizen engagement tools.⁸⁴ While the Panel acknowledges the potential value of these measures, it notes that the proposed component lacks specificity. The documentation available to the Panel provides no technical description of the institutional responsibility, staffing, location, timeline and eligibility criteria. Management informed the Panel that this component will only be developed during Project implementation. While the Panel acknowledges this component is a positive development, it questions the timeliness of designing its specific aspects during implementation, considering that economic displacement largely took place in 2015 and several challenges in the provision of the existing programs have been identified, as discussed in this report.

65. The RAP and the assessment studies mention that skills training programs are available for landless laborers at the Amaravati Skills Development Institute, village-based centers and the National Academy of Construction. Some of the training offered include tailoring, making jute bags, beautician work, accountancy, electrical training and IT programming.⁸⁵ According to March 2019 data by APCRDA (data not disaggregated by sex), 1,644 people had been trained to date, and 25 are currently in training. Among the 1,644 people trained, 957 are now self-employed, 250 have been placed in jobs, 219 have not been placed and 218 are in a re-skilling program. An additional 865 people were directly placed in jobs but did not receive training.⁸⁶ The VMM report mentions that 1,133 youth received skills development and 770 were placed.⁸⁷ According to the independent assessment, progress has been made in the provision of skills training.⁸⁸ However, the Panel notes that the number of affected people who have been trained and obtained jobs since 2015 remains very limited in comparison to the overall affected population. VMM's report points out that skills development and other interventions are largely being utilized by men and targeted interventions are required for women, most of whom are illiterate and do not possess other skills.⁸⁹ The Panel also notes that the Project documents do not refer to a labor market analysis assessing future jobs that will be created in the new city and the skills necessary to match these jobs. There is also a lack of detailed information in Project documents on the loan program for setting up businesses.

66. *Other entitlements.* The Panel understands that many affected people are experiencing challenges in accessing their entitlements. The independent assessment refers to a 2017 report from ASCI that found many landless families had not received loans for self-employment or canteen benefits, nor education fee reimbursement and livelihood training.⁹⁰ The same concerns were also

⁸⁴ Draft PAD, February 7, 2019, p. 22.

⁸⁵ VMM report, p. 40.

⁸⁶ <https://crda.ap.gov.in/APCRDA/Userinterface/dashboard/DashboardMainVer.aspx#> [accessed March 26, 2019]

⁸⁷ VMM report, p. 41.

⁸⁸ Independent Assessment, p. 31.

⁸⁹ VMM report, pp. 27 and 48.

⁹⁰ Independent Assessment, p. 6.

echoed by the Requesters in meetings with the Panel. In addition, the VMM report states that only four canteens are available and only 33 students have received education benefits.⁹¹

67. To conclude, the Panel notes that both assessment studies indicate that additional measures are needed to ensure compliance with OP/BP 4.12 for the landless laborers. The VMM's report states that OP/BP 4.12 requirements are met since measures have already been put in place that "almost restore" the full incomes of agricultural laborers households prior to LPS.⁹² The case studies presented in VMM's report seem to indicate that many PAPs have lost their jobs and have yet to restore their incomes.⁹³ The independent assessment states that "*a share of agricultural laborers rendered unemployed as result of landowners participating in LPS have been economically disadvantaged, as compensation in the forms of pensions is less than previous incomes and did not commence until sometime after they were made redundant.*"⁹⁴ This report also states that evidence suggests that additional measures are needed to avoid landless laborers being negatively affected as a result of LPS.⁹⁵ Additional measures identified by the independent assessment include increasing the pensions yearly by 10 percent; making MGNREGA work more effectively; requiring contractors engaged by the government to employ local labor; and ensuring that skills development options and employment opportunities are available locally to develop the new city.⁹⁶ The independent assessment recognizes that the skills development program needs to be expanded with a focus on women.⁹⁷ The Panel acknowledges that Management has made efforts to include some of these suggestions in the Project design, but uncertainties remain as to whether both landless laborers and landowners will be able to improve, or at least restore, their livelihoods.

68. Vulnerable affected people. The Bank's resettlement policy requires particular attention to be paid to vulnerable groups among the displaced, especially those below the poverty line, the landless, women and children, indigenous peoples and ethnic minorities.⁹⁸ Sample socioeconomic surveys of displaced families in Amaravati indicate that 80 percent of people affected by the road subproject and 86 percent affected by the flood mitigation subproject are below the poverty line⁹⁹, 44 percent in the former and 29 percent in the latter are female-headed households, and 45 percent in the former and 67 percent in the latter are illiterate.¹⁰⁰ According to the same survey, 13.7 percent of people affected by the road subproject belong to backward castes, 8.9 percent to scheduled castes and one percent to scheduled tribes.¹⁰¹

69. The Panel observes that out of the 21,374 landless households, only 857 families were identified by the Project as the most vulnerable and thus requiring immediate assistance. A Livelihoods Restoration Plan for Vulnerable Families (the "Plan") was prepared by the Project to: (i) identify the most vulnerable categories who may require further support; (ii) monitor these

⁹¹ VMM report, pp. 39 and 43.

⁹² VMM report, p. 6.

⁹³ VMM report, Annexure 2.

⁹⁴ Independent Assessment, p. vi.

⁹⁵ Independent Assessment, p. 33.

⁹⁶ Independent Assessment, p. 33.

⁹⁷ Independent Assessment, p. 33.

⁹⁸ OP 4.12, para 8.

⁹⁹ As indicated by possession of a white ration card.

¹⁰⁰ RAP for flood mitigation works, pp. 23-24 and RAP for roads pp. 23-24.

¹⁰¹ RAP for roads, p. 24.

categories of vulnerable families; and (iii) detail the actions targeted at supporting these families.¹⁰² The methodology used was based on the definition of the following categories of families: families with female-headed households; households where members have physical disabilities; households with family members older than 60; families with chronic diseases; families with no alternative sources of income other than the Amaravati pensions; and families of scheduled castes/scheduled tribes whose sole source of income is Amaravati pensions.¹⁰³

70. The Plan explains that the records of social security beneficiaries were used as a basis for the identification and 6,300 people who receive social security benefits and Amaravati pensions were identified. Families with family heads aged 65 years and above were excluded because they are unable to participate in livelihood improvement programs. Families already receiving skills training were also excluded. The Plan states that in order to identify the most vulnerable, data pertaining to the remaining 2,479 families were verified by a primary survey and self-help groups. Based on this methodology, 857 families were identified as the most vulnerable.¹⁰⁴

71. The Panel notes that the methodology used in the Plan to identify the most vulnerable households is not clearly explained in this document, especially regarding the exclusion of certain groups leading to only a small segment of landless households receiving immediate support. The Panel also notes that the identification process only considered landless households. While landowners may generally be better off, the Panel notes that segments of them may also qualify as vulnerable. According to the RPF, 61 percent of resident landowners possessed dry lands with on average less than 1 acre of land and are receiving an annuity of INR30,000 per year (equivalent to INR 2,500 per month).¹⁰⁵ The RAP explains that 80 percent of landowners in the footprint of the roads possess white ration cards indicating that they are below the poverty line.¹⁰⁶ The Panel notes that it is unclear what particular measures will be provided to those seemingly vulnerable but outside of this Plan.

72. The Livelihood Restoration Plan for Vulnerable Families was prepared in consultation with the 857 families. The measures identified in the Plan are: (i) facilitating access to new opportunities for vulnerable landless families, including priority placement through tie-ups with government organizations and construction agencies, creation of more employment opportunities through MGNREGA and a jobs dashboard; (ii) developing and implementing new capacity building and skills trainings, including providing stipends for selected programs at INR 200 per day per trainee; (iii) facilitating bank linkages to enable self-employment; (iv) addressing bottlenecks in accessing existing social security schemes¹⁰⁷; and (v) providing other support, such as orphanages, old-age homes and safe transportation for women to travel to work.¹⁰⁸ All the proposed measures are

¹⁰² Livelihood restoration plan, p. 4.

¹⁰³ Livelihood restoration plan, p. 4.

¹⁰⁴ Livelihood restoration plan, pp. 8-11.

¹⁰⁵ RPF, p. 86.

¹⁰⁶ RAP for roads, p. 24.

¹⁰⁷ Existing safety nets benefits include a INR 1,000 pension per month for those above 65 and for widows, INR 1,500 pension per month for the disabled, affordable housing to homeless, health insurance and purified drinking water.

¹⁰⁸ Livelihood Restoration Plan for Vulnerable Families, p.17 and Draft PAD, February 7, 2019, p.78. The specific measures envisioned include giving preference to vulnerable families in accessing waste management, nurseries and construction jobs in the Capital City. The Plan states that the training preferences of vulnerable families were

supposed to be implemented within six months. The Panel acknowledges that the identification of the individual needs of each household and the tailored measures is a commendable endeavor to support the restoration of their livelihoods.

73. According to the Plan and October 2018 Aide Memoire, APCRDA will monitor the livelihood condition of these 857 families to ensure that the level of income captured in recent surveys is sustained for a period of six months. After this period, APCRDA will assess the need to remove these households from the Plan and whether there are other families that need to be included.¹⁰⁹ While the Panel notes that the Plan is designed to provide immediate support to the most vulnerable families, it is unclear which measures will be put in place to assist them beyond the six months. The Panel also notes that many of these families comprise female-headed households or families with members with disabilities and even if these families have a sustained source of income, they may remain among the most vulnerable.

74. According to the October 2018 Aide Memoire, APCRDA will also prepare a broader Family Livelihoods Action Plan to strengthen livelihood support to all families in the region by June 2019. As part of this plan, APCRDA is conducting a wider survey of all families in the region to identify additional vulnerable families that might have been overlooked.¹¹⁰ The Panel considers that this is an important development but has not seen any detailed information about this effort. The Panel is concerned about the timeliness of implementation of the new plan, considering that all 21,374 laborer households require particular attention given their landless status and high poverty rates and that most of them lost their source of income about four years ago.

75. The Panel acknowledges the improvements in the past two years in the Project design, including of certain livelihood restoration measures and support to the most vulnerable PAPs. The Panel, however, questions whether these activities amount to a robust livelihoods program that will prepare low-income, largely illiterate farmers to obtain the jobs that will be created in the new city, adapt to the urban setting and restore their livelihoods. It is also unclear to the Panel whether the Project design will assist landowners obtain the necessary financial literacy and investment know-how to realize the higher values of their returnable plots through productive investment. The Panel observes that the lifestyle transition from rural, farm-based livelihoods to urban non-farming livelihoods presents a drastic imposed social change that inherently involves high risks of impoverishment. Mitigating these risks will require a well-developed plan to boost the resilience of affected people and give them the skills to be able to compete in the new urban environment, where a significant influx of people is expected in the coming years. The Panel considers it important that people not only have access to temporary jobs but obtain more long-term income-generating opportunities to ensure livelihood restoration, which is the ultimate objective of the Bank's involuntary resettlement policy.

identified, with most families expressing interest in gardening, tailoring and masonry training, which will be provided by APCRDA in the next three months.

¹⁰⁹Aide-memoire pre-appraisal mission: October 19-25, 2018, p. 5 and Livelihood Restoration Plan for Vulnerable Families, p. 9.

¹¹⁰Aide-memoire pre-appraisal mission: October 19-25, 2018, p. 5.

D. Recommendation

76. The Panel acknowledges the many positive steps taken by Management to address issues of concern since the Panel's first Report and Recommendation of September 27, 2017. Among those are the clarification by Management that all resettlement and land acquisition mechanisms, where applied to land within the Bank-financed Project, are subject to the Bank's Involuntary Resettlement Policy. The inclusion of all the 21,374 landless laborer households in the capital city area as people affected by the Bank Project also stands out as highly significant, as does the targeted support to the most vulnerable. The Panel also recognizes that this Project, with a Land Pooling Scheme at a scale not previously experienced anywhere in the world, may establish a model for future similar initiatives elsewhere.

77. Based on its analysis of available documentation and information, the Panel has remaining concerns about the Bank's due diligence and Project design in relation to requirements of the Bank's Involuntary Resettlement Policy. The Panel also takes into account the considerable risks of a rural-to-urban transition at a large scale through the building of a new city supported by a Bank Project. The Panel notes that conflicting assertions remain between the Requesters and other affected people and Management. The Panel further notes that the alleged harms are of a serious nature and linked to the Project and can only be fully ascertained in the context of an investigation.

78. The Panel therefore recommends carrying out an investigation into the alleged issues of harm and related potential non-compliance with livelihood restoration requirements of the Bank's Involuntary Resettlement Policy (OP/BP 4.12).

79. If the Board of Executive Directors concurs with the foregoing, the Inspection Panel will inform the Requesters and Management accordingly.

Annex I

Inspection Panel Report and Recommendations (September 27, 2017, November 27, 2017 and June 26, 2018)

Report No. 119994-IN

THE INSPECTION PANEL

**REPORT AND RECOMMENDATION
ON A REQUEST FOR INSPECTION**

INDIA

**PROPOSED AMARAVATI SUSTAINABLE
CAPITAL CITY DEVELOPMENT
PROJECT (P 159808)**

SEPTEMBER 27, 2017



THE WORLD BANK
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**The Inspection Panel
Report and Recommendation
on a
Request for Inspection**

**India: Amaravati Sustainable Capital City
Development Project (P159808)**

A. Introduction

1. On May 25, 2017, the Inspection Panel (the “Panel”) received a Request for Inspection (the “Request”) of the proposed India Amaravati Sustainable Capital City Development Project (the “proposed Project”). The Request was submitted by landowners from the area of the capital city Amaravati¹ in Andhra Pradesh, India (the “Requesters”), alleging harm from a Land Pooling Scheme (LPS) used to assemble the lands required for Amaravati, as well as from other Project activities. On May 27, 2017, the Panel received another communication from a large group of farmers in support of the Request. The Requesters asked the Panel to keep their identities confidential.

2. The Panel registered the Request on June 12, 2017, and notified the Board of Executive Directors (the “Board”) and Bank Management. On June 14, 2017, the Bank’s project team forwarded to the Panel letters received by the India Country Office in support of the proposed Project.² Management submitted its Response on July 21, 2017. On August 1, 2017, the Panel asked the Board to postpone the deadline for submitting the Panel’s Report and Recommendation to September 25, 2017. On August 22, 2017, the Board approved the Panel’s request.

B. Description of the proposed Project

3. In 2014, the Andhra Pradesh Reorganization Act bifurcated Andhra Pradesh (AP) into the successor states of AP and Telangana, requiring a reorganization of the former AP government. It was agreed that the former AP capital Hyderabad would serve as the capital of both states for a maximum of 10 years, after which Hyderabad would become Telangana’s capital and a new city (Amaravati) would become the new capital of AP.³ A Master Plan for Amaravati City was developed with the support of the Government of Singapore.⁴ Amaravati comprises an area of 217 square kilometers, located within a 30 minutes driving distance of two major urban centers (Vijayawada and Guntur) alongside the Krishna River, and includes 24 villages.⁵ Amaravati plans to support a population of 600,000 by 2025 and 3.5 million by 2050.⁶

¹ Amaravati is both the name of a village in the Guntur district of Andhra Pradesh and the name of the new capital city. This report refers to the capital city when mentioning Amaravati.

² The letters were signed by 1,549 farmers who claimed to have joined the LPS voluntarily and received portion of plots through a transparent lottery system. The *Amaravathi Rajadhani Sameekarana Raithu Samakya* also supported these letters.

³ Draft Project Appraisal Document (PAD), September 2017. pp. 10-12.

⁴ Management Response. p. 3.

⁵ Draft Resettlement Policy Framework (RPF), September 2017. p. 7.

⁶ PAD. pp. 10-12.

4. In May 2016, the Government of India and the Government of Andhra Pradesh (GoAP) asked the Bank to support certain activities of the development of Amaravati.⁷ The development objective of the proposed Project is to “*provide select urban infrastructure in designated locations of Amaravati Capital City, and to develop capacity of its urban governance institutions.*”⁸ The proposed Project is classified as Category A⁹ and is structured in three components, focusing on road infrastructure, flood mitigation measures and technical assistance.¹⁰

5. The total financing for the proposed Project is US\$715 million, of which the World Bank’s lending is proposed to be US\$300 million through an International Bank for Reconstruction and Development loan for investment project financing.¹¹ Some of the preparatory work for the proposed Project is being financed through a Bank-Executed Trust Fund for a grant amount of \$0.17 million.¹² The GoAP, as the Borrower, is providing US\$215 million, and the Asian Infrastructure Investment Bank is considering co-financing in the amount of US\$200 million.¹³

6. The agency responsible for developing Amaravati is the Andhra Pradesh Capital Region Development Authority (APCRDA), a government authority constituted in 2014. The APCRDA is supported by the Amaravati Development Corporation, a corporate project implementation entity established by a government order, for the overall monitoring and oversight of the project.¹⁴

7. The proposed Project is currently under preparation and is at the pre-appraisal stage.¹⁵ According to Management, the appraisal of the proposed Project is planned for early November 2017 and will include the Strategic Environmental and Social Assessment – Environmental and Social Management Framework (SESA-ESMF), Resettlement Policy Framework (RPF) and Resettlement Action Plan (RAP) for the initial 10 roads.¹⁶ These 10 roads constitute the first phase of the proposed Project and make up roughly 30 percent of the planned Bank financing.¹⁷ According to Management, the planned flood protection works and upgrading of village infrastructure will follow in later phases of the proposed Project and will be appraised separately.¹⁸

⁷ Management Response. p. 3.

⁸ PAD. p. 1.

⁹ As required for Category A projects, an Environmental Assessment is under preparation.

¹⁰ According to the PAD, the proposed Project “*will support the implementation of priority infrastructure to lay the foundation for the long-term development of Amaravati Capital City. This will be focused on trunk infrastructure such as sub-arterial road access connecting different zones within Amaravati Capital City to Vijayawada, as well as upgrading and integrating existing village infrastructure. Second, the project will enhance climate resilience by improving drainage and flood mitigation. Lastly, the project will support intuitional development activities to improve urban governance and the management of city services.*” PAD. pp. 14, 15.

¹¹ PAD. p. 2.

¹² TF0A2879 - Support to Andhra Pradesh Sustainable Capital City Development.

¹³ PAD. p. 2.

¹⁴ PAD. p. 18.

¹⁵ Management Response. p. 4. As of September 2017, the draft PAD was last updated on September 1, 2017. A revised draft RAP and a final draft RPF for the proposed Project’s 10 roads had been last updated in September 2017. A Revised Draft of the SESA-ESMF was last updated in August 2017, and the Project Information Document/Integrated Safeguards Data Sheet (PID/ISDS) was approved in August 2016.

¹⁶ Meeting with Bank Management on September 12, 2017.

¹⁷ Management Response. p. 5.

¹⁸ Meeting with Bank Management on September 12, 2017.

8. The draft Project Appraisal Document (PAD) states that approximately 90 percent¹⁹ of the private land required for developing Amaravati, which consists mainly of farmland, has been assembled through the LPS with the consent of landowners.²⁰ The PAD also states that 93 percent of the land required for the Bank-financed roads was assembled through the LPS.²¹ Key features of the LPS include a guaranteed return of plots to the original landowners and annuity payments according to the area pooled by each owner for 10 years. Tenants and landless agricultural wage laborers living in the 24 villages will also be provided a fixed monthly pension for 10 years. Other benefits include waivers of agricultural loans, interest-free loans for self-employment, increased wage labor under an Employment Guarantee program, free education and medical facilities.²² The remaining 10 percent of the land, about 3,000 acres, will be acquired by the GoAP under India's Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act (Land Acquisition Act or LARR Act) of 2013 or through negotiated settlement.²³ For more detailed information about the LPS process, entitlements and the status of LPS implementation, see Section E.2. below.

C. Summary of the Request

9. The Request for Inspection includes 22 attachments comprising Project-related reports, media articles, and court documents and is attached to this report as Annex I.²⁴ The Requesters allege harm to their livelihoods, environment and food security as a result of the Bank's non-compliance with its environmental and social policies in preparation of the proposed Project. The Requesters also raise concern about lack of consultation and participation of affected people.

10. **Land Pooling Scheme.** The Requesters note that some of the proposed Project activities will be implemented on lands assembled under the LPS. They claim that farmers were "*intimidated and economically coerced*"²⁵ to participate in the LPS. They state that farmers who have not consented to join the LPS will be forced to "*either pool their land under the LPS or their land will be acquired by the State under the Land Acquisition Act.*"²⁶ In their view, neither option provides adequate compensation to restore their livelihoods or purchase comparable replacement land. The Requesters also question the independence of consultants hired by the APCRDA to assess the LPS.

¹⁹ In a response to the Request for Inspection submitted to the Panel during its eligibility visit, the APCRDA stated that 86.72 percent of farmers, numbering 26,512 individuals, had joined LPS.

²⁰ PAD. p. 11.

²¹ PAD. p. 26. The Management Response explains that, should the Bank decide to move ahead with the proposed Project, Bank-supported investments are expected to involve 5-10 percent of the total land area identified in the Master Plan for the development of Amaravati City. Management Response. p. 4.

²² PAD. p. 11.

²³ PAD. pp. 11-12. According to the PAD, "*Under a negotiated settlement process, the APCRDA and landowners negotiate a package that may include land-for-land within residential zones of Amaravati city itself, compensation for assets, construction grant and transitional assistance, culminating in a formal agreement between the parties.*" PAD. p. 25.

²⁴ A similar Request was received by the Panel on October 8, 2016 but it was not registered because project preparation had not yet commenced in earnest (*see*: Panel Notice of Non-Registration, December 19, 2016).

²⁵ Request for Inspection. p. 3.

²⁶ Request for Inspection. p. 6.

11. **Resettlement Plan.** The Request argues that the Bank has used a RPF rather than a full RAP, despite Bank documents suggesting that the “*zone of impact of subprojects*”²⁷ can be determined. The Requesters claim the Bank did not accurately assess the nature and magnitude of the Project-related displacement and did not ensure that the LPS complies with the Bank’s Policy on Involuntary Resettlement, OP. 4.12.

12. **Food Insecurity.** The Request raises concerns that the proposed Project will create food insecurity as Amaravati will be located in an area of “*multi-crop irrigated land that produces 120 types of crops*”.²⁸ The Request alleges that the SESA-ESMF does not recognize multi-crop irrigated-land as the primary land use in the Amaravati area.

13. **Environmental Issues.** The Requesters note that the proposed Project component relating to flood protection will affect the Kondaveeti Vagu River. They claim that the fields adjacent to the riverbed are wetlands that are not adequately addressed in the SESA-ESMF. They also raise concerns that the SESA-ESMF does not analyze Project alternatives.

14. **Consultation and Participation.** The Requesters mention that a single consultation was held in January 2017 on the draft SESA-ESMF and draft RPF, and that only 150 persons out of an estimated 127,505 potentially affected people attended this consultation. They allege intimidation at this consultation by security forces and state that some participants were forcibly turned away.

15. The Requesters ask the Panel to conduct an investigation of possible policy violations and urge Bank Management to take steps to rectify the situation and resolve their concerns.

D. Summary of the Management Response

16. The Management Response is summarized below and the full Response is attached to this Report as Annex II. The Response explains that it has not been decided whether the Bank would finance the proposed Project; a decision would only be made after appropriate analysis of potential Project risks and impacts has been undertaken and adequate mitigation measures have been developed and consulted upon to the satisfaction of the Bank. The Response states that “*Management is of the view that, to date, the preparation of the proposed Project has followed Bank policy requirements*”²⁹ and emphasizes that the proposed Project “*is still at an early stage of preparation and therefore substantive application of Bank policies and procedures have not yet taken place.*”³⁰ Management says that it sees the Request for Inspection as an opportunity to review and consider the views and concerns of the Requesters.

17. **Land Pooling Scheme.** The Management Response explains that the LPS was designed by the APCRDA prior to the Bank’s involvement in the proposed Project and that the APCRDA has almost completed the allocation of returnable land; although the process of registering the returnable plots is ongoing, about 58,000 returnable plots have already been allocated to more than

²⁷ Request for Inspection. p. 7.

²⁸ Request for Inspection. p. 7.

²⁹ Management Response. p. 19.

³⁰ Management Response. p. 22.

23,000 LPS landowners in 22 of the 24 villages.³¹ Management recognizes the LPS as an “*innovative, sustainable, socially inclusive scheme that addresses in a proactive manner some of the negative externalities that typically arise from urbanization.*”³² The Management Response refers to the optional nature of the LPS and states that the APCRDA has carried out an extensive information and consultation campaign to allow landowners to make an informed decision on their compensation options, and consent is confirmed by each landowner on at least six separate occasions during the LPS process.³³ The Management Response also states that the consultants hired by the APCRDA to assess the LPS are “*not associated with LPS implementation.*”³⁴

18. The Management Response states that the Bank takes the Requesters’ claims of coercion in the LPS process very seriously, and emphasizes that the Bank does not condone any form of coercion. Management will work with government authorities, the implementing agency, and the communities to ensure a free and meaningful stakeholder engagement process.³⁵

19. **Resettlement Plan.** The Management Response emphasizes that the proposed Project is still under preparation. Thus, at this early stage, “*an RPF is the most appropriate approach to identify the measures that need to be put in place to ensure that the proposed Project would be compliant with Bank policy, should the Bank decide to move ahead with it.*”³⁶ Management adds that the RPF would be finalized reflecting the Bank’s comments as well as concerns raised by the Requesters. The Response explains that “*site-specific RAPs are being prepared for 10 specific roads, that would make up about 30 percent of the overall proposed investments. Additional site-specific RAPs and other appropriate safeguard documentation would be prepared as preparation of the proposed Project advances.*”³⁷

20. **Food Insecurity.** Management notes that the concerns about food security resulting from the large-scale conversion of agricultural land to urban land was analyzed in the SESA-ESMF which “*determined that the crops in the Amaravati City area are predominantly crops that are not used for daily consumption by people. Transformation of agricultural land to urban land would, therefore, not significantly impact the production of food in the state.*”³⁸ Management will ensure that the concerns raised by the Requesters will be further addressed in the final SESA-ESMF.³⁹

21. **Environmental Issues.** The Management Response states that the Bank will work closely with the APCRDA to ensure that the scope of the environmental assessment is adequate, including for the Kondaveeti Vagu River and the surrounding wetland areas.⁴⁰ Regarding the assessment of alternatives, the Management Response notes that “*the selection of the location of Amaravati City is a sovereign decision and was taken by the GoAP, before the Bank engaged in the proposed*

³¹ Management Response. pp. 9, 10.

³² Management Response. p. 13.

³³ Management Response. p. 24.

³⁴ Management Response. p. 35.

³⁵ Management Response. p. vi.

³⁶ Management Response. p.15.

³⁷ Management Response. p. 15.

³⁸ Management Response. p. 19.

³⁹ Management Response. p. 19.

⁴⁰ Management Response. p. 18.

*Project.*⁴¹ Therefore, the SESA-ESMF's assessment of alternatives does not include an analysis of potential alternatives for the location of Amaravati itself, but rather is limited to alternatives of specific Bank interventions under the proposed Project.⁴²

22. **Consultation and Participation.** Management notes that the APCRDA has conducted extensive consultations on the proposed Project, the Master Plan for Amaravati City and the LPS.⁴³ Management acknowledges that *“a more extensive program of consultation and information on the proposed Project needs to be carried out, which may result in adjustments in project design.”*⁴⁴ According to the Response, the Bank team will work with the APCRDA to organize an *“extended consultation plan regarding the proposed Project in general, and the Project safeguard documents in particular. Feedback from the consultations will be incorporated in the final design of the proposed Project.”*⁴⁵

E. Panel Review of the Request and the Management Response, and Eligibility Visit

23. Panel Chairman Gonzalo Castro de la Mata, Panel Member Jan Mattsson, Executive Secretary Dilek Barlas and Operations Officer Birgit Kuba visited India from September 12 to 15, 2017. The Panel team held meetings in Delhi, Vijayawada and in several villages in the Amaravati area. The team met with the Requesters and other potentially affected community members, farmers in support of the LPS and their representatives, representatives of the World Bank Country Office, officials from the Ministry of Finance and the APCRDA, as well as civil society representatives.

24. The Panel wishes to express its appreciation to all those mentioned above for sharing valuable information and their views. The Panel also appreciates the many written submissions it received from different groups during its visit. Particular appreciation goes to World Bank Country Office staff in Delhi for their invaluable assistance with logistical arrangements, as well as the Requesters and APCRDA for their substantial involvement, responsiveness, and provision of detailed information.

25. The Panel's review is based on information presented in the Request, the Management Response, other documentary evidence, and information gathered during the site visit. The following review covers the Panel's determination of the technical eligibility of the Request according to the criteria set forth in the 1999 Clarification (subsection E.1), observations on other factors (subsection E.2), and the Panel's review (subsection E.3) supporting the Panel's recommendation.⁴⁶

E.1. Determination of Technical Eligibility

⁴¹ Management Response. p. 18.

⁴² Management Response. p. 18.

⁴³ Management Response. p. 17.

⁴⁴ Management Response. p. 17.

⁴⁵ Management Response. p. 17.

⁴⁶ “1999 Clarification of the Board's Second Review of the Inspection Panel”, April 1999 (“the 1999 Clarifications”) available at

<http://siteresources.worldbank.org/EXTINSPECTIONPANEL/Resources/1999ClarificationoftheBoard.pdf>.

26. The Panel is satisfied that the Request meets all six technical eligibility criteria of paragraph 9 of the 1999 Clarifications. The Panel notes that its confirmation of technical eligibility, which is a set of verifiable facts focusing to a large extent on the content of the Request as articulated by the Requesters, does not involve the Panel's assessment of the substance of the claims made in the Request.

- Criterion (a): *“The affected party consists of any two or more persons with common interests or concerns and who are in the borrower’s territory.”* The Panel has verified that the Requesters include two or more persons who own land in the area of the proposed Project and reside there, and are potentially affected by activities under the proposed Project. The Panel therefore considers this criterion as met.
- Criterion (b): *“The Request does assert in substance that a serious violation by the Bank of its operational policies and procedures has or is likely to have a material adverse effect on the Requester.”* The Requesters allege serious harm from the LPS, which is used to assemble lands for Amaravati and for the proposed Project. The Requesters claim harm to their livelihoods and their environment as a result of the Bank's non-compliance with its environmental and social policies in preparation of the proposed Project. The Requesters also raise concerns about consultation and participation of affected communities. The Panel is thus satisfied that this criterion is met.
- Criterion (c): *“The Request does assert that its subject matter has been brought to Management's attention and that, in the Requester's view, Management has failed to respond adequately demonstrating that it has followed or is taking steps to follow the Bank's policies and procedures.”* The Panel has verified that the Requesters' concerns were brought to the Bank's attention at different occasions prior to the filing of the Request. The Panel is satisfied that this criterion is met.
- Criterion (d): *“The matter is not related to procurement.”* The Panel is satisfied that the claims do not raise issues of procurement and thus this criterion is met.
- Criterion (e): *“The related loan has not been closed or substantially disbursed.”* As the proposed Project is currently under preparation by the Bank, the loan amount has not been disbursed.⁴⁷ Therefore, this criterion is met.
- Criterion (f): *“The Panel has not previously made a recommendation on the subject matter or, if it has, that the Request does assert that there is new evidence or circumstances not known at the time of the prior Request.”* The Panel has not made a recommendation on the issues raised in this Request. On October 8, 2016, the Panel had received an earlier Request for Inspection of the same proposed Project. On December 19, 2017, the Panel issued a Notice of Non-Registration on the basis that the proposed Project was in its early stages of

⁴⁷ The 1993 Resolution establishing the Inspection Panel specifies that the Panel shall receive Requests for Inspection presented to it by an affected party who demonstrates *“that its rights or interests have been or are likely to be directly affected by an action or omission of the Bank as a result of a failure of the Bank to follow its operational policies and procedures with respect to the design, appraisal and/or implementation of a project financed by the Bank”*. 1993 Resolution establishing the Inspection Panel, para. 12.

preparation and at that time there was no action or omission by the Bank that could plausibly be linked to the alleged harm. Subsequently, on May 25, 2017, the Panel received the current Request for Inspection. The Panel registered the second Request on June 12, 2017, on the basis that several Project preparation activities had taken place in the interim, including a public consultation on the draft SESA-ESMF and RPF, and the disclosure of revised drafts of these documents.⁴⁸ This criterion is thus met.

E.2. Panel Observations Relevant to its Recommendation

27. In making its recommendation to the Board and in line with its Operating Procedures, the Panel considers the following: whether there is a plausible causal link between the harm alleged in the Request and the project; whether the alleged harm and possible non-compliance by the Bank with its operational policies and procedures may be of a serious character; and whether Management has dealt appropriately with the issues, or has acknowledged non-compliance and presented a statement of remedial actions that address the concerns of the Requesters. Below, the Panel records its preliminary observations on the alleged harm and compliance, noting that in doing so, it is neither evaluating the sovereign decisions of the client, nor making any definitive assessment of the Bank's compliance with its policies and procedures, and any adverse material effect this may have caused.

28. **The Land Pooling Scheme.** During its visit, the Panel team met with the Commissioner and other key staff of the APCRDA to better understand the LPS design and implementation. The Panel acknowledges that the LPS was introduced by the GoAP as an innovative land use planning instrument to incentivize the assembly of private lands for Amaravati.⁴⁹ According to the PAD, the LPS ensures a participatory approach and minimizes land acquisition disputes and physical displacement.⁵⁰ The PAD explains that, through the LPS, land parcels owned by individuals or groups of owners are legally consolidated and ownership is transferred to the APCRDA; the APCRDA subsequently transfers the ownership of a part of the developed plots back to the landowners, who would then reap the economic benefits of the improved plots as the city develops, along with other incentives. The PAD states that all residential areas within villages are excluded from the LPS to minimize or avoid physical displacement.⁵¹

29. The LPS is regulated by the 2014 APCRDA Act and, according to the PAD, includes the following key entitlements: (i) returnable plots of urban land within the perimeter of Amaravati; (ii) annuity payments to landowners that will continue for a period of 10 years, which is the expected construction period of Amaravati; tenants and landless agricultural wage laborers receive a fixed monthly pension for 10 years; and (iii) other benefits, which include waiver of agricultural loans, interest-free loans for self-employment, access to skill-development training, access to employment under an Employment Guarantee program, free education and access to medical facilities.⁵²

⁴⁸ Inspection Panel Notice of Registration, June 12, 2017. Available at:

<http://ewebapps.worldbank.org/apps/ip/PanelCases/119-Notice%20of%20Registration-12%20June%202017.pdf>

⁴⁹ PAD, p. 11.

⁵⁰ PAD, p. 11.

⁵¹ PAD, p. 11. See also: APCRDA Act of 2014.

⁵² PAD, p. 11. *Returnable urban plots* are allotted in and around the same village where landowners have given up their agricultural lands under the LPS. Landowners can choose the type of returnable plot they will receive from a

30. According to the Management Response, the registration of the LPS land is conducted in three stages: first, the entirety of the land given by the landowners is registered in the name of the APCRDA; second, a provisional certificate is issued to each landowner for the returnable plots; and third, the returnable plots are registered in the name of the landowners.⁵³ The Management Response notes that consent is confirmed by each landowner on at least six separate occasions during the LPS process.⁵⁴ The Panel team was impressed by the capacity observed in handling the complexities of such a massive scheme. The systems developed to manage the LPS include a variety of technological and data management tools, as well as geographic information systems designed to generate real-time data, information, and analysis.

31. The Panel team learned that, as of the date of its visit: 26,512 farmers out of 30,572 (86.72 percent) had joined the LPS and had handed over 33,008 acres of land to the APCRDA; 4,060 farmers had not decided to join the LPS;⁵⁵ and 59,014 returnable plots had been allotted to 23,903 farmers. A total of INR 427.95 crore (ca. US\$64.327 Million) in annuity payments had been released or sanctioned as of the third year of the program to all categories of beneficiaries.⁵⁶

32. During its visit to the Amaravati area, the Panel met with farmers who have joined the LPS and support it, farmers who have joined but expressed concerns either about its voluntary nature or its design or implementation, and farmers who oppose joining the LPS.

33. The Panel team was invited to a meeting organized by the APCRDA, which an estimated 1,000 farmers attended. Several representatives spoke on behalf of the attending farmers and presented their views to the Panel on the development of Amaravati, the Bank's proposed Project and the LPS, stating that they voluntarily joined the LPS, strongly support it, and wish Amaravati to develop rapidly. Two farmers' federations, representing 5,000 and 15,800 farmers, respectively, submitted documents to the Panel team describing the benefit package guaranteed by the LPS, including 10-year annuities, health insurance, and agricultural loan waivers, and concludes that, based on these guarantees, "*we voluntarily participated in the land pooling scheme without any coercion and influence of the government.*"⁵⁷

34. During its visit, the Panel also met with community members who claimed that they were misled into participating in the LPS, as they lacked information about it, or felt under pressure to

broad menu of residential and commercial land plot options. The process of selection and allotment of returnable plots involves multiple stages, at the end of which LPS landowners are issued provisional certificates for their allotted returnable plots through an open, digital allocation system (lottery) conducted in public. The issuance of provisional certificates registered in the name of beneficiary landowners completes the land pooling process. PAD. p. 93.

Annuity payments are paid to landowners who have contributed their land to the LPS. Annuity payments will continue for a period of ten years, and are proportional to the land that was contributed to the LPS. They are paid at the rate of INR 30000 (US\$450)/INR 50000 (US\$750) per year per acre of dry and wet lands respectively and are paid with 10% adjustment per year towards inflation. The tenant and landless agricultural wage laborers living in 24 villages are provided with pensions of INR 2500 per month for a period of 10 years. PAD. p. 11.

⁵³ Management Response. p. 26.

⁵⁴ Management Response. p. 24.

⁵⁵ APCRDA, "A Brief Rejoinder on Request for Inspection, Dated June 12, 2017". p. 6.

⁵⁶ Ibid. p. 7.

⁵⁷ Submission to Panel team during its visit to India on September 13, 2017.

join. One of the alleged reasons for this pressure was the issuance of short deadlines by which individuals were required to decide to join the LPS; otherwise, they were told that their land would be acquired through land acquisition. The Panel team was told that these deadlines were later extended several times, but by then many people had already joined the LPS. Some people explained to the Panel that registered land values substantially increased in surrounding areas in recent years, but not in Amaravati; thus, they felt economic pressure to join the LPS as they believed they would not receive an adequate compensation amount through land acquisition. The Panel team also met with community members who explained they had been under pressure from officials or unidentified people to join the LPS, as well as some who claimed they would have preferred not to join but decided it was safer for their families to do so.

35. The Panel also heard other grievances related to the implementation of the LPS. Many farmers in different villages claimed that they are not receiving benefits promised under the LPS, such as skills training, school fee reimbursement and health benefits. Several people explained that they have not been able to use their health insurance cards as no hospital would accept them, and they had to cover their health expenses on their own. A few farmers claimed that their payments of monthly pensions under the LPS are regularly delayed. Several people explained that they were promised that their agricultural loans would be waived, but they were still receiving bills even after repeatedly complaining to the APCRDA.

36. Other farmers explained that they were allotted a specific plot of land, which they could identify on a map, but claimed that the actual plot had not been adequately measured and demarcated on the ground. Others claimed that the lands they owned before the LPS implementation started were registered as smaller plots when compared with what they had. The Panel team also met with several people who expressed concern about physical cultural resources, particularly losing their burial and cremation grounds as well as temples and churches. The Panel further heard allegations of discrimination from vulnerable groups, including individuals claiming to belong to scheduled castes, scheduled tribes, and other backward classes. Some farmers also claimed that their agricultural plots were disconnected from electricity even though they had not joined the LPS and their land had not been acquired, and thus they could not irrigate. In one case, a farmer claimed to have been without electricity for over a year.

37. The Panel notes the Management Response's claim that the LPS is optional and that people have been well informed about it.⁵⁸ Management in its response explains that it has agreed with the borrower on actions to address concerns raised in the Request, including on community engagement and monitoring to address coercion and other implementation issues. Management commits to work with the APCRDA to establish a citizen advisory committee to advise the APCRDA and to inform Project implementation and mitigation of impacts. Management also plans to expand consultations on safeguard documents and to work with the APCRDA to establish an independent project-level grievance redress mechanism.⁵⁹

38. The Panel appreciates the APCRDA's submission responding to the Request for Inspection⁶⁰ and notes the APCRDA's description of the advantages of the LPS, including that the

⁵⁸ Management Response. pp. 23-24.

⁵⁹ Management Response. p. 19-21.

⁶⁰ APCRDA, "A Brief Rejoinder on Request for Inspection, Dated June 12, 2017"

LPS is “*completely voluntary in nature and built on the principle of partnership*” by sharing the benefits of development among local people and minimizing their physical displacement.⁶¹ The Panel acknowledges the APCRDA’s assertion, throughout its response to the Request, that there is no intimidation or coercion, economic or otherwise, as well as its assurance that the LPS supports affected farmers throughout the development process through loan waivers, skill development, subsidized food, health camps, and more.⁶² APCRDA also explained to the Panel team that, in a few sporadic cases, power supply was briefly interrupted because a farmer had not joined the LPS while other farmers near his field had joined and subsequently disconnected their power lines; however, the APCRDA stated that these issues were quickly resolved.

39. The APCRDA commissioned a third party independent assessment of the LPS which the Bank is currently reviewing.⁶³ The Panel understands that this assessment includes only LPS beneficiaries.⁶⁴ This draft report found that the LPS is optional and the two dominant reasons for landowners to join the LPS were the “*attractive compensation land,*” and the “*bandwagon effect’ whereby people follow or adopt whatever others have already done.*”⁶⁵ The report also noted that the living standards of landless agricultural laborers have deteriorated after the LPS implementation. The assessment also found that many landless families included in the study had not received loans for self-employment, canteen benefits, education fees reimbursement or livelihood training.⁶⁶ The majority of the landless families also expressed their wish that “*the pension amount fixed at 2,500/- may be enhanced by at least 10% as in the case of annuity to landowners.*”⁶⁷

40. **Concerns Related to Livelihood Restoration.** During its visit, the Panel met with people affected by the proposed Project, including farmers with ownership title to their land, tenants, landless agricultural workers, farmers on government-assigned lands and others. These affected people raised concern about the adequacy of compensation and other support under the LPS, claiming that they would not be able to sustain their livelihoods.

41. Several farmers who own land explained that they have (or had) a substantial income from agriculture that covered their living expenses, paid for their children’s education and gave them financial safety and stability. According to them, the annuity and pension amounts paid under the LPS are too small and insufficient to sustain their livelihoods. They explained that skills-development training, an entitlement under the LPS, has not been provided. Many of the farmers the Panel met explained that they have farmed for many generations and have never done other work and are not trained to do so. Some farmers also told the Panel that they lacked formal education and were illiterate. Many small-holder farmers explained to the Panel team that they depended on farming their lands as they had no other income opportunities or financial reserves.

⁶¹ APCRDA, “A Brief Rejoinder on Request for Inspection, Dated June 12, 2017” p. 10.

⁶² Ibid. p. 8.

⁶³ Management Response. p. 14.

⁶⁴ A Report on Independent Evaluation of Land Pooling Scheme in the Capital City ‘Amaravati’---implemented by Andhra Pradesh Capital Region Development Authority. p. 18.

⁶⁵ Ibid. p. 29.

⁶⁶ Ibid. p. 36.

⁶⁷ Ibid. p. 37.

42. The Panel team also met with landless agricultural wage laborers, among them women who were the heads of their households who had lost or feared they would lose employment opportunities due to the LPS. According to Project documents, the average monthly family income of landless laborers is 8,476 INR, an estimation based on a survey of 193 individuals.⁶⁸ According to documentation that the APCRDA provided to the Panel during its visit, as of August 2017, 20,529 landless pensioners lived in the affected villages.⁶⁹ The Panel was told by several people in different villages that a couple would earn about 800 INR per day and would work at least six days per week (in many cases all days of the week), resulting in a monthly family income of ca. 19,000 INR. Under the LPS, each family now receives a pension of 2,500 INR per month,⁷⁰ which they claim will not cover their living expenses. They explained to the Panel that, since they are no longer able to farm in the Amaravati area, they have to travel far to find agricultural work, and often cannot find jobs. They also emphasized that they had farmed for their entire lives and were not trained to perform other work.

43. Many individuals claimed that they had farmed highly fertile lands, with ground water available close to the surface, where they could farm year-round and harvest crops three times per year. Some people alleged that their lands were recorded in Project documents as “dry lands” and thus less fertile, even though they had irrigated lands, and therefore received less compensation for their agricultural income than their production merited.

44. The Panel notes the Management Response’s commitment to work with the APCRDA on ways to add livelihood support measures for vulnerable landowners and landless wage laborers.⁷¹ The Panel also notes that APCRDA, in their submission responding to the Request for Inspection, explains that its development process “restores the livelihood loss [which] has been scientifically calculated, adequately compensated and is tailor made to the nature of the land...”⁷²

45. **Environmental concerns.** The Panel met several people who claimed that according to the plans for Amaravati, several canals that will be built to control floods would negatively affect the hydrology of the area, including negatively impacting wetlands. They added that the environmental impacts of the proposed Project have not been properly assessed nor adequately mitigated.

46. Regarding the environmental concerns, the Bank team in Delhi explained that the planned flood protection works under the proposed Project have not yet been designed at this stage and the Bank has not reviewed the safeguard documents relating to this Project component. The flood protection works and upgrading of other village infrastructure will be part of a later phase of the proposed Project and will be appraised separately from the roads component. The APCRDA informed the Panel that there are no wetlands in the Amaravati area.⁷³

⁶⁸ RAP. p. 32.

⁶⁹ “Amaravati Land Less Poor Pensions – August 2017,” APCRDA, received during eligibility visit.

⁷⁰ Government of Andhra Pradesh Capital City Land Pooling Scheme (Formulation and Implementation) Rules, 2015 – Notification – Issued (June 1, 2015): “(3) *The Government shall provide pension of two thousand five hundred rupees per month per family for a period of ten years to all landless families through a capital region social security fund.*” p. 4.

⁷¹ Management Response. p. 21.

⁷² APCRDA, “A Brief Rejoinder on Request for Inspection, Dated June 12, 2017” p. 10.

⁷³ APCRDA, “A Brief Rejoinder on Request for Inspection, Dated June 12, 2017” p. 15.

47. **Consultation, Participation and Disclosure of Information.** The Panel learned from the Bank Management and the APCRDA that they were making a substantial effort to ensure highly participatory consultation processes and the provision of information in different formats. For example, establishing Project Information Centers in each of the 24 villages was considered. The Panel observed that some segments of the affected people were well informed about the proposed Project while others seemed to lack knowledge about key aspects of it. Several farmers the Panel met raised concern over important Project information not being available in their local language (Telugu).

48. The Panel learned that four consultation meetings were held in different villages in the Amaravati area on August 29 and 30, 2017, to discuss the draft safeguard documents (SESA-ESMF, RPF, and RAP). Some project-affected people expressed concern that the meetings were too short to discuss the documents in substance, and complete translations of documents were not available. The Panel was also informed that at one meeting location the APCRDA did not accept written objections and the meeting was concluded after only 30 minutes for unknown reasons.

49. **Intimidation and Retaliation.** During its visit, the Panel heard some allegations of intimidation and violence in relation to the LPS. The Panel was told that people are fearful of raising concerns and feel pressure at meetings due to police presence. The Panel observed a polarization of views regarding the LPS, and a discourse that often focuses on questioning the motivations of those in favor or against the proposed Project. In this context, and in line with Management's commitment to promote a free and meaningful stakeholder engagement process, the Panel emphasizes the importance of providing a safe space for airing grievances and concerns, and urges Management to continue monitoring any potential instances of intimidation or retaliation.

E.3. The Panel's Review

50. The Panel emphasizes that the observations in the preceding section and the discussion below focus on Bank compliance with its own policies and procedures, and are not a reflection on the overall merits of the LPS or its implementation. Although the Panel observed substantial support for the LPS in the field, the Panel's eligibility phase examined allegations related to the Bank's proposed Project where harm could potentially occur, and did not assess the overall support for the proposed Project or its benefits. Nonetheless, the Panel is cognizant of the details of the LPS and understands the advantages it intends to provide over traditional forms of resettlement by increasing choice and providing incentives for sharing the benefits of development among local people, while minimizing physical displacement.

51. According to the PAD of the proposed Project, the Bank's Policy on Involuntary Resettlement (OP/BP 4.12) has been triggered since the Project involves land acquisition and physical and economic displacement of families.⁷⁴ A draft RPF and a draft RAP for the initial 10 priority roads to be financed under the proposed Project were prepared. These draft documents are currently under the Bank's internal review.

⁷⁴ PAD, p. 25.

52. The PAD states that the proposed Project's RPF *"will be applicable for lands assembled under LPS or acquired under eminent domain [...] or Negotiated Settlement policy."*⁷⁵ The Management Response commits to continue strong and robust preparation of the proposed Project and finalization of documents by the time of the decision meeting, including the RPF with an analysis of the land acquisition process under the Project, including the LPS.⁷⁶ However, the Panel notes that the draft RAP only covers the impacts and mitigation measures related to lands being acquired through LARR and negotiated settlement, and not to those that are part of the LPS.⁷⁷

53. On July 11, 2017, the Bank's internal Operations Environmental and Social Review Committee discussed the extent to which land acquisition policies used under the proposed Project meet the overall objectives of the Bank's Involuntary Resettlement Policy and are therefore consistent with OP 4.12. It concluded that *"based on the information provided by the Task Team, the Committee believes that the land acquisition policies under the project meet the overall objectives of the Bank's involuntary resettlement policy."*⁷⁸

54. The Panel notes that the most current draft RPF refer to the LPS as *"a voluntary scheme since it is optional."*⁷⁹ The Panel observes that once the area of Amaravati has been decided, all people living within it (excluding those in urban villages) will have to, sooner or later, provide their lands through either the LPS, negotiated settlement, or land acquisition in accordance with the 2013 LARR Act. In this regard, the LPS is a choice within an overall involuntary situation; it represents one option in a context in which the choice of keeping one's lands does not exist, and therefore it qualifies as involuntary resettlement under OP 4.12.⁸⁰ The Panel also notes that the Management Response explains that the LPS forms of compensation are *"consistent"* with the objectives of the Bank's policy on involuntary resettlement.⁸¹ Therefore, it is not clear to the Panel how the Bank has assessed the *"voluntary"* nature of the LPS and how the LPS has been found consistent, or compliant, with the provisions of OP/BP 4.12.

55. The PAD outlines the risks of implementing the LPS, including the difficulty of assuring timely annuity payments, implementation of other benefits, and restoration of livelihoods,

⁷⁵ PAD. p. 75,76.

⁷⁶ Management Response. p. 20.

⁷⁷ RAP. p. 4.

According to the RAP, *"Since there are no additional entitlements envisaged under RPF for LPS beneficiaries, no segregation of lands and landowners [is] required for the project [...] in respect of these LPS beneficiaries. Also no house-hold surveys or consultations [were] carried out among LPS beneficiaries under this RAP for the proposed 10 roads,"* RAP. p. 8.

⁷⁸ OESRC Meeting Minutes, July 11, 2017. p. 2.

⁷⁹ RPF. p. 12.

⁸⁰ According to Footnote 7 of OP 4.12, *"For the purposes of this policy, 'involuntary' means actions that may be taken without the displaced person's informed consent or power of choice."* The Bank's involuntary resettlement sourcebook (p. 21-23) explains, *"Informed consent means that the people involved are fully knowledgeable about the project and its implications and consequences and freely able to agree to participate in the project [...] Power of choice means that the people involved have the option to agree or disagree with the land acquisition, without adverse consequences imposed formally or informally by the state. By definition, power of choice – and thus voluntary resettlement – is only possible if project location is not fixed."* The sourcebook states that voluntary resettlement would be *"expected to involve no physical displacement or significant adverse impacts on incomes."* Only in cases that fit these criteria would OP 4.12 not apply.

⁸¹ Management Response. p. 9.

especially for landless and agricultural laborers.⁸² As noted above, the Panel observed several implementation issues reflecting these same LPS-related risks. However, the Panel understands that neither the latest PAD nor the draft RAP elaborate on the means of mitigating these risks of the LPS⁸³ despite the fact that 93 percent of the land required for the Bank-financed roads are assembled under the LPS.⁸⁴ The draft RAP states that the APCRDA's "*framework will be relied upon for monitoring during implementation and no separate segregation / provisions are made under this RAP for APCRDA's share of LPS lands that are being used for the 10 roads.*"⁸⁵ It is not clear to the Panel how potential adverse impacts will be mitigated under the proposed Project, and the Bank's role in monitoring them.

F. Recommendation

56. The Panel considers the alleged serious harm to certain segments of affected people to be plausibly linked to the proposed Project, and that the Request raises important issues of potential harm and policy non-compliance. The Requesters and the Request meet the technical eligibility criteria set forth in the Resolution establishing the Inspection Panel and the 1999 Clarification.

57. The Panel notes that there are conflicting assertions and differing views between the claims in the Request and the Management Response. The Panel notes that the harm claimed by the Requesters are linked to the construction of the proposed Bank-financed roads for Amaravati and other activities planned under the proposed Project. The Panel further notes that the Requesters raise issues of a serious character that can only be fully ascertained in the context of an investigation.

58. The Panel therefore recommends carrying out an investigation into the alleged issues of harm and related potential non-compliance with Bank policies, especially relating to involuntary resettlement (OP/BP 4.12). The investigation will primarily focus on resettlement aspects of the Bank's proposed Project, as well as environmental concerns and issues related to consultation, participation and disclosure of information as they pertain to the Bank's financing and Bank policies and procedures.

59. If the Board of Executive Directors concurs with the foregoing, the Inspection Panel will advise the Requesters and Management accordingly.

⁸² PAD, p. 26.

⁸³ PAD, p. 26.

⁸⁴ PAD, p. 26.

⁸⁵ RAP, p. 4. The RAP (p. 8) states that "*a livelihood improvement plan will be prepared for all those interested farmers receiving base annuity less than Rs.75000/- and the landless labourers receiving monthly pensions, by December 2017.*"

Annex I

Request for Inspection

From: [REDACTED]
To: [Dilek Barlas](#); [Mishka Zaman](#); [Rupes Kumar Dalai](#)
Cc: [REDACTED]
Subject: Submission of Complaint on Project ID P159808 - Request for Inspection Panel Review
Date: Thursday, May 25, 2017 6:01:26 AM
Attachments: [Complaint on Project ID P159808 - Request for Inspection Panel Review 25May17.pdf](#)

Dear Ms. Barlas,

1. We, the Requesters request that the Inspection Panel investigate the World Bank's compliance with its operational policies and procedures regarding the Amaravati Sustainable Capital City Development Project (ASCCDP) (Project ID: P159808).
2. We own land and live in the area known as [REDACTED] India. Our land is within the Master Plan for Amaravati Capital City, and is likely to be a part of the ASCCDP and/or affected by other activities related to the ASCCDP.
3. As a result of serious noncompliance with the World Bank's operational policies and procedures, including OP/BP 4.01 and OP/BP 4.12, we have experienced, and are likely to continue to experience, harm.
4. We have approached Bank management several times and raised our concerns. But Management has failed to take steps to resolve those concerns.
5. We do not authorize the Inspection Panel to disclose our identities as we have a fear of retaliation because of our interaction with the Inspection Panel. Our identities are included in Annex 1 of the attached complaint document.
6. There are several attachments supporting the complaint and those were appropriately referenced in the complaint document. We have provided you with the access to this DropBox folder. Alternatively, it could be accessed through the link - [REDACTED]
7. We the Requesters request that the Inspection Panel to register our case, conduct an investigation into the policy violations described in the attached complaint document and find that World Bank management must take steps to rectify these violations and resolve Requesters' concerns.
8. We are standby to provide any additional information you may need.

With best regards
[REDACTED]

Via Electronic Mail

25 May 2017

The Executive Secretary, the Inspection Panel
World Bank
1818 H Street NW, MSN 10-1007
Washington, DC 20433
USA
Email: ipanel@worldbank.org

Subject: Request for Inspection Panel Review on the *Amaravati Sustainable Capital City Development Project* (Project ID: P159808)

Dear Ms. Barlas,

1. We, the Requesters (see Annex 1) request that the Inspection Panel investigate the World Bank's compliance with its operational policies and procedures regarding the Amaravati Sustainable Capital City Development Project (ASCCDP).
2. We own land and live in the area known as [REDACTED] India. Our land is within the Master Plan for Amaravati Capital City, and is likely to be a part of the ASCCDP and/or affected by other activities related to the ASCCDP.
3. As a result of serious noncompliance with the World Bank's operational policies and procedures, including OP/BP 4.01 and OP/BP 4.12, we have experienced, and are likely to continue to experience, harm.
4. We have approached Bank management several times and raised our concerns. But Management has failed to take steps to resolve those concerns.
5. We do not authorize the Inspection Panel to disclose our identities as we have a fear of retaliation because of our interaction with the Inspection Panel. Our identities are included in Annex 1.

I. Background on the development of Amaravati

6. Following the bifurcation of the State of Andhra Pradesh in 2014, the state government announced its plans to construct a new capital city, called Amaravati, which would span 217 square kilometers (53,677 acres) and host a population of 4.5 million by 2050.¹ The proposed area in which the new mega-city would be constructed consisted of 25 villages² and four hamlet village settlements, and had a total population of 127,505.³ More than 70% of the 217 square kilometers to be used for the Capital Region consists of multi-crop irrigated agricultural lands,

¹ See Attachment 1 (Prospective Plan of A.P. Capital Region).

² See Attachment 2.

³ See Attachment 3, *Draft Detailed Master Plan of Capital City AMARAVATI - Report*, p. 32.

including fruit and flower plantations.⁴

7. On December 26, 2015, the government released an English-language “Draft Detailed Master Plan of Capital City Amaravati,”⁵ which was open for public comment for a period of 30 days. This draft was not released in Telugu, the local language. The draft was made available online⁶ and also at four government offices⁷ for viewing on all working days during office hours. Objections/suggestions could be sent in writing to the Commissioner, or uploaded on the website.⁸

8. The Master Plan aimed to transform the area from a primarily rural, agricultural area into a modern mega-city. In order to execute this vision, the government created a Land Pooling Scheme (LPS). Under the LPS, resident farmers would pool their agricultural land and transfer their land title to the State to develop the land in accordance with the Amaravati Master Plan. In return, farmers would receive an annuity for ten years, and up to 30% of the quantity of land pooled would be transferred back to the farmers for residential and commercial use after the land was developed. These plots will be allocated via a digital lottery. According to the original land pooling plan outlined in the EIA report for Amaravati, the government would issue a “statutory land pooling ownership certificate [LPOC] with alienable rights within 9 months of agreement with all willing land owners.” The government would “handover physical possession of reconstituted plot within 12 months of the date of notification of final LPS” and “complete the development of the scheme area within 3 years of issue of LPOC.”⁹ Also refer to G.O.Ms.No.1, Dated: 01.01.2015 on the proposed timelines for the implementation of LPS.¹⁰

9. The benefits under the LPS are differentiated based on land type—owners of Jareebu lands (i.e., fertile lands that can be cultivated throughout the year) receive larger benefits than those who own dry lands.¹¹ Benefits also are differentiated for owners of assigned lands, who also are members of Scheduled Castes and Scheduled Tribes.¹² Agricultural laborers and landless families are also eligible for a ten-year annuity. The LPS promises other benefits for participating farmers and others residing in the region, including loan waivers, loans for self-employment, free education and health care, old age homes, subsidized cafeterias, employment, and job skills training.¹³ Further, refer to Attachment 21, Chapter 4, “Social

⁴ See Attachment 17, *EIA Report – Amaravati*, at p. 153.

⁵ Refer to Attachment 3 for more details about the Capital City Mater Plan and Attachment 4 for vision and goals for Amaravati Capital City.

⁶ The draft was made available at the APCRDA website: www.crda.ap.gov.in

⁷ At the offices of APCRDA, Vijayawada, Guntur (6/12, Brodipet), Tenali (Chenchupet) & Tulluru (near Primary Health Center).

⁸ Many have filed their objections and suggestions – refer to Attachment 5 - Objections Draft Perspective Plan - 2050 for APCRDA and Attachment 6 - Objections on Master Plan.

⁹ Attachment 17, *EIA Report—Amaravati*, p. 179.

¹⁰ See Attachment 20, *Attachment 20 MS GO No 1 - LPS Rules*, Point 12, p. 11.

¹¹ The revised RPF provides additional details on the full schedule of benefits on page 42.

¹² *Id.*

¹³ “In addition to above entitlements, the farmers who have joined or those registered for pensions can access to the following additional benefits. a) Loan Waiver: One-time agricultural loan waiver of up to INR. 1, 50,000 is available to all farmers who have outstanding agricultural loans. b) Loans for self-employment: Interest free loan of up to INR. 25, 00,000 is available to all poor families for setting up any self-employment avengers (below INR. 60,000 and 75,000 annual income in rural or urban areas respectively). c) Education and Health: Free education and health facilities are available to all those residing as on 8th December, 2014. d) Old age

Development” for assurances by Andhra Pradesh Capital Region Development Authority (APCRDA).

10. The Land Pooling Scheme also promises to reserve 10% of the land pooled for parks, playgrounds, gardens and other spaces in the new city; 30% for roads and utility services; 5% for social infrastructure (schools, health, and community services); and 5% for affordable housing for the poor.¹⁴

Implementation of the Land Pooling Scheme

11. The Land Pooling Scheme regulations entered into force on 1 January 2015, and the scheme is managed by the APCRDA. Although the government characterizes the scheme as voluntary, many farmers were intimidated and economically coerced into pooling their land. Tactics included setting short deadlines for participation in the LPS, which were subsequently and repeatedly extended; threats to acquire the land under the regulations of the Land Acquisition Act of 2013, which would provide compensation far below the actual market value of the farmers’ land; and threats to provide the ten-year annuity (described in paragraph 8) only to those farmers who signed up for the LPS prior to May 1, 2015.¹⁵

12. Farmers who expressed opposition to the LPS were also intimidated and harassed. In December 2014, banana plantations were set on fire in six villages in which the majority of residents opposed land pooling.¹⁶ Since then, there have been additional instances of fires and destruction of crops on land owned by farmers who have refused to participate in the LPS.¹⁷ Many of these incidents are detailed in Attachment 9, which is an article published in Economic & Political Weekly, Vol Li No 17, on 23 April 2016, titled “Making of Amaravati - A Landscape of Speculation and Intimidation”.

13. Further, there has been a heavy police presence in the Amaravati area since land pooling began, and police have interrogated, detained, harassed, assaulted, and intimidated residents.¹⁸ More than 3,000 farmers were interrogated and assaulted to make them sign up for the LPS.¹⁹ The police threatened that if the farmers do not pool their land, the police will file cases on

homes will be established to take care of aged of above 65 years; e) Subsidised canteens: To provide food at very subsidised rates f) Wage Employment. Social Development wing is exploring possibilities to engage the farmers under LPS throughout 365 days a year per family under MGNREGA unlike the actual 100 working days per year. g) Establishment of skill development institution to provide training with stipend to enhance the skills of cultivating tenants, agricultural labourers and other needy persons.” Revised RPF, p. 42.

¹⁴ Attachment 20, p. 16.

¹⁵ Attachment 19, para. 3.

¹⁶ See, e.g., <http://epaper.newindianexpress.com/c/13764387> and <http://www.newindianexpress.com/states/andhra-pradesh/2016/oct/07/crda-officials-deny-testing-farmers-again-1525759.html>

¹⁷ <http://www.thehindu.com/todays-paper/tp-national/tp-andhrapradesh/revenue-officials-raze-ryots-plantation-by-mistake/article7969048.ece> <http://epaper.newindianexpress.com/c/13764387>

¹⁸ E.g., “the AP government has relied heavily on using police as an instrument of coercion and intimidation along with several tactics which have come to be locally known as the “mind game” which has, probably, few parallels in India in recent years.” *The Making of Amaravati*, p. 71.

¹⁹ “Farmers signed under duress, say activists,” *The Hindu* (01 September 2015), available at <http://www.thehindu.com/todays-paper/tp-national/tp-andhrapradesh/farmers-signed-under-duress-say-activists/article7601392.ece> (accessed in May 2017).

them. Six police battalions were called into action. They moved from village to village with AK 47s and machine guns. Refer to the references in Attachment 9 for more details.

14. The Government of Andhra Pradesh and APCRDA failed to respond to the objections submitted by farmers who refused to participate under LPS. Refer to Attachment 7, summarising the objections on LPS. Concerns also have been raised about the impact of the LPS on marginalized groups, including the Scheduled Castes, the Dalit, agricultural laborers, and landless families. Refer to Attachment 10 for more details.

15. Many farmers have not consented to participate in the LPS, and some of these farmers, including Requester #3, have now been notified that their land will be acquired under the Land Acquisition Act. These farmers have filed multiple cases in the high court. In April 2017, the High Court issued a stay on land acquisition in Requester #3's village, and the High Court also directed the authorities to cease its efforts to mark land that has not been acquired under the LA Act.²⁰ Refer to Attachment 11 for more details on the ongoing cases.

16. 90% of farmers in the capital city area have signed legal documents indicating their intent to participate in the LPS. However, only ten farmers have completed the legal steps necessary to transfer their land rights (title deeds) to the State.²¹ The other farmers have not yet completed those steps, and are unwilling to do so because of the lack of legal guarantees about the location of their developed plots and the infrastructure that each "developed plot" will contain. Further, many farmers are concerned that there is no market value specified for the developed plots in the registration documents. Refer to Attachment 22, for sample copy of a land registration document that doesn't contain registration value. This is illegal as per Indian Stamps act 1899 for title transfer.

