

INDIA

**MUMBAI URBAN TRANSPORT PROJECT
(LOAN NO. 4665-IN; CREDIT NO. 3662-IN)**

**Follow Up to the
Meeting of the Executive Directors of the World Bank (March 28, 2006) on the
Inspection Panel Investigation Report No. 34725 and
Management Report and Recommendation**

**PROGRESS REPORT ON IMPLEMENTATION
OF THE ACTION PLAN**

November 13, 2007

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ACRONYMS

BEST	Bombay Electricity and Suburban Transport Corporation
CRF	Community Revolving Fund
CRZ	Coastal Regulatory Zone
EMCB	Environmental Management Capacity Building
GoI	Government of India
GoM	Government of Maharashtra
GRC	Grievance Redress Committee
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
IMP	Independent Monitoring Panel
INR	Indian Rupee
JVLR	Jogeshwari-Vikhroli Link Road
KNWA	Kismat Nagar Welfare Association
MCGM	Municipal Corporation of Greater Mumbai
MHADA	Maharashtra Housing Area and Development Authority
MIDC	Maharashtra Industrial Development Corporation
MMRDA	Mumbai Metropolitan Region Development Authority
MoU	Memorandum of Understanding
MRVC	Mumbai Railways Corporation
MSRDC	Maharashtra State Roads Development Corporation
MUTP	Mumbai Urban Transport Project
NGO	Nongovernmental Organization
PAH	Project-affected Household
PAP	Project-affected Person
PIC	Public Information Center
R&R	Resettlement and Rehabilitation
RIP	Resettlement Implementation Plan
RoB	Road over Bridge
SAR	South Asia Region
SATIS	Station Area Traffic Improvement Schemes
SCLR	Santacruz Chembur Link Road
SPARC	Society for Promotion of Area Resources Centers
SRA	Slum Rehabilitation Authority
SRS	Slum Rehabilitation Scheme
TCS	Tata Consultancy Services
TISS	Tata Institute for Social Sciences
USD	United States Dollar
USOA	United Shop Owners Association

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MUMBAI URBAN TRANSPORT PROJECT
(Loan No. 4665-IN; Credit No. 3662-IN)

**MANAGEMENT REPORT ON STATUS OF IMPLEMENTATION OF THE
ACTION PLAN FOLLOWING THE INSPECTION PANEL INVESTIGATION
REPORT (No.34725) AND MANAGEMENT REPORT AND
RECOMMENDATION (INSP/R2005-0005/4)**

I. INTRODUCTION

1. This is the second progress report in response to the Board's request to provide periodic updates on the implementation status of the Action Plan for the India Mumbai Urban Transport Project (MUTP), including information on new developments. This report follows up on Management's progress report of March 2007 (SecM2007-0096). The Action Plan was included in the Management Report and Recommendation that was discussed by the Board of Executive Directors on March 28, 2006, along with the Inspection Panel's investigation report.

2. In March 2007, Management reported that progress had been made in resolving several outstanding issues at the resettlement sites (e.g., water supply and payment of interest on maintenance funds¹). A more consultative, consensual, and participatory process was in place for addressing the concerns of project-affected persons (PAPs), including the shopkeepers. The grievance process and Independent Monitoring Panel (IMP) were operating more effectively. Management remained very concerned, however, about the slow pace of progress in finalizing the project's resettlement component, including the full operationalization of the resettlement data base, resolution with the shopkeepers on alternative options for compensation, systemic difficulties in the identification, sequencing and prioritization of tasks, and problems in inter-agency coordination.

3. In June 2007, the Inspection Panel submitted its own progress report to the Board (INSP/SecM2007-0005). The Panel observed that Management had made considerable efforts since March 2006 to bring the project into compliance with Bank policies and procedures. The Panel also noted ongoing concerns regarding the situation of the shopkeepers, institutional capacity to deal with post-resettlement issues, the data base, provision of information to PAPs, role of nongovernmental organizations (NGOs) in the grievance resolution process, income restoration, the delay in the appointment of the post-resettlement consultant, water supply at some of the resettlement and rehabilitation (R&R) sites, waste management at the R&R sites, transport connectivity, social services, and delays in registration of co-operative societies.

4. Since submission of the March 2007 progress report, the Task Team has continued to work with the Mumbai Metropolitan Region Development Authority (MMRDA) to implement the Action Plan. There has been an apparent shift in MMRDA's

¹ Significant improvements in water supply have occurred in resettlement sites, with most of the buildings receiving 60-150 lpcd, compared to 25-69 lpcd in May 2005.

approach to resettlement, with the agency's adoption of an adaptive and more proactive approach to problem-solving by engaging with PAPs to explore negotiated solutions. This has resulted in an agreement which facilitated the shifting of a key group of large shopkeeper-requesters. The post-resettlement agent has been contracted and commenced work. Significant progress has been made with registration of co-operatives. MMRDA's management of resettlement has improved, bolstered by additional key staff reinforcements and the helpful advice of the IMP.

5. At the same time, MMRDA is making efforts to address post-resettlement issues in the resettlement colonies. These include: registration and strengthening of cooperative societies, repairing civil works related defects (such as blockage of open drains, leakages from drain pipes, terrace and dead wall seepage), improvement in water supply, and management of the living environment. The IMP is closely monitoring the post-resettlement situation through regular field visits and advising MMRDA on corrective measures to be taken. MMRDA has also hired Tata Consultancy Services (TCS) as the post resettlement consultant and Environmental Management Capacity Building consultants (EMCB), who will assist the resettled PAPs and their housing societies in managing effectively their assets, facilities, and surroundings.

6. **Progress in resolving the concerns of the Requesