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MANAGEMENT REPORT AND RECOMMENDATION
IN RESPONSE TO THE
INSPECTION PANEL INVESTIGATION REPORT

INDIA

RURAL WATER SUPPLY AND SANITATION PROJECT
FOR LOW INCOME STATES (P132173)
(IDA CREDIT-53450)

December 21, 2022

**MANAGEMENT REPORT AND RECOMMENDATION
IN RESPONSE TO THE INSPECTION PANEL INVESTIGATION REPORT
OF THE
INDIA: RURAL WATER SUPPLY AND SANITATION PROJECT FOR LOW
INCOME STATES (IDA CREDIT-53450)**

Pursuant to paragraph 23 of the Resolution Establishing the Inspection Panel (IBRD Resolution 93-10 and IDA Resolution 93-6), attached for consideration by Executive Directors is Management's Report and Recommendation in response to the findings set out in the Investigation Report No. 144751-IN, dated January 15, 2020, of the Inspection Panel on the captioned Project (India: Rural Water Supply and Sanitation Project for Low Income States (P132173, IDA Credit-53450)).

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RURAL WATER SUPPLY AND SANITATION PROJECT FOR LOW INCOME
STATES (P132173, IDA CREDIT-53450)**

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ABBREVIATIONS AND ACRONYMS

DC	District Commissioner
DPMU	District Project Management Unit
DPR	Detailed Project Report
DWSD	Drinking Water and Sanitation Department (Jharkhand)
EA-EMF	Environmental Assessment-Environmental Management Framework
EDS	Environmental Data Sheet
EMP	Environmental Management Plan
ESR	Elevated Storage Reservoir
GP	Gram Panchayat
GRM	Grievance Redress Mechanism
IDA	International Development Association
IEC	Information, Education, Communication
MAP	Management Action Plan
MDWS	Ministry of Drinking Water and Sanitation (Government of India)
MVS	Multi-Village Scheme
MVWSC	Multi-Village Water and Sanitation Committee
NPMU	National Project Management Unit
NRDWP	National Rural Drinking Water Program
O&M	Operation and maintenance
OP/BP	Operational Policies/Bank Procedures
PESA	Panchayat Extension to Scheduled Areas Act
PMU	Project Management Unit
SEP	Stakeholder Engagement Plan
SMF	Social Management Framework
SPMU	State Project Management Unit
SVS	Single Village Scheme
TDIP	Tribal Development Implementation Plan
TDP	Tribal Development Plan
UP	Uttar Pradesh
VWSC	Village Water and Sanitation Committee
WSC	Water and Sanitation Committee
WTP	Water treatment plant

Currency Unit

As of December 21, 2022

US\$1.00 = INR82.90

INR 1 = US\$0.012

Executive Summary

Background

- i. ***The India: Rural Water Supply and Sanitation Project for Low Income States (the Project) supported the improvement of piped water supply and sanitation services for selected rural communities in target (low-income) States through decentralized delivery systems. It also supported capacity building in the participating States to respond promptly and effectively to crises and emergencies.***
- ii. ***Following Board approval on December 30, 2013, the US\$500 million IDA Project was implemented over a six-year period, closing on March 31, 2020.*** The Project supported the implementation of India's National Rural Drinking Water Program (NRDWP) of the Ministry of Drinking Water and Sanitation (MDWS), for improving piped water and sanitation coverage nationwide. The MDWS had prioritized the Project to support NRDWP implementation in four low-income States, namely Assam, Bihar, Jharkhand, and Uttar Pradesh (UP). These States were selected based on: (i) low levels of rural piped water coverage; (ii) water quality problems; and (iii) number of districts afflicted with Acute Encephalitis Syndrome and Japanese Encephalitis.
- iii. ***Component B of the Project supported investments for improving water supply and sanitation coverage, including construction of new infrastructure and rehabilitation and augmentation of existing schemes.*** Water supply investments included water source strengthening and catchment area protection activities. Most habitations (sub-Gram Panchayat-level hamlet) were served by Single Village Schemes (SVSs) using local groundwater sources. Multi-Village Schemes (MVSs), mainly relying on surface water sources, were developed for large service areas encompassing habitations where the local source was either not sustainable or not of acceptable quality.
- iv. ***At closing, the Project had financed 1,112 Project-funded piped water schemes across the four States: 974 SVSs and 138 MVSs, of which 176 SVSs and 7 MVSs were in the State of Jharkhand.*** By Project closing, 637 piped water schemes were formally commissioned, 610 SVSs and 27 MVSs, including, in the State of Jharkhand, 169 of the 176 SVS and 2 of the 7 MVSs. The commissioned water schemes delivered water through 335,882 new, metered and piped household water connections, of which 41,809 had continuous 24/7 supply. The Project also rehabilitated 20,879 piped household water connections and constructed or rehabilitated 3,068 improved community water points.
- v. ***The extension of access to piped water is a significant achievement on its own terms considering that a very low percentage of households in the States had piped water in their dwelling, yard or plot at the start of the Project, and none in the targeted Gram Panchayats.*** The Project also set up and delivered trainings to 1,453 water and sanitation committees to support their ability to contribute to the planning, supervision, and/or direct operation of the schemes once handed over.

- vi. ***The Project supported rural water supply and sanitation programs in 33 districts in Assam, Bihar, Jharkhand, and UP, and directly benefitted about 3.97 million rural people, including tribal populations, 48 percent of whom were female.*** About 2.31 million people were provided with access to “improved water sources” under the Project, either through a new or rehabilitated piped household water connection, or through one of the new or rehabilitated improved community water points. The Project also improved the “access and usage” of the water supply and sanitation facilities created in the Project area. Women and children benefitted significantly from the Project interventions as they bear a disproportionate burden of securing daily water supplies and dealing with illnesses resulting from poor water and sanitation facilities.

Request for Inspection

- vii. In September and November 2018, community members from two Santhal and Ho tribal communities in Giddhi Jhopri and Purani Basti, submitted Requests for Inspection as they believed they were adversely affected by a Water Treatment Plant (WTP) and an Elevated Storage Reservoir (ESR) near their habitations, supported under the Project. A major concern of their complaints was the fact that the site selection did not adequately analyze alternatives that would have avoided or minimized the impact on their communities. They also contended that community support for those schemes was not obtained, as required by Bank policy, and under national law (Panchayat Extension to Scheduled Areas Act, or PESA). They specifically saw the extension of modern infrastructure to their communities located at the margins of Jamshedpur as a precursor to urban integration which could strip them of their tribal autonomy status under PESA.

Management Response

- viii. Management has carefully reviewed the Panel’s findings, which have provided useful lessons for Management’s internal review of the operation and the challenges that were encountered.
- ix. As explained in Management’s initial Response to the Request for Inspection, Management had concluded that there were shortcomings with regard to compliance with Bank safeguard policy requirements in the implementation of the Project component involving construction of the WTP in the vicinity of Giddhi Jhopri and the ESR near Purani Basti. These shortcomings pertained to weaknesses in design and supervision, the conduct and documentation of consultations, the disclosure of key scheme-specific documents, initiation of works ahead of an approved Environmental Management Plan (EMP), and failure to apply Operational Policy 4.11 (OP 4.11) on Physical Cultural Resources.
- x. Management subsequently worked closely with the Borrower, State and District authorities to help address the identified issues and prepare the Management Action Plan (MAP). Additional factors complicated and delayed the progress of some of these actions: (a) the COVID-19 pandemic and ensuing lockdowns and travel restrictions; and (b) the main contractor for construction of the WTP filing for

bankruptcy, stopping the works on the Bagbera MVS and WTP for over two years, and finally leaving behind an unfinished scheme. The Government of Jharkand terminated the contract and is in the process of identifying a new contractor to complete and operate the WTP, under which it must apply the updated and corrected safeguards instruments, and most importantly comply with requirements for consultation and engagement of the local communities. The new contract specifically includes the responsibility to safeguard a sacred tree which has significance to the Giddhi Jhopri community by stabilizing an earlier soil collapse.

Management Action Plan

- xi. Consultations on the proposed MAP took place with representatives from both the Giddhi Jhopri and Purani Basti communities on October 20, 2022. The communities determined themselves the date, time, location, and persons attending. They also decided to have only one meeting attended by both communities. This consultation meeting built on earlier meetings in February and April 2022, as well as previously received written submissions from the communities.
- xii. Consultations had originally been planned for March 14 and 15, 2020. The onset of the COVID-19 pandemic and ensuing travel restrictions, however, prevented the community consultations on the MAP from taking place. The two communities declined Management's proposal to hold the consultation by videoconference, insisting that the consultations should take place face to face.
- xiii. During the consultations, the Requesters explained their concerns, some of which go well beyond the scope of the Project, but of which the Project is, in their view, an example. They are not opposed to the water supply schemes but insist on the application of their constitutional rights under national law, which include community participation and the ability to reject a development scheme if the community does not support it. Therefore, they demand that appropriate consultations with the Government be held before works resume to complete the schemes and begin operation.
- xiv. The MAP further contains actions to ensure that the WTP can treat drinking water to the required standards; regularly test the drinking water provided by the scheme; regularly test the sludge generated by the plant; and carry out appropriate campaigns to inform the local population. Moreover, the discounted community contributions and water charges will be maintained for tribal communities, and the village water committees will have adequate tribal representation. The MAP also responds to the request from the Giddhi Jhopri community for assistance with enhancing livelihoods, through the cultivation of crops and medicinal plants at a site to be agreed with the Giddhi Jhopri community.
- xv. Management considers that it took appropriate measures since submission of its first Response to ensure that the Bank's policies and procedures were appropriately applied to the Project. Management believes that the proposed actions described in the MAP further address the Panel's findings.

I. INTRODUCTION

1. On November 5, 2018, the Inspection Panel registered a Request for Inspection, IPN Request RQ18/06, concerning the India: Rural Water Supply and Sanitation Project for Low Income States Project (the Project) financed by the International Development Association (IDA). On December 18, 2018, the Panel registered a second Request concerning the same Project (RQ18/07).

2. The First Request for Inspection was submitted by 104 Santhal tribal community members from a habitation¹ (Giddhi Jhopri) in the State of Jharkhand, India. The Second Request was submitted by 130 Santhal and Ho tribal community members from a habitation (Purani Basti) in the State of Jharkhand, India (hereafter referred to as the “Requesters”).

3. The Executive Directors and the President of IDA were notified by the Panel of receipt of the Requests. Management responded to the claims in the First Request on December 11, 2018, and to the Second Request on January 28, 2019. The Panel decided to process the Requests jointly.

4. In its Report to the Board on February 12, 2019, the Panel found the Requests eligible and recommended that the Executive Directors authorize an investigation. The investigation was authorized by the Executive Directors on March 1, 2019. On January 15, 2020, the Panel issued its report outlining the findings of the investigation.

5. Management communicated with public officials in the Government of Jharkhand, District of East Singhbhum and the Requesters’ communities and their representative to organize the next steps, in particular the consultations on the Management Action Plan (MAP) with both the Giddhi Jhopri and Purani Basti communities, which were planned for March 14 and 15, 2020. The onset of the COVID-19 pandemic and ensuing travel restrictions prevented these consultations from taking place in person. The communities declined Management’s proposals to hold the consultation by videoconference. Therefore, Management requested and received a postponement from the Board for submission of its Report and Recommendation, until the process could be completed.

6. Consultations eventually took place with representatives from both communities on October 20, 2022, with the dates, time, and location set by the communities and coordinated by their Pargana Baba (regional tribal leader). Mitigation measures proposed by the communities have informed the preparation of MAP. Actions in the MAP were also discussed with officials of the Government of Jharkhand and at the District level, who committed to support their implementation.

7. This Report, responding to the findings of the Panel, is organized as follows: Section II provides background on the Project; Section III summarizes the Panel’s findings; Section IV presents Management’s Response and Action Plan; and Section V contains the

¹ A habitation is a hamlet at the sub-Gram Panchayat level. The Gram Panchayat is the basic village-governing unit.

conclusion. The Panel's findings, along with Management's responses, are described in detail in Annex 1.

II. PROJECT BACKGROUND

8. **Project Objectives.** The Project development objective was to improve piped water supply and sanitation services for selected rural communities in target (low-income) States through decentralized delivery systems and to increase the capacity of the participating States to respond promptly and effectively to an eligible crisis or emergency.

9. **Project Components.** The US\$500 million Project was implemented over a six-year period, closing on March 31, 2020. It supported the implementation of India's National Rural Drinking Water Program (NRDWP) of the Ministry of Drinking Water and Sanitation (MDWS), Government of India for improving piped water and sanitation coverage nationwide. The MDWS had prioritized the Project to support NRDWP implementation in four low-income States, namely Assam, Bihar, Jharkhand, and Uttar Pradesh (UP). These States were selected based on: (i) low levels of rural piped water coverage; (ii) water quality problems; and (iii) number of districts afflicted with Acute Encephalitis Syndrome and Japanese Encephalitis. The original Project design comprised the following components:

- *Component A: Capacity Building and Sector Development (Cost US\$93 million; IDA contribution US\$46 million).* This component supported the building of institutional capacity for implementing, managing and sustaining Project activities, along with sector development studies to inform policy decisions.
- *Component B: Infrastructure Development (Cost US\$860 million; IDA contribution US\$430 million).* This component supported investments for improving water supply and sanitation coverage, including construction of new infrastructure and rehabilitation and augmentation of existing schemes. Water supply investments included water source strengthening and catchment area protection activities. Most habitations (sub-Gram Panchayat-level hamlet) were served by Single Village Schemes (SVSs) using local groundwater sources. Multi-Village Schemes (MVSs), mainly relying on surface water sources, were developed for large service areas encompassing habitations where the local source was either not sustainable or not of acceptable quality. The Project promoted 24/7, metered water supply and the introduction of the use of solar energy in the rural water supply and sanitation (RWSS) sector. The sanitation component under the Project aimed at developing wastewater management activities, including the construction of soak-pits, drain and lane sanitation improvements, and community awareness programs for improving sanitation and hygiene practices. After the launch of the Swachh Bharat Mission-Gramin (Rural), which was the rural part of the 2014-2019 Clean India Campaign, the States handed over these activities to the team implementing that program.

- *Component C: Project Management Support (Cost US\$47 million; IDA contribution US\$24 million).* This component financed Project management support to the various entities at the national, State, District, and village levels for implementing the Project, including staffing, consultancy and equipment costs, and internal and external financial audits.
- *Component D: Contingency Emergency Response (Cost US\$0 million).* This component was introduced in the design in case the Government wished the Bank to re-allocate Project funds to support emergency response and reconstruction, in response to a crisis or a major natural disaster. This component was not mobilized.

10. The Project had a Grievance Redress Mechanism (GRM) in place at the national level. At State level, all State-level Project Management Units (SPMUs) used multiple modes of grievance redress. In Jharkhand, people could submit their grievances through a toll-free number, through a website,² verbally or in writing to the Village Water and Sanitation Committee (VWSC), the Mukhiya or the *jal sahiya*.³ However, the State-level GRM was new and was not well known in rural areas and local GRMs in Jharkhand were insufficiently monitored and coordinated.

11. **Project Financing.** The Bank provided half of the funding for the Project. The counterpart funds were as follows: Government of India US\$330 million from the NRDWP, participating States US\$162 million in matching funds, per NRDWP guidelines, and community contributions of US\$8 million. To demonstrate ownership for the schemes, participating households were asked to contribute a one-time “community contribution” towards capital costs in the amount of Rs450 (US\$6.40) or Rs225 (US\$3.20) for Scheduled Caste or Scheduled Tribe households. The NRDWP recommended charging households a minimum monthly operation and maintenance (O&M) tariff of Rs62 (US\$0.90). Gram Panchayats (GPs) had the discretion to charge more. Participation in the scheme was voluntary at the community and household levels.

12. **Project Status.** The Project was approved by the Bank’s Board on December 30, 2013, and closed on March 31, 2020. Based on a restructuring request dated April 2, 2019, the Bank restructured the Project to cancel US\$250 million, revise the Project result framework and update the disbursement projections. Exchange rate variations between the SDR and the US\$ reduced the credit amount by US\$50 million to US\$200million. The Project was also restructured on December 7, 2019, to trigger OP4.11 on Physical Cultural Resources. The Project disbursed US\$190.04 million (95 percent of the funds).

13. **Project Results.** At closing, the Project had financed 1,112 Project-funded piped water schemes across the four States: 974 SVSs and 138 MVSSs, of which 176 SVSs and 7 MVSSs were in the State of Jharkhand. By Project end, 637 piped water schemes were formally commissioned, 610 SVSs and 27 MVSSs, including, in the State of Jharkhand, 169

² State level GRM through toll-free number (181) or website <http://cmjansamvad.jharkhand.gov.in/>

³ Jal sahiya are women volunteers selected from the community to work on water and sanitation, often helping the VWSCs.

of the 176 SVS and 2 of the 7 MVSs. The commissioned water schemes delivered water through 335,882 new, metered and piped household water connections, of which 41,809 had continuous 24/7 supply. The Project also rehabilitated 20,879 piped household water connections and constructed or rehabilitated 3,068 improved community water points.

14. The water schemes were delivered by private operators through public-private partnerships. They ranged in complexity, from relatively simple SVSs, consisting of a single tube-well, storage tank, chlorination device, solar-powered pump and network of less than two kilometers supplying fewer than 100 connections, to complex MVSs, with modern water treatment plants, dedicated approach roads, piped networks spanning hundreds of kilometers, including electricity substations and boosting pumps built to supply many thousands of household connections. The extension of access to piped water is a significant achievement on its own terms considering that a very low percentage of households in the States had piped water in their dwelling, yard or plot at the start of the Project, and none in the targeted GPs. The Project also set up and delivered trainings to 1,453 water and sanitation committees to support their ability to contribute to the planning, supervision, and/or direct operation of the schemes once handed over.

15. **Project Beneficiaries.** The Project supported rural water supply and sanitation programs in 33 districts in Assam, Bihar, Jharkhand, and UP, and directly benefitted about 3.97 million rural people, including tribal populations, 48 percent of whom were female. About 2.31 million people were provided with access to “improved water sources” under the Project, either through a new or rehabilitated piped household water connection, or through one of the new or rehabilitated improved community water points. The Project also improved the “access and usage” of the water supply and sanitation facilities created in the Project area. Women and children benefitted significantly from the Project interventions as they bear a disproportionate burden of securing daily water supplies and dealing with illnesses resulting from poor water and sanitation facilities. The rural population also benefitted from Information, Education, Communication (IEC) and Behavior Change Communication programs, which promoted the adoption of improved sanitation and hygiene practices, including latrine usage. Rural women, Scheduled Caste and Scheduled Tribe populations were empowered to have a voice and choice through membership in the Water and Sanitation Committees (WSCs), which were created to monitor water scheme implementation and operation.

16. **MVS Status.** At Project closing, the status of the MVSs that were the subject of the Requests was as follows: the Chhotagovindpur MVS was completed and was in trial operation, while the construction of the Bagbera MVS was about 85 percent completed. These two separate MVSs were implemented through a single US\$32 million Design, Build, Operate and Transfer contract for their construction and 5 years of O&M. The single contract for the two MVSs was awarded to the Chhotagovindpur & Bagbera Drinking Water Supply Project Limited (hereafter, “the contractor”), a special-purpose company created as a joint venture of Infrastructure Leasing & Financial Services (IL&FS) as lead partner (51 percent), and IL&FS Water Limited (49 percent). The contract was signed on May 25, 2015.

17. Jointly, the two MVSs were designed to supply 445,000 rural inhabitants across 38 GPs. The Bagbera MVS was expected to supply over 100,000 rural inhabitants across 17 GPs, including the Madhya Ghaghidih GP, which has four Santhal tribal community habitations, one of which is Giddhi Jhopri. The Chhotagovindpur MVS was expected to supply over 335,000 people across 21 GPs, including the South Sarjamda GP, which counts eight habitations, including Purani Basti.

18. The Chhotagovindpur MVS had been expected to begin operations at the end of March 2020 and the Bagbera MVS by May 31, 2020. However, the contractor's shareholders were declared insolvent in September 2018, which stopped progress on the works, leaving the water treatment plant (WTP) for the Bagbera MVS only partially built and not operational. Efforts to find a new contractor eventually coincided with the onset of the COVID-19 pandemic in 2020, which led to extended lockdowns and resulting delays in administrative decisions. Hence, the MVSs remained virtually abandoned for over two years.

19. ***The Government of Jharkhand eventually terminated the contract with the bankrupt contractor on April 22, 2022 and launched two new tenders to complete the works and start operations.*** One was published on June 29, 2022 and is for the O&M of the Chhotagovindpur MVS. It also includes the construction of 50 km of water distribution line to reach all households in the service area, including Purani Basti, which was not fully covered by the existing distribution network. The contract was awarded on November 7, 2022, and the work order is expected to be issued by the end of 2022. The other tender is to complete the construction of the Bagbera MVS, and in particular its WTP, and to carry out O&M of the MVS for five-years. The tender includes soil stabilization at the WTP site, where there had been a soil collapse that presented a risk to the stability of the community's sacred tree. This tender was published on July 18, 2022. Bid evaluation is underway and the contract is expected to be awarded by January 2023. The tender refers to an 18-month construction period plus a 3-month trial run period. The commissioning of the MVS therefore is currently expected by end September 2024.⁴

20. ***Context of the Requests.*** The first Request for Inspection related to the construction of the WTP for the Bagbera MVS. The plant will process water drawn from the Subarnarekha River, 14.5 km away from the plant site, and will supply a service area located in the vicinity of the city of Jamshedpur (population 1.34 million, as of 2011 census), the main town of the East Singhbhum District and the largest urban agglomeration in Jharkhand. The second Request pertained to the construction of an Elevated Service Reservoir (ESR) of the Chhotagovindpur MVS. The Chhotagovindpur MVS is also in the vicinity of Jamshedpur. Jamshedpur has a continuous water supply (also known as "24x7") in a substantial part of the city; the water supply scheme under the Project was conceived to provide water to unserved rural areas, which had been asking to receive the same level of services for their communities.

⁴ The published tender mentions an 18-month construction period plus a 3-month trial run period. The MVS commissioning date is therefore expected 21 months from contract award, if all goes as planned.

21. ***Addressing the Low Level of Access to Drinking Water and Sanitation in the Project States.*** The Project was the first large project in the low-income States that aimed to improve access to sustainable water and sanitation services for the rural poor, using a decentralized approach to ensure inclusion and equity, promoting a high level of service through house connections and introducing new management models for service delivery. This Project targeted the most underdeveloped and low-income States with a very low level of access to tap-supplied drinking water. As per the 2011 census, tap water coverage was only 2.6 percent in Bihar, 3.7 percent Jharkhand, 6.8 percent in Assam and 20.2 percent UP, whereas coverage countrywide was more than 32 percent. Bihar, Jharkhand and UP also lagged significantly in sanitation, as more than 75 percent of rural households lacked access to latrines on their premises. The Project was a precursor of India's Rural Water Supply Mission, called the Jal Jeevan Mission,⁵ which reproduced its design almost entirely and maintained similar implementation arrangements at State, District and village levels.

22. Groundwater in many locations in Jharkhand has levels of arsenic, iron, fluoride and nitrates that are detrimental to human health. Poor water quality, including fluoride and iron contamination, is one of the major concerns of local communities. Groundwater in the Jamshedpur area shows iron and nitrate contamination, and isolated cases of radioactivity. Besides quality problems, groundwater in the Jamshedpur area is not available in sufficient quantities all year to represent a reliable water source for communities. Therefore, large MVSs using river water were required to provide the expected level of service to the rural communities around Jamshedpur.

23. ***This Project promoted 24/7 piped water services to rural areas where such services were non-existent.*** It targeted poor populations, areas where water sources are contaminated, and areas with high tribal populations. The MVSs introduced a new service level in rural areas, with 24/7 availability, water meters, and a new management model, based on public-private partnerships for design, construction and five years of O&M. At the State level, the Project supported the State Governments in putting in place policies for sustainable O&M of water supply and sanitation in rural areas.

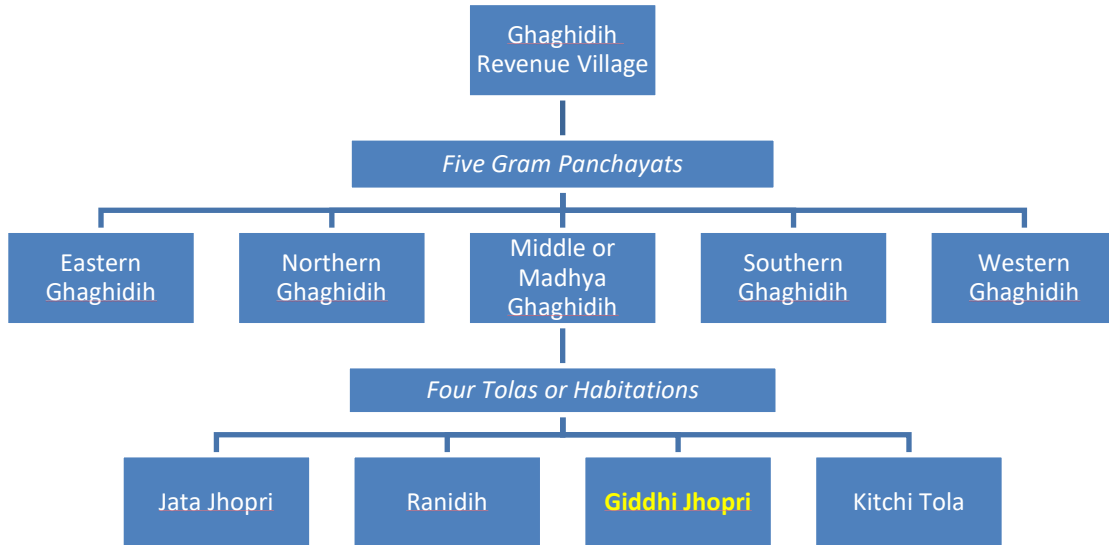
24. ***Local Context – First Request for Inspection.*** The WTP that will supply the Bagbera MVS was being built on Government land in the vicinity of Giddhi Jhopri and other habitations, the inhabitants of which use the land for various purposes. The Giddhi Jhopri habitation is part of the Madhya Ghaghidih GP, one of the five GPs within the Ghaghidih revenue village. The GPs, which are the rural local governing bodies, have at least 5,000 inhabitants each.

25. According to District statistics, the population of the Madhya Ghaghidih GP is about 45 percent tribal. Within Madhya Ghaghidih, there are four Santhal tribal communities, called habitations, namely Giddhi Jhopri, Ranidih, Jata Jhopri and Kitchi

⁵ The *Jal Jeevan Mission* is a central government initiative under the Ministry of Jal Shakti (merger of the former Ministry of Water Resources, River Development & Ganga Rejuvenation and Ministry of Drinking Water and Sanitation), which aims to ensure access of piped water for every household in India.

Tola. While Figure 1 below shows the structure of the Ghaghidih revenue village, the WTP supported by the Project will serve a total of 17 GPs, including the five GPs of the Ghaghidih revenue village (a revenue village is a small administrative region in India).

Figure 1. Organigram of Ghaghidih Revenue Village Structure



26. As noted earlier, sacred tree of the Giddhi Jhopri community is located on the Bagbera WTP plot boundary. At the start of the works, the contractor consulted with the community of Giddhi Jhopri and made a U-shape in the boundary wall alignment to accommodate their sacred tree. In 2019, a soil collapse took place immediately under the sacred tree. Management mobilized an expert to advise the contractor and the Government of Jharkhand on the best ways to stabilize the soil and the tree, and to resume works without risking worsening the situation. The contractor was not able to implement these recommendations before it went into bankruptcy. The tender for the works to complete the WTP, which is in progress, includes these stabilization measures as a task in the contract.

27. **Local Context – Second Request for Inspection.** The ESR that will supply the Chhotagovindpur MVS is being built on Government land in the vicinity of Purani Basti habitation in South Sarjamda GP. South Sarjamda, North Sarjamda and Middle Sarjamda constitute the Sarjamda revenue village. In addition to South Sarjamda GP, the Chhotagovindpur MVS will provide water to beneficiaries located in 20 other GPs.

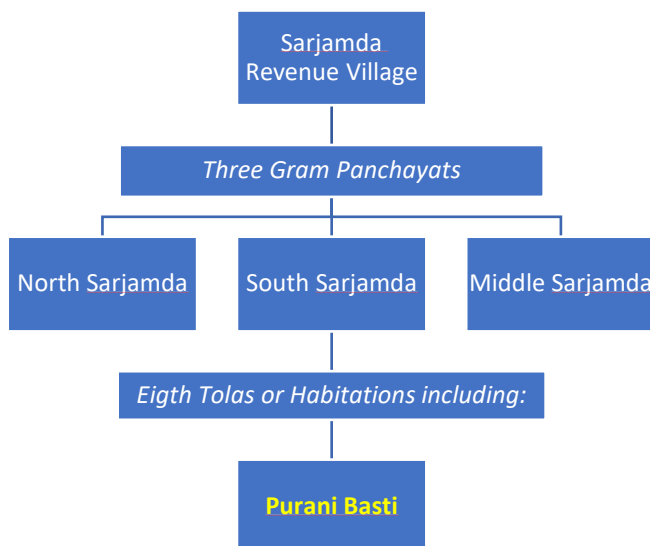
28. According to data collected in a survey under the Project, in 2017-18 there were 7,500 people in the in South Sarjamda GP (GPs have at least 5,000 inhabitants each), of which 45 percent are classified as belonging to Scheduled Tribes, about 16 percent as Scheduled Castes and 39 percent as General Population. Within South Sarjamda, there are eight habitations, including Purani Basti, the location of the ESR (see Figure 1).^{6,7}

⁶ The others are Chhola Goda, Janegoda, Lupung Tola, Doka Tola, Shankarpur, Nidhir Tola and Jaher Tola.

⁷ In Jharkhand, water schemes funded under the Project covered 239 GPs and, within them, 3,503 tribal habitations.

According to the District Project Management Unit (DPMU), there are 375 households in Purani Basti, which is equivalent to a population of 2,025.

Figure 2. Organigram of Sarjamda Revenue Village Structure



29. Parts of Purani Basti were not included in the planned coverage as reflected in the contractor’s scope of work. According to the DPMU, by December 2019, 140 of the 375 households in Purani Basti had paid the one-time “community contribution” to request a connection to the water supply network. Another 140 were targeted for ultimate inclusion according to the Detailed Project Report (DPR, investment design document in India). The remaining 135 households in Purani Basti, all of which are located in one area, were not included in the DPR for connection to the scheme. The identified Requesters are understood to reside in the area that was not covered under the scheme. However, the DPMU had signaled its willingness to include these remaining 135 households in the scheme.

30. Within the South Sarjamda GP, the ESR is located in the northeast corner of a plot of Government land, adjacent to existing Government buildings, including a health center. The land is registered in the records as a field called the “Romantic Maidan.”⁸ The 35m by 35m plot occupied by the construction of the ESR represents about 14 percent of the total area of the plot (9,024 m²).

31. ***Safeguard Approach of the Project.*** The Project was categorized as Category B. Five World Bank safeguard policies were determined to be applicable to the Project, including, in particular, OP 4.01 on Environmental Assessment and OP 4.10 on Indigenous Peoples. As noted earlier, OP 4.11 should have been applied to the Project and was included in the 2019 restructuring.

⁸ Romantic Maidan is geo-tagged in Google Maps under the tag “Romantic Ground.” The ESR is visible in satellite mode: <https://goo.gl/maps/Ud9s4bqTh6R2>.

32. Given the large number of schemes under the Project and the fact that most of them had not yet been identified at the time of Project preparation, the Project was designed using a framework approach for safeguards. For each of the participating States, management frameworks covering environmental and social issues were developed, consulted upon at State, District and GP levels, and publicly disclosed in April 2013. These included:⁹ (i) Environmental Assessment-Environmental Management Framework (EA-EMF) Report for each State, including Jharkhand; (ii) Social Management Framework (SMF) Report for each State and for the overall Project; and (iii) Tribal Development Plan (TDP) for Jharkhand.

33. ***Jharkhand Tribal Development Plan.*** The State of Jharkhand was created in 2000 out of the southern part of the State of Bihar. The State has a high percentage (28 percent of the population) of Scheduled Tribes.¹⁰ About half of this tribal population lives below the poverty line, whereas overall State and national averages are 40 and 30 percent, respectively. Four of the six Project Districts have significant tribal populations, and these Districts are administratively termed as “Scheduled Areas,¹¹” which are subject to special constitutional and legislative provisions designed to protect tribal interests. The East Singhbhum District, where the Requesters are located, lies in a Scheduled Area, under the Fifth Schedule of the Constitution of India, with the Santhal tribe the predominant tribal community.

34. The tribal communities in Jharkhand affected by the Project are considered Indigenous Peoples under OP 4.10. Accordingly, during Project preparation a TDP was prepared for the Jharkhand portion of the Project. As set forth in the TDP, institutional arrangements for local decision-making in Scheduled Areas are governed by a number of legal enactments. To address the omission of Scheduled Areas from the 73rd Constitutional Amendment (1993), which gave constitutional identity and decentralized responsibilities to the Panchayati Raj Institutions, the Panchayat Raj (Extension to Scheduled Areas) Act, or PESA, was enacted in 1996. Following the creation of the State of Jharkhand, the Jharkhand Panchayat Raj Act was passed in 2001. According to the TDP, under these Acts, in tribal areas the relevant units of governance include the formally constituted GP, and development projects affecting habitations are also to be discussed and approved at the *Gram Sabha* (community assembly) of the concerned habitation(s).

35. Subsequent to the finalization of the TDP, and to provide more detail on its operationalization, the Jharkhand SPMU prepared a Tribal Development Implementation Plan (TDIP), involving extensive consultations with tribal experts, academics and tribal representatives. Its finalization was delayed due to the absence of a Tribal Development Specialist in the SPMU for close to two years between 2016 and 2018. The Plan was

⁹ In September 2013, a revised version of the EA-EMF for UP was prepared and published on the Department website. In January 2016, a TDP for Assam was prepared by the Borrower. It was approved by the Bank and publicly disclosed on the state line department’s website in 2016.

¹⁰ To protect the interests of the tribal population, specific schedules were added to the Constitution of India in 1949 under its article 244 (2). The term “Scheduled Tribes” refers to the protection provided to tribal populations under these schedules, which concern specific areas. In Jharkhand, 15 districts out of 24 are listed in the “Fifth Schedule.”

¹¹ “Scheduled Areas” refer to officially notified areas marked by significant presence of tribal population, geographic compactness as well as social and economic backwardness (term used in India regarding less developed areas).

approved in August 2018, well into Project implementation. It is at a State-wide level rather than scheme-specific and provides additional details and guidance on how schemes in tribal areas, including schemes involving both tribal and non-tribal communities, should be selected, designed and governed.

36. **Disclosure.** In Jharkhand, the EA-EMF, the SMF, the State-Specific Social Assessment, the TDP, and their executive summaries in English were disclosed on a website of the Drinking Water and Sanitation Department (DWSD), as well as at the World Bank's InfoShop on April 3, 2013 (July 24, 2013, for the State-Specific Social Assessment). Following a security breach of the DWSD website in 2015, after which the website was taken offline, the SPMU later republished the documents on the new DWSD website in the last quarter of 2018.¹² According to the Appraisal-stage Integrated Safeguard Data Sheet, summaries of the EA-EMF, SMF and TDP were translated into local languages and disclosed during Project preparation. The Bank confirmed the disclosure of the EA/EMF in Bihar and the EA/EMF/SMF in UP but was not able to confirm disclosure of the analogous documents in other States. The EMF Annex on Physical and Cultural Resources for all 4 States was publicly disclosed on the DWSD website and on the World Bank website on September 19, 2019, and the executive summary in Hindi of the EMF annex on Physical Cultural Resources was publicly disclosed by the Jharkhand SPMU on November 27, 2019.

37. **Consultations at the National and Regional Level.** Consultations on the EA-EMF, the SMF and the TDP in Jharkhand were conducted in Hindi. A Hindi version of the EA-EMF executive summary was circulated to panchayat (elected village council) members, self-help groups, line department staff, etc., in advance of regional and national consultation workshops, which were held respectively in Khunti, Garhwa, Jamshedpur and Dumka on May 6, 8, 10 and 12, 2013 and in Ranchi on June 26, 2013.

38. **Consultations at the Local Level.** As discussed above, for the State of Jharkhand, consultations on the draft TDP were held in February 2013 in 60 habitations spread over 30 GPs in five Districts in addition to consultations with State, District and block officials. The TDP was adopted in March 2013 and publicly disclosed in April 2013. It included provisions to ensure that tribal-specific practices were adequately taken into consideration in the Project, and that informed consultations regarding schemes affecting tribal populations took place in culturally appropriate ways.

¹² The EA-EMF and the SMF were published on the DWSD website on November 13, 2018, the State-Specific Social Assessment on November 30, 2018, and the TDIP on December 5, 2018.

III. PANEL FINDINGS

OP/BP	Finding
OP/BP 4.01 – In compliance	Environmental Categorization. The Panel recognizes that the Project was designed to build rural water supply and sanitation schemes with potential site-specific impacts in which few are irreversible and for which mitigating measures could readily be designed. Notwithstanding the fact that required procedures of the Environmental Assessment-Environmental Management Framework were subsequently not followed, the Panel finds the designation of the Project as an environmental Category B to be in compliance with Bank Policy on Environmental Assessment (OP/BP 4.01).
OP/BP 4.01 – In non-compliance	Environmental Management Plans. The Environmental Management Plans were only finalized in June 2019, when construction of the Bagbera Multi-Village Scheme was reported as 70 percent complete, and the Chhotagovindpur Multi-Village Scheme was completed and already in testing mode. The construction of the Bagbera and Chhotagovindpur Multi-Village Schemes financed under the Project proceeded without the preparation of required, site-specific environmental and social assessments and Environmental Management Plans. The Panel finds Management in non-compliance with Bank Policy on Environmental Assessment (OP/BP 4.01) for not ensuring analysis of the potential environmental, social and cultural impact of these schemes and development of related mitigation measures.
OP/BP 4.01 – In non-compliance	Solid and Liquid Waste Management Impacts. Even though the solid and liquid waste management is an integral part of the Project and prominently mentioned in the environmental framework and in supervision documents, solid and liquid waste management impact was not identified and addressed in the 2019 retrofitted Environmental Management Plans. The Panel finds Management in non-compliance with Bank Policy on Environmental Assessment (OP/BP 4.01) for not ensuring the coverage of environmental and health risks presented by open disposal of household wastewater and their mitigation measures in the 2019 retrofitted Environmental Management Plans for the Bagbera and Chhotagovindpur Multi-Village Schemes.
OP/BP 4.01 – In compliance	Hydrology, Water Quality and Sludge Management. In reviewing the hydrology, water quality, and sludge management concerns raised by the Requesters, the Panel finds that these matters have been considered in the design of the Multi-Village Schemes and that relevant procedures are addressed in the applicable 2019 Environmental Management Plans for the two schemes. The Panel finds

OP/BP	Finding
	Management in compliance with Bank Policy on Environmental Assessment (OP/BP 4.01) in addressing environmental issues regarding hydrology, water quality and sludge management in the design and implementation of the Project and in the 2019 Environmental Management Plans.
OP/BP 4.10 – In non-compliance	<p>Site-Specific Tribal Development Plans. The Panel notes that a Social Assessment and Tribal Development Plan were prepared for the State of Jharkhand. In the Panel’s view, absent a site-specific Social Assessment—which analyzes the characteristics of the affected tribal communities and impact on them—and detailed mitigation and consultation measures, the draft Tribal Development Plan is akin to a framework document such as the Indigenous Peoples Planning Framework outlined in Bank Policy on Indigenous Peoples (OP/BP 4.10).</p> <p>The Panel finds that although the Bagbera Water Treatment Plant and Elevated Storage Reservoir near Purani Basti are being implemented in areas customarily used by tribal communities, Management failed to ensure the preparation of site-specific Tribal Development Plans, which led to significant harm to the culture, religion and way of life of tribal communities adjacent to these sites in non-compliance with Bank Policy on Indigenous Peoples (OP/BP 4.10).</p>
OP/BP 4.01, 4.10 and 4.11 – In non-compliance	<p>Assessment of Impact on Indigenous Peoples. The Panel notes that the Social Assessment and Tribal Development Plan do not adequately assess the customary use of natural resources, religious practices or cultural festivals of Santhal and Ho tribes. The Panel finds that Management did not ensure the identification and mitigation of the impact on customary use of land, resources and sites that hold cultural significance to the affected tribal communities near the Bagbera Water Treatment Plant and Elevated Storage Reservoir near Purani Basti in non-compliance with Bank Policies on Environmental Assessment (OP/BP 4.01), Indigenous Peoples (OP/BP 4.10) and Physical Cultural Resources (OP/BP 4.11).</p>
OP/BP 4.10 – In non-compliance	<p>Consultations. The Panel finds shortcomings in the consultations and disclosure of the Social Assessment, Tribal Development Plan and Tribal Development Implementation Plan, including inadequate documentation of the consultation process, insufficient disclosure of information and lack of translation of key Project documents into Hindi and tribal languages in non-compliance with Bank Policy on Indigenous Peoples (OP/BP 4.10). In addition, the Panel finds that Management did not ensure a process of free, prior and informed consultations with affected tribal communities</p>