17. Many of the additional benefits that the LPS promises to participants—such as job training and wage employment—have not been implemented. Further, although the LPS promises to allocate 5% of land pooled to affordable housing for the poor,²² only 1,680.9 acres have been allocated in the Draft Detailed Master Plan for "weaker section housing" (i.e., for those living below the poverty line).²³

II. The ASCCDP Project

18. ASCCDP aims to "to build sustainable urban services and capacity of urban institutions for the development of Amaravati capital city."²⁴ The project is classified as Category A, and will involve three components: Component 1 supports basic urban and pro-poor infrastructure, which consists of construction of city roads and utility corridors, as well as village infrastructure development; Component 2 will finance sustainable urban investments, consisting of flood mitigation for the "Kondaveeti Vagu" water canal, a sewerage system, and a solid waste management system; and Component 3 provides technical assistance for

²⁰ Attachment 11, WRIT PETITION No. 13003 OF 2017.

²¹ A recent news article reported that only seven farmers have completed these steps.

<http://epaper.sakshi.com/1218099/Guntur-Amaravathi-District/24-05-2017#dual/10/1>

²² Attachment 20, p. 16.

²³ See Attachment 3.

²⁴ PID/ISDS, p. 7.

“efficient urban governance and sustainable service delivery.” The Andhra Pradesh Capital Region Development Authority (APCRDA) is the implementing agency for the Project.

19. The PID/ISDS describes the Land Pooling Scheme as a “voluntary” scheme²⁵ that “seeks to avoid any major displacement; consequently, about 25 existing villages within the 217 sq.km would remain within the capital city and gradually get integrated into the urban fabric of the new Capital city.”²⁶ According to this document, 90% of the land required for developing the city has already been pooled,²⁷ and the LPS is “substantially completed.”²⁸ The PID/ISDS states that OP/BP 4.12 applies to all land used for the ASCCDP, including land already acquired through the Land Pooling Scheme. Because the LPS is “substantially completed,” due diligence will consist of “an independent implementation assessment of LPS Scheme to assess its implementation outcomes to date, hear the reactions of those who have participated in LPS and identify measures required to strengthen its implementation process during the remaining implementation period as applicable to sub-projects.”²⁹

20. As of May 10, 2017, a draft SESA-ESMF and RPF are available on the World Bank’s website. Both documents state that they have been “revised pursuant to public consultation workshop.” On 19 January 2017, the APCRDA held the only “public consultation workshop” on the ASCCDP, which covered both the 200-page SESA-ESMF and the 200-page RPF. Only 150 potentially affected people³⁰ (out of an estimated 127,505 people³¹ affected by the Amaravati Capital City) attended this workshop on 19 January 2017. There was a presence of at least 40 police personnel, who intimidated stakeholders, and Requester #1 and other farmers were turned away forcefully.³² The draft SESA-ESMF and RPF also were made available for public comment on the CRDA website, which set a fifteen-day time window “from the date of this publication” for the submission of “suggestions and concerns.” The CRDA only received five submissions.³³

21. The “independent implementation assessment” of the LPS still has not been completed, and information about the independent assessment has not been distributed in the Amaravati area. In October 2016, Requester #1 was approached by two individuals, [REDACTED] and [REDACTED] who claimed that they had been appointed World Bank. Requesters contacted World Bank management in Delhi, and only at that time did the Requesters learn that an assessment was underway.³⁴ Requesters also are concerned that the assessment is not being conducted in an independent manner. APCRDA is both the ASCCDP implementing agency and the agency that is responsible for managing the Land Pooling Scheme. APCRDA’s role in selecting and managing the two assessors is not clear. Further, APCRDA has been accompanying the assessors to the villages, which is not compatible with an independent assessment process and negates the purpose of retaining third-party assessors.

²⁵ PID/ISDS, p. 11.

²⁶ PID/ISDS, p. 4.

²⁷ PID/ISDS, p. 4.

²⁸ PID/ISDS, p. 12.

²⁹ PID/ISDS, p. 12

³⁰ RPF, p. 181.

³¹ See Attachment 3, *Draft Detailed Master Plan of Capital City AMARAVATI - Report*, p. 32.

³² See <https://youtu.be/LFNEbCNYoGA>.

³³ RPF, p. 180.

³⁴ Attachment 12 contains a record of the email communication between the Requesters and Bank management in Delhi.

22. Requesters have felt harassed, as opposed to consulted, by the assessors and purported World Bank staff. For example, on April 24, 2017, several individuals visited Requester #2's [REDACTED] house. These individuals stated that they were representatives of the World Bank and asked about the reasons that Requester #2's [REDACTED] family refused to participate in the LPS.

III. Harms to the Requesters

23. Each of the Requesters owns agricultural land in Amaravati, which they rely on for their livelihoods, and none of the Requesters has joined the Land Pooling Scheme. The Requesters have and are likely to experience harm as a result of the ASCCDP, including mental harm, economic harm, food insecurity, and environmental harm.

24. *Mental harm due to continued inadequate access to information and consultation, as well as threats and harassment:* The coercion and intimidation involved in the land pooling process, combined with a lack of adequate access to information and consultation, has caused significant psychological stress for the Requesters. Further, the intimidating atmosphere around the consultation “workshop” for the proposed ASCCDP, as well as the instances in which individuals purporting to represent the World Bank have approached the Requesters and members of their family, also has caused psychological stress for the Requesters. The Requesters fear that this harm will continue under the ASCCDP project.

25. *Loss of livelihood:* As a result of the ASCCDP, the Requesters will be forced to either pool their land under the LPS or their land will be acquired by the State under the Land Acquisition Act. The Requesters fear that either option will result in the loss of their livelihoods. If the Requesters join the Land Pooling Scheme, the LPS does not provide adequate benefits to restore the Requesters' livelihoods, nor does it provide adequate legal guarantees to ensure that promised benefits will be delivered. LPS documents do not specify a period of time within which pooled land must be returned to LPS participants as developed plots.³⁵ Further, the government has estimated that the Amaravati Capital City Project will take 35 years to complete,³⁶ but the government only provides a ten-year annuity to LPS participants, agricultural laborers, and landless families. Thus, there may be a gap between when the annuity ends and when land is actually transferred back to participants. Furthermore, all these assumptions are based on the current Government ruling Andhra Pradesh. In case of any change in the government during 2019 elections, there is a risk that these benefits will not be realized, because the LPS has no legal basis.

26. If the State acquires the Requesters' land under the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Re-Settlement Act, 2013, #30 of 2013 (“LA Act”), the Requesters also will not receive compensation sufficient to restore their livelihoods or to purchase comparable replacement land. Under the LA Act, the State is obligated to compensate landowners based on the market price of the land.³⁷ However, the

³⁵ See Form 9.14, included in the draft SESA-ESMF.

³⁶ The SESA-ESMF that the CRDA submitted to the World Bank states that “Amaravati Capital City Development Project consists of multiple projects in three phases over a plan period of 35 years.” SESA-ESMF, p. 7.

³⁷ LA Act 2013, Chapter 4, Section 26 clearly states to consider whichever is higher among “1. Basic

basic land values in the registration offices have not been revised for the last five years. As a result, the registration value of the Requesters' land and the land in 25 villages across three *mandals* is far lower than the market value. For example, after the CRDA issued an acquisition notification for [REDACTED] land through newspaper publication on 22 July 2016 and through notice on 8 September 2016, the authorities awarded a market price of [REDACTED] per acre of land on 12 April 2017. However, the current market value is INR 16 million per acre.

27. *Food insecurity*: Amaravati consists of rare multi-crop irrigated land that produces 120 types of crops, and Requesters are concerned that the ASCCDP will create food insecurity in the region. The potential for food insecurity as a result of the Amaravati capital city project was noted in the 2014 *Report of the Expert Committee appointed by the Ministry of Home Affairs, Union of India to Study the Alternatives for a New Capital for the State of Andhra Pradesh*,³⁸ and the SESA-ESMF does not recognize that the primary use of the land in Amaravati is multi-crop irrigated land. Further, Andhra Pradesh has not complied with national legislation aimed to guarantee food security.³⁹

28. *Environmental harms*: Component 2 of the ASCCDP will affect the river Kondaveeti Vagu, and the fields adjacent to the riverbed are wetlands. However, the SESA-ESMF does not adequately address issues of wetlands, and APCRDA has not complied with national legislation designed to protect the wetlands.⁴⁰ In 2015, the National Green Tribunal also issued an order that put a stay on construction in Amaravati due to unresolved environmental concerns.⁴¹

IV. Noncompliance with Bank Policies

29. There is evidence that the potential harms above are a result of Bank management's failure to comply with the requirements of OP/BP 4.12 and OP/BP 4.01. These instances of noncompliance include, but are not limited to:

OP/BP 4.12:

30. *Failure to require a resettlement plan*. Bank management has used a Resettlement Policy Framework, rather than a full Resettlement Plan, for the ASCCDP. However, Bank documents suggest that the zone of impact of subprojects, and their siting alignments, can be determined. A detailed Master Plan and Infrastructure Master Plan are available for the city,⁴² and according to Bank documents, “[a]ll physical interventions related to these components

registration value as per books, or 2. Average sale price from 50% highest transactions, or 3. Highest Registered transaction value in the nearest vicinity”. But RPF, p. 43, states “Average sale price shall be by taking 50% of highest registration values for similar lands that took place 3 years prior to cutoff date. Cut-off date is the 1st notification under LA i.e. 11(1)”.

³⁸ Available at <http://www.cprindia.org/research/reports/report-expert-committee-new-capital-andhra-pradesh>

³⁹ In order to ensure the food security of each region of India, Section 10 of the 2013 LA Act requires the State government to set a district-wise limit for the minimum extent of agricultural land and the minimum extent of multi-cropped irrigated land, so that the land proposed to be acquired does not surpass those limits. However, the CRDA and the Government of Andhra Pradesh have not undertaken any study in this direction and not identified such limits.

⁴⁰ The Wetland Rules notified by the Union Ministry of Environment and Ramsar Convention on Wetlands. Attachment 15 provides more details about these concerns.

⁴¹ Attachment 18 contains the order of the NGT, and attachment 15 provides more details about these concerns.

⁴² Available at <https://crda.ap.gov.in/APCRDA/Userinterface/HTML/masterplansNew.htm>

will be situated on identified land parcels / stretches within the 217 sq.km. of Amravati city.”⁴³ The PID/ISDS identifies specific sets of roads and associated infrastructure for Component 1 of the ASCCDP,⁴⁴ and Component 2 will support flood mitigation for the Kondaveeti *Vagu* water canal, a sewerage system, and a solid waste management system.

31. *Failure to ensure meaningful consultation.* A single consultation “workshop” on both the draft RPF and the draft SESA-ESMF, combined with the intimidating presence of police forces and an unclear and short fifteen-day time frame for the submission of written comments, does not constitute a meaningful consultation process under OP 4.12. When the Requesters raised concerns about the consultation process with Bank management, management responded that the process was “conducted in a free and fair manner, except for a brief stoppage wherein a section of farmers who are supportive of land pooling scheme tried to interrupt a speaker from criticizing land pooling related impacts. But the situation was quickly brought under control and the speaker was allowed to complete his response.”⁴⁵ A new version of the RPF and the SESA-ESMF are now posted on the Bank’s website, and specify that each document has been “revised pursuant to public consultation workshop.”

32. *Failure to accurately assess the nature and magnitude of project-related displacement⁴⁶ and to adequately ensure that use of land previously acquired through the LPS complies with OP 4.12.* The PID/ISDS states that the “Land Pooling Scheme (LPS) is substantially completed.”⁴⁷ However, as described in paragraph 16 above, the LPS is not “substantially completed,” and the legal steps necessary to complete the process have not yet occurred. This inaccurate assessment has led to the incorrect Bank determination that a “due diligence” approach consisting of “an independent implementation assessment of LPS Scheme to assess its implementation outcomes to date, hear the reactions of those who have participated in LPS and identify measures required to strengthen its implementation process during the remaining implementation period as applicable to sub-projects” is the appropriate method to evaluate the LPS.⁴⁸ This approach is not adequate to assess the compliance of the LPS with OP 4.12. Further, the Bank has not taken steps to ensure that this “independent implementation assessment” is being conducted independently,⁴⁹ nor has it established an independent advisory panel on resettlement for the ASCCDP, as recommended under OP 4.12 for projects that are highly risky or contentious.⁵⁰

⁴³ ISDS, section D., para. 1.

⁴⁴ Component 1 of the ASCCDP will support “the first set of high priority city roads within this network--this includes construction of 107 Km of sub-arterial roads and 6 Km of main arterial roads, along with utility ducts for water, sewerage, drains and other utilities such as communications, telecom and power etc. in the Capital city area for providing connectivity to the key land parcels.” Component 1 of the ASCCDP also will support “upgrading of infrastructure in the 25 villages noted above (water, sewerage, village roads, drains and connectivity to trunk infrastructure, etc.), and seamlessly integrating them into the trunk infrastructure of Amravati city.” PID/ISDS, page 8.

⁴⁵ See Attachment 14.

⁴⁶ “The TT summarizes in the Project Concept Note (PCN) and the Project Information Document (PID) available information on the nature and magnitude of displacement and the resettlement instrument to be used.” BP 4.12, para 4.

⁴⁷ PID/ISDS, p. 12

⁴⁸ PID/ISDS, p. 12

⁴⁹ In this regard, see Attachment 12 and Management’s response to Requesters’ concerns.

⁵⁰ “For projects that are highly risky or contentious, or that involve significant and complex resettlement activities, the borrower should normally engage an advisory panel of independent, internationally recognized

33. *Inconsistency with the objectives of OP 4.12:* Bank management has not taken steps to avoid or minimize involuntary resettlement,⁵¹ and has instead responded to concerns about involuntary resettlement by stating that individuals affected by the ASCCDP have two options: “you may opt to participate in the Land Pooling Scheme (LPS) or under Land Acquisition (LA).”⁵² The compensation and the limited annuities for the transition period provided by both the LPS and the LA Act do not “provid[e] sufficient investment resources to enable the persons displaced by the project to share in project benefits.”⁵³ Lastly, the Bank’s due diligence approach to the LPS does not incorporate measures to restore the livelihoods of landowners, assignees, agricultural laborers, and vulnerable groups who the LPS already has affected, and who will only receive annuities for ten years under the rules of the LPS.⁵⁴

OP/BP 4.01:

34. *Failure to ensure meaningful consultation:* As a result of the lack of a meaningful consultation process (described in paragraph 31), the Requesters’ concerns were not incorporated into the revised SESA-ESMF for the project, and Requesters face the potential harms described in Section III.

Compliance of the draft revised SESA-ESMF and RPF with OP 4.12 and OP 4.01:

35. *Proposed compensation does not cover replacement cost.* The revised RPF sets an amount of compensation that does not meet OP 4.12’s standard of replacement cost. As described in paragraph 26, the RPF’s process for valuation of land to be acquired is based on values that have not been revised in five years. Requesters submit that valuation under the LA Act should be based on the market value of transactions that have taken place in a fair and transparent manner over the last three years. Specifically, the market value should be multiplied by at least a factor of two, and 80% of the land to be paid at market value and as per first schedule, and return 20% of the developed land in par with the offer under LPS.⁵⁵

36. *Lack of analysis of project alternatives:* The SESA-ESMF states only that there will be an analysis of project alternatives for future sub-projects, rather than an analysis of alternatives to the Amaravati Capital City project. In this regard, there is a detailed report produced in 2014 by an expert that proposes alternative designs for the city, including the decentralization of governance by locating government offices at regional centers.⁵⁶

resettlement specialists to advise on all aspects of the project relevant to the resettlement activities.” OP 4.12, note 23.

⁵¹ OP 4.12, para. 2(a).

⁵² Attachment 16.

⁵³ OP 4.12, para. 2(b).

⁵⁴ OP 4.12, para. 2(c).

⁵⁵ Following the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013, #30 of 2013, all the four schedules are interlinked. As per first schedule, the land owners will be compensated market price and solatium for the area of land. In addition to the compensations under first schedule, the second schedule #3 i.e. offer for the developed land “In case the land is acquired for urbanisation purposes, twenty per cent. of the developed land will be reserved and offered to land owning project affected families, in proportion to the area of their land acquired and at a price equal to the cost of acquisition and the cost of development: Provided that in case the land owning project affected family wishes to avail of this offer an equivalent amount will be deducted from the land acquisition compensation package payable to it.”

⁵⁶ Available at http://www.cprindia.org/sites/default/files/policy-briefs/ExpertCommittee_CapitalAP_Final.pdf

37. *Inadequate identification of environmental issues.*⁵⁷ The revised SESA-ESMF states that “the ecological profile consists of agricultural areas, wetlands/water bodies (irrigation ponds and rivulets), rocky outcrops and riparian/riverine zone along the River Krishna. There are no ecologically sensitive areas present in the Amaravati Capital City area. However, the study identified the following ‘hotspots’: wetlands, rocky outcrops, and, riparian zone of River Krishna.”⁵⁸ However, the SESA-ESMF does not include the recommendations made in the main EIA-EMP for Amaravati, which makes a number of recommendations related to water bodies, wetlands, and the River Krishna.⁵⁹

V. Prior interactions with Management

38. The Requesters have informed the APCRDA, World Bank management, and the World Bank GRS about their concerns through a series of emails and meetings (refer to Attachments 12 - 16). Following the invitation of CRDA, a few farmers attended the “Public Consultation Workshop” to express their objections on SESA-ESMF and the draft RPF. However, the revised drafts that were posted on the World Bank’s website,⁶⁰ which specified that they had been “revised pursuant to Public Consultation Workshop,” did not address the Requesters’ concerns. The World Bank also has not taken any action to address the concerns the Requesters have raised, including the objections on SESA-ESMF and RPF in attachment 15.

VI. Requested Measures

39. The Requesters believe that there is cause for concern about whether it is possible for the Bank to implement the ASCCDP in accordance with its policies and in the manner stated in the PID/ISDS. There is an urgent need for the Panel to open an investigation in order to address the Requesters’ concerns, ensure compliance with Bank policies, and avoid further harm.

40. The Requesters request that the Inspection Panel conduct an investigation into the policy violations described above and find that World Bank management must take steps to rectify these violations and resolve Requesters’ concerns. Such steps would include, but are not limited to:

- Delay the World Bank’s process of appraisal and convene a panel of independent experts to oversee the ASCCP and ensure that it is implemented in accordance with World Bank policies and procedures.
- Revise the Bank’s approach to conducting due diligence on the LPS. The Bank should approve terms of reference for a truly independent analysis of the LPS that identifies steps needed to remedy past noncompliance with OP 4.12 and ensure future compliance with OP 4.12., including legal guarantees for participants in the LPS.

⁵⁷ BP 4.01, para. 3

⁵⁸ SESA-ESMF, p. 29.

⁵⁹ See Attachment 17. It also is available at

<https://crda.ap.gov.in/apcrdadoes/Environment/Environmental%20Clearance/EIA%20report%20Amaravati%20from%20EC.pdf>

⁶⁰ <http://documents.worldbank.org/curated/en/650051486971245674/pdf/SFG3009-EA-P159808-Box402887B-PUBLIC-Disclosed-2-10-2017.pdf> and <http://documents.worldbank.org/curated/en/956761486979973088/pdf/SFG3020-RP-P159808-Box402887B-PUBLIC-Disclosed-2-10-2017.pdf>

- Ensure that the process of land acquisition complies with World Bank policies and with national legislation, and ensure that the final environmental and social documentation for the project incorporates Requesters' concerns.
- Ensure that future consultation processes are conducted in a free, fair, and meaningful manner.

Signature:



Date: 22 May 2017

Signature:



Date: 22 May 2017

Signature:



Date: 22 May 2017

Signature:



Date: 22 May 2017

ANNEX 1: Requesters' Statement

1. We, [REDACTED] (Requester #1), [REDACTED] (Requester #2), [REDACTED] (Requester #3), and [REDACTED] (Requester #4) request that the Inspection Panel investigate the World Bank's compliance with its operational policies and procedures regarding the Amaravati Sustainable Capital City Development Project (ASCCDP).

2. We own land and live in the area known as [REDACTED], India. Our land is within the Master Plan for Amaravati Capital City, and is likely to be a part of the ASCCDP and/or affected by other activities related to the ASCCDP. [REDACTED] owns [REDACTED] of agricultural land in [REDACTED], and [REDACTED] owns [REDACTED] acres of agricultural land in [REDACTED]. [REDACTED] is President of the [REDACTED], which has a membership of 1600 farmers in the Amaravati Capital City area.

3. We do not authorize the Inspection Panel to disclose our identities as we have a fear of retaliation because of our interaction with the Inspection Panel.

Our Addresses and Contact Details

1. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

2. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

3. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

4. [REDACTED]
[REDACTED]



ANNEX 2: Additional References

- Videos <https://youtu.be/8x5z42yt6mQ> and <https://youtu.be/gD77QUyL0Fc> shows the concerns from farmers on the Amaravati Project.
- Coercion tactics of the Government - [youtube.com/watch?v=h5cwX5OvZ0M&t=25s](https://www.youtube.com/watch?v=h5cwX5OvZ0M&t=25s) and [youtube.com/watch?v=72-E4lyCfKg](https://www.youtube.com/watch?v=72-E4lyCfKg)
- Amaravati 360: Farmers rail against AP's land pooling scheme; By:Swati Sanyal Tarafdar: <http://www.firstpost.com/long-reads/amaravati-360-farmers-rail-against-aps-land-pooling-scheme-3432440.html>

The following attachments to the Request for Inspection are available upon request:

Attachment 1	Draft Perspective Plan - 2050 APCRDA - Public Notice
Attachment 2	APCRDA Public Notice 12.26.2015
Attachment 3	Capital Maps
Attachment 4	Amaravati Capital City
Attachment 5	Objections Draft Perspective Plan - 2050 for APCRDA
Attachment 6	Objections on Master Plan
Attachment 6a	Amaravati Reveals How Public Projects in India Remain Dependent on Whims of Politicians
Attachment 7	Objections and Suggestions Summary Document 02Sep16
Attachment 9	Amaravati - A Landscape of Speculation & Intimidation
Attachment 10	Status paper Amaravati Capital Development and issues 29Jan17
Attachment 11	ongoing cases in NGT, courts
Attachment 12	Email with Bank Mgmt in Delhi on ASCI's Independent Assessment
Attachment 13	October 2016 Meeting with World Bank
Attachment 14	Email response from Bank Mgmt in Delhi on SESA-ESMF and RPF consultation process
Attachment 15	Objections on SESA -ESMF and RPF for Project ID P159808 15Jan17
Attachment 16	Communication with World Bank GRS
Attachment 17	EIA report Amaravati from EC
Attachment 18	National Green Tribunal Order
Attachment 19	GO no 75 issued on 04.14.2015
Attachment 20	MS GO No 1 - LPS Rules
Attachment 21	Facts Book
Attachment 22	Land_Registartion_documents
Attachment 23	CRFF Request for Inspection Panel intervention in Project ID P159808 26May17

Annex II

Management Response

**MANAGEMENT RESPONSE TO
REQUEST FOR INSPECTION PANEL REVIEW OF THE
INDIA: PROPOSED AMARAVATI SUSTAINABLE CAPITAL CITY
DEVELOPMENT PROJECT (P159808)**

Management has reviewed the Request for Inspection of the India: Proposed Amaravati Sustainable Capital City Development Project (P159808), received in two parts by the Inspection Panel on May 25 and May 27, 2017, and registered on June 12, 2017 (RQ17/04). Management has prepared the following response.

JULY 21, 2017

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Figures

- Figure 1. Map of the planned Amaravati City with villages to be included in the City limits (IBRD No. 43011)

Annexes

- Annex 1. Claims and Responses
Annex 2. Letter of Support to the LPS
Annex 3. Writ Petition and Supreme Court Judgement
Annex 4. Local Media Coverage on the Consultation Workshop

ABBREVIATIONS AND ACRONYMS

AIIB	Asian Infrastructure Investment Bank
AP	Andhra Pradesh
APCRDA	Andhra Pradesh Capital Region Development Authority
ASCCDP	Amaravati Sustainable Capital City Development Project
BP	Bank Procedure
EIA	Environmental Impact Assessment
EMP	Environmental Management Plan
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
IBRD	International Bank for Reconstruction and Development
ISDS	Integrated Safeguards Data Sheet
Km	Kilometer
LARR Act	Land Acquisition, Rehabilitation and Resettlement Act
LP	Land Pooling
LPS	Land Pooling Scheme
OP	Operational Policy
PID	Project Information Document
RAP	Resettlement Action Plan
RPF	Resettlement Policy Framework
SESA	Strategic Environmental and Social Assessment
SIA	Social Impact Assessment

Currency Unit – Indian Rupee (as of June 27, 2017)

USD 1 = INR 64.3860

INR 1 = USD 0.01550

EXECUTIVE SUMMARY

Inspection Panel Request and Background

- i. ***The proposed India: Amaravati Sustainable Capital City Development Project (ASCCDP or Project) aims to support the development of a new capital city for the state of Andhra Pradesh, Amaravati City. Specifically, the proposed Project would finance selected new infrastructure, upgrade existing village infrastructure, enhance climate resilience by improving flood mitigation, and build urban governance capacity to benefit current and future residents of selected areas within Amaravati City through improved urban services.*** In addition, current institutions, such as the implementing agency, as well as the institutions to be set up under the new Amaravati City government, would benefit from institutional development activities and technical assistance under the proposed Project.
- ii. ***Land for Amaravati City is being acquired by the Government of Andhra Pradesh through land pooling, negotiated settlements, or eminent domain.*** The majority (about 86 percent) of the land required for Amaravati City has been acquired through a Land Pooling Scheme (LPS), under which agricultural land is assembled from participating landowners, who transfer their land to the City, and subsequently receive in return smaller, but serviced and urbanized plots.
- iii. ***Given the significant urban development challenges facing India, the proposed Project could be an important step to develop and apply this innovative land use planning instrument in the Bank's engagement in the country.*** Land pooling has been successfully used elsewhere in India, Nepal and other countries (e.g., Australia, Canada, Europe, Japan, Korea, United States).
- iv. ***The proposed Project is in the process of preparation and has not yet been appraised, nor have safeguard instruments been finalized.*** The next step in the project cycle is the Decision Meeting, at which point Management will review the proposed Project scope and design and determine whether to authorize appraisal. This Decision Meeting is expected to be held later in 2017.
- v. ***The Requesters allege harm from the acquisition of land for the proposed new capital through the LPS and other means, and from activities related to the proposed Project.*** In their Request for Inspection, the Requesters note that they have not joined the LPS. The Requesters allege that they are being coerced into joining the LPS, and that land acquisition under either the LPS or under negotiated settlement and eminent domain would cause them harm related to their livelihoods, the environment, food security, resettlement and lack of consultation.

Management's Response

- vi. ***Management understands the concerns of the Requesters regarding compensation for land which is acquired for the development of Amaravati City.*** Management has carefully reviewed the allegations made by the Requesters and will ensure that any Bank support for the proposed Project complies with Bank policy. Management

has agreed with the Borrower on an Action Plan that aims to address concerns raised in the Request.

vii. ***Management will decide whether to move ahead with the proposed Project only after appropriate analysis of potential Project risks and impacts has been undertaken, and adequate mitigation measures to address them have been developed and consulted upon to the satisfaction of the Bank.*** Before the Decision Meeting, Management commits to completing safeguard documents that have been appropriately consulted upon and include an analysis of the land acquisition process under the proposed Project, including the LPS, negotiated settlement and eminent domain; an assessment of the proposed Project investments within Amaravati City; and an assessment of the potential environmental and social risks and impacts and how these would be addressed under the proposed Project. Also before the Decision Meeting, Management will work with the Borrower to complete a plan for ongoing consultation, establish a robust project-level grievance redress mechanism and citizen advisory committee, as well as an enhanced communication strategy for the proposed Project and its safeguard aspects.

viii. ***Management takes the Requesters' claims of coercion very seriously and emphasizes that it does not condone any form of coercion.*** Management has reached out to landowners specifically named in some of the coercion allegations, who have assured the Bank that they were not subjected to or aware of any coercion attempts. The Bank has increased its presence in Amaravati by expanding the number of visits to villages in the area to have more opportunities to consult with affected people and to gather more insight into the coercion allegations. Management is also in the process of hiring an independent party to carry out interviews and consultations in local villages to obtain additional information regarding this issue.

ix. ***Going forward, Management will work with Government authorities, the implementing agency, and the communities to ensure a free and meaningful stakeholder engagement process.*** Management will convey to the Government that proactive and open stakeholder engagement, free from coercion, is a prerequisite for Bank support for a project, and that Management expects stakeholder input to be considered in project design. Management will work with the implementing agency to put measures in place to facilitate such stakeholder engagement, including the citizen advisory committee and project-level grievance redress mechanism to receive and process stakeholder input and complaints during project preparation and implementation. The Bank will also work with local organizations that are trusted by the communities or with independent third-party monitors to gather views of stakeholders and to identify potential problems early in the process.

x. ***Management remains committed to ensuring that potential impacts of the proposed Project on livelihoods, resettlement, environment and food security are appropriately assessed, and that any identified impacts are managed in accordance with Bank policy.*** Management will confirm that the proposed Project complies with Bank policy before deciding whether to move forward with Bank support.

xi. ***Management has made no decision yet whether to finance the proposed Project. Management notes that the proposed Project is still at an early stage of preparation and therefore substantive application of Bank policies and procedures has not yet taken place.*** Management will decide whether to move ahead with the proposed Project only after

appropriate analysis of potential Project risks and impacts has been undertaken and adequate mitigation measures to address them have been developed and consulted upon to the satisfaction of the Bank.

I. INTRODUCTION

1. On May 25, 2017, the Panel received a Request for Inspection of the proposed India: Amaravati Sustainable Capital City Development Project (the Project).¹ On May 27, 2017, the Panel received another communication in support of the Request. The two Requests were registered together as a single request on June 12, 2017 (RQ17/04).

2. *Structure of the Text.* The document contains the following sections: Section II presents the Request; Section III provides an overview of the proposed Project; Section IV contains Management's response and Section V is the conclusion. Annex 1 presents the Requesters' claims, together with Management's detailed responses, in table format. Annex 2 contains a letter of support for the proposed Project, Annex 3 provides excerpts from a Supreme Court filing and decision, and Annex 4 includes examples of local media coverage of Project-related consultations.

II. THE REQUEST

3. The Request for Inspection (the Request) was submitted by landowners from the area known as Amaravati in Andhra Pradesh, India (the Requesters). The Requesters allege harm from the acquisition of land required for the proposed new Amaravati City, in particular from land acquisition through land pooling, and from other activities related to the proposed Project. The Requesters claim harm related to their livelihoods, the environment, food security, resettlement and lack of consultation resulting from the alleged non-compliance of the Bank with its environmental and social policies in preparation of the proposed Project. In their Request for Inspection, the Requesters note that they have not joined the land pooling scheme (LPS) that is a focus of the Request.

4. The Request included two annexes with the signatures of four Requesters and their statements, and additional references, including links to videos and an article. The Requesters asked that their identity remain confidential. In addition, there were 23 attachments of reports, media articles, and court documents related to the planned construction of Amaravati City:

- Attachment 1 Draft Perspective Plan - 2050 APCRDA - Public Notice;
- Attachment 2 APCRDA Public Notice 12.26.2015;
- Attachment 3 Capital Maps;
- Attachment 4 Amaravati Capital City;

¹ On October 8, 2016, the Panel had received an initial Request for Inspection on the proposed Project. It issued a Notice of Non-Registration on December 19, 2016, on the basis that the proposed Project was in early stages of preparation and at the time there was no action or omission by the Bank that could plausibly be linked to the alleged harms.

India

- Attachment 5 Objections Draft Perspective Plan - 2050 for APCRDA;
- Attachment 6 Objections on Master Plan;
- Attachment 7 Amaravati Reveals How Public Projects in India Remain Dependent on Whims of Politicians;
- Attachment 8 Objections and Suggestions Summary Document 02Sep16;
- Attachment 9 Amaravati - A Landscape of Speculation & Intimidation;
- Attachment 10 Status Paper Amaravati Capital Development and Issues 29Jan17;
- Attachment 11 Ongoing cases in NGT, courts;
- Attachment 12 Email with Bank Mgmt in Delhi on ASCI's Independent Assessment;
- Attachment 13 October 2016 Meeting with World Bank;
- Attachment 14 Email response from Bank Mgmt in Delhi on SESA-ESMF and RPF consultation process;
- Attachment 15 Objections on SESA-ESMF and RPF for Project ID P159808 15Jan17;
- Attachment 16 Communication with World Bank Grievance Redress Service;
- Attachment 17 EIA Report Amaravati from EC;
- Attachment 18 National Green Tribunal Order;
- Attachment 19 GO No 75 issued on 04.14.2015;
- Attachment 20 MS GO No 1 - LPS Rules Facts;
- Attachment 21 Facts Book;
- Attachment 22 Land Registration documents; and
- Attachment 23 CRFF Request for Inspection Panel intervention in Project ID P159808 26May17.

5. The Requesters' claims, accompanied by Management's detailed responses, are provided in Annex 1.

III. THE PROJECT

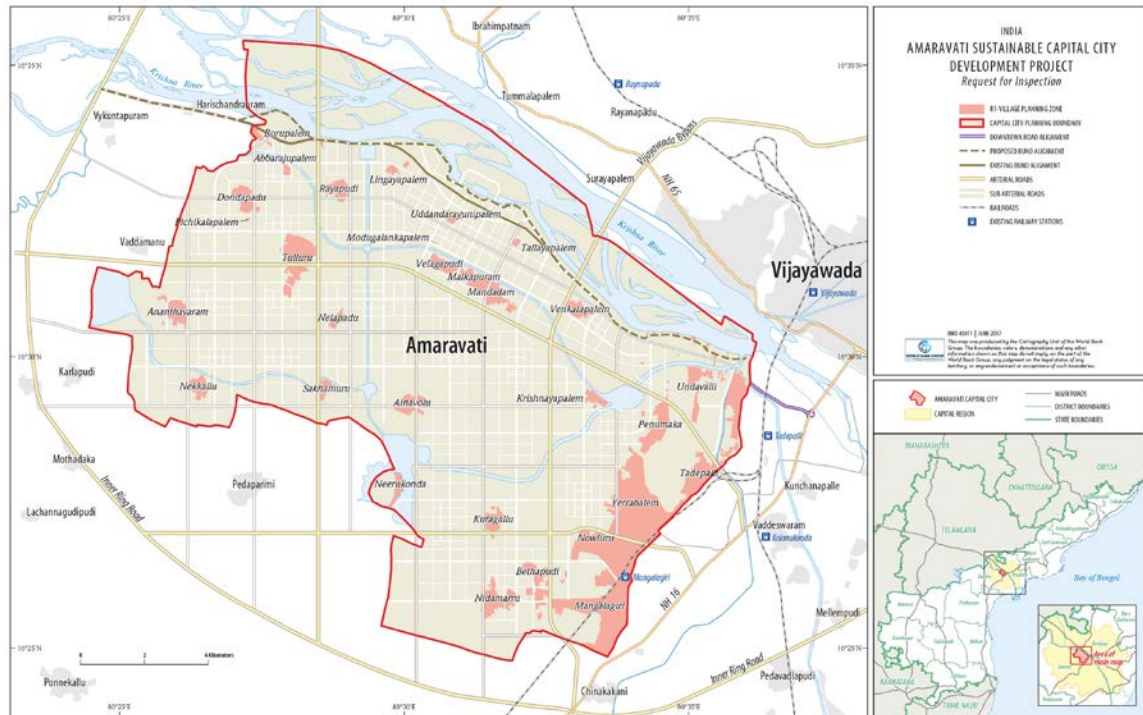
6. **Context.** The Bank is currently preparing the proposed Project, following the request of the Government of India and the state of Andhra Pradesh (AP) in May 2016. The proposed Project would be financed by an IBRD loan of US\$300 million, with co-financing through a US\$200 million loan from the Asian Infrastructure Investment Bank (AIIB). The proposed Project would focus on supporting the development of selected infrastructure and provision of technical assistance in connection with the Government of AP's ongoing development of a new capital, Amaravati City.

7. Amaravati City is being developed as the new capital following the bifurcation of the state of AP in 2014. The site for Amaravati City was strategically selected by the Government of AP in late 2014, based on the area's historical significance and its economic potential, specifically a strong network of transport infrastructure, proximity to several major economic centers, good access to a skilled labor workforce and water to cater to a growing urban population. The development of Amaravati City is underway and some construction has commenced, including some roads for which retroactive financing may be sought under the proposed Project. A map of the planned capital city is included in Figure 1.

8. The Andhra Pradesh Capital Region Development Authority (APCRDA)²— a newly created institution chaired by the Chief Minister of the state — has been charged with responsibility for planning and overseeing the development of Amaravati City. To establish the APCRDA, the Government of AP enacted the APCRDA Act in 2014, which also incorporated the LPS for land acquisition in development of the City. Subsequently, the APCRDA developed, with the support of the Government of Singapore, a Master Plan for Amaravati City covering 217 km². This Master Plan was approved in February 2016. The Bank began preparation of the proposed Project in May 2016. Therefore, the choice of location for the City, the LPS, and the Master Plan all preceded Bank involvement.

² APCRDA is also the implementing agency for the proposed Bank-financed Project.

Figure 1. Map of the planned Amaravati City with villages to be included in the City limits (5-10 percent of total land would be used for the proposed Bank-supported Project)



Source: Based on [Amaravati Master Plan](#)

9. ***The proposed Bank-financed Project is currently under preparation and is at the pre-appraisal stage.*** The next step in the project cycle is the Decision Meeting, when Management will review the proposed Project scope and design and decide whether to authorize appraisal. This Decision Meeting is expected to be held later in 2017.

10. ***The currently proposed objective of the Project is to finance selected new infrastructure, upgrade existing village infrastructure, enhance climate resilience by improving flood mitigation, and build urban governance capacity.*** Should the Bank decide to move ahead with the proposed Project, Bank-supported investments are expected to involve 5-10 percent of the total land area identified in the Master Plan for the development of Amaravati City. Current and future residents (at least 40 percent of whom would be women) of the selected areas within Amaravati City would benefit from the proposed Project through improved urban services, including city roads. In addition, current institutions such as APCRDA, as well as the institutions to be set up under the new Amaravati City government, would benefit from institutional development activities and technical assistance under the proposed Project.

11. ***Project Components.*** As currently envisaged, the proposed Project would have three components:

- ***Component 1: Basic Urban and Pro-Poor Infrastructure.*** The objective of this

component would be to support the construction of priority transport corridors, the upgrading of selected infrastructure of 24 villages and their integration into the development of Amaravati City. This component proposes to finance: (i) the construction of about 145 km of high-priority sub-arterial roads to facilitate internal connectivity as well as connectivity to the wider region, as part of the planned network of roads under the Amaravati Master Plan; and (ii) the upgrading of infrastructure in selected villages and their integration into the trunk infrastructure of Amaravati City. The infrastructure investments within villages would focus on upgrading water supply, sewerage, village roads, telecommunications, power, and drainage. To date, about 10 priority roads, which would amount to roughly 30 percent of the total proposed Project investments, have been identified for potential Bank support. These roads would require about 1,140 acres (less than 5 percent of total land required for the City). Of the land that would be required for the roads, 94 percent would come from the LPS, with the remaining 6 percent to be acquired through negotiated settlement or land acquisition using eminent domain. Expenditures incurred within one year prior to the expected loan signing date could be considered for retroactive financing, subject to satisfactory compliance with environmental and social safeguards.

- ***Component 2: Green Climate Resilient Flood Mitigation.*** The objective of this proposed component would be to build sustainable and climate resilient infrastructure in Amaravati City by supporting its integration with the natural surroundings, riverfront, and greenery. This component would finance: (i) flood mitigation works that include improving the carrying capacity of 26.5 km of the Kondaveeti Vagu River and its inflowing streams, including Erravagu, Kootella Vagu, Ayyannavagu and Palavagu; and (ii) strengthening of the Krishna River embankments and development of a green shield of trees along the river bank.
- ***Component 3: Institutional Development.*** The objective of this proposed component would be to provide advisory support for the institutional development of Amaravati City, and capacity building for efficient urban governance and sustainable service delivery. This component would finance support based on the following three pillars: (i) *Institutional Development*, including a *sustainable governance framework*, for utility companies, the Amaravati local government, and a metropolitan governance arrangement; (ii) *Program and Project Management* support, to plan, develop, implement and manage sustainable urban infrastructure; and (iii) *Citizen Engagement and Benefit-Sharing*, including an e-government platform; and a skill building program for landowners, their families and other stakeholders to seize economic opportunities created by the new city. Technical assistance under this Component would also support affordable housing.

12. ***Environmental and social safeguards.*** Given that the proposed Project would involve greenfield development of urban infrastructure, and that the proposed investments would involve substantial land acquisition and physical displacement, the proposed Project is categorized as Category A as per OP 4.01 (Environmental Assessment). The safeguard documents required for the proposed Project include: (i) a Strategic Environmental and Social Assessment – Environmental and Social Management Framework (SESA-ESMF);

(ii) a Resettlement Policy Framework (RPF); (iii) site-specific Environmental and Social Management Plans (ESMPs); and (iv) site-specific Resettlement Action Plans (RAPs).

13. As part of the Bank's due diligence, a draft SESA-ESMF and draft RPF have been prepared by the APCRDA. The framework approach reflects the early stage of planning as the proposed Project is not yet fully defined. The Bank has reviewed both documents and provided comments. The Bank will decide on whether to move ahead with the proposed Project only after both documents have been finalized to the satisfaction of the Bank.

- The *draft SESA-ESMF* outlines the environmental and social policies and procedures that would be applicable to the proposed Project. It also describes the procedures to be followed when site-specific ESMPs would be developed and when mitigation measures for environmental and social impacts of the proposed Project would be designed.
- The *draft RPF* analyzes the compliance of the Government of AP's approach to land acquisition through land pooling, negotiated settlements, and eminent domain with Bank policy, and identifies gaps and measures to address them. These measures would be implemented through site-specific RAPs. It also outlines the principles, objectives and processes to be followed for preparation of the site-specific RAPs, as and when investments are identified.

14. Where possible locations for infrastructure that could be supported by the Project have been identified, site-specific ESMPs and RAPs are under preparation and expected to be consulted upon and finalized later this year, prior to appraisal. Stakeholder feedback received during consultations would be integrated into the final documents.

15. If the Bank decides to move ahead with the proposed Project, Bank-supported investments would have to comply with site-specific RAPs, site-specific Environmental Impact Assessments (EIAs) and site-specific ESMPs, and would include a functional grievance redress mechanism (GRM).

16. The Government of AP has established a three-level GRM. Complainants can turn to a village's land acquisition authority, the district's Joint Collector, who is the Project Administrator, and the state's Resettlement and Rehabilitation (R&R) Commissioner. A separate, project-level GRM will be established for the proposed Bank Project and will include independent members not associated with the proposed Project.

Background: Land Acquisition Approach for Amaravati City and the Proposed Project

17. India's Land Acquisition, Rehabilitation and Resettlement Act of 2013 (LARR Act 2013) is recognized as among the most progressive land acquisition laws in the world. It allows state governments to formulate alternative state-specific laws and policies that may offer higher compensation, as well as better resettlement and rehabilitation benefits to people affected by land acquisition, relative to those that would be offered under the LARR Act 2013. People affected by land acquisition processes are entitled to choose their

compensation from either the LARR Act 2013, or from applicable state-specific laws and policies.

18. At the request of the Government of India, and outside of the context of the proposed Project, the Bank carried out a review of the LARR Act 2013 and found it to be largely consistent with its policy for involuntary resettlement. Gaps between the LARR Act 2013 and Bank policy have been identified regarding: (i) the valuation of structures with depreciated amount; (ii) cut-off date requirements for eligibility of certain categories of affected people such as those depending on the affected lands; and (iii) assistance to those affected using public lands (for example, squatters). The draft RPF addresses these gaps. For example, the draft RPF provides a mechanism to pay differential amounts by way of special assistance to landowners whose lands would be used for the proposed Project.

19. To develop Amaravati City according to the Master Plan, the Government of AP needs to acquire and assemble 217 km² of land. Land acquisition is governed by a legal framework consisting of the LARR Act 2013, the APCRDA Act 2014, and the Andhra Pradesh Government Order of April 2017. For compensation and mitigation of land acquisition impacts, landowners can choose between: (i) participation in the LPS; (ii) negotiated settlements; or (iii) land acquisition through eminent domain.

- (i) *Land pooling*, an innovative scheme whereby landowners voluntarily contribute their land in return for a smaller plot of urban, serviced land (returnable plot) that is expected to be more valuable than the land relinquished, along with a range of livelihood support measures including an annuity, skill upgrading and support for setting up self-employed enterprises;
- (ii) *Negotiated settlements*, whereby the Government and landowners agree on a compensation package comparable with the provisions of the LARR Act, 2013,³ for the land and assets within village boundaries; and, if neither of these first two approaches is successful,
- (iii) *Eminent domain*, by which compensation for lands acquired (replacement value and livelihood support) is provided following the requirements of the LARR Act 2013.

20. Should the Bank decide to move ahead with the proposed Project, the currently identified options for Bank investments would affect about 3,000 landowners in 24 villages and. In total, over 30,000 landowners in 22 of these villages have opted to join the LPS. About 4,000 landowners, most of them situated in two of the 24 villages, have chosen not to do so.

21. ***LPS for Amaravati City.*** Land pooling has been introduced by the Government of AP as an innovative land use planning instrument to address and manage, in a proactive manner, some of the negative externalities that typically arise from urbanization and rapid

³ Under a negotiated settlement process, the APCRDA and landowners negotiate a package that may include land-for-land, compensation for assets, construction grant and transitional assistance, culminating in a formal agreement between the parties.

population growth, and specifically, the rapid appreciation of the value of land in urban areas, which leads to spatial exclusion of the urban poor. Due to the lack of affordable land in cities, the urban poor often find housing only in informal and squatter settlements and slums, in marginal locations (including at-risk areas). Urbanization, on the other hand, creates opportunities to leverage the development potential of urban areas, and to capture land value increases in a way that benefits all citizens and improves the living environment of lower income communities. The LPS is designed to ensure that affected people are not just passive recipients of compensation, but rather that they become direct beneficiaries of the increased value of their land as it is incorporated into the urban landscape. See Box 1.

22. The Government of AP is leveraging the land value capture potential in Amaravati to benefit landowners directly and immediately from the increases in the land value that will result from the development of the capital city. Moreover, in what is the most innovative part of the scheme, landowners contributing land under the LPS become stakeholders in the future development of the City by being able to remain there. Through the allotment of returnable plots, rural landowners remain as owners of land in the new city and continue to benefit from the land value increase potential of their plots. The aggregated expected value of the urbanized returnable plots, annuities,⁴ as well as other social development benefits that participants receive under the LPS, exceeds the replacement value of agricultural land assets contributed under the scheme.

23. Participation in the LPS is one of three options for landowners, as noted above. To date, roughly 86 percent of the private land required for the new capital city has been obtained through land pooling. Management has been advised by the APCRDA that all landowners who have joined the LPS have provided their written consent and signed agreements for participation in land pooling. Landowners who choose not to participate in the LPS may negotiate a settlement or follow the provisions of the LARR Act 2013.

24. The LPS was designed by the APCRDA prior to Bank involvement with the Government of AP in the proposed Project.⁵ Since the Bank became engaged in the proposed Project, it has been conducting due diligence on the LPS through the draft RPF, which identifies gaps between Bank policy requirements and the LPS, and measures to address them. These measures would be implemented through site-specific RAPs, as noted above in paragraphs 12-15. The Bank has received the draft RPF from the APCRDA and has provided comments. The RPF will be finalized reflecting the Bank's comments as well as concerns raised by the Requesters.

25. In return for contributing their land, landowners participating in the LPS are entitled to a combination of benefits: (i) *returnable plots of urban land* within the Amaravati City

⁴ Payments are proportional to the area of land contributed to land pooling, and thus vary from individual to individual. The affected agricultural laborers and tenant farmers depending on the lands pooled under the LPS receive monthly pensions for 10 years, access to skill development training, and access to employment under Employment Guarantee schemes.

⁵ The design of the LPS is based on consultations with landowners in the Amaravati City area. Consultations informed decisions on (i) area and location of returnable land plots; (ii) annuity amounts; and (iii) access mechanisms for social development benefits.

perimeter: (ii) *annuity payments* for a period of ten years;⁶ and (iii) *other benefits* including waiver of agricultural loans, skill training, and interest free loans for setting up enterprises. These forms of compensation, described in more detail below, are consistent with the objective of the Bank's policy on involuntary resettlement to conceive and execute resettlement as sustainable development programs to enable people to share in project benefits:

- *Returnable urban plots* are allotted in and around the same village where landowners have given up their agricultural lands under LPS. Landowners can choose the type of *returnable plot* they will receive from a broad menu of residential and commercial land plot options.⁷ The process of selection and allotment of *returnable plots* to date involved multiple stages: (i) draft LPS layouts/maps prepared by the APCRDA showing the location of *returnable plots* were shared with all participants of the LPS. The plot allotment policy brochure was prepared in Telugu and included a section with frequently asked questions and answers; (ii) draft layouts were uploaded on the APCRDA website and notified in the district gazette; people were given 30 days to file objections and to provide suggested changes to the draft layouts; (iii) consultations on the proposed layouts were held in each village; (iv) suggestions were integrated by the APCRDA in the final layouts to the extent possible; (v) additional consultations were carried out by the APCRDA; (vi) final LPS layouts were prepared, notified for each village, displayed at the village panchayat office, uploaded to the APCRDA website, and notified in the district gazette; and (vii) LPS landowners were issued provisional certificates for their allotted *returnable plots* through an open, digital randomized allocation system (conducted in front of all landowners and other parties, including public representatives, electronic and print media). Provisional certificates need to be registered in the name of beneficiary landowners, which completes the land pooling process.

The issuance of provisional certificates for returnable plots constitutes an important milestone since it allows landowners to know the actual location of their returnable plots and to monitor the development of infrastructure in proximity to them. Landowners participating in the LPS have full recourse to the Indian judicial system at any stage of this process, in addition to the grievance mechanisms described in paragraph 16. To date, no complaints have been directly communicated to the Bank from landowners participating in the LPS about the legality of provisional certificates or the subsequent registration process. Consultation with local farmers will continue during preparation of the proposed Project and the Bank team will

⁶ Annuity payments are available for a period of ten years irrespective of date of allotment of returnable plots and are paid annually. Farmers have received two payments to date and the third annuity payment is in progress.

⁷ Landowners chose their *returnable plots* from a large number of alternatives. Specifically, these alternatives included: (i) single plots; (ii) multiple plots of smaller areas adding up to the total returnable area; (iii) plots in residential areas; (iv) plots in commercial areas; or (v) combinations of all the above options. Landowners can also decide to merge plots with others (such as family members for example), in both residential and commercial areas.

proactively solicit additional feedback from local stakeholders. The APCRDA has almost completed the allocation of returnable land: to date, about 58,000 returnable plots have been allotted to over 23,000 LPS landowners in 22 of the 24 villages, who have received their provisional certificates. The APCRDA initiated the process of registration of the returned plots in March 2017.⁸ The registration process is ongoing.

- *Annuity payments* are a second component of the compensation package that landowners who have contributed their land to LPS will receive from the APCRDA. Annuity payments will continue for a period of ten years, and are proportional to the land that was contributed to the LPS. Landless agricultural wage laborers who work on land assembled under the LPS, and whose livelihoods are affected by the LPS are also compensated. As per the LPS design, landless laborers will receive a *monthly pension* for 10 years. Participating farmers began receiving *annuity payments* as part of their LPS benefits package in May 2015. *Monthly pensions* have also been distributed since May 2015 to agricultural laborers and tenant farmers who resided in the capital city area as of December 8, 2014.
- *Other benefits* that the APCRDA is extending to LPS participants include waiver of agricultural loans, interest free loans for self-employment, access to skill development training, access to employment under an Employment Guarantee program, free education and access to medical facilities. LPS participants have begun receiving these benefits: (i) a skill development institution was established in July 2016 and has trained more than 500 people to date; (ii) more than 1,000 people have received assistance for job placement through 9 job fairs; (iii) more than 19,000 people have received loan waivers; (iv) over 16,000 job cards have been issued; (v) over 56,000 person-days of employment have been generated to date; and (vi) education and health schemes have been initiated.

IV. MANAGEMENT'S RESPONSE

26. ***Management understands the concerns of the Requesters regarding compensation for land which is acquired for the development of Amaravati City. Management has carefully reviewed the allegations made by the Requesters and will ensure that any Bank support for the proposed Project complies with Bank policy.*** Management has agreed on an action plan with the Borrower to address concerns raised in the Request.

27. ***Management has made no decision yet whether to finance the proposed Project.*** Management notes that the project is still at an early stage of preparation and therefore substantive application of Bank policies and procedures have not yet taken place. Management maintains also that the preparatory work done so far meets the requirements of the Bank's operational policies and procedures.

⁸ Returned plots have been registered at the respective sub-registrars' offices.

28. **Management will decide whether to move ahead with the proposed Project only after appropriate analysis of potential Project risks and impacts has been undertaken, and adequate mitigation measures to address them have been developed and consulted upon to the satisfaction of the Bank.** Before the Decision Meeting, Management commits to completing safeguard documents that have been appropriately consulted upon and include an analysis of the land acquisition process under the proposed Project, including the LPS, negotiated settlement and eminent domain; an assessment of the proposed Project investments within Amaravati City; and an assessment of the potential environmental and social risks and impacts and how these would be addressed under the proposed Project. Also before the Decision Meeting, Management will work with the Borrower to complete a plan for ongoing consultation, and establish a robust project-level grievance redress mechanism and citizen advisory committee, as well as an enhanced communication strategy for the proposed Project and its safeguard aspects.

29. **Management takes the Requesters' claims of coercion very seriously and emphasizes that it does not condone any form of coercion.** Management will work with Government authorities, the implementing agency, and the communities to ensure a free and meaningful stakeholder engagement process. For more detail on planned actions, see paragraphs 32-35 below.

30. **Given the significant urban development challenges facing India, and the scarcity of land in increasingly populated urban areas, the proposed Project could be an important step in the use of an innovative land use planning instrument in the Bank's engagement in the country.** Land pooling has been successfully used in India, Nepal and elsewhere in the world (e.g., Australia, Canada, Europe, Japan, Korea, United States).

Box 1. Land Pooling*

As cities grow and urbanize, assembling land for planned urban development is a challenge for local authorities, who need to ensure an environmentally, socially and financially sustainable way to provide adequate infrastructure and basic services, and to guarantee livability for all urban residents. As urban areas expand and the value of land increases, international experience shows that the challenges of limiting displacement of vulnerable populations, and of ensuring inclusive urban development become increasingly acute. In response to these challenges, Land Pooling (LP) has been used as an innovative approach to minimizing resettlement and maximizing benefits for those whose land is acquired.

Indian policy makers have struggled to devise regulations to ease the acquisition of land for the vast amounts of infrastructure and housing the country needs, while avoiding the disruption and displacement that has accompanied land acquisition in the past. In response to these challenges, there has been a renewed interest among urban planners and governments around the world to implement LP.

Definition. LP (or land readjustment) is a land management instrument that involves consolidating individual land parcels into a larger plot, providing it with infrastructure and planning its land use and development. A portion of the reconstituted, serviced land is returned to the original owners. Although the readjusted plots returned to each original landowner may be smaller and of a different size and shape, the overall value of such plots is expected to be higher than at the onset, resulting from factors including: (i) access to services; (ii) requalification of land use (from rural to urban for example); and (iii) proximity to area development.

Benefits. Land pooling is often favored over direct land acquisition because it avoids displacement, fosters inclusion through voluntary participation, and encourages cooperation between landowners and project implementers as landowners retain their claim on the land. It is also cost-effective for borrowers because governments do not directly finance the purchase of rights-of-way or compensate resettled residents. Land

pooling unlocks financing for infrastructure and public services through the gains from higher land values and the rezoning of land to residential/commercial use. Where used appropriately, LP is a means to manage city expansion and to minimize ad hoc sprawl on urban fringes. Typically, the resulting land assembled through LP is of higher density and better serviced (with properly sized roads, better connectivity, amenities and basic services) than the earlier individual land parcels.

Global experience. The use of LP as an instrument for land assembly has seen widespread success, globally including in countries such as Japan and South Korea, as well as in India. Example of successful LP schemes recently implemented in Asia include:

- *Gujarat, India.* Gujarat has effectively used its town planning scheme as a land assembly tool for almost a century. The first such scheme was implemented in 1920 and consisted of 270 hectares. By 2012, town planning schemes had increased to 1,200 hectares in urban areas.
- *Kathmandu Valley, Nepal.*** To address the lack of a large stock of state-owned land, LP projects have been implemented in the country since 1988, mostly by central government planning agencies, but also by several by municipalities. A total of nearly 7,000 housing plots were produced from 237 hectares, with the involvement of 10,000 landowners. The landowners contributed nearly 82 hectares of land for roads, open space, and reserve plots and benefitted from a 300 to 600 percent increase in land values.
- *Seoul, Korea.* The Seoul City Government produced about 11,500 ha of urban land between the 1950s and 1980s, through a total of 41 large-scale land pooling and readjustment projects.
- *Japan.* By the end of 2006, about 11,800 projects involving a total land area of about 395,000 hectares had been undertaken by this method under the provisions of the City Planning Law, 1919 and the Land Readjustment Law, 1954. This accounts for about 33 percent of the urbanized land area of Japan.

* *The Bank's new Environmental and Social Framework (ESF) explicitly contemplates the use of land pooling and similar schemes in paragraph 32 of [Environmental and Social Standard,]ESS 5: Land Acquisition and Resettlement: "As an alternative to displacement, the Borrower may consider negotiating in situ land development arrangements by which those to be affected may elect to accept a partial loss of land or localized relocation in return for improvements that will increase the value of their property after development. Any person not wishing to participate will be allowed to opt instead for full compensation and other assistance as required in this ESS." While the current Bank safeguards do not explicitly include such language, it is not uncommon for certain types of projects – for example, in the irrigation sector – to be designed so that required compensation is provided on an optional basis in the form of smaller, yet higher value, serviced plots of land that meet the compensation standards of OP 4.12 while allowing more direct participation of the affected party in the benefits of the project.*

** [Improving Access to Urban Land for All Residents: Fulfilling the Promise.](#)

31. The Requesters' claims, accompanied by Management's detailed responses, are provided in Annex 1. Specific issues are discussed below.

Coercion

32. ***Management has reached out to landowners specifically identified in some of the coercion allegations, who have assured the Bank that they were not subjected to or aware of any coercion attempts.*** Following this discussion, the Bank received unsolicited letters from LPS landowners' associations expressing their support for the LPS and the proposed Project (see Annex 2). Management notes that allegations of coercion were dismissed by the Supreme Court of India on August 21, 2016 (see Annex 3 for a copy of the Supreme Court of India verdict).

33. ***The Bank has increased its presence in Amaravati by expanding the number of visits to villages in the area to have more opportunities to consult with affected people***

and to gather more insight into the coercion allegations. Management is also in the process of hiring an independent party to carry out interviews and consultations in local villages to obtain additional information regarding this issue.

34. **Management will work with Government authorities, the implementing agency, and the communities to ensure a free and meaningful stakeholder engagement process.** Management has contacted the Government authorities and shared its concerns. Management will expand its ongoing dialogue with the Government of AP to emphasize that proactive and open stakeholder engagement, free from coercion, is a prerequisite for Bank support for a project, and that Management expects stakeholder input to be taken into account in project design.

35. **The Bank team for the proposed Project will work with the APCRDA to put measures into place to facilitate this stakeholder engagement, including a citizen advisory committee and a robust project-level GRM to address the concerns of Project-affected people during preparation and implementation.** The Bank will also work with local organizations that are trusted by the communities or with independent third-party monitors to gather views of stakeholders and to identify any coercion.

Land Pooling

36. **To develop Amaravati City according to the Master Plan, the Government of AP needs to acquire and assemble 217 km² of land. Affected landowners can choose between: (i) participation in the LPS; (ii) negotiated settlements; or (iii) land acquisition through eminent domain as regulated by the LARR Act 2013.** As noted above, the LPS was designed to ensure that affected people become direct beneficiaries of the increased value of their urbanized land. As such, Management recognizes the LPS as an innovative, sustainable, socially inclusive scheme that addresses in a proactive manner some of the negative externalities that typically arise from urbanization.

37. **All landowners who have joined the LPS have provided their consent and signed agreements for participating in land pooling.**⁹ At this point in time, allocation of land has been almost completed and LPS participants have begun to receive the other benefits available under the LPS.

38. **Management is aware that the issue of land acquisition for Amaravati City is controversial among certain stakeholders in the area.** While a group of landowners has repeatedly expressed support for the proposed Project and the LPS, and has urged the Bank to proceed with implementation of the proposed Project without further delay (see Annex 2), other stakeholders, such as the Requesters, have opposed the development of Amaravati City both in the media and in other public fora.

⁹ Consent is confirmed by each landowner on at least six separate occasions during the LPS process. Concurrence from landowners is required at the time of: (i) giving consent to participate in LPS; (ii) signing a development agreement; (iii) registration of development agreement; (iv) returnable plot allotment certificate; (v) registration of land in favor of the implementing agency; and (vi) registration of returnable plot in favor of the farmer.

39. ***Management has been informed that the APCRDA has carried out an extensive information and consultation campaign to allow landowners to make an informed decision on their compensation options.*** This open process resulted in over 30,000 landowners joining the LPS, while approximately 4,000 landowners have opted not to join.

40. ***As part of the Bank's due diligence, an analysis of compliance of the three land acquisition instruments with Bank policy has been carried out, and the APCRDA prepared a draft RPF.*** This draft RPF identifies gaps between the approach of the Government of AP to land acquisition and Bank policy requirements, and proposes measures to address these gaps, should the Bank decide to go ahead with the Project. The Bank has provided comments on the draft RPF to the APCRDA.

41. ***The APCRDA commissioned a third-party assessment of the LPS to identify any shortcomings that would need to be addressed during implementation.*** This study was carried out by consultants not associated with LPS implementation. Management has received a draft of the assessment study and will provide comments to the APCRDA. The assessment included a household survey among 125 randomly-selected households, representing different categories of affected people such as marginal and large farmers, agricultural laborers, and multi-cropped land owners; and in-depth focus group discussions with different stakeholders. It also included stakeholders in the ten villages where the proposed Project would be implemented. The key findings of the draft report include: (i) extensive consultations were held for the LPS and grievance redress mechanisms were in place; (ii) the LPS is optional and landowners consented to joining based on their confidence that the land returned to them would be of higher value than the original land and that lost assets would be adequately compensated for; (iii) LPS landowners are already receiving the agreed benefits (annuities, returnable plots, access to social development schemes, etc.); (iv) the transparent allotment of returnable plots to LPS landowners after extensive consultations has enhanced people's confidence and trust in the process; (v) effective coordination mechanisms were observed among different involved agencies; (vi) adverse impacts on agricultural laborers, specifically related to livelihood impacts, would need to be addressed more comprehensively; and (vii) there are opportunities to involve LPS beneficiaries in various types of civil works, particularly related to infrastructure development on returnable plots. After finalization of the report, Management will work with the APCRDA to identify and implement measures, which address issues raised in the report related to the proposed Project, as part of the final RPF and of site-specific RAPs.

42. ***A final determination on whether land acquisition, as carried out by the Government of AP, is compliant with Bank policy requirements, and how any gaps in compliance would be mitigated, would be made by Management at Project appraisal.*** Management will only move ahead with the Project in its currently proposed form if Management is confident that the land acquisition approaches used by the Government of AP, including mitigation measures identified in the RPF and in site-specific RAPs, would ensure that landowners as well as agricultural laborers affected by land acquisition would be compensated in accordance with Bank policy.

Resettlement Policy Framework (RPF)

43. ***The proposed Project is still under preparation. At this early stage, an RPF is the most appropriate approach to identify the measures that need to be put in place to ensure that the proposed Project would be compliant with Bank policy, should the Bank decide to move ahead with it.*** Site-specific RAPs are being prepared for 10 specific roads, that would make up about 30 percent of the overall proposed investments. Additional site-specific RAPs and other appropriate safeguard documentation would be prepared as preparation of the proposed Project advances.

44. ***The Bank's due diligence regarding resettlement is described in paragraphs 12-15 above. The Bank has received the draft RPF from the APCRDA and has provided comments. The RPF will be finalized reflecting the Bank's comments as well as concerns raised by the Requesters.*** After clearance by the Bank, the draft RPF will be re-disclosed and again consulted on, following Bank policy. As described in more detail below, additional consultations are expected to take place later in 2017. Management will work closely with the APCRDA to ensure that consultations comply with Bank policy.

Consultations

Project-related consultations conducted to date

45. ***Management commits to expanding consultations on the proposed Project's safeguard instruments, including the draft SESA-ESMF and the RPF.*** All safeguard documents for the proposed Project are still under preparation. To date, the consultations that have been carried out include the following.

- (a) A public workshop on the draft SESA-ESMF and draft RPF held on January 19, 2017 was attended by 150 people¹⁰ from affected villages, including landowners, landless people, farmer association representatives, and media. A summary of the documents in local language was distributed in the workshop. In addition, about 50 government officials, and staff from the Bank and AIIB attended the consultation. Police were present during the workshop as a measure to maintain safety. Bank staff felt that the workshop was conducted in a free and fair manner, without police interference in the exchange of views.
- (b) Additional consultations hosted by the Bank team in four villages in February 2017, were attended by about 80 people.
- (c) As part of RAP preparation for the 10 roads that could be financed under the proposed Project, further focus group meetings are underway with small and marginal-scale landowners participating in the LPS, agricultural laborers, women, vulnerable groups, displaced people, and other relevant stakeholders. In addition,

¹⁰ It should be noted the Project expects to use only 5-10 percent of the total land within Amaravati City. Accordingly, the total number of Project-affected persons is also expected to be a small fraction of the total population noted in the Request (127,505). It is estimated that the currently identified Bank investments would involve the displacement of approximately 400 families.

household socio-economic surveys are being carried out among families that would be affected by the proposed Project, both landowners and landless wage laborers. The outcome of these meetings will be incorporated in the site-specific RAPs.

