

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

Dear Ms. Barlas,

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

With best regards
[REDACTED]

Via Electronic Mail

25 May 2017

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

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

Dear Ms. Barlas,

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

I. Background on the development of Amaravati

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

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

² See Attachment 2.

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

including fruit and flower plantations.⁴

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

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

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

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

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

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

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

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

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

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

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

¹² *Id.*

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

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

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

Implementation of the Land Pooling Scheme

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

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

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

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

¹⁴ Attachment 20, p. 16.

¹⁵ Attachment 19, para. 3.

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

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

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

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

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

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

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

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

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

II. The ASCCDP Project

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

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

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

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

²² Attachment 20, p. 16.

²³ See Attachment 3.

²⁴ PID/ISDS, p. 7.

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

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

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

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

²⁵ PID/ISDS, p. 11.

²⁶ PID/ISDS, p. 4.

²⁷ PID/ISDS, p. 4.

²⁸ PID/ISDS, p. 12.

²⁹ PID/ISDS, p. 12

³⁰ RPF, p. 181.

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

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

³³ RPF, p. 180.

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

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

III. Harms to the Requesters

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

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

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

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

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

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

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

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

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

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

IV. Noncompliance with Bank Policies

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

OP/BP 4.12:

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

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

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

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

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

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

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

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

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

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

⁴³ ISDS, section D., para. 1.

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

⁴⁵ See Attachment 14.

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

⁴⁷ PID/ISDS, p. 12

⁴⁸ PID/ISDS, p. 12

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

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

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

OP/BP 4.01:

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

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

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

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

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

⁵¹ OP 4.12, para. 2(a).

⁵² Attachment 16.

⁵³ OP 4.12, para. 2(b).

⁵⁴ OP 4.12, para. 2(c).

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

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

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

V. Prior interactions with Management

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

VI. Requested Measures

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

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

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

⁵⁷ BP 4.01, para. 3

⁵⁸ SESA-ESMF, p. 29.

⁵⁹ See Attachment 17. It also is available at

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

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

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

Signature:



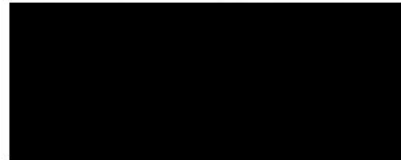
Date: 22 May 2017

Signature:



Date: 22 May 2017

Signature:



Date: 22 May 2017

Signature:



Date: 22 May 2017

ANNEX 1: Requesters' Statement

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

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

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

Our Addresses and Contact Details

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

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

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

4. [REDACTED]
[REDACTED]



ANNEX 2: Additional References

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

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

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