OP/BP	Finding
	in Giddhi Jhopri and Purani Basti in the absence of site-specific Tribal Development Plans in non-compliance with Bank Policy on Indigenous Peoples (OP/BP 4.10).
OP/BP 4.10 – In non-compliance	<p>Decision-making on Site Selection. The Panel finds that site selection for the Bagbera Water Treatment Plant and the Elevated Storage Reservoir near Purani Basti was not approved by the habitation <i>Gram Sabha(s)</i> despite the requirements of the tribal decision-making process set forth in the Tribal Development Plan and Tribal Development Implementation Plan. The Panel finds that these sites were selected without considering the social and cultural importance of the sites to affected tribal people. The Panel also finds that the works proceeded in the absence of broad community support from affected tribal community members.</p> <p>Consequently, the Panel finds the selection for the two sites in non-compliance with Bank Policy on Indigenous Peoples (OP/BP 4.10).</p>
OP/BP 4.10 – In non-compliance	<p>Grievance Redress Mechanism. The Panel notes that during critical stages of the Project there was no functioning Grievance Redress Mechanism for affected communities to raise their concerns, and that the customary tribal dispute settlement mechanisms were neither considered nor used by the Project. The Panel finds Management’s failure to ensure the establishment of a timely, accessible, effective, and culturally appropriate Grievance Redress Mechanism in non-compliance with Bank Policy on Indigenous Peoples (OP/BP 4.10).</p>
OP/BP 10.00, 4.01 and 4.10 – In non-compliance	<p>Supervision. The Panel notes that Bank supervision did not consider contextual risks, did not systematically and proactively follow up on identified problems and lacked a functioning internal mechanism for escalating issues. The Panel finds that Management failed to provide adequate implementation support or to take relevant, effective action—prior to the Requests—to ensure implementation of required environmental and social measures in non-compliance with Bank Policies on Investment Project Financing (OP/BP 10.00), on Environmental Assessment (OP/BP 4.01) and Indigenous Peoples (OP/BP 4.10). This contributed to the significant harm experienced by the Indigenous Peoples of Giddhi Jhopri and Purani Basti.</p>

IV. MANAGEMENT RESPONSE

39. Management appreciates the insights provided by the Panel in its Investigation Report. The Panel's account of the complex Project is useful and provides important lessons.

40. As explained in Management's Response to the Request for Inspection, Management had concluded that there were shortcomings with regard to compliance with Bank safeguard policy requirements in the implementation of the Project component involving construction of the WTP in the vicinity of Giddhi Jhopri and of the ESR near Purani Basti. These shortcomings pertained to weaknesses in design and supervision, the conduct and documentation of consultations, the disclosure of key scheme-specific documents, initiation of works ahead of an approved Environmental Management Plan (EMP), and failure to apply OP 4.11.

41. Management subsequently worked closely with the Borrower, State and District authorities to help address the issues and prepare the MAP. In the sections that follow, in addition to its responses to the Panel's findings, Management will provide updates on the status of implementation of the specific actions laid out in the eligibility phase Management Responses.

42. ***Environmental Management Plans.*** Management acknowledges the Panel's finding. In line with the Project's EA-EMF, the responsibility to develop the EMP rests with the District Government. In keeping with the actions committed to in the Management Responses, the SPMUs published executive summaries of safeguard documents in Hindi in UP, Bihar and Jharkhand, and in Assamese and Bengali in Assam in November/December 2018, and disclosed all safeguard documents on the relevant website (of the DWSD in Jharkhand) in the same timeframe, except documents related to OP 4.11, which were disclosed later, as noted above in paragraph 36. Also, the Jharkhand DPMUs made Hindi versions of executive summaries available to the *mukhiyas* of all GPs in the Project.

43. For MVSs, the practice under the Project was to delegate preparation of the scheme-specific EMP to the contractor, while approval remained with the Government authorities. As per agreed implementation procedures, however, a preliminary EMP based on the preliminary design of the scheme should have been attached to the DPR to inform the bidding process, in addition to the Environmental Data Sheet (EDS). This was not done, and the Bank missed an opportunity to ensure that it was developed upfront before providing its "no objection" as part of the procurement prior review process of the contract.

44. A single EMP for the Chhotagovindpur and Bagbera MVSs was prepared by the contractor. This EMP was originally submitted for Government approval in July 2015 and approved by District authorities in 2017. The Project Agreement between the Bank and the Government of Jharkhand also required that scheme-specific EMPs be submitted to the Bank for prior review and approval, with more detailed descriptions of the specifics of each MVS.

45. The SPMU and DPMU worked with the contractor to prepare scheme-specific EMPs and share them with Bank Management for review. Management reviewed various versions of each document and provided technical assistance to bring the EMPs to an acceptable level. This requirement was only met in February 2020.

46. From October 2018 to March 2020, Management performed a comprehensive review of scheme-specific environmental and social safeguards documents available for water schemes funded under the Project. Up to nine Bank staff and consultants worked with the respective counterparts at National, State and District levels to review all safeguard documents and advise counterparts on how to bring them to the appropriate level and ensure appropriate disclosure on the relevant websites as well as that of the Bank. Management reviewed, commented on and contributed to improve a total of 977 EDSs, 304 EMPs (100 percent of the schemes requiring an EMP based on environmental screening), and 795 Physical Cultural Resources Screening Forms related to the triggering of OP4.11. With respect to social safeguards, Management reviewed documented “Agree to Do” actions in Gram Sabha resolutions for 1,062 water schemes; no-objection certificates for 970 cases where infrastructure had been sited on Government land; documentation related to 220 land donations either by individuals or communities; the availability of Land Transfer certificates for Government land parcels used for water schemes; and the documentation of required permissions from departments or institutions.

47. This comprehensive review was supplemented by visits to sites, particularly those having issues relating to availability of land, either due to lack of documentation indicating community no-objection (Gram Sabha approvals or Agree to Do) or lack of documentation in places where Government land had been taken, e.g., transfer for land from other departments or forest land. Management carried out site visits to all ESR and WTP sites under both MVSs in Jharkhand, to sample sites in all three MVSs in Assam, and to many other SVSs and MVSs in UP and Bihar. At each site, Management met with a few community members, to hear their views relating to siting and previous usage, as well as to assess any encumbrances. In addition to the safeguards compliance review report, detailed information of scheme-level social safeguard compliance review for each State was completed and shared with the concerned States.

48. The social safeguard review recommended the following actions for achieving compliance with social safeguard documentation requirements: (i) obtain clearly documented “Agree to Do” resolutions in all schemes, in addition to Gram Sabha resolutions wherever applicable; (ii) obtain socio-economic profile of donors in Batch II schemes as per provided format; (iii) obtain Land Transfer certificate for all land parcels taken thus far for all schemes; and (iv) obtain and document all required permissions from other department or institutions. Fulfilling these actions helped to improve both documentation and safeguard compliance in many schemes.

49. ***Solid and Liquid Waste Management Impacts.*** Management acknowledges the Panel’s finding but wishes to clarify that the emphasis here is on management of liquid waste resulting from the increased use of water by households as a result of the Project. SPMUs and DPMUs focused their efforts on the construction and operation of the rural water schemes, while the responsibility to implement all sanitation related activities,

including solid and liquid waste management, was transferred to the Swachh Bharat Mission implementation unit after its creation. As this was a separate unit of the DWSD, there was insufficient coordination between these units and a lack of attention of the SPMUs and DPMUs for the waste management aspects they had delegated to the Swachh Bharat team. Nevertheless, Management has worked with counterparts to have them include liquid waste management in the EMPs, which could not be done before Project closing, due to staffing issues in the SPMU and in the contractor's team. This is being addressed in the proposed MAP (see section V below).

50. ***Hydrology, Water Quality, and Sludge Management.*** Management agrees with the Panel's finding. Management also notes that the sludge generated by a water treatment plant is far less likely to present a health concern than sludge resulting from wastewater treatment, as only the latter has to address the risks of harmful bacteria such as E-coli or parasites, in addition to residues of detergent and other potentially harmful chemicals. The sludge from a WTP is also less likely to present any significant risk when reused in agriculture. The only major concern is if the water source is contaminated with heavy metals, which the WTP is not designed to remove during water treatment. Water samples were taken at the water intake and analyzed between April 2018 and March 2019. They were all found to be below the detection limit for the heavy metals analyzed¹³ and below the tolerance limit for microbiological parameters. However, Management requested that raw water samples be taken again at the intake of each of the schemes, as well as sludge samples from each WTP, to monitor for the eventual presence of heavy metals and harmful chemicals, which should be added to the parameters analyzed for aluminum, arsenic, iron, fluoride, and copper. This will also be useful in informing decisions on any changes to the design of the water treatment plants to adequately treat the water so that it is safe to drink.

51. ***Site-Specific Tribal Development Plans.*** Management acknowledges the Panel's findings and notes further that the absence of site-specific assessments for critical infrastructure development under each scheme resulted in an inadequate understanding of concerns and issues important to the affected tribal communities.

52. ***Assessment of Impact on Indigenous Peoples.*** Management acknowledges the Panel's finding. Management wishes to note that, as stated in the Management Response to the First Request for Inspection, in the case of the WTP at Giddhi Jhopri, site alternatives were explored and the final footprint of the WTP site was reduced to minimize impact on the sacred grove and sacred tree (which originally fell within the alignment of the perimeter wall).

53. Management recognizes the Requesters' main concern, which was the potential for the MVSs to accelerate urbanization and possibly lead to changes in the governance system, resulting in the erosion of tribal people's rights to land and resources under the PESA. In their view, the provision of services such as piped water would attract non-tribal communities and could lead to their villages being re-classified as an urban service area. Although there is no link between the Project and a potential expansion of Jamshedpur city

¹³ Parameter analyzed included: sulfate, chromium, manganese, selenium, ammonia, zinc, nickel, cadmium, and lead.

limits, this concern held by the communities was not recognized and addressed in a timely manner, since no site-specific consultations took place prior to the selection of the sites. As a result of both the lack of consultations and site-specific assessments, this important contextual concern was not considered by the Project.

54. As it committed to in its Responses to both Requests, Management hired an anthropologist to support the Government of Jharkhand in consulting with the affected communities in Giddhi Jhopri and Purani Basti, with the aim to better understand their concerns and identify and agree on possible measures to address Project-related impacts.

55. In Purani Basti, the community representatives requested that the ESR be removed and built elsewhere, which was not a decision within the Bank's purview because it had already been built. For over two years, the Purani Basti community was unresponsive to repeated attempts by the Bank, through its anthropologist, to maintain a dialogue with the community. The anthropologist continued to regularly reach out to concerned members of Purani Basti as well as Giddhi Jhopri, to maintain dialogue and to keep abreast of their concerns and progress on actions being implemented to alleviate them.

56. **Consultations.** Management acknowledges the Panel's finding and further recognizes that the absence of site-specific assessments resulted in inadequate understanding of concerns and issues important to affected tribal communities. Management also considers that had free, prior and informed consultations been carried out as required under OP 4.10, it is likely that the tribal concerns and sensitivities would have been identified and adequately mitigated.

57. Training of Community Organizers, development of Santhal and Ho versions of IEC material and community consultations to provide information on the schemes were also carried out. Each community consultation covered:

- Salient aspects of the water supply scheme;
- Likely commencement date of the water supply scheme and expected benefits;
- Support provided for water scheme management and information about the community contribution to capital expenditures and water charges related to operating expenses;
- Role of the Multi-Village Water and Sanitation Committee (MVWSC) and elected Panchayat representatives in the management of the water supply scheme;
- Role of the *jal sahiya* in the management of the scheme;
- Steps taken on Environment and Social Management and Tribal Development; and
- GRM available at each water supply scheme.

58. **Decision-making on Site Selection.** Management acknowledges the Panel's finding with respect to the obligation to demonstrate broad community support of affected tribal community members. Management also notes that while the process was inadequate, the DPMU made an attempt to take into consideration concerns of the affected tribal

community by modifying the footprint of the WTP facility in Giddhi Jhopri to accommodate the sacred tree, which would have been removed had the original footprint been maintained.

59. ***Grievance Redress Mechanism.*** Management acknowledges the Panel’s finding that the GRM did not include or use customary tribal dispute settlement mechanisms. A GRM was in place at least from 2017 (there is evidence of complaints received and redressed in the Aide Memoire of August 2017 but not before then).