46. **January 19, 2017 workshop.** The invitation to the workshop was widely published in local newspapers in both English and Telugu. Landowners participated in the workshop and commented on the contents of the draft SESA-ESMF and draft RPF. All participants were welcome to voice their opinions and provide feedback. Written feedback submissions were accepted starting from two weeks prior to and ending two weeks after the workshop. The minutes of the workshop are included in the draft RPF. The workshop was well covered in the local media. See Annex 4 for more media coverage of the consultations.

47. **Feedback received from stakeholders will be reflected in the SESA-ESMF and RPF.** Key issues raised by participants in the workshop included: (i) valuation of assets at market value; (ii) further minimization of physical displacement; (iii) improved entitlements under the negotiated settlement for physical resettlement; (iv) attention to vulnerable populations such as landless, scheduled caste, etc.; (v) timely payment of pensions and possible annual increases in monthly pension; (vi) ensuring local employment under contractors; (vii) proper management of impacts arising out of construction works and safety in the work place; and (viii) attention to issues associated with outside labor. Stakeholders further discussed the need to involve villagers in the decision-making process for development works as well as the need for attention to upgrading village infrastructure and strengthening the information sharing process. Some of the written suggestions received as part of the workshop regarded control measures for construction stage impacts, preventing water bodies being polluted, farmer consultations for flood mitigation works, provisions of LARR Act 2013, legal validity of agreements executed under the LPS, avoidance of graveyards in village areas, etc. Management will work with the APCRDA to incorporate these suggestions into the final versions of the SESA-ESMF and RPF.

48. **Consultations in four villages in February 2017.** Some of the suggestions and concerns that emerged during these meetings included: (i) need for clear on-the-ground demarcation of land required in the village areas for infrastructure components; (ii) issues related to land classification of non-registered houses; (iii) requirement of sufficient time for reconstruction of alternative houses; (iv) shifting alignment toward open lands to minimize physical displacement; (v) impacts to certain common properties and to those residing on government lands, and treatment of partially impacted houses; (vi) impacts to tenants or assigned landowners; (vii) improved entitlements including valuation of assets under negotiated settlement; (viii) educated youth employability; (xi) impacts on agricultural laborers; and (x) delays in receipt of pension amounts. As part of these meetings, consultations were also held with landowners who had not joined the LPS. Some landowners conveyed that one of the reasons for not having joined the LPS was the perception that their wet, multi-crop lands (known as jareebu), which had higher yields than dry lands, were more valuable, and that returnable plots would not provide an equivalent return to the original value of their land.

Future Project-related consultations

49. ***Management agrees that a more extensive program of consultation and information on the proposed Project needs to be carried out, which may result in adjustments in project design.*** The Bank team will work with the APCRDA to organize an extended consultation plan regarding the proposed Project in general, and the Project safeguard documents in particular. Feedback from the consultations will be incorporated in the final design of the proposed Project.

50. ***Consultations on RAPs are currently in progress in villages that would be affected by roads that potentially would be financed by the proposed Project.*** In addition, household socio-economic surveys are being carried out among families that would be affected by the proposed Project, both landowners and landless wage laborers.

Consultations conducted by the Government on the development of Amaravati

51. ***Management has been advised by the APCRDA that it has consulted extensively on various aspects of the development of Amaravati City as a whole and continues to do so.*** These consultations are separate from the consultations required by Bank policy and are not part of the Bank's due diligence regarding the proposed Project. The APCRDA has conducted extensive information dissemination and consultation activities on the broader Capital City development project, including consultations on the strategic vision, the Master Plan, the LPS, etc. Consultations are being held regularly on issues such as returnable plot layouts and the process for allotment of returnable plots. Consultations carried out to date by the APCRDA include:

- (a) ***Consultations on Social Impact Assessment (SIA) under the LARR Act 2013.*** As part of the land acquisition process for Capital City development under the LARR Act 2013, the district administration has been conducting consultations and public hearings on village-specific SIAs in every affected village. Consultations are managed by independent consultants and these are ongoing for a few remaining villages. The minutes of these consultations are disclosed on the [APCRDA website](#).
- (b) ***Consultations on the Master Plan.*** The APCRDA organized multiple rounds of consultations with landowners on the draft Master Plan, prior to Bank engagement. More than 100 consultations spread over all 24 villages were organized in January 2016, and more than 4,000 individual consultation comments were received. Stakeholder comments focused on plot sizes, assigned lands, village boundaries, asset valuation process, implication for lands owned by single owners in multiple villages, issues related to multi-cropped lands (jareebu), Floor Space Index (FSI) and set-back regulations, village maps, alignment changes of roads passing through the village areas, benefits to the more vulnerable, design of LPS layouts, zoning regulations, education and health benefits, etc. A Technical Committee consisting of members from the APCRDA and the Town and Country Planning Department of the Government of AP was set up to review the information and make recommendations. Key

recommendations pertain to modifications in the alignment of roads passing through villages, delineation of village boundaries, land use and zoning regulations, formulation of returnable plot sizes and their positioning in layouts, and allotment of plots to jareebu landowners.

- (c) *Regular grievance redress meetings.* The ACPRDA conducts regular weekly grievance redress meetings to resolve landowners' concerns regarding the LPS and other aspects of the development of Amaravati City.

Environmental Issues

52. ***SESA-ESMF.*** As part of the Bank's due diligence, Management required the APCRDA to develop an ESMF to (i) assess the policy, legal and regulatory framework for environmental and social management relevant to the development of Amaravati City and the proposed Project, (ii) conduct a situation analysis and assessment of the environmental and social priorities for the development of Amaravati City, (iii) assess the institutional framework and capacity for environmental and social management, and (iv) identify the positive and negative environmental and social risks and impacts associated with the sub-projects under the proposed Project. The Bank is currently reviewing the draft SESA-ESMF and will provide comments to the APCRDA before the document is finalized. Management will ensure that the concerns raised in the Request are addressed in the final documents, to the extent they are relevant to the proposed Project.

53. ***Assessment of alternatives.*** The selection of the location of Amaravati City is a sovereign decision and was taken by the Government of AP, before the Bank engaged in the proposed Project. The proposed scope of the Project is limited to some interventions within Amaravati City; as such, the SESA-ESMF's assessment of alternatives does not include an analysis of potential alternatives for the location of Amaravati City itself, but rather is limited to alternatives to the specific interventions that could be financed under the proposed Project.

54. ***The draft SESA-ESMF considers, among other issues, potential Project impacts related to flooding, conservation of water bodies, and forest land, and identifies measures to mitigate any adverse impacts.*** Flood mitigation plans and designs related to the Kondaveeti Vagu River are currently undergoing detailed studies.

55. ***Environmental impacts on the Kondaveeti Vagu River.*** The proposed Project includes a sub-component that would address flood management along the Kondaveeti Vagu River and the surrounding wetland areas. At this time, no specific potential investments have been identified for this component. Potential environmental impacts related to such investments, like those cited by the Requesters, will be assessed in detail in a site-specific EIA for this particular sub-component. The Bank will work closely with the APCRDA to ensure that the scope of the assessment is adequate, including for the Kondaveeti Vagu River and surrounding wetland areas.

Food Security

56. *During consultations on the draft SESA-ESMF, stakeholders raised concerns about food security resulting from the large-scale conversion of agricultural land to non-agricultural use. This issue was analyzed in the SESA-ESMF.* The SESA-ESMF determined that the crops in the Amaravati City area are predominantly crops that are not used for daily consumption by people. Transformation of agricultural land to urban land would, therefore, not significantly impact the production of food in the state.

57. *Overall, the area of Amaravati City under cultivation amounts to 0.027 percent of the total area of the state under cultivation and 0.077 percent of paddy-sown area in the state. Further, the proposed Project is expected to require only about 5-10 percent of the total land within the Amaravati City area.* The Government of AP has informed Management that it plans to promote the cultivation of more agricultural lands elsewhere in the state, opening new food sources directly for state residents. This is part of the Government's approach to address food security issues as part of overall land acquisition for the development of Amaravati City.

58. *Management understands from relevant government agencies that the state is a top producer of horticulture crops and the Government has taken steps to bring more land under horticulture by providing incentives to farmers.* The state also has taken steps such as interlinking rivers to stabilize irrigation by providing a dependable source of water, and these are leading to a substantial increase in crop productivity, including for food crops.

59. *Management will ensure that the concerns raised by the Requesters are addressed in the final SESA-ESMF, to the extent they are relevant to the proposed Project.*

Proposed Actions

60. *Management is of the view that, to date, the preparation of the proposed Project has followed Bank policy requirements.* However, Management views the Request for Inspection as an opportunity to review and consider the views and concerns of the Requesters.

61. *Management has agreed on an action plan with the Borrower to address concerns raised in the Request.* The actions detailed below in paragraphs 62-66 will be undertaken during Project preparation for this purpose.

62. *Community engagement and monitoring to address coercion and other implementation issues.* Given the complex nature of land acquisition and its potential impacts on the proposed Project, the Bank will work with the APCRDA to establish a citizen advisory committee, consisting of recognized members of the community as well as external experts, to serve as an advisory panel to the APCRDA and to inform the implementation of the proposed Project and the mitigation of any potential adverse impacts of the proposed Project. Further, Management will:

- Convey to the Government that proactive and open stakeholder engagement, free from coercion, is a prerequisite for Bank support for a project, and that Management expects stakeholder input to be taken into account in project design;
- Engage an independent local party to carry out interviews and consultations in local villages to obtain additional information on any potential coercion;
- Engage independent local professionals to visit the affected villages frequently to monitor the concerns of Project-affected people and to bring these to the attention of the Bank and the APCRDA;
- Increase the frequency of preparation and supervision missions, during which the Bank will proactively reach out to stakeholders to maximize their opportunities to interact with Bank staff on implementation issues in general, and potential instances of coercion in particular;
- Work with the APCRDA to establish a robust project-level grievance redress mechanism to collect stakeholder input and complaints during preparation and implementation of the proposed Project.

63. ***Project preparation.*** Management is committed to continued strong and robust preparation of the proposed Project and to finalization, by the time of the Decision Meeting, of the following documents, including stakeholder consultation on them:

- The RPF with an analysis of the land acquisition process under the proposed Project, including the LPS, negotiated settlement and eminent domain, and an assessment of related risks and impacts and how these would be managed;
- The SESA-ESMF, including an assessment of the proposed investments under the proposed Project within Amaravati City, the related environmental and social risks and impacts and how these would be addressed under the proposed Project;
- A plan for ongoing consultation and grievance redress/citizen engagement, with clear feedback mechanisms to be implemented as part of the Project (including indicators in the results framework);
- An enhanced communication strategy for the Project and safeguard aspects.

64. ***Policy compliance.*** To ensure that the proposed Project continues to comply with Bank policy, Management will:

- Work with the APCRDA to address any gaps between Bank policy and the LARR Act 2013 as well as the LPS, as appropriate, in the final RPF;
- Agree with the APCRDA on how the recommendations in the final third-party assessment report of the LPS, as well as additional comments the Bank may have,

would be implemented and reflected in safeguard and other Project documents, as appropriate;

- Agree with the APCRDA on ways to add livelihood support measures for Project-affected landowners and landless wage laborers, including skill upgrading of vulnerable groups;
- Work with the APCRDA to address in the final SESA-ESMF specific stakeholder concerns, such as those raised by the Requesters, as appropriate.

65. ***Consultation and information.*** The proposed Project would benefit from an enhanced consultation and stakeholder engagement approach. Therefore, Management will:

- Work with the APCRDA to expand consultations on Project safeguard documents as they are being finalized, including the SESA-ESMF, RPF, site-specific RAPs, site-specific EIAs and site-specific ESMPs. This includes focus group consultations with various affected categories of people, such as small and marginal-scale farmers, agricultural laborers, women, and displaced populations. It will also include a stakeholder workshop to introduce and discuss the finalized safeguard documents, how they address stakeholder concerns, and how key safeguard issues are managed (for example, compensation and social development and skill upgrading schemes);
- Work with the APCRDA to address, as relevant, the concerns raised by the Requesters and other stakeholders regarding land acquisition and potential environmental impacts in the final drafts of the SESA-ESMF and RPF, and to re-disclose and consult on the final drafts;
- Work with the APCRDA to ensure that consultations continue to be free, fair and meaningful.

66. ***Grievance redress.*** Management recognizes that strong grievance mechanisms are needed at project level to ensure that the concerns of people affected by projects are heard and addressed appropriately. Management will:

- Work with the APCRDA to establish a Project-level GRM that includes members who are not associated with the Project to address complaints where Project-affected people considered that the existing grievance mechanism did not solve their issue.
- Engage with landowners whose land plots are to be used for the proposed Project, to explore solutions and improvements in environmental and social risk management, within the mandate of the Bank's safeguard policies.

V. CONCLUSION

67. ***Management has made no decision yet whether to finance the proposed Project.*** Management notes that the proposed Project is still at an early stage of preparation and therefore substantive application of Bank policies and procedures have not yet taken place. Management maintains also that the preparatory work done so far meets the requirements of the Bank's operational policies and procedures.

68. ***Going forward, Management will work closely with the APCRDA to ensure that the proposed Project and its components continue to comply with applicable Bank policies.*** The Bank is prepared to engage with the Requesters to explore solutions and improvements in the management of environmental and social risk, within the mandate of the Bank's safeguard policies. Management has developed an Action Plan with the Borrower to respond to the Requesters' concerns, which includes enhanced consultations and grievance management, enhanced due diligence, and other mitigation measures.

69. ***Management will decide whether to move ahead with the proposed Project only after appropriate analysis of potential Project risks and impacts has been undertaken and adequate mitigation measures to address them have been developed and consulted upon to the satisfaction of the Bank.***

ANNEX 1
CLAIMS AND RESPONSES

No.	Claim	Response
1.	<p>Land Pooling Scheme. The Land Pooling Scheme regulations entered into force on 1 January 2015, and the scheme is managed by the APCRDA. Although the government characterizes the scheme as voluntary, many landowning farmers were intimidated and economically coerced into pooling their land. Tactics included setting short deadlines for participation in the LPS, which were subsequently and repeatedly extended; threats to acquire the land under the regulations of the Land Acquisition Act of 2013, which would provide compensation far below the actual market value of the landowning farmers' land; and threats to provide the ten-year annuity (described in paragraph 8) only to those landowning farmers who signed up for the LPS prior to May 1, 2015.</p> <p>Landowning farmers who expressed opposition to the LPS were also intimidated and harassed. In December 2014, banana plantations were set on fire in six villages in which the majority of residents opposed land pooling. Since then, there have been additional instances of fires and destruction of crops on land owned by landowning farmers who have refused to participate in the LPS. Many of these incidents are detailed in Attachment 9, which is an article published in Economic & Political Weekly, Vol Li No 17, on 23 April 2016, titled "Making of Amaravati - A Landscape of Speculation and Intimidation".</p> <p>Further, there has been a heavy police presence in the Amaravati area since land pooling began, and police have interrogated, detained, harassed, assaulted, and intimidated residents. More than 3,000 landowning farmers were interrogated and assaulted to make them sign up for the LPS. The police threatened that if the landowning farmers do not pool their land, the police will file cases on them. Six police battalions were called into action. They moved from village to village with AK 47s and machine guns. Refer to the references in Attachment 9 for more details.</p> <p>The Government of Andhra Pradesh and APCRDA failed to respond to the objections submitted by landowning farmers who refused to participate under LPS. Refer to Attachment 7, summarising the objections on LPS. Concerns also have been raised about the impact of the LPS on marginalized groups, including the Scheduled Castes, the Dalit, agricultural laborers, and landless families. Refer to Attachment 10 for more details.</p> <p>Many landowning farmers have not consented to participate in the LPS, and some of these landowning</p>	<p>Management takes the Requesters' claims of coercion very seriously and emphasizes that it does not condone any form of coercion. Management has reached out to landowners specifically named in some of the coercion allegations, who have assured the Bank that they were not subjected to or aware of any coercion attempts. Following this discussion, the Bank received unsolicited letters from LPS landowners' associations expressing their support for the LPS and the proposed Project (see Annex 2). Management notes that allegations of coercion were dismissed by the Supreme Court of India on August 21, 2016 (see Annex 3 for a copy of the Supreme Court of India verdict).</p> <p>The Bank has increased its presence in Amaravati by expanding the number of visits to villages in the area to have more opportunities to consult with affected people and to gather more insight into the coercion allegations. Management is also in the process of hiring an independent party to carry out interviews and consultations in local villages to obtain additional information regarding this issue.</p> <p>Management will work with Government authorities, the implementing agency, and the communities to ensure a free and meaningful stakeholder engagement process. Management has contacted the Government authorities and shared its concerns. Management will expand its ongoing dialogue with the Government of AP to emphasize that proactive and open stakeholder engagement, free from coercion, is a prerequisite for Bank support for a project, and that Management expects stakeholder input to be taken into account in project design.</p> <p>The Bank team for the proposed Project will work with the APCRDA to put measures into place to facilitate this stakeholder engagement, including a citizen advisory committee and a robust project-level GRM to address the concerns of Project-affected people during preparation and implementation. The Bank will also work with local organizations that are trusted by the communities or with independent third-party monitors to gather views of stakeholders and to identify any coercion.</p> <p>Participation in the LPS is one of three options for land acquisition that landowners can choose.</p> <p>Landowners whose land is to be acquired have the option to: (i) participate in the LPS; or (ii) decline to participate in the LPS and negotiate individual settlements; or, if negotiations fail, (iii) follow the</p>

No.	Claim	Response
	<p>farmers, including Requester #3, have now been notified that their land will be acquired under the Land Acquisition Act. These landowning farmers have filed multiple cases in the high court. In April 2017, the High Court issued a stay on land acquisition in Requester #3 's village, and the High Court also directed the authorities to cease its efforts to mark land that has not been acquired under the LA Act. Refer to Attachment II for more details on the ongoing cases.</p>	<p>procedures for land acquisition as outlined by the LARR Act 2013. Management has been informed that the APCRDA has carried out an extensive information and consultation campaign to allow landowners to make an informed decision on their compensation options. This open process resulted in over 30,000 landowners joining the LPS, while approximately 4,000 landowners have opted not to join. This attests to the optional nature of the LPS. The progress in land pooling and plot allotment, among others, is disclosed on the APCRDA's website (https://crda.ap.gov.in).</p> <p>Consultations on Master Plan. The APCRDA organized multiple rounds of consultations with landowners on the draft Master Plan, prior to Bank engagement. More than 100 consultations spread over all 24 villages were organized in January 2016. More than 4,000 individual consultation comments were received. These consultations are documented by APCRDA on its website. Stakeholder comments referred to plot sizes, assigned lands, village boundaries, asset valuation process, implications for lands owned by single owners in multiple villages, issues related to multi-cropped lands (jareebu), FSI and set-back regulations, village maps, alignment changes of roads passing through village areas, benefits to the more vulnerable, design of LPS layouts, zoning regulations, education and health benefits, etc. A Technical Committee consisting of members from the APCRDA and the Town and Country Planning Department of the Government of AP was set up to review the outcome of consultations and individual submissions and make recommendations. Key recommendations pertain to modifications in the alignment of roads passing through villages, delineation of village boundaries, land use and zoning regulations, formulation of returnable plot sizes and their positioning in layouts, and allotment of plots to jareebu landowners.</p> <p>Optional nature of LPS. Participating landowners have joined the LPS following a process of informed consent following the many consultations detailed above. Consent is confirmed by each landowner on at least six separate occasions during the LPS process.¹ Management has been advised by the APCRDA that all landowners who have joined the LPS have provided their written consent and signed agreements for participation in land pooling, which are enforceable in</p>

¹ Concurrence from landowners is required at the time of: (i) giving consent to participate in LPS; (ii) signing a development agreement; (iii) registration of development agreement; (iv) returnable plot allotment certificate; (v) registration of land in favor of the implementing agency; and (vi) registration of returnable plot in favor of the farmer.

No.	Claim	Response
		<p>courts in the event the provisions of those agreements are not honored by the Government of AP.</p> <p>Participation in LPS. The LPS was launched following the approval of the APCRDA Act of 2014, which incorporated land pooling as one of its sanctioned land management policies. To date, approximately 86 percent of the land needed for the development of Amaravati City has been assembled through land pooling. While the Government of AP has currently initiated land acquisition processes for the remaining land following the provisions of the LARR Act 2013, landowners that become interested in joining the LPS can still sign up to participate at any time before the award of compensation is made under the LARR Act 2013.</p> <p>Compensation under LPS. The key components of the compensation packages under the LPS include: (i) <i>returnable plots of urban land</i> within the Amaravati City perimeter; (ii) <i>annuity payments</i> to landowners, which the Government of AP started issuing in May 2015, and that will continue for a period of 10 years; landless agricultural wage laborers whose livelihoods are affected by the LPS receive a <i>monthly pension</i> for 10 years; and (iii) <i>other benefits</i>, which include waiver of agricultural loans, interest free loans for self-employment, access to skill development training, and access to employment under an Employment Guarantee program, free education and access to medical facilities.</p> <p>Access to compensation packages is independent of the date on which the landowners join the LPS.</p> <p>Compensation under LARR Act 2013. The LARR Act 2013 improved land valuation processes relative to earlier regulations through a number of provisions: (i) allowing consideration of the higher of two land values, i.e., the reference rate for land prices in government guidelines used for property registrations, or the top 50 percent of registered sale transactions by value that have taken place in the preceding three year period; (ii) final compensation in Andhra Pradesh in rural areas is calculated as 2.5 times the value arrived at in² (i) above; and (iii) compensation for structures as well as an annuity or lump sum that is built in as a supplement compensation to mitigate loss of livelihood impacts.</p> <p>Coercion allegations. See above.</p> <p>Grievances. APCRDA conducts weekly grievance redress meetings to resolve landowners' concerns</p>

² The LARR Act 2013 allows the state governments to fix the compensation for rural areas between 1 to 2 times with 100 percent solatium. The Government of AP has fixed 1.25 times for rural areas and adds 100 percent solatium to compensation which amount to 2.5 times of market value.

No.	Claim	Response
		<p>regarding the LPS and other aspects of the development of Amaravati City. Further, the district administration is conducting consultations and public hearings on village-specific SIAs as part of the land acquisition process under the LARR Act 2013.</p> <p>As part of consultations held in four villages in February 2017, the Bank team held meetings with landowners who had not joined the LPS. Some landowners conveyed that one of the reasons for not having joined the LPS was the perception that their wet, multi-crop lands (jareebu) had higher yields than dry lands, were more valuable, and that returnable plots would not provide an equivalent return to the original value of their land. These landowners may choose to follow the provisions under the LARR Act 2013.</p> <p>Impact of LPS on vulnerable populations. Additional support measures for marginalized groups, such as women headed households, physically challenged, scheduled caste/scheduled tribe, agricultural laborer, etc., would be designed as part of the proposed Project; special attention would be paid to use of their land plots under the proposed Project. All the standard benefits under the LPS would also be available to them, whether as small landowners (i.e., returnable plots, annuities, etc.) or landless laborers (skill training, annuities, etc.).</p> <p>Allegations that court may have stayed the land acquisition process. Under the LARR Act 2013, landowners have full recourse to the local judicial system and court cases pertaining to different parcels of land and at different stages of the judicial process are to be expected as the land acquisition process gets underway.³ Management has no position on any court cases.</p>
2.	<p>90% of landowning farmers in the capital city area have signed legal documents indicating their intent to participate in the LPS. However, only ten landowning farmers have completed the legal steps necessary to transfer their land rights (title deeds) to the State. The other landowning farmers have not yet completed those steps, and are unwilling to do so because of the lack of legal guarantees about the location of their developed plots and the infrastructure that each "developed plot" will contain. Further, many landowning farmers are concerned that there is no market value specified for the developed plots in the registration documents. Refer to Attachment 22, for sample copy of a land registration document that doesn't contain registration value. This is illegal as per Indian Stamps act 1899 for title transfer.</p>	<p>Landowners will benefit from the development of the original agricultural land and its conversion into urban land, together with the additional benefits provided to LPS participants.</p> <p>LPS procedures and current status. Registration is conducted in three stages: first, the entirety of the land surrendered by the landowners is registered in the name of APCRDA; second, a provisional certificate is issued to each landowner for the returnable plots; and third, the returnable plots are registered in the name of the landowners. The APCRDA has almost completed the allocation of returnable land: to date, about 58,000 returnable plots have been allotted to over 23,000 LPS landowners in 22 of the 24 villages, who have received their provisional certificates. At the next stage, LPS</p>

³ Management is aware that in Penumaka, one of two villages where substantial jareebu lands were located, people have lodged a court case objecting to land acquisition.

No.	Claim	Response
		<p>landowners register their returned plots. The APCRDA initiated the process of registration of the returned plots in March 2017. The registration process is ongoing.</p> <p>Guarantees on location of returnable plots and on infrastructure provision. The issuance of provisional certificates for returnable plots (completed in 22 out of 24 villages as noted), constitutes an important milestone since it allows landowners to know the actual location of their returnable plots and to monitor the development of infrastructure in proximity to them.</p> <p>Content of registration documents. Land values are not referenced in the registration document because no sales transaction is involved.</p>
3.	<p>Many of the additional benefits that the LPS promises to participants-such as job training and wage employment-have not been implemented. Further, although the LPS promises to allocate 5% of land pooled to affordable housing for the poor, only 1,680.9 acres have been allocated in the Draft Detailed Master Plan for "weaker section housing" (i.e., for those living below the poverty line).</p>	<p>Additional benefits for LPS participants are being implemented. According to the APCRDA, participating landowners who have signed and registered the development agreements have been receiving annuity payments as part of their LPS benefits package since May 2015.⁴ In addition, the affected agricultural wage laborers and tenant farmers have also been receiving monthly pensions since then. A skill development institution was established in July 2016 and has trained more than 500 people to date; more than 1,000 people have received assistance for job placement through 9 job fairs; more than 19,000 people have received loan waivers; over 16,000 job cards have been issued; over 56,000 person-days of employment have been generated to date; and education and health schemes have been initiated.</p> <p>Affordable housing. The Bank has not been involved in the preparation of the Amaravati Master Plan. The provision of affordable housing as part of that Master Plan is not an activity directly being supported by the proposed Project. However, Component 3 of the proposed Project would support technical assistance to city agencies for the management and implementation of priority urban policies, among which is affordable housing. Therefore, the Bank would have an opportunity to support the City as it addresses the need</p>

⁴ The benefits to those who have joined LPS include: (i) returnable urban plot; (ii) loan waiver: one-time agricultural loan waiver of up to INR. 1,50,000; (iii) loans for self-employment: interest free loans of up to INR. 25,00,000 are available to all poor families (annual income below INR. 60,000 and 75,000 in rural or urban areas, respectively) for the set-up of self-employment enterprises; (iv) education and health: free education and health facilities are available to all those residing in the capital city area as of 8th December, 2014; (v) old age homes will be established to take care of people of 65 years of age and above; (vi) subsidized canteens: to provide food at subsidized rates; (vii) wage employment: Social Development agency is exploring possibilities to engage the landowners under LPS throughout 365 days a year per family under MGNREGA, unlike the actual 100 working days per year; and (viii) establishment of skill development institutions to provide training with stipend to enhance the skills of former landowners.

No.	Claim	Response
		to allocate land for housing, particularly affordable housing, consistent with its Master Plan.
4.	[...] The PID/ISDS states that OP/BP 4.12 applies to all land used for the ASCCDP, including land already acquired through the Land Pooling Scheme. Because the LPS is "substantially completed," due diligence will consist of "an independent implementation assessment of LPS Scheme to assess its implementation outcomes to date, hear the reactions of those who have participated in LPS and identify measures required to strengthen its implementation process during the remaining implementation period as applicable to sub-projects.	<p>An independent third-party assessment of the LPS has been drafted and is currently under review by Management. Management will work with the APCRDA on integrating relevant findings into Project design and documentation, as appropriate.</p> <p>Third-Party Assessment of LPS. The APCRDA commissioned a third-party assessment of the LPS to identify any shortcomings that would need to be addressed during implementation. Management has received a draft of the assessment and will provide comments to the APCRDA. The assessment included a household survey among 125 randomly-selected households representing different affected categories such as marginal and large farmers, agricultural laborers, and multi-cropped land owners; and in-depth focus group discussions with different stakeholders. It also included stakeholders in the ten villages where the proposed Project would be implemented.</p> <p>The key findings of this draft report include: (i) extensive consultations were held for LPS and grievance redress mechanisms were in place; (ii) LPS is optional and landowners consented to joining based on their confidence that the land returned to them would be of higher value than the original land and that lost assets would be adequately compensated for; (iii) LPS landowners are receiving the agreed benefits (annuities, returnable plots, access to social development schemes, etc.); (iv) the transparent allotment of returnable plots to LPS landowners after extensive consultations has enhanced people's confidence and trust in the process; (v) effective coordination mechanisms were observed among different involved agencies; (vi) adverse impacts on agricultural laborers, specifically related to livelihood impacts, would need to be addressed more comprehensively; and (vii) there are opportunities to involve LPS beneficiaries in various types of civil works, particularly related to infrastructure development on returnable plots.</p> <p>After finalization of the report, Management will work with the APCRDA to identify and implement measures which address issues raised in the report related to the proposed Project, as part of the final RPF and of site-specific RAPs.</p>
5.	Mental harm due to continued inadequate access to information and consultation, as well as threats and harassment: The coercion and intimidation involved in the land pooling process, combined with a lack of adequate access to information and consultation, has caused significant psychological stress for the Requesters. Further, the intimidating atmosphere around	The APCRDA has conducted consultations on the LPS and on the draft safeguard instruments related to the proposed Project. Management commits to expanding consultations on the proposed Project's safeguard instruments, including the draft SESA-ESMF and the RPF.

No.	Claim	Response
	<p>the consultation "workshop" for the proposed ASCCDP, as well as the instances in which individuals purporting to represent the World Bank have approached the Requesters and members of their family, also has caused psychological stress for the Requesters. The Requesters fear that this harm will continue under the ASCCDP project.</p>	<p>Access to information and consultations related to LPS. Management has been advised by the APCRDA that it has consulted extensively on various aspects of the development of Amaravati City as a whole and continues to do so. The APCRDA also conducts weekly grievance meetings. See Item 1 above for more detail.</p> <p>Management will work with the APCRDA to ensure that consultations continue to be free, fair and meaningful. It will also work with the APCRDA to establish a robust Project-level GRM.</p> <p>Consultations under the proposed Bank Project. The Bank team attended the public workshop on January 19, 2017 on the draft SESA-ESMF and draft RPF prepared under the proposed Project. The consultation workshop was attended by approximately 150 participants from the villages affected by the proposed Project. Participants consisted of landowners, landless people, farmer association representatives, and media, as well as 50 government officials and staff from the Bank and AIIB. A summary of documents in local language was distributed in the workshop. Landowners participated in the workshop and commented on the contents of the draft SESA-ESMF and draft RPF. Police were present during the workshop as a measure to maintain safety. Bank staff felt that the workshop was conducted in a free and fair manner, without police interference in the exchange of views. All participants were welcome to voice their opinions and provide feedback. Written feedback submissions were accepted starting from two weeks before and ending two weeks after the workshop. The minutes of the workshop are included in the draft RPF. The workshop was well covered in the local media.</p> <p>After clearance by the Bank, the draft RPF and SESA-ESMF will be re-disclosed and again consulted on following Bank policy. The SESA-ESMF and RPF are currently still drafts and subject to modifications. Management will work with the APCRDA to incorporate stakeholder feedback into the final versions of the SESA-ESMF and RPF.</p> <p>Communications and information channels under the proposed Project. The APCRDA has a multi-level grievance redress mechanism, beginning with the village's land acquisition authority, through the district's Joint Collector, who is the Project Administrator, to the state's R&R Commissioner. Management will work with the APCRDA to establish a Project-level GRM that includes members who are not associated with the Project to address complaints where Project-affected people considered that the existing grievance mechanism did not solve their issue.</p>

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6.	<p>Loss of livelihood. As a result of the ASCCDP, the Requesters will be forced to either pool their land under the LPS or their land will be acquired by the State under the Land Acquisition Act. The Requesters fear that either option will result in the loss of their livelihoods. If the Requesters join the Land Pooling Scheme, the LPS does not provide adequate benefits to restore the Requesters' livelihoods, nor does it provide adequate legal guarantees to ensure that promised benefits will be delivered. LPS documents do not specify a period of time within which pooled land must be returned to LPS participants as developed plots. Further, the government has estimated that the Amaravati Capital City Project will take 35 years to complete, but the government only provides a ten-year annuity to LPS participants, agricultural laborers, and landless families. Thus, there may be a gap between when the annuity ends and when land is actually transferred back to participants. Furthermore, all these assumptions are based on the current Government ruling Andhra Pradesh. In case of any change in the government during 2019 elections, there is a risk that these benefits will not be realized, because the LPS has no legal basis.</p> <p>If the State acquires the Requesters' land under the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Re-Settlement Act, 2013, #30 of 2013 ("LA Act"), the Requesters also will not receive compensation sufficient to restore their livelihoods or to purchase comparable replacement land. Under the LA Act, the State is obligated to compensate landowning farmers based on the market price of the land. However, the basic land values in the registration offices have not been revised for the last five years. As a result, the registration value of the Requesters' land and the land in 25 villages across three mandals is far lower than the market value. For example, after the CRDA issued an acquisition notification through newspaper publication on 22 July 2016 and through notice on 8 September 2016, the authorities awarded a price which amounted to 10 % of what the affected landowner believes the current market was.</p>	<p>Landowners will benefit from the development of the original agricultural land and its conversion into urban land, together with the additional benefits provided to LPS participants.</p> <p>Loss of livelihoods. Land pooling in AP is designed to compensate landowners for voluntarily giving up their land to contribute to development, in a manner that makes them beneficiaries of the increases in land value that result from urbanization. It is designed to account for any loss in livelihood and to bring direct benefits to those who participate. All landowners who have joined the LPS, in return for contributing part of their agricultural land, are entitled to: (i) smaller <i>returnable plots of urban land within the Amaravati City perimeter</i>: urban land is of significantly greater value than agricultural land; therefore, through the exchange of their rural plots for urban land, landowners are benefitting from one of the main advantages of urbanization, which is the increase in land value within urban areas; (ii) <i>annuity payment for a period of 10 years</i> – while land values increase, as the development of Amaravati City takes place, landowners who gave up land will receive annuities that have been estimated to compensate for their lost income; and (iii) <i>other benefits</i>, including waiver of agricultural loans, skill training, interest free loans for setting up enterprises, etc., which will further address the need of landowners to find alternative occupations after they have contributed their land to the LPS.</p> <p>Landless agricultural wage laborers under the LPS are also provided a monthly pension for 10 years. The other benefits to them include a waiver of agricultural loans, interest free loans for self-employment, access to skill development training, access to employment under an Employment Guarantee program, access to education and medical facilities. This will also be an area of special focus under the proposed Project and a separate sub-component is being designed to provide additional support to landless wage laborers and vulnerable groups in terms of job training / skill development, etc.</p> <p>Compensation under the LARR Act 2013. Landowners not participating in the LPS will be covered under the provisions of the LARR Act 2013, and their lands will be acquired through eminent domain. Compensation for lands lost – replacement value and livelihood support (annuity for 20 years or lump sum payment) – will be provided, as per the LARR Act 2013.</p> <p>The draft RPF analyzes the compliance of the Government of AP's approach to land acquisition through land pooling, negotiated settlements, and</p>

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		<p>eminent domain with Bank policy, and identifies gaps and measures to address them. These measures would be implemented through site-specific RAPs, as and when investments are identified. The APCRDA has carried out an extensive information and consultation campaign to allow landowners to make an informed decision on their compensation option. This open process has resulted in over 30,000 landowners joining the LPS, while approximately 4,000 landowners have opted not to join.</p> <p>The LARR Act 2013 acts as the “floor” with regard to compensation and other benefits since it is the default option for people who do not choose the LPS. In addition, the LARR Act 2013 provides for guideline (government reference rates) values to be benchmarked with the top 50 percent of market transactions for compensation award for lands, so that compensation adequately reflects the current market situation. The Requesters have full recourse to the Indian judicial system if it is felt that compensation is inadequate, in addition to the grievance mechanisms described in paragraph 16 of the Management Response.</p> <p>At the request of the Government of India and outside of the context of the proposed Project, the Bank carried out a review of the LARR Act 2013 and found it to be largely consistent with its policy for involuntary resettlement. Gaps between the LARR Act 2013 and Bank policy have been identified regarding: (i) the valuation of structures with depreciated amount; (ii) cut-off date requirements for eligibility of certain categories of affected people such as those depending on the affected lands; and (iii) assistance to those affected using public lands (for example, squatters). The draft RPF addresses these gaps. For example, the draft RPF provides a mechanism to pay differential amounts by way of special assistance to landowners whose lands would be used for the proposed Project.</p>
7.	<p>Food insecurity: Amaravati consists of rare multi-crop irrigated land that produces 120 types of crops, and Requesters are concerned that the ASCCDP will create food insecurity in the region. The potential for food insecurity as a result of the Amaravati capital city project was noted in the 2014 Report of the Expert Committee appointed by the Ministry of Home Affairs, Union of India to Study the Alternatives for a New Capital for the State of Andhra Pradesh, and the SESA-ESMF does not recognize that the primary use of the land in Amaravati is multi-crop irrigated land. Further, Andhra Pradesh has not complied with national legislation aimed to guarantee food security.</p>	<p>During consultations on the draft SESA-ESMF, stakeholders raised concerns about food security resulting from large-scale conversion of agricultural land to non-agricultural use. This issue was analyzed in the SESA-ESMF. It determined that the crops in the Amaravati City area are predominantly commercial crops that are not used for daily consumption by people. Transformation of agricultural land to urban land would, therefore, not significantly impact the production of food in the state.</p> <p>Overall, the area of Amaravati City under cultivation amounts to 0.027 percent of the total area of the state under cultivation and 0.077 percent of paddy-sown area in the state. Further, the proposed Project is expected to require only about 5-10 percent of the total land within</p>

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		<p>the Amaravati City area. The Government of AP has informed Management that it plans to promote the cultivation of more agricultural lands elsewhere in the state, opening new food sources directly for state residents. This is part of the Government's approach to address food security issues as part of overall land acquisition for the development of Amaravati City. Management understands from relevant government agencies that the state is a top producer of horticulture crops and the Government has taken steps to bring more land under horticulture by providing incentives to farmers. The state also has taken steps such as interlinking rivers to stabilize irrigation by providing a dependable source of water, which are leading to a substantial increase in crop productivity, including food crops.</p> <p>Management will ensure that the concerns raised by the Requesters are addressed in the final SESA-ESMF, to the extent they are relevant to the proposed Project.</p> <p>The compensation provided under the LARR Act 2013 reflects the agricultural use of the lands and will be commensurate with the replacement value of such agricultural lands being lost.</p>
8.	<p>Environmental harms: Component 2 of the ASCCDP will affect the river Kondaveeti Vagu, and the fields adjacent to the riverbed are wetlands. However, the SESA-ESMF does not adequately address issues of wetlands, and APCRDA has not complied with national legislation designed to protect the wetlands. In 2015, the National Green Tribunal also issued an order that put a stay on construction in Amaravati due to unresolved environmental concerns.</p>	<p>The draft SESA-ESMF considers, among other issues, potential Project impacts related to flooding, conservation of water bodies, and forest land, and identifies measures to mitigate any adverse impacts. Flood mitigation plans and designs related to Kondaveeti Vagu are currently undergoing detailed studies. The proposed Project includes a sub-component that addresses flood management along the Kondaveeti Vagu River and the surrounding wetland areas. This component, which is in a very early stage of preparation, is not part of the currently planned initial investment and the flood mitigation plans and designs related to Kondaveeti Vagu are currently undergoing detailed studies. Environmental impacts, such as those mentioned by the Requesters, are assessed in detail in a site-specific EIA. The Bank has only recently received the first draft of this specific EIA and is currently reviewing the report. The Bank will work closely with the APCRDA to ensure that the scope of the assessment is adequate, including the Kondaveeti Vagu River and surrounding wetland areas.</p>
	OP/BP 4.12:	
9.	<p>Failure to require a resettlement plan. Bank management has used a Resettlement Policy Framework, rather than a full Resettlement Plan, for the ASCCDP. However, Bank documents suggest that the zone of impact of subprojects, and their siting alignments, can be determined. A detailed Master Plan</p>	<p>The proposed Project is still under preparation; The framework approach reflects the early stage of planning as the proposed Project is not yet fully defined. Site-specific RAPs are being prepared for 10 specific roads, that would make up about 30 percent of the overall proposed investments.</p>

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	<p>and Infrastructure Master Plan are available for the city, and according to Bank documents, "[a]ll physical interventions related to these components will be situated on identified land parcels I stretches within the 217 sq.km. of Amaravati city." The PID/ISDS identifies specific sets of roads and associated infrastructure for Component I of the ASCCDP, and Component 2 will support flood mitigation for the Kondaveeti Vagu water canal, a sewerage system, and a solid waste management system.</p>	<p>Additional site-specific RAPs and other appropriate safeguard documentation would be prepared as preparation of the proposed Project advances. The RPF was developed at the beginning of Project preparation to identify the principles and process of compensation that would be used for land plots used by the Project, as and when investments are identified. Where possible locations for infrastructure that would be supported by the Project have been identified, site-specific ESMPs and RAPs are under preparation and expected to be consulted upon and finalized later this year, prior to appraisal. Stakeholder feedback received during consultations would be integrated into the final documents.</p> <p>The RPF notes that the compensation to be provided under the LARR Act 2013 for lands lost adequately provides for replacement value, as required under Bank policy. Regarding gaps in the LARR Act, see Item 6 above.</p> <p>The Bank has received the draft RPF from the APCRDA and has provided comments. The RPF will be finalized reflecting the Bank's comments as well as concerns raised by the Requesters. After clearance by the Bank, the draft RPF will be re-disclosed and again consulted on following Bank policy.</p> <p>Project-supported investments would comply with site-specific RAPs, site-specific EIAs and site-specific ESMPs, and would include functional and accessible grievance redress mechanisms.</p>
10.	<p>Consultations. On December 26, 2015, the government released an English-language "Draft Detailed Master Plan of Capital City Amaravati," which was open for public comment for a period of 30 days. This draft was not released in Telugu, the local language. The draft was made available online and also at four government offices for viewing on all working days during office hours. Objections/suggestions could be sent in writing to the Commissioner, or uploaded on the website.</p>	<p>The APCRDA organized multiple rounds of consultations with landowners on the draft Master Plan, prior to Bank engagement. The summary of the Master Plan was also circulated in the local language (Telugu). See also Item 1 on Consultations on the Master Plan.</p>
11.	<p>Failure to ensure meaningful consultation. A single consultation "workshop" on both the draft RPF and the draft SESA-ESMF, combined with the intimidating presence of police forces and an unclear and short fifteen-day time frame for the submission of written comments, does not constitute a meaningful consultation process under OP 4.12. When the Requesters raised concerns about the consultation process with Bank management, management responded that the process was "conducted in a free and fair manner, except for a brief stoppage wherein a section of landowning farmers who are supportive of land pooling scheme tried to interrupt a speaker from criticizing land pooling related impacts. But the situation was quickly</p>	<p>All of the proposed Project safeguard instruments are still under preparation. Additional consultations will be conducted as the framework instruments are finalized and the Project-specific plans are prepared.</p> <p>Management agrees that a more extensive program of consultation and information on the proposed Project needs to be carried out. The Bank team will work with the APCRDA to organize an extended consultation plan regarding the proposed Project in general and the Project safeguard documents in</p>

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	<p>brought under control and the speaker was allowed to complete his response."</p> <p>As of May 10, 2017, a draft SESA-ESMF and RPF are available on the World Bank's website. Both documents state that they have been "revised pursuant to public consultation workshop." On 19 January 2017, the APCRDA held the only "public consultation workshop" on the ASCCDP, which covered both the 200-page SESA-ESMF and the 200-page RPF. Only 150 potentially affected people (out of an estimated 127,505 people affected by the Amaravati Capital City) attended this workshop on 19 January 2017. There was a presence of at least 40 police personnel, who intimidated stakeholders, and Requester# 1 and other landowning farmers were turned away forcefully. The draft SESA-ESMF and RPF also were made available for public comment on the CRDA website, which set a fifteen-day time window "from the date of this publication" for the submission of "suggestions and concerns." The CRDA only received five submissions.</p> <p>Requesters have felt harassed, as opposed to consulted, by the assessors and purported World Bank staff. For example, on April 24, 2017, several individuals visited Requester #2's -house. These individuals stated that they were representatives of the World Bank and asked about the reasons that Requester #2' family refused to participate in the LPS.</p>	<p>particular. Feedback from the consultations will be incorporated in the final design of the proposed Project.</p> <p>Consultations on RAPs are in progress in villages that would be affected by roads that potentially would be financed by the proposed Project. In addition, household socio-economic surveys are being carried out among families that would be affected by the proposed Project, both landowners and landless wage laborers. The outcomes will be incorporated in the RAP.</p> <p>Previous consultations on the proposed Project include:</p> <ul style="list-style-type: none"> • A public workshop on the draft SESA-ESMF and RPF held on January 19, 2017, attended by 150 people (see also Item 5). • Additional consultations held by the Bank team in four villages in February 2017, attended by about 80 people. <p>January 19, 2017 workshop. The invitation to the workshop was widely published in local newspapers in both English and Telugu. Landowners participated in the workshop and commented on the contents of the draft SESA-ESMF and draft RPF. All participants were welcome to voice their opinions and provide feedback. The workshop was well covered in the local media.</p> <p>Key issues raised by participants in the workshop included: (i) valuation of assets at market value; (ii) further minimization of physical displacement; (iii) improved entitlements under the negotiated settlement for physical resettlement; (iv) attention to vulnerable populations such as landless, scheduled caste, etc.; (v) timely payment of pensions and possible increases in annual pension; (vi) ensuring local employment under contractors; (vii) proper management of impacts arising out of construction works and safety in the work place; and (viii) attention to issues associated with outside labor. The need to involve villagers in the decision-making process for development works, attention to upgrading village infrastructure and strengthening the information sharing process were also raised. Some of the written suggestions received as part of the workshop included: control measures for construction stage impacts, preventing water bodies being polluted, farmer consultations for flood mitigation works, provisions of LARR Act 2013, legal validity of agreements executed under LPS, avoidance of graveyards in village areas, among others. Management will work with the APCRDA to incorporate these suggestions into the final versions of the SESA-ESMF and RPF.</p>

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		<p>Consultations in four villages in February 2017. Some of the suggestions and concerns that emerged during these meetings included: (i) need for clear on-the-ground demarcation of land required in the village areas for infrastructure components; (ii) issues related to land classification of non -registered houses; (iii) requirement of sufficient time for reconstruction of alternative houses; (iv) shifting alignment towards open lands to minimize physical displacement; (v) impacts to certain common properties and to those residing on government lands, and treatment of partially impacted houses; (vi) impacts to tenants or assigned landowners; (vii) improved entitlements including valuation of assets under negotiated settlement; (viii) educated youth employability; (xi) impacts on agricultural laborers; and (x) delays in receipt of pension amounts.</p> <p>As part of these meetings, consultations were also held with landowners who had not joined the LPS. See Item 1.</p>
12.	<p>Independent implementation assessment. The "independent implementation assessment" of the LPS still has not been completed, and information about the independent assessment has not been distributed in the Amaravati area. In October 2016, Requester# I was approached by two individuals and - who claimed that they had been appointed World Bank. Requesters contacted World Bank management in Delhi, and only at that time did the Requesters learn that an assessment was underway. Requesters also are concerned that the assessment is not being conducted in an independent manner. APCRDA is both the ASCCDP implementing agency and the agency that is responsible for managing the Land Pooling Scheme. APCRDA's role in selecting and managing the two assessors is not clear. Further, APCRDA has been accompanying the assessors to the villages, which is not compatible with an independent assessment process and negates the purpose of retaining third-party assessors.</p>	<p>The APCRDA commissioned a third-party assessment of the LPS to identify any shortcomings that would need to be addressed during implementation. This study was carried out by consultants not associated with LPS implementation.</p> <p>The third-party Assessment of the LPS was commissioned by the APCRDA. Consultants were selected by APCRDA through invitation of bids from a short list of institutions/agencies having expertise in land management. The selected consultants that ultimately carried out the study are not associated with the implementation of the LPS, so as to bring an independent perspective to the study. Management has received a draft of the assessment and will provide comments to the APCRDA. After finalization of the report, Management will work with the APCRDA to identify and implement measures which address issues raised in the report related to the proposed Project, as part of the final RPF and of site-specific RAPs.</p>
13.	<p>Failure to accurately assess the nature and magnitude of project-related displacement and to adequately ensure that use of land previously acquired through the LPS complies with OP 4.12. The PID/ISDS states that the "Land Pooling Scheme (LPS) is substantially completed." However, as described in paragraph 16 [of the request], the LPS is not "substantially completed," and the legal steps necessary to complete the process have not yet occurred. This inaccurate assessment has led to the incorrect Bank determination that a "due diligence" approach consisting of "an independent implementation assessment of LPS Scheme to assess its implementation outcomes to date,</p>	<p>Third-Party Assessment of LPS. See Item 4 above.</p>

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	<p>hear the reactions of those who have participated in LPS and identify measures required to strengthen its implementation process during the remaining implementation period as applicable to sub-projects" is the appropriate method to evaluate the LPS. This approach is not adequate to assess the compliance of the LPS with OP 4.12. Further, the Bank has not taken steps to ensure that this "independent implementation assessment" is being conducted independently,⁵ nor has it established an independent advisory panel on resettlement for the ASCCDP, as recommended under OP 4.12 for projects that are highly risky or contentious.</p>	
14.	<p>Inconsistency with the objectives of OP 4.12: Bank management has not taken steps to avoid or minimize involuntary resettlement and has instead responded to concerns about involuntary resettlement by stating that individuals affected by the ASCCDP have two options: "you may opt to participate in the Land Pooling Scheme (LPS) or under Land Acquisition (LA)." The compensation and the limited annuities for the transition period provided by both the LPS and the LA Act do not "provide (e) sufficient investment resources to enable the persons displaced by the project to share in project benefits."⁶ Lastly, the Bank's due diligence approach to the LPS does not incorporate measures to restore the livelihoods of landowning farmers, assignees, agricultural laborers, and vulnerable groups who the LPS already has affected, and who will only receive annuities for ten years under the rules of the LPS.</p>	<p>Land pooling is an approach used to minimize resettlement and maximize benefits to those whose land is acquired. The draft RPF analyzes the compliance of the Government of AP's approach to land acquisition through land pooling, negotiated settlements, and eminent domain with Bank policy, and identifies gaps and measures to address them.</p> <p>Management remains committed to ensuring that potential impacts of the proposed Project on livelihoods and resettlement, among others, are appropriately assessed, and that any identified impacts are managed in accordance with Bank policy. Management will confirm that the proposed Project complies with Bank policy before deciding whether to move forward with Bank support.</p> <p>Involuntary resettlement. The APCRDA has noted that, as an outcome of extensive (over 100) consultations on the Amaravati Master Plan (prepared with the support of the Government of Singapore) and the LPS, physical displacement has been minimized. For example, in response to stakeholder feedback, the LPS excluded residential areas within villages, which enabled over 100,000 villagers to remain within Amaravati City boundaries without displacement. Landowners who have not joined LPS will have their land acquired under eminent domain and will therefore be subject to involuntary resettlement</p> <p>Any involuntary resettlement under the proposed Project would be subject to Bank policies and this is outlined in the draft RPF.</p> <p>Consistency with OP 4.12. The proposed Project introduces an innovative approach specifically designed to ensure that those who are displaced by Project activities also directly share in Project benefits. Landowners are not just being compensated in the ordinary way; they are going to share in the increased</p>

⁵ In this regard, see Attachment 12 and Management's response to Requesters' concerns.

⁶ OP 4.12. para. 2(b).

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		<p>value of land and other benefits that will come with the creation of the new city.</p> <p>Restoration of livelihoods. In Management’s view, the concerns regarding restoration of livelihoods of affected people will be addressed through (i) the compensation under the LARR Act 2013, which enables purchase of agricultural land for pursuing similar land based professions; (ii) the provision of returnable plots under the LPS; and (iii) the proposed measures for annuities/pensions, support to skill upgrading, and support to establish self-employed enterprises. All of these facilitate opportunities for wage labor and measures have been proposed in the draft RPF to support ongoing government programs and design of additional measures where needed.</p>
15.	<p>OP/BP 4.01: Failure to ensure meaningful consultation: As a result of the lack of a meaningful consultation process (described in paragraph 31), the Requesters' concerns were not incorporated into the revised SESA-ESMF for the project, and Requesters face the potential harms described in Section III.</p>	<p>Management will work with APCRDA to re-disclose and consult on drafts of the SESA-ESMF and the RPF after comments from the Bank have been incorporated by the APCRDA.</p> <p>For details, see Item 5.</p>
16.	<p>Compliance of the draft revised SESA-ESMF and RPF with OP 4.12 and OP 4.0 I. Proposed compensation does not cover replacement cost. The revised RPF sets an amount of compensation that does not meet OP 4.12’s standard of replacement cost. As described in paragraph 26, the RPF's process for valuation of land to be acquired is based on values that have not been revised in five years. Requesters submit that valuation under the LA Act should be based on the market value of transactions that have taken place in a fair and transparent manner over the last three years. Specifically, the market value should be multiplied by at least a factor of two, and 80% of the land to be paid at market value and as per first schedule, and return 20% of the developed land in par with the offer under LPS.</p>	<p>The draft RPF has been reviewed by the Bank and will be finalized by the APCRDA reflecting the Bank’s comments as well as concerns raised by the Requesters. Management will work with APCRDA to address concerns such as those raised by the Requesters, in the RPF, as appropriate.</p> <p>The RPF notes that the compensation to be provided under the LARR Act 2013 for lands lost adequately provides for replacement value, as required under Bank policy.</p> <p>The LARR Act 2013 has a provision offering 20 percent of lands acquired for urbanization on payment of cost of development. Management understands from the Government of AP that this option is available to the affected people, provided they agree to pay the development cost of the land.</p> <p>Further elaboration is also provided in responses to Items 1 and 6.</p>
17.	<p>Lack of analysis of project alternatives: The SESA-ESMF states only that there will be an analysis of project alternatives for future sub-projects, rather than an analysis of alternatives to the Amaravati Capital City project. In this regard, there is a detailed report produced in 2014 by an expert that proposes alternative designs for the city, including the decentralization of governance by locating government offices at regional centers.</p>	<p>Alternatives to the location of Amaravati City are outside Management’s purview. Alternatives to Bank-financed components are assessed in the SESA-ESMF.</p> <p>The selection of the location of Amaravati City is a sovereign decision and was taken by the Government of AP, before the Bank had engaged in the proposed Project. The site for Amaravati City was strategically selected by the Government of AP in late 2014, based on the area’s historical significance and its economic potential, specifically a strong network of transport</p>

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		<p>infrastructure, proximity to several major economic centers, good access to a skilled labor workforce and water to cater to a growing urban population.</p> <p>The proposed scope of the Project is limited to some interventions within Amaravati City; as such, the SESA-ESMF's assessment of alternatives does not include an analysis of potential alternatives for the location of Amaravati City itself, but rather is limited to alternatives to the specific interventions that could be financed under the proposed Project.</p>
18.	<p>Inadequate identification of environmental issues: The revised SESA-ESMF states that "the ecological profile consists of agricultural areas, wetlands/water bodies (irrigation ponds and rivulets), rocky outcrops and riparian/riverine zone along the River Krishna. There are no ecologically sensitive areas present in the Amaravati Capital City area. However, the study identified the following 'hotspots': wetlands, rocky outcrops, and, riparian zone of River Krishna." However, the SESA-ESMF does not include the recommendations made in the main EIA-EMP for Amaravati, which makes a number of recommendations related to water bodies, wetlands, and the River Krishna.</p>	<p>Management is currently reviewing the draft SESA-ESMF. Site-specific EIAs would be conducted as investments are identified.</p> <p>The provisions under the SESA-ESMF are over and above the mandatory environmental clearance conditions stipulated under national environmental laws. The APCRDA is expected to comply with national environmental laws in any case when Project components are designed and their EIAs are prepared. Hence, it will take into account the recommendations made in its EIA-EMP.</p> <p>The draft SESA-ESMF considers, among other issues, potential Project impacts related to flooding, conservation of water bodies, and forest land and identifies measures to mitigate any adverse impacts. Investments under the proposed Project would comply with site-specific RAPs, site-specific EIAs and site-specific ESMPs.</p> <p>Management is currently reviewing the draft SESA-ESMF and site-specific safeguard documentation and will provide comments to the APCRDA before documents are finalized. Management will ensure that the concerns raised by the Requesters are addressed in the final documents, to the extent they are relevant to the proposed Project. s</p>
19.	<p>Prior interactions with Management. The Requesters have informed the APCRDA, World Bank management, and the World Bank GRS about their concerns through a series of emails and meetings (refer to Attachments 12 - 16). Following the invitation of CRDA, a few landowning farmers attended the "Public Consultation Workshop" to express their objections on SESA-ESMF and the draft RPF. However, the revised drafts that were posted on the World Bank's website, which specified that they had been "revised pursuant to Public Consultation Workshop," did not address the Requesters' concerns. The World Bank also has not taken any action to address the concerns the Requesters have raised, including the objections on SESA-ESMF and RPF in attachment 15.</p>	<p>Stakeholder concerns will be further integrated as safeguard documents are finalized. Management will work with the APCRDA to address in the final SESA-ESMF specific stakeholder concerns, such as those raised by the Requesters, as appropriate.</p> <p>Stakeholder opinions and concerns heard through the consultation process described in Item 12 have been addressed in a variety of ways, described in Item 16. Consultation feedback is also being considered as the RPF is finalized and site-specific RAPs related to sub-components are prepared. The census of Project-affected people under the proposed Project is ongoing as part of the RAP preparation for the 10 roads. Additional consultations will be carried out as part of</p>

No.	Claim	Response
		<p>RAP preparation and the draft RAPs will be disclosed and disseminated.</p>
20.	<p>Requested Measures. The Requesters request that the Inspection Panel conduct an investigation into the policy violations described above and find that World Bank management must take steps to rectify these violations and resolve Requesters' concerns. Such steps would include, but are not limited to:</p> <ul style="list-style-type: none"> - Delay the World Bank's process of appraisal and convene a panel of independent experts to oversee the ASCCP and ensure that it is implemented in accordance with World Bank policies and procedures. - Revise the Bank's approach to conducting due diligence on the LPS. The Bank should approve terms of reference for a truly independent analysis of the LPS that identifies steps needed to remedy past noncompliance with OP 4.12 and ensure future compliance with OP 4.12., including legal guarantees for participants in the LPS. - Ensure that the process of land acquisition complies with World Bank policies and with national legislation, and ensure that the final environmental and social documentation for the project incorporates Requesters' concerns. - Ensure that future consultation processes are conducted in a free, fair, and meaningful manner. 	<p>Management is of the view that, to date, the preparation of the proposed Project has followed Bank policy requirements. However, Management views the Request for Inspection as an opportunity to review and consider the views and concerns of the Requesters.</p> <p><i>Management has agreed on an action plan with the Borrower that aims to address concerns raised in the Request.</i> The actions detailed below will be undertaken during Project preparation, to address these concerns.</p> <p><i>Community engagement and monitoring to address coercion and other implementation issues.</i> Given the complex nature of land acquisition and its potential impacts on the proposed Project, the Bank will work with the APCRDA to establish a citizen advisory committee, consisting of recognized members of the community as well as external experts, to serve as an advisory panel to the APCRDA and to inform the implementation of the proposed Project and the mitigation of any potential adverse impacts of the proposed Project. Further, Management will:</p> <ul style="list-style-type: none"> • Convey to the Government that proactive and open stakeholder engagement, free from coercion, is a prerequisite for Bank support for a project, and that Management expects stakeholder input to be taken into account in project design; • Engage an independent local party to carry out interviews and consultations in local villages to obtain additional information on any potential coercion; • Engage independent local professionals to visit the affected villages frequently to monitor the concerns of Project-affected people and to bring these to the attention of the Bank and the APCRDA; • Increase the frequency of preparation and supervision missions, during which the Bank will proactively reach out to stakeholders to maximize their opportunities to interact with Bank staff on implementation issues in general, and potential instances of coercion in particular; • Work with the APCRDA to establish a robust project-level grievance redress mechanism to collect stakeholder input and complaints during preparation and implementation of the proposed Project.

No.	Claim	Response
		<p><i>Project preparation.</i> Management is committed to continued strong and robust preparation of the proposed Project and to finalization, by the time of the Decision Meeting, of the following documents, including stakeholder consultation on them:</p> <ul style="list-style-type: none"> • The RPF with an analysis of the land acquisition process under the proposed Project, including the LPS, negotiated settlement and eminent domain, and an assessment of related risks and impacts and how these would be managed; • The SESA-ESMF, including an assessment of the proposed investments under the proposed Project within Amaravati City, the related environmental and social risks and impacts and how these would be addressed under the proposed Project; • A plan for ongoing consultation and grievance redress/citizen engagement, with clear feedback mechanisms to be implemented as part of the Project (including indicators in the results framework); • An enhanced communication strategy for the Project and safeguard aspects. • An enhanced communication strategy for the Project and safeguard aspects. <p><i>Policy compliance.</i> To ensure that the proposed Project continues to comply with Bank policy, Management will:</p> <ul style="list-style-type: none"> • Work with the APCRDA to address any gaps between Bank policy and the LARR Act 2013 as well as the LPS, as appropriate, in the final RPF; • Agree with the APCRDA on how the recommendations in the final third-party assessment report of the LPS, as well as additional comments the Bank may have, would be implemented and reflected in safeguard and other Project documents, as appropriate; • Agree with the APCRDA on ways to add livelihood support measures for Project-affected landowners and landless wage laborers, including skill upgrading of vulnerable groups; • Work with the APCRDA to address in the final SESA-ESMF specific stakeholder concerns • , such as those raised by the Requesters, as appropriate. <p><i>Consultation and information.</i> The proposed Project would benefit from an enhanced consultation and</p>

No.	Claim	Response
		<p>stakeholder engagement approach. Therefore, Management will:</p> <ul style="list-style-type: none"> • Work with the APCRDA to expand consultations on Project safeguard documents as they are being finalized, including the SESA-ESMF, RPF, site-specific RAPs, site-specific EIAs and site-specific ESMPs. This includes focus group consultations with various affected categories of people, such as small and marginal-scale farmers, agricultural laborers, women, and displaced populations. It will also include a stakeholder workshop to introduce and discuss the finalized safeguard documents, how they address stakeholder concerns, and how key safeguard issues are managed (for example, compensation and social development and skill upgrading schemes); • Work with the APCRDA to address, as relevant, the concerns raised by the Requesters and other stakeholders regarding land acquisition and potential environmental impacts in the final drafts of the SESA-ESMF and RPF, and to re-disclose and consult on the final drafts; • Work with the APCRDA to ensure that consultations continue to be free, fair and meaningful. <p>Grievance redress. Management recognizes that strong grievance mechanisms are needed at project level to ensure that the concerns of people affected by projects are heard and addressed appropriately. Management will:</p> <ul style="list-style-type: none"> • Work with the APCRDA to establish a Project-level GRM that includes members who are not associated with the Project to address complaints where Project-affected people considered that the existing grievance mechanism did not solve their issue. • Engage with landowners, whose land plots are to be used for the proposed Project, to explore solutions and improvements in environmental and social risk management, within the mandate of the Bank's safeguard policies.

Annex 2. Letter of Support to the LPS



AMARAVATI RAJADHANI SAMEEKARANA RAITHU SAMAKYA

(Reg. No. 261 of 2015)

4-204/1, Yadava Bazar, Neerukonda, Mangalagiri Mandal,
Guntur Dist., Andhra Pradesh, India.



Amaravati

May 15, 2017

To
Mrs Sona Thakur,
Senior Social Development Expert
Amaravati Sustainable Capital City Development Project
The World Bank,
Hindustan Times Building,
New Delhi.

Dear Mrs Sona Thakur ji,

Subject: World Bank Support to Amravati, Request for fast tracking
the process and safeguarding the interests of the LPS farmers
of the Capital City - reg.

Greetings from Amravati!!

Kindly recall the multiple discussions we had during your previous
missions to Amravati regarding the Capital City Development Project and
World Bank assistance.

We have provided a detailed account of the enthusiasm, intent and
passion of the members of the farmers community, cutting across cast,
creed and religion and financial status, in our interactions with you and
your team. We convey our gratitude for the time and patient hearing
given to us in spite of your busy schedules.

Page 1 of 2



AMARAVATI RAJADHANI SAMEEKARANA RAITHU SAMAKYA

(Reg. No. 261 of 2015)

4-204/1, Yadava Bazar, Neerukonda, Mangalagiri Mandal,
Guntur Dist., Andhra Pradesh, India.



We understand from the media articles as well as the documents available in the public domain that persons with vested interests having insignificant stakes in the Bank funded project area are attempting to derail the process of financial assistance by miscommunicating and providing misleading information. We are sure that the Bank officials had already personally examined the ground realities which indicate that the facts are otherwise.

You are probably aware that the returnable plot allotment has concluded in 22 out of 24 villages for over 50000 plots in a fair and transparent manner in the presence of pooling farmers and other stakeholders. It is a matter of pride for all of us that the entire process has concluded without any dissent or disturbance. This shows the willingness and commitment of the LPS community for the development of the Capital City.

We would also like to bring to your attention that our Organisation, 'Amaravati Rajadhani Sameekarana Raithu Samakya' (Federation of Amaravati Capital Land Pooling Farmers) represents more than 12000 individual members across all the 24 villages of the Capital City and along with their family members, represent over 70% of the total LPS community. In addition, together with another like minded association of LPS, we represent 98% of the total private land ownership of the Capital City. This is to bring the fact that those who are attempting to create misrepresentation are a miniscule of the remaining 2% of the farmers.

In conclusion, we request you to carefully examine the above facts on merit and expedite and fast track the World Bank assistance to ensure that the projects are grounded as soon as possible.

Thanking you,

(Dr. Madala Srinivas)

President

Ph: 98499 11139; 99404 44000



Encl: Certificate of Registration of our federation

Annex 3. Writ Petition and Supreme Court Judgement

Exhibit 5: Relevant Extracts of grounds from the Writ Petition WP No 632/2016 filed before Hon'ble Supreme Court of India

"

3. GROUNDS :

That the present Writ Petition is being filed on following amongst other grounds without prejudice to each other:-

A. Because in the name of voluntary pooling of land, the State authorities have adopted every coercive measure to ensure that even those farmers who are not willing to be part of the Land Pooling Scheme, surrender their land to the authorities.

..

..

E. Because the decision of the State Government to get hold of land by floating the Land Pooling Scheme is nothing but to evade the rigours of the newly enacted Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 and thereby depriving the right of the farmers to get fair compensation and resettlement.

F. Because in the name of the voluntary land pooling scheme, the concerned authorities are taking recourse to every trick to deprive the farmers and landless labourers of their livelihood, even by using force and coercion against such people who refuse to fall in line.

G. Because the State Government proposes to acquire about one lakh acres of land along the banks of River Krishna without there being any justification for the same, given the fertility of land. It is submitted that the acquisition/ surrender of such a large stretch of land poses serious threat to the food security of the country as a whole and effects the environment in river Krishna catchment area.

H. Because in the whole process, the State Government is discriminating between the land owners and the Dalits who have acquired rights over the land by way of assignment or grant. It is submitted that large chunk of the agricultural land in this region are being cultivated by the tenant farmers.

- I. Because there is complete opaqueness in so far as the process of land pooling scheme and the future benefits that may accrue to the land owners. The whole scheme is quite speculative in nature and far from the reality.
- J. Because thousands of farmers/labourers are opposing the land pooling method adopted by State Government and as such the State machineries are being used to create panic among people in order to ensure that neither public opinion is formed against the ill conceived scheme nor any serious protest/ agitation takes place, which is against the ethos of our Constitution.
- K. Because more than one lakh agricultural labourers earn their livelihood given the fertility of land and once this area becomes commercial or non agricultural, such landless labourers are bound to face serious livelihood problems. Most of the agricultural workers hails from the weaker sections of society i.e. Dalits, O.B.Cs, tribals and women.

That the quantum of money involved in developing the 8460 sq kms large scale city creates several doubts. Lakhs of crores of rupees of public money and private investment are stated to be pumped in the biggest Green Field New Capital building process. Hence, there is lack of transparency on whole process right from identifying, acquiring the land, disbursement of package to farmers and affected people, construction of structures and allotment of development of costly land.

- L. Because the Environment Clearance accorded by State Environment Impact Assessment Authority is under challenge before the Hon'ble National Green Tribunal.

..
..

Exhibit 6: Judgment of The Hon'ble Supreme Court in the above matter WP 632/2016 dated 21.08.2016

ITEM NO.22 COURT NO.1 SECTION PIL (B)

S U P R E M E C O U R T O F I N D I A
R E C O R D O F P R O C E E D I N G S

Writ Petition(s) (Civil) No(s). 632/2016

A.B.K. PRASAD & ORS. Petitioner(s)

VERSUS

UNION OF INDIA & ORS. Respondent(s)

With I.A.No.1 - Appln. For permission to file addl. Documents.

Date : 12/08/2016 This petition was called on for hearing today.

CORAM :

HON'BLE THE CHIEF JUSTICE
HON'BLE MR. JUSTICE A.M. KHANWILKAR
HON'BLE DR. JUSTICE D.Y. CHANDRACHUD

For Petitioner(s) Mr. Aruneshwv Gupta, Adv.
Mr. D. Mahesh Babu, Adv.
Mr. Srvan Kumar, Adv.

For Respondent(s)

UPON hearing the counsel the Court made the following
O R D E R

Heard.

We do not see any merit in this writ petition, which is hereby dismissed.

Applications, if any, shall also stand disposed of.

(MAHADIR SINGH)
COURT MASTER

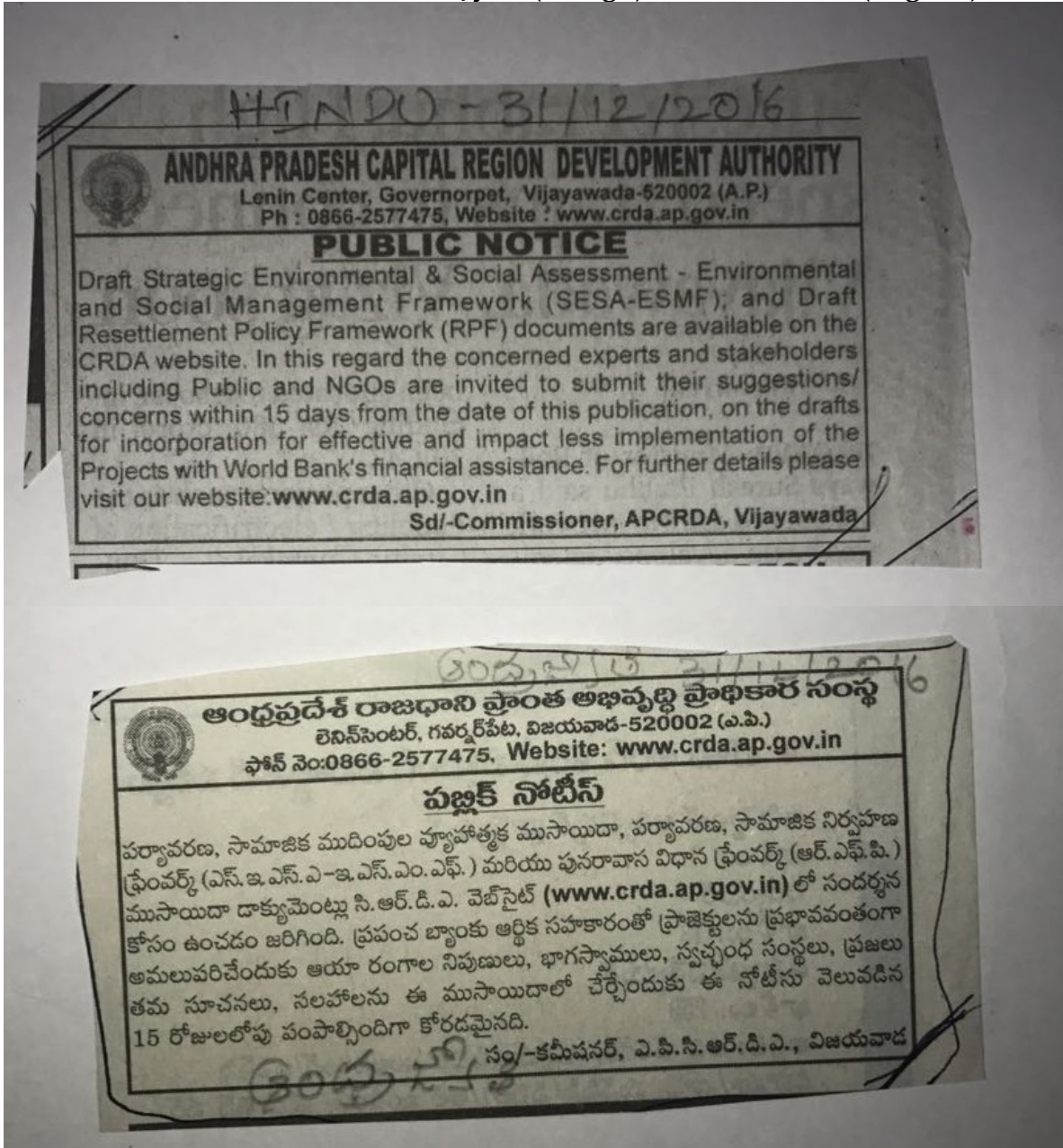
(VEENA KHERRA)
COURT MASTER



Annex 4. Local Media Coverage on the Consultation Workshop



Paper Clippings of Public Notice regarding Disclosure of ESMF and RPF on 31st December 2016 in Andhra Jyoti (Telugu) and The Hindu (English)



Public Notice regarding workshop held on 19th January 2017
Public Notice in English Daily Newspaper, Deccan Chronicle Dt. 17-01-2017

Deccan Chronicle on 17-01-2017

	ANDHRA PRADESH CAPITAL REGION DEVELOPMENT AUTHORITY Lenin Center, Governorpet, Vijayawada-520002 (A.P.) Ph : 0866-2577475, Website : www.crda.ap.gov.in
PUBLIC NOTICE	
<p>The Workshop on the documents viz., Draft Strategic Environmental & Social Assessment - Environmental and Social Management Framework (SESA-ESMF); Draft Resettlement Policy Framework (RPF); Social Impact Assessment - Resettlement Action Plan for 7 sub-arterial Roads and the Environmental Impact Assessment and Environmental Management Plan for 7 sub-arterial roads will be held on 19th January 2017 at 9.30 AM at APCRDA - Thulluru Office, Guntur District, Andhra Pradesh.</p> <p>In this regard, concerned experts are invited to participate in the above workshop for consultation and detailed discussions on the above mentioned draft documents. The suggestions / concerns raised in the workshop will be incorporated in these documents for effective and impactless implementation of the projects with the support of World Bank. For details, please visit our website: www.crda.ap.gov.in</p>	
Sd/- Commissioner, APCRDA	

Public Notice in Telugu Daily Newspaper, Saakshi Dt. 17-01-2017




ANDHRA PRADESH CAPITAL REGION DEVELOPMENT AUTHORITY
Lenin Center, Governorpet, Vijayawada-520002 (A.P.)
Ph : 0866-2577475, Website : www.crda.ap.gov.in

PUBLIC NOTICE

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Sd/-
Commissioner, APCRDA

 Tue, 17 January 2017
epaper.sakshi.com//c/16149892

Print media coverage on workshop held on 19th January 2017
Newspaper Clippings on the SESA-ESMF & RPF Documents

గుంటూరు, ఆంధ్రజ్యోతి: అమరావతి రాజధాని నగరంలో రైతులను సుందీ పంపాలి, అభ్యంతరాలు సృష్టించిన సాంకేతిక బృందం వాటన్నింటినీ త్రోవేసింది. టౌన్ అండ్ కలెక్ట్ ప్లానింగ్ డైరెక్టర్ తప రమ్య, ఏటీసీఆర్డీపీ ప్లానింగ్ డైరెక్టర్ అర రామకృష్ణారావు, డెవలప్ మెంట్ డైరెక్టర్ పి రామమూ, టీఎస్ ప్లానింగ్ ఆఫీసర్ డి రామచంద్రయ్య, ప్రస్తుత రి ప్లానింగ్ డి పీఎంఎంవో కర్ప, రవాణా విభాగం ప్రస్తుత రి ప్లానింగ్ ఎన్ అరమింట్, ప్లానింగ్ అధికారి సి హెచ్ పి సాంబశివరావు, డి నాగేశ్వరరావులు రాజధానిలోని అన్ని గ్రామాలలో ప్రభుత్వం రైతుల అభిప్రాయాలు సేకరించారు. అమరావతి రాజధాని నగర మున్సిపాలిటీ మాన్యువల్ పై సేకరించిన రైతుల అభ్యంతరాలు, సలహాలు, వాటిపై కమిటీ సిఫార్సులలో కూడిన నివేదికను ప్రభుత్వానికి అందజేశారు.

సందేహాలపై సలహాలు

నేలపాడు
రైతులు: ప్రతిపాదిత లేడ్జర్ టేవర్లు, సర్వే నెంబర్ 90లో కృతానవాటిక మీదగా ఉంది.
సాంకేతిక కమిటీ: అది ప్రతిపాదిత డైరెక్టర్ లేడ్జర్ లేడ్జర్ రివిజన్ మెంట్ లో ఉంది.
రైతులు: బంపిన వర్గాల ఇళ్ల పతకం అంద వచ్చా గృహాలు నిర్మించాలి.
సాంకేతిక కమిటీ: ఈ విజ్ఞప్తిని తప్పక పరిగణనలోకి తీసుకోవాలి.
రైతులు: సర్వే నెంబర్ 91లోని వాటర్ ల్యాండ్ను అలానే ఉంచాలి.
సాంకేతిక కమిటీ: చెరువు మొత్తాన్ని సాదాచాలి.
రైతులు: మాకు ఇచ్చే ప్లాట్లు గామానికి ఉత్తరం వైపున ఇవ్వాలి.
సాంకేతిక కమిటీ: ఉత్తరం భాగం గంపాపాడి కోసం రిజర్వు చేశారు. గ్రామ పరిధిలోనే రైతులకు ప్లాట్లు కేటాయింపు జరిపింది.

రీడుకొండ
రైతులు: మాకు ఇచ్చే ప్లాట్లు లేడ్జర్ ప్రవేశానికి 500 మీటర్ల దూరంలో ఇవ్వాలి. సర్వే నెంబర్లు 18, 414, 415, 978, 979, 353, 358లో ప్లాట్లు ఇవ్వాలి.
సాంకేతిక కమిటీ: రైతులకు ఇచ్చే భూములు ఎక్కు ప్రదేశాల్లో ఇవ్వాలి.

లింగాయపాలెం
రైతులు: వీటి, వీటి, వీటిగా మార్చింగ్ చేసిన కమ్యూనిటీ జోన్లలో ప్లాట్లు ఇవ్వాలి.
సాంకేతిక కమిటీ: పరిగణనలోకి తీసుకోవాలి అవసరం లేదు. రైతులు వీటి, ఆర్థిక ప్రాంతంలో ప్లాట్లు సేదించాలి.
రైతులు: గ్రామాన్ని తరలిస్తారన్న సందేహాలు ఉన్నాయి.
సాంకేతిక కమిటీ: మాన్యువల్ లో అలాంటి ప్రతిపాదన ఏమీ లేదు.

ఉప్పులూరుపాలెం
రైతులు: కుప్పానది కరకట్టను నాలుగు వరకు రహదారిగా విస్తరించాలి.
సాంకేతిక కమిటీ: సాంకేతిక అభ్యయనం తర్వాత నిర్ణయించాలి.
రైతులు: అర్రులు భూముల్లోనే మాకు ప్లాట్లు ఇవ్వాలి.
సాంకేతిక కమిటీ: పరిగణనలోకి తీసుకోవచ్చు.

బసవోలు
రైతులు: మేజర్ లేడ్జర్ గ్రామాన్ని నాలుగు ముక్కలుగా విభజిస్తున్నాయి.
సాంకేతిక కమిటీ: దీనిని పరిగణనలోకి తీసుకోవాలి అవసరం లేదు. గ్రామాన్ని ఏకైక వేరేక ప్రదేశంలోకి తరలించాలి.
రైతులు: వెలగపాడిలో రెసిడెన్షియల్, కమర్షియల్ ప్లాట్లు ఇవ్వాలి.
సాంకేతిక కమిటీ: వాణిజ్య ప్లాట్ల విషయంలో రైతుల విజ్ఞప్తిని పరిగణనలోకి తీసుకోవచ్చు. నివాస ప్లాట్లు మాత్రం గ్రామంలోనే ఇవ్వండి.
రైతులు: సర్వే నెంబర్ 78లోని చెరువు, హైస్కూల్ లోని పరిరక్షించాలి.
సాంకేతిక కమిటీ: రైతుల విజ్ఞప్తిని పరిగణనలోకి తీసుకోండి.
రైతులు: ప్రతిపాదిత లేడ్జర్ అలన్ సర్వే నెంబర్ 88/7లోని కృతానవాటిక మీదగా ఉంది.
సాంకేతిక కమిటీ: కృతానవాటికని వేరొక ప్రదేశంలోకి మార్చండి.

మంగళగిరి
రైతులు: అమరావతి టౌన్ షిప్ కు ఎటువంటి మంగళగిరి మునిసిపల్ ఏరియా నుంచి లాజిస్టిక్ హాబిలిటీ తొలగించాలి.
సాంకేతిక కమిటీ: రైతుల విజ్ఞప్తిని పరిగణనలోకి తీసుకోవాలి.

ముసాయిదా మాన్యువల్ పై రైతుల అభ్యంతరాలు
పరిష్కారాలు చూపించిన సాంకేతిక కమిటీ
వెలగపాడి
రైతులు: సర్వే నెంబర్ 163లో ఒక ఎకరం భూమిని గ్రేవోయర్లుకు కేటాయించాలి.
సాంకేతిక కమిటీ: రైతుల విజ్ఞప్తిని పరిగణనలోకి తీసుకోవాలి అంటే రిజిస్టర్ చేయాలి.
సాధారణ అభ్యంతరాలు, సలహాలు
రైతులు: గ్రామకేంద్రం విస్తీర్ణాన్ని విస్తరించాలి.
సాంకేతిక కమిటీ: అలా కలెక్టర్ నిర్ణయించాలి.
రైతులు: లేడ్జర్ విస్తరణలో కేల్సీయే భూములకు స్వపరిహారాన్ని ప్రకటించాలి.
సాంకేతిక కమిటీ: ప్రభుత్వం ఏదీవిధంగా రూపొందించాలి.
రైతులు: డెవలప్ మెంట్ సర్కిల్ కిలాల వివరాలు తెలియాలి.
సాంకేతిక కమిటీ: ప్రభుత్వం తుది నిర్ణయం తీసుకోవాలి.
రైతులు: గర్భవతి విమానాశ్రయం విస్తరణ కోసం ఇచ్చిన భూములుకు సంబంధించిన రైతులకు అమరావతి రాజధాని నగరంలో భూములు ఇవ్వాలి.
సాంకేతిక కమిటీ: ప్రభుత్వం నిర్ణయం చేయాలి.
రైతులు: రిస్కాల అభివృద్ధి బంపిన వర్గాలను ప్రలానితం చేస్తుంది.
సాంకేతిక కమిటీ: ప్రభుత్వం సాంస్ ప్రకారం నిర్ణయం తీసుకోవాలి.

కువగల్లు
రైతులు: సర్వే నెం.223లో అయిదో మార్పిడిగ్ చేసిన జోన్ లో కృతాన వాటిక ఉంది. సర్వే నెం.189, 213, 214లో చెరువులు, కుంబంలు ఉన్నాయి.
సాంకేతిక కమిటీ: కృతానవాటికను, చెరువులు రెవిన్యూ లెక్కల్లో ప్రారంభం అలానే ఉంచాలి. 1978 లోనీవీడ్ వరకే నియంత్రణలో భాగంగా సమగ్ర సర్వే జరపాలి.
రైతులు: మాన్యువల్ లేడ్జర్ ఉచ్చానవన భూములు మీదగా ఉండటం అభ్యంతరకరం.
సాంకేతిక కమిటీ: పరిగణనలోకి తీసుకోవాలి అవసరం లేదు.

కాకమాడు
రైతులు: ప్రతిపాదిత కాలన సర్వే నెంబర్ 71లోని కృతానవాటిక మీదగా ఉంది.
సాంకేతిక కమిటీ: కాలన రివిజన్ మెంట్ చేయాలి అని సూచిస్తారు.
రైతులు: సర్వే నెంబర్ 38, 46లో చెరువు ఉంది.
సాంకేతిక కమిటీ: నివాస, వాణిజ్య ప్లాట్లు కోసం చెరువుని వివహించాలి.
రైతులు: సర్వే నెంబర్ 107లో లేడ్జర్ నిర్మాణం కారణంగా నిరాశ్రయమైన వారికి గ్రామకేంద్రం వచ్చిన ఇళ్లు ఇవ్వాలి.
సాంకేతిక కమిటీ: రైతుల విజ్ఞప్తిని పరిగణనలోకి తీసుకోవాలి.
రైతులు: గ్రామం మీదగా ప్రతిపాదించిన లేడ్జర్ ని మార్చాలి.
సాంకేతిక కమిటీ: ఐది మేజర్ ఆర్టియల్ లేడ్జర్ రైతుల విజ్ఞప్తిని పరిగణనలోకి తీసుకోవాలి అవసరం లేదు.

అనంతవరం
రైతులు: గ్రామకేంద్రం మీదగా ఎలైన్ చేసిన లేడ్జర్ను రివిజన్ మెంట్ చేయాలి.
సాంకేతిక కమిటీ: ఐది అమరావతి రాజధాని నగరానికి మూలన ఉత్పంథున పరిగణనలోకి తీసుకోవచ్చు. రివిజన్ మెంట్ లో డి అంబ అభివృద్ధిని తనిఖ్య చేస్తుంది.
రైతులు: సర్వే నెంబర్ 221లోని కొండను డి డి డి స్థాపనం చేశారు.
సాంకేతిక కమిటీ: విద్యుత్ ఉప కేంద్రం, వైదాలయం విస్తీర్ణాన్ని మార్చింగ్ చేసి వాటి వరకే వివహించాలి.
రైతులు: సర్వే నెంబర్ 210లోని కొండ (వర్చు) ఉంది. దానిని అయిదో మార్పిడిగ్ చేశారు.
సాంకేతిక కమిటీ: దీనిని వీటిగా జోన్ లో చేయాలి.
రైతులు: సర్వే నెంబర్ 209లో చెరువు ఉన్నప్పటికీ అయిదో మార్పిడిగ్ చేశారు.

అనంతవరం
సాంకేతిక కమిటీ: దీనిని వీటిగా రిజిస్టర్ చేయాలి.
రైతులు: సర్వే నెంబర్ 88లోని కృతానవాటిక మీదగా లేడ్జర్ నెంబర్లు ని ప్రతిపాదించారు.
సాంకేతిక కమిటీ: రివిజన్ మెంట్ చేయండి.
రైతులు: సర్వే నెంబర్ 37లో కొండ భాగాన్ని అయిదో మార్పిడిగ్ చేశారు. అయితే అంబలో వైదాలయం, మనీసు ఉన్నాయి.
సాంకేతిక కమిటీ: అయితే అక్కడి నుంచి తొలగించాలి.
రైతులు: సర్వే నెంబర్ 117లో చెరువు ఉన్నది.
సాంకేతిక కమిటీ: అనియల్ కృతాన, ప్రాథమిక పాఠశాల విస్తీర్ణంను సర్దుబాటు చేయాలి. అయితే చెరువు ఉండదాదు.

పొందిపాడు, పిచ్చకుంపాలెం
రైతులు: పిచ్చకుంపాలెం ఎన్నో రాంస బాండ్ పాడులో లభిస్తాయి.
సాంకేతిక కమిటీ: రైతుల విజ్ఞప్తిని పరిగణనలోకి తీసుకోవచ్చు.
రైతులు: సర్వే నెంబర్ 87లోని భూమి చెరువు పోరంబోకు భూమిని సార్వభౌమిక జోన్ గా మార్చింగ్ చేశారు.
సాంకేతిక కమిటీ: చెరువును ఉంచాలి అవసరం లేదు.
రైతులు: ప్రతిపాదిత భూలో చెరువును ఇల్లుంటరంగా మారింది.
సాంకేతిక కమిటీ: కొద్ది మార్పులతో రివిజన్ మెంట్ చేయాలి.
రైతులు: జాయింట్ ప్లాట్ల మాకు పిచ్చకుంపాలెం ఇవ్వాలి.
సాంకేతిక కమిటీ: పరిగణనలోకి తీసుకోవాలి అవసరం లేదు.
రైతులు: భూములను అక్కడే గ్రామంలో ఇవ్వాలి.
రైతులు: సర్వే నెంబర్ 18/ఏ, 21, 22, 23, 26, 30, 44(కొండభాగం)లో నిర్మాణం అయ్యే వారికి వేరొక భూ భూములు ఇవ్వాలి.
సాంకేతిక కమిటీ: వట్టు ప్రకారం పరిగణనలోకి తీసుకోవాలి.

రాజధాని ప్రాంతంలో ప్రపంచబ్యాంక్ పథకాలు

ఈనాడు, ఆమరావతి: నవ్యాంధ్ర రాజధాని ఆమరావతి పరిధిలో ప్రపంచబ్యాంకు రుణంతో పలు పథకాలు చేపట్టనున్నారు. రహదారులు, కాలువలు తదితర నిర్మాణ పనులను రాజధాని ప్రాంతంలో చేపట్టనున్నారు. ఇందుకోసం జరప తలపెట్టిన స్థల సేకరణకు పునః పరిష్కార విధాన ముసాయిదా పత్రం, అలాగే ఆమరావతిలో పర్యావరణ, సామాజిక మడింపు, పర్యావరణ సామాజిక నిర్వహణకు సంబంధించిన ముసాయిదా పత్రాన్ని ఆంధ్రప్రదేశ్ రాజధాని ప్రాంత ఆభివృద్ధి ప్రాధికార సంస్థ(సీఐఆర్డీఏ) విడుదల చేసింది. ఈ పత్రాలను ప్రజల సందర్శనార్థం ఆ సంస్థ వెబ్ సైట్ లో ప్రకటించింది. రాజధాని కోసం సీఐఆర్డీఏ ఇప్పటికే భూ సమీకరణ విధానం ద్వారా భూములు సేకరించిన సంగతి తెలిసిందే. ఇప్పుడు రాజధాని నిర్మాణంలో భాగంగా ప్రపంచబ్యాంకు రుణంతో పలు నిర్మాణ పనులను చేపట్టనుంది. ఈ పనులకు సంబంధించి స్థల సేకరణకు సంబంధించి పునః పరిష్కారం(రీ సెటిల్ మెంట్) ప్రక్రియ, పర్యావరణంపై ప్రభావాలకు సంబంధించి ఈ ముసాయిదా పత్రాలను రూపొందించింది.

అదనపు పరిహారం!

ఆవివృద్ధిలో మాకూ
భాగం కావాలి

జనాబుదారీ వ్యవస్థ
ఏర్పాటుచేయాలి

ఇళ్లు కోల్పోతున్న వారికి
ఎక్కువ పరిహారం

యువతకు స్థానికంగా
ఉద్యోగావకాశాలు

ప్రజావిప్రాయ సేకరణలో
రాజధాని నైతుల
డిమాండ్లు

ఈనాడు అమరావతి

"రాజధానిలో జరిగే ఆవివృద్ధి
కార్యక్రమాల్లో నైతుల్ని
భాగస్వాముల్ని చేయాలి. ఇప్పుడ
ఏర్పాటుయ్యే ప్రభుత్వ ప్రాజెక్టు
సంస్థల్లో స్థానిక యువతకు వారి
విద్యార్హతల్ని బట్టి ఉద్యోగాలు
ఇవ్వాలి. అమరావతిలో అలాగే
పెద్దపట్టణ వేయాలి. నైతులకు
బస్సు స్టాప్, సీఆర్డీఏ వద్ద ఉన్న
స్థలాలు విలువను ప్రాజెక్టు
సంస్థలో పారదర్శకంగా మదింపు
చేయించాలి. దాని (మొగతా 19లో)

అదనపు పరిహారం!

(మొదటిపేజీ తరువాయి) ప్రకారం విలువ నిర్ణయించాలి. సీఆర్డీఏ వద్ద ఉన్న భూముల్ని ప్రైవేటు సంస్థలకు తక్కువ ధరకు ఇస్తూ పోతే, రైతుల భూములకు మెరుగైన ధర రాదు. ప్రైవేటు సంస్థలకు ఆవసరం మేరకే భూములివ్వాలి. ఒకవేళ బారీగా తీసుకున్నా.. భూములను ఆ సంస్థ గడువులోగా వినియోగంలోకి తేకపోతే వెనక్కు రాబట్టేలా నిబంధనలు ఉండాలి" ఇలాంటి అనేక సూచనలు, డిమాండ్లు రాజధాని ప్రాంత రైతుల నుంచి వచ్చాయి. రాజధానిలో రహదారులు వంటి మౌలిక సదుపాయాల కల్పనకు ప్రపంచబ్యాంకు రూ.3200కోట్ల రుణం ఇస్తున్న నేపథ్యంలో.. చేపట్టే ప్రాజెక్టులకు సంబంధించిన పర్యావరణ, సామాజిక ప్రభావం, ముస్సాయిదా పునరావాస విధానంపై రాజధాని ప్రాంత అభివృద్ధి ప్రాధికార సంస్థ(సీఆర్డీఏ) గురువారం తుళ్లూరులో ప్రజాభిప్రాయ సేకరణ నిర్వహించింది. దీనికి సీఆర్డీఏ అధికారులు, ప్రపంచబ్యాంకు ప్రతినిధులు హాజరయ్యారు. ఈ సందర్భంగా రైతులు తమ అభిప్రాయాలను కుండబద్దలు కొట్టినట్టుగా చెప్పారు.

పునరావాస ప్యాకేజీ ఇలా..!

రాజధానిలో ఏడు ప్రధాన రహదారుల నిర్మాణం వల్ల వివిధ గ్రామాల్లో 461 ఇళ్లు చెబ్బులింటున్నాయని సీఆర్డీఏ జాయింట్ డైరెక్టర్(ఎస్టేట్స్) మోహనరావు తెలిపారు. ఇళ్లు కోల్పోతున్న వారికి ఇవ్వనున్న పరిహారం గురించి వివరించారు. గ్రామకంఠాల పరిధిలో భూములు కోల్పోతున్న వారికి దానికి సమానమైన స్థలాన్ని సీఆర్డీఏ వేరేచోట ఇస్తుంది. ఇళ్లు పోతుంటే దాని విలువను రోడ్డు భవనాల శాఖ ఇంజనీర్లు అంచనా కడతారు. రెట్టింపు విలువను ఇంటి యజమానికి పరిహారంగా ఇస్తారు. దీనికి అదనంగా ఐఏవై పథకం కింద రూ.2.75 లక్షలు కూడా అందజేస్తారు. ఇల్లు కోల్పోతున్న కుటుంబం మరో ఇంటికి మారడానికి రూ.50 వేలు ఇస్తారు. కుటుంబానికి రూ.2,500 చొప్పున పదేళ్ల పాటు పింఛను ఇస్తారు. కుటీర పరిశ్రమలు, చేతివృత్తుల వారు ఉంటే.. వారు మళ్లీ ఆలాంటి పెద్ద వేసుకోవడానికి రూ.25 వేలు, మూలధనం కింద మరో రూ.25 వేలు అందజేస్తారు. ఏడు ప్రధాన రహదారుల నిర్మాణానికి 850 ఎకరాల భూమి ఆవసరం అవుతోంది. దీనిలో గ్రామాల్లో 23 ఎకరాలు ఉంది. 50 ఎకరాలు భూసేకరణ ద్వారా తీసుకోవలసి ఉందని మోహనరావు తెలిపారు. పర్యావరణ, సామాజిక ప్రభావం గురించి సీఆర్డీఏ డైరెక్టర్(స్ట్రాటజీ) శాస్త్రి వివరించారు.

రెండింతలు ఇవ్వాలి

సమావేశంలో పాల్గొన్న రైతుల ప్రధాన డిమాండ్లు ఇలా..

1. గ్రామాల్లో కోల్పోతున్న భూమికి రెండింతలు ఎక్కువ ఇవ్వాలి.
2. రోడ్ల నిర్మాణం వల్ల పోతున్న వాటిలో ఇటీవలే నిర్మించిన ఆధునిక భవంతులు ఉన్నాయి. రోడ్లు భవనాల శాఖ అంచనాలు ఇక్కడ సరిపోవు. ఎక్కువ మొత్తం ఇవ్వాలి.
3. కొండవీటి వాగు ముంపు నివారణ చర్యల గురించి రైతులకు స్పష్టతనివ్వాలి.
4. కృష్ణా కరకట్టను 200 అడుగులు వెడల్పు, ఒకటిన్నర మీటర్ల ఎత్తు పెంచాలి.
5. రాజధానిలో నిర్మిస్తున్న ప్రధాన అనుసంధాన రహదారి, నేలపాడు లేఅవుట్లో వేస్తున్న రహదారుల నాణ్యతపై భరోసా ఇవ్వాలి.
6. రైతులకు జవాబుదారీగా ఉండే వ్యవస్థను ఏర్పాటుచేయాలి. రైతు సమస్యలను పరిష్కరించే సమీకృత సేవకేంద్రం ఏర్పాటుచేయాలి.

రాజధాని రహదారులకు ప్రపంచబ్యాంకు సహకారం

తుళ్ళూరు, న్యూఢిల్లీ: నూతన రాజధాని అమరావతిలో తొలిదశగా నిర్మించే రహదారుల నిర్మాణానికి ప్రపంచబ్యాంకు ఆర్థిక సాయం చేసేందుకు ముందుకు వచ్చిందని ఏపీ సీఆర్డీఏ సర్కారులకు తెలిపారు. ఈ సందర్భంగా రాజధానిలోని 22 గ్రామాల ప్రజలకు, రైతులకు, మేధావులతో అవగాహన సదస్సు జరిగింది. కార్యక్రమానికి ప్రపంచబ్యాంకు నుంచి బహుగురు ప్రతినిధులు హాజరయ్యారు. ఈ సందర్భంగా జేఎన్ఆర్కే శాస్త్రి మాట్లాడుతూ రాజధాని అమరావతి నిర్మాణ పనులకు రాష్ట్రప్రభుత్వం ప్రపంచబ్యాంకు సహాయాన్ని కోరిందని తెలిపారు. రహదారుల నిర్మాణానికి రూ. 3200 కోట్ల ఆర్థిక సాయం చేసేందుకు ప్రపంచబ్యాంకు ముందుకు వచ్చిందని తెలిపారు. రాజధాని అమరావతిలో నిర్మించే వివిధ అభివృద్ధి పనులపై ప్రజల నుంచి అభిప్రాయ సేకరణ చేపట్టమని చెప్పారు. కొండవీటివాగు ముంపునివారణ, రహదారుల అభివృద్ధి, రాజధాని నిర్మాణానికి కనీసం రూ. 40 వేల కోట్ల నిధులు అవసరమైతే ప్రపంచబ్యాంకు పదిశాతం నిధులు విడుదల చేస్తుందన్నారు. ఇందులో భాగంగానే రాజధాని ప్రతిపాదిత గ్రామాల్లోని

ఏపీ సీఆర్డీఏ పర్యావరణ విభాగం సంచాలకులు జేఎన్ఆర్కే శాస్త్రి



మాట్లాడుతున్న జేఎన్ఆర్కే శాస్త్రి, అభిప్రాయం వ్యక్తం చేస్తున్న హరేంద్రనాథ్ చౌదరి

ప్రజల అభిప్రాయాలు, సూచనలు తీసుకొన్నామని చెప్పారు. ఏపీ సీఆర్డీఏ ఎగ్జిక్యూటివ్ డైరెక్టర్ మాహానరావు మాట్లాడుతూ రాజధాని నిర్మాణానికి 34 వేల ఎకరాలు సేకరించినట్లు చెప్పారు. గ్రామకంటాలను భూ సమీకరణ నుంచి మినహాయింపు ఇచ్చినట్లు చెప్పారు. ప్రస్తుతం ఉన్న గ్రామాలను కొత్తగా నిర్మించే రాజధాని నగరస్థాయికి అభివృద్ధి చేయనున్నారని చెప్పారు. కొండవీటి వాగును హార్మిస్టాయిలో అభివృద్ధి చేసి రాజధాని అవసరాలకు నీటిని వినియోగించే ప్రాజెక్టును రూపొందిస్తామని చెప్పారు. రహదారుల నిర్మాణంలో నష్టపోయే బాధితులకు స్థలానికి స్థలం, భవనాలు నష్టపోతే రెండింతల పరిహారం జస్టిఫైమని తెలిపారు. రహదారుల విస్తరణలో ఇళ్ల కోల్పోయే వారికి కేంద్రరాష్ట్రప్రభుత్వాల సహకారంతో గృహ నిర్మాణ పథకం మంజూరు చేస్తున్నట్లు చెప్పారు. ఈ కార్యక్రమంలో ఏపీ సీఆర్డీఏ ల్యాండ్ డైరెక్టరు బీఎల్ చెన్నకేశవరావు, ప్రపంచబ్యాంకు ప్రతినిధులు, సీఆర్డీఏ అధికారులు, రైతులు పాల్గొన్నారు. వివిధ గ్రామాలకు చెందిన బెల్లంకొండ నరసింహారావు, మల్లెల హరేంద్రనాథ్ చౌదరి, మల్లెల శేషగిరిరావు, మాడల శ్రీనివాస్, డనేకుల రామారావు, ముప్పుకురపూ కృష్ణారావులతో పాటు తదితర గ్రామాల రైతులు తమ అభిప్రాయాలు, సూచనలు తెలియజేశారు.

రాజధాని నిర్మాణ కమిటీలో రైతుల భాగస్వామ్యం ఏదీ?

తుళ్ళూరు, న్యూస్టుడె: తుళ్ళూరు సీఆర్డీఏ కార్యాలయంలో గురువారం నిర్వహించిన అవగాహన సదస్సులో గందరగోళం ఏర్పడింది. రాజధాని నిర్మాణానికి అవసరమైన సూచనలు, సలహాలు ఇవ్వాలని సీఆర్డీఏ అధికారులు కోరారు. ఒక్కో గ్రామం నుంచి రైతులు తమ ఆధిపాతాలు వివరిస్తున్నారు. రాయచూడి నుంచి మర్రిల కేశవరావు రాజధాని నిర్మాణానికి సంబంధించిన అంశాలు ప్రస్తావించారు. ఇంతవెళ్ల ప్రాజెక్టులో రైతులకు ప్రాధాన్యం లేకుండా పోయిందని, రాజధాని నిర్మాణకమిటీలో రైతులను భాగస్వామ్యం లేకుండా చేశారన్నారు. కాష్టాభివృద్ధి కోసం 30వేల ఎకరాలు ఇస్తే తగిన ప్రాధాన్యం కల్పించడంలో ప్రభుత్వం విఫలమైందని అన్నారు. ల్యాండ్ ఫోలింగ్ పై ఇంతవరకు స్పష్టతలేదన్నారు. ఇప్పటివరకు 20 గ్రామాల రైతులకు షేట్లు కేటాయిస్తూ అధికారులు ఇస్తున్న ప్రవచనం ఎందుకూ పని



కొరతని అన్నారు. ఇప్పుడు ప్రపంచ బ్యాంకు నిధులు కేటాయిస్తుందని చెబుతున్నారు. మనప్రాంతాన్ని వారి గుప్పెట్లో పెట్టుకోవడానికే నిధులు కేటాయిస్తున్నారని చెబుతుండగా నల్లలో గందరగోళం ఏర్పడింది. తుళ్ళూరు, టౌండహారు గ్రామాలకు చెందిన పలువురు ప్రపంచబ్యాంకు నిధులు వస్తుంటే వద్దనడానికి ఓకెయిచ్చారు. ఎదురుతిరిగారు. ఓంట్ కొద్దిసేపు గందరగోళం ఏర్పడింది. పోలీసుల జోక్యంతో సభకు దిగింది. ఈ కార్యక్రమంలో సీసీఎం రావు సహాయ కార్యదర్శి సీ హెచ్ బాలారావు, సీబీఆర్ యా నాయకులు జోన్నకూటి నవీన్ ప్రకాష్, రాజధాని యువజన సంఘం కార్యదర్శి లెనిన్, తెదేపా నాయకులు దామినేని శ్రీనివాసరావు, ధనేశుల సుబ్బారావు, పరిటాల రవి, జూజాల చలంతిరావు, కాకు మామ చెన్నారావు, లంక సుధాకరరావు, మర్రిల హరేం ప్రనాథ్ చౌదరి తదితరులు పాల్గొన్నారు.

రాజధానిలో మమ్మల్ని బతకనివ్వరా!

- ప్రపంచ బ్యాంకు బృందం సమక్షంలో సీఆర్డీఏ అధికారులపై టీడీపీ నేత ధ్వజం
- కొండవీటి ముంపు గురించి మీకేం తెలుసు?
- కృష్ణా నది కరకట్టను పటిష్టం చేయకుండా రాజధాని నిర్మిస్తారా?
- రైతులకు ఎందుకు నిజాలు చెప్పడం లేదు

సాశ్రీ, అమరావతి: రాష్ట్ర రాజధానిలో జరుగుతున్న మనుషుల ప్రతిపాదనలు, అధికారుల తిరుతెన్నులు, ఇతర వ్యవహారాలపై అధికార తెలుగుదేశం పార్టీ నేతలే విరుగుతున్నారని, రాజధానికి సంబంధించిన విషయాల్లో రైతులు, స్థానికులను ఎందుకు భాగస్వాములను చేయడం లేదని ఆగ్రహం వ్యక్తం చేశారు. రాజధానిలో తుళ్ళూర్ని బతకనివ్వరా అని మండిపడ్డారు. అమరావతి ప్రణాళికలు, కనుల గురించి తమకు తెలియకుండా ఎలా కొనసాగిస్తోందని సులలికాళయ. ఎక్కడి మంలో వచ్చిన అధికారులు, ఇంజనీర్లు ఇష్టాకాంక్షలుగా వ్యవహరిస్తున్నారని, జలాగ్రేట్ భవిష్యత్తులో ఈ ప్రాంతమంతా వీల్రంగా దెబ్బతించుతుందని అందోకన వ్యక్తం చేశారు.

రాజధానిపై రైతులకు వాస్తవాలను ఎందుకు చెప్పడం లేదని ప్రశ్నించారు. ప్రపంచ బ్యాంకు అధికారుల ఎదుటి వైఎస్సార్ టీడీపీ, సీసీఎం నేతలు, రైతులు, స్థానికులలో పాటు టీడీపీ నాయకులు కూడా కవాలిత్తిపోవడంతో సీఆర్డీఏ అధికారులు బిత్తరపోయారు. రాజధాని వ్యవహారాలపై టీడీపీ నేతలే అలోచనలు గుప్పించడం చర్చనీయాంశంగా మారింది. ఒక్క రోడ్లయినా చేయలేదు అమరావతిలో మౌలిక కనకుల అభివృద్ధికి ప్రపంచ బ్యాంకు నుంచి రూ.3,200 కోట్ల రుణం కోసం సీఆర్డీఏ ప్రయత్నిస్తోంది. ప్రణాళిప్రాయ సేవలు కోసం బ్యాంకు ప్రతినిధుల సమక్షంలో గురువారం తుళ్ళూరు సీఆర్డీఏ కార్యాలయంలో సమావేశం నిర్వహించింది. ఈ కార్యక్రమంలో టీడీపీ నాయకులు రాష్ట్ర ప్రభుత్వ తిరును తప్పుచెప్పారు. టీడీపీకి చెందిన తాటికొండ వ్యవసాయ మాస్కెట్ యార్పు వైర్లన్ బెల్లంకొండ సరసింహారావు మాట్లాడుతూ... కొండవీటి వాగు ఉప్పొంగితే ఏ ప్రాంతం మునుగుతుందో ఇంజనీర్ల కంటే ఇక్కడి రైతులకే ఎక్కువ తెలుసుని చెప్పారు. కానీ వారిలో మాట్లాడకుండా దానికి సంబంధించిన నిర్ణయాల్ని తీసుకుంటున్నారని విమర్శించారు. కృష్ణా నది కరకట్టను

పటిష్టం చేయకుండా రాజధానిని నిర్మిస్తే భవిష్యత్తులో ఇబ్బందులు తప్పవని హెచ్చరించారు. ప్రతి బిషయాన్ని రికార్డులో గొప్పగా చూపిస్తున్నారని తప్ప క్షేత్రస్థాయిలో ఏం చేస్తారు. ఎలా ఉంటుందో చెప్పడం లేదని మండిపడ్డారు. మండలం గ్రామానికి చెందిన టీడీపీ నాయకుడు ముప్పవరపు కృష్ణారావు మాట్లాడుతూ... రాజధానిలో ఇప్పటి వరకూ ఒక్క రోడ్డు కూడా నిర్మించలేదని విమర్శించారు. రాజధానిలో జరిగేమీలు, బిడ్డా సంస్థల కోసం భూములు, రాయి తీలిస్తున్నారని, స్థానిక రైతులను ఎందుకు ప్రోత్సహించడం లేదని ప్రశ్నించారు. నీరుకొండకు చెందిన టీడీపీ నాయకుడు శ్రీనివాస్ మాట్లాడుతూ... రైతులకిచ్చే టేబిల్లను ప్రణాళిక లేకుండా తయారు చేస్తున్నారని ఆరోపించారు. ఈ టేబిల్ల వల్ల రైతులు సన్నపోతులని తెలిపారు. టీడీపీ నేత మాదం శ్రీనివాస్ మాట్లాడుతూ... రాజధానిలో జరుగుతున్న వ్యవహారాలన్నీ లోపమాయిష్టంగా ఉన్నాయని ద్వేషమెత్తారు. సమావేశానికి అదృష్టవశాత్తూ వహించిన సీఆర్డీఏ ల్యాండ్ రైజెక్టర్ చెన్నకేశవరావు రైతుల ప్రశ్నలకు సమాధానం చెప్పలేకపోయారు. పోలీసుల సహకారంతో త్వరకట్టగా సమావేశాన్ని ముగించుకుని వెళ్లిపోయారు.

November 27, 2017

INSPECTION PANEL

India: Amaravati Sustainable Capital City Development Project (P159808)

Updated Report and Recommendation

1. On September 27, 2017, the Inspection Panel (the “Panel”) submitted its Report and Recommendation on the India: Amaravati Sustainable Capital City Development Project (the “Project”) to the Board of Executive Directors of the World Bank (the “Board”), recommending *“carrying out an investigation into the alleged issues of harm and related potential non-compliance with Bank policies, especially relating to involuntary resettlement (OP/BP 4.12)”* (INSP/R2017-0005). On November 27, 2017, Bank Management submitted to the Panel a document entitled *“Addendum to the Management Response to Request for Inspection Panel Review of the India: Proposed Amaravati Sustainable Capital City Development Project (P159808)”* (the “Addendum”) (Annex 1).
2. Management notes that, based on missions to India since the issuance of the Management Response and discussions with the Inspection Panel, the Addendum includes clarifications, an update on the preparation of the Project since the issuance of the Management Response and additional actions to complement and clarify the actions presented in paragraphs 62-66 of the Management Response.
3. The Panel is satisfied that the Addendum, including additional actions therein, as well as actions in paragraphs 62-66 of the Management Response provide an opportunity for the Bank to address the Requesters’ concerns as identified in the Panel’s Report and Recommendation, and to introduce measures to ensure that the Project’s preparation is in compliance with Bank policies and procedures.
4. In light of the foregoing, the Inspection Panel is updating its Report and Recommendation as follows. Based on Management’s Addendum and the proposed actions, and in accordance with paragraph 5 of the 1999 Clarification¹, the Panel is deferring its recommendation as to whether or not an investigation into the Bank’s actions or omissions is warranted. The Panel will inform the Board of its Recommendation within six months, by which time key planned assessment studies as well as other actions by Management are expected to be completed.
5. If the Board of Executive Directors concurs with the foregoing, the Inspection Panel will advise the Requesters and Management accordingly.

¹ *“The Inspection Panel will satisfy itself as to whether the Bank’s compliance or evidence of intention to comply is adequate, and reflect this assessment in its reporting to the Board.”* Paragraph 5, 1999 Clarification of the Board’s Second Review of the Inspection Panel.

ANNEX 1

Management Response

**ADDENDUM TO THE MANAGEMENT RESPONSE TO
REQUEST FOR INSPECTION PANEL REVIEW OF THE
INDIA: PROPOSED AMARAVATI SUSTAINABLE CAPITAL CITY
DEVELOPMENT PROJECT (P159808)**

November 27, 2017

1. As indicated in the Management Response to the Request for Inspection Panel Review dated July 21, 2017, the World Bank has been requested to contribute to the financing of the development of a new capital city for the State of Andhra Pradesh, Amaravati City. The project is currently at Concept Note stage. The Bank-financed contribution would cover infrastructure in a defined part of the city as well as urban governance development.
2. Based on recent field missions by the Project team and Bank Management since the issuance of the Management Response and discussions with the Inspection Panel, Bank Management would like to offer clarifications, updates and proposed actions to complement and clarify the actions presented in paragraphs 62-66 of the Management Response.

Clarifications

3. At the outset, Management would like to clarify the following:
 - (a) ***The proposed Project is being prepared on the basis that it triggers the World Bank Operational Policy on Involuntary Resettlement (OP 4.12).*** The implementation of all project components would require the acquisition and use of land and structures within the perimeter of the new capital city. The resettlement and land acquisition would be undertaken by the Andhra Pradesh Capital Region Development Authority (APCRDA) and would include mechanisms such as (i) participation in an optional Land Pooling Scheme (LPS), in accordance with the Andhra Pradesh Capital Region Development Authority Act of 2014 (APCRDA Act 2014); (ii) eminent domain, in accordance with the Land Acquisition, Rehabilitation and Resettlement Act of 2013 (LARR Act 2013; and (iii) negotiated settlements, in accordance with an Andhra Pradesh Government Order issued in April 2017. All such resettlement and land acquisition mechanisms, to the extent they are applied to land within the proposed Bank-financed Project, would be subject to the application of OP 4.12.
 - (b) ***All those impacted by land assembly practices required for the implementation of the proposed Project are Project Affected People (PAP).*** Land assembly practices would impact various categories of people including: (i) land owners (with titles) who would give up their land under LPS, LARR or negotiated settlements; (ii) landless tenants and agricultural wage laborers; (iii) farmers on government-assigned lands; and (iv) informal occupants of agricultural lands and land in villages. The proposed Project also affects several vulnerable groups, including (i) women and children; (ii) aging populations; and (iii) scheduled castes. All those affected by the Bank's proposed Project would be taken into consideration in the design of the Project, in accordance with the Bank's policy objective that displaced people should be assisted to improve or at least restore their livelihoods.

Update on the Preparation of the proposed Project since the issuance of the Management Response

4. Since issuance of the Management Response, the Project team has focused on advancing the preparations of the proposed Project with specific attention to the actions outlined in paragraphs 62-66 of the Management Response. Below is an update on several of the actions in the Management Response.

(a) *Community engagement and monitoring to address potential coercion and other implementation issues:*

- *Establish a Citizen Advisory Committee:* In a meeting of the APCRDA board held on August 17, 2017, the establishment of a Citizen Advisory Committee was endorsed. Twelve external, recognized members of the community as well as local academia have been selected to be part of the committee. The Citizen Advisory Committee will serve as an advisory panel to the APCRDA on implementation issues, including claims of intimidation and retaliation, that require management interventions. The Committee will interact directly with PAP. Terms of Reference for the Committee as well as its composition are being finalized. At present, APCRDA is aiming to increase the number of women serving on the Committee. The Committee will commence its work as soon as all members have been selected.
- *Engage a local independent party to obtain additional information on any potential coercion:* APCRDA is in the process of enlisting a local NGO to monitor for potential coercion and support implementation of the Resettlement Action Plan (RAP) that is being prepared for 10 priority roads that are proposed for retroactive financing. This NGO would support other aspects of the proposed Project, including livelihood support. The NGO will also assist APCRDA in reaching out to communities in the Amaravati area to provide advice on how to utilize the Project's grievance mechanism. Emphasis is on helping PAP, especially those who are illiterate, to file their grievances, including any related to coercion. The Bank will review the selection criteria used by APCRDA to engage this CSO to ensure a transparent selection process.
- *Engage independent local professionals to visit affected villages to monitor concerns and feedback:* The Project team has identified and will now contract a local NGO that would support implementation of the proposed Project, if and when approved, by interacting with PAP, participating in meetings and consultations, and monitoring and documenting grievances, unresolved claims, concerns regarding coercion and general activities or practices that could be negatively affecting residents. This NGO will bring any issues identified to the attention of APCRDA and the Bank. The independence of this NGO is ensured through direct commissioning and financing by the Bank. This NGO will report directly to the Task Team Lead of the proposed Project.
- *Support creation of a Project-level Grievance Redress Mechanism (GRM):* A Grievance Redress Mechanism for the overall capital city of Amaravati is in place. The Bank is working with APCRDA to assess whether this GRM can be strengthened to ensure that this Mechanism would be sufficient to serve as the

Bank financed Project-level GRM to solve the issues of PAP. APCRDA has indicated that additional features have been introduced, among them: (a) a Call Centre has been set up by APCRDA to register grievances and provide information on status of grievance applications; and (b) a mobile application has been issued by APCRDA (*Mana Amaravati*) and is also available to register grievances, which are then routed to the APCRDA Commissioner. These additional features complement the existing GRM, which includes the following features: (a) a single-window online platform for grievances covering all government departments (complaints are routed to the concerned department, including APCRDA for Amaravati related grievances). In addition to reporting grievances, suggestions can be provided directly through the online platform. All suggestions related to Amaravati are accessible to APCRDA as well as the Chief Minister. The progress of redress is monitored by the Commissioner of APCRDA at the organization level and by the Chief Minister during regular review meetings. The GRM is accessible online;¹ (b) a three-tiered grievance redress system comprised of Grievance Redress Cells is in place. The Grievance Redress Cell for Stage I is at the village level and the Deputy Collector, the competent authority at each village level, is responsible. The Grievance Redress Cell for Stage II serves the Amaravati City and district level and the Joint Collector is responsible for processing cases. For Stage III, the Grievance Redress Cell covers the state level and is chaired by the APCRDA Commissioner (as also described above). Every Monday, grievance redressal meetings are held at the APCRDA offices of the capital city, which are attended by officers from all Competent Authorities. The GRM is currently being assessed by the Bank and will be considered by Bank Management as part of Project preparation.

- *Increase the frequency of preparation missions and do outreach with stakeholders to solicit feedback on issues:* The frequency of missions has already been increased in the past six months. Six missions have taken place since July 2017, including by the technical Project team, Global Practice management, and the Regional Safeguards Advisor. Additional consultations with stakeholders and PAP will be carried out as safeguards documents progress.

(b) ***Project preparation:***

- *Safeguards documents:* The Project team is continuing to work alongside APCRDA to prepare:
 - A comprehensive *Resettlement Policy Framework (RPF)* that includes provisions for identifying, minimizing and mitigating impacts of all land assembly mechanisms that have been used in Amaravati (e.g. LPS, LARR or negotiated settlements). This will be followed by the preparation of *sub-project specific RAPs*, which will be developed once activities and investments have been identified;

¹ [https:// www.meekosam.ap.gov.in](https://www.meekosam.ap.gov.in)

- A *RAP and an Environmental Management Plan (EMP)* for the 10 priority roads, which could be retroactively financed under the proposed Project, are being finalized. They will describe the proposed measures and actions to mitigate potential environmental and resettlement impacts of the Project, as well as the delivery of compensation and support to PAP. Given that construction of the priority roads has started, the RAP will include an ex-post audit to assess how the affected people were compensated and compare that to the provisions of the RAP, identifying any gaps and corresponding measures to close those gaps.
 - An *Environmental and Social Management Framework (ESMF)* for forthcoming investments (as distinct from the RAP for the 10 priority roads already constructed) has been cleared by the Bank's Regional Safeguards Advisor. EMPs will be prepared, consistent with the ESMF, for all remaining infrastructure investments under the proposed Project, as they are identified, including flood control works. Potential impacts on wetlands from flood management activities, and required mitigation measures, will be addressed in sub-project specific EMPs.
 - *Communications Plan:* Bank communications specialists are working with and advising APCRDA communications staff on the contents and the format of outreach materials. APCRDA has produced videos, printed materials (pamphlets, books, posters, banners), radio and TV campaigns (in English and in Telugu) that describe the various aspects of the proposed Project, including the LPS. APCRDA is also actively engaged in social media, through which additional information is being communicated. All information is available at the Project Information Centers (PICs), including descriptions of the proposed World Bank Project. Information on safeguards documents will be available for consultation at the PICs as well as online, once the safeguards instruments have been finalized and disclosed. The Bank team will continue to work with APCRDA to ensure a good use and good coverage of the communication materials.
- (c) ***Other activities*** included in paragraphs 62-66 of the Management Response and not addressed here will be implemented as set out in that document.

Actions

5. Given that development of Amaravati City is ongoing and Bank support would be based on several design and management decisions taken prior to Bank involvement, the preparatory focus of the Project team will now have to be on assessment, due diligence and evaluation. Management will, therefore, undertake the following additional actions set out below as part of Project preparation. These actions build on the actions in the Management Response in paragraphs 62-66 and align with the areas of concern in the Inspection Panel's Report and Recommendation, dated September 27, 2017.

6. ***Design and implementation assessment.*** Management will hire expert consultants to assist in its due diligence and feasibility assessment of Project design and compliance with its operational policies. This assessment will be finalized before Project appraisal. Findings will feed into Project design, including safeguard documents, and implementation.

7. The focus of this assessment will be on land acquisition aspects and requirements enshrined in OP 4.12. The independent assessment will aim at informing Management assessment about the land acquisition schemes under the proposed Project and how they could be supported by the Bank, recognizing the innovative character of the LPS. This assessment will consist of an evaluation of the planned measures, as well as of their implementation to date, specifically covering the below areas.

- (a) ***Assessment of land assembly instruments and their implementation*** – The study will review compensation awarded to land owners (including assignees on Government land) under each of the three land assembly instruments (LPS, LARR and negotiated settlements) and will compare it to the baseline value of the agricultural land being acquired for the development of Amaravati City. The assessment will:
- Compare baseline assets (including agricultural land values and annual revenues of land owners), including how baselines were arrived at, and compensation received under the various land assembly instruments, and will determine whether compensation is sufficient for livelihood restoration and/or improvement.
 - Review the implementation of the various land assembly schemes, identifying numbers of beneficiaries, the surveys undertaken related to the RAPs, number of returnable plots awarded, amounts of payments disbursed, modalities and timeliness of payments, and communication mechanisms to raise awareness of potential beneficiaries. Recommendations will be made on efficiency and effectiveness of implementation, on issues, gaps and challenges and on suggestions of how to improve implementation.
- (b) ***Assessment of livelihood restoration programs and their implementation*** – Consultants will assess the livelihoods of landless agricultural laborers and tenants on agricultural lands, whose land – on which they worked or which they leased – will be adapted to urban uses under the LPS or the LARR. The study will review the baseline household survey and will compare data to value of compensation packages being received by landless laborers under the land assembly instruments in Amaravati. The study will include:
- Assessment of daily wages of landless laborers aiming at understanding the types of crops produced in the area, their production cycle, labor requirements and prevailing daily compensation, from which the range of household earnings by laborer type can be estimated. These values will be compared to benefits packages being offered to landless laborers (including training, job availability, pension for ten-year period, as well as the National Employment Guarantee Scheme, etc.).
 - Assessment of the status of implementation of the livelihood restoration programs, including status of payment of pensions, number of beneficiaries, amount of payments disbursed, implementation mechanisms, modalities and timeliness of payments, as well as communication mechanisms to raise awareness of potential beneficiaries on the various components of the program. Consultants will make recommendations on efficiency and effectiveness of

implementation, on issues, gaps and challenges and on suggestions of how to improve implementation.

- (c) ***Assessment of (other) benefits packages and their implementation*** – Consultants will review all benefit packages being offered to residents of the area and will assess the status of implementation of the benefits program including an evaluation of the typology and the number of beneficiaries of the various types of benefits, implementation mechanisms, status of delivery, and communication mechanisms to raise awareness of potential beneficiaries of the various components of the program. The study will assess the efficiency and effectiveness of distribution of benefit packages, issues, gaps and challenges and suggestions of how to improve implementation.
- (d) ***Assessment of consultations*** – The study will review the consultation process for the overall land assembly program and Amaravati, and particularly that carried out for the LPS, with special attention to the emphasis given during consultations to the benefits and risks of joining the LPS, information on extent of various entitlements, irreversibility of LPS, and decision-making timeline for participants to join LPS. Consultants will highlight issues, gaps and challenges and make recommendations on how to improve implementation.
- (e) ***Comparison of the benefits and protections afforded under different land acquisition instruments with the requirements of the Bank’s policy on Involuntary Resettlement (OP 4.12)*** – Consultants will compare the benefits and protections afforded under the different land assembly instruments with the requirements of the Bank policy and will make recommendations on the consistency of the land acquisition instruments with OP 4.12.

8. ***Consultations and communications.*** Management will support APCRDA in establishing a strong stakeholder and communications and outreach team to work with APCRDA to assess and further improve communications and consultations. This will include assessment of consultations to date (process, quality, quantity); availability and accessibility of Project information in local languages; existence of GRM; assessment of grievance resolution efficiency and efficacy; and identification of additional outreach measures to keep stakeholders informed of Project status and development (e.g., weekly radio announcements; contracting a local NGO to act as third-party monitor of citizen feedback).

9. Management will prepare an updated and revised assessment and a plan for implementation before negotiations start, after Project appraisal. The NGO is expected to be contracted by the time of Project effectiveness.

10. ***Intimidation and retaliation.*** The mandate of the Citizen Advisory Committee will include addressing claims of intimidation and retaliation and will ensure timely reporting to APCRDA and the Bank. Third-party monitoring conducted by an NGO will support the Project team in monitoring the GRM and the NGO will be in direct contact with PAPs to identify and address any instances of coercion. The Bank will also monitor media outlets in Andhra Pradesh for reports of possible coercion.

11. The Citizen Advisory Committee will be established before Project appraisal. The NGO for implementing third-party monitoring will be contracted by the time of Project effectiveness.

REPORT No. 128483-IN

THE INSPECTION PANEL

**SECOND REPORT AND RECOMMENDATION
ON A REQUEST FOR INSPECTION**

INDIA

**AMARAVATI SUSTAINABLE
CAPITAL CITY DEVELOPMENT
PROJECT (P159808)**

JUNE 26, 2018

The Inspection Panel

Second Report and Recommendation on a Request for Inspection

India: Amaravati Sustainable Capital City Development Project (P159808)

A. Introduction

1. On May 25, 2017, the Inspection Panel (the “Panel”) received a Request for Inspection (the “Request”) of the proposed India Amaravati Sustainable Capital City Development Project (the “proposed Project”). The Request was submitted by landowners from the area of the capital city Amaravati in Andhra Pradesh, India (the “Requesters”), alleging harm from a Land Pooling Scheme (LPS) used to assemble the lands required for Amaravati, as well as from other Project activities. On May 27, 2017, the Panel received another communication from a large group of farmers in support of the Request. The Requesters asked the Panel to keep their identities confidential.

2. In 2016, the Bank was asked to support certain activities of the development of the new capital city of Andhra Pradesh, Amaravati.¹ The development objective of the proposed Project is to “provide select urban infrastructure in designated locations of Amaravati Capital City, and to support the initial development of its institutional and governance structure.”² The total financing for the proposed Project is US\$715 million, of which the World Bank’s lending is proposed to be US\$300 million through an International Bank for Reconstruction and Development loan for investment project financing.³ The proposed Project is classified as Category A and is currently under preparation at the pre-appraisal stage.

3. The Requesters alleged harm to their livelihoods, environment and food security due to non-compliance of the Bank with its environmental and social policies in preparation of the proposed Project. The Requesters argued that some Project activities would be implemented on lands assembled under the LPS, and claimed that farmers were coerced to participate in the LPS. They stated that neither the LPS nor the Land Acquisition Act provide adequate compensation to restore the affected people’s livelihoods. The Requesters claimed the Bank did not accurately assess the nature and magnitude of the Project-related displacement and did not ensure that the LPS complies with the Bank’s Policy on Involuntary Resettlement, OP/BP 4.12. The Request also raised concern that the proposed Project would create food insecurity as Amaravati would be located in a highly fertile area of multi-crop irrigated land. The Requesters also claimed that the component relating to flood protection would affect the Kondaveeti Vagu River and the fields adjacent to the riverbed are wetlands that were not adequately addressed in the SESA-ESMF. The Requesters also raised concern about a lack of consultation and participation of affected people, and alleged intimidation.

¹ Management Response. p. 3.

² Draft PAD, June 12, 2018, p. 1.

³ Draft PAD, June 12, 2018, p. 2.

4. The Panel registered the Request on June 12, 2017, and notified the Board of Executive Directors (the “Board”) and Bank Management. Management submitted its Response on July 21, 2017. The Panel conducted its Eligibility visit to India and, on September 27, 2017, submitted its Report and Recommendation recommending “carrying out an investigation into the alleged issues of harm and related potential non-compliance with Bank policies, especially relating to involuntary resettlement (OP/BP 4.12).”

5. Following the submission of the Panel’s Report and Recommendation, Bank Management on November 27, 2017, submitted to the Panel an Addendum to the Management Response, which included clarifications, an update on the preparation of the Project and additional actions to complement and clarify the actions presented in the Management Response. The Inspection Panel determined that the Addendum and its actions provided an opportunity for the Bank to address the Requesters’ concerns and to introduce measures to ensure that the Project’s preparation is in compliance with Bank policies and procedures.⁴ Consequently, on November 27, 2017 the Panel updated its Report and Recommendation, deferring its recommendation as to whether an investigation was warranted by up to six months, by when key planned assessment studies as well as other actions by Management were expected to be completed. The Board approved the Panel’s updated recommendation on December 12, 2017. The Panel’s reports of September 27, 2017 and November 27, 2017 are attached to this report as Annex I.