60. In 2019, Management documented the multiple GRM modalities that existed in Jharkhand, such as the *Mukhya Mantri Jan Samvad* (Chief Minister’s Dialogue with the People), VWSC (*jal sahiya*), which allowed for grievances to be recorded orally, telephonically or in writing. Management worked with the SPMU to put in place a system for recording grievances and consolidating and monitoring grievances received at the State level. As of September 30, 2019, six months before Project closing, the SPMU reported having received a total of 1,432 grievances across the five Project Districts, of which 1,275 (89 percent) had been redressed. At the end of the Project, in March 2020, the SPMU was dismantled and with it the Project-specific GRM. However, people can continue to submit grievances after Project closure through the statewide Jharjal GRM portal (<https://jharjal.jharkhand.gov.in/>), which consists of a mobile app and a web portal rolled out with the start of the Jal Jeevan mission in October 2019. Now, complaints can be lodged—through a toll-free telephone number, email, SMS, WhatsApp, and the portal and app that were developed. The GRM has necessary escalation protocols if the grievance are not redressed within seven days. The Jharjal mobile app and web portal have been well-advertised. Both the app and the web portal are being used for evaluation and monitoring of schemes at the State level, such as physical progress of SVSs and MVSs along with quality testing, addition of beneficiaries of piped water supply schemes, geotagging of water sources and assets related to schemes, and monitoring of complaints by the general public, among other things.

61. ***Supervision.*** Management acknowledges the Panel’s findings regarding the factors that contributed to inadequate supervision. In hindsight, the Project-based supervision approach was not adequate, considering the wide scope of Project interventions and the broad geographical distribution of sub-project sites.

Lessons for future design and supervision of multi-sector / multi state projects in the India portfolio

62. ***Based on the Panel’s findings as well Management’s own review of the Project design, implementation and supervision arrangements, there have been some important lessons for the Bank, and specifically its India program, which, going forward, will guide the development and selection of similar multi-sector and multi-state projects involving a large number of investments sites in low-capacity states:***

- ***There is a need to ensure that large multi-state projects have a dedicated and qualified national-level management team or a National PMU (NPMU) to provide effective coordination at the national level.*** The MDWS did not follow through on its commitment to establish a strong NPMU with contract tenure consistent with the Project duration, which was a requirement as part of Project preparation and in the Financial Agreement Schedule 2, Section 1.A.1. Management acknowledges that there was insufficient focus throughout implementation on ensuring that the NPMU for this Project was established with appropriate capacity and maintained throughout implementation. The absence of this coordinating body at the national level led to inadequate Project implementation and monitoring at State and District levels.
- ***There is a need for stricter measures to ensure adequate Project management and avoid the chronic understaffing and underqualification of the State and District PMUs, which was a key reason for the under-performance of the Project.*** This negatively impacted all aspects of the Project and in particular safeguard compliance, but also procurement efficiency and the technical quality of outcomes. Management acknowledges that it missed opportunities to oblige the Borrower to address the management gaps and weaknesses during implementation.

Lesson 1: Going forward, Management will require a clearer and earlier commitment by the Borrower to set up management teams or PMUs with adequate project management staffing and capacity either prior to project effectiveness, or, if there is reluctance to commit resources before the external funds are effective, prior to Project disbursement. The early mobilization of environmental and social and monitoring and evaluation staff, however, is particularly important so that they can become familiar with relevant environmental and social issues and project operations manuals, and that they develop relevant methodologies for the implementation and monitoring of environmental, social and tribal (Indigenous Peoples) aspects, all the more so in projects with a high number of schemes and sites. This will include training for PMUs on contractor and sub-contractor management, which would also involve adequate coverage of environmental and social issues in project activities at all levels.

- ***Management should have placed a greater emphasis on the quality of the Tribal Development Plan and on its implementation.*** It should have ensured that PMUs understood the importance of undertaking appropriate consultation in areas with tribal populations to ensure that free, prior, and informed consultations took place at habitation levels and not only at GP level, so that it met the legal requirements under the PESA and resulted in verifiable broad community support.

Lesson 2: Going forward, for projects in areas with a significant tribal population, Management will request that the Borrower ensure that at least one social expert in its implementation team has domain knowledge on tribal issues and provides adequate support for sub-project/investment preparation and site selection, to ensure that legal requirements under the PESA and related consultation and information disclosure requirements are implemented. Similarly, Management will ensure that the Project team includes a social expert with domain knowledge on tribal issues to advise and raise Bank team awareness and to provide guidance to the implementing agencies and local counterparts on the same. The social expert

will also engage with communities on an ongoing basis to supervise the implementation of Tribal Development Plans and bring to the attention of Management any issues that need greater attention and follow-up by the Borrower.

- ***Management acknowledges the need to better align supervision efforts with a risk-based approach, which should take into consideration the number of sites, schemes or project components that have elevated environmental and social safeguard risks, based on the physical footprint or other tribal, social, capacity, or contextual factors.*** The two facilities and MVSs that were the subject of the Requests stood out in terms of size, investment volume, and number and diversity of targeted beneficiary populations and should have received more intensive supervision, while the vast majority of the smaller village-level schemes had very low environmental and social risks and impacts.

Lesson 3: Going forward, Management will support the Borrower to undertake more comprehensive due diligence of potential risks and impacts of projects to adapt environmental and social supervision efforts, both in number of staff and in expertise, to the project-related risks identified. For the India program, it will involve projects' use of a dedicated expert on tribal populations and the related national legal requirements. The identified risks and proposed mitigation measures will be reflected prominently in reviews and communications with the Borrower. In projects involving a large number of investments sites in states where environmental and social, including tribal, risks are found to be high, Management will pay enhanced attention to the appropriate identification and inclusion in project design of the environmental and social risks and screening/assessment results. Moreover, greater attention will be paid to the selection of the contractor to implement large investments to ensure that the bid and contracts documents include the need to have qualified environmental and social staff on the contractor's team to appropriately manage these risks during implementation. Management will also undertake a portfolio-wide stocktaking exercise of Investment Project Financing implemented in India of projects with significant impacts on tribal populations to assess the implementation of Tribal Development Plans and escalate as necessary any issues that need the Borrower's attention and follow-up.

- ***Management notes that, while the consultations for the sub-projects were held, they did not include the legitimate representatives of the project-affected population at the habitation level (see Figure 1).*** The failure to ensure that the legitimate representatives of the project-affected tribal population were consulted is at the center of this case. Management notes that the robust requirements for consultations and stakeholder engagement under the ESF will make such oversight much less likely to occur again. The Stakeholder Engagement Plan (SEP) mandated by Environmental and Social Standard 10 on Stakeholder Engagement requires detailed identification and analysis of affected parties and their specific characteristics. Moreover, the Environmental and Social Commitment Plan makes tracking of Borrower commitments, including on consultations, more systematic. The level of detail required for the SEP would have helped to ensure that those directly affected by the Project at the *habitation level* are included in the consultations and their views adequately recorded.

V. PROPOSED ACTIONS IN RESPONSE TO THE FINDINGS

63. Management's proposed Action Plan to address the Panel's findings is presented in Table 1 below.

64. MAP consultations took place with both the Giddhi Jhopri and Purani Basti communities on October 20, 2022. The communities and coordinated by their Pargana Baba (regional tribal leader) determined themselves the date, time, location, and persons attending. They also decided to have only one meeting attended by both communities. This consultation meeting built on earlier meetings in February and April 2022, and the proposed MAP reflects the input from all these discussions, as well as the previously received written submissions from the communities. The MAP was also discussed with officials of the Government of Jharkhand and at District level, who committed to its implementation.

65. Consultations were originally planned for March 14 and 15, 2020. The onset of the COVID-19 pandemic and ensuing travel restrictions, however, prevented the community consultations on the MAP from taking place. The two communities declined Management's proposal to hold the consultation by videoconference, insisting that those consultations needed to take place with community representatives face to face, which was not possible for over two years due to national travel and meeting restrictions.

66. Management wrote to the Requesters' representative on March 13, 2020, on July 30, 2020, and on September 28, 2020, to again seek the communities' views on possible virtual consultations, given the extended travel restrictions due to the COVID-19 pandemic that lasted longer than initially anticipated. On October 1, 2020, the Requesters' representative replied that the Giddhi Jhopri community was interested in virtual consultations, while Purani Basti was not. He indicated that he would be consulting with the Giddhi Jhopri community further on that topic and would be in touch soon. As there was no response, Management followed up on October 14, 2020, to inquire whether the Requesters' representative had heard back from the community of Giddhi Jhopri regarding the virtual consultations but received no response.

67. ***On August 6, 2021, Management wrote again to the Requesters' representative to inquire about the possibility of virtual consultations.*** On August 24, 2021, the Requesters' representative replied that the Giddhi Jhopri community would consider a virtual consultation and shared a number of conditions, which were based on the assumption that the consultations were a negotiation-based meeting leading to a joint agreement. Management responded on August 31, 2021, clarifying the character of the consultations as a process to address the Panel's compliance findings. Management also provided assurance that appropriate language interpretation services would be available for the meeting and that the communities would have enough time to provide their feedback on the MAP.

68. ***In the absence of a response, Management followed up on September 17, 2021.*** On October 20, 2021, the Requesters' representative responded that the Giddhi Jhopri community decided to decline the offer of a virtual consultation and requested information

on when the Bank envisaged travelling to the area for in-person consultation. The Bank replied on the same day that it would keep the community informed of the Bank's and India's evolving pandemic travel restrictions for missions to India.

69. ***As the COVID-19 situation improved in India over the course of the next several months, allowing for travel, Management was able to meet with the Requesters and affected community members in Purani Basti on February 8 and Giddhi Jhopri on February 9, 2022.*** However, both communities declined to discuss the content of a proposed MAP and indicated that they would advise when they were ready to discuss it. On February 12, 2022, the Bank received by email documents listing demands from each community. The Bank considered these demands in the preparation of the draft MAP and requested another meeting with the communities to discuss the content and seek their feedback.

70. ***Given the lack of response from the Requesters' representative, the Bank's anthropologist reached out directly to the Requesters in both communities to inquire about the follow-up consultations on the MAP.*** The Giddhi Jhopri community accepted to meet with Management and set the date, time and venue, while the Purani Basti community was not available on that date and indicated that it would propose a later date. The consultation with Giddhi Jhopri representatives took place on April 1, 2022. However, a month after the meeting, the Requesters' representative wrote to the Bank stating that the April 1 meeting could not be considered as a consultation.

71. The anthropologist had also reached out again to the Purani Basti community, which initially agreed to have a face-to-face consultation with Management on May 20, 2022, at a time and location of their choice. On May 19, 2022, however, the Requesters' representative informed the Bank that the community in Purani Basti had decided to reject the offer of the May 20 meeting.

72. Since the Requesters' representative had stopped responding as of June 9, 2022, Management informed the Panel of the chronology of its attempts to engage the communities in consultations. Management indicated that it saw no other option but to unilaterally schedule consultations to avoid the case remaining in limbo even though travel restrictions in India were being lifted. The Panel expressed its agreement with the proposed approach.

73. In September 2022, Bank Management undertook a final attempt to avoid imposing unilateral consultations and – through its anthropologist – reached out to the Pargana Baba (tribal leader) who agreed to facilitate communication with the communities and setting a date for the consultations. He reverted with the confirmation that the community of Giddhi Jhopri wished the consultation to be on October 20, 2022, in Jamshedpur, and that the Purani Basti community would also join. Management met with Requesters, the Pargana Baba and community members from Giddhi Jhopri and Purani Basti on October 20, 2022, to discuss the proposed MAP. During that meeting the Requesters mentioned that all communications should go directly to them from then on, and no longer through the Requesters' representative.

74. Ahead of the October 20 meeting, the Bank's anthropologist had travelled to each community to advertise the meeting. He handed over written invitations in English and Hindi and informed that the meeting was open to anyone in the community. The Pargana Baba also advertised the meeting to the communities, which selected the participants to be their representatives. A total of five individuals, composed of Requesters from both the Giddhi Jhopri and Purani Basti communities, community members, a Santhal community spoke person and the Pargana Baba participated in the consultations. The Bank did not set any limit on the number of participants.

75. The Bank team facilitated the meeting, which began with a presentation and background information on the proposed actions to address the Panel's findings. During the meeting, the Bank team further explained the purpose of the consultation, which was to seek the Requesters' input and feedback on the proposed actions contained in the proposed MAP, and to hear if there were additional suggestions for further actions, beyond what had been presented.

76. The Requesters explained the background to the concerns which led to their Requests for Inspection. They explained that most land in Jharkhand is occupied by tribals, but that over the years an increasing influx of non-tribals has occurred, which is rendering the tribals a minority in their own territory. This threatens their traditional way of life. In order to provide modern amenities and services to the non-tribal population, the Government in their view was undertaking infrastructure projects, such as this water supply project, which in the Requesters' view, contributes to the influx of people and hence to the threats to their traditions and way of life. According to the Requesters, the tribal community, in reaction to these developments, seeks to better organize itself to preserve its land and access to its resources. The Requesters were concerned that the expansion of the city limits may eventually subsume their scheduled areas and deprive them of their special rights as Scheduled Tribe under the PESA.

77. The Requesters demanded that the Government factor local concerns into their programs, and that Government officials be required to have in-depth knowledge about tribal issues. The policies, rules, and regulations of both Governments (i.e., State and Central) should be more tribal friendly. There should be a specific affirmative action policy for tribals, and local people should be employed in projects taking place in their areas, rather than outsiders. In this context they explained their opposition to the WTP and ESR: they felt that these projects took forward the Government's agenda to expand the city limits. Hence, for the tribal community, the Chhotagovindpur-Bagbera scheme has become a much wider, political issue. The discussion about specific MAP actions in response to the Panel's findings was secondary in their view.