B. Project Developments since the Panel’s updated Report and Recommendation

6. **Management Updates.** Since the Panel issued its updated Report and Recommendation on November 27, 2017 and deferred its recommendation, the Panel met Bank Management in April and June 2018 to receive updates on the progress of project preparation and on the implementation of the actions described in the Management Response and its Addendum. According to information provided by Management, consultants were retained by the Bank in December 2017 to conduct independent assessments of the land assembly instruments used for Amaravati. The Panel understands that these independent assessments have undergone several rounds of review, but have not yet been finalized. Management also informed the Panel that technical and safeguards audits of ten priority roads that are under construction are ongoing to assess the adequacy of the technical standards and safeguard provisions to determine eligibility for retroactive financing by the Bank. With regards to flood management, the Panel understands that works have not yet started and the preparation of the required safeguards instruments is underway.

7. According to Management, the following steps will need to be completed by the Bank team before an authorization for appraisal can be requested: ensuring the completion of the assessments by the independent consultants to the Bank’s satisfaction; agreeing with Government counterparts on measures to address the recommendations of the assessments; finalizing the Project Appraisal Document; ensuring that the Government revises social safeguard documents to incorporate the conclusions and recommendations of the independent consultants; ensuring the Government revises environmental safeguard documents for flood management investments; obtaining the

⁴ Inspection Panel, India: Amaravati Sustainable Capital City Development Project (P159808), Updated Report and Recommendation.

Bank's clearance of all safeguards instruments and disclosing them; and presenting the proposed Project at the Decision Meeting and requesting authorization to appraise.

8. The Panel understands from Management that the timeline for the proposed Project cannot be accurately determined yet. According to Management, since the reports and audits have not been completed, safeguard documents cannot be finalized and the Project design cannot be concluded. Management further explained that the Decision Meeting to authorize the Project's appraisal can only take place once all required safeguard documents have been cleared and disclosed, and the audits completed.

9. **Requesters' Updates.** The Requesters have been following the proposed Project closely and have been in regular communications with the Panel over the past months. They have raised several concerns, including issues of accessibility and responsiveness of the Grievance Redress Mechanism and the establishment of the Citizen Advisory Committee. They also alleged a limited engagement of the independent consultants with affected community members and expressed concerns over the independence of the consultants and the quality of their assessments. The Requesters also expressed frustration about a lack of engagement by the implementing agency and visiting Bank staff. The Requesters continue to be concerned about the loss of livelihoods of affected community members and claimed that information shared about the proposed Project and its progress is insufficient. The Requesters also informed the Panel of continued acts of intimidation and coercion against those refusing to join the LPS.

10. The Panel notes that the organization People's Watch Andhra Pradesh has also sent regular updates to Bank Management and the Panel, raising concerns about different aspects of the Project, including concerns about a lack of consultation and participation, continued intimidation and lack of information.

C. Panel Review

11. The Panel understands from the Management updates that several actions to address the Requesters' concerns, including the independent assessments of the land assembly instruments which will serve as inputs to the Project's safeguards instruments, are still underway and require more time to be completed. The Panel notes that these assessment studies are a key element of the actions proposed by Management in its Response and in its Addendum. The Panel further highlights that according to Management, the authorization to appraise the Project can only be requested once all required safeguards instruments have been cleared and disclosed. The Panel is of the view that there is a need to await further progress on the assessment studies and other actions in order to be able to assess the implementation of Management's commitments to address the allegations of harm and Bank non-compliance raised in the Request for Inspection.

D. Recommendation

12. Considering the foregoing and taking into account paragraph 5 of the 1999 Clarifications,⁵ the Panel is recommending a second deferral of its recommendation and will report back to the Board after nine months or when Bank Management authorizes the appraisal of the proposed Project, whichever arises earlier. At that time, the Panel will make a recommendation as to whether an investigation into the Bank's actions or omissions is warranted.

13. If the Board of Executive Directors concurs with the foregoing, the Inspection Panel will advise the Requesters and Management accordingly.

⁵ The 1999 Clarifications, para. 5, provides that "the Inspection Panel will satisfy itself as to whether the Bank's compliance or evidence of intention to comply is adequate, and reflect this assessment in its reporting to the Board."

Annex I

Updated Report and Recommendation

November 27, 2017

Report and Recommendation

September 27, 2017

November 27, 2017

INSPECTION PANEL

India: Amaravati Sustainable Capital City Development Project (P159808)

Updated Report and Recommendation

1. On September 27, 2017, the Inspection Panel (the “Panel”) submitted its Report and Recommendation on the India: Amaravati Sustainable Capital City Development Project (the “Project”) to the Board of Executive Directors of the World Bank (the “Board”), recommending *“carrying out an investigation into the alleged issues of harm and related potential non-compliance with Bank policies, especially relating to involuntary resettlement (OP/BP 4.12)”* (INSP/R2017-0005). On November 27, 2017, Bank Management submitted to the Panel a document entitled *“Addendum to the Management Response to Request for Inspection Panel Review of the India: Proposed Amaravati Sustainable Capital City Development Project (P159808)”* (the “Addendum”) (Annex 1).
2. Management notes that, based on missions to India since the issuance of the Management Response and discussions with the Inspection Panel, the Addendum includes clarifications, an update on the preparation of the Project since the issuance of the Management Response and additional actions to complement and clarify the actions presented in paragraphs 62-66 of the Management Response.
3. The Panel is satisfied that the Addendum, including additional actions therein, as well as actions in paragraphs 62-66 of the Management Response provide an opportunity for the Bank to address the Requesters’ concerns as identified in the Panel’s Report and Recommendation, and to introduce measures to ensure that the Project’s preparation is in compliance with Bank policies and procedures.
4. In light of the foregoing, the Inspection Panel is updating its Report and Recommendation as follows. Based on Management’s Addendum and the proposed actions, and in accordance with paragraph 5 of the 1999 Clarification¹, the Panel is deferring its recommendation as to whether or not an investigation into the Bank’s actions or omissions is warranted. The Panel will inform the Board of its Recommendation within six months, by which time key planned assessment studies as well as other actions by Management are expected to be completed.
5. If the Board of Executive Directors concurs with the foregoing, the Inspection Panel will advise the Requesters and Management accordingly.

¹ *“The Inspection Panel will satisfy itself as to whether the Bank’s compliance or evidence of intention to comply is adequate, and reflect this assessment in its reporting to the Board.”* Paragraph 5, 1999 Clarification of the Board’s Second Review of the Inspection Panel.

ANNEX 1

Management Response

**ADDENDUM TO THE MANAGEMENT RESPONSE TO
REQUEST FOR INSPECTION PANEL REVIEW OF THE
INDIA: PROPOSED AMARAVATI SUSTAINABLE CAPITAL CITY
DEVELOPMENT PROJECT (P159808)**

November 27, 2017

1. As indicated in the Management Response to the Request for Inspection Panel Review dated July 21, 2017, the World Bank has been requested to contribute to the financing of the development of a new capital city for the State of Andhra Pradesh, Amaravati City. The project is currently at Concept Note stage. The Bank-financed contribution would cover infrastructure in a defined part of the city as well as urban governance development.
2. Based on recent field missions by the Project team and Bank Management since the issuance of the Management Response and discussions with the Inspection Panel, Bank Management would like to offer clarifications, updates and proposed actions to complement and clarify the actions presented in paragraphs 62-66 of the Management Response.

Clarifications

3. At the outset, Management would like to clarify the following:
 - (a) ***The proposed Project is being prepared on the basis that it triggers the World Bank Operational Policy on Involuntary Resettlement (OP 4.12).*** The implementation of all project components would require the acquisition and use of land and structures within the perimeter of the new capital city. The resettlement and land acquisition would be undertaken by the Andhra Pradesh Capital Region Development Authority (APCRDA) and would include mechanisms such as (i) participation in an optional Land Pooling Scheme (LPS), in accordance with the Andhra Pradesh Capital Region Development Authority Act of 2014 (APCRDA Act 2014); (ii) eminent domain, in accordance with the Land Acquisition, Rehabilitation and Resettlement Act of 2013 (LARR Act 2013; and (iii) negotiated settlements, in accordance with an Andhra Pradesh Government Order issued in April 2017. All such resettlement and land acquisition mechanisms, to the extent they are applied to land within the proposed Bank-financed Project, would be subject to the application of OP 4.12.
 - (b) ***All those impacted by land assembly practices required for the implementation of the proposed Project are Project Affected People (PAP).*** Land assembly practices would impact various categories of people including: (i) land owners (with titles) who would give up their land under LPS, LARR or negotiated settlements; (ii) landless tenants and agricultural wage laborers; (iii) farmers on government-assigned lands; and (iv) informal occupants of agricultural lands and land in villages. The proposed Project also affects several vulnerable groups, including (i) women and children; (ii) aging populations; and (iii) scheduled castes. All those affected by the Bank's proposed Project would be taken into consideration in the design of the Project, in accordance with the Bank's policy objective that displaced people should be assisted to improve or at least restore their livelihoods.

Update on the Preparation of the proposed Project since the issuance of the Management Response

4. Since issuance of the Management Response, the Project team has focused on advancing the preparations of the proposed Project with specific attention to the actions outlined in paragraphs 62-66 of the Management Response. Below is an update on several of the actions in the Management Response.

(a) *Community engagement and monitoring to address potential coercion and other implementation issues:*

- *Establish a Citizen Advisory Committee:* In a meeting of the APCRDA board held on August 17, 2017, the establishment of a Citizen Advisory Committee was endorsed. Twelve external, recognized members of the community as well as local academia have been selected to be part of the committee. The Citizen Advisory Committee will serve as an advisory panel to the APCRDA on implementation issues, including claims of intimidation and retaliation, that require management interventions. The Committee will interact directly with PAP. Terms of Reference for the Committee as well as its composition are being finalized. At present, APCRDA is aiming to increase the number of women serving on the Committee. The Committee will commence its work as soon as all members have been selected.
- *Engage a local independent party to obtain additional information on any potential coercion:* APCRDA is in the process of enlisting a local NGO to monitor for potential coercion and support implementation of the Resettlement Action Plan (RAP) that is being prepared for 10 priority roads that are proposed for retroactive financing. This NGO would support other aspects of the proposed Project, including livelihood support. The NGO will also assist APCRDA in reaching out to communities in the Amaravati area to provide advice on how to utilize the Project's grievance mechanism. Emphasis is on helping PAP, especially those who are illiterate, to file their grievances, including any related to coercion. The Bank will review the selection criteria used by APCRDA to engage this CSO to ensure a transparent selection process.
- *Engage independent local professionals to visit affected villages to monitor concerns and feedback:* The Project team has identified and will now contract a local NGO that would support implementation of the proposed Project, if and when approved, by interacting with PAP, participating in meetings and consultations, and monitoring and documenting grievances, unresolved claims, concerns regarding coercion and general activities or practices that could be negatively affecting residents. This NGO will bring any issues identified to the attention of APCRDA and the Bank. The independence of this NGO is ensured through direct commissioning and financing by the Bank. This NGO will report directly to the Task Team Lead of the proposed Project.
- *Support creation of a Project-level Grievance Redress Mechanism (GRM):* A Grievance Redress Mechanism for the overall capital city of Amaravati is in place. The Bank is working with APCRDA to assess whether this GRM can be strengthened to ensure that this Mechanism would be sufficient to serve as the

Bank financed Project-level GRM to solve the issues of PAP. APCRDA has indicated that additional features have been introduced, among them: (a) a Call Centre has been set up by APCRDA to register grievances and provide information on status of grievance applications; and (b) a mobile application has been issued by APCRDA (*Mana Amaravati*) and is also available to register grievances, which are then routed to the APCRDA Commissioner. These additional features complement the existing GRM, which includes the following features: (a) a single-window online platform for grievances covering all government departments (complaints are routed to the concerned department, including APCRDA for Amaravati related grievances). In addition to reporting grievances, suggestions can be provided directly through the online platform. All suggestions related to Amaravati are accessible to APCRDA as well as the Chief Minister. The progress of redress is monitored by the Commissioner of APCRDA at the organization level and by the Chief Minister during regular review meetings. The GRM is accessible online;¹ (b) a three-tiered grievance redress system comprised of Grievance Redress Cells is in place. The Grievance Redress Cell for Stage I is at the village level and the Deputy Collector, the competent authority at each village level, is responsible. The Grievance Redress Cell for Stage II serves the Amaravati City and district level and the Joint Collector is responsible for processing cases. For Stage III, the Grievance Redress Cell covers the state level and is chaired by the APCRDA Commissioner (as also described above). Every Monday, grievance redressal meetings are held at the APCRDA offices of the capital city, which are attended by officers from all Competent Authorities. The GRM is currently being assessed by the Bank and will be considered by Bank Management as part of Project preparation.

- *Increase the frequency of preparation missions and do outreach with stakeholders to solicit feedback on issues:* The frequency of missions has already been increased in the past six months. Six missions have taken place since July 2017, including by the technical Project team, Global Practice management, and the Regional Safeguards Advisor. Additional consultations with stakeholders and PAP will be carried out as safeguards documents progress.

(b) ***Project preparation:***

- *Safeguards documents:* The Project team is continuing to work alongside APCRDA to prepare:
 - A comprehensive *Resettlement Policy Framework (RPF)* that includes provisions for identifying, minimizing and mitigating impacts of all land assembly mechanisms that have been used in Amaravati (e.g. LPS, LARR or negotiated settlements). This will be followed by the preparation of *sub-project specific RAPs*, which will be developed once activities and investments have been identified;

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- A *RAP and an Environmental Management Plan (EMP)* for the 10 priority roads, which could be retroactively financed under the proposed Project, are being finalized. They will describe the proposed measures and actions to mitigate potential environmental and resettlement impacts of the Project, as well as the delivery of compensation and support to PAP. Given that construction of the priority roads has started, the RAP will include an ex-post audit to assess how the affected people were compensated and compare that to the provisions of the RAP, identifying any gaps and corresponding measures to close those gaps.
 - An *Environmental and Social Management Framework (ESMF)* for forthcoming investments (as distinct from the RAP for the 10 priority roads already constructed) has been cleared by the Bank's Regional Safeguards Advisor. EMPs will be prepared, consistent with the ESMF, for all remaining infrastructure investments under the proposed Project, as they are identified, including flood control works. Potential impacts on wetlands from flood management activities, and required mitigation measures, will be addressed in sub-project specific EMPs.
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- (c) ***Other activities*** included in paragraphs 62-66 of the Management Response and not addressed here will be implemented as set out in that document.

Actions

5. Given that development of Amaravati City is ongoing and Bank support would be based on several design and management decisions taken prior to Bank involvement, the preparatory focus of the Project team will now have to be on assessment, due diligence and evaluation. Management will, therefore, undertake the following additional actions set out below as part of Project preparation. These actions build on the actions in the Management Response in paragraphs 62-66 and align with the areas of concern in the Inspection Panel's Report and Recommendation, dated September 27, 2017.

6. ***Design and implementation assessment.*** Management will hire expert consultants to assist in its due diligence and feasibility assessment of Project design and compliance with its operational policies. This assessment will be finalized before Project appraisal. Findings will feed into Project design, including safeguard documents, and implementation.

7. The focus of this assessment will be on land acquisition aspects and requirements enshrined in OP 4.12. The independent assessment will aim at informing Management assessment about the land acquisition schemes under the proposed Project and how they could be supported by the Bank, recognizing the innovative character of the LPS. This assessment will consist of an evaluation of the planned measures, as well as of their implementation to date, specifically covering the below areas.

- (a) ***Assessment of land assembly instruments and their implementation*** – The study will review compensation awarded to land owners (including assignees on Government land) under each of the three land assembly instruments (LPS, LARR and negotiated settlements) and will compare it to the baseline value of the agricultural land being acquired for the development of Amaravati City. The assessment will:
- Compare baseline assets (including agricultural land values and annual revenues of land owners), including how baselines were arrived at, and compensation received under the various land assembly instruments, and will determine whether compensation is sufficient for livelihood restoration and/or improvement.
 - Review the implementation of the various land assembly schemes, identifying numbers of beneficiaries, the surveys undertaken related to the RAPs, number of returnable plots awarded, amounts of payments disbursed, modalities and timeliness of payments, and communication mechanisms to raise awareness of potential beneficiaries. Recommendations will be made on efficiency and effectiveness of implementation, on issues, gaps and challenges and on suggestions of how to improve implementation.
- (b) ***Assessment of livelihood restoration programs and their implementation*** – Consultants will assess the livelihoods of landless agricultural laborers and tenants on agricultural lands, whose land – on which they worked or which they leased – will be adapted to urban uses under the LPS or the LARR. The study will review the baseline household survey and will compare data to value of compensation packages being received by landless laborers under the land assembly instruments in Amaravati. The study will include:
- Assessment of daily wages of landless laborers aiming at understanding the types of crops produced in the area, their production cycle, labor requirements and prevailing daily compensation, from which the range of household earnings by laborer type can be estimated. These values will be compared to benefits packages being offered to landless laborers (including training, job availability, pension for ten-year period, as well as the National Employment Guarantee Scheme, etc.).
 - Assessment of the status of implementation of the livelihood restoration programs, including status of payment of pensions, number of beneficiaries, amount of payments disbursed, implementation mechanisms, modalities and timeliness of payments, as well as communication mechanisms to raise awareness of potential beneficiaries on the various components of the program. Consultants will make recommendations on efficiency and effectiveness of

implementation, on issues, gaps and challenges and on suggestions of how to improve implementation.

- (c) ***Assessment of (other) benefits packages and their implementation*** – Consultants will review all benefit packages being offered to residents of the area and will assess the status of implementation of the benefits program including an evaluation of the typology and the number of beneficiaries of the various types of benefits, implementation mechanisms, status of delivery, and communication mechanisms to raise awareness of potential beneficiaries of the various components of the program. The study will assess the efficiency and effectiveness of distribution of benefit packages, issues, gaps and challenges and suggestions of how to improve implementation.
- (d) ***Assessment of consultations*** – The study will review the consultation process for the overall land assembly program and Amaravati, and particularly that carried out for the LPS, with special attention to the emphasis given during consultations to the benefits and risks of joining the LPS, information on extent of various entitlements, irreversibility of LPS, and decision-making timeline for participants to join LPS. Consultants will highlight issues, gaps and challenges and make recommendations on how to improve implementation.
- (e) ***Comparison of the benefits and protections afforded under different land acquisition instruments with the requirements of the Bank’s policy on Involuntary Resettlement (OP 4.12)*** – Consultants will compare the benefits and protections afforded under the different land assembly instruments with the requirements of the Bank policy and will make recommendations on the consistency of the land acquisition instruments with OP 4.12.

8. ***Consultations and communications.*** Management will support APCRDA in establishing a strong stakeholder and communications and outreach team to work with APCRDA to assess and further improve communications and consultations. This will include assessment of consultations to date (process, quality, quantity); availability and accessibility of Project information in local languages; existence of GRM; assessment of grievance resolution efficiency and efficacy; and identification of additional outreach measures to keep stakeholders informed of Project status and development (e.g., weekly radio announcements; contracting a local NGO to act as third-party monitor of citizen feedback).

9. Management will prepare an updated and revised assessment and a plan for implementation before negotiations start, after Project appraisal. The NGO is expected to be contracted by the time of Project effectiveness.

10. ***Intimidation and retaliation.*** The mandate of the Citizen Advisory Committee will include addressing claims of intimidation and retaliation and will ensure timely reporting to APCRDA and the Bank. Third-party monitoring conducted by an NGO will support the Project team in monitoring the GRM and the NGO will be in direct contact with PAPs to identify and address any instances of coercion. The Bank will also monitor media outlets in Andhra Pradesh for reports of possible coercion.

11. The Citizen Advisory Committee will be established before Project appraisal. The NGO for implementing third-party monitoring will be contracted by the time of Project effectiveness.

Report No. 119994-IN

THE INSPECTION PANEL

**REPORT AND RECOMMENDATION
ON A REQUEST FOR INSPECTION**

INDIA

**PROPOSED AMARAVATI SUSTAINABLE
CAPITAL CITY DEVELOPMENT
PROJECT (P 159808)**

SEPTEMBER 27, 2017



THE WORLD BANK
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**The Inspection Panel
Report and Recommendation
on a
Request for Inspection**

**India: Amaravati Sustainable Capital City
Development Project (P159808)**

A. Introduction

1. On May 25, 2017, the Inspection Panel (the “Panel”) received a Request for Inspection (the “Request”) of the proposed India Amaravati Sustainable Capital City Development Project (the “proposed Project”). The Request was submitted by landowners from the area of the capital city Amaravati¹ in Andhra Pradesh, India (the “Requesters”), alleging harm from a Land Pooling Scheme (LPS) used to assemble the lands required for Amaravati, as well as from other Project activities. On May 27, 2017, the Panel received another communication from a large group of farmers in support of the Request. The Requesters asked the Panel to keep their identities confidential.

2. The Panel registered the Request on June 12, 2017, and notified the Board of Executive Directors (the “Board”) and Bank Management. On June 14, 2017, the Bank’s project team forwarded to the Panel letters received by the India Country Office in support of the proposed Project.² Management submitted its Response on July 21, 2017. On August 1, 2017, the Panel asked the Board to postpone the deadline for submitting the Panel’s Report and Recommendation to September 25, 2017. On August 22, 2017, the Board approved the Panel’s request.

B. Description of the proposed Project

3. In 2014, the Andhra Pradesh Reorganization Act bifurcated Andhra Pradesh (AP) into the successor states of AP and Telangana, requiring a reorganization of the former AP government. It was agreed that the former AP capital Hyderabad would serve as the capital of both states for a maximum of 10 years, after which Hyderabad would become Telangana’s capital and a new city (Amaravati) would become the new capital of AP.³ A Master Plan for Amaravati City was developed with the support of the Government of Singapore.⁴ Amaravati comprises an area of 217 square kilometers, located within a 30 minutes driving distance of two major urban centers (Vijayawada and Guntur) alongside the Krishna River, and includes 24 villages.⁵ Amaravati plans to support a population of 600,000 by 2025 and 3.5 million by 2050.⁶

¹ Amaravati is both the name of a village in the Guntur district of Andhra Pradesh and the name of the new capital city. This report refers to the capital city when mentioning Amaravati.

² The letters were signed by 1,549 farmers who claimed to have joined the LPS voluntarily and received portion of plots through a transparent lottery system. The *Amaravathi Rajadhani Sameekarana Raithu Samakya* also supported these letters.

³ Draft Project Appraisal Document (PAD), September 2017. pp. 10-12.

⁴ Management Response. p. 3.

⁵ Draft Resettlement Policy Framework (RPF), September 2017. p. 7.

⁶ PAD. pp. 10-12.

4. In May 2016, the Government of India and the Government of Andhra Pradesh (GoAP) asked the Bank to support certain activities of the development of Amaravati.⁷ The development objective of the proposed Project is to “*provide select urban infrastructure in designated locations of Amaravati Capital City, and to develop capacity of its urban governance institutions.*”⁸ The proposed Project is classified as Category A⁹ and is structured in three components, focusing on road infrastructure, flood mitigation measures and technical assistance.¹⁰

5. The total financing for the proposed Project is US\$715 million, of which the World Bank’s lending is proposed to be US\$300 million through an International Bank for Reconstruction and Development loan for investment project financing.¹¹ Some of the preparatory work for the proposed Project is being financed through a Bank-Executed Trust Fund for a grant amount of \$0.17 million.¹² The GoAP, as the Borrower, is providing US\$215 million, and the Asian Infrastructure Investment Bank is considering co-financing in the amount of US\$200 million.¹³

6. The agency responsible for developing Amaravati is the Andhra Pradesh Capital Region Development Authority (APCRDA), a government authority constituted in 2014. The APCRDA is supported by the Amaravati Development Corporation, a corporate project implementation entity established by a government order, for the overall monitoring and oversight of the project.¹⁴

7. The proposed Project is currently under preparation and is at the pre-appraisal stage.¹⁵ According to Management, the appraisal of the proposed Project is planned for early November 2017 and will include the Strategic Environmental and Social Assessment – Environmental and Social Management Framework (SESA-ESMF), Resettlement Policy Framework (RPF) and Resettlement Action Plan (RAP) for the initial 10 roads.¹⁶ These 10 roads constitute the first phase of the proposed Project and make up roughly 30 percent of the planned Bank financing.¹⁷ According to Management, the planned flood protection works and upgrading of village infrastructure will follow in later phases of the proposed Project and will be appraised separately.¹⁸

⁷ Management Response. p. 3.

⁸ PAD. p. 1.

⁹ As required for Category A projects, an Environmental Assessment is under preparation.

¹⁰ According to the PAD, the proposed Project “*will support the implementation of priority infrastructure to lay the foundation for the long-term development of Amaravati Capital City. This will be focused on trunk infrastructure such as sub-arterial road access connecting different zones within Amaravati Capital City to Vijayawada, as well as upgrading and integrating existing village infrastructure. Second, the project will enhance climate resilience by improving drainage and flood mitigation. Lastly, the project will support intuitional development activities to improve urban governance and the management of city services.*” PAD. pp. 14, 15.

¹¹ PAD. p. 2.

¹² TF0A2879 - Support to Andhra Pradesh Sustainable Capital City Development.

¹³ PAD. p. 2.

¹⁴ PAD. p. 18.

¹⁵ Management Response. p. 4. As of September 2017, the draft PAD was last updated on September 1, 2017. A revised draft RAP and a final draft RPF for the proposed Project’s 10 roads had been last updated in September 2017. A Revised Draft of the SESA-ESMF was last updated in August 2017, and the Project Information Document/Integrated Safeguards Data Sheet (PID/ISDS) was approved in August 2016.

¹⁶ Meeting with Bank Management on September 12, 2017.

¹⁷ Management Response. p. 5.

¹⁸ Meeting with Bank Management on September 12, 2017.

8. The draft Project Appraisal Document (PAD) states that approximately 90 percent¹⁹ of the private land required for developing Amaravati, which consists mainly of farmland, has been assembled through the LPS with the consent of landowners.²⁰ The PAD also states that 93 percent of the land required for the Bank-financed roads was assembled through the LPS.²¹ Key features of the LPS include a guaranteed return of plots to the original landowners and annuity payments according to the area pooled by each owner for 10 years. Tenants and landless agricultural wage laborers living in the 24 villages will also be provided a fixed monthly pension for 10 years. Other benefits include waivers of agricultural loans, interest-free loans for self-employment, increased wage labor under an Employment Guarantee program, free education and medical facilities.²² The remaining 10 percent of the land, about 3,000 acres, will be acquired by the GoAP under India's Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act (Land Acquisition Act or LARR Act) of 2013 or through negotiated settlement.²³ For more detailed information about the LPS process, entitlements and the status of LPS implementation, see Section E.2. below.

C. Summary of the Request

9. The Request for Inspection includes 22 attachments comprising Project-related reports, media articles, and court documents and is attached to this report as Annex I.²⁴ The Requesters allege harm to their livelihoods, environment and food security as a result of the Bank's non-compliance with its environmental and social policies in preparation of the proposed Project. The Requesters also raise concern about lack of consultation and participation of affected people.

10. **Land Pooling Scheme.** The Requesters note that some of the proposed Project activities will be implemented on lands assembled under the LPS. They claim that farmers were "*intimidated and economically coerced*"²⁵ to participate in the LPS. They state that farmers who have not consented to join the LPS will be forced to "*either pool their land under the LPS or their land will be acquired by the State under the Land Acquisition Act.*"²⁶ In their view, neither option provides adequate compensation to restore their livelihoods or purchase comparable replacement land. The Requesters also question the independence of consultants hired by the APCRDA to assess the LPS.

¹⁹ In a response to the Request for Inspection submitted to the Panel during its eligibility visit, the APCRDA stated that 86.72 percent of farmers, numbering 26,512 individuals, had joined LPS.

²⁰ PAD. p. 11.

²¹ PAD. p. 26. The Management Response explains that, should the Bank decide to move ahead with the proposed Project, Bank-supported investments are expected to involve 5-10 percent of the total land area identified in the Master Plan for the development of Amaravati City. Management Response. p. 4.

²² PAD. p. 11.

²³ PAD. pp. 11-12. According to the PAD, "*Under a negotiated settlement process, the APCRDA and landowners negotiate a package that may include land-for-land within residential zones of Amaravati city itself, compensation for assets, construction grant and transitional assistance, culminating in a formal agreement between the parties.*" PAD. p. 25.

²⁴ A similar Request was received by the Panel on October 8, 2016 but it was not registered because project preparation had not yet commenced in earnest (*see*: Panel Notice of Non-Registration, December 19, 2016).

²⁵ Request for Inspection. p. 3.

²⁶ Request for Inspection. p. 6.

11. **Resettlement Plan.** The Request argues that the Bank has used a RPF rather than a full RAP, despite Bank documents suggesting that the “*zone of impact of subprojects*”²⁷ can be determined. The Requesters claim the Bank did not accurately assess the nature and magnitude of the Project-related displacement and did not ensure that the LPS complies with the Bank’s Policy on Involuntary Resettlement, OP. 4.12.

12. **Food Insecurity.** The Request raises concerns that the proposed Project will create food insecurity as Amaravati will be located in an area of “*multi-crop irrigated land that produces 120 types of crops*”.²⁸ The Request alleges that the SESA-ESMF does not recognize multi-crop irrigated-land as the primary land use in the Amaravati area.

13. **Environmental Issues.** The Requesters note that the proposed Project component relating to flood protection will affect the Kondaveeti Vagu River. They claim that the fields adjacent to the riverbed are wetlands that are not adequately addressed in the SESA-ESMF. They also raise concerns that the SESA-ESMF does not analyze Project alternatives.

14. **Consultation and Participation.** The Requesters mention that a single consultation was held in January 2017 on the draft SESA-ESMF and draft RPF, and that only 150 persons out of an estimated 127,505 potentially affected people attended this consultation. They allege intimidation at this consultation by security forces and state that some participants were forcibly turned away.

15. The Requesters ask the Panel to conduct an investigation of possible policy violations and urge Bank Management to take steps to rectify the situation and resolve their concerns.

D. Summary of the Management Response

16. The Management Response is summarized below and the full Response is attached to this Report as Annex II. The Response explains that it has not been decided whether the Bank would finance the proposed Project; a decision would only be made after appropriate analysis of potential Project risks and impacts has been undertaken and adequate mitigation measures have been developed and consulted upon to the satisfaction of the Bank. The Response states that “*Management is of the view that, to date, the preparation of the proposed Project has followed Bank policy requirements*”²⁹ and emphasizes that the proposed Project “*is still at an early stage of preparation and therefore substantive application of Bank policies and procedures have not yet taken place.*”³⁰ Management says that it sees the Request for Inspection as an opportunity to review and consider the views and concerns of the Requesters.

17. **Land Pooling Scheme.** The Management Response explains that the LPS was designed by the APCRDA prior to the Bank’s involvement in the proposed Project and that the APCRDA has almost completed the allocation of returnable land; although the process of registering the returnable plots is ongoing, about 58,000 returnable plots have already been allocated to more than

²⁷ Request for Inspection. p. 7.

²⁸ Request for Inspection. p. 7.

²⁹ Management Response. p. 19.

³⁰ Management Response. p. 22.

23,000 LPS landowners in 22 of the 24 villages.³¹ Management recognizes the LPS as an “*innovative, sustainable, socially inclusive scheme that addresses in a proactive manner some of the negative externalities that typically arise from urbanization.*”³² The Management Response refers to the optional nature of the LPS and states that the APCRDA has carried out an extensive information and consultation campaign to allow landowners to make an informed decision on their compensation options, and consent is confirmed by each landowner on at least six separate occasions during the LPS process.³³ The Management Response also states that the consultants hired by the APCRDA to assess the LPS are “*not associated with LPS implementation.*”³⁴

18. The Management Response states that the Bank takes the Requesters’ claims of coercion in the LPS process very seriously, and emphasizes that the Bank does not condone any form of coercion. Management will work with government authorities, the implementing agency, and the communities to ensure a free and meaningful stakeholder engagement process.³⁵

19. **Resettlement Plan.** The Management Response emphasizes that the proposed Project is still under preparation. Thus, at this early stage, “*an RPF is the most appropriate approach to identify the measures that need to be put in place to ensure that the proposed Project would be compliant with Bank policy, should the Bank decide to move ahead with it.*”³⁶ Management adds that the RPF would be finalized reflecting the Bank’s comments as well as concerns raised by the Requesters. The Response explains that “*site-specific RAPs are being prepared for 10 specific roads, that would make up about 30 percent of the overall proposed investments. Additional site-specific RAPs and other appropriate safeguard documentation would be prepared as preparation of the proposed Project advances.*”³⁷

20. **Food Insecurity.** Management notes that the concerns about food security resulting from the large-scale conversion of agricultural land to urban land was analyzed in the SESA-ESMF which “*determined that the crops in the Amaravati City area are predominantly crops that are not used for daily consumption by people. Transformation of agricultural land to urban land would, therefore, not significantly impact the production of food in the state.*”³⁸ Management will ensure that the concerns raised by the Requesters will be further addressed in the final SESA-ESMF.³⁹

21. **Environmental Issues.** The Management Response states that the Bank will work closely with the APCRDA to ensure that the scope of the environmental assessment is adequate, including for the Kondaveeti Vagu River and the surrounding wetland areas.⁴⁰ Regarding the assessment of alternatives, the Management Response notes that “*the selection of the location of Amaravati City is a sovereign decision and was taken by the GoAP, before the Bank engaged in the proposed*

³¹ Management Response. pp. 9, 10.

³² Management Response. p. 13.

³³ Management Response. p. 24.

³⁴ Management Response. p. 35.

³⁵ Management Response. p. vi.

³⁶ Management Response. p.15.

³⁷ Management Response. p. 15.

³⁸ Management Response. p. 19.

³⁹ Management Response. p. 19.

⁴⁰ Management Response. p. 18.

*Project.*⁴¹ Therefore, the SESA-ESMF’s assessment of alternatives does not include an analysis of potential alternatives for the location of Amaravati itself, but rather is limited to alternatives of specific Bank interventions under the proposed Project.⁴²

22. **Consultation and Participation.** Management notes that the APCRDA has conducted extensive consultations on the proposed Project, the Master Plan for Amaravati City and the LPS.⁴³ Management acknowledges that *“a more extensive program of consultation and information on the proposed Project needs to be carried out, which may result in adjustments in project design.”*⁴⁴ According to the Response, the Bank team will work with the APCRDA to organize an *“extended consultation plan regarding the proposed Project in general, and the Project safeguard documents in particular. Feedback from the consultations will be incorporated in the final design of the proposed Project.”*⁴⁵

E. Panel Review of the Request and the Management Response, and Eligibility Visit

23. Panel Chairman Gonzalo Castro de la Mata, Panel Member Jan Mattsson, Executive Secretary Dilek Barlas and Operations Officer Birgit Kuba visited India from September 12 to 15, 2017. The Panel team held meetings in Delhi, Vijayawada and in several villages in the Amaravati area. The team met with the Requesters and other potentially affected community members, farmers in support of the LPS and their representatives, representatives of the World Bank Country Office, officials from the Ministry of Finance and the APCRDA, as well as civil society representatives.

24. The Panel wishes to express its appreciation to all those mentioned above for sharing valuable information and their views. The Panel also appreciates the many written submissions it received from different groups during its visit. Particular appreciation goes to World Bank Country Office staff in Delhi for their invaluable assistance with logistical arrangements, as well as the Requesters and APCRDA for their substantial involvement, responsiveness, and provision of detailed information.

25. The Panel’s review is based on information presented in the Request, the Management Response, other documentary evidence, and information gathered during the site visit. The following review covers the Panel’s determination of the technical eligibility of the Request according to the criteria set forth in the 1999 Clarification (subsection E.1), observations on other factors (subsection E.2), and the Panel’s review (subsection E.3) supporting the Panel’s recommendation.⁴⁶

E.1. Determination of Technical Eligibility

⁴¹ Management Response. p. 18.

⁴² Management Response. p. 18.

⁴³ Management Response. p. 17.

⁴⁴ Management Response. p. 17.

⁴⁵ Management Response. p. 17.

⁴⁶ “1999 Clarification of the Board’s Second Review of the Inspection Panel”, April 1999 (“the 1999 Clarifications”) available at

<http://siteresources.worldbank.org/EXTINSPECTIONPANEL/Resources/1999ClarificationoftheBoard.pdf>.

26. The Panel is satisfied that the Request meets all six technical eligibility criteria of paragraph 9 of the 1999 Clarifications. The Panel notes that its confirmation of technical eligibility, which is a set of verifiable facts focusing to a large extent on the content of the Request as articulated by the Requesters, does not involve the Panel's assessment of the substance of the claims made in the Request.

- Criterion (a): *“The affected party consists of any two or more persons with common interests or concerns and who are in the borrower’s territory.”* The Panel has verified that the Requesters include two or more persons who own land in the area of the proposed Project and reside there, and are potentially affected by activities under the proposed Project. The Panel therefore considers this criterion as met.
- Criterion (b): *“The Request does assert in substance that a serious violation by the Bank of its operational policies and procedures has or is likely to have a material adverse effect on the Requester.”* The Requesters allege serious harm from the LPS, which is used to assemble lands for Amaravati and for the proposed Project. The Requesters claim harm to their livelihoods and their environment as a result of the Bank's non-compliance with its environmental and social policies in preparation of the proposed Project. The Requesters also raise concerns about consultation and participation of affected communities. The Panel is thus satisfied that this criterion is met.
- Criterion (c): *“The Request does assert that its subject matter has been brought to Management's attention and that, in the Requester's view, Management has failed to respond adequately demonstrating that it has followed or is taking steps to follow the Bank's policies and procedures.”* The Panel has verified that the Requesters' concerns were brought to the Bank's attention at different occasions prior to the filing of the Request. The Panel is satisfied that this criterion is met.
- Criterion (d): *“The matter is not related to procurement.”* The Panel is satisfied that the claims do not raise issues of procurement and thus this criterion is met.
- Criterion (e): *“The related loan has not been closed or substantially disbursed.”* As the proposed Project is currently under preparation by the Bank, the loan amount has not been disbursed.⁴⁷ Therefore, this criterion is met.
- Criterion (f): *“The Panel has not previously made a recommendation on the subject matter or, if it has, that the Request does assert that there is new evidence or circumstances not known at the time of the prior Request.”* The Panel has not made a recommendation on the issues raised in this Request. On October 8, 2016, the Panel had received an earlier Request for Inspection of the same proposed Project. On December 19, 2017, the Panel issued a Notice of Non-Registration on the basis that the proposed Project was in its early stages of

⁴⁷ The 1993 Resolution establishing the Inspection Panel specifies that the Panel shall receive Requests for Inspection presented to it by an affected party who demonstrates *“that its rights or interests have been or are likely to be directly affected by an action or omission of the Bank as a result of a failure of the Bank to follow its operational policies and procedures with respect to the design, appraisal and/or implementation of a project financed by the Bank”*. 1993 Resolution establishing the Inspection Panel, para. 12.

preparation and at that time there was no action or omission by the Bank that could plausibly be linked to the alleged harm. Subsequently, on May 25, 2017, the Panel received the current Request for Inspection. The Panel registered the second Request on June 12, 2017, on the basis that several Project preparation activities had taken place in the interim, including a public consultation on the draft SESA-ESMF and RPF, and the disclosure of revised drafts of these documents.⁴⁸ This criterion is thus met.

E.2. Panel Observations Relevant to its Recommendation

27. In making its recommendation to the Board and in line with its Operating Procedures, the Panel considers the following: whether there is a plausible causal link between the harm alleged in the Request and the project; whether the alleged harm and possible non-compliance by the Bank with its operational policies and procedures may be of a serious character; and whether Management has dealt appropriately with the issues, or has acknowledged non-compliance and presented a statement of remedial actions that address the concerns of the Requesters. Below, the Panel records its preliminary observations on the alleged harm and compliance, noting that in doing so, it is neither evaluating the sovereign decisions of the client, nor making any definitive assessment of the Bank's compliance with its policies and procedures, and any adverse material effect this may have caused.

28. **The Land Pooling Scheme.** During its visit, the Panel team met with the Commissioner and other key staff of the APCRDA to better understand the LPS design and implementation. The Panel acknowledges that the LPS was introduced by the GoAP as an innovative land use planning instrument to incentivize the assembly of private lands for Amaravati.⁴⁹ According to the PAD, the LPS ensures a participatory approach and minimizes land acquisition disputes and physical displacement.⁵⁰ The PAD explains that, through the LPS, land parcels owned by individuals or groups of owners are legally consolidated and ownership is transferred to the APCRDA; the APCRDA subsequently transfers the ownership of a part of the developed plots back to the landowners, who would then reap the economic benefits of the improved plots as the city develops, along with other incentives. The PAD states that all residential areas within villages are excluded from the LPS to minimize or avoid physical displacement.⁵¹

29. The LPS is regulated by the 2014 APCRDA Act and, according to the PAD, includes the following key entitlements: (i) returnable plots of urban land within the perimeter of Amaravati; (ii) annuity payments to landowners that will continue for a period of 10 years, which is the expected construction period of Amaravati; tenants and landless agricultural wage laborers receive a fixed monthly pension for 10 years; and (iii) other benefits, which include waiver of agricultural loans, interest-free loans for self-employment, access to skill-development training, access to employment under an Employment Guarantee program, free education and access to medical facilities.⁵²

⁴⁸ Inspection Panel Notice of Registration, June 12, 2017. Available at:

<http://ewebapps.worldbank.org/apps/ip/PanelCases/119-Notice%20of%20Registration-12%20June%202017.pdf>

⁴⁹ PAD, p. 11.

⁵⁰ PAD, p. 11.

⁵¹ PAD, p. 11. See also: APCRDA Act of 2014.

⁵² PAD, p. 11. *Returnable urban plots* are allotted in and around the same village where landowners have given up their agricultural lands under the LPS. Landowners can choose the type of returnable plot they will receive from a

30. According to the Management Response, the registration of the LPS land is conducted in three stages: first, the entirety of the land given by the landowners is registered in the name of the APCRDA; second, a provisional certificate is issued to each landowner for the returnable plots; and third, the returnable plots are registered in the name of the landowners.⁵³ The Management Response notes that consent is confirmed by each landowner on at least six separate occasions during the LPS process.⁵⁴ The Panel team was impressed by the capacity observed in handling the complexities of such a massive scheme. The systems developed to manage the LPS include a variety of technological and data management tools, as well as geographic information systems designed to generate real-time data, information, and analysis.

31. The Panel team learned that, as of the date of its visit: 26,512 farmers out of 30,572 (86.72 percent) had joined the LPS and had handed over 33,008 acres of land to the APCRDA; 4,060 farmers had not decided to join the LPS;⁵⁵ and 59,014 returnable plots had been allotted to 23,903 farmers. A total of INR 427.95 crore (ca. US\$64.327 Million) in annuity payments had been released or sanctioned as of the third year of the program to all categories of beneficiaries.⁵⁶

32. During its visit to the Amaravati area, the Panel met with farmers who have joined the LPS and support it, farmers who have joined but expressed concerns either about its voluntary nature or its design or implementation, and farmers who oppose joining the LPS.

33. The Panel team was invited to a meeting organized by the APCRDA, which an estimated 1,000 farmers attended. Several representatives spoke on behalf of the attending farmers and presented their views to the Panel on the development of Amaravati, the Bank's proposed Project and the LPS, stating that they voluntarily joined the LPS, strongly support it, and wish Amaravati to develop rapidly. Two farmers' federations, representing 5,000 and 15,800 farmers, respectively, submitted documents to the Panel team describing the benefit package guaranteed by the LPS, including 10-year annuities, health insurance, and agricultural loan waivers, and concludes that, based on these guarantees, "*we voluntarily participated in the land pooling scheme without any coercion and influence of the government.*"⁵⁷

34. During its visit, the Panel also met with community members who claimed that they were misled into participating in the LPS, as they lacked information about it, or felt under pressure to

broad menu of residential and commercial land plot options. The process of selection and allotment of returnable plots involves multiple stages, at the end of which LPS landowners are issued provisional certificates for their allotted returnable plots through an open, digital allocation system (lottery) conducted in public. The issuance of provisional certificates registered in the name of beneficiary landowners completes the land pooling process. PAD. p. 93.

Annuity payments are paid to landowners who have contributed their land to the LPS. Annuity payments will continue for a period of ten years, and are proportional to the land that was contributed to the LPS. They are paid at the rate of INR 30000 (US\$450)/INR 50000 (US\$750) per year per acre of dry and wet lands respectively and are paid with 10% adjustment per year towards inflation. The tenant and landless agricultural wage laborers living in 24 villages are provided with pensions of INR 2500 per month for a period of 10 years. PAD. p. 11.

⁵³ Management Response. p. 26.

⁵⁴ Management Response. p. 24.

⁵⁵ APCRDA, "A Brief Rejoinder on Request for Inspection, Dated June 12, 2017". p. 6.

⁵⁶ Ibid. p. 7.

⁵⁷ Submission to Panel team during its visit to India on September 13, 2017.

join. One of the alleged reasons for this pressure was the issuance of short deadlines by which individuals were required to decide to join the LPS; otherwise, they were told that their land would be acquired through land acquisition. The Panel team was told that these deadlines were later extended several times, but by then many people had already joined the LPS. Some people explained to the Panel that registered land values substantially increased in surrounding areas in recent years, but not in Amaravati; thus, they felt economic pressure to join the LPS as they believed they would not receive an adequate compensation amount through land acquisition. The Panel team also met with community members who explained they had been under pressure from officials or unidentified people to join the LPS, as well as some who claimed they would have preferred not to join but decided it was safer for their families to do so.

35. The Panel also heard other grievances related to the implementation of the LPS. Many farmers in different villages claimed that they are not receiving benefits promised under the LPS, such as skills training, school fee reimbursement and health benefits. Several people explained that they have not been able to use their health insurance cards as no hospital would accept them, and they had to cover their health expenses on their own. A few farmers claimed that their payments of monthly pensions under the LPS are regularly delayed. Several people explained that they were promised that their agricultural loans would be waived, but they were still receiving bills even after repeatedly complaining to the APCRDA.

36. Other farmers explained that they were allotted a specific plot of land, which they could identify on a map, but claimed that the actual plot had not been adequately measured and demarcated on the ground. Others claimed that the lands they owned before the LPS implementation started were registered as smaller plots when compared with what they had. The Panel team also met with several people who expressed concern about physical cultural resources, particularly losing their burial and cremation grounds as well as temples and churches. The Panel further heard allegations of discrimination from vulnerable groups, including individuals claiming to belong to scheduled castes, scheduled tribes, and other backward classes. Some farmers also claimed that their agricultural plots were disconnected from electricity even though they had not joined the LPS and their land had not been acquired, and thus they could not irrigate. In one case, a farmer claimed to have been without electricity for over a year.

37. The Panel notes the Management Response's claim that the LPS is optional and that people have been well informed about it.⁵⁸ Management in its response explains that it has agreed with the borrower on actions to address concerns raised in the Request, including on community engagement and monitoring to address coercion and other implementation issues. Management commits to work with the APCRDA to establish a citizen advisory committee to advise the APCRDA and to inform Project implementation and mitigation of impacts. Management also plans to expand consultations on safeguard documents and to work with the APCRDA to establish an independent project-level grievance redress mechanism.⁵⁹

38. The Panel appreciates the APCRDA's submission responding to the Request for Inspection⁶⁰ and notes the APCRDA's description of the advantages of the LPS, including that the

⁵⁸ Management Response. pp. 23-24.

⁵⁹ Management Response. p. 19-21.

⁶⁰ APCRDA, "A Brief Rejoinder on Request for Inspection, Dated June 12, 2017"

LPS is “*completely voluntary in nature and built on the principle of partnership*” by sharing the benefits of development among local people and minimizing their physical displacement.⁶¹ The Panel acknowledges the APCRDA’s assertion, throughout its response to the Request, that there is no intimidation or coercion, economic or otherwise, as well as its assurance that the LPS supports affected farmers throughout the development process through loan waivers, skill development, subsidized food, health camps, and more.⁶² APCRDA also explained to the Panel team that, in a few sporadic cases, power supply was briefly interrupted because a farmer had not joined the LPS while other farmers near his field had joined and subsequently disconnected their power lines; however, the APCRDA stated that these issues were quickly resolved.

39. The APCRDA commissioned a third party independent assessment of the LPS which the Bank is currently reviewing.⁶³ The Panel understands that this assessment includes only LPS beneficiaries.⁶⁴ This draft report found that the LPS is optional and the two dominant reasons for landowners to join the LPS were the “*attractive compensation land,*” and the “*bandwagon effect’ whereby people follow or adopt whatever others have already done.*”⁶⁵ The report also noted that the living standards of landless agricultural laborers have deteriorated after the LPS implementation. The assessment also found that many landless families included in the study had not received loans for self-employment, canteen benefits, education fees reimbursement or livelihood training.⁶⁶ The majority of the landless families also expressed their wish that “*the pension amount fixed at 2,500/- may be enhanced by at least 10% as in the case of annuity to landowners.*”⁶⁷

40. **Concerns Related to Livelihood Restoration.** During its visit, the Panel met with people affected by the proposed Project, including farmers with ownership title to their land, tenants, landless agricultural workers, farmers on government-assigned lands and others. These affected people raised concern about the adequacy of compensation and other support under the LPS, claiming that they would not be able to sustain their livelihoods.

41. Several farmers who own land explained that they have (or had) a substantial income from agriculture that covered their living expenses, paid for their children’s education and gave them financial safety and stability. According to them, the annuity and pension amounts paid under the LPS are too small and insufficient to sustain their livelihoods. They explained that skills-development training, an entitlement under the LPS, has not been provided. Many of the farmers the Panel met explained that they have farmed for many generations and have never done other work and are not trained to do so. Some farmers also told the Panel that they lacked formal education and were illiterate. Many small-holder farmers explained to the Panel team that they depended on farming their lands as they had no other income opportunities or financial reserves.

⁶¹ APCRDA, “A Brief Rejoinder on Request for Inspection, Dated June 12, 2017” p. 10.

⁶² Ibid. p. 8.

⁶³ Management Response. p. 14.

⁶⁴ A Report on Independent Evaluation of Land Pooling Scheme in the Capital City ‘Amaravati’---implemented by Andhra Pradesh Capital Region Development Authority. p. 18.

⁶⁵ Ibid. p. 29.

⁶⁶ Ibid. p. 36.

⁶⁷ Ibid. p. 37.

42. The Panel team also met with landless agricultural wage laborers, among them women who were the heads of their households who had lost or feared they would lose employment opportunities due to the LPS. According to Project documents, the average monthly family income of landless laborers is 8,476 INR, an estimation based on a survey of 193 individuals.⁶⁸ According to documentation that the APCRDA provided to the Panel during its visit, as of August 2017, 20,529 landless pensioners lived in the affected villages.⁶⁹ The Panel was told by several people in different villages that a couple would earn about 800 INR per day and would work at least six days per week (in many cases all days of the week), resulting in a monthly family income of ca. 19,000 INR. Under the LPS, each family now receives a pension of 2,500 INR per month,⁷⁰ which they claim will not cover their living expenses. They explained to the Panel that, since they are no longer able to farm in the Amaravati area, they have to travel far to find agricultural work, and often cannot find jobs. They also emphasized that they had farmed for their entire lives and were not trained to perform other work.

43. Many individuals claimed that they had farmed highly fertile lands, with ground water available close to the surface, where they could farm year-round and harvest crops three times per year. Some people alleged that their lands were recorded in Project documents as “dry lands” and thus less fertile, even though they had irrigated lands, and therefore received less compensation for their agricultural income than their production merited.

44. The Panel notes the Management Response’s commitment to work with the APCRDA on ways to add livelihood support measures for vulnerable landowners and landless wage laborers.⁷¹ The Panel also notes that APCRDA, in their submission responding to the Request for Inspection, explains that its development process “restores the livelihood loss [which] has been scientifically calculated, adequately compensated and is tailor made to the nature of the land...”⁷²

45. **Environmental concerns.** The Panel met several people who claimed that according to the plans for Amaravati, several canals that will be built to control floods would negatively affect the hydrology of the area, including negatively impacting wetlands. They added that the environmental impacts of the proposed Project have not been properly assessed nor adequately mitigated.

46. Regarding the environmental concerns, the Bank team in Delhi explained that the planned flood protection works under the proposed Project have not yet been designed at this stage and the Bank has not reviewed the safeguard documents relating to this Project component. The flood protection works and upgrading of other village infrastructure will be part of a later phase of the proposed Project and will be appraised separately from the roads component. The APCRDA informed the Panel that there are no wetlands in the Amaravati area.⁷³

⁶⁸ RAP. p. 32.

⁶⁹ “Amaravati Land Less Poor Pensions – August 2017,” APCRDA, received during eligibility visit.

⁷⁰ Government of Andhra Pradesh Capital City Land Pooling Scheme (Formulation and Implementation) Rules, 2015 – Notification – Issued (June 1, 2015): “(3) The Government shall provide pension of two thousand five hundred rupees per month per family for a period of ten years to all landless families through a capital region social security fund.” p. 4.

⁷¹ Management Response. p. 21.

⁷² APCRDA, “A Brief Rejoinder on Request for Inspection, Dated June 12, 2017” p. 10.

⁷³ APCRDA, “A Brief Rejoinder on Request for Inspection, Dated June 12, 2017” p. 15.

47. **Consultation, Participation and Disclosure of Information.** The Panel learned from the Bank Management and the APCRDA that they were making a substantial effort to ensure highly participatory consultation processes and the provision of information in different formats. For example, establishing Project Information Centers in each of the 24 villages was considered. The Panel observed that some segments of the affected people were well informed about the proposed Project while others seemed to lack knowledge about key aspects of it. Several farmers the Panel met raised concern over important Project information not being available in their local language (Telugu).

48. The Panel learned that four consultation meetings were held in different villages in the Amaravati area on August 29 and 30, 2017, to discuss the draft safeguard documents (SESA-ESMF, RPF, and RAP). Some project-affected people expressed concern that the meetings were too short to discuss the documents in substance, and complete translations of documents were not available. The Panel was also informed that at one meeting location the APCRDA did not accept written objections and the meeting was concluded after only 30 minutes for unknown reasons.

49. **Intimidation and Retaliation.** During its visit, the Panel heard some allegations of intimidation and violence in relation to the LPS. The Panel was told that people are fearful of raising concerns and feel pressure at meetings due to police presence. The Panel observed a polarization of views regarding the LPS, and a discourse that often focuses on questioning the motivations of those in favor or against the proposed Project. In this context, and in line with Management's commitment to promote a free and meaningful stakeholder engagement process, the Panel emphasizes the importance of providing a safe space for airing grievances and concerns, and urges Management to continue monitoring any potential instances of intimidation or retaliation.

E.3. The Panel's Review

50. The Panel emphasizes that the observations in the preceding section and the discussion below focus on Bank compliance with its own policies and procedures, and are not a reflection on the overall merits of the LPS or its implementation. Although the Panel observed substantial support for the LPS in the field, the Panel's eligibility phase examined allegations related to the Bank's proposed Project where harm could potentially occur, and did not assess the overall support for the proposed Project or its benefits. Nonetheless, the Panel is cognizant of the details of the LPS and understands the advantages it intends to provide over traditional forms of resettlement by increasing choice and providing incentives for sharing the benefits of development among local people, while minimizing physical displacement.

51. According to the PAD of the proposed Project, the Bank's Policy on Involuntary Resettlement (OP/BP 4.12) has been triggered since the Project involves land acquisition and physical and economic displacement of families.⁷⁴ A draft RPF and a draft RAP for the initial 10 priority roads to be financed under the proposed Project were prepared. These draft documents are currently under the Bank's internal review.

⁷⁴ PAD, p. 25.

52. The PAD states that the proposed Project's RPF "*will be applicable for lands assembled under LPS or acquired under eminent domain [...] or Negotiated Settlement policy.*"⁷⁵ The Management Response commits to continue strong and robust preparation of the proposed Project and finalization of documents by the time of the decision meeting, including the RPF with an analysis of the land acquisition process under the Project, including the LPS.⁷⁶ However, the Panel notes that the draft RAP only covers the impacts and mitigation measures related to lands being acquired through LARR and negotiated settlement, and not to those that are part of the LPS.⁷⁷

53. On July 11, 2017, the Bank's internal Operations Environmental and Social Review Committee discussed the extent to which land acquisition policies used under the proposed Project meet the overall objectives of the Bank's Involuntary Resettlement Policy and are therefore consistent with OP 4.12. It concluded that "*based on the information provided by the Task Team, the Committee believes that the land acquisition policies under the project meet the overall objectives of the Bank's involuntary resettlement policy.*"⁷⁸

54. The Panel notes that the most current draft RPF refer to the LPS as "*a voluntary scheme since it is optional.*"⁷⁹ The Panel observes that once the area of Amaravati has been decided, all people living within it (excluding those in urban villages) will have to, sooner or later, provide their lands through either the LPS, negotiated settlement, or land acquisition in accordance with the 2013 LARR Act. In this regard, the LPS is a choice within an overall involuntary situation; it represents one option in a context in which the choice of keeping one's lands does not exist, and therefore it qualifies as involuntary resettlement under OP 4.12.⁸⁰ The Panel also notes that the Management Response explains that the LPS forms of compensation are "*consistent*" with the objectives of the Bank's policy on involuntary resettlement.⁸¹ Therefore, it is not clear to the Panel how the Bank has assessed the "*voluntary*" nature of the LPS and how the LPS has been found consistent, or compliant, with the provisions of OP/BP 4.12.

55. The PAD outlines the risks of implementing the LPS, including the difficulty of assuring timely annuity payments, implementation of other benefits, and restoration of livelihoods,

⁷⁵ PAD. p. 75,76.

⁷⁶ Management Response. p. 20.

⁷⁷ RAP. p. 4.

According to the RAP, "*Since there are no additional entitlements envisaged under RPF for LPS beneficiaries, no segregation of lands and landowners [is] required for the project [...] in respect of these LPS beneficiaries. Also no house-hold surveys or consultations [were] carried out among LPS beneficiaries under this RAP for the proposed 10 roads,*" RAP. p. 8.

⁷⁸ OESRC Meeting Minutes, July 11, 2017. p. 2.

⁷⁹ RPF. p. 12.

⁸⁰ According to Footnote 7 of OP 4.12, "*For the purposes of this policy, 'involuntary' means actions that may be taken without the displaced person's informed consent or power of choice.*" The Bank's involuntary resettlement sourcebook (p. 21-23) explains, "*Informed consent means that the people involved are fully knowledgeable about the project and its implications and consequences and freely able to agree to participate in the project [...] Power of choice means that the people involved have the option to agree or disagree with the land acquisition, without adverse consequences imposed formally or informally by the state. By definition, power of choice – and thus voluntary resettlement – is only possible if project location is not fixed.*" The sourcebook states that voluntary resettlement would be "*expected to involve no physical displacement or significant adverse impacts on incomes.*" Only in cases that fit these criteria would OP 4.12 not apply.

⁸¹ Management Response. p. 9.

especially for landless and agricultural laborers.⁸² As noted above, the Panel observed several implementation issues reflecting these same LPS-related risks. However, the Panel understands that neither the latest PAD nor the draft RAP elaborate on the means of mitigating these risks of the LPS⁸³ despite the fact that 93 percent of the land required for the Bank-financed roads are assembled under the LPS.⁸⁴ The draft RAP states that the APCRDA's "*framework will be relied upon for monitoring during implementation and no separate segregation / provisions are made under this RAP for APCRDA's share of LPS lands that are being used for the 10 roads.*"⁸⁵ It is not clear to the Panel how potential adverse impacts will be mitigated under the proposed Project, and the Bank's role in monitoring them.

F. Recommendation

56. The Panel considers the alleged serious harm to certain segments of affected people to be plausibly linked to the proposed Project, and that the Request raises important issues of potential harm and policy non-compliance. The Requesters and the Request meet the technical eligibility criteria set forth in the Resolution establishing the Inspection Panel and the 1999 Clarification.

57. The Panel notes that there are conflicting assertions and differing views between the claims in the Request and the Management Response. The Panel notes that the harm claimed by the Requesters are linked to the construction of the proposed Bank-financed roads for Amaravati and other activities planned under the proposed Project. The Panel further notes that the Requesters raise issues of a serious character that can only be fully ascertained in the context of an investigation.

58. The Panel therefore recommends carrying out an investigation into the alleged issues of harm and related potential non-compliance with Bank policies, especially relating to involuntary resettlement (OP/BP 4.12). The investigation will primarily focus on resettlement aspects of the Bank's proposed Project, as well as environmental concerns and issues related to consultation, participation and disclosure of information as they pertain to the Bank's financing and Bank policies and procedures.

59. If the Board of Executive Directors concurs with the foregoing, the Inspection Panel will advise the Requesters and Management accordingly.

⁸² PAD, p. 26.

⁸³ PAD, p. 26.

⁸⁴ PAD, p. 26.

⁸⁵ RAP, p. 4. The RAP (p. 8) states that "*a livelihood improvement plan will be prepared for all those interested farmers receiving base annuity less than Rs.75000/- and the landless labourers receiving monthly pensions, by December 2017.*"

Annex I

Request for Inspection

From: [REDACTED]
To: [Dilek Barlas](#); [Mishka Zaman](#); [Rupes Kumar Dalai](#)
Cc: [REDACTED]
Subject: Submission of Complaint on Project ID P159808 - Request for Inspection Panel Review
Date: Thursday, May 25, 2017 6:01:26 AM
Attachments: [Complaint on Project ID P159808 - Request for Inspection Panel Review 25May17.pdf](#)

Dear Ms. Barlas,

1. We, the Requesters request that the Inspection Panel investigate the World Bank's compliance with its operational policies and procedures regarding the Amaravati Sustainable Capital City Development Project (ASCCDP) (Project ID: P159808).
2. We own land and live in the area known as [REDACTED] India. Our land is within the Master Plan for Amaravati Capital City, and is likely to be a part of the ASCCDP and/or affected by other activities related to the ASCCDP.
3. As a result of serious noncompliance with the World Bank's operational policies and procedures, including OP/BP 4.01 and OP/BP 4.12, we have experienced, and are likely to continue to experience, harm.
4. We have approached Bank management several times and raised our concerns. But Management has failed to take steps to resolve those concerns.
5. We do not authorize the Inspection Panel to disclose our identities as we have a fear of retaliation because of our interaction with the Inspection Panel. Our identities are included in Annex 1 of the attached complaint document.
6. There are several attachments supporting the complaint and those were appropriately referenced in the complaint document. We have provided you with the access to this DropBox folder. Alternatively, it could be accessed through the link - [REDACTED]
7. We the Requesters request that the Inspection Panel to register our case, conduct an investigation into the policy violations described in the attached complaint document and find that World Bank management must take steps to rectify these violations and resolve Requesters' concerns.
8. We are standby to provide any additional information you may need.

With best regards
[REDACTED]

Via Electronic Mail

25 May 2017

The Executive Secretary, the Inspection Panel
World Bank
1818 H Street NW, MSN 10-1007
Washington, DC 20433
USA
Email: ipanel@worldbank.org

Subject: Request for Inspection Panel Review on the *Amaravati Sustainable Capital City Development Project* (Project ID: P159808)

Dear Ms. Barlas,

1. We, the Requesters (see Annex 1) request that the Inspection Panel investigate the World Bank's compliance with its operational policies and procedures regarding the Amaravati Sustainable Capital City Development Project (ASCCDP).
2. We own land and live in the area known as [REDACTED] India. Our land is within the Master Plan for Amaravati Capital City, and is likely to be a part of the ASCCDP and/or affected by other activities related to the ASCCDP.
3. As a result of serious noncompliance with the World Bank's operational policies and procedures, including OP/BP 4.01 and OP/BP 4.12, we have experienced, and are likely to continue to experience, harm.
4. We have approached Bank management several times and raised our concerns. But Management has failed to take steps to resolve those concerns.
5. We do not authorize the Inspection Panel to disclose our identities as we have a fear of retaliation because of our interaction with the Inspection Panel. Our identities are included in Annex 1.

I. Background on the development of Amaravati

6. Following the bifurcation of the State of Andhra Pradesh in 2014, the state government announced its plans to construct a new capital city, called Amaravati, which would span 217 square kilometers (53,677 acres) and host a population of 4.5 million by 2050.¹ The proposed area in which the new mega-city would be constructed consisted of 25 villages² and four hamlet village settlements, and had a total population of 127,505.³ More than 70% of the 217 square kilometers to be used for the Capital Region consists of multi-crop irrigated agricultural lands,

¹ See Attachment 1 (Prospective Plan of A.P. Capital Region).

² See Attachment 2.

³ See Attachment 3, *Draft Detailed Master Plan of Capital City AMARAVATI - Report*, p. 32.

including fruit and flower plantations.⁴

7. On December 26, 2015, the government released an English-language “Draft Detailed Master Plan of Capital City Amaravati,”⁵ which was open for public comment for a period of 30 days. This draft was not released in Telugu, the local language. The draft was made available online⁶ and also at four government offices⁷ for viewing on all working days during office hours. Objections/suggestions could be sent in writing to the Commissioner, or uploaded on the website.⁸

8. The Master Plan aimed to transform the area from a primarily rural, agricultural area into a modern mega-city. In order to execute this vision, the government created a Land Pooling Scheme (LPS). Under the LPS, resident farmers would pool their agricultural land and transfer their land title to the State to develop the land in accordance with the Amaravati Master Plan. In return, farmers would receive an annuity for ten years, and up to 30% of the quantity of land pooled would be transferred back to the farmers for residential and commercial use after the land was developed. These plots will be allocated via a digital lottery. According to the original land pooling plan outlined in the EIA report for Amaravati, the government would issue a “statutory land pooling ownership certificate [LPOC] with alienable rights within 9 months of agreement with all willing land owners.” The government would “handover physical possession of reconstituted plot within 12 months of the date of notification of final LPS” and “complete the development of the scheme area within 3 years of issue of LPOC.”⁹ Also refer to G.O.Ms.No.1, Dated: 01.01.2015 on the proposed timelines for the implementation of LPS.¹⁰

9. The benefits under the LPS are differentiated based on land type—owners of Jareebu lands (i.e., fertile lands that can be cultivated throughout the year) receive larger benefits than those who own dry lands.¹¹ Benefits also are differentiated for owners of assigned lands, who also are members of Scheduled Castes and Scheduled Tribes.¹² Agricultural laborers and landless families are also eligible for a ten-year annuity. The LPS promises other benefits for participating farmers and others residing in the region, including loan waivers, loans for self-employment, free education and health care, old age homes, subsidized cafeterias, employment, and job skills training.¹³ Further, refer to Attachment 21, Chapter 4, “Social

⁴ See Attachment 17, *EIA Report – Amaravati*, at p. 153.

⁵ Refer to Attachment 3 for more details about the Capital City Mater Plan and Attachment 4 for vision and goals for Amaravati Capital City.

⁶ The draft was made available at the APCRDA website: www.crda.ap.gov.in

⁷ At the offices of APCRDA, Vijayawada, Guntur (6/12, Brodipet), Tenali (Chenchupet) & Tulluru (near Primary Health Center).

⁸ Many have filed their objections and suggestions – refer to Attachment 5 - Objections Draft Perspective Plan - 2050 for APCRDA and Attachment 6 - Objections on Master Plan.

⁹ Attachment 17, *EIA Report—Amaravati*, p. 179.

¹⁰ See Attachment 20, *Attachment 20 MS GO No 1 - LPS Rules*, Point 12, p. 11.

¹¹ The revised RPF provides additional details on the full schedule of benefits on page 42.

¹² *Id.*

¹³ “In addition to above entitlements, the farmers who have joined or those registered for pensions can access to the following additional benefits. a) Loan Waiver: One-time agricultural loan waiver of up to INR. 1, 50,000 is available to all farmers who have outstanding agricultural loans. b) Loans for self-employment: Interest free loan of up to INR. 25, 00,000 is available to all poor families for setting up any self-employment avengers (below INR. 60,000 and 75,000 annual income in rural or urban areas respectively). c) Education and Health: Free education and health facilities are available to all those residing as on 8th December, 2014. d) Old age

Development” for assurances by Andhra Pradesh Capital Region Development Authority (APCRDA).

10. The Land Pooling Scheme also promises to reserve 10% of the land pooled for parks, playgrounds, gardens and other spaces in the new city; 30% for roads and utility services; 5% for social infrastructure (schools, health, and community services); and 5% for affordable housing for the poor.¹⁴

Implementation of the Land Pooling Scheme

11. The Land Pooling Scheme regulations entered into force on 1 January 2015, and the scheme is managed by the APCRDA. Although the government characterizes the scheme as voluntary, many farmers were intimidated and economically coerced into pooling their land. Tactics included setting short deadlines for participation in the LPS, which were subsequently and repeatedly extended; threats to acquire the land under the regulations of the Land Acquisition Act of 2013, which would provide compensation far below the actual market value of the farmers’ land; and threats to provide the ten-year annuity (described in paragraph 8) only to those farmers who signed up for the LPS prior to May 1, 2015.¹⁵

12. Farmers who expressed opposition to the LPS were also intimidated and harassed. In December 2014, banana plantations were set on fire in six villages in which the majority of residents opposed land pooling.¹⁶ Since then, there have been additional instances of fires and destruction of crops on land owned by farmers who have refused to participate in the LPS.¹⁷ Many of these incidents are detailed in Attachment 9, which is an article published in Economic & Political Weekly, Vol Li No 17, on 23 April 2016, titled “Making of Amaravati - A Landscape of Speculation and Intimidation”.

13. Further, there has been a heavy police presence in the Amaravati area since land pooling began, and police have interrogated, detained, harassed, assaulted, and intimidated residents.¹⁸ More than 3,000 farmers were interrogated and assaulted to make them sign up for the LPS.¹⁹ The police threatened that if the farmers do not pool their land, the police will file cases on

homes will be established to take care of aged of above 65 years; e) Subsidised canteens: To provide food at very subsidised rates f) Wage Employment. Social Development wing is exploring possibilities to engage the farmers under LPS throughout 365 days a year per family under MGNREGA unlike the actual 100 working days per year. g) Establishment of skill development institution to provide training with stipend to enhance the skills of cultivating tenants, agricultural labourers and other needy persons.” Revised RPF, p. 42.

¹⁴ Attachment 20, p. 16.

¹⁵ Attachment 19, para. 3.

¹⁶ See, e.g., <http://epaper.newindianexpress.com/c/13764387> and <http://www.newindianexpress.com/states/andhra-pradesh/2016/oct/07/crda-officials-deny-testing-farmers-again-1525759.html>

¹⁷ <http://www.thehindu.com/todays-paper/tp-national/tp-andhrapradesh/revenue-officials-raze-ryots-plantation-by-mistake/article7969048.ece> <http://epaper.newindianexpress.com/c/13764387>

¹⁸ E.g., “the AP government has relied heavily on using police as an instrument of coercion and intimidation along with several tactics which have come to be locally known as the “mind game” which has, probably, few parallels in India in recent years.” *The Making of Amaravati*, p. 71.

¹⁹ “Farmers signed under duress, say activists,” *The Hindu* (01 September 2015), available at <http://www.thehindu.com/todays-paper/tp-national/tp-andhrapradesh/farmers-signed-under-duress-say-activists/article7601392.ece> (accessed in May 2017).

them. Six police battalions were called into action. They moved from village to village with AK 47s and machine guns. Refer to the references in Attachment 9 for more details.

14. The Government of Andhra Pradesh and APCRDA failed to respond to the objections submitted by farmers who refused to participate under LPS. Refer to Attachment 7, summarising the objections on LPS. Concerns also have been raised about the impact of the LPS on marginalized groups, including the Scheduled Castes, the Dalit, agricultural laborers, and landless families. Refer to Attachment 10 for more details.

15. Many farmers have not consented to participate in the LPS, and some of these farmers, including Requester #3, have now been notified that their land will be acquired under the Land Acquisition Act. These farmers have filed multiple cases in the high court. In April 2017, the High Court issued a stay on land acquisition in Requester #3's village, and the High Court also directed the authorities to cease its efforts to mark land that has not been acquired under the LA Act.²⁰ Refer to Attachment 11 for more details on the ongoing cases.

16. 90% of farmers in the capital city area have signed legal documents indicating their intent to participate in the LPS. However, only ten farmers have completed the legal steps necessary to transfer their land rights (title deeds) to the State.²¹ The other farmers have not yet completed those steps, and are unwilling to do so because of the lack of legal guarantees about the location of their developed plots and the infrastructure that each "developed plot" will contain. Further, many farmers are concerned that there is no market value specified for the developed plots in the registration documents. Refer to Attachment 22, for sample copy of a land registration document that doesn't contain registration value. This is illegal as per Indian Stamps act 1899 for title transfer.

17. Many of the additional benefits that the LPS promises to participants—such as job training and wage employment—have not been implemented. Further, although the LPS promises to allocate 5% of land pooled to affordable housing for the poor,²² only 1,680.9 acres have been allocated in the Draft Detailed Master Plan for "weaker section housing" (i.e., for those living below the poverty line).²³

II. The ASCCDP Project

18. ASCCDP aims to "to build sustainable urban services and capacity of urban institutions for the development of Amaravati capital city."²⁴ The project is classified as Category A, and will involve three components: Component 1 supports basic urban and pro-poor infrastructure, which consists of construction of city roads and utility corridors, as well as village infrastructure development; Component 2 will finance sustainable urban investments, consisting of flood mitigation for the "Kondaveeti Vagu" water canal, a sewerage system, and a solid waste management system; and Component 3 provides technical assistance for

²⁰ Attachment 11, WRIT PETITION No. 13003 OF 2017.

²¹ A recent news article reported that only seven farmers have completed these steps.

<http://epaper.sakshi.com/1218099/Guntur-Amaravathi-District/24-05-2017#dual/10/1>

²² Attachment 20, p. 16.

²³ See Attachment 3.

²⁴ PID/ISDS, p. 7.

“efficient urban governance and sustainable service delivery.” The Andhra Pradesh Capital Region Development Authority (APCRDA) is the implementing agency for the Project.

19. The PID/ISDS describes the Land Pooling Scheme as a “voluntary” scheme²⁵ that “seeks to avoid any major displacement; consequently, about 25 existing villages within the 217 sq.km would remain within the capital city and gradually get integrated into the urban fabric of the new Capital city.”²⁶ According to this document, 90% of the land required for developing the city has already been pooled,²⁷ and the LPS is “substantially completed.”²⁸ The PID/ISDS states that OP/BP 4.12 applies to all land used for the ASCCDP, including land already acquired through the Land Pooling Scheme. Because the LPS is “substantially completed,” due diligence will consist of “an independent implementation assessment of LPS Scheme to assess its implementation outcomes to date, hear the reactions of those who have participated in LPS and identify measures required to strengthen its implementation process during the remaining implementation period as applicable to sub-projects.”²⁹

20. As of May 10, 2017, a draft SESA-ESMF and RPF are available on the World Bank’s website. Both documents state that they have been “revised pursuant to public consultation workshop.” On 19 January 2017, the APCRDA held the only “public consultation workshop” on the ASCCDP, which covered both the 200-page SESA-ESMF and the 200-page RPF. Only 150 potentially affected people³⁰ (out of an estimated 127,505 people³¹ affected by the Amaravati Capital City) attended this workshop on 19 January 2017. There was a presence of at least 40 police personnel, who intimidated stakeholders, and Requester #1 and other farmers were turned away forcefully.³² The draft SESA-ESMF and RPF also were made available for public comment on the CRDA website, which set a fifteen-day time window “from the date of this publication” for the submission of “suggestions and concerns.” The CRDA only received five submissions.³³

21. The “independent implementation assessment” of the LPS still has not been completed, and information about the independent assessment has not been distributed in the Amaravati area. In October 2016, Requester #1 was approached by two individuals, [REDACTED] and [REDACTED] who claimed that they had been appointed World Bank. Requesters contacted World Bank management in Delhi, and only at that time did the Requesters learn that an assessment was underway.³⁴ Requesters also are concerned that the assessment is not being conducted in an independent manner. APCRDA is both the ASCCDP implementing agency and the agency that is responsible for managing the Land Pooling Scheme. APCRDA’s role in selecting and managing the two assessors is not clear. Further, APCRDA has been accompanying the assessors to the villages, which is not compatible with an independent assessment process and negates the purpose of retaining third-party assessors.

²⁵ PID/ISDS, p. 11.

²⁶ PID/ISDS, p. 4.

²⁷ PID/ISDS, p. 4.

²⁸ PID/ISDS, p. 12.

²⁹ PID/ISDS, p. 12

³⁰ RPF, p. 181.

³¹ See Attachment 3, *Draft Detailed Master Plan of Capital City AMARAVATI - Report*, p. 32.

³² See <https://youtu.be/LFNEbCNYoGA>.

³³ RPF, p. 180.

³⁴ Attachment 12 contains a record of the email communication between the Requesters and Bank management in Delhi.

22. Requesters have felt harassed, as opposed to consulted, by the assessors and purported World Bank staff. For example, on April 24, 2017, several individuals visited Requester #2's [REDACTED] house. These individuals stated that they were representatives of the World Bank and asked about the reasons that Requester #2's [REDACTED] family refused to participate in the LPS.

III. Harms to the Requesters

23. Each of the Requesters owns agricultural land in Amaravati, which they rely on for their livelihoods, and none of the Requesters has joined the Land Pooling Scheme. The Requesters have and are likely to experience harm as a result of the ASCCDP, including mental harm, economic harm, food insecurity, and environmental harm.

24. *Mental harm due to continued inadequate access to information and consultation, as well as threats and harassment:* The coercion and intimidation involved in the land pooling process, combined with a lack of adequate access to information and consultation, has caused significant psychological stress for the Requesters. Further, the intimidating atmosphere around the consultation “workshop” for the proposed ASCCDP, as well as the instances in which individuals purporting to represent the World Bank have approached the Requesters and members of their family, also has caused psychological stress for the Requesters. The Requesters fear that this harm will continue under the ASCCDP project.

25. *Loss of livelihood:* As a result of the ASCCDP, the Requesters will be forced to either pool their land under the LPS or their land will be acquired by the State under the Land Acquisition Act. The Requesters fear that either option will result in the loss of their livelihoods. If the Requesters join the Land Pooling Scheme, the LPS does not provide adequate benefits to restore the Requesters' livelihoods, nor does it provide adequate legal guarantees to ensure that promised benefits will be delivered. LPS documents do not specify a period of time within which pooled land must be returned to LPS participants as developed plots.³⁵ Further, the government has estimated that the Amaravati Capital City Project will take 35 years to complete,³⁶ but the government only provides a ten-year annuity to LPS participants, agricultural laborers, and landless families. Thus, there may be a gap between when the annuity ends and when land is actually transferred back to participants. Furthermore, all these assumptions are based on the current Government ruling Andhra Pradesh. In case of any change in the government during 2019 elections, there is a risk that these benefits will not be realized, because the LPS has no legal basis.

26. If the State acquires the Requesters' land under the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Re-Settlement Act, 2013, #30 of 2013 (“LA Act”), the Requesters also will not receive compensation sufficient to restore their livelihoods or to purchase comparable replacement land. Under the LA Act, the State is obligated to compensate landowners based on the market price of the land.³⁷ However, the

³⁵ See Form 9.14, included in the draft SESA-ESMF.

³⁶ The SESA-ESMF that the CRDA submitted to the World Bank states that “Amaravati Capital City Development Project consists of multiple projects in three phases over a plan period of 35 years.” SESA-ESMF, p. 7.

³⁷ LA Act 2013, Chapter 4, Section 26 clearly states to consider whichever is higher among “1. Basic

basic land values in the registration offices have not been revised for the last five years. As a result, the registration value of the Requesters' land and the land in 25 villages across three *mandals* is far lower than the market value. For example, after the CRDA issued an acquisition notification for [REDACTED] land through newspaper publication on 22 July 2016 and through notice on 8 September 2016, the authorities awarded a market price of [REDACTED] per acre of land on 12 April 2017. However, the current market value is INR 16 million per acre.

27. *Food insecurity*: Amaravati consists of rare multi-crop irrigated land that produces 120 types of crops, and Requesters are concerned that the ASCCDP will create food insecurity in the region. The potential for food insecurity as a result of the Amaravati capital city project was noted in the 2014 *Report of the Expert Committee appointed by the Ministry of Home Affairs, Union of India to Study the Alternatives for a New Capital for the State of Andhra Pradesh*,³⁸ and the SESA-ESMF does not recognize that the primary use of the land in Amaravati is multi-crop irrigated land. Further, Andhra Pradesh has not complied with national legislation aimed to guarantee food security.³⁹

28. *Environmental harms*: Component 2 of the ASCCDP will affect the river Kondaveeti Vagu, and the fields adjacent to the riverbed are wetlands. However, the SESA-ESMF does not adequately address issues of wetlands, and APCRDA has not complied with national legislation designed to protect the wetlands.⁴⁰ In 2015, the National Green Tribunal also issued an order that put a stay on construction in Amaravati due to unresolved environmental concerns.⁴¹

IV. Noncompliance with Bank Policies

29. There is evidence that the potential harms above are a result of Bank management's failure to comply with the requirements of OP/BP 4.12 and OP/BP 4.01. These instances of noncompliance include, but are not limited to:

OP/BP 4.12:

30. *Failure to require a resettlement plan*. Bank management has used a Resettlement Policy Framework, rather than a full Resettlement Plan, for the ASCCDP. However, Bank documents suggest that the zone of impact of subprojects, and their siting alignments, can be determined. A detailed Master Plan and Infrastructure Master Plan are available for the city,⁴² and according to Bank documents, “[a]ll physical interventions related to these components

registration value as per books, or 2. Average sale price from 50% highest transactions, or 3. Highest Registered transaction value in the nearest vicinity”. But RPF, p. 43, states “Average sale price shall be by taking 50% of highest registration values for similar lands that took place 3 years prior to cutoff date. Cut-off date is the 1st notification under LA i.e. 11(1)”.

³⁸ Available at <http://www.cprindia.org/research/reports/report-expert-committee-new-capital-andhra-pradesh>

³⁹ In order to ensure the food security of each region of India, Section 10 of the 2013 LA Act requires the State government to set a district-wise limit for the minimum extent of agricultural land and the minimum extent of multi-cropped irrigated land, so that the land proposed to be acquired does not surpass those limits. However, the CRDA and the Government of Andhra Pradesh have not undertaken any study in this direction and not identified such limits.

⁴⁰ The Wetland Rules notified by the Union Ministry of Environment and Ramsar Convention on Wetlands. Attachment 15 provides more details about these concerns.

⁴¹ Attachment 18 contains the order of the NGT, and attachment 15 provides more details about these concerns.

⁴² Available at <https://crda.ap.gov.in/APCRDA/Userinterface/HTML/masterplansNew.htm>

will be situated on identified land parcels / stretches within the 217 sq.km. of Amravati city.”⁴³ The PID/ISDS identifies specific sets of roads and associated infrastructure for Component 1 of the ASCCDP,⁴⁴ and Component 2 will support flood mitigation for the Kondaveeti Vagu water canal, a sewerage system, and a solid waste management system.

31. *Failure to ensure meaningful consultation.* A single consultation “workshop” on both the draft RPF and the draft SESA-ESMF, combined with the intimidating presence of police forces and an unclear and short fifteen-day time frame for the submission of written comments, does not constitute a meaningful consultation process under OP 4.12. When the Requesters raised concerns about the consultation process with Bank management, management responded that the process was “conducted in a free and fair manner, except for a brief stoppage wherein a section of farmers who are supportive of land pooling scheme tried to interrupt a speaker from criticizing land pooling related impacts. But the situation was quickly brought under control and the speaker was allowed to complete his response.”⁴⁵ A new version of the RPF and the SESA-ESMF are now posted on the Bank’s website, and specify that each document has been “revised pursuant to public consultation workshop.”

32. *Failure to accurately assess the nature and magnitude of project-related displacement⁴⁶ and to adequately ensure that use of land previously acquired through the LPS complies with OP 4.12.* The PID/ISDS states that the “Land Pooling Scheme (LPS) is substantially completed.”⁴⁷ However, as described in paragraph 16 above, the LPS is not “substantially completed,” and the legal steps necessary to complete the process have not yet occurred. This inaccurate assessment has led to the incorrect Bank determination that a “due diligence” approach consisting of “an independent implementation assessment of LPS Scheme to assess its implementation outcomes to date, hear the reactions of those who have participated in LPS and identify measures required to strengthen its implementation process during the remaining implementation period as applicable to sub-projects” is the appropriate method to evaluate the LPS.⁴⁸ This approach is not adequate to assess the compliance of the LPS with OP 4.12. Further, the Bank has not taken steps to ensure that this “independent implementation assessment” is being conducted independently,⁴⁹ nor has it established an independent advisory panel on resettlement for the ASCCDP, as recommended under OP 4.12 for projects that are highly risky or contentious.⁵⁰

⁴³ ISDS, section D., para. 1.

⁴⁴ Component 1 of the ASCCDP will support “the first set of high priority city roads within this network--this includes construction of 107 Km of sub-arterial roads and 6 Km of main arterial roads, along with utility ducts for water, sewerage, drains and other utilities such as communications, telecom and power etc. in the Capital city area for providing connectivity to the key land parcels.” Component 1 of the ASCCDP also will support “upgrading of infrastructure in the 25 villages noted above (water, sewerage, village roads, drains and connectivity to trunk infrastructure, etc.), and seamlessly integrating them into the trunk infrastructure of Amravati city.” PID/ISDS, page 8.

⁴⁵ See Attachment 14.

⁴⁶ “The TT summarizes in the Project Concept Note (PCN) and the Project Information Document (PID) available information on the nature and magnitude of displacement and the resettlement instrument to be used.” BP 4.12, para 4.

⁴⁷ PID/ISDS, p. 12

⁴⁸ PID/ISDS, p. 12

⁴⁹ In this regard, see Attachment 12 and Management’s response to Requesters’ concerns.

⁵⁰ “For projects that are highly risky or contentious, or that involve significant and complex resettlement activities, the borrower should normally engage an advisory panel of independent, internationally recognized

33. *Inconsistency with the objectives of OP 4.12:* Bank management has not taken steps to avoid or minimize involuntary resettlement,⁵¹ and has instead responded to concerns about involuntary resettlement by stating that individuals affected by the ASCCDP have two options: “you may opt to participate in the Land Pooling Scheme (LPS) or under Land Acquisition (LA).”⁵² The compensation and the limited annuities for the transition period provided by both the LPS and the LA Act do not “provid[e] sufficient investment resources to enable the persons displaced by the project to share in project benefits.”⁵³ Lastly, the Bank’s due diligence approach to the LPS does not incorporate measures to restore the livelihoods of landowners, assignees, agricultural laborers, and vulnerable groups who the LPS already has affected, and who will only receive annuities for ten years under the rules of the LPS.⁵⁴

OP/BP 4.01:

34. *Failure to ensure meaningful consultation:* As a result of the lack of a meaningful consultation process (described in paragraph 31), the Requesters’ concerns were not incorporated into the revised SESA-ESMF for the project, and Requesters face the potential harms described in Section III.

Compliance of the draft revised SESA-ESMF and RPF with OP 4.12 and OP 4.01:

35. *Proposed compensation does not cover replacement cost.* The revised RPF sets an amount of compensation that does not meet OP 4.12’s standard of replacement cost. As described in paragraph 26, the RPF’s process for valuation of land to be acquired is based on values that have not been revised in five years. Requesters submit that valuation under the LA Act should be based on the market value of transactions that have taken place in a fair and transparent manner over the last three years. Specifically, the market value should be multiplied by at least a factor of two, and 80% of the land to be paid at market value and as per first schedule, and return 20% of the developed land in par with the offer under LPS.⁵⁵

36. *Lack of analysis of project alternatives:* The SESA-ESMF states only that there will be an analysis of project alternatives for future sub-projects, rather than an analysis of alternatives to the Amaravati Capital City project. In this regard, there is a detailed report produced in 2014 by an expert that proposes alternative designs for the city, including the decentralization of governance by locating government offices at regional centers.⁵⁶

resettlement specialists to advise on all aspects of the project relevant to the resettlement activities.” OP 4.12, note 23.

⁵¹ OP 4.12, para. 2(a).

⁵² Attachment 16.

⁵³ OP 4.12, para. 2(b).

⁵⁴ OP 4.12, para. 2(c)

⁵⁵ Following the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013, #30 of 2013, all the four schedules are interlinked. As per first schedule, the land owners will be compensated market price and solatium for the area of land. In addition to the compensations under first schedule, the second schedule #3 i.e. offer for the developed land “In case the land is acquired for urbanisation purposes, twenty per cent. of the developed land will be reserved and offered to land owning project affected families, in proportion to the area of their land acquired and at a price equal to the cost of acquisition and the cost of development: Provided that in case the land owning project affected family wishes to avail of this offer an equivalent amount will be deducted from the land acquisition compensation package payable to it.”

⁵⁶ Available at http://www.cprindia.org/sites/default/files/policy-briefs/ExpertCommittee_CapitalAP_Final.pdf

37. *Inadequate identification of environmental issues.*⁵⁷ The revised SESA-ESMF states that “the ecological profile consists of agricultural areas, wetlands/water bodies (irrigation ponds and rivulets), rocky outcrops and riparian/riverine zone along the River Krishna. There are no ecologically sensitive areas present in the Amaravati Capital City area. However, the study identified the following ‘hotspots’: wetlands, rocky outcrops, and, riparian zone of River Krishna.”⁵⁸ However, the SESA-ESMF does not include the recommendations made in the main EIA-EMP for Amaravati, which makes a number of recommendations related to water bodies, wetlands, and the River Krishna.⁵⁹

V. Prior interactions with Management

38. The Requesters have informed the APCRDA, World Bank management, and the World Bank GRS about their concerns through a series of emails and meetings (refer to Attachments 12 - 16). Following the invitation of CRDA, a few farmers attended the “Public Consultation Workshop” to express their objections on SESA-ESMF and the draft RPF. However, the revised drafts that were posted on the World Bank’s website,⁶⁰ which specified that they had been “revised pursuant to Public Consultation Workshop,” did not address the Requesters’ concerns. The World Bank also has not taken any action to address the concerns the Requesters have raised, including the objections on SESA-ESMF and RPF in attachment 15.

VI. Requested Measures

39. The Requesters believe that there is cause for concern about whether it is possible for the Bank to implement the ASCCDP in accordance with its policies and in the manner stated in the PID/ISDS. There is an urgent need for the Panel to open an investigation in order to address the Requesters’ concerns, ensure compliance with Bank policies, and avoid further harm.

40. The Requesters request that the Inspection Panel conduct an investigation into the policy violations described above and find that World Bank management must take steps to rectify these violations and resolve Requesters’ concerns. Such steps would include, but are not limited to:

- Delay the World Bank’s process of appraisal and convene a panel of independent experts to oversee the ASCCP and ensure that it is implemented in accordance with World Bank policies and procedures.
- Revise the Bank’s approach to conducting due diligence on the LPS. The Bank should approve terms of reference for a truly independent analysis of the LPS that identifies steps needed to remedy past noncompliance with OP 4.12 and ensure future compliance with OP 4.12., including legal guarantees for participants in the LPS.

⁵⁷ BP 4.01, para. 3

⁵⁸ SESA-ESMF, p. 29.

⁵⁹ See Attachment 17. It also is available at

<https://crda.ap.gov.in/apcrdadoes/Environment/Environmental%20Clearance/EIA%20report%20Amaravati%20from%20EC.pdf>

⁶⁰ <http://documents.worldbank.org/curated/en/650051486971245674/pdf/SFG3009-EA-P159808-Box402887B-PUBLIC-Disclosed-2-10-2017.pdf> and <http://documents.worldbank.org/curated/en/956761486979973088/pdf/SFG3020-RP-P159808-Box402887B-PUBLIC-Disclosed-2-10-2017.pdf>

- Ensure that the process of land acquisition complies with World Bank policies and with national legislation, and ensure that the final environmental and social documentation for the project incorporates Requesters' concerns.
- Ensure that future consultation processes are conducted in a free, fair, and meaningful manner.

Signature:



Date: 22 May 2017

Signature:



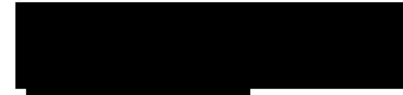
Date: 22 May 2017

Signature:



Date: 22 May 2017

Signature:



Date: 22 May 2017

ANNEX 1: Requesters' Statement

1. We, [REDACTED] (Requester #1), [REDACTED] (Requester #2), [REDACTED] (Requester #3), and [REDACTED] (Requester #4) request that the Inspection Panel investigate the World Bank's compliance with its operational policies and procedures regarding the Amaravati Sustainable Capital City Development Project (ASCCDP).

2. We own land and live in the area known as [REDACTED], India. Our land is within the Master Plan for Amaravati Capital City, and is likely to be a part of the ASCCDP and/or affected by other activities related to the ASCCDP. [REDACTED] owns [REDACTED] of agricultural land in [REDACTED], and [REDACTED] owns [REDACTED] acres of agricultural land in [REDACTED]. [REDACTED] is President of the [REDACTED], which has a membership of 1600 farmers in the Amaravati Capital City area.

3. We do not authorize the Inspection Panel to disclose our identities as we have a fear of retaliation because of our interaction with the Inspection Panel.

Our Addresses and Contact Details

1. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

2. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

3. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

4. [REDACTED]
[REDACTED]



ANNEX 2: Additional References

- Videos <https://youtu.be/8x5z42yt6mQ> and <https://youtu.be/gD77QUyL0Fc> shows the concerns from farmers on the Amaravati Project.
- Coercion tactics of the Government - [youtube.com/watch?v=h5cwX5OvZ0M&t=25s](https://www.youtube.com/watch?v=h5cwX5OvZ0M&t=25s) and [youtube.com/watch?v=72-E4lyCfKg](https://www.youtube.com/watch?v=72-E4lyCfKg)
- Amaravati 360: Farmers rail against AP's land pooling scheme; By:Swati Sanyal Tarafdar: <http://www.firstpost.com/long-reads/amaravati-360-farmers-rail-against-aps-land-pooling-scheme-3432440.html>

The following attachments to the Request for Inspection are available upon request:

Attachment 1	Draft Perspective Plan - 2050 APCRDA - Public Notice
Attachment 2	APCRDA Public Notice 12.26.2015
Attachment 3	Capital Maps
Attachment 4	Amaravati Capital City
Attachment 5	Objections Draft Perspective Plan - 2050 for APCRDA
Attachment 6	Objections on Master Plan
Attachment 6a	Amaravati Reveals How Public Projects in India Remain Dependent on Whims of Politicians
Attachment 7	Objections and Suggestions Summary Document 02Sep16
Attachment 9	Amaravati - A Landscape of Speculation & Intimidation
Attachment 10	Status paper Amaravati Capital Development and issues 29Jan17
Attachment 11	ongoing cases in NGT, courts
Attachment 12	Email with Bank Mgmt in Delhi on ASCI's Independent Assessment
Attachment 13	October 2016 Meeting with World Bank
Attachment 14	Email response from Bank Mgmt in Delhi on SESA-ESMF and RPF consultation process
Attachment 15	Objections on SESA -ESMF and RPF for Project ID P159808 15Jan17
Attachment 16	Communication with World Bank GRS
Attachment 17	EIA report Amaravati from EC
Attachment 18	National Green Tribunal Order
Attachment 19	GO no 75 issued on 04.14.2015
Attachment 20	MS GO No 1 - LPS Rules
Attachment 21	Facts Book
Attachment 22	Land_Registartion_documents
Attachment 23	CRFF Request for Inspection Panel intervention in Project ID P159808 26May17

Annex II

Management Response

**MANAGEMENT RESPONSE TO
REQUEST FOR INSPECTION PANEL REVIEW OF THE
INDIA: PROPOSED AMARAVATI SUSTAINABLE CAPITAL CITY
DEVELOPMENT PROJECT (P159808)**

Management has reviewed the Request for Inspection of the India: Proposed Amaravati Sustainable Capital City Development Project (P159808), received in two parts by the Inspection Panel on May 25 and May 27, 2017, and registered on June 12, 2017 (RQ17/04). Management has prepared the following response.

JULY 21, 2017

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Figures

- Figure 1. Map of the planned Amaravati City with villages to be included in the City limits (IBRD No. 43011)

Annexes

- Annex 1. Claims and Responses
Annex 2. Letter of Support to the LPS
Annex 3. Writ Petition and Supreme Court Judgement
Annex 4. Local Media Coverage on the Consultation Workshop

ABBREVIATIONS AND ACRONYMS

AIIB	Asian Infrastructure Investment Bank
AP	Andhra Pradesh
APCRDA	Andhra Pradesh Capital Region Development Authority
ASCCDP	Amaravati Sustainable Capital City Development Project
BP	Bank Procedure
EIA	Environmental Impact Assessment
EMP	Environmental Management Plan
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
IBRD	International Bank for Reconstruction and Development
ISDS	Integrated Safeguards Data Sheet
Km	Kilometer
LARR Act	Land Acquisition, Rehabilitation and Resettlement Act
LP	Land Pooling
LPS	Land Pooling Scheme
OP	Operational Policy
PID	Project Information Document
RAP	Resettlement Action Plan
RPF	Resettlement Policy Framework
SESA	Strategic Environmental and Social Assessment
SIA	Social Impact Assessment

Currency Unit – Indian Rupee (as of June 27, 2017)

USD 1 = INR 64.3860

INR 1 = USD 0.01550

EXECUTIVE SUMMARY

Inspection Panel Request and Background

- i. ***The proposed India: Amaravati Sustainable Capital City Development Project (ASCCDP or Project) aims to support the development of a new capital city for the state of Andhra Pradesh, Amaravati City. Specifically, the proposed Project would finance selected new infrastructure, upgrade existing village infrastructure, enhance climate resilience by improving flood mitigation, and build urban governance capacity to benefit current and future residents of selected areas within Amaravati City through improved urban services.*** In addition, current institutions, such as the implementing agency, as well as the institutions to be set up under the new Amaravati City government, would benefit from institutional development activities and technical assistance under the proposed Project.
- ii. ***Land for Amaravati City is being acquired by the Government of Andhra Pradesh through land pooling, negotiated settlements, or eminent domain.*** The majority (about 86 percent) of the land required for Amaravati City has been acquired through a Land Pooling Scheme (LPS), under which agricultural land is assembled from participating landowners, who transfer their land to the City, and subsequently receive in return smaller, but serviced and urbanized plots.
- iii. ***Given the significant urban development challenges facing India, the proposed Project could be an important step to develop and apply this innovative land use planning instrument in the Bank's engagement in the country.*** Land pooling has been successfully used elsewhere in India, Nepal and other countries (e.g., Australia, Canada, Europe, Japan, Korea, United States).
- iv. ***The proposed Project is in the process of preparation and has not yet been appraised, nor have safeguard instruments been finalized.*** The next step in the project cycle is the Decision Meeting, at which point Management will review the proposed Project scope and design and determine whether to authorize appraisal. This Decision Meeting is expected to be held later in 2017.
- v. ***The Requesters allege harm from the acquisition of land for the proposed new capital through the LPS and other means, and from activities related to the proposed Project.*** In their Request for Inspection, the Requesters note that they have not joined the LPS. The Requesters allege that they are being coerced into joining the LPS, and that land acquisition under either the LPS or under negotiated settlement and eminent domain would cause them harm related to their livelihoods, the environment, food security, resettlement and lack of consultation.

Management's Response

- vi. ***Management understands the concerns of the Requesters regarding compensation for land which is acquired for the development of Amaravati City.*** Management has carefully reviewed the allegations made by the Requesters and will ensure that any Bank support for the proposed Project complies with Bank policy. Management

has agreed with the Borrower on an Action Plan that aims to address concerns raised in the Request.

vii. ***Management will decide whether to move ahead with the proposed Project only after appropriate analysis of potential Project risks and impacts has been undertaken, and adequate mitigation measures to address them have been developed and consulted upon to the satisfaction of the Bank.*** Before the Decision Meeting, Management commits to completing safeguard documents that have been appropriately consulted upon and include an analysis of the land acquisition process under the proposed Project, including the LPS, negotiated settlement and eminent domain; an assessment of the proposed Project investments within Amaravati City; and an assessment of the potential environmental and social risks and impacts and how these would be addressed under the proposed Project. Also before the Decision Meeting, Management will work with the Borrower to complete a plan for ongoing consultation, establish a robust project-level grievance redress mechanism and citizen advisory committee, as well as an enhanced communication strategy for the proposed Project and its safeguard aspects.

viii. ***Management takes the Requesters' claims of coercion very seriously and emphasizes that it does not condone any form of coercion.*** Management has reached out to landowners specifically named in some of the coercion allegations, who have assured the Bank that they were not subjected to or aware of any coercion attempts. The Bank has increased its presence in Amaravati by expanding the number of visits to villages in the area to have more opportunities to consult with affected people and to gather more insight into the coercion allegations. Management is also in the process of hiring an independent party to carry out interviews and consultations in local villages to obtain additional information regarding this issue.

ix. ***Going forward, Management will work with Government authorities, the implementing agency, and the communities to ensure a free and meaningful stakeholder engagement process.*** Management will convey to the Government that proactive and open stakeholder engagement, free from coercion, is a prerequisite for Bank support for a project, and that Management expects stakeholder input to be considered in project design. Management will work with the implementing agency to put measures in place to facilitate such stakeholder engagement, including the citizen advisory committee and project-level grievance redress mechanism to receive and process stakeholder input and complaints during project preparation and implementation. The Bank will also work with local organizations that are trusted by the communities or with independent third-party monitors to gather views of stakeholders and to identify potential problems early in the process.

x. ***Management remains committed to ensuring that potential impacts of the proposed Project on livelihoods, resettlement, environment and food security are appropriately assessed, and that any identified impacts are managed in accordance with Bank policy.*** Management will confirm that the proposed Project complies with Bank policy before deciding whether to move forward with Bank support.

xi. ***Management has made no decision yet whether to finance the proposed Project. Management notes that the proposed Project is still at an early stage of preparation and therefore substantive application of Bank policies and procedures has not yet taken place.*** Management will decide whether to move ahead with the proposed Project only after

appropriate analysis of potential Project risks and impacts has been undertaken and adequate mitigation measures to address them have been developed and consulted upon to the satisfaction of the Bank.

I. INTRODUCTION

1. On May 25, 2017, the Panel received a Request for Inspection of the proposed India: Amaravati Sustainable Capital City Development Project (the Project).¹ On May 27, 2017, the Panel received another communication in support of the Request. The two Requests were registered together as a single request on June 12, 2017 (RQ17/04).

2. *Structure of the Text.* The document contains the following sections: Section II presents the Request; Section III provides an overview of the proposed Project; Section IV contains Management's response and Section V is the conclusion. Annex 1 presents the Requesters' claims, together with Management's detailed responses, in table format. Annex 2 contains a letter of support for the proposed Project, Annex 3 provides excerpts from a Supreme Court filing and decision, and Annex 4 includes examples of local media coverage of Project-related consultations.

II. THE REQUEST

3. The Request for Inspection (the Request) was submitted by landowners from the area known as Amaravati in Andhra Pradesh, India (the Requesters). The Requesters allege harm from the acquisition of land required for the proposed new Amaravati City, in particular from land acquisition through land pooling, and from other activities related to the proposed Project. The Requesters claim harm related to their livelihoods, the environment, food security, resettlement and lack of consultation resulting from the alleged non-compliance of the Bank with its environmental and social policies in preparation of the proposed Project. In their Request for Inspection, the Requesters note that they have not joined the land pooling scheme (LPS) that is a focus of the Request.

4. The Request included two annexes with the signatures of four Requesters and their statements, and additional references, including links to videos and an article. The Requesters asked that their identity remain confidential. In addition, there were 23 attachments of reports, media articles, and court documents related to the planned construction of Amaravati City:

- Attachment 1 Draft Perspective Plan - 2050 APCRDA - Public Notice;
- Attachment 2 APCRDA Public Notice 12.26.2015;
- Attachment 3 Capital Maps;
- Attachment 4 Amaravati Capital City;

¹ On October 8, 2016, the Panel had received an initial Request for Inspection on the proposed Project. It issued a Notice of Non-Registration on December 19, 2016, on the basis that the proposed Project was in early stages of preparation and at the time there was no action or omission by the Bank that could plausibly be linked to the alleged harms.

India

- Attachment 5 Objections Draft Perspective Plan - 2050 for APCRDA;
- Attachment 6 Objections on Master Plan;
- Attachment 7 Amaravati Reveals How Public Projects in India Remain Dependent on Whims of Politicians;
- Attachment 8 Objections and Suggestions Summary Document 02Sep16;
- Attachment 9 Amaravati - A Landscape of Speculation & Intimidation;
- Attachment 10 Status Paper Amaravati Capital Development and Issues 29Jan17;
- Attachment 11 Ongoing cases in NGT, courts;
- Attachment 12 Email with Bank Mgmt in Delhi on ASCI's Independent Assessment;
- Attachment 13 October 2016 Meeting with World Bank;
- Attachment 14 Email response from Bank Mgmt in Delhi on SESA-ESMF and RPF consultation process;
- Attachment 15 Objections on SESA-ESMF and RPF for Project ID P159808 15Jan17;
- Attachment 16 Communication with World Bank Grievance Redress Service;
- Attachment 17 EIA Report Amaravati from EC;
- Attachment 18 National Green Tribunal Order;
- Attachment 19 GO No 75 issued on 04.14.2015;
- Attachment 20 MS GO No 1 - LPS Rules Facts;
- Attachment 21 Facts Book;
- Attachment 22 Land Registration documents; and
- Attachment 23 CRFF Request for Inspection Panel intervention in Project ID P159808 26May17.

5. The Requesters' claims, accompanied by Management's detailed responses, are provided in Annex 1.

III. THE PROJECT

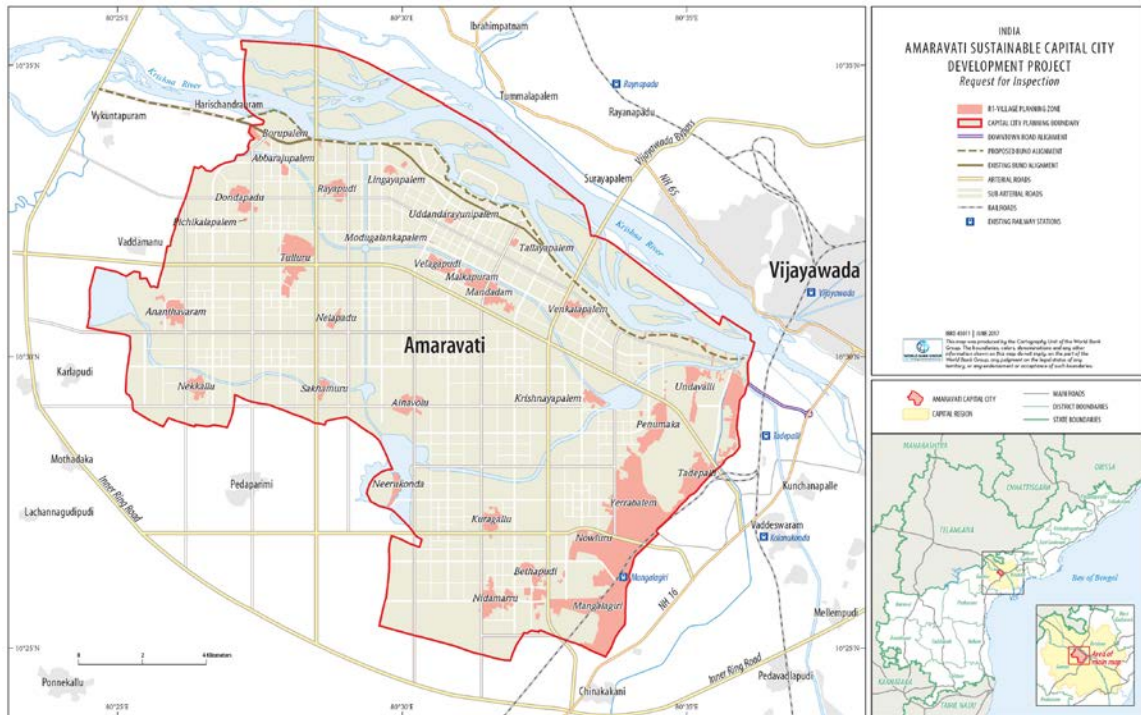
6. **Context.** The Bank is currently preparing the proposed Project, following the request of the Government of India and the state of Andhra Pradesh (AP) in May 2016. The proposed Project would be financed by an IBRD loan of US\$300 million, with co-financing through a US\$200 million loan from the Asian Infrastructure Investment Bank (AIIB). The proposed Project would focus on supporting the development of selected infrastructure and provision of technical assistance in connection with the Government of AP's ongoing development of a new capital, Amaravati City.

7. Amaravati City is being developed as the new capital following the bifurcation of the state of AP in 2014. The site for Amaravati City was strategically selected by the Government of AP in late 2014, based on the area's historical significance and its economic potential, specifically a strong network of transport infrastructure, proximity to several major economic centers, good access to a skilled labor workforce and water to cater to a growing urban population. The development of Amaravati City is underway and some construction has commenced, including some roads for which retroactive financing may be sought under the proposed Project. A map of the planned capital city is included in Figure 1.

8. The Andhra Pradesh Capital Region Development Authority (APCRDA)²— a newly created institution chaired by the Chief Minister of the state — has been charged with responsibility for planning and overseeing the development of Amaravati City. To establish the APCRDA, the Government of AP enacted the APCRDA Act in 2014, which also incorporated the LPS for land acquisition in development of the City. Subsequently, the APCRDA developed, with the support of the Government of Singapore, a Master Plan for Amaravati City covering 217 km². This Master Plan was approved in February 2016. The Bank began preparation of the proposed Project in May 2016. Therefore, the choice of location for the City, the LPS, and the Master Plan all preceded Bank involvement.

² APCRDA is also the implementing agency for the proposed Bank-financed Project.

Figure 1. Map of the planned Amaravati City with villages to be included in the City limits (5-10 percent of total land would be used for the proposed Bank-supported Project)



Source: Based on [Amaravati Master Plan](#)

9. **The proposed Bank-financed Project is currently under preparation and is at the pre-appraisal stage.** The next step in the project cycle is the Decision Meeting, when Management will review the proposed Project scope and design and decide whether to authorize appraisal. This Decision Meeting is expected to be held later in 2017.

10. **The currently proposed objective of the Project is to finance selected new infrastructure, upgrade existing village infrastructure, enhance climate resilience by improving flood mitigation, and build urban governance capacity.** Should the Bank decide to move ahead with the proposed Project, Bank-supported investments are expected to involve 5-10 percent of the total land area identified in the Master Plan for the development of Amaravati City. Current and future residents (at least 40 percent of whom would be women) of the selected areas within Amaravati City would benefit from the proposed Project through improved urban services, including city roads. In addition, current institutions such as APCRDA, as well as the institutions to be set up under the new Amaravati City government, would benefit from institutional development activities and technical assistance under the proposed Project.

11. **Project Components.** As currently envisaged, the proposed Project would have three components:

- **Component 1: Basic Urban and Pro-Poor Infrastructure.** The objective of this

component would be to support the construction of priority transport corridors, the upgrading of selected infrastructure of 24 villages and their integration into the development of Amaravati City. This component proposes to finance: (i) the construction of about 145 km of high-priority sub-arterial roads to facilitate internal connectivity as well as connectivity to the wider region, as part of the planned network of roads under the Amaravati Master Plan; and (ii) the upgrading of infrastructure in selected villages and their integration into the trunk infrastructure of Amaravati City. The infrastructure investments within villages would focus on upgrading water supply, sewerage, village roads, telecommunications, power, and drainage. To date, about 10 priority roads, which would amount to roughly 30 percent of the total proposed Project investments, have been identified for potential Bank support. These roads would require about 1,140 acres (less than 5 percent of total land required for the City). Of the land that would be required for the roads, 94 percent would come from the LPS, with the remaining 6 percent to be acquired through negotiated settlement or land acquisition using eminent domain. Expenditures incurred within one year prior to the expected loan signing date could be considered for retroactive financing, subject to satisfactory compliance with environmental and social safeguards.

- ***Component 2: Green Climate Resilient Flood Mitigation.*** The objective of this proposed component would be to build sustainable and climate resilient infrastructure in Amaravati City by supporting its integration with the natural surroundings, riverfront, and greenery. This component would finance: (i) flood mitigation works that include improving the carrying capacity of 26.5 km of the Kondaveeti Vagu River and its inflowing streams, including Erravagu, Kootella Vagu, Ayyannavagu and Palavagu; and (ii) strengthening of the Krishna River embankments and development of a green shield of trees along the river bank.
- ***Component 3: Institutional Development.*** The objective of this proposed component would be to provide advisory support for the institutional development of Amaravati City, and capacity building for efficient urban governance and sustainable service delivery. This component would finance support based on the following three pillars: (i) *Institutional Development*, including a *sustainable governance framework*, for utility companies, the Amaravati local government, and a metropolitan governance arrangement; (ii) *Program and Project Management* support, to plan, develop, implement and manage sustainable urban infrastructure; and (iii) *Citizen Engagement and Benefit-Sharing*, including an e-government platform; and a skill building program for landowners, their families and other stakeholders to seize economic opportunities created by the new city. Technical assistance under this Component would also support affordable housing.

12. ***Environmental and social safeguards.*** Given that the proposed Project would involve greenfield development of urban infrastructure, and that the proposed investments would involve substantial land acquisition and physical displacement, the proposed Project is categorized as Category A as per OP 4.01 (Environmental Assessment). The safeguard documents required for the proposed Project include: (i) a Strategic Environmental and Social Assessment – Environmental and Social Management Framework (SESA-ESMF);

(ii) a Resettlement Policy Framework (RPF); (iii) site-specific Environmental and Social Management Plans (ESMPs); and (iv) site-specific Resettlement Action Plans (RAPs).

13. As part of the Bank's due diligence, a draft SESA-ESMF and draft RPF have been prepared by the APCRDA. The framework approach reflects the early stage of planning as the proposed Project is not yet fully defined. The Bank has reviewed both documents and provided comments. The Bank will decide on whether to move ahead with the proposed Project only after both documents have been finalized to the satisfaction of the Bank.

- The *draft SESA-ESMF* outlines the environmental and social policies and procedures that would be applicable to the proposed Project. It also describes the procedures to be followed when site-specific ESMPs would be developed and when mitigation measures for environmental and social impacts of the proposed Project would be designed.
- The *draft RPF* analyzes the compliance of the Government of AP's approach to land acquisition through land pooling, negotiated settlements, and eminent domain with Bank policy, and identifies gaps and measures to address them. These measures would be implemented through site-specific RAPs. It also outlines the principles, objectives and processes to be followed for preparation of the site-specific RAPs, as and when investments are identified.

14. Where possible locations for infrastructure that could be supported by the Project have been identified, site-specific ESMPs and RAPs are under preparation and expected to be consulted upon and finalized later this year, prior to appraisal. Stakeholder feedback received during consultations would be integrated into the final documents.

15. If the Bank decides to move ahead with the proposed Project, Bank-supported investments would have to comply with site-specific RAPs, site-specific Environmental Impact Assessments (EIAs) and site-specific ESMPs, and would include a functional grievance redress mechanism (GRM).

16. The Government of AP has established a three-level GRM. Complainants can turn to a village's land acquisition authority, the district's Joint Collector, who is the Project Administrator, and the state's Resettlement and Rehabilitation (R&R) Commissioner. A separate, project-level GRM will be established for the proposed Bank Project and will include independent members not associated with the proposed Project.

Background: Land Acquisition Approach for Amaravati City and the Proposed Project

17. India's Land Acquisition, Rehabilitation and Resettlement Act of 2013 (LARR Act 2013) is recognized as among the most progressive land acquisition laws in the world. It allows state governments to formulate alternative state-specific laws and policies that may offer higher compensation, as well as better resettlement and rehabilitation benefits to people affected by land acquisition, relative to those that would be offered under the LARR Act 2013. People affected by land acquisition processes are entitled to choose their

compensation from either the LARR Act 2013, or from applicable state-specific laws and policies.

18. At the request of the Government of India, and outside of the context of the proposed Project, the Bank carried out a review of the LARR Act 2013 and found it to be largely consistent with its policy for involuntary resettlement. Gaps between the LARR Act 2013 and Bank policy have been identified regarding: (i) the valuation of structures with depreciated amount; (ii) cut-off date requirements for eligibility of certain categories of affected people such as those depending on the affected lands; and (iii) assistance to those affected using public lands (for example, squatters). The draft RPF addresses these gaps. For example, the draft RPF provides a mechanism to pay differential amounts by way of special assistance to landowners whose lands would be used for the proposed Project.

19. To develop Amaravati City according to the Master Plan, the Government of AP needs to acquire and assemble 217 km² of land. Land acquisition is governed by a legal framework consisting of the LARR Act 2013, the APCRDA Act 2014, and the Andhra Pradesh Government Order of April 2017. For compensation and mitigation of land acquisition impacts, landowners can choose between: (i) participation in the LPS; (ii) negotiated settlements; or (iii) land acquisition through eminent domain.

- (i) *Land pooling*, an innovative scheme whereby landowners voluntarily contribute their land in return for a smaller plot of urban, serviced land (returnable plot) that is expected to be more valuable than the land relinquished, along with a range of livelihood support measures including an annuity, skill upgrading and support for setting up self-employed enterprises;
- (ii) *Negotiated settlements*, whereby the Government and landowners agree on a compensation package comparable with the provisions of the LARR Act, 2013,³ for the land and assets within village boundaries; and, if neither of these first two approaches is successful,
- (iii) *Eminent domain*, by which compensation for lands acquired (replacement value and livelihood support) is provided following the requirements of the LARR Act 2013.

20. Should the Bank decide to move ahead with the proposed Project, the currently identified options for Bank investments would affect about 3,000 landowners in 24 villages and. In total, over 30,000 landowners in 22 of these villages have opted to join the LPS. About 4,000 landowners, most of them situated in two of the 24 villages, have chosen not to do so.

21. ***LPS for Amaravati City.*** Land pooling has been introduced by the Government of AP as an innovative land use planning instrument to address and manage, in a proactive manner, some of the negative externalities that typically arise from urbanization and rapid

³ Under a negotiated settlement process, the APCRDA and landowners negotiate a package that may include land-for-land, compensation for assets, construction grant and transitional assistance, culminating in a formal agreement between the parties.

population growth, and specifically, the rapid appreciation of the value of land in urban areas, which leads to spatial exclusion of the urban poor. Due to the lack of affordable land in cities, the urban poor often find housing only in informal and squatter settlements and slums, in marginal locations (including at-risk areas). Urbanization, on the other hand, creates opportunities to leverage the development potential of urban areas, and to capture land value increases in a way that benefits all citizens and improves the living environment of lower income communities. The LPS is designed to ensure that affected people are not just passive recipients of compensation, but rather that they become direct beneficiaries of the increased value of their land as it is incorporated into the urban landscape. See Box 1.

22. The Government of AP is leveraging the land value capture potential in Amaravati to benefit landowners directly and immediately from the increases in the land value that will result from the development of the capital city. Moreover, in what is the most innovative part of the scheme, landowners contributing land under the LPS become stakeholders in the future development of the City by being able to remain there. Through the allotment of returnable plots, rural landowners remain as owners of land in the new city and continue to benefit from the land value increase potential of their plots. The aggregated expected value of the urbanized returnable plots, annuities,⁴ as well as other social development benefits that participants receive under the LPS, exceeds the replacement value of agricultural land assets contributed under the scheme.

23. Participation in the LPS is one of three options for landowners, as noted above. To date, roughly 86 percent of the private land required for the new capital city has been obtained through land pooling. Management has been advised by the APCRDA that all landowners who have joined the LPS have provided their written consent and signed agreements for participation in land pooling. Landowners who choose not to participate in the LPS may negotiate a settlement or follow the provisions of the LARR Act 2013.

24. The LPS was designed by the APCRDA prior to Bank involvement with the Government of AP in the proposed Project.⁵ Since the Bank became engaged in the proposed Project, it has been conducting due diligence on the LPS through the draft RPF, which identifies gaps between Bank policy requirements and the LPS, and measures to address them. These measures would be implemented through site-specific RAPs, as noted above in paragraphs 12-15. The Bank has received the draft RPF from the APCRDA and has provided comments. The RPF will be finalized reflecting the Bank's comments as well as concerns raised by the Requesters.

25. In return for contributing their land, landowners participating in the LPS are entitled to a combination of benefits: (i) *returnable plots of urban land* within the Amaravati City

⁴ Payments are proportional to the area of land contributed to land pooling, and thus vary from individual to individual. The affected agricultural laborers and tenant farmers depending on the lands pooled under the LPS receive monthly pensions for 10 years, access to skill development training, and access to employment under Employment Guarantee schemes.

⁵ The design of the LPS is based on consultations with landowners in the Amaravati City area. Consultations informed decisions on (i) area and location of returnable land plots; (ii) annuity amounts; and (iii) access mechanisms for social development benefits.

perimeter: (ii) *annuity payments* for a period of ten years;⁶ and (iii) *other benefits* including waiver of agricultural loans, skill training, and interest free loans for setting up enterprises. These forms of compensation, described in more detail below, are consistent with the objective of the Bank's policy on involuntary resettlement to conceive and execute resettlement as sustainable development programs to enable people to share in project benefits:

- *Returnable urban plots* are allotted in and around the same village where landowners have given up their agricultural lands under LPS. Landowners can choose the type of *returnable plot* they will receive from a broad menu of residential and commercial land plot options.⁷ The process of selection and allotment of *returnable plots* to date involved multiple stages: (i) draft LPS layouts/maps prepared by the APCRDA showing the location of *returnable plots* were shared with all participants of the LPS. The plot allotment policy brochure was prepared in Telugu and included a section with frequently asked questions and answers; (ii) draft layouts were uploaded on the APCRDA website and notified in the district gazette; people were given 30 days to file objections and to provide suggested changes to the draft layouts; (iii) consultations on the proposed layouts were held in each village; (iv) suggestions were integrated by the APCRDA in the final layouts to the extent possible; (v) additional consultations were carried out by the APCRDA; (vi) final LPS layouts were prepared, notified for each village, displayed at the village panchayat office, uploaded to the APCRDA website, and notified in the district gazette; and (vii) LPS landowners were issued provisional certificates for their allotted *returnable plots* through an open, digital randomized allocation system (conducted in front of all landowners and other parties, including public representatives, electronic and print media). Provisional certificates need to be registered in the name of beneficiary landowners, which completes the land pooling process.

The issuance of provisional certificates for returnable plots constitutes an important milestone since it allows landowners to know the actual location of their returnable plots and to monitor the development of infrastructure in proximity to them. Landowners participating in the LPS have full recourse to the Indian judicial system at any stage of this process, in addition to the grievance mechanisms described in paragraph 16. To date, no complaints have been directly communicated to the Bank from landowners participating in the LPS about the legality of provisional certificates or the subsequent registration process. Consultation with local farmers will continue during preparation of the proposed Project and the Bank team will

⁶ Annuity payments are available for a period of ten years irrespective of date of allotment of returnable plots and are paid annually. Farmers have received two payments to date and the third annuity payment is in progress.

⁷ Landowners chose their *returnable plots* from a large number of alternatives. Specifically, these alternatives included: (i) single plots; (ii) multiple plots of smaller areas adding up to the total returnable area; (iii) plots in residential areas; (iv) plots in commercial areas; or (v) combinations of all the above options. Landowners can also decide to merge plots with others (such as family members for example), in both residential and commercial areas.

proactively solicit additional feedback from local stakeholders. The APCRDA has almost completed the allocation of returnable land: to date, about 58,000 returnable plots have been allotted to over 23,000 LPS landowners in 22 of the 24 villages, who have received their provisional certificates. The APCRDA initiated the process of registration of the returned plots in March 2017.⁸ The registration process is ongoing.

- *Annuity payments* are a second component of the compensation package that landowners who have contributed their land to LPS will receive from the APCRDA. Annuity payments will continue for a period of ten years, and are proportional to the land that was contributed to the LPS. Landless agricultural wage laborers who work on land assembled under the LPS, and whose livelihoods are affected by the LPS are also compensated. As per the LPS design, landless laborers will receive a *monthly pension* for 10 years. Participating farmers began receiving *annuity payments* as part of their LPS benefits package in May 2015. *Monthly pensions* have also been distributed since May 2015 to agricultural laborers and tenant farmers who resided in the capital city area as of December 8, 2014.
- *Other benefits* that the APCRDA is extending to LPS participants include waiver of agricultural loans, interest free loans for self-employment, access to skill development training, access to employment under an Employment Guarantee program, free education and access to medical facilities. LPS participants have begun receiving these benefits: (i) a skill development institution was established in July 2016 and has trained more than 500 people to date; (ii) more than 1,000 people have received assistance for job placement through 9 job fairs; (iii) more than 19,000 people have received loan waivers; (iv) over 16,000 job cards have been issued; (v) over 56,000 person-days of employment have been generated to date; and (vi) education and health schemes have been initiated.

IV. MANAGEMENT'S RESPONSE

26. ***Management understands the concerns of the Requesters regarding compensation for land which is acquired for the development of Amaravati City. Management has carefully reviewed the allegations made by the Requesters and will ensure that any Bank support for the proposed Project complies with Bank policy.*** Management has agreed on an action plan with the Borrower to address concerns raised in the Request.

27. ***Management has made no decision yet whether to finance the proposed Project.*** Management notes that the project is still at an early stage of preparation and therefore substantive application of Bank policies and procedures have not yet taken place. Management maintains also that the preparatory work done so far meets the requirements of the Bank's operational policies and procedures.

⁸ Returned plots have been registered at the respective sub-registrars' offices.

28. **Management will decide whether to move ahead with the proposed Project only after appropriate analysis of potential Project risks and impacts has been undertaken, and adequate mitigation measures to address them have been developed and consulted upon to the satisfaction of the Bank.** Before the Decision Meeting, Management commits to completing safeguard documents that have been appropriately consulted upon and include an analysis of the land acquisition process under the proposed Project, including the LPS, negotiated settlement and eminent domain; an assessment of the proposed Project investments within Amaravati City; and an assessment of the potential environmental and social risks and impacts and how these would be addressed under the proposed Project. Also before the Decision Meeting, Management will work with the Borrower to complete a plan for ongoing consultation, and establish a robust project-level grievance redress mechanism and citizen advisory committee, as well as an enhanced communication strategy for the proposed Project and its safeguard aspects.

29. **Management takes the Requesters' claims of coercion very seriously and emphasizes that it does not condone any form of coercion.** Management will work with Government authorities, the implementing agency, and the communities to ensure a free and meaningful stakeholder engagement process. For more detail on planned actions, see paragraphs 32-35 below.

30. **Given the significant urban development challenges facing India, and the scarcity of land in increasingly populated urban areas, the proposed Project could be an important step in the use of an innovative land use planning instrument in the Bank's engagement in the country.** Land pooling has been successfully used in India, Nepal and elsewhere in the world (e.g., Australia, Canada, Europe, Japan, Korea, United States).

Box 1. Land Pooling*

As cities grow and urbanize, assembling land for planned urban development is a challenge for local authorities, who need to ensure an environmentally, socially and financially sustainable way to provide adequate infrastructure and basic services, and to guarantee livability for all urban residents. As urban areas expand and the value of land increases, international experience shows that the challenges of limiting displacement of vulnerable populations, and of ensuring inclusive urban development become increasingly acute. In response to these challenges, Land Pooling (LP) has been used as an innovative approach to minimizing resettlement and maximizing benefits for those whose land is acquired.

Indian policy makers have struggled to devise regulations to ease the acquisition of land for the vast amounts of infrastructure and housing the country needs, while avoiding the disruption and displacement that has accompanied land acquisition in the past. In response to these challenges, there has been a renewed interest among urban planners and governments around the world to implement LP.

Definition. LP (or land readjustment) is a land management instrument that involves consolidating individual land parcels into a larger plot, providing it with infrastructure and planning its land use and development. A portion of the reconstituted, serviced land is returned to the original owners. Although the readjusted plots returned to each original landowner may be smaller and of a different size and shape, the overall value of such plots is expected to be higher than at the onset, resulting from factors including: (i) access to services; (ii) requalification of land use (from rural to urban for example); and (iii) proximity to area development.

Benefits. Land pooling is often favored over direct land acquisition because it avoids displacement, fosters inclusion through voluntary participation, and encourages cooperation between landowners and project implementers as landowners retain their claim on the land. It is also cost-effective for borrowers because governments do not directly finance the purchase of rights-of-way or compensate resettled residents. Land

pooling unlocks financing for infrastructure and public services through the gains from higher land values and the rezoning of land to residential/commercial use. Where used appropriately, LP is a means to manage city expansion and to minimize ad hoc sprawl on urban fringes. Typically, the resulting land assembled through LP is of higher density and better serviced (with properly sized roads, better connectivity, amenities and basic services) than the earlier individual land parcels.

Global experience. The use of LP as an instrument for land assembly has seen widespread success, globally including in countries such as Japan and South Korea, as well as in India. Example of successful LP schemes recently implemented in Asia include:

- *Gujarat, India.* Gujarat has effectively used its town planning scheme as a land assembly tool for almost a century. The first such scheme was implemented in 1920 and consisted of 270 hectares. By 2012, town planning schemes had increased to 1,200 hectares in urban areas.
- *Kathmandu Valley, Nepal.*** To address the lack of a large stock of state-owned land, LP projects have been implemented in the country since 1988, mostly by central government planning agencies, but also by several by municipalities. A total of nearly 7,000 housing plots were produced from 237 hectares, with the involvement of 10,000 landowners. The landowners contributed nearly 82 hectares of land for roads, open space, and reserve plots and benefitted from a 300 to 600 percent increase in land values.
- *Seoul, Korea.* The Seoul City Government produced about 11,500 ha of urban land between the 1950s and 1980s, through a total of 41 large-scale land pooling and readjustment projects.
- *Japan.* By the end of 2006, about 11,800 projects involving a total land area of about 395,000 hectares had been undertaken by this method under the provisions of the City Planning Law, 1919 and the Land Readjustment Law, 1954. This accounts for about 33 percent of the urbanized land area of Japan.

* *The Bank's new Environmental and Social Framework (ESF) explicitly contemplates the use of land pooling and similar schemes in paragraph 32 of [Environmental and Social Standard,]ESS 5: Land Acquisition and Resettlement: "As an alternative to displacement, the Borrower may consider negotiating in situ land development arrangements by which those to be affected may elect to accept a partial loss of land or localized relocation in return for improvements that will increase the value of their property after development. Any person not wishing to participate will be allowed to opt instead for full compensation and other assistance as required in this ESS." While the current Bank safeguards do not explicitly include such language, it is not uncommon for certain types of projects – for example, in the irrigation sector – to be designed so that required compensation is provided on an optional basis in the form of smaller, yet higher value, serviced plots of land that meet the compensation standards of OP 4.12 while allowing more direct participation of the affected party in the benefits of the project.*

** [Improving Access to Urban Land for All Residents: Fulfilling the Promise.](#)

31. The Requesters' claims, accompanied by Management's detailed responses, are provided in Annex 1. Specific issues are discussed below.