78. The Requesters further rejected earlier ideas discussed with them, such as building an access road to the village, or building a school compound wall. They explained that they did not wish to diminish the significance of their broader tribal struggle by accepting limited technical actions and benefits, which could give the wrong impression that this is what their resistance was about. In their own words, they had not raised the complaints against the Bank-financed Project to secure "some little development gains" but to highlight the broader issues of dispossession and neglect of tribal communities and the

violation of their constitutional rights. They also expressed that they do not need to be helped with managing their community. The road construction could be organized through the Gram Panchayat using its own funds or accessing other Government funds. In the same vein, the Requesters also rejected as inappropriate other possible actions including any cultural placatory ceremonies to be conducted or any works to be undertaken to protect their religious shrines etc., explaining that tribal customs do not place any emphasis on religious structures or formal ceremonies as such.

79. However, the Requesters expressed that they would like to see the Bank help advance the larger tribal agenda with the Government of Jharkhand. They requested that a tripartite meeting between the community, the Government, and the Bank be organized, to discuss broader tribal issues in Jharkhand. They also requested Bank support for tribal issues, such as: (i) promotion of new livelihood practices featuring bamboo cultivation and lemongrass cultivation; (ii) skills development trainings for local tribal youths; and (iii) setting up of Centres for Tribal Excellence to preserve tribal culture, language, and practices.

80. The Bank team indicated that it understood these concerns but clarified that the broader issues of the implementation of the constitutional rights of tribal communities and of growing urbanization were beyond the remit of the Project, as well as the Bank. The Bank team also explained that the MAP seeks to address the Panel's findings from investigating the Project. Hence, the actions would need to relate to the Panel's findings.

81. The Bank also apprised the Requesters about the actions taken so far in response to the Panel's findings. These included: updating and finalization of the EMPs; sludge testing and water quality testing; conservation of the sacred tree and hillock; restructuring of the GRM; and ensuring information and education initiatives, etc.

82. The Requesters concluded with the following key requests from the communities:

- A Gram Sabha should be held at Giddhi Jhopri ahead of the start of works to complete the construction of the Bagbera WTP. It should be attended by officials from the District Administration.
- A Gram Sabha should be held at Purani Basti, Sarjamda, ahead of the start of works to expand the Chhotagovindpur MVS. It should be attended by officials from the District Administration.
- Support from the Government should be provided to develop a pilot project for enhancing livelihoods through cultivation of bamboo, lemongrass, and other medicinal plants.
- Written confirmation from the State Government, that the police cases against tribals are now dropped.

TABLE 1: MANAGEMENT ACTION PLAN

No.	Issue/Finding	Borrower Action	Bank Management Action
1	OP/BP 4.01 – Environmental Management Plans In non-compliance	<p>Monthly Water Testing:</p> <p>The Executive Engineer of the DWSD in charge of the East Singhbhum District to ensure that water samples are taken monthly at the water intake of both schemes for testing by a professional, certified laboratory. Water analysis at both schemes to start on January 1, 2023, for a year and to include all parameters of the applicable drinking water supply standard, including: aluminum, arsenic, iron, fluoride, cadmium, copper, lead, manganese, nickel, zinc, and pathogens.</p> <p><i>Date: January 1, 2023 to December 31, 2023</i></p>	<p>The Bank to review the monthly water analyses.</p> <p><i>Date: January to December 2023</i></p>
2	OP/BP 4.01 – Environmental Management Plans In non-compliance	<p>Confirmation of Technical Design of WTPs vis a vis Water Quality:</p> <p>The office of the Executive Engineer, DWSD, East Singhbhum District to review the technical design of the WTPs to confirm that the WTPs can indeed treat the water to the applicable drinking water standards and make any corrections needed. The assessment report to be shared with the Bank</p> <p><i>Date: 60 days after the date of issuance of the work order for the contract for the completion and O&M of each MVS, which is expected to be in November 2022 for the Chhotagovindpur MVS, and in December 2022 or January 2023 for the Bagbera MVS</i></p>	<p>The Bank to review the assessment report.</p> <p><i>Date: Bank to review the Assessment Report within 15 working days of receipt of each Report and until June 30, 2023.</i></p>
3		<p>Environmental Management Plans (EMP)</p> <p>a) The office of the Executive Engineer, DWSD, East Singhbhum District or the contractor/operator of each MVS, under the supervision of the Executive Engineer’s office, to update the EMPs of the Chhotagovindpur and Bagbera MVSS accordingly and to standards acceptable to the Bank.</p> <p><i>Date: 90 days after the date of issuance of the work order for the contract for the completion and O&M of each MVS.</i></p>	<p>The Bank to review the EMPs and provide its no objection on each EMP.</p> <p><i>Date: Bank to review the EMPs within 15 working days of receipt of each Report until April 30, 2023.</i></p>

No.	Issue/Finding	Borrower Action	Bank Management Action
		<p>b) The office of the Executive Engineer, DWSD, East Singhbhum District to ensure the adequate implementation of the EMPs during the construction and O&M phases, as per the provisions of the Financial Agreement No. 5345-IN between India and IDA and the related Project Agreement between IDA and the State of Jharkhand, both dated February 7, 2014. Quarterly EMP implementation reports to be shared with the Bank.</p> <p><i>Date: Reports to be shared with the Bank within 15 days following the end of each quarter until April 30, 2025.</i></p>	<p>The Bank to oversee EMP implementation as the works and O&M phases progress.</p> <p><i>Date: Bank to review the EMP implementation reports within 15 working days of receipt of each Report.</i></p> <p><i>EMP implementation supervision for the first six months of O&M phase, expected to be from January 1 to June 30, 2025, for the Chhotagovindpur MVS and between October 2024 and March 2025 for the Bagbera MVS</i></p>
4	OP/BP 4.01 – Environmental Management Plans In non-compliance	<p>Sludge Management:</p> <p>a) The Executive Engineer, DWSD, East Singhbhum District to ensure that the operators of the WTPs submit monthly sludge samples for testing by a professional, certified laboratory. Analysis at both schemes to take place on a monthly basis, for a year and will include: aluminum, arsenic, iron, fluoride, cadmium, copper, lead, manganese, nickel, zinc, and pathogens.</p> <p><i>Date: Starting January 1 until December 31, 2023 for Chhotagovindpur WTP.</i> <i>For Bagbera WTP: starting the month of MVS commissioning, which is expected under the new contract to be in October 2024, and for a year thereafter.</i></p>	<p>The Bank to review the analyses.</p> <p><i>Date: January to December 2023 for Chhotagovindpur WTP. October 2024 until October 2025 for Bagbera WTP.</i></p>
		<p>b) If any of the analyses indicates the presence of heavy metals or pathogens, the office of the District Executive Engineer of the East Singhbhum District to:</p> <p>(i) Ensure the development of appropriate information, education and communication activities (including hoardings and active communications measures) to inform staff and other potential handlers of the requirements when handling WTP sludge.</p>	<p>If required, the Bank to review IEC measures and share comments and recommend possible measures with the office of the District Executive Engineer, DWSD, East Singhbhum District and the Secretary, DWSD, Government of Jharkhand.</p> <p><i>Date: If required, within 15 days of receipt of the IEC activities</i></p>

No.	Issue/Finding	Borrower Action	Bank Management Action
		<p><i>Date: If required, within 30 days of the first analyses indicating the presence of heavy metals/pathogens.</i></p> <p>(ii) Ensure and document that proper sludge handling measures are implemented; carry out quarterly campaigns to maintain awareness of correct sludge-handling procedures (including information on its potentially pathogenic nature; recommended use of gloves and face masks; importance of washing with soap and water all parts of the body that come into contact with the sludge); and capture in a quarterly report which campaigns have taken place and that actions to monitor and document the proper sludge handling measure are implemented.</p> <p><i>Date: If required, quarterly starting January 1, until December 31, 2023 for the Chhotagovindpur WTP. For Bagbera WTP: starting the month of MVS commissioning (expected to be in October 2024), and for a year thereafter.</i></p>	<p><i>and active communication material.</i></p> <p>The Bank to review the quarterly report of the implementation of handling measures/quarterly campaigns.</p> <p><i>Date: Bank to review the quarterly reports until December 31, 2025.</i></p>
5	<p>Solid and Liquid Waste Management Impacts.</p>	<p>Liquid Waste Management:</p> <p>a) The office of the Executive Engineer, DWSD, East Singhbhum District to organize the preparation of and submit to the Bank for review, a DPR for the development of Liquid Waste Management activities in the Bagbera and Chhotagovindpur MVSS to help ensure that additional water consumed in the service area is adequately managed and that by-products of the WTP and wastewater treatment systems to be constructed are adequately handled and/or disposed of.</p> <p><i>Date: June 30, 2023, for DPR preparation.</i></p> <p>b) Upon acceptance by the Bank, the District administration/office of the Executive Engineer, DWSD, East Singhbhum District to secure financing, procure the implementation of DPR-supported activities, and update Bank Management on the procurement status of the DPR-supported activities.</p>	<p>The Bank to review and comment on the DPR as required and confirm that District and State officials secure adequate funding and launch the procurement process for DPR-supported activities.</p> <p><i>Date: July 31, 2023, for DPR preparation.</i></p> <p>The Bank to follow-up monthly thereafter to monitor progress on procurement of DPR-supported activities.</p> <p><i>Date: December 31, 2023 until the procurement of DPR-supported activities is completed or until December 31, 2025, whichever comes first.</i></p>

No.	Issue/Finding	Borrower Action	Bank Management Action
		<p><i>Date: The procurement of DPR-supported activities to be launched by December 31, 2023.</i></p>	
6	<p>Site-Specific Tribal Development Plans.</p>	<p>Community Contributions:</p> <p>The DWSD, Government of Jharkhand, to maintain the discounted community contributions and water charges applied under the Project for Scheduled Tribes/Scheduled Castes located in Chhotagovindpur and Bagbera MVSs.</p> <p><i>Date: Starting January 1, 2023 for Chhotagovindpur MVS, and starting from the date of commissioning for Bagbera MVS, which is expected under the new contract to be in October 2024</i></p>	<p>The Bank to review the evidence of offering the discounted contributions to the communities and monitor the application of the discounted water charges to the tribal population.</p> <p><i>Date: April to December 2023 for Chhotagovindpur MVS, and until October 2024 to June 2024 for Bagbera MVS.</i></p>
7		<p>Composition of VWSCs and MVWSCs:</p> <p>The office of the Executive Engineer, DWSD, East Singhbhum District to review the composition of VWSCs and MVWSCs of the Chhotagovindpur and Bagbera MVSs to ensure adequate representation of tribal communities and share the composition of VWSCs and MVWSCs with the Bank.</p> <p><i>Date: March 31, 2023 for both MVSs.</i></p>	<p>The Bank to review the evidence of the revised composition of VWSC and MVWSC with adequate representations of the tribal communities.</p> <p><i>Date: April 15, 2023.</i></p>
8	<p>Assessment of Impact on Indigenous Peoples.</p>	<p>Consultation with Affected Communities:</p> <p>a) The district administration of the East Singhbhum District to participate in a Gram Sabha under tribal leadership in Giddhi Jhopri and in Purani Basti. The district administration will, within two weeks of the issuance date of the Work Order to the selected contractor, reach out to each community to seek a date for the Gram Sabha. The Gram Sabha will be held at a date set by the community and convenient to all parties involved. This consultative meeting is aimed at presenting the details and schedule of the works to be carried out to complete the WTP and distribution network of the Bagbera MVS and the expansion of the service area of the Chhotagovindpur MVS, to hear any community concerns and agree with the community on any culturally appropriate mitigation measures. Minutes of the Gram</p>	<p>The Bank to review the outcome and decisions of Gram Sabha and follow up on implementation of actions and dialogue between communities and authorities at both MVSs until the construction / expansion works are commissioned.</p> <p><i>Date: February 15, 2023, for the Gram Sabha with each community.</i></p>

No.	Issue/Finding	Borrower Action	Bank Management Action
		<p>Sabha meetings to be prepared and shared with all parties involved and with Bank Management.</p> <p><i>Date: January 31, 2023.</i></p>	
		<p>b) The District Commissioner, East Singhbhum to monitor that the measures agreed with the Giddhi Jhopri and Purani Basti communities are carried out.</p> <p><i>Date: December 31, 2023.</i></p>	<p>The Bank to monitor the implementation of mitigation actions agreed at the Gram Sabha with each community</p> <p><i>Date: December 31, 2023.</i></p>
9		<p>Livelihoods Pilot:</p> <p>The district administration of the East Singhbhum District to implement a pilot project for the cultivation of high-value crops such as bamboo, lemongrass and other medicinal plants, at a site to be agreed with the Giddhi Jhopri community.</p> <p><i>Date: June 30, 2023.</i></p>	<p>The Bank to monitor the implementation of the pilot and provide technical support as required.</p> <p><i>Date: July 31, 2023.</i></p>
10		<p>Slope Stabilization at Bagbera WTP:</p> <p>The office of the Executive Engineer, DWSD, East Singhbhum to ensure that the selected operator for the Bagbera MVS (through its contract) stabilizes the soil at the WTP to minimize the risk of further soil collapse that could adversely affect the sacred tree of the Giddhi Jhopri community.</p> <p><i>Date: June 30, 2023.</i></p>	<p>The Bank to mobilize an expert on soil stabilization to provide advice to the Bagbera MVS contractor to minimize the risk of further collapse.</p> <p><i>Date: January – June 2023 for advice, and until June 2025 for report monitoring on a semester-basis.</i></p>
11	Consultations	<p>Information Dissemination</p> <p>To improve information dissemination and to address community concerns such as affordability, safety, impacts on health and hydrology and impacts on tribal cultural practices, the office of the Executive Engineer, DWSD, East Singhbhum District, jointly with the Jal Jeevan Mission implementation team in Jharkhand, to organize consultations in the Chhotagovindpur and Bagbera MVSs, at habitation level, to raise awareness of the works, to present the layout of the distribution network extensions in both MVSs and the proposed activity for liquid waste management, to discuss potential impacts and mitigation measures, and</p>	<p>The Bank to review minutes of consultation meetings.</p> <p><i>Date: Bank to review minutes of consultations on raising the awareness of the schemes and responding to the concerns of the communities during the remaining construction period until June 30, 2025.</i></p>

No.	Issue/Finding	Borrower Action	Bank Management Action
		<p>to respond to specific community concerns. These consultations need to be carried out regularly in both schemes until completion of works and start of service delivery. The office of the Executive Engineer, DWSD, East Singhbhum District to share the minutes of each consultation with Bank Management for review and information.</p> <p><i>Date: Consultations should begin on January 1, 2023. Minutes should be shared within one week of each consultation and until June 30, 2025.</i></p>	
12	Grievance Redress Mechanism.	<p>The Jal Jeevan Mission team and the Government of Jharkhand to review existing GRM modalities as they pertain to the two MVSs in question and enhance them as required to ensure comprehensiveness, consistency with tribal cultural practices and inclusiveness (e.g., accessible to people without Internet access), adequacy of mechanism to receive, record and handle grievances, and to share this information with the Bank for review and update until the GRM modalities are found satisfactory to the Bank.</p> <p><i>Date: January 31, 2023.</i></p>	<p>The Bank to review and comment on the adequacy of GRM composition and terms to respond to the grievances of the local communities.</p> <p><i>Date: February 28, 2023.</i></p>
13	Supervision		<p>The Bank carried out the Implementation Completion and Results Report of the Project as an intensive “learning” report to distill the lessons learned in Project design and implementation, so they can inform the design of other operations in India and elsewhere. Management will hold periodic sessions to inform team leaders in India and in the Water Global Practice of such lessons.</p> <p><i>Date: June 30, 2023.</i></p>
14	Other		<p>The Bank will continue to follow up with the Government of Jharkhand on the status of the complaint opened against 39 community members and 109 unnamed in Gidddhi Jhopri and</p>

No.	Issue/Finding	Borrower Action	Bank Management Action
			on the status of South Sarjamda recommendation for Adhaar cards issuance for community members in Purani Basti. Date: June 30, 2023.

VI. CONCLUSION

83. Management believes that the proposed Action Plan contained in Section IV above addresses the Panel's findings.

84. Successful implementation of these actions depends on the sustained commitment and collaboration of the Government. Management has discussed this Action Plan with the Government and secured its agreement to collaborate fully in its implementation.

85. As per standard practice, Management will report annually to the Board on progress in implementing the Action Plan.

Annex 1: Findings and Comments

No.	Finding	IPN para refs	Comment/Action
1.	<p>Environmental Categorization. The Panel recognizes that the Project was designed to build rural water supply and sanitation schemes with potential site-specific impacts in which few are irreversible and for which mitigating measures could readily be designed. Notwithstanding the fact that required procedures of the Environmental Assessment-Environmental Management Framework were subsequently not followed, the Panel finds the designation of the Project as an environmental Category B to be in compliance with Bank Policy on Environmental Assessment (OP/BP 4.01).</p>	ES12-16; 66-68	<p>Comment: Management agrees with the Panel’s finding.</p>
2.	<p>Environmental Management Plans. The Environmental Management Plans were only finalized in June 2019, when construction of the Bagbera Multi-Village Scheme was reported as 70 percent complete and the Chhotagovindpur Multi-Village Scheme was completed and already in testing mode. The construction of the Bagbera and Chhotagovindpur Multi-Village Schemes financed under the Project proceeded without the preparation of required, site-specific environmental and social assessments and Environmental Management Plans. The Panel finds Management in non-compliance with Bank Policy on Environmental Assessment (OP/BP 4.01) for not ensuring analysis of the potential environmental, social and cultural impact of these schemes and development of related mitigation measures.</p>	ES17-20; 69-81	<p>Comment: Management acknowledges the Panel’s finding. In line with the Project’s EA-EMF, the responsibility to develop the EMP rests with the District Government. In the case of MVSs, the practice under the Project was to delegate the preparation of the scheme-specific EMP to the contractor, while approval remained with the Government authorities. As per agreed implementation procedures, however, a preliminary EMP based on the preliminary design of the scheme should have been attached to the DPR to inform the bidding process, in addition to the EDS. This was not done, and the Bank missed an opportunity to ensure that it was developed upfront before providing its “no objection” as part of the procurement prior review process of the contract.</p> <p>A single EMP for the Chhotagovindpur and Bagbera MVSs was prepared by the contractor. This EMP was originally submitted for Government approval in July 2015 and approved by District authorities in 2017. The Project Agreement between the Bank and the Government of Jharkhand also required that scheme-specific EMPs be submitted to the Bank for prior review and approval, with more detailed descriptions of the specifics of each MVS. The SPMU and DPMU worked with the contractor to prepare scheme-specific EMPs and share them with Bank Management for review. Management reviewed various versions of each document and provided technical assistance to bring the EMPs to an acceptable level.</p> <p>From October 2018 to March 2020, Management performed a comprehensive review of scheme-</p>

No.	Finding	IPN para refs	Comment/Action
			<p>specific environmental and social safeguards documents available for water schemes funded under the Project. Up to nine Bank staff and consultants worked with the respective counterparts at National, State and District levels to review all safeguard documents and advise counterparts on how to bring them to the appropriate level and ensure appropriate disclosure on the relevant websites as well as that of the Bank. Management reviewed, commented on and contributed to improve a total of 977 EDSs, 304 EMPs (100 percent of the schemes requiring an EMP based on environmental screening), and 795 Physical Cultural Resources Screening Forms related to the triggering of OP4.11. With respect to social safeguards, Management reviewed documented “Agree to Do” actions in Gram Sabha resolutions for 1,062 water schemes; no-objection certificates for 970 cases where infrastructure had been sited on Government land; documentation related to 220 land donations either by individuals or communities; the availability of Land Transfer certificates for Government land parcels used for water schemes; and the documentation of required permissions from departments or institutions.</p> <p>This comprehensive review was supplemented by visits to sites, particularly those having issues relating to availability of land either due to lack of documentation indicating community no-objection (Gram Sabha approvals or Agree to Do) or lack of documentation in places where Government land had been taken, e.g., transfer for land from other departments or forest land. Management carried out site visits to all ESR and WTP sites under both MVSs in Jharkhand, to sample sites in all three MVSs in Assam, and to many other SVSs and MVSs in UP and Bihar. At each site, Management met with a few community members, to hear their views relating to siting and previous usage, as well as to assess any encumbrances. In addition to the safeguards compliance review report, detailed information of scheme-level social safeguard compliance review for each State was completed and sent to the concerned States.</p> <p>The social safeguard review recommended the following actions for achieving compliance with social safeguard documentation requirements: (i) obtain clearly documented “Agree to Do” resolutions in all schemes, in addition to Gram</p>

No.	Finding	IPN para refs	Comment/Action
			Sabha resolutions wherever applicable; (ii) obtain socio-economic profile of donors in Batch II schemes as per provided format; (iii) obtain Land Transfer certificate for all land parcels taken thus far for all schemes; and (iv) obtain and document all required permissions from other department or institutions. Fulfilling these actions helped to improve both documentation and safeguard compliance in many schemes.
3.	<p>Solid and Liquid Waste Management Impacts. Even though the solid and liquid waste management is an integral part of the Project and prominently mentioned in the environmental framework and in supervision documents, solid and liquid waste management impact was not identified and addressed in the 2019 retrofitted Environmental Management Plans. The Panel finds Management in non-compliance with Bank Policy on Environmental Assessment (OP/BP 4.01) for not ensuring the coverage of environmental and health risks presented by open disposal of household wastewater and their mitigation measures in the 2019 retrofitted Environmental Management Plans for the Bagbera and Chhotagovindpur Multi-Village Schemes.</p>	ES21-22; 82-87	<p>Comment: Management acknowledges the Panel's finding but wishes to clarify that the emphasis here is on management of liquid waste resulting from the increased use of water by households because of the Project. SPMUs and DPMUs focused their efforts on the construction and operation of the rural water schemes, while the responsibility to implement all sanitation related activities, including solid and liquid waste management, was transferred to the Swachh Bharat Mission implementation unit after its creation. As this was a separate unit of the DWSD, there was insufficient coordination between these units and a lack of attention of the SPMUs and DPMUs for the waste management aspects they had delegated to the Swachh Bharat team. Nevertheless, Management has worked with counterparts to have them include liquid waste management in the EMPs, which could not be done before Project closing, due to staffing issues in the SPMU and in the contractor's team. This is being addressed in the proposed MAP.</p> <p>The Jharkhand SPMU submitted revised EMPs for each MVS to the Bank in December 2019. The Bank's review found that both EMPs failed to include adequate provisions for liquid waste management, e.g., did not reflect the agreement reached earlier that the SPMU would prepare a DPR for implementation of liquid waste management in the two schemes. The SPMU has started to prepare the DPR, but it could not be revised before Project closing, due to staffing issues in SPMU and contractor's team. This is being addressed under the proposed MAP.</p>
4.	<p>Hydrology, Water Quality and Sludge Management. In reviewing the hydrology, water quality, and sludge management concerns raised by the Requesters, the Panel finds that these matters have been considered in the design of the Multi-Village Schemes and that relevant</p>	ES23-27; 88-103	<p>Comment: Management agrees with the Panel's finding. Management also notes that sludge generated by a WTP is far less likely to present a health concern than sludge resulting from wastewater treatment, as only the latter has to address the risks of harmful bacteria such as E-coli</p>

No.	Finding	IPN para refs	Comment/Action
	<p>procedures are addressed in the applicable 2019 Environmental Management Plans for the two schemes. The Panel finds Management in compliance with Bank Policy on Environmental Assessment (OP/BP 4.01) in addressing environmental issues regarding hydrology, water quality and sludge management in the design and implementation of the Project and in the 2019 Environmental Management Plans.</p>		<p>or parasites, in addition to residues of detergent and other potentially harmful chemicals. The sludge from a WTP is also less likely to present any significant risk when reused in agriculture. The only major concern is if the water source is contaminated with heavy metals, which the WTP is not designed to remove during water treatment. Water samples were taken at the water intake and analyzed between April 2018 and March 2019. They were all found to be below the detection limit for the heavy metals analyzed¹⁴ and below the tolerance limit for microbiological parameters. However, Management requested that raw water samples be taken again at the intake of each of the schemes as well as sludge samples from each WTP to monitor for the eventual presence of heavy metals and harmful chemicals, which should be added to the parameters analyzed for aluminum, arsenic, iron, fluoride, and copper. This will also be useful in informing decisions on any changes to the design of the water treatment plants to adequately treat the water so that it is safe to drink.</p>
5.	<p>Site-Specific Tribal Development Plans. The Panel notes that a Social Assessment and Tribal Development Plan were prepared for the State of Jharkhand. In the Panel’s view, absent a site-specific Social Assessment—which analyzes the characteristics of the affected tribal communities and impact on them—and detailed mitigation and consultation measures, the draft Tribal Development Plan is akin to a framework document such as the Indigenous Peoples Planning Framework outlined in Bank Policy on Indigenous Peoples (OP/BP 4.10).</p> <p>The Panel finds that although the Bagbera Water Treatment Plant and Elevated Storage Reservoir near Purani Basti are being implemented in areas customarily used by tribal communities, Management failed to ensure the preparation of site-specific Tribal Development Plans, which led to significant harm to the culture, religion and way of life of tribal communities adjacent to these sites in non-compliance with Bank Policy on Indigenous Peoples (OP/BP 4.10).</p>	ES29-32; 136-149	<p>Comment: Management acknowledges the Panel’s findings and notes further that the absence of site-specific assessments for critical infrastructure development under each scheme resulted in an inadequate understanding of concerns and issues important to the affected tribal communities.</p> <p>Actions to address the site-specific concerns are proposed in the Items 6, 7 and 8 below that are related to OP/BP 4.10.</p>

¹⁴ Parameter analyzed included: sulfate, chromium, manganese, selenium, ammonia, zinc, nickel, cadmium, lead.