Coercion

32. ***Management has reached out to landowners specifically identified in some of the coercion allegations, who have assured the Bank that they were not subjected to or aware of any coercion attempts.*** Following this discussion, the Bank received unsolicited letters from LPS landowners' associations expressing their support for the LPS and the proposed Project (see Annex 2). Management notes that allegations of coercion were dismissed by the Supreme Court of India on August 21, 2016 (see Annex 3 for a copy of the Supreme Court of India verdict).

33. ***The Bank has increased its presence in Amaravati by expanding the number of visits to villages in the area to have more opportunities to consult with affected people***

and to gather more insight into the coercion allegations. Management is also in the process of hiring an independent party to carry out interviews and consultations in local villages to obtain additional information regarding this issue.

34. **Management will work with Government authorities, the implementing agency, and the communities to ensure a free and meaningful stakeholder engagement process.** Management has contacted the Government authorities and shared its concerns. Management will expand its ongoing dialogue with the Government of AP to emphasize that proactive and open stakeholder engagement, free from coercion, is a prerequisite for Bank support for a project, and that Management expects stakeholder input to be taken into account in project design.

35. **The Bank team for the proposed Project will work with the APCRDA to put measures into place to facilitate this stakeholder engagement, including a citizen advisory committee and a robust project-level GRM to address the concerns of Project-affected people during preparation and implementation.** The Bank will also work with local organizations that are trusted by the communities or with independent third-party monitors to gather views of stakeholders and to identify any coercion.

Land Pooling

36. **To develop Amaravati City according to the Master Plan, the Government of AP needs to acquire and assemble 217 km² of land. Affected landowners can choose between: (i) participation in the LPS; (ii) negotiated settlements; or (iii) land acquisition through eminent domain as regulated by the LARR Act 2013.** As noted above, the LPS was designed to ensure that affected people become direct beneficiaries of the increased value of their urbanized land. As such, Management recognizes the LPS as an innovative, sustainable, socially inclusive scheme that addresses in a proactive manner some of the negative externalities that typically arise from urbanization.

37. **All landowners who have joined the LPS have provided their consent and signed agreements for participating in land pooling.**⁹ At this point in time, allocation of land has been almost completed and LPS participants have begun to receive the other benefits available under the LPS.

38. **Management is aware that the issue of land acquisition for Amaravati City is controversial among certain stakeholders in the area.** While a group of landowners has repeatedly expressed support for the proposed Project and the LPS, and has urged the Bank to proceed with implementation of the proposed Project without further delay (see Annex 2), other stakeholders, such as the Requesters, have opposed the development of Amaravati City both in the media and in other public fora.

⁹ Consent is confirmed by each landowner on at least six separate occasions during the LPS process. Concurrence from landowners is required at the time of: (i) giving consent to participate in LPS; (ii) signing a development agreement; (iii) registration of development agreement; (iv) returnable plot allotment certificate; (v) registration of land in favor of the implementing agency; and (vi) registration of returnable plot in favor of the farmer.

39. ***Management has been informed that the APCRDA has carried out an extensive information and consultation campaign to allow landowners to make an informed decision on their compensation options.*** This open process resulted in over 30,000 landowners joining the LPS, while approximately 4,000 landowners have opted not to join.

40. ***As part of the Bank's due diligence, an analysis of compliance of the three land acquisition instruments with Bank policy has been carried out, and the APCRDA prepared a draft RPF.*** This draft RPF identifies gaps between the approach of the Government of AP to land acquisition and Bank policy requirements, and proposes measures to address these gaps, should the Bank decide to go ahead with the Project. The Bank has provided comments on the draft RPF to the APCRDA.

41. ***The APCRDA commissioned a third-party assessment of the LPS to identify any shortcomings that would need to be addressed during implementation.*** This study was carried out by consultants not associated with LPS implementation. Management has received a draft of the assessment study and will provide comments to the APCRDA. The assessment included a household survey among 125 randomly-selected households, representing different categories of affected people such as marginal and large farmers, agricultural laborers, and multi-cropped land owners; and in-depth focus group discussions with different stakeholders. It also included stakeholders in the ten villages where the proposed Project would be implemented. The key findings of the draft report include: (i) extensive consultations were held for the LPS and grievance redress mechanisms were in place; (ii) the LPS is optional and landowners consented to joining based on their confidence that the land returned to them would be of higher value than the original land and that lost assets would be adequately compensated for; (iii) LPS landowners are already receiving the agreed benefits (annuities, returnable plots, access to social development schemes, etc.); (iv) the transparent allotment of returnable plots to LPS landowners after extensive consultations has enhanced people's confidence and trust in the process; (v) effective coordination mechanisms were observed among different involved agencies; (vi) adverse impacts on agricultural laborers, specifically related to livelihood impacts, would need to be addressed more comprehensively; and (vii) there are opportunities to involve LPS beneficiaries in various types of civil works, particularly related to infrastructure development on returnable plots. After finalization of the report, Management will work with the APCRDA to identify and implement measures, which address issues raised in the report related to the proposed Project, as part of the final RPF and of site-specific RAPs.

42. ***A final determination on whether land acquisition, as carried out by the Government of AP, is compliant with Bank policy requirements, and how any gaps in compliance would be mitigated, would be made by Management at Project appraisal.*** Management will only move ahead with the Project in its currently proposed form if Management is confident that the land acquisition approaches used by the Government of AP, including mitigation measures identified in the RPF and in site-specific RAPs, would ensure that landowners as well as agricultural laborers affected by land acquisition would be compensated in accordance with Bank policy.

Resettlement Policy Framework (RPF)

43. ***The proposed Project is still under preparation. At this early stage, an RPF is the most appropriate approach to identify the measures that need to be put in place to ensure that the proposed Project would be compliant with Bank policy, should the Bank decide to move ahead with it.*** Site-specific RAPs are being prepared for 10 specific roads, that would make up about 30 percent of the overall proposed investments. Additional site-specific RAPs and other appropriate safeguard documentation would be prepared as preparation of the proposed Project advances.

44. ***The Bank's due diligence regarding resettlement is described in paragraphs 12-15 above. The Bank has received the draft RPF from the APCRDA and has provided comments. The RPF will be finalized reflecting the Bank's comments as well as concerns raised by the Requesters.*** After clearance by the Bank, the draft RPF will be re-disclosed and again consulted on, following Bank policy. As described in more detail below, additional consultations are expected to take place later in 2017. Management will work closely with the APCRDA to ensure that consultations comply with Bank policy.

Consultations

Project-related consultations conducted to date

45. ***Management commits to expanding consultations on the proposed Project's safeguard instruments, including the draft SESA-ESMF and the RPF.*** All safeguard documents for the proposed Project are still under preparation. To date, the consultations that have been carried out include the following.

- (a) A public workshop on the draft SESA-ESMF and draft RPF held on January 19, 2017 was attended by 150 people¹⁰ from affected villages, including landowners, landless people, farmer association representatives, and media. A summary of the documents in local language was distributed in the workshop. In addition, about 50 government officials, and staff from the Bank and AIIB attended the consultation. Police were present during the workshop as a measure to maintain safety. Bank staff felt that the workshop was conducted in a free and fair manner, without police interference in the exchange of views.
- (b) Additional consultations hosted by the Bank team in four villages in February 2017, were attended by about 80 people.
- (c) As part of RAP preparation for the 10 roads that could be financed under the proposed Project, further focus group meetings are underway with small and marginal-scale landowners participating in the LPS, agricultural laborers, women, vulnerable groups, displaced people, and other relevant stakeholders. In addition,

¹⁰ It should be noted the Project expects to use only 5-10 percent of the total land within Amaravati City. Accordingly, the total number of Project-affected persons is also expected to be a small fraction of the total population noted in the Request (127,505). It is estimated that the currently identified Bank investments would involve the displacement of approximately 400 families.

household socio-economic surveys are being carried out among families that would be affected by the proposed Project, both landowners and landless wage laborers. The outcome of these meetings will be incorporated in the site-specific RAPs.

46. **January 19, 2017 workshop.** The invitation to the workshop was widely published in local newspapers in both English and Telugu. Landowners participated in the workshop and commented on the contents of the draft SESA-ESMF and draft RPF. All participants were welcome to voice their opinions and provide feedback. Written feedback submissions were accepted starting from two weeks prior to and ending two weeks after the workshop. The minutes of the workshop are included in the draft RPF. The workshop was well covered in the local media. See Annex 4 for more media coverage of the consultations.

47. **Feedback received from stakeholders will be reflected in the SESA-ESMF and RPF.** Key issues raised by participants in the workshop included: (i) valuation of assets at market value; (ii) further minimization of physical displacement; (iii) improved entitlements under the negotiated settlement for physical resettlement; (iv) attention to vulnerable populations such as landless, scheduled caste, etc.; (v) timely payment of pensions and possible annual increases in monthly pension; (vi) ensuring local employment under contractors; (vii) proper management of impacts arising out of construction works and safety in the work place; and (viii) attention to issues associated with outside labor. Stakeholders further discussed the need to involve villagers in the decision-making process for development works as well as the need for attention to upgrading village infrastructure and strengthening the information sharing process. Some of the written suggestions received as part of the workshop regarded control measures for construction stage impacts, preventing water bodies being polluted, farmer consultations for flood mitigation works, provisions of LARR Act 2013, legal validity of agreements executed under the LPS, avoidance of graveyards in village areas, etc. Management will work with the APCRDA to incorporate these suggestions into the final versions of the SESA-ESMF and RPF.

48. **Consultations in four villages in February 2017.** Some of the suggestions and concerns that emerged during these meetings included: (i) need for clear on-the-ground demarcation of land required in the village areas for infrastructure components; (ii) issues related to land classification of non-registered houses; (iii) requirement of sufficient time for reconstruction of alternative houses; (iv) shifting alignment toward open lands to minimize physical displacement; (v) impacts to certain common properties and to those residing on government lands, and treatment of partially impacted houses; (vi) impacts to tenants or assigned landowners; (vii) improved entitlements including valuation of assets under negotiated settlement; (viii) educated youth employability; (xi) impacts on agricultural laborers; and (x) delays in receipt of pension amounts. As part of these meetings, consultations were also held with landowners who had not joined the LPS. Some landowners conveyed that one of the reasons for not having joined the LPS was the perception that their wet, multi-crop lands (known as jareebu), which had higher yields than dry lands, were more valuable, and that returnable plots would not provide an equivalent return to the original value of their land.

Future Project-related consultations

49. ***Management agrees that a more extensive program of consultation and information on the proposed Project needs to be carried out, which may result in adjustments in project design.*** The Bank team will work with the APCRDA to organize an extended consultation plan regarding the proposed Project in general, and the Project safeguard documents in particular. Feedback from the consultations will be incorporated in the final design of the proposed Project.

50. ***Consultations on RAPs are currently in progress in villages that would be affected by roads that potentially would be financed by the proposed Project.*** In addition, household socio-economic surveys are being carried out among families that would be affected by the proposed Project, both landowners and landless wage laborers.

Consultations conducted by the Government on the development of Amaravati

51. ***Management has been advised by the APCRDA that it has consulted extensively on various aspects of the development of Amaravati City as a whole and continues to do so.*** These consultations are separate from the consultations required by Bank policy and are not part of the Bank's due diligence regarding the proposed Project. The APCRDA has conducted extensive information dissemination and consultation activities on the broader Capital City development project, including consultations on the strategic vision, the Master Plan, the LPS, etc. Consultations are being held regularly on issues such as returnable plot layouts and the process for allotment of returnable plots. Consultations carried out to date by the APCRDA include:

- (a) ***Consultations on Social Impact Assessment (SIA) under the LARR Act 2013.*** As part of the land acquisition process for Capital City development under the LARR Act 2013, the district administration has been conducting consultations and public hearings on village-specific SIAs in every affected village. Consultations are managed by independent consultants and these are ongoing for a few remaining villages. The minutes of these consultations are disclosed on the [APCRDA website](#).
- (b) ***Consultations on the Master Plan.*** The APCRDA organized multiple rounds of consultations with landowners on the draft Master Plan, prior to Bank engagement. More than 100 consultations spread over all 24 villages were organized in January 2016, and more than 4,000 individual consultation comments were received. Stakeholder comments focused on plot sizes, assigned lands, village boundaries, asset valuation process, implication for lands owned by single owners in multiple villages, issues related to multi-cropped lands (jareebu), Floor Space Index (FSI) and set-back regulations, village maps, alignment changes of roads passing through the village areas, benefits to the more vulnerable, design of LPS layouts, zoning regulations, education and health benefits, etc. A Technical Committee consisting of members from the APCRDA and the Town and Country Planning Department of the Government of AP was set up to review the information and make recommendations. Key

recommendations pertain to modifications in the alignment of roads passing through villages, delineation of village boundaries, land use and zoning regulations, formulation of returnable plot sizes and their positioning in layouts, and allotment of plots to jareebu landowners.

- (c) *Regular grievance redress meetings.* The ACPRDA conducts regular weekly grievance redress meetings to resolve landowners' concerns regarding the LPS and other aspects of the development of Amaravati City.

Environmental Issues

52. ***SESA-ESMF.*** As part of the Bank's due diligence, Management required the APCRDA to develop an ESMF to (i) assess the policy, legal and regulatory framework for environmental and social management relevant to the development of Amaravati City and the proposed Project, (ii) conduct a situation analysis and assessment of the environmental and social priorities for the development of Amaravati City, (iii) assess the institutional framework and capacity for environmental and social management, and (iv) identify the positive and negative environmental and social risks and impacts associated with the sub-projects under the proposed Project. The Bank is currently reviewing the draft SESA-ESMF and will provide comments to the APCRDA before the document is finalized. Management will ensure that the concerns raised in the Request are addressed in the final documents, to the extent they are relevant to the proposed Project.

53. ***Assessment of alternatives.*** The selection of the location of Amaravati City is a sovereign decision and was taken by the Government of AP, before the Bank engaged in the proposed Project. The proposed scope of the Project is limited to some interventions within Amaravati City; as such, the SESA-ESMF's assessment of alternatives does not include an analysis of potential alternatives for the location of Amaravati City itself, but rather is limited to alternatives to the specific interventions that could be financed under the proposed Project.

54. ***The draft SESA-ESMF considers, among other issues, potential Project impacts related to flooding, conservation of water bodies, and forest land, and identifies measures to mitigate any adverse impacts.*** Flood mitigation plans and designs related to the Kondaveeti Vagu River are currently undergoing detailed studies.

55. ***Environmental impacts on the Kondaveeti Vagu River.*** The proposed Project includes a sub-component that would address flood management along the Kondaveeti Vagu River and the surrounding wetland areas. At this time, no specific potential investments have been identified for this component. Potential environmental impacts related to such investments, like those cited by the Requesters, will be assessed in detail in a site-specific EIA for this particular sub-component. The Bank will work closely with the APCRDA to ensure that the scope of the assessment is adequate, including for the Kondaveeti Vagu River and surrounding wetland areas.

Food Security

56. *During consultations on the draft SESA-ESMF, stakeholders raised concerns about food security resulting from the large-scale conversion of agricultural land to non-agricultural use. This issue was analyzed in the SESA-ESMF.* The SESA-ESMF determined that the crops in the Amaravati City area are predominantly crops that are not used for daily consumption by people. Transformation of agricultural land to urban land would, therefore, not significantly impact the production of food in the state.

57. *Overall, the area of Amaravati City under cultivation amounts to 0.027 percent of the total area of the state under cultivation and 0.077 percent of paddy-sown area in the state. Further, the proposed Project is expected to require only about 5-10 percent of the total land within the Amaravati City area.* The Government of AP has informed Management that it plans to promote the cultivation of more agricultural lands elsewhere in the state, opening new food sources directly for state residents. This is part of the Government's approach to address food security issues as part of overall land acquisition for the development of Amaravati City.

58. *Management understands from relevant government agencies that the state is a top producer of horticulture crops and the Government has taken steps to bring more land under horticulture by providing incentives to farmers.* The state also has taken steps such as interlinking rivers to stabilize irrigation by providing a dependable source of water, and these are leading to a substantial increase in crop productivity, including for food crops.

59. *Management will ensure that the concerns raised by the Requesters are addressed in the final SESA-ESMF, to the extent they are relevant to the proposed Project.*

Proposed Actions

60. *Management is of the view that, to date, the preparation of the proposed Project has followed Bank policy requirements.* However, Management views the Request for Inspection as an opportunity to review and consider the views and concerns of the Requesters.

61. *Management has agreed on an action plan with the Borrower to address concerns raised in the Request.* The actions detailed below in paragraphs 62-66 will be undertaken during Project preparation for this purpose.

62. *Community engagement and monitoring to address coercion and other implementation issues.* Given the complex nature of land acquisition and its potential impacts on the proposed Project, the Bank will work with the APCRDA to establish a citizen advisory committee, consisting of recognized members of the community as well as external experts, to serve as an advisory panel to the APCRDA and to inform the implementation of the proposed Project and the mitigation of any potential adverse impacts of the proposed Project. Further, Management will:

- Convey to the Government that proactive and open stakeholder engagement, free from coercion, is a prerequisite for Bank support for a project, and that Management expects stakeholder input to be taken into account in project design;
- Engage an independent local party to carry out interviews and consultations in local villages to obtain additional information on any potential coercion;
- Engage independent local professionals to visit the affected villages frequently to monitor the concerns of Project-affected people and to bring these to the attention of the Bank and the APCRDA;
- Increase the frequency of preparation and supervision missions, during which the Bank will proactively reach out to stakeholders to maximize their opportunities to interact with Bank staff on implementation issues in general, and potential instances of coercion in particular;
- Work with the APCRDA to establish a robust project-level grievance redress mechanism to collect stakeholder input and complaints during preparation and implementation of the proposed Project.

63. ***Project preparation.*** Management is committed to continued strong and robust preparation of the proposed Project and to finalization, by the time of the Decision Meeting, of the following documents, including stakeholder consultation on them:

- The RPF with an analysis of the land acquisition process under the proposed Project, including the LPS, negotiated settlement and eminent domain, and an assessment of related risks and impacts and how these would be managed;
- The SESA-ESMF, including an assessment of the proposed investments under the proposed Project within Amaravati City, the related environmental and social risks and impacts and how these would be addressed under the proposed Project;
- A plan for ongoing consultation and grievance redress/citizen engagement, with clear feedback mechanisms to be implemented as part of the Project (including indicators in the results framework);
- An enhanced communication strategy for the Project and safeguard aspects.

64. ***Policy compliance.*** To ensure that the proposed Project continues to comply with Bank policy, Management will:

- Work with the APCRDA to address any gaps between Bank policy and the LARR Act 2013 as well as the LPS, as appropriate, in the final RPF;
- Agree with the APCRDA on how the recommendations in the final third-party assessment report of the LPS, as well as additional comments the Bank may have,

would be implemented and reflected in safeguard and other Project documents, as appropriate;

- Agree with the APCRDA on ways to add livelihood support measures for Project-affected landowners and landless wage laborers, including skill upgrading of vulnerable groups;
- Work with the APCRDA to address in the final SESA-ESMF specific stakeholder concerns, such as those raised by the Requesters, as appropriate.

65. ***Consultation and information.*** The proposed Project would benefit from an enhanced consultation and stakeholder engagement approach. Therefore, Management will:

- Work with the APCRDA to expand consultations on Project safeguard documents as they are being finalized, including the SESA-ESMF, RPF, site-specific RAPs, site-specific EIAs and site-specific ESMPs. This includes focus group consultations with various affected categories of people, such as small and marginal-scale farmers, agricultural laborers, women, and displaced populations. It will also include a stakeholder workshop to introduce and discuss the finalized safeguard documents, how they address stakeholder concerns, and how key safeguard issues are managed (for example, compensation and social development and skill upgrading schemes);
- Work with the APCRDA to address, as relevant, the concerns raised by the Requesters and other stakeholders regarding land acquisition and potential environmental impacts in the final drafts of the SESA-ESMF and RPF, and to re-disclose and consult on the final drafts;
- Work with the APCRDA to ensure that consultations continue to be free, fair and meaningful.

66. ***Grievance redress.*** Management recognizes that strong grievance mechanisms are needed at project level to ensure that the concerns of people affected by projects are heard and addressed appropriately. Management will:

- Work with the APCRDA to establish a Project-level GRM that includes members who are not associated with the Project to address complaints where Project-affected people considered that the existing grievance mechanism did not solve their issue.
- Engage with landowners whose land plots are to be used for the proposed Project, to explore solutions and improvements in environmental and social risk management, within the mandate of the Bank's safeguard policies.

V. CONCLUSION

67. ***Management has made no decision yet whether to finance the proposed Project.*** Management notes that the proposed Project is still at an early stage of preparation and therefore substantive application of Bank policies and procedures have not yet taken place. Management maintains also that the preparatory work done so far meets the requirements of the Bank's operational policies and procedures.

68. ***Going forward, Management will work closely with the APCRDA to ensure that the proposed Project and its components continue to comply with applicable Bank policies.*** The Bank is prepared to engage with the Requesters to explore solutions and improvements in the management of environmental and social risk, within the mandate of the Bank's safeguard policies. Management has developed an Action Plan with the Borrower to respond to the Requesters' concerns, which includes enhanced consultations and grievance management, enhanced due diligence, and other mitigation measures.

69. ***Management will decide whether to move ahead with the proposed Project only after appropriate analysis of potential Project risks and impacts has been undertaken and adequate mitigation measures to address them have been developed and consulted upon to the satisfaction of the Bank.***

ANNEX 1
CLAIMS AND RESPONSES

No.	Claim	Response
1.	<p>Land Pooling Scheme. The Land Pooling Scheme regulations entered into force on 1 January 2015, and the scheme is managed by the APCRDA. Although the government characterizes the scheme as voluntary, many landowning farmers were intimidated and economically coerced into pooling their land. Tactics included setting short deadlines for participation in the LPS, which were subsequently and repeatedly extended; threats to acquire the land under the regulations of the Land Acquisition Act of 2013, which would provide compensation far below the actual market value of the landowning farmers' land; and threats to provide the ten-year annuity (described in paragraph 8) only to those landowning farmers who signed up for the LPS prior to May 1, 2015.</p> <p>Landowning farmers who expressed opposition to the LPS were also intimidated and harassed. In December 2014, banana plantations were set on fire in six villages in which the majority of residents opposed land pooling. Since then, there have been additional instances of fires and destruction of crops on land owned by landowning farmers who have refused to participate in the LPS. Many of these incidents are detailed in Attachment 9, which is an article published in Economic & Political Weekly, Vol Li No 17, on 23 April 2016, titled "Making of Amaravati - A Landscape of Speculation and Intimidation".</p> <p>Further, there has been a heavy police presence in the Amaravati area since land pooling began, and police have interrogated, detained, harassed, assaulted, and intimidated residents. More than 3,000 landowning farmers were interrogated and assaulted to make them sign up for the LPS. The police threatened that if the landowning farmers do not pool their land, the police will file cases on them. Six police battalions were called into action. They moved from village to village with AK 47s and machine guns. Refer to the references in Attachment 9 for more details.</p> <p>The Government of Andhra Pradesh and APCRDA failed to respond to the objections submitted by landowning farmers who refused to participate under LPS. Refer to Attachment 7, summarising the objections on LPS. Concerns also have been raised about the impact of the LPS on marginalized groups, including the Scheduled Castes, the Dalit, agricultural laborers, and landless families. Refer to Attachment 10 for more details.</p> <p>Many landowning farmers have not consented to participate in the LPS, and some of these landowning</p>	<p>Management takes the Requesters' claims of coercion very seriously and emphasizes that it does not condone any form of coercion. Management has reached out to landowners specifically named in some of the coercion allegations, who have assured the Bank that they were not subjected to or aware of any coercion attempts. Following this discussion, the Bank received unsolicited letters from LPS landowners' associations expressing their support for the LPS and the proposed Project (see Annex 2). Management notes that allegations of coercion were dismissed by the Supreme Court of India on August 21, 2016 (see Annex 3 for a copy of the Supreme Court of India verdict).</p> <p>The Bank has increased its presence in Amaravati by expanding the number of visits to villages in the area to have more opportunities to consult with affected people and to gather more insight into the coercion allegations. Management is also in the process of hiring an independent party to carry out interviews and consultations in local villages to obtain additional information regarding this issue.</p> <p>Management will work with Government authorities, the implementing agency, and the communities to ensure a free and meaningful stakeholder engagement process. Management has contacted the Government authorities and shared its concerns. Management will expand its ongoing dialogue with the Government of AP to emphasize that proactive and open stakeholder engagement, free from coercion, is a prerequisite for Bank support for a project, and that Management expects stakeholder input to be taken into account in project design.</p> <p>The Bank team for the proposed Project will work with the APCRDA to put measures into place to facilitate this stakeholder engagement, including a citizen advisory committee and a robust project-level GRM to address the concerns of Project-affected people during preparation and implementation. The Bank will also work with local organizations that are trusted by the communities or with independent third-party monitors to gather views of stakeholders and to identify any coercion.</p> <p>Participation in the LPS is one of three options for land acquisition that landowners can choose.</p> <p>Landowners whose land is to be acquired have the option to: (i) participate in the LPS; or (ii) decline to participate in the LPS and negotiate individual settlements; or, if negotiations fail, (iii) follow the</p>

No.	Claim	Response
	<p>farmers, including Requester #3, have now been notified that their land will be acquired under the Land Acquisition Act. These landowning farmers have filed multiple cases in the high court. In April 2017, the High Court issued a stay on land acquisition in Requester #3 's village, and the High Court also directed the authorities to cease its efforts to mark land that has not been acquired under the LA Act. Refer to Attachment II for more details on the ongoing cases.</p>	<p>procedures for land acquisition as outlined by the LARR Act 2013. Management has been informed that the APCRDA has carried out an extensive information and consultation campaign to allow landowners to make an informed decision on their compensation options. This open process resulted in over 30,000 landowners joining the LPS, while approximately 4,000 landowners have opted not to join. This attests to the optional nature of the LPS. The progress in land pooling and plot allotment, among others, is disclosed on the APCRDA's website (https://crda.ap.gov.in).</p> <p>Consultations on Master Plan. The APCRDA organized multiple rounds of consultations with landowners on the draft Master Plan, prior to Bank engagement. More than 100 consultations spread over all 24 villages were organized in January 2016. More than 4,000 individual consultation comments were received. These consultations are documented by APCRDA on its website. Stakeholder comments referred to plot sizes, assigned lands, village boundaries, asset valuation process, implications for lands owned by single owners in multiple villages, issues related to multi-cropped lands (jareebu), FSI and set-back regulations, village maps, alignment changes of roads passing through village areas, benefits to the more vulnerable, design of LPS layouts, zoning regulations, education and health benefits, etc. A Technical Committee consisting of members from the APCRDA and the Town and Country Planning Department of the Government of AP was set up to review the outcome of consultations and individual submissions and make recommendations. Key recommendations pertain to modifications in the alignment of roads passing through villages, delineation of village boundaries, land use and zoning regulations, formulation of returnable plot sizes and their positioning in layouts, and allotment of plots to jareebu landowners.</p> <p>Optional nature of LPS. Participating landowners have joined the LPS following a process of informed consent following the many consultations detailed above. Consent is confirmed by each landowner on at least six separate occasions during the LPS process.¹ Management has been advised by the APCRDA that all landowners who have joined the LPS have provided their written consent and signed agreements for participation in land pooling, which are enforceable in</p>

¹ Concurrence from landowners is required at the time of: (i) giving consent to participate in LPS; (ii) signing a development agreement; (iii) registration of development agreement; (iv) returnable plot allotment certificate; (v) registration of land in favor of the implementing agency; and (vi) registration of returnable plot in favor of the farmer.

No.	Claim	Response
		<p>courts in the event the provisions of those agreements are not honored by the Government of AP.</p> <p>Participation in LPS. The LPS was launched following the approval of the APCRDA Act of 2014, which incorporated land pooling as one of its sanctioned land management policies. To date, approximately 86 percent of the land needed for the development of Amaravati City has been assembled through land pooling. While the Government of AP has currently initiated land acquisition processes for the remaining land following the provisions of the LARR Act 2013, landowners that become interested in joining the LPS can still sign up to participate at any time before the award of compensation is made under the LARR Act 2013.</p> <p>Compensation under LPS. The key components of the compensation packages under the LPS include: (i) <i>returnable plots of urban land</i> within the Amaravati City perimeter; (ii) <i>annuity payments</i> to landowners, which the Government of AP started issuing in May 2015, and that will continue for a period of 10 years; landless agricultural wage laborers whose livelihoods are affected by the LPS receive a <i>monthly pension</i> for 10 years; and (iii) <i>other benefits</i>, which include waiver of agricultural loans, interest free loans for self-employment, access to skill development training, and access to employment under an Employment Guarantee program, free education and access to medical facilities.</p> <p>Access to compensation packages is independent of the date on which the landowners join the LPS.</p> <p>Compensation under LARR Act 2013. The LARR Act 2013 improved land valuation processes relative to earlier regulations through a number of provisions: (i) allowing consideration of the higher of two land values, i.e., the reference rate for land prices in government guidelines used for property registrations, or the top 50 percent of registered sale transactions by value that have taken place in the preceding three year period; (ii) final compensation in Andhra Pradesh in rural areas is calculated as 2.5 times the value arrived at in² (i) above; and (iii) compensation for structures as well as an annuity or lump sum that is built in as a supplement compensation to mitigate loss of livelihood impacts.</p> <p>Coercion allegations. See above.</p> <p>Grievances. APCRDA conducts weekly grievance redress meetings to resolve landowners' concerns</p>

² The LARR Act 2013 allows the state governments to fix the compensation for rural areas between 1 to 2 times with 100 percent solatium. The Government of AP has fixed 1.25 times for rural areas and adds 100 percent solatium to compensation which amount to 2.5 times of market value.

No.	Claim	Response
		<p>regarding the LPS and other aspects of the development of Amaravati City. Further, the district administration is conducting consultations and public hearings on village-specific SIAs as part of the land acquisition process under the LARR Act 2013.</p> <p>As part of consultations held in four villages in February 2017, the Bank team held meetings with landowners who had not joined the LPS. Some landowners conveyed that one of the reasons for not having joined the LPS was the perception that their wet, multi-crop lands (jareebu) had higher yields than dry lands, were more valuable, and that returnable plots would not provide an equivalent return to the original value of their land. These landowners may choose to follow the provisions under the LARR Act 2013.</p> <p>Impact of LPS on vulnerable populations. Additional support measures for marginalized groups, such as women headed households, physically challenged, scheduled caste/scheduled tribe, agricultural laborer, etc., would be designed as part of the proposed Project; special attention would be paid to use of their land plots under the proposed Project. All the standard benefits under the LPS would also be available to them, whether as small landowners (i.e., returnable plots, annuities, etc.) or landless laborers (skill training, annuities, etc.).</p> <p>Allegations that court may have stayed the land acquisition process. Under the LARR Act 2013, landowners have full recourse to the local judicial system and court cases pertaining to different parcels of land and at different stages of the judicial process are to be expected as the land acquisition process gets underway.³ Management has no position on any court cases.</p>
2.	<p>90% of landowning farmers in the capital city area have signed legal documents indicating their intent to participate in the LPS. However, only ten landowning farmers have completed the legal steps necessary to transfer their land rights (title deeds) to the State. The other landowning farmers have not yet completed those steps, and are unwilling to do so because of the lack of legal guarantees about the location of their developed plots and the infrastructure that each "developed plot" will contain. Further, many landowning farmers are concerned that there is no market value specified for the developed plots in the registration documents. Refer to Attachment 22, for sample copy of a land registration document that doesn't contain registration value. This is illegal as per Indian Stamps act 1899 for title transfer.</p>	<p>Landowners will benefit from the development of the original agricultural land and its conversion into urban land, together with the additional benefits provided to LPS participants.</p> <p>LPS procedures and current status. Registration is conducted in three stages: first, the entirety of the land surrendered by the landowners is registered in the name of APCRDA; second, a provisional certificate is issued to each landowner for the returnable plots; and third, the returnable plots are registered in the name of the landowners. The APCRDA has almost completed the allocation of returnable land: to date, about 58,000 returnable plots have been allotted to over 23,000 LPS landowners in 22 of the 24 villages, who have received their provisional certificates. At the next stage, LPS</p>

³ Management is aware that in Penumaka, one of two villages where substantial jareebu lands were located, people have lodged a court case objecting to land acquisition.

No.	Claim	Response
		<p>landowners register their returned plots. The APCRDA initiated the process of registration of the returned plots in March 2017. The registration process is ongoing.</p> <p>Guarantees on location of returnable plots and on infrastructure provision. The issuance of provisional certificates for returnable plots (completed in 22 out of 24 villages as noted), constitutes an important milestone since it allows landowners to know the actual location of their returnable plots and to monitor the development of infrastructure in proximity to them.</p> <p>Content of registration documents. Land values are not referenced in the registration document because no sales transaction is involved.</p>
3.	<p>Many of the additional benefits that the LPS promises to participants-such as job training and wage employment-have not been implemented. Further, although the LPS promises to allocate 5% of land pooled to affordable housing for the poor, only 1,680.9 acres have been allocated in the Draft Detailed Master Plan for "weaker section housing" (i.e., for those living below the poverty line).</p>	<p>Additional benefits for LPS participants are being implemented. According to the APCRDA, participating landowners who have signed and registered the development agreements have been receiving annuity payments as part of their LPS benefits package since May 2015.⁴ In addition, the affected agricultural wage laborers and tenant farmers have also been receiving monthly pensions since then. A skill development institution was established in July 2016 and has trained more than 500 people to date; more than 1,000 people have received assistance for job placement through 9 job fairs; more than 19,000 people have received loan waivers; over 16,000 job cards have been issued; over 56,000 person-days of employment have been generated to date; and education and health schemes have been initiated.</p> <p>Affordable housing. The Bank has not been involved in the preparation of the Amaravati Master Plan. The provision of affordable housing as part of that Master Plan is not an activity directly being supported by the proposed Project. However, Component 3 of the proposed Project would support technical assistance to city agencies for the management and implementation of priority urban policies, among which is affordable housing. Therefore, the Bank would have an opportunity to support the City as it addresses the need</p>

⁴ The benefits to those who have joined LPS include: (i) returnable urban plot; (ii) loan waiver: one-time agricultural loan waiver of up to INR. 1,50,000; (iii) loans for self-employment: interest free loans of up to INR. 25,00,000 are available to all poor families (annual income below INR. 60,000 and 75,000 in rural or urban areas, respectively) for the set-up of self-employment enterprises; (iv) education and health: free education and health facilities are available to all those residing in the capital city area as of 8th December, 2014; (v) old age homes will be established to take care of people of 65 years of age and above; (vi) subsidized canteens: to provide food at subsidized rates; (vii) wage employment: Social Development agency is exploring possibilities to engage the landowners under LPS throughout 365 days a year per family under MGNREGA, unlike the actual 100 working days per year; and (viii) establishment of skill development institutions to provide training with stipend to enhance the skills of former landowners.

No.	Claim	Response
		to allocate land for housing, particularly affordable housing, consistent with its Master Plan.
4.	[...] The PID/ISDS states that OP/BP 4.12 applies to all land used for the ASCCDP, including land already acquired through the Land Pooling Scheme. Because the LPS is "substantially completed," due diligence will consist of "an independent implementation assessment of LPS Scheme to assess its implementation outcomes to date, hear the reactions of those who have participated in LPS and identify measures required to strengthen its implementation process during the remaining implementation period as applicable to sub-projects.	<p>An independent third-party assessment of the LPS has been drafted and is currently under review by Management. Management will work with the APCRDA on integrating relevant findings into Project design and documentation, as appropriate.</p> <p>Third-Party Assessment of LPS. The APCRDA commissioned a third-party assessment of the LPS to identify any shortcomings that would need to be addressed during implementation. Management has received a draft of the assessment and will provide comments to the APCRDA. The assessment included a household survey among 125 randomly-selected households representing different affected categories such as marginal and large farmers, agricultural laborers, and multi-cropped land owners; and in-depth focus group discussions with different stakeholders. It also included stakeholders in the ten villages where the proposed Project would be implemented.</p> <p>The key findings of this draft report include: (i) extensive consultations were held for LPS and grievance redress mechanisms were in place; (ii) LPS is optional and landowners consented to joining based on their confidence that the land returned to them would be of higher value than the original land and that lost assets would be adequately compensated for; (iii) LPS landowners are receiving the agreed benefits (annuities, returnable plots, access to social development schemes, etc.); (iv) the transparent allotment of returnable plots to LPS landowners after extensive consultations has enhanced people's confidence and trust in the process; (v) effective coordination mechanisms were observed among different involved agencies; (vi) adverse impacts on agricultural laborers, specifically related to livelihood impacts, would need to be addressed more comprehensively; and (vii) there are opportunities to involve LPS beneficiaries in various types of civil works, particularly related to infrastructure development on returnable plots.</p> <p>After finalization of the report, Management will work with the APCRDA to identify and implement measures which address issues raised in the report related to the proposed Project, as part of the final RPF and of site-specific RAPs.</p>
5.	Mental harm due to continued inadequate access to information and consultation, as well as threats and harassment: The coercion and intimidation involved in the land pooling process, combined with a lack of adequate access to information and consultation, has caused significant psychological stress for the Requesters. Further, the intimidating atmosphere around	The APCRDA has conducted consultations on the LPS and on the draft safeguard instruments related to the proposed Project. Management commits to expanding consultations on the proposed Project's safeguard instruments, including the draft SESA-ESMF and the RPF.

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	<p>the consultation "workshop" for the proposed ASCCDP, as well as the instances in which individuals purporting to represent the World Bank have approached the Requesters and members of their family, also has caused psychological stress for the Requesters. The Requesters fear that this harm will continue under the ASCCDP project.</p>	<p>Access to information and consultations related to LPS. Management has been advised by the APCRDA that it has consulted extensively on various aspects of the development of Amaravati City as a whole and continues to do so. The APCRDA also conducts weekly grievance meetings. See Item 1 above for more detail.</p> <p>Management will work with the APCRDA to ensure that consultations continue to be free, fair and meaningful. It will also work with the APCRDA to establish a robust Project-level GRM.</p> <p>Consultations under the proposed Bank Project. The Bank team attended the public workshop on January 19, 2017 on the draft SESA-ESMF and draft RPF prepared under the proposed Project. The consultation workshop was attended by approximately 150 participants from the villages affected by the proposed Project. Participants consisted of landowners, landless people, farmer association representatives, and media, as well as 50 government officials and staff from the Bank and AIIB. A summary of documents in local language was distributed in the workshop. Landowners participated in the workshop and commented on the contents of the draft SESA-ESMF and draft RPF. Police were present during the workshop as a measure to maintain safety. Bank staff felt that the workshop was conducted in a free and fair manner, without police interference in the exchange of views. All participants were welcome to voice their opinions and provide feedback. Written feedback submissions were accepted starting from two weeks before and ending two weeks after the workshop. The minutes of the workshop are included in the draft RPF. The workshop was well covered in the local media.</p> <p>After clearance by the Bank, the draft RPF and SESA-ESMF will be re-disclosed and again consulted on following Bank policy. The SESA-ESMF and RPF are currently still drafts and subject to modifications. Management will work with the APCRDA to incorporate stakeholder feedback into the final versions of the SESA-ESMF and RPF.</p> <p>Communications and information channels under the proposed Project. The APCRDA has a multi-level grievance redress mechanism, beginning with the village's land acquisition authority, through the district's Joint Collector, who is the Project Administrator, to the state's R&R Commissioner. Management will work with the APCRDA to establish a Project-level GRM that includes members who are not associated with the Project to address complaints where Project-affected people considered that the existing grievance mechanism did not solve their issue.</p>

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6.	<p>Loss of livelihood. As a result of the ASCCDP, the Requesters will be forced to either pool their land under the LPS or their land will be acquired by the State under the Land Acquisition Act. The Requesters fear that either option will result in the loss of their livelihoods. If the Requesters join the Land Pooling Scheme, the LPS does not provide adequate benefits to restore the Requesters' livelihoods, nor does it provide adequate legal guarantees to ensure that promised benefits will be delivered. LPS documents do not specify a period of time within which pooled land must be returned to LPS participants as developed plots. Further, the government has estimated that the Amaravati Capital City Project will take 35 years to complete, but the government only provides a ten-year annuity to LPS participants, agricultural laborers, and landless families. Thus, there may be a gap between when the annuity ends and when land is actually transferred back to participants. Furthermore, all these assumptions are based on the current Government ruling Andhra Pradesh. In case of any change in the government during 2019 elections, there is a risk that these benefits will not be realized, because the LPS has no legal basis.</p> <p>If the State acquires the Requesters' land under the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Re-Settlement Act, 2013, #30 of 2013 ("LA Act"), the Requesters also will not receive compensation sufficient to restore their livelihoods or to purchase comparable replacement land. Under the LA Act, the State is obligated to compensate landowning farmers based on the market price of the land. However, the basic land values in the registration offices have not been revised for the last five years. As a result, the registration value of the Requesters' land and the land in 25 villages across three mandals is far lower than the market value. For example, after the CRDA issued an acquisition notification through newspaper publication on 22 July 2016 and through notice on 8 September 2016, the authorities awarded a price which amounted to 10 % of what the affected landowner believes the current market was.</p>	<p>Landowners will benefit from the development of the original agricultural land and its conversion into urban land, together with the additional benefits provided to LPS participants.</p> <p>Loss of livelihoods. Land pooling in AP is designed to compensate landowners for voluntarily giving up their land to contribute to development, in a manner that makes them beneficiaries of the increases in land value that result from urbanization. It is designed to account for any loss in livelihood and to bring direct benefits to those who participate. All landowners who have joined the LPS, in return for contributing part of their agricultural land, are entitled to: (i) smaller <i>returnable plots of urban land within the Amaravati City perimeter</i>: urban land is of significantly greater value than agricultural land; therefore, through the exchange of their rural plots for urban land, landowners are benefitting from one of the main advantages of urbanization, which is the increase in land value within urban areas; (ii) <i>annuity payment for a period of 10 years</i> – while land values increase, as the development of Amaravati City takes place, landowners who gave up land will receive annuities that have been estimated to compensate for their lost income; and (iii) <i>other benefits</i>, including waiver of agricultural loans, skill training, interest free loans for setting up enterprises, etc., which will further address the need of landowners to find alternative occupations after they have contributed their land to the LPS.</p> <p>Landless agricultural wage laborers under the LPS are also provided a monthly pension for 10 years. The other benefits to them include a waiver of agricultural loans, interest free loans for self-employment, access to skill development training, access to employment under an Employment Guarantee program, access to education and medical facilities. This will also be an area of special focus under the proposed Project and a separate sub-component is being designed to provide additional support to landless wage laborers and vulnerable groups in terms of job training / skill development, etc.</p> <p>Compensation under the LARR Act 2013. Landowners not participating in the LPS will be covered under the provisions of the LARR Act 2013, and their lands will be acquired through eminent domain. Compensation for lands lost – replacement value and livelihood support (annuity for 20 years or lump sum payment) – will be provided, as per the LARR Act 2013.</p> <p>The draft RPF analyzes the compliance of the Government of AP's approach to land acquisition through land pooling, negotiated settlements, and</p>

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		<p>eminent domain with Bank policy, and identifies gaps and measures to address them. These measures would be implemented through site-specific RAPs, as and when investments are identified. The APCRDA has carried out an extensive information and consultation campaign to allow landowners to make an informed decision on their compensation option. This open process has resulted in over 30,000 landowners joining the LPS, while approximately 4,000 landowners have opted not to join.</p> <p>The LARR Act 2013 acts as the “floor” with regard to compensation and other benefits since it is the default option for people who do not choose the LPS. In addition, the LARR Act 2013 provides for guideline (government reference rates) values to be benchmarked with the top 50 percent of market transactions for compensation award for lands, so that compensation adequately reflects the current market situation. The Requesters have full recourse to the Indian judicial system if it is felt that compensation is inadequate, in addition to the grievance mechanisms described in paragraph 16 of the Management Response.</p> <p>At the request of the Government of India and outside of the context of the proposed Project, the Bank carried out a review of the LARR Act 2013 and found it to be largely consistent with its policy for involuntary resettlement. Gaps between the LARR Act 2013 and Bank policy have been identified regarding: (i) the valuation of structures with depreciated amount; (ii) cut-off date requirements for eligibility of certain categories of affected people such as those depending on the affected lands; and (iii) assistance to those affected using public lands (for example, squatters). The draft RPF addresses these gaps. For example, the draft RPF provides a mechanism to pay differential amounts by way of special assistance to landowners whose lands would be used for the proposed Project.</p>
7.	<p>Food insecurity: Amaravati consists of rare multi-crop irrigated land that produces 120 types of crops, and Requesters are concerned that the ASCCDP will create food insecurity in the region. The potential for food insecurity as a result of the Amaravati capital city project was noted in the 2014 Report of the Expert Committee appointed by the Ministry of Home Affairs, Union of India to Study the Alternatives for a New Capital for the State of Andhra Pradesh, and the SESA-ESMF does not recognize that the primary use of the land in Amaravati is multi-crop irrigated land. Further, Andhra Pradesh has not complied with national legislation aimed to guarantee food security.</p>	<p>During consultations on the draft SESA-ESMF, stakeholders raised concerns about food security resulting from large-scale conversion of agricultural land to non-agricultural use. This issue was analyzed in the SESA-ESMF. It determined that the crops in the Amaravati City area are predominantly commercial crops that are not used for daily consumption by people. Transformation of agricultural land to urban land would, therefore, not significantly impact the production of food in the state.</p> <p>Overall, the area of Amaravati City under cultivation amounts to 0.027 percent of the total area of the state under cultivation and 0.077 percent of paddy-sown area in the state. Further, the proposed Project is expected to require only about 5-10 percent of the total land within</p>

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		<p>the Amaravati City area. The Government of AP has informed Management that it plans to promote the cultivation of more agricultural lands elsewhere in the state, opening new food sources directly for state residents. This is part of the Government's approach to address food security issues as part of overall land acquisition for the development of Amaravati City. Management understands from relevant government agencies that the state is a top producer of horticulture crops and the Government has taken steps to bring more land under horticulture by providing incentives to farmers. The state also has taken steps such as interlinking rivers to stabilize irrigation by providing a dependable source of water, which are leading to a substantial increase in crop productivity, including food crops.</p> <p>Management will ensure that the concerns raised by the Requesters are addressed in the final SESA-ESMF, to the extent they are relevant to the proposed Project.</p> <p>The compensation provided under the LARR Act 2013 reflects the agricultural use of the lands and will be commensurate with the replacement value of such agricultural lands being lost.</p>
8.	<p>Environmental harms: Component 2 of the ASCCDP will affect the river Kondaveeti Vagu, and the fields adjacent to the riverbed are wetlands. However, the SESA-ESMF does not adequately address issues of wetlands, and APCRDA has not complied with national legislation designed to protect the wetlands. In 2015, the National Green Tribunal also issued an order that put a stay on construction in Amaravati due to unresolved environmental concerns.</p>	<p>The draft SESA-ESMF considers, among other issues, potential Project impacts related to flooding, conservation of water bodies, and forest land, and identifies measures to mitigate any adverse impacts. Flood mitigation plans and designs related to Kondaveeti Vagu are currently undergoing detailed studies. The proposed Project includes a sub-component that addresses flood management along the Kondaveeti Vagu River and the surrounding wetland areas. This component, which is in a very early stage of preparation, is not part of the currently planned initial investment and the flood mitigation plans and designs related to Kondaveeti Vagu are currently undergoing detailed studies. Environmental impacts, such as those mentioned by the Requesters, are assessed in detail in a site-specific EIA. The Bank has only recently received the first draft of this specific EIA and is currently reviewing the report. The Bank will work closely with the APCRDA to ensure that the scope of the assessment is adequate, including the Kondaveeti Vagu River and surrounding wetland areas.</p>
	OP/BP 4.12:	
9.	<p>Failure to require a resettlement plan. Bank management has used a Resettlement Policy Framework, rather than a full Resettlement Plan, for the ASCCDP. However, Bank documents suggest that the zone of impact of subprojects, and their siting alignments, can be determined. A detailed Master Plan</p>	<p>The proposed Project is still under preparation; The framework approach reflects the early stage of planning as the proposed Project is not yet fully defined. Site-specific RAPs are being prepared for 10 specific roads, that would make up about 30 percent of the overall proposed investments.</p>

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	<p>and Infrastructure Master Plan are available for the city, and according to Bank documents, "[a]ll physical interventions related to these components will be situated on identified land parcels I stretches within the 217 sq.km. of Amaravati city." The PID/ISDS identifies specific sets of roads and associated infrastructure for Component I of the ASCCDP, and Component 2 will support flood mitigation for the Kondaveeti Vagu water canal, a sewerage system, and a solid waste management system.</p>	<p>Additional site-specific RAPs and other appropriate safeguard documentation would be prepared as preparation of the proposed Project advances. The RPF was developed at the beginning of Project preparation to identify the principles and process of compensation that would be used for land plots used by the Project, as and when investments are identified. Where possible locations for infrastructure that would be supported by the Project have been identified, site-specific ESMPs and RAPs are under preparation and expected to be consulted upon and finalized later this year, prior to appraisal. Stakeholder feedback received during consultations would be integrated into the final documents.</p> <p>The RPF notes that the compensation to be provided under the LARR Act 2013 for lands lost adequately provides for replacement value, as required under Bank policy. Regarding gaps in the LARR Act, see Item 6 above.</p> <p>The Bank has received the draft RPF from the APCRDA and has provided comments. The RPF will be finalized reflecting the Bank's comments as well as concerns raised by the Requesters. After clearance by the Bank, the draft RPF will be re-disclosed and again consulted on following Bank policy.</p> <p>Project-supported investments would comply with site-specific RAPs, site-specific EIAs and site-specific ESMPs, and would include functional and accessible grievance redress mechanisms.</p>
10.	<p>Consultations. On December 26, 2015, the government released an English-language "Draft Detailed Master Plan of Capital City Amaravati," which was open for public comment for a period of 30 days. This draft was not released in Telugu, the local language. The draft was made available online and also at four government offices for viewing on all working days during office hours. Objections/suggestions could be sent in writing to the Commissioner, or uploaded on the website.</p>	<p>The APCRDA organized multiple rounds of consultations with landowners on the draft Master Plan, prior to Bank engagement. The summary of the Master Plan was also circulated in the local language (Telugu). See also Item 1 on Consultations on the Master Plan.</p>
11.	<p>Failure to ensure meaningful consultation. A single consultation "workshop" on both the draft RPF and the draft SESA-ESMF, combined with the intimidating presence of police forces and an unclear and short fifteen-day time frame for the submission of written comments, does not constitute a meaningful consultation process under OP 4.12. When the Requesters raised concerns about the consultation process with Bank management, management responded that the process was "conducted in a free and fair manner, except for a brief stoppage wherein a section of landowning farmers who are supportive of land pooling scheme tried to interrupt a speaker from criticizing land pooling related impacts. But the situation was quickly</p>	<p>All of the proposed Project safeguard instruments are still under preparation. Additional consultations will be conducted as the framework instruments are finalized and the Project-specific plans are prepared.</p> <p>Management agrees that a more extensive program of consultation and information on the proposed Project needs to be carried out. The Bank team will work with the APCRDA to organize an extended consultation plan regarding the proposed Project in general and the Project safeguard documents in</p>

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	<p>brought under control and the speaker was allowed to complete his response."</p> <p>As of May 10, 2017, a draft SESA-ESMF and RPF are available on the World Bank's website. Both documents state that they have been "revised pursuant to public consultation workshop." On 19 January 2017, the APCRDA held the only "public consultation workshop" on the ASCCDP, which covered both the 200-page SESA-ESMF and the 200-page RPF. Only 150 potentially affected people (out of an estimated 127,505 people affected by the Amaravati Capital City) attended this workshop on 19 January 2017. There was a presence of at least 40 police personnel, who intimidated stakeholders, and Requester# 1 and other landowning farmers were turned away forcefully. The draft SESA-ESMF and RPF also were made available for public comment on the CRDA website, which set a fifteen-day time window "from the date of this publication" for the submission of "suggestions and concerns." The CRDA only received five submissions.</p> <p>Requesters have felt harassed, as opposed to consulted, by the assessors and purported World Bank staff. For example, on April 24, 2017, several individuals visited Requester #2's -house. These individuals stated that they were representatives of the World Bank and asked about the reasons that Requester #2' family refused to participate in the LPS.</p>	<p>particular. Feedback from the consultations will be incorporated in the final design of the proposed Project.</p> <p>Consultations on RAPs are in progress in villages that would be affected by roads that potentially would be financed by the proposed Project. In addition, household socio-economic surveys are being carried out among families that would be affected by the proposed Project, both landowners and landless wage laborers. The outcomes will be incorporated in the RAP.</p> <p>Previous consultations on the proposed Project include:</p> <ul style="list-style-type: none"> • A public workshop on the draft SESA-ESMF and RPF held on January 19, 2017, attended by 150 people (see also Item 5). • Additional consultations held by the Bank team in four villages in February 2017, attended by about 80 people. <p>January 19, 2017 workshop. The invitation to the workshop was widely published in local newspapers in both English and Telugu. Landowners participated in the workshop and commented on the contents of the draft SESA-ESMF and draft RPF. All participants were welcome to voice their opinions and provide feedback. The workshop was well covered in the local media.</p> <p>Key issues raised by participants in the workshop included: (i) valuation of assets at market value; (ii) further minimization of physical displacement; (iii) improved entitlements under the negotiated settlement for physical resettlement; (iv) attention to vulnerable populations such as landless, scheduled caste, etc.; (v) timely payment of pensions and possible increases in annual pension; (vi) ensuring local employment under contractors; (vii) proper management of impacts arising out of construction works and safety in the work place; and (viii) attention to issues associated with outside labor. The need to involve villagers in the decision-making process for development works, attention to upgrading village infrastructure and strengthening the information sharing process were also raised. Some of the written suggestions received as part of the workshop included: control measures for construction stage impacts, preventing water bodies being polluted, farmer consultations for flood mitigation works, provisions of LARR Act 2013, legal validity of agreements executed under LPS, avoidance of graveyards in village areas, among others. Management will work with the APCRDA to incorporate these suggestions into the final versions of the SESA-ESMF and RPF.</p>

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		<p>Consultations in four villages in February 2017. Some of the suggestions and concerns that emerged during these meetings included: (i) need for clear on-the-ground demarcation of land required in the village areas for infrastructure components; (ii) issues related to land classification of non -registered houses; (iii) requirement of sufficient time for reconstruction of alternative houses; (iv) shifting alignment towards open lands to minimize physical displacement; (v) impacts to certain common properties and to those residing on government lands, and treatment of partially impacted houses; (vi) impacts to tenants or assigned landowners; (vii) improved entitlements including valuation of assets under negotiated settlement; (viii) educated youth employability; (xi) impacts on agricultural laborers; and (x) delays in receipt of pension amounts.</p> <p>As part of these meetings, consultations were also held with landowners who had not joined the LPS. See Item 1.</p>
12.	<p>Independent implementation assessment. The "independent implementation assessment" of the LPS still has not been completed, and information about the independent assessment has not been distributed in the Amaravati area. In October 2016, Requester# I was approached by two individuals and - who claimed that they had been appointed World Bank. Requesters contacted World Bank management in Delhi, and only at that time did the Requesters learn that an assessment was underway. Requesters also are concerned that the assessment is not being conducted in an independent manner. APCRDA is both the ASCCDP implementing agency and the agency that is responsible for managing the Land Pooling Scheme. APCRDA's role in selecting and managing the two assessors is not clear. Further, APCRDA has been accompanying the assessors to the villages, which is not compatible with an independent assessment process and negates the purpose of retaining third-party assessors.</p>	<p>The APCRDA commissioned a third-party assessment of the LPS to identify any shortcomings that would need to be addressed during implementation. This study was carried out by consultants not associated with LPS implementation.</p> <p>The third-party Assessment of the LPS was commissioned by the APCRDA. Consultants were selected by APCRDA through invitation of bids from a short list of institutions/agencies having expertise in land management. The selected consultants that ultimately carried out the study are not associated with the implementation of the LPS, so as to bring an independent perspective to the study. Management has received a draft of the assessment and will provide comments to the APCRDA. After finalization of the report, Management will work with the APCRDA to identify and implement measures which address issues raised in the report related to the proposed Project, as part of the final RPF and of site-specific RAPs.</p>
13.	<p>Failure to accurately assess the nature and magnitude of project-related displacement and to adequately ensure that use of land previously acquired through the LPS complies with OP 4.12. The PID/ISDS states that the "Land Pooling Scheme (LPS) is substantially completed." However, as described in paragraph 16 [of the request], the LPS is not "substantially completed," and the legal steps necessary to complete the process have not yet occurred. This inaccurate assessment has led to the incorrect Bank determination that a "due diligence" approach consisting of "an independent implementation assessment of LPS Scheme to assess its implementation outcomes to date,</p>	<p>Third-Party Assessment of LPS. See Item 4 above.</p>

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	<p>hear the reactions of those who have participated in LPS and identify measures required to strengthen its implementation process during the remaining implementation period as applicable to sub-projects" is the appropriate method to evaluate the LPS. This approach is not adequate to assess the compliance of the LPS with OP 4.12. Further, the Bank has not taken steps to ensure that this "independent implementation assessment" is being conducted independently,⁵ nor has it established an independent advisory panel on resettlement for the ASCCDP, as recommended under OP 4.12 for projects that are highly risky or contentious.</p>	
14.	<p>Inconsistency with the objectives of OP 4.12: Bank management has not taken steps to avoid or minimize involuntary resettlement and has instead responded to concerns about involuntary resettlement by stating that individuals affected by the ASCCDP have two options: "you may opt to participate in the Land Pooling Scheme (LPS) or under Land Acquisition (LA)." The compensation and the limited annuities for the transition period provided by both the LPS and the LA Act do not "provide (e) sufficient investment resources to enable the persons displaced by the project to share in project benefits."⁶ Lastly, the Bank's due diligence approach to the LPS does not incorporate measures to restore the livelihoods of landowning farmers, assignees, agricultural laborers, and vulnerable groups who the LPS already has affected, and who will only receive annuities for ten years under the rules of the LPS.</p>	<p>Land pooling is an approach used to minimize resettlement and maximize benefits to those whose land is acquired. The draft RPF analyzes the compliance of the Government of AP's approach to land acquisition through land pooling, negotiated settlements, and eminent domain with Bank policy, and identifies gaps and measures to address them.</p> <p>Management remains committed to ensuring that potential impacts of the proposed Project on livelihoods and resettlement, among others, are appropriately assessed, and that any identified impacts are managed in accordance with Bank policy. Management will confirm that the proposed Project complies with Bank policy before deciding whether to move forward with Bank support.</p> <p>Involuntary resettlement. The APCRDA has noted that, as an outcome of extensive (over 100) consultations on the Amaravati Master Plan (prepared with the support of the Government of Singapore) and the LPS, physical displacement has been minimized. For example, in response to stakeholder feedback, the LPS excluded residential areas within villages, which enabled over 100,000 villagers to remain within Amaravati City boundaries without displacement. Landowners who have not joined LPS will have their land acquired under eminent domain and will therefore be subject to involuntary resettlement</p> <p>Any involuntary resettlement under the proposed Project would be subject to Bank policies and this is outlined in the draft RPF.</p> <p>Consistency with OP 4.12. The proposed Project introduces an innovative approach specifically designed to ensure that those who are displaced by Project activities also directly share in Project benefits. Landowners are not just being compensated in the ordinary way; they are going to share in the increased</p>

⁵ In this regard, see Attachment 12 and Management's response to Requesters' concerns.

⁶ OP 4.12. para. 2(b).

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		<p>value of land and other benefits that will come with the creation of the new city.</p> <p>Restoration of livelihoods. In Management’s view, the concerns regarding restoration of livelihoods of affected people will be addressed through (i) the compensation under the LARR Act 2013, which enables purchase of agricultural land for pursuing similar land based professions; (ii) the provision of returnable plots under the LPS; and (iii) the proposed measures for annuities/pensions, support to skill upgrading, and support to establish self-employed enterprises. All of these facilitate opportunities for wage labor and measures have been proposed in the draft RPF to support ongoing government programs and design of additional measures where needed.</p>
15.	<p>OP/BP 4.01: Failure to ensure meaningful consultation: As a result of the lack of a meaningful consultation process (described in paragraph 31), the Requesters' concerns were not incorporated into the revised SESA-ESMF for the project, and Requesters face the potential harms described in Section III.</p>	<p>Management will work with APCRDA to re-disclose and consult on drafts of the SESA-ESMF and the RPF after comments from the Bank have been incorporated by the APCRDA.</p> <p>For details, see Item 5.</p>
16.	<p>Compliance of the draft revised SESA-ESMF and RPF with OP 4.12 and OP 4.0 I. Proposed compensation does not cover replacement cost. The revised RPF sets an amount of compensation that does not meet OP 4.12’s standard of replacement cost. As described in paragraph 26, the RPF's process for valuation of land to be acquired is based on values that have not been revised in five years. Requesters submit that valuation under the LA Act should be based on the market value of transactions that have taken place in a fair and transparent manner over the last three years. Specifically, the market value should be multiplied by at least a factor of two, and 80% of the land to be paid at market value and as per first schedule, and return 20% of the developed land in par with the offer under LPS.</p>	<p>The draft RPF has been reviewed by the Bank and will be finalized by the APCRDA reflecting the Bank’s comments as well as concerns raised by the Requesters. Management will work with APCRDA to address concerns such as those raised by the Requesters, in the RPF, as appropriate.</p> <p>The RPF notes that the compensation to be provided under the LARR Act 2013 for lands lost adequately provides for replacement value, as required under Bank policy.</p> <p>The LARR Act 2013 has a provision offering 20 percent of lands acquired for urbanization on payment of cost of development. Management understands from the Government of AP that this option is available to the affected people, provided they agree to pay the development cost of the land.</p> <p>Further elaboration is also provided in responses to Items 1 and 6.</p>
17.	<p>Lack of analysis of project alternatives: The SESA-ESMF states only that there will be an analysis of project alternatives for future sub-projects, rather than an analysis of alternatives to the Amaravati Capital City project. In this regard, there is a detailed report produced in 2014 by an expert that proposes alternative designs for the city, including the decentralization of governance by locating government offices at regional centers.</p>	<p>Alternatives to the location of Amaravati City are outside Management’s purview. Alternatives to Bank-financed components are assessed in the SESA-ESMF.</p> <p>The selection of the location of Amaravati City is a sovereign decision and was taken by the Government of AP, before the Bank had engaged in the proposed Project. The site for Amaravati City was strategically selected by the Government of AP in late 2014, based on the area’s historical significance and its economic potential, specifically a strong network of transport</p>

No.	Claim	Response
		<p>infrastructure, proximity to several major economic centers, good access to a skilled labor workforce and water to cater to a growing urban population.</p> <p>The proposed scope of the Project is limited to some interventions within Amaravati City; as such, the SESA-ESMF's assessment of alternatives does not include an analysis of potential alternatives for the location of Amaravati City itself, but rather is limited to alternatives to the specific interventions that could be financed under the proposed Project.</p>
18.	<p>Inadequate identification of environmental issues: The revised SESA-ESMF states that "the ecological profile consists of agricultural areas, wetlands/water bodies (irrigation ponds and rivulets), rocky outcrops and riparian/riverine zone along the River Krishna. There are no ecologically sensitive areas present in the Amaravati Capital City area. However, the study identified the following 'hotspots': wetlands, rocky outcrops, and, riparian zone of River Krishna." However, the SESA-ESMF does not include the recommendations made in the main EIA-EMP for Amaravati, which makes a number of recommendations related to water bodies, wetlands, and the River Krishna.</p>	<p>Management is currently reviewing the draft SESA-ESMF. Site-specific EIAs would be conducted as investments are identified.</p> <p>The provisions under the SESA-ESMF are over and above the mandatory environmental clearance conditions stipulated under national environmental laws. The APCRDA is expected to comply with national environmental laws in any case when Project components are designed and their EIAs are prepared. Hence, it will take into account the recommendations made in its EIA-EMP.</p> <p>The draft SESA-ESMF considers, among other issues, potential Project impacts related to flooding, conservation of water bodies, and forest land and identifies measures to mitigate any adverse impacts. Investments under the proposed Project would comply with site-specific RAPs, site-specific EIAs and site-specific ESMPs.</p> <p>Management is currently reviewing the draft SESA-ESMF and site-specific safeguard documentation and will provide comments to the APCRDA before documents are finalized. Management will ensure that the concerns raised by the Requesters are addressed in the final documents, to the extent they are relevant to the proposed Project. s</p>
19.	<p>Prior interactions with Management. The Requesters have informed the APCRDA, World Bank management, and the World Bank GRS about their concerns through a series of emails and meetings (refer to Attachments 12 - 16). Following the invitation of CRDA, a few landowning farmers attended the "Public Consultation Workshop" to express their objections on SESA-ESMF and the draft RPF. However, the revised drafts that were posted on the World Bank's website, which specified that they had been "revised pursuant to Public Consultation Workshop," did not address the Requesters' concerns. The World Bank also has not taken any action to address the concerns the Requesters have raised, including the objections on SESA-ESMF and RPF in attachment 15.</p>	<p>Stakeholder concerns will be further integrated as safeguard documents are finalized. Management will work with the APCRDA to address in the final SESA-ESMF specific stakeholder concerns, such as those raised by the Requesters, as appropriate.</p> <p>Stakeholder opinions and concerns heard through the consultation process described in Item 12 have been addressed in a variety of ways, described in Item 16. Consultation feedback is also being considered as the RPF is finalized and site-specific RAPs related to sub-components are prepared. The census of Project-affected people under the proposed Project is ongoing as part of the RAP preparation for the 10 roads. Additional consultations will be carried out as part of</p>

No.	Claim	Response
		<p>RAP preparation and the draft RAPs will be disclosed and disseminated.</p>
20.	<p>Requested Measures. The Requesters request that the Inspection Panel conduct an investigation into the policy violations described above and find that World Bank management must take steps to rectify these violations and resolve Requesters' concerns. Such steps would include, but are not limited to:</p> <ul style="list-style-type: none"> - Delay the World Bank's process of appraisal and convene a panel of independent experts to oversee the ASCCP and ensure that it is implemented in accordance with World Bank policies and procedures. - Revise the Bank's approach to conducting due diligence on the LPS. The Bank should approve terms of reference for a truly independent analysis of the LPS that identifies steps needed to remedy past noncompliance with OP 4.12 and ensure future compliance with OP 4.12., including legal guarantees for participants in the LPS. - Ensure that the process of land acquisition complies with World Bank policies and with national legislation, and ensure that the final environmental and social documentation for the project incorporates Requesters' concerns. - Ensure that future consultation processes are conducted in a free, fair, and meaningful manner. 	<p>Management is of the view that, to date, the preparation of the proposed Project has followed Bank policy requirements. However, Management views the Request for Inspection as an opportunity to review and consider the views and concerns of the Requesters.</p> <p><i>Management has agreed on an action plan with the Borrower that aims to address concerns raised in the Request.</i> The actions detailed below will be undertaken during Project preparation, to address these concerns.</p> <p><i>Community engagement and monitoring to address coercion and other implementation issues.</i> Given the complex nature of land acquisition and its potential impacts on the proposed Project, the Bank will work with the APCRDA to establish a citizen advisory committee, consisting of recognized members of the community as well as external experts, to serve as an advisory panel to the APCRDA and to inform the implementation of the proposed Project and the mitigation of any potential adverse impacts of the proposed Project. Further, Management will:</p> <ul style="list-style-type: none"> • Convey to the Government that proactive and open stakeholder engagement, free from coercion, is a prerequisite for Bank support for a project, and that Management expects stakeholder input to be taken into account in project design; • Engage an independent local party to carry out interviews and consultations in local villages to obtain additional information on any potential coercion; • Engage independent local professionals to visit the affected villages frequently to monitor the concerns of Project-affected people and to bring these to the attention of the Bank and the APCRDA; • Increase the frequency of preparation and supervision missions, during which the Bank will proactively reach out to stakeholders to maximize their opportunities to interact with Bank staff on implementation issues in general, and potential instances of coercion in particular; • Work with the APCRDA to establish a robust project-level grievance redress mechanism to collect stakeholder input and complaints during preparation and implementation of the proposed Project.