No.	Finding	IPN para refs	Comment/Action
6.	<p>Assessment of Impact on Indigenous Peoples. The Panel notes that the Social Assessment and Tribal Development Plan do not adequately assess the customary use of natural resources, religious practices or cultural festivals of Santhal and Ho tribes. The Panel finds that Management did not ensure the identification and mitigation of the impact on customary use of land, resources and sites that hold cultural significance to the affected tribal communities near the Bagbera Water Treatment Plant and Elevated Storage Reservoir near Purani Basti in non-compliance with Bank Policies on Environmental Assessment (OP/BP 4.01), Indigenous Peoples (OP/BP 4.10) and Physical Cultural Resources (OP/BP 4.11).</p>	ES33-36; 150-175	<p>Comment: Management acknowledges the Panel’s finding. Management wishes to note that, as stated in the Management Response to the First Request for Inspection, in the case of the WTP at Giddhi Jhopri, site alternatives were explored and the final footprint of the WTP site was reduced to minimize impact on the sacred grove and sacred tree (which originally fell within the alignment of the perimeter wall).</p> <p>Management recognizes the Requesters’ main concern, which was the potential for the MVSS to accelerate urbanization and possibly lead to changes in the governance system, resulting in the erosion of tribal people’s rights to land and resources under the PESA. In their view, the provision of services such as piped water would attract non-tribal communities and could lead to their villages being re-classified as an urban service area. Although there is no link between the Project and a potential expansion of Jamshedpur city limits, this concern held by the communities was not recognized and addressed in a timely manner, since no site-specific consultations took place prior to the selection of the sites. As a result of both the lack of consultations and site-specific assessments, this important contextual concern was not considered by the Project.</p> <p>As it committed to in its Responses to both Requests, Management hired an anthropologist to support the Government of Jharkhand in consulting with the affected communities in Giddhi Jhopri and Purani Basti with the aim to better understand their concerns and identify and agree on possible measures to address Project-related impacts.</p> <p>While the communities were slow to respond to the outreach by the Project team and the Bank team, including the anthropologist, the Requesters in Giddhi Jhopri sent two letters to the East Singhbhum District Commissioner (DC) in December 2019, requesting the following specific measures to be carried out in the community to enhance local conditions: (i) level the grounds and build a boundary wall at the Giddhi Jhopri school; and (ii) construct a “Vikash Bhawan” (community building) in Giddhi Jhopri.</p> <p>The DC agreed to the community’s request and tasked the Block Development Officer to prepare DPRs. During subsequent communications, the Giddhi Jhopri community conveyed that it would</p>

No.	Finding	IPN para refs	Comment/Action
			<p>address the above requests with its own funds or help from the Government, but it then requested a 150-m extension of the road from the WTP to the Giddhi Jhopri habitation and establishment of a tribal excellence center. The Bank noted that the latter was beyond the remit of the Project, but it conveyed these requests to the DC, which agreed to take care of the access road extension. It is Management's understanding that this was added to the scope of works of the contractor being recruited to finalize the Bagbera MVS and WTP.</p> <p>However, in Purani Basti, the community representatives requested that the ESR be removed and built elsewhere, which was not a decision within the Bank's purview, because the ESR had already been built. For over two years, the Purani Basti community was unresponsive to repeated attempts by the Bank, through its anthropologist, to maintain a dialogue with the community. The anthropologist, continued to regularly reach out to concerned members of Purani Basti as well as Giddhi Jhopri, to maintain dialogue and to keep abreast of their concerns and progress on actions being implemented to alleviate them.</p>
7.	<p>Consultations. The Panel finds shortcomings in the consultations and disclosure of the Social Assessment, Tribal Development Plan and Tribal Development Implementation Plan, including inadequate documentation of the consultation process, insufficient disclosure of information and lack of translation of key Project documents into Hindi and tribal languages in non-compliance with Bank Policy on Indigenous Peoples (OP/BP 4.10). In addition, the Panel finds that Management did not ensure a process of free, prior and informed consultations with affected tribal communities in Giddhi Jhopri and Purani Basti in the absence of site-specific Tribal Development Plans in non-compliance with Bank Policy on Indigenous Peoples (OP/BP 4.10).</p>	ES37-40; 181-194	<p>Comment: Management acknowledges the Panel's finding and further recognizes that the absence of site-specific assessments resulted in inadequate understanding of concerns and issues important to affected tribal communities. Management also considers that had free, prior and informed consultations been carried out as required under OP 4.10, it is likely that the tribal concerns and sensitivities would have been identified and adequately mitigated.</p> <p>In keeping with the actions committed to in the MRs, the SPMUs have published executive summaries of safeguard documents in Hindi in UP, Bihar and Jharkhand and in Assamese and Bengali in Assam, and have disclosed all safeguard documents on the relevant website (of the Drinking Water and Sanitation Department in Jharkhand). Also, the Jharkhand DPMUs have made available Hindi versions of executive summaries to the <i>mukhiyas</i> of all GPs in the Project.</p> <p>Training of Community Organizers, development of Santhal and Ho versions of IEC material and community consultations to provide information on</p>

No.	Finding	IPN para refs	Comment/Action
			<p>the schemes were also carried out. Each community consultation covered:</p> <ul style="list-style-type: none"> • Salient aspects of the water supply scheme • Likely commencement date of the water supply scheme and expected benefits • Support provided for water scheme management and information about the Community contribution to capital expenditures and water charges related to operating expenses • Role of the MVWSC and elected Panchayat representatives in the management of the water supply scheme • Role of the <i>jal sahiya</i> in the management of the scheme • Steps taken on Environment and Social Management and Tribal Development • GRM available at each water supply scheme.
8.	<p>Decision-making on Site Selection. The Panel finds that site selection for the Bagbera Water Treatment Plant and the Elevated Storage Reservoir near Purani Basti was not approved by the habitation <i>Gram Sabha(s)</i> despite the requirements of the tribal decision-making process set forth in the Tribal Development Plan and Tribal Development Implementation Plan. The Panel finds that these sites were selected without considering the social and cultural importance of the sites to affected tribal people. The Panel also finds that the works proceeded in the absence of broad community support from affected tribal community members.</p> <p>Consequently, the Panel finds the selection for the two sites in non-compliance with Bank Policy on Indigenous Peoples (OP/BP 4.10).</p>	ES41-51; 215-252	<p>Comment: Management acknowledges the Panel’s finding with respect to the obligation to demonstrate broad community support of affected tribal community members. Management also notes that while the process was inadequate, the DPMU made an attempt to take into consideration concerns of the affected tribal community by modifying the footprint of the WTP facility in Giddhi Jhopri to accommodate the sacred tree, which would have been removed had the original footprint been maintained.</p>
9.	<p>Grievance Redress Mechanism. The Panel notes that during critical stages of the Project there was no functioning Grievance Redress Mechanism for affected communities to raise their concerns, and that the customary tribal dispute settlement mechanisms were neither considered nor used by the Project. The Panel finds Management’s failure to ensure the establishment of a timely, accessible, effective,</p>	ES56-57; 268-276	<p>Comment: Management acknowledges the Panel’s finding that the GRM did not include or use customary tribal dispute settlement mechanisms. A GRM was in place at least from 2017 (there is evidence of complaints received and redressed in the Aide Memoire of August 2017 but not before then).</p>

No.	Finding	IPN para refs	Comment/Action
	<p>and culturally appropriate Grievance Redress Mechanism in non-compliance with Bank Policy on Indigenous Peoples (OP/BP 4.10).</p>		<p>In 2019, Management documented the multiple GRM modalities that existed in Jharkhand, such as the <i>Mukhya Mantri Jan Samvad</i> (Chief Minister’s Dialogue with the People), VWSC (<i>jal sahiya</i>), which allowed grievances to be recorded orally, telephonically or in writing. Management worked with the SPMU to put in place a system for recording grievances and consolidating and monitoring grievances received at the State level. As of September 30, 2019, six months before Project closing, the SPMU reported having received a total of 1,432 grievances across the five Project Districts, of which 1,275 (89 percent) had been redressed. At the end of the Project, in March 2020, the SPMU was dismantled and with it the Project-specific GRM. However, people can continue to submit grievances after Project closure through the statewide Jharjal GRM portal (https://jharjal.jharkhand.gov.in/), which consists of a mobile app and a web portal rolled out with the start of the Jal Jeevan mission in October 2019. Now, complaints can be lodged—through a toll-free telephone number, email, SMS, and WhatsApp, and the portal and app that were developed. The GRM has necessary escalation protocols if the grievance are not redressed within 7 days. The Jharjal mobile app and portal have been well-advertised. Both the app and the web portal are being used for evaluation and monitoring of schemes at the State level, such as physical progress of SVSs and MVSs along with quality testing, addition of beneficiaries of piped water supply schemes, geotagging of water sources and assets related to schemes, and monitoring of complaints by the general public, among other things.</p> <p>Other strengthening actions taken included: (i) orientation about GRM process and protocols for all Community Organizers and <i>jal sahiya</i>, who are the first contact points for receiving and reporting complaints (<i>jal sahiya</i> is normally a resident of the GP, many of the Community Organizers are from within the habitation); (ii) establishment of a dedicated phone line to register grievances at SPMU; staff person planned to be hired to receive, record and forward grievances to concerned staff; (iii) digitization of grievance registers completed (past and current grievances) and quarterly sharing of summaries with the SPMU by DPMUs.</p>

No.	Finding	IPN para refs	Comment/Action
			As per recommendations provided by the Bank team following its March 2019 supervision visit, details on how grievances were being resolved were collated across all levels (local, District, State) and provided to the Bank during the September 2019 mission. Analysis indicated that most grievances were related to service quality (insufficient water pressure, etc.).
10.	<p>Supervision. The Panel notes that Bank supervision did not consider contextual risks, did not systematically and proactively follow up on identified problems and lacked a functioning internal mechanism for escalating issues. The Panel finds that Management failed to provide adequate implementation support or to take relevant, effective action—prior to the Requests—to ensure implementation of required environmental and social measures in non-compliance with Bank Policies on Investment Project Financing (OP/BP 10.00), on Environmental Assessment (OP/BP 4.01) and Indigenous Peoples (OP/BP 4.10). This contributed to the significant harm experienced by the indigenous peoples of Giddhi Jhopri and Purani Basti.</p>	ES58-67; 283-310	<p>Comment: Management acknowledges the Panel’s finding. This experience has brought to the fore some important lessons for the Bank’s program in India, which are highlighted in paragraph 62 in the main text.</p>

**Annex 2: Status of Actions included in Management's Response to the Requests for Inspection
(December 2018 to end-February 2020)**

No	Management Action	Status at end February 2020
<i>In direct response to community concerns</i>		
1	By mid-January 2019 for the Giddhi Jhopri community on the Bagbera MVS and by end-February 2019 for the Purani Basti, South Sarjamda community on the ESR, Management will support the Government of Jharkhand to consult with concerned members of each community to better understand their concerns and to identify and agree on possible measures to address Project-related impacts.	Status: Ongoing.
2	By end-February 2019: Management will support the SPMU to review and update existing IEC materials (including basic information about the Project and its expected benefits as well as about water, sanitation and hygiene in general) to consider existing community concerns, and to finalize preparation of the IEC materials in Santhali and Ho, the most widely spoken tribal languages in this area.	Status: Completed.
3	By end-March 2019: Management will work closely with the SPMU and DPMU to ensure that appropriate consultations on the updated EMP and disclosure are carried out. The update of the EMP for the Chhotagovindpur MVS will reflect the feedback from the above-cited detailed consultations with the Purani Basti community.	Status: Completed
4	By end-March 2019, Management will complete a review of the processes followed to document community “no objection” to the siting of significant infrastructure (WTPs, ESRs) associated with the two MVSSs in Jharkhand	Status: Completed
5	By end-March 2019: Management will support the SPMU to disclose the current design of the water schemes and the plan to extend the Chhotagovindpur MVS distribution network to allow coverage of households interested in a water connection in all 21 GPs.	Status: Ongoing.
6	By end-March 2019: Management will hire experts in anthropology and cultural heritage with local experience to assist the Bank team in overseeing the implementation of the Tribal Development Plan (TDP) and Tribal Development Implementation Plan (TDIP) and the social audit that the SPMU and DPMU will be carrying out.	Status: Completed
7	By end-March 2019: Management will follow up with the Project Management Units at the national, state and district level (NPMU/SPMU/DPMU) to hire an agency to support consultation and regular training on environmental and social issues and the TDP.	Status: Completed
8	By end-February 2019: Management will support the Government of Jharkhand to undertake implementation stage consultations in all GPs covered by the Bagbera and Chhotagovindpur MVSSs to update community members on implementation progress. This will allow further scheme information to be provided; clarify aspects related to environmental and tribal development management; as well as provide information on the start of service delivery, and financial aspects related to community contribution and water tariffs, in addition to responding to people’s queries.	Status: Completed
9	By end-February 2019: Management will complete a review of the revised draft updated EMPs for the Chhotagovindpur and Bagbera MVSSs, which the DPMU has committed to submit to the Bank for review by end-January 2019.	Status: Completed.
10	By end-March 2019: Management will request the DPMU to share the results of the water analysis at the water intake with the community and make them publicly available as part of the EMP.	Status: Completed
<i>To address overall project shortcomings</i>		

No	Management Action	Status at end February 2020
11	By end-February 2019: Management will ensure that executive summaries of safeguard documents are translated and disclosed in Hindi, the predominantly read language in the Project areas, on the relevant department website, at the head office of each GP and at the offices of the contractor.	Status: Completed
12	By end-February 2019: Management will follow up with the SPMU and DPMU to ensure completion of the review of the scope of works and training of the 400 Community Organizers that have been placed in all five districts of Jharkhand since May 2018, to give them a greater role in disseminating information about the Project, relaying community concerns, and environmental and social monitoring. This review will also cover Project and site-level GRMs and identify steps to strengthen them.	Status: Completed
13	By end-February 2019: Management and PMUs will complete the ongoing comprehensive review of safeguard compliance of the Category 2 schemes supported by the Project, which includes all of the MVSs in addition to some SVSs and will prepare an action plan for time-bound implementation of any remedial measures that may be required. Priority is being given to completing the reviews of the safeguard documentation for the Chhotagovindpur and Bagbera MVSs, including the EMPs, and any remedial action pertaining to these MVSs will need to be addressed before the MVS starts operation.	Status: Completed.
14	By end-March 2019: Management will follow up with the Project Management Units at the national, state and district level (NPMU/SPMU/DPMU) to ensure adequate staffing and staff capacity strengthening for appropriate monitoring of EMP implementation and application of safeguards instruments.	Status: Partially completed before PMU was dismantled at Project closing in March 2020.
15	By end-March 2019: completion of Project restructuring, which will include the application of OP 4.11 among other aspects.	Status: Completed