No.	Claim	Response
		<p>Project preparation. Management is committed to continued strong and robust preparation of the proposed Project and to finalization, by the time of the Decision Meeting, of the following documents, including stakeholder consultation on them:</p> <ul style="list-style-type: none"> • The RPF with an analysis of the land acquisition process under the proposed Project, including the LPS, negotiated settlement and eminent domain, and an assessment of related risks and impacts and how these would be managed; • The SESA-ESMF, including an assessment of the proposed investments under the proposed Project within Amaravati City, the related environmental and social risks and impacts and how these would be addressed under the proposed Project; • A plan for ongoing consultation and grievance redress/citizen engagement, with clear feedback mechanisms to be implemented as part of the Project (including indicators in the results framework); • An enhanced communication strategy for the Project and safeguard aspects. • An enhanced communication strategy for the Project and safeguard aspects. <p>Policy compliance. To ensure that the proposed Project continues to comply with Bank policy, Management will:</p> <ul style="list-style-type: none"> • Work with the APCRDA to address any gaps between Bank policy and the LARR Act 2013 as well as the LPS, as appropriate, in the final RPF; • Agree with the APCRDA on how the recommendations in the final third-party assessment report of the LPS, as well as additional comments the Bank may have, would be implemented and reflected in safeguard and other Project documents, as appropriate; • Agree with the APCRDA on ways to add livelihood support measures for Project-affected landowners and landless wage laborers, including skill upgrading of vulnerable groups; • Work with the APCRDA to address in the final SESA-ESMF specific stakeholder concerns • , such as those raised by the Requesters, as appropriate. <p>Consultation and information. The proposed Project would benefit from an enhanced consultation and</p>

No.	Claim	Response
		<p>stakeholder engagement approach. Therefore, Management will:</p> <ul style="list-style-type: none"> • Work with the APCRDA to expand consultations on Project safeguard documents as they are being finalized, including the SESA-ESMF, RPF, site-specific RAPs, site-specific EIAs and site-specific ESMPs. This includes focus group consultations with various affected categories of people, such as small and marginal-scale farmers, agricultural laborers, women, and displaced populations. It will also include a stakeholder workshop to introduce and discuss the finalized safeguard documents, how they address stakeholder concerns, and how key safeguard issues are managed (for example, compensation and social development and skill upgrading schemes); • Work with the APCRDA to address, as relevant, the concerns raised by the Requesters and other stakeholders regarding land acquisition and potential environmental impacts in the final drafts of the SESA-ESMF and RPF, and to re-disclose and consult on the final drafts; • Work with the APCRDA to ensure that consultations continue to be free, fair and meaningful. <p>Grievance redress. Management recognizes that strong grievance mechanisms are needed at project level to ensure that the concerns of people affected by projects are heard and addressed appropriately. Management will:</p> <ul style="list-style-type: none"> • Work with the APCRDA to establish a Project-level GRM that includes members who are not associated with the Project to address complaints where Project-affected people considered that the existing grievance mechanism did not solve their issue. • Engage with landowners, whose land plots are to be used for the proposed Project, to explore solutions and improvements in environmental and social risk management, within the mandate of the Bank's safeguard policies.

Annex 2. Letter of Support to the LPS



AMARAVATI RAJADHANI SAMEEKARANA RAITHU SAMAKYA

(Reg. No. 261 of 2015)

4-204/1, Yadava Bazar, Neerukonda, Mangalagiri Mandal,
Guntur Dist., Andhra Pradesh, India.



Amaravati

May 15, 2017

To
Mrs Sona Thakur,
Senior Social Development Expert
Amaravati Sustainable Capital City Development Project
The World Bank,
Hindustan Times Building,
New Delhi.

Dear Mrs Sona Thakur ji,

Subject: World Bank Support to Amaravati, Request for fast tracking
the process and safeguarding the interests of the LPS farmers
of the Capital City - reg.

Greetings from Amaravati!!

Kindly recall the multiple discussions we had during your previous
missions to Amaravati regarding the Capital City Development Project and
World Bank assistance.

We have provided a detailed account of the enthusiasm, intent and
passion of the members of the farmers community, cutting across cast,
creed and religion and financial status, in our interactions with you and
your team. We convey our gratitude for the time and patient hearing
given to us in spite of your busy schedules.

Page 1 of 2



AMARAVATI RAJADHANI SAMEEKARANA RAITHU SAMAKYA

(Reg. No. 261 of 2015)

4-204/1, Yadava Bazar, Neerukonda, Mangalagiri Mandal,
Guntur Dist., Andhra Pradesh, India.



We understand from the media articles as well as the documents available in the public domain that persons with vested interests having insignificant stakes in the Bank funded project area are attempting to derail the process of financial assistance by miscommunicating and providing misleading information. We are sure that the Bank officials had already personally examined the ground realities which indicate that the facts are otherwise.

You are probably aware that the returnable plot allotment has concluded in 22 out of 24 villages for over 50000 plots in a fair and transparent manner in the presence of pooling farmers and other stakeholders. It is a matter of pride for all of us that the entire process has concluded without any dissent or disturbance. This shows the willingness and commitment of the LPS community for the development of the Capital City.

We would also like to bring to your attention that our Organisation, 'Amaravati Rajadhani Sameekarana Raithu Samakya' (Federation of Amaravati Capital Land Pooling Farmers) represents more than 12000 individual members across all the 24 villages of the Capital City and along with their family members, represent over 70% of the total LPS community. In addition, together with another like minded association of LPS, we represent 98% of the total private land ownership of the Capital City. This is to bring the fact that those who are attempting to create misrepresentation are a miniscule of the remaining 2% of the farmers.

In conclusion, we request you to carefully examine the above facts on merit and expedite and fast track the World Bank assistance to ensure that the projects are grounded as soon as possible.

Thanking you,

(Dr. Madala Srinivas)
President

Ph: 98499 11139; 99404 44000



Encl: Certificate of Registration of our federation

Annex 3. Writ Petition and Supreme Court Judgement

Exhibit 5: Relevant Extracts of grounds from the Writ Petition WP No 632/2016 filed before Hon'ble Supreme Court of India

"

3. GROUNDS :

That the present Writ Petition is being filed on following amongst other grounds without prejudice to each other:-

A. Because in the name of voluntary pooling of land, the State authorities have adopted every coercive measure to ensure that even those farmers who are not willing to be part of the Land Pooling Scheme, surrender their land to the authorities.

..

..

E. Because the decision of the State Government to get hold of land by floating the Land Pooling Scheme is nothing but to evade the rigours of the newly enacted Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 and thereby depriving the right of the farmers to get fair compensation and resettlement.

F. Because in the name of the voluntary land pooling scheme, the concerned authorities are taking recourse to every trick to deprive the farmers and landless labourers of their livelihood, even by using force and coercion against such people who refuse to fall in line.

G. Because the State Government proposes to acquire about one lakh acres of land along the banks of River Krishna without there being any justification for the same, given the fertility of land. It is submitted that the acquisition/ surrender of such a large stretch of land poses serious threat to the food security of the country as a whole and effects the environment in river Krishna catchment area.

H. Because in the whole process, the State Government is discriminating between the land owners and the Dalits who have acquired rights over the land by way of assignment or grant. It is submitted that large chunk of the agricultural land in this region are being cultivated by the tenant farmers.

- I. Because there is complete opaqueness in so far as the process of land pooling scheme and the future benefits that may accrue to the land owners. The whole scheme is quite speculative in nature and far from the reality.
- J. Because thousands of farmers/labourers are opposing the land pooling method adopted by State Government and as such the State machineries are being used to create panic among people in order to ensure that neither public opinion is formed against the ill conceived scheme nor any serious protest/ agitation takes place, which is against the ethos of our Constitution.
- K. Because more than one lakh agricultural labourers earn their livelihood given the fertility of land and once this area becomes commercial or non agricultural, such landless labourers are bound to face serious livelihood problems. Most of the agricultural workers hails from the weaker sections of society i.e. Dalits, O.B.Cs, tribals and women.

That the quantum of money involved in developing the 8460 sq kms large scale city creates several doubts. Lakhs of crores of rupees of public money and private investment are stated to be pumped in the biggest Green Field New Capital building process. Hence, there is lack of transparency on whole process right from identifying, acquiring the land, disbursement of package to farmers and affected people, construction of structures and allotment of development of costly land.

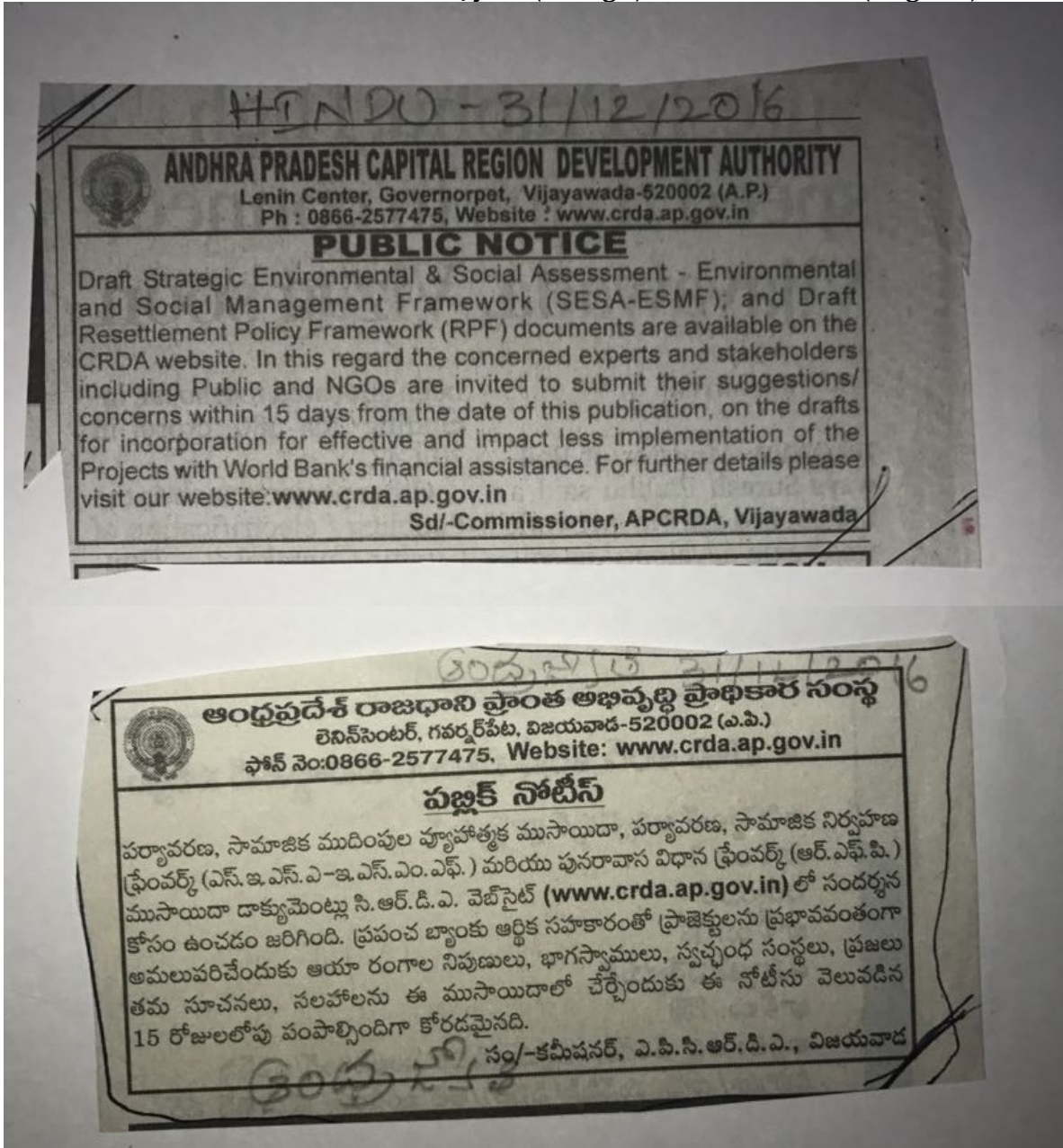
- L. Because the Environment Clearance accorded by State Environment Impact Assessment Authority is under challenge before the Hon'ble National Green Tribunal.

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Annex 4. Local Media Coverage on the Consultation Workshop



Paper Clippings of Public Notice regarding Disclosure of ESMF and RPF on 31st December 2016 in Andhra Jyoti (Telugu) and The Hindu (English)



Public Notice regarding workshop held on 19th January 2017
Public Notice in English Daily Newspaper, Deccan Chronicle Dt. 17-01-2017

Deccan Chronicle on 17-01-2017

	ANDHRA PRADESH CAPITAL REGION DEVELOPMENT AUTHORITY Lenin Center, Governorpet, Vijayawada-520002 (A.P.) Ph : 0866-2577475, Website : www.crda.ap.gov.in
PUBLIC NOTICE	
<p>The Workshop on the documents viz., Draft Strategic Environmental & Social Assessment - Environmental and Social Management Framework (SESA-ESMF); Draft Resettlement Policy Framework (RPF); Social Impact Assessment - Resettlement Action Plan for 7 sub-arterial Roads and the Environmental Impact Assessment and Environmental Management Plan for 7 sub-arterial roads will be held on 19th January 2017 at 9.30 AM at APCRDA - Thulluru Office, Guntur District, Andhra Pradesh.</p> <p>In this regard, concerned experts are invited to participate in the above workshop for consultation and detailed discussions on the above mentioned draft documents. The suggestions / concerns raised in the workshop will be incorporated in these documents for effective and impactless implementation of the projects with the support of World Bank. For details, please visit our website: www.crda.ap.gov.in</p>	
Sd/- Commissioner, APCRDA	

Public Notice in Telugu Daily Newspaper, Saakshi Dt. 17-01-2017




ANDHRA PRADESH CAPITAL REGION DEVELOPMENT AUTHORITY
Lenin Center, Governorpet, Vijayawada-520002 (A.P.)
Ph : 0866-2577475, Website : www.crda.ap.gov.in

PUBLIC NOTICE

The Workshop on the documents viz., Draft Strategic Environmental & Social Assessment - Environmental and Social Management Framework (SESA-ESMF); Draft Resettlement Policy Framework (RPF); Social Impact Assessment - Resettlement Action Plan for 7 sub-arterial Roads and the Environmental Impact Assessment and Environmental Management Plan for 7 sub-arterial roads will be held on 19th January 2017 at 9.30 AM at APCRDA - Thulluru Office, Guntur District, Andhra Pradesh.

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Sd/-
Commissioner, APCRDA

 Tue, 17 January 2017
epaper.sakshi.com//c/16149892

Print media coverage on workshop held on 19th January 2017
Newspaper Clippings on the SESA-ESMF & RPF Documents

గుంటూరు, ఆంధ్రజ్యోతి: అమరావతి రాజధాని నగరంలో వైతుల సుంది సంఘాలు, అభ్యంతరాలు సృజించిన సాంకేతిక బృందం వాటన్నింటినీ క్రోడీకరించింది. టౌన్ అండ్ కలర్డ్ ప్లానింగ్ రైబ్రెకర్ తమ రచన, ఏటీసీఆర్డీపీ ప్లానింగ్ రైబ్రెకర్ అర రామకృష్ణారావు, డెవలప్ మెంట్ రైబ్రెకర్ పి రామమూ, టీఎస్ ప్లానింగ్ ఆఫీసర్ డి రామచంద్రయ్య, ప్రిన్సిపల్ ప్లానర్ పీవీఎడవీల్ కర్ప, రవాణా విభాగం ప్రిన్సిపల్ ప్లానర్ ఎన్ అరవింద్, ప్లానింగ్ అధికారి సిహెచ్ పి సాంజీవరావు, డి నాగేశ్వరరావులు రాజధానిలోని అన్ని గ్రామాల్లో ప్రభుత్వం రైతుల అభిప్రాయాలు సేకరించారు. అమరావతి రాజధాని నగర ముసాయిదా మాస్టర్ ప్లాన్ పై సేకరించిన వైతుల అభ్యంతరాలు, సలహాలు, వాటిపై కమిటీ సిఫార్సులలో కూడిన నివేదికను ప్రభుత్వానికి అందజేశారు.

సందేహాలపై సలహాలు

నేలపాడు
వైతులు: ప్రతిపాదిత లేడ్జు క్లస్టర్లకు సర్వే నెంబర్ 90లో కృతానవాటిక మీదగా ఉంది.
సాంకేతిక కమిటీ: అది ప్రతిపాదిత రైబ్రెకర్ లేడ్జు క్లస్టర్ రివిజన్ మెంట్ లో ఉంది.
వైతులు: బలహీన వర్గాల ఇళ్ల పతకం అంద వచ్చా గృహాలు నిర్మించాలి.
సాంకేతిక కమిటీ: ఈ విజ్ఞప్తిని తప్పక పరిగణనలోకి తీసుకోవాలి.
వైతులు: సర్వే నెంబర్ 91లోని వాటర్ ల్యాండ్ ను అలానే ఉంచాలి.
సాంకేతిక కమిటీ: చెరువు మొత్తాన్ని సాదాచాలి.
వైతులు: మాకు ఇచ్చే ప్లాట్లు గామానికి ఉత్తరం వైపున ఉన్నాయి.
సాంకేతిక కమిటీ: ఉత్తరం భాగం గంపాపాడి కోసం రిజర్వు చేశారు. గ్రామ పరిధిలోనే వైతులకు ప్లాట్ల కేటాయింపు జరిగింది.

రీడుకొండ
వైతులు: మాకు ఇచ్చే ప్లాట్లు లేడ్జు ప్రదేశానికి 500 మీటర్ల దూరంలో ఉన్నాయి. సర్వే నెంబర్లు 18, 414, 415, 978, 979, 353, 358లో ప్లాట్లు ఉన్నాయి.
సాంకేతిక కమిటీ: వైతులకు ఇచ్చే భూములు ఎత్తు ప్రదేశాల్లో ఉన్నాయి.

లింగాయపాలెం
వైతులు: వీటి, వీటి, వీటిగా మార్పిడి చేసిన కమ్యూనిటీ జోన్లలో ప్లాట్లు ఉన్నాయి.
సాంకేతిక కమిటీ: పరిగణనలోకి తీసుకోవాలి అవసరం లేదు. వైతులు వీటి, ఆర్థిక ప్రాంతంలో ప్లాట్లు సేదించాలి.
వైతులు: గ్రామాన్ని తరలిస్తారన్న సందేహాలు ఉన్నాయి.
సాంకేతిక కమిటీ: మాస్టర్ ప్లాన్ లో అలాంటి ప్రతిపాదన ఏమీ లేదు.

ఉప్పలపాలెం
వైతులు: కృష్ణానది కరకట్టను నాలుగు వరకు రహదారిగా విస్తరించాలి.
సాంకేతిక కమిటీ: సాంకేతిక అభ్యయనం తర్వాత నిర్ణయించాలి.
వైతులు: అర్రులు భూముల్లోనే మాకు ప్లాట్లు ఉన్నాయి.
సాంకేతిక కమిటీ: పరిగణనలోకి తీసుకోవచ్చు.

బనపాడు
వైతులు: మేజర్ లేడ్జు గ్రామాన్ని నాలుగు ముక్కలుగా విభజిస్తున్నాయి.
సాంకేతిక కమిటీ: దీనిని పరిగణనలోకి తీసుకోవాలి అవసరం లేదు. గ్రామాన్ని ఏకైక వేళకే ప్రదేశంలోకి తరలించాలి.
వైతులు: వెలగూడిలో రెసిడెన్షియల్, కమర్షియల్ ప్లాట్లు ఉన్నాయి.
సాంకేతిక కమిటీ: వాణిజ్య ప్లాట్ల విషయంలో వైతుల విజ్ఞప్తిని పరిగణనలోకి తీసుకోవచ్చు. నివాస ప్లాట్ల మాత్రం గ్రామంలోనే ఇవ్వండి.
వైతులు: సర్వే నెంబర్ 78లోని చెరువు, హైస్కూల్ ను పరిరక్షించాలి.
సాంకేతిక కమిటీ: వైతుల విజ్ఞప్తిని పరిగణనలోకి తీసుకోండి.
వైతులు: ప్రతిపాదిత లేడ్జు అలన్స్ సర్వే నెంబర్ 88/7లోని కృతానవాటిక మీదగా ఉంది.
సాంకేతిక కమిటీ: కృతానవాటికని వేరొక ప్రదేశంలోకి మార్చండి.

మంగళగిరి
వైతులు: అమరావతి టౌన్ షిప్ కు ఎదురుగా మంగళగిరి మునిసిపల్ ఏరియా సుంది లాజిస్టిక్ హబ్ ని తొలగించాలి.
సాంకేతిక కమిటీ: వైతుల విజ్ఞప్తిని పరిగణనలోకి తీసుకోవాలి.

ముసాయిదా మాస్టర్ ప్లాన్ పై వైతుల అభ్యంతరాలు
పరిష్కారాలు చూపించిన సాంకేతిక కమిటీ
వెలగూడి
వైతులు: సర్వే నెంబర్ 163లో ఒక ఎకరం భూమిని గ్రేమ్ అవుట్ చేయాలి.
సాంకేతిక కమిటీ: వైతుల విజ్ఞప్తిని పరిగణనలోకి తీసుకోవాలి అంటే రీజోన్ చేయాలి.
సాధారణ అభ్యంతరాలు, సలహాలు
వైతులు: గ్రామకంఠం విస్తీర్ణాన్ని విస్తరించాలి.
సాంకేతిక కమిటీ: అలా కలెక్టర్ నిర్ణయించాలి.
వైతులు: లేడ్జు విస్తరణలో కేల్సీయే భూములకు స్వస్వరహితులను ప్రకటించాలి.
సాంకేతిక కమిటీ: ప్రభుత్వం ఏదీవిధంగా రూపొందించాలి.
వైతులు: డెవలప్ మెంట్ సర్కిల్ విభాగా వివేచించాలి.
సాంకేతిక కమిటీ: ప్రభుత్వం తుది నిర్ణయం తీసుకోవాలి.
వైతులు: గర్భవతి విమానాశ్రయం విస్తరణ కోసం ఇచ్చిన భూములును సందేహించిన వైతులకు అమరావతి రాజధాని నగరంలో భూములు ఇవ్వాలి.
సాంకేతిక కమిటీ: ప్రభుత్వం నిర్ణయం చేయాలి.
వైతులు: రీసెంట్ అభివృద్ధి బలహీన వర్గాలను ప్రభావితం చేస్తుంది.
సాంకేతిక కమిటీ: ప్రభుత్వం పాలన్ ప్రకారం నిర్ణయం తీసుకోవాలి.

వింధిపాడు, సిద్దుకొండపాలెం
వైతులు: పీఠభూమిపాలెం ఎన్నీ రాంసీ బొంబాపాడులో లభిస్తే.
సాంకేతిక కమిటీ: వైతుల విజ్ఞప్తిని పరిగణనలోకి తీసుకోవచ్చు.
వైతులు: సర్వే నెంబర్ 87లోని భూమి చెరువు పోరలతో భూమిని సార్వజమీన్ జోన్ గా మార్చాలి చేశారు.
సాంకేతిక కమిటీ: చెరువును ఉంచాలి అవసరం లేదు.
వైతులు: ప్రతిపాదిత భూమి చెరువును ఇబ్బందికరంగా మారింది.
సాంకేతిక కమిటీ: కొద్ది మార్పులతో రివిజన్ మెంట్ చేయాలి.
వైతులు: జాయింట్ ప్లాట్ల మాకు పేర్లు కలిపాలి అంటారు.
సాంకేతిక కమిటీ: పరిగణనలోకి తీసుకోవాలి అవసరం లేదు.
వైతులు: సర్వే నెంబర్ 18/ఏ, 21, 22, 23, 26, 30, 44(కొంకభాగం)లో నిర్మాణములయ్యే వారికి వేరొక భూ భూములు ఇవ్వాలి.
సాంకేతిక కమిటీ: వట్టు ప్రకారం పరిగణనలోకి తీసుకోవాలి.

కువగల్లు
వైతులు: సర్వే నెం.223లో ఆరేగి మార్పిడి చేసిన జోన్ లో కృతానవాటిక ఉంది. సర్వే నెం.189, 213, 214లో చెరువులు, కుంబంలు ఉన్నాయి.
సాంకేతిక కమిటీ: కృతానవాటికను, చెరువులు రెవిన్యూ రికార్డుల ప్రకారం అలానే ఉంచాలి. 19 క్లస్టర్ లోని వరద నియంత్రణలో భాగంగా సమగ్ర సర్వే జరపాలి.
వైతులు: మాస్టర్ ప్లాన్ లేడ్జు ఉన్నావన భూములు మీదగా ఉండటం అభ్యంతరకరం.
సాంకేతిక కమిటీ: పరిగణనలోకి తీసుకోవాలి అవసరం లేదు.

కాకమాడు
వైతులు: ప్రతిపాదిత కావన సర్వే నెంబర్ 71లోని కృతానవాటిక మీదగా ఉంది.
సాంకేతిక కమిటీ: కావన రివిజన్ మెంట్ చేయాలి అంటారు.
వైతులు: సర్వే నెంబర్ 38, 46లో చెరువు ఉంది.
సాంకేతిక కమిటీ: నివాస, వాణిజ్య ప్లాట్ల కోసం చెరువును వివేచించాలి.
వైతులు: సర్వే నెంబర్ 107లో లేడ్జు నిర్మాణం కారణంగా నిరాశ్రయమైన వారికి గ్రామకంఠం వచ్చిన ఇళ్లు ఉన్నాయి.
సాంకేతిక కమిటీ: వైతుల విజ్ఞప్తిని పరిగణనలోకి తీసుకోవాలి.
వైతులు: గ్రామం మీదగా ప్రతిపాదించిన లేడ్జుని మార్చాలి.
సాంకేతిక కమిటీ: ఒక మేజర్ ఆర్టియల్ లేడ్జు వైతుల విజ్ఞప్తిని పరిగణనలోకి తీసుకోవాలి అవసరం లేదు.

అనంతవరం
వైతులు: గ్రామకంఠం మీదగా ఎల్లైన్ చేసిన లేడ్జును రివిజన్ మెంట్ చేయాలి.
సాంకేతిక కమిటీ: ఇది అమరావతి రాజధాని నగరానికి మూలన ఉత్పంఠన పరిగణనలోకి తీసుకోవచ్చు. రివిజన్ మెంట్ లో డి అయి అభివృద్ధిని తనిఖీ చేస్తుంది.
వైతులు: సర్వే నెంబర్ 221లోని కొండను డి డి డి సాఫ్ట్ వరాలి.
సాంకేతిక కమిటీ: విద్యుత్ ఉప కేంద్రం, వైదాలయం విస్తీర్ణాన్ని మార్పిడి చేసే వాటి వరకే వివేచించాలి.
వైతులు: సర్వే నెంబర్ 210లోని కొండ (వర్స) ఉంది. దానిని ఆరేగి మార్పిడి చేశారు.
సాంకేతిక కమిటీ: దీనిని వీటిగా జోన్ చేయాలి.
వైతులు: సర్వే నెంబర్ 209లో చెరువు ఉన్నదే ఆరేగి మార్పిడి చేశారు.

అనంతవరం
సాంకేతిక కమిటీ: దీనిని వీటిగా రీజోన్ చేయాలి.
వైతులు: సర్వే నెంబర్ 88లోని కృతానవాటిక మీదగా లేడ్జు నెట్ వర్కుని ప్రతిపాదించారు.
సాంకేతిక కమిటీ: రివిజన్ మెంట్ చేయండి.
వైతులు: సర్వే నెంబర్ 37లో కొండ భాగాన్ని ఆరేగి మార్పిడి చేశారు. అయితే అంబలో దేవాలయం, మసీదు ఉన్నాయి.
సాంకేతిక కమిటీ: అరేగి అక్కడి నుంచి తొలగించాలి.
వైతులు: సర్వే నెంబర్ 117లో చెరువు ఉన్నది.
సాంకేతిక కమిటీ: అరేగియల్ కృతానవాటిక ప్రాథమిక సౌకర్యాల విస్తీర్ణం సర్దుబాటు చేయాలి. అరేగి చెరువు ఉండదాదు.

రాజధాని ప్రాంతంలో ప్రపంచబ్యాంక్ పథకాలు

ఈనాడు, ఆమరావతి: నవ్యాంధ్ర రాజధాని ఆమరావతి పరిధిలో ప్రపంచబ్యాంకు రుణంతో పలు పథకాలు చేపట్టనున్నారు. రహదారులు, కాలువలు తదితర నిర్మాణ పనులను రాజధాని ప్రాంతంలో చేపట్టనున్నారు. ఇందుకోసం జరప తలపెట్టిన స్థల సేకరణకు పునః పరిష్కార విధాన ముసాయిదా పత్రం, అలాగే ఆమరావతిలో పర్యావరణ, సామాజిక మడింపు, పర్యావరణ సామాజిక నిర్వహణకు సంబంధించిన ముసాయిదా పత్రాన్ని ఆంధ్రప్రదేశ్ రాజధాని ప్రాంత ఆభివృద్ధి ప్రాధికార సంస్థ(సీఐఆర్డీఏ) విడుదల చేసింది. ఈ పత్రాలను ప్రజల సందర్శనార్థం ఆ సంస్థ వెబ్ సైట్ లో ప్రకటించింది. రాజధాని కోసం సీఐఆర్డీఏ ఇప్పటికే భూ సమీకరణ విధానం ద్వారా భూములు సేకరించిన సంగతి తెలిసిందే. ఇప్పుడు రాజధాని నిర్మాణంలో భాగంగా ప్రపంచబ్యాంకు రుణంతో పలు నిర్మాణ పనులను చేపట్టనుంది. ఈ పనులకు సంబంధించి స్థల సేకరణకు సంబంధించి పునః పరిష్కారం(రీ సెటిల్ మెంట్) ప్రక్రియ, పర్యావరణంపై ప్రభావాలకు సంబంధించి ఈ ముసాయిదా పత్రాలను రూపొందించింది.

అదనపు పరిహారం!

ఆవివృద్ధిలో మాకూ
భాగం కావాలి

జనాబుదారీ వ్యవస్థ
ఏర్పాటుచేయాలి

ఇళ్లు కోల్పోతున్న వారికి
ఎక్కువ పరిహారం

యువతకు స్థానికంగా
ఉద్యోగావకాశాలు

ప్రజావిప్రాయ సేకరణలో
రాజధాని నైతుల
డిమాండ్లు

ఈనాడు అమరావతి

"రాజధానిలో జరిగే ఆవివృద్ధి
కార్యక్రమాల్లో నైతుల్ని
భాగస్వాముల్ని చేయాలి. ఇప్పుడ
ఏర్పాటుయ్యే ప్రభుత్వ ప్రాజెక్టు
సంస్థల్లో స్థానిక యువతకు వారి
విద్యార్హతల్ని బట్టి ఉద్యోగాలు
ఇవ్వాలి. అమరావతిలో అలాగే
పెద్దపట్టణ వేయాలి. నైతులకు
బస్సు స్టాప్, సీఆర్డీఏ వద్ద ఉన్న
స్థలాలు విలువను ప్రాజెక్టు
సంస్థలో పారదర్శకంగా మదింపు
చేయించాలి. దాని (మొగతా 19లో)

అదనపు పరిహారం!

(మొదటిపేజీ తరువాయి) ప్రకారం విలువ నిర్ణయించాలి. సీఆర్డీఏ వద్ద ఉన్న భూముల్ని ప్రైవేటు సంస్థలకు తక్కువ ధరకు ఇస్తూ పోతే, రైతుల భూములకు మెరుగైన ధర రాదు. ప్రైవేటు సంస్థలకు ఆవసరం మేరకే భూములివ్వాలి. ఒకవేళ బారీగా తీసుకున్నా.. భూములను ఆ సంస్థ గడువులోగా వినియోగంలోకి తేకపోతే వెనక్కు రాబట్టేలా నిబంధనలు ఉండాలి" ఇలాంటి అనేక సూచనలు, డిమాండ్లు రాజధాని ప్రాంత రైతుల నుంచి వచ్చాయి. రాజధానిలో రహదారులు వంటి మౌలిక సదుపాయాల కల్పనకు ప్రపంచబ్యాంకు రూ.3200కోట్ల రుణం ఇస్తున్న నేపథ్యంలో.. చేపట్టే ప్రాజెక్టులకు సంబంధించిన పర్యావరణ, సామాజిక ప్రభావం, ముస్సాయిదా పునరావాస విధానంపై రాజధాని ప్రాంత అభివృద్ధి ప్రాధికార సంస్థ(సీఆర్డీఏ) గురువారం తుళ్లూరులో ప్రజాభిప్రాయ సేకరణ నిర్వహించింది. దీనికి సీఆర్డీఏ ఆధికారులు, ప్రపంచబ్యాంకు ప్రతినిధులు హాజరయ్యారు. ఈ సందర్భంగా రైతులు తమ అభిప్రాయాలను కుండబద్దలు కొట్టినట్టుగా చెప్పారు.

పునరావాస ప్యాకేజీ ఇలా..!

రాజధానిలో ఏడు ప్రధాన రహదారుల నిర్మాణం వల్ల వివిధ గ్రామాల్లో 461 ఇళ్లు చెబ్బులింటున్నాయని సీఆర్డీఏ జాయింట్ డైరెక్టర్(ఎస్టేట్స్) మోహనరావు తెలిపారు. ఇళ్లు కోల్పోతున్న వారికి ఇవ్వనున్న పరిహారం గురించి వివరించారు. గ్రామకంఠాల పరిధిలో భూములు కోల్పోతున్న వారికి దానికి సమానమైన స్థలాన్ని సీఆర్డీఏ వేరేచోట ఇస్తుంది. ఇళ్లు పోతుంటే దాని విలువను రోడ్డు భవనాల శాఖ ఇంజనీర్లు అంచనా కడతారు. రెట్టింపు విలువను ఇంటి యజమానికి పరిహారంగా ఇస్తారు. దీనికి అదనంగా ఐఏవై పథకం కింద రూ.2.75 లక్షలు కూడా అందజేస్తారు. ఇల్లు కోల్పోతున్న కుటుంబం మరో ఇంటికి మారడానికి రూ.50 వేలు ఇస్తారు. కుటుంబానికి రూ.2,500 చొప్పున పదేళ్ల పాటు పింఛను ఇస్తారు. కుటీర పరిశ్రమలు, చేతివృత్తుల వారు ఉంటే.. వారు మళ్లీ ఆలాంటి పెద్ద వేసుకోవడానికి రూ.25 వేలు, మూలధనం కింద మరో రూ.25 వేలు అందజేస్తారు. ఏడు ప్రధాన రహదారుల నిర్మాణానికి 850 ఎకరాల భూమి ఆవసరం అవుతోంది. దీనిలో గ్రామాల్లో 23 ఎకరాలు ఉంది. 50 ఎకరాలు భూసేకరణ ద్వారా తీసుకోవలసి ఉందని మోహనరావు తెలిపారు. పర్యావరణ, సామాజిక ప్రభావం గురించి సీఆర్డీఏ డైరెక్టర్(స్ట్రాటజీ) శాస్త్రి వివరించారు.

రెండింతలు ఇవ్వాలి

సమావేశంలో పాల్గొన్న రైతుల ప్రధాన డిమాండ్లు ఇలా..

1. గ్రామాల్లో కోల్పోతున్న భూమికి రెండింతలు ఎక్కువ ఇవ్వాలి.
2. రోడ్ల నిర్మాణం వల్ల పోతున్న వాటిలో ఇటీవలే నిర్మించిన ఆధునిక భవంతులు ఉన్నాయి. రోడ్లు భవనాల శాఖ అంచనాలు ఇక్కడ సరిపోవు. ఎక్కువ మొత్తం ఇవ్వాలి.
3. కొండవీటి వాగు ముంపు నివారణ చర్యల గురించి రైతులకు స్పష్టతనివ్వాలి.
4. కృష్ణా కరకట్టను 200 అడుగులు వెడల్పు, ఒకటిన్నర మీటర్ల ఎత్తు పెంచాలి.
5. రాజధానిలో నిర్మిస్తున్న ప్రధాన అనుసంధాన రహదారి, నేలపాడు లేఅవుట్లో వేస్తున్న రహదారుల నాణ్యతపై భరోసా ఇవ్వాలి.
6. రైతులకు జవాబుదారీగా ఉండే వ్యవస్థను ఏర్పాటుచేయాలి. రైతు సమస్యలను పరిష్కరించే సమీకృత సేవకేంద్రం ఏర్పాటుచేయాలి.

రాజధాని రహదారులకు ప్రపంచబ్యాంకు సహకారం

తుళ్ళూరు, న్యూఢిల్లీ: నూతన రాజధాని అమరావతిలో తొలిదశగా నిర్మించే రహదారుల నిర్మాణానికి ప్రపంచబ్యాంకు ఆర్థిక సాయం చేసేందుకు ముందుకు వచ్చిందని ఏపీ సీఆర్డీఏ సర్కారులు తెలిపారు. తుళ్ళూరులో ఏపీ సీఆర్డీఏ సీటీ కార్యాలయం ఆవరణలో గురవారం వర్తమావరణ ముసాయిదా, సామాజిక అంచనాపై రాజధానిలోని డిగ్రీగ్రామాల ప్రజలకు, రైతులకు, మేధావులతో అవగాహన సదస్సు జరిగింది. కార్యక్రమానికి ప్రపంచబ్యాంకు నుంచి బహుగురు ప్రతినిధులు హాజరయ్యారు. ఈ సందర్భంగా జేఎన్ఆర్కే శాస్త్రి మాట్లాడుతూ రాజధాని అమరావతి నిర్మాణ పనులకు రాష్ట్రప్రభుత్వం ప్రపంచబ్యాంకు సహాయాన్ని కోరిందని తెలిపారు. రహదారుల నిర్మాణానికి రూ.3200 కోట్ల ఆర్థిక సాయం చేసేందుకు ప్రపంచబ్యాంకు ముందుకు వచ్చిందని తెలిపారు. రాజధాని అమరావతిలో నిర్మించే వివిధ అభివృద్ధి పనులపై ప్రజల నుంచి అభిప్రాయ సేకరణ చేపట్టమని చెప్పారు. కొండవీటివాగు ముంపునివారణ, రహదారుల అభివృద్ధి, రాజధాని నిర్మాణానికి కనీసం రూ.40వేల కోట్ల నిధులు అవసరమైతే ప్రపంచబ్యాంకు పదిశాతం నిధులు విడుదల చేస్తుందన్నారు. ఇందులో భాగంగానే రాజధాని ప్రతిపాదిత గ్రామాల్లోని

ఏపీ సీఆర్డీఏ పర్యావరణ విభాగం సంచాలకులు జేఎన్ఆర్కే శాస్త్రి



మాట్లాడుతున్న జేఎన్ఆర్కే శాస్త్రి, అభిప్రాయం వ్యక్తం చేస్తున్న హరేంద్రనాథ్ చౌదరి

ప్రజల అభిప్రాయాలు, సూచనలు తీసుకొన్నామని చెప్పారు. ఏపీ సీఆర్డీఏ ఎగ్జిక్యూటివ్ డైరెక్టర్ మాహానరావు మాట్లాడుతూ రాజధాని నిర్మాణానికి 34వేల ఎకరాలు సేకరించినట్లు చెప్పారు. గ్రామకంటాలను భూ సమీకరణ నుంచి మినహాయింపు ఇచ్చినట్లు చెప్పారు. ప్రస్తుతం ఉన్న గ్రామాలను కొత్తగా నిర్మించే రాజధాని నగరస్థాయికి అభివృద్ధి చేయనున్నారని చెప్పారు. కొండవీటి వాగును హార్మిస్టాయిలో అభివృద్ధి చేసి రాజధాని అవసరాలకు నీటిని వినియోగించే ప్రాజెక్టును రూపొందిస్తామని చెప్పారు. రహదారుల నిర్మాణంలో నష్టపోయే బాధితులకు స్థలానికి స్థలం, భవనాలు నష్టపోతే రెండింతల పరిహారం జస్టామని తెలిపారు. రహదారుల విస్తరణలో ఇళ్లు కోల్పోయే వారికి కేంద్రరాష్ట్రప్రభుత్వాల సహకారంతో గృహ నిర్మాణ పథకం మంజూరు చేస్తున్నట్లు చెప్పారు. ఈ కార్యక్రమంలో ఏపీ సీఆర్డీఏ ల్యాండ్ డైరెక్టరు బీఎల్ చెన్నకేశవరావు, ప్రపంచబ్యాంకు ప్రతినిధులు, సీఆర్డీఏ అధికారులు, రైతులు పాల్గొన్నారు. వివిధ గ్రామాలకు చెందిన బెల్లంకొండ నరసింహారావు, మల్లెల హరేంద్రనాథ్ చౌదరి, మల్లెల శేషగిరిరావు, మాడల శ్రీనివాస్, డనేకుల రామారావు, ముప్పవరపు కృష్ణారావులతో పాటు తదితర గ్రామాల రైతులు తమ అభిప్రాయాలు, సూచనలు తెలియజేశారు.

రాజధాని నిర్మాణ కమిటీలో రైతుల భాగస్వామ్యం ఏదీ?

తుళ్ళూరు, న్యూఢిల్లీ: తుళ్ళూరు సీఆర్‌డీఏ కార్యాలయంలో గురువారం నిర్వహించిన అవగాహన సదస్సులో గందరగోళం ఏర్పడింది. రాజధాని నిర్మాణానికి అవసరమైన సూచనలు, సలహాలు ఇవ్వాలని సీఆర్‌డీఏ అధికారులు కోరారు. ఒక్కో గ్రామం నుంచి రైతులు తమ ఆధిపత్యాల వివరాలు వివరిస్తున్నారు. రాయచూడి నుంచి మల్లెల కీషగిరిరావు రాజధాని నిర్మాణానికి సంబంధించిన అంశాలు ప్రస్తావించారు. ఇంతవెళ్ల ప్రాజెక్టులో రైతులకు ప్రాధాన్యం లేకుండా పోయిందని, రాజధాని నిర్మాణకమిటీలో రైతులను భాగస్వామ్యం లేకుండా చేశారన్నారు. కాష్టాభివృద్ధి కోసం 30వేల ఎకరాలు ఇస్తే తగిన ప్రాధాన్యం కల్పించడంలో ప్రభుత్వం విఫలమైందని అన్నారు. ల్యాండ్‌ఫ్రీలింగ్‌పై ఇంతవరకు స్పష్టతలేదన్నారు. ఇప్పటివరకు 20 గ్రామాల రైతులకు షాట్టు కేటాయిస్తూ అధికారులు ఇస్తున్న ప్రవచనం ఎందుకూ పని



కొరతని అన్నారు. ఇప్పుడు ప్రపంచ బ్యాంకు నిధులు కేటాయిస్తుందని చెబుతున్నారు. మనప్రాంతాన్ని వారి గుప్పెట్లో పెట్టుకోవడానికే నిధులు కేటాయిస్తున్నారని చెబుతుండగా నల్లలో గందరగోళం ఏర్పడింది. తుళ్ళూరు, టౌండహారు గ్రామాలకు చెందిన పలువురు ప్రపంచబ్యాంకు నిధులు వస్తుంటే వద్దనడానికి ఓకెయి రుంటూ ఎదురుతిరిగారు. టీతో కొద్దిసేపు గందరగోళం ఏర్పడింది. పోలీసుల జోక్యంతో సభకు దిగింది ఈ కార్యక్రమంలో సీసీఎం రావు సహాయ కార్యదర్శి సీ హెచ్ బాలారావు, సీబిటియూ నాయకులు జోన్నకూటి నవీన్ ప్రకాష్, రాజధాని యువజన సంఘం కార్యదర్శి లెనిన్, తెదేపా నాయకులు దామినేని శ్రీనివాసరావు, ఛనీకుల సుబ్బారావు, పరిటాల రవి, జూజాల చలంతిరావు, కాకు మామ చెన్నారావు, అంక సుధాకరరావు, మల్లెల హరేం ప్రనాథ్ చౌదరి తదితరులు పాల్గొన్నారు.

రాజధానిలో మమ్మల్ని బతకనివ్వరా!

- ప్రపంచ బ్యాంకు బృందం సమక్షంలో సీఆర్‌డీఏ అధికారులపై టీడీపీ నేత ధ్వజం
- కొండవీటి ముంపు గురించి మీకేం తెలుసు?
- కృష్ణా నది కరకట్టను పటిష్టం చేయకుండా రాజధాని నిర్మిస్తారా?
- రైతులకు ఎందుకు నిజాలు చెప్పడం లేదు

సాశ్రీ, అమరావతి: రాష్ట్ర రాజధానిలో జరుగుతున్న పనులు, ప్రతిపాదనలు, అధికారుల తీరుతెన్నులు, ఇతర వ్యవహారాలపై అధికార తెలుగుదేశం పార్టీ నేతలే విరుగుతున్నారు. రాజధానికి సంబంధించిన విషయాల్లో రైతులు, స్థానికులను ఎందుకు భాగస్వాములను చేయడం లేదని ఆగ్రహం వ్యక్తం చేశారు. రాజధానిలో తుళ్ళూరు అవకాశివరగా ఆది కుండీకట్టారు. అమరావతి ప్రణాళికలు, పనుల గురించి తమకు తెలియకుండా ఎలా కొనసాగిస్తోందని సులలికాళయ. ఎక్కడి మంలో వచ్చిన అధికారులు, ఇంజనీర్లు ఇష్టాకాంక్షలుగా వ్యవహరిస్తున్నారు. జలాగ్రేట్ భవిష్యత్తులో ఈ ప్రాంతమంతా వీలైతే దెబ్బతించుకుందని అందోకన వ్యక్తం చేశారు.

రాజధానిపై రైతులకు వాస్తవాలను ఎందుకు చెప్పడం లేదని ప్రశ్నించారు. ప్రపంచ బ్యాంకు అధికారుల ఎదుటి వైఎస్సార్‌సీపీ, సీసీఎం నేతలు, రైతులు, స్థానికులలో పాటు టీడీపీ నాయకులు కూడా కవాలిటీపోవడంతో సీఆర్‌డీఏ అధికారులు బిత్తరపోయారు. రాజధాని వ్యవహారాలపై టీడీపీ నేతలే అలోచనలు గుప్పించడం చర్చనీయాంశంగా మారింది. ఒక్క రోడ్లయినా చేయలేదు అమరావతిలో మౌలిక వసతుల అభివృద్ధికి ప్రపంచ బ్యాంకు నుంచి రూ.3,200 కోట్ల రుణం కోసం సీఆర్‌డీఏ ప్రయత్నం సాగింది. ప్రజాభిప్రాయ సేవలు కోసం బ్యాంకు ప్రతినిధుల సమక్షంలో గురువారం తుళ్ళూరు సీఆర్‌డీఏ కార్యాలయంలో సమావేశం నిర్వహించింది. ఈ కార్యక్రమంలో టీడీపీ నాయకులు రాష్ట్ర ప్రభుత్వ తీరును తప్పుచెప్పారు. టీడీపీకి చెందిన తాటికొండ వ్యవసాయ మాస్కెట్ యార్డు వైర్యన్ బెల్లంకొండ సరసింహారావు మాట్లాడుతూ... కొండవీటి వాగు ఉప్పొంగితే ఏ ప్రాంతం మునుగుతుందో ఇంజనీర్ల కంటే ఇక్కడి రైతులకే ఎక్కువ తెలుసుని చెప్పారు. కానీ వారిలో మాట్లాడకుండా దానికి సంబంధించిన నిర్ణయాల్ని తీసుకుంటున్నారని విమర్శించారు. కృష్ణా నది కరకట్టను

పటిష్టం చేయకుండా రాజధానిని నిర్మిస్తే భవిష్యత్తులో ఇబ్బందులు తప్పవని హెచ్చరించారు. ప్రతి బిషయాన్ని రికార్డులో గొప్పగా చూపిస్తున్నారని తప్ప క్షేత్రస్థాయిలో ఏం చేస్తారు. ఎలా ఉంటుందో చెప్పడం లేదని మండిపడ్డారు. మండలం గ్రామానికి చెందిన టీడీపీ నాయకుడు కుప్ప వరపు కృష్ణారావు మాట్లాడుతూ... రాజధానిలో ఇప్పటి వరకు ఒక్క రోడ్డు కూడా నిర్మించలేదని విమర్శించారు. రాజధానిలో జరిగేవి, బిడ్డా సంస్థల కోసం భూములు, రాయితీలిస్తున్నారని, స్థానిక రైతులను ఎందుకు ప్రోత్సహించడం లేదని ప్రశ్నించారు. నీరుకొండకు చెందిన టీడీపీ నాయకుడు శ్రీనివాస్ మాట్లాడుతూ... రైతులకిచ్చే టేబిల్స్‌ను ప్రణాళిక లేకుండా తయారు చేస్తున్నారని ఆరోపించారు. ఈ టేబిల్స్ వల్ల రైతులు నష్టపోతారని తెలిపారు. టీడీపీ నేత మాదల శ్రీనివాస్ మాట్లాడుతూ... రాజధానిలో జరుగుతున్న వ్యవహారాలన్నీ లోపమయివున్నాయిగా ఉన్నాయని ద్వేషమొత్తారు. సమావేశానికి అదృష్టవశాత్తూ వచ్చిన సీఆర్‌డీఏ ల్యాండ్ రైటెక్లర్ చెన్నకేశవరావు రైతుల ప్రశ్నలకు సమాధానం చెప్పలేకపోయారు. పోలీసుల సహకారంతో త్వరకట్టగా సమావేశాన్ని ముగించుకుని వెళ్లిపోయారు.

Annex II

Progress of Measures in Management Response and in Addendum to Management Response

Amaravati Sustainable Infrastructure and Institutional Development Project (P159808)

Progress of Measures in Management Response and in Addendum to Management Response to the Request for Inspection Panel

<p align="center">Actions included in Management Response (July 2017) and in Addendum to the Management Response (Nov. 2017)</p>	<p align="center">Update on proposed action</p>
<p>APCRDA will establish a Citizen Advisory Committee</p> <p>The Bank will work with APCRDA to establish a citizen advisory committee, consisting of recognized members of the community as well as external experts, to serve as an advisory panel to the APCRDA, including on claims of intimidation and retaliation.</p>	<p>Status - Completed</p> <p>The Citizen Advisory Committee has been constituted by APCRDA with 12 members, chaired by Pro-Vice Chancellor of a University in Amaravati and includes 2 well known academics; 5 women members (landowners/residents from villages); one member from agricultural labor and four landowner members of which one member is from scheduled castes/scheduled community. The first meeting of the Citizen Advisory Committee took place on July 24, 2018 and the Committee has held periodic meetings since.</p>
<p>APCRDA will engage a local independent party to obtain additional information on any potential coercion.</p>	<p>Status - Completed</p> <p>An NGO was appointed by APCRDA through a Competitive Selection process on August 15, 2018. Once the project is under implementation, the NGO will carry out outreach to the population in the area on the implementation of the overall Amaravati City Development Program, including obtaining information on potential coercion. This NGO will complement ongoing awareness activities that are being carried out by APCRDA through its multiple channels, including the Project Information Centers (PICs), the ongoing communication and dissemination campaigns, the online portal, etc. The NGO will reach out to particularly vulnerable groups (e.g. women, older citizens, and illiterate population), who may need additional support to understand and benefit from various APCRDA programs, and/or to access the various channels of the Grievance Redress Mechanism (GRM). The NGO will become active by the time of project effectiveness. In the meantime, during project preparation, a parallel mechanism has been set up by the Bank team (see below), which has been active since December 2017.</p>

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<p>The World Bank will engage independent local professionals to visit affected villages to monitor concerns and feedback.</p>	<p>Status - Completed</p> <p>In December 2017, the Bank contracted the services of a local NGO, <i>Vasavya Mahila Mandavi</i> (VMM), which has been interacting with project affected people, particularly those in the context of the construction of the ten priority roads under the proposed Bank Project. VMM has been participating in meetings and consultations, monitoring and documenting grievances, unresolved claims, sentiments of coercion and general activities or practices that could be negatively affecting residents. VMM has been submitting progress reports of their activities since January 2018, which are being reviewed by the Bank team.</p>
<p>The World Bank will support creation of a Project-Level Grievance Redress Mechanism (GRM)</p>	<p>Status – Completed</p> <p>A robust GRM for the overall Capital City of Amaravati has been set up by APCRDA. The GRM for the overall Capital City of Amaravati provides multiple avenues, covering physical, web-based and telephonic channels for registering and seeking redress of grievances, all of which were found to be operational. These include: (i) “Meekosam” - This is a state-wide single-window, online framework for receiving grievances, complaints, covering all government departments. Complaints are routed to the concerned department, including APCRDA for Amaravati related grievances / complaints. APCRDA has its own GRM that includes: (ii) A physical system operated designated officials (“Competent Authority”) at various zonal offices throughout Amaravati city, who citizens can approach to address grievances. This comprises about 26 units of Competent Authorities (CAs) that are headed by Deputy Collector and every Monday grievance redressal meeting is held at the CRDA offices for attending to public grievances; (iii) A separate online system being operated by APCRDA through their portal: (iv) “Call Center” - a toll free complaint number “1100” is provided to the public by the Government of Andhra Pradesh to serve as a GRM and complaints registered through this facility are APCRDA; and (v) Mobile app – called “Mana Amaravati” has been designed and implemented that provides information to various stakeholders, besides having an in-built facility for grievance redressal. In addition to all of the aforesaid, complainants also have access to the Indian judicial systems and courts for seeking redress. “Project Information Centers” (PICs) located in the 25 villages within the Capital City perimeter where documentation pertaining the project (e.g. information brochures, project documents, safeguards documents in English and Telugu) as well as information regarding the various channels</p>

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	<p>for GRM are accessible to people who may want to come and register grievances. Grievance logs and documentation are maintained at PICs.</p> <p>The Bank concluded that the multiple channels for grievance redress that have been set up by APCRDA provide adequate avenues to the population of the capital city area to express their grievances, and thus that they can be used as the project-level GRM to solve the issues of Project Affected People (PAP). Having a unique GRM (i.e. using the existing GRM as the project-level GRM) will avoid potential confusion among PAPs that could arise if parallel systems were in place, and it will promote efficiency in the response of complaints. In addition, APCRDA has issued instructions that all grievances filed by PAPs be brought to the notice of VMM (NGO) so that they too can monitor / meet PAPs.</p>
The World Bank will increase the frequency of preparation and supervision missions	<p>Status – Ongoing</p> <p>The frequency of missions increased in the past 12 months. Roughly Nine missions took place between July 2017 and October 2018. Missions included various levels of World Bank Senior Management.</p>
The World Bank will work alongside APCRDA to prepare a Comprehensive Resettlement Policy Framework (RPF), that includes provisions for identifying, minimizing and mitigating impacts of all land assembly mechanisms that have been used in Amaravati.	<p>Status – Completed</p> <p>The Resettlement Policy Framework (RPF), which includes provisions for identifying, minimizing and mitigating impacts of all land assembly mechanisms that have been used in Amaravati (e.g. LPS, LARR or negotiated settlements) and describes in greater detail safeguards provisions applying to each instrument has been completed and disclosed.</p>
The World Bank will work alongside APCRDA to prepare a RAP and an EMP for the 10 priority roads that could be financed under the proposed Project.	<p>Status – Completed</p> <p>The Resettlement Action Plan (RAP) for a network of 10 priority roads under construction were completed and disclosed.</p> <p>The EIA-EMP for the sub-component of 10 priority roads was disclosed. It provides an implementation plan for the required environmental risk mitigation measures, a capacity building plan, as well as a monitoring plan, and the corresponding budget.</p>

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<p>The World Bank will work alongside APCRDA to prepare an EMSF, for forthcoming investments</p>	<p>Status – Completed The ESMF has been cleared and disclosed by the Bank and APCRDA.</p>
<p>Preparation of Communications Plan</p>	<p>Status – Completed Bank communications specialists have prepared the Communication Approach, working with APCRDA communications staff, advising on the contents and the format of their outreach materials. APCRDA has hired a communications firm and they have significantly strengthened their communications campaign, as follows: (i) production of videos, printed materials (pamphlets, books, posters, banners), radio and TV campaigns (in English and in Telugu) that describe the overall Amaravati City Development Program and the proposed World Bank Project, in all languages, which the Bank team has reviewed and provided feedback on; (ii) website frequently updated and including current information; and (iii) increased social media presence and grass root communications efforts in various languages. The Bank team has visited Project Information Centers (PICs), reviewed logs and documentation, including descriptions of the proposed project. Information on safeguards documents is available for consultation at the PICs as well as online. The Bank team will continue to work with APCRDA to ensure a good use and good coverage of the communication materials as part of the implementation of the proposed project.</p>
<p>A plan for ongoing consultation and grievance redress/citizen engagement, with clear feedback mechanisms to be implemented as part of the Project (including indicators in the results framework).</p>	<p>Status – Completed A robust GRM for Amaravati has been set up by APCRDA and is in place. The GRM provides multiple avenues, covering physical, web-based and telephonic channels for registering and seeking redress of grievances. The same GRM will be serve as project-level GRM throughout the project implementation. A results indicator on citizen engagement has been included in the Project’s Results Framework.</p>
<p>Work with the APCRDA to address any gaps between Bank policy and the LARR Act 2013 as well</p>	<p>Status – Completed</p>

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as the LPS, as appropriate, in the final RPF.	All identified gaps have been addressed in the final, approved version of the RPF, which has been disclosed on both the Government and Bank websites.
Agree with APCRDA on how the recommendations in the external assessment of LPS, as well as additional comments the Bank may have, would be implemented and reflected in safeguard and other Project documents, as appropriate.	<p>Status – Completed</p> <p>As part of its due diligence and evaluation during the preparation of the Project, the Bank hired an international land expert to assist in the feasibility assessment of the proposed Project design, as well as on compliance of the proposed Project with the Bank’s safeguards policies. The Bank also contracted VMM (a local NGO) to assess impacts on the livelihoods of landless agricultural laborers and tenants of agricultural lands, whose land has been assembled under various instruments for the development of the capital city area by APCRDA. Findings of the VMM assessment fed into the analysis being carried out by the international consultant.</p> <p>The international expert and by the local NGO assess the compliance of land assembly instruments with the Bank’s resettlement policies and their consistency with the Bank’s OP4.12 and presented possible measures that can be implemented under the proposed project to improve and mitigate potential impacts. Proposed mitigation measures were incorporated in the safeguards instruments as well as in the project design. For instance:</p> <ul style="list-style-type: none"> a. Mitigation measures were put in place to identify and to provide special opportunities for the vulnerable landless households, which would allow them to restore their livelihood over time. Specifically, targeted support was designed tailored to the needs of the vulnerable landless households. A methodology was put in place to monitor the effectiveness of this support, to adjust as needed, and to continually review which households might need additional support measures. b. Additional measures were specifically tailored and targeted to the needs of the identified 857 vulnerable landless households, including: (i) expanding safety nets¹, through improving access to various government social security schemes.; (ii) targeted skill training for those eligible, tailored to supply of jobs; (iii) job

¹ GoAP existing safety net benefits for eligible residents include, inter alia: (i) old age pensions; (ii) widow pensions; (iii) disabled pensions, etc.

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	<p>dashboard with information on employment opportunities in villages across the Capital City; (iv) safe, public transportation options for women to travel for work to other locations; and, (v) creation of more employment opportunities under MGNREGA within and nearby area of Capital City.</p> <p>c. To address the gaps between the LARR and the Bank’s OP4.12 policy on Involuntary Resettlement, the RPF specifies the following agreements between the APCRDA and the Bank: (i) compensation of structures will be paid as per the provisions of the LARR Act but without depreciation; (ii) the cut-off date for non-title holders is the date of the census survey for impacts in village areas under the Bank project (i.e. socio-economic survey). In the case of title holders, the cut-off date is the date of preliminary notification; and (iii) all those occupying public lands will receive assistance, as per applicable provisions of LPS and NS policies.</p>
Agree with the APCRDA on ways to add livelihood support measures for Project-affected landowners and landless wage laborers, including skill upgrading of vulnerable groups.	<p>Status – Completed</p> <p>Component 3 of the proposed Project - Citizen Benefit Sharing has been formulated specifically to finance skill development / training programs, financial literacy programs for vulnerable groups, pilots to address needs of vulnerable groups on safety and transportation, and other measures to help access commercial and self-employment opportunities for farmers / landless agricultural laborers. The design of this component has been discussed with APCRDA to incorporate specific recommendations from Dr. Payne and VMM’s reports.</p>
Work with the APCRDA to address in the final ESMF specific stakeholder concerns, such as those raised by the Requesters, as appropriate	<p>Status – Completed</p> <p>The revised ESMF has been approved by the Bank and disclosed.</p> <p>Third party-monitoring is being conducted by VMM for the Bank team. VMM is monitoring the use and efficacy of the GRM and communicating on a regular basis with Project Affected People, particularly to identify possible instances of intimidation, coercion or retaliation. The reports received from VMM for the months of January, February and March 2018 have not indicated any instance of coercion. A report carried out by an independent, international expert found that allegations that participating landowners under LPS were subject to coercion and intimidation were not found to be justified by the evidence from secondary sources, or as a result</p>

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	of primary research. The Bank continues to monitor media outlets in Andhra Pradesh on a daily basis, for reports of possible coercion.
The World Bank will hire expert consultants to assist in its due diligence and feasibility assessment of Project design and compliance with its operational policies	<p>Status – Completed</p> <p>The Bank hired an independent international land expert to assist in its due diligence and feasibility assessment of the proposed project design, as well as on compliance of the proposed project with the Bank’s safeguards policies. The Bank also contracted VMM (a local NGO) to assess impacts on the livelihoods of landless agricultural laborers and tenants of agricultural lands, whose land has been assembled under various instruments for the development of the capital city area by APCRDA.</p> <p>All assessments carried out as part of the Bank due diligence have been completed. Findings and recommendations have been incorporated in the safeguards documents and have informed the project design.</p>
Consultations and communication	<p>Status – Completed/Ongoing</p> <p>The Bank team has supported and advised APCRDA in establishing a strong stakeholder and communications and outreach team to assess and further improve communications and consultations. Both the Bank team as well as the international expert have reviewed the consultations process to date (process, quality, quantity); the availability and accessibility of project information in local languages; the existence of GRM; the assessment of grievance resolution efficiency and efficacy; and the identification of additional outreach measures to keep stakeholders informed of Project status and development (e.g., weekly radio announcements; contracting a local NGO to act as third-party monitor of citizen feedback). The Bank team has incorporated the recommendations of the assessments conducted by the consultants into the proposed project’s communication plan.</p>
Monitoring of Intimidation and retaliation	<p>Status – Ongoing</p> <p>Monitoring of Intimidation and retaliation. Third party-monitoring has been conducted by VMM for the Bank team. VMM monitors the use and efficacy of the GRM and communicating on a regular basis with Project Affected People, particularly to identify possible instances of intimidation, coercion or retaliation. The Bank is monitoring media outlets in Andhra Pradesh on a daily basis, for reports of possible coercion.</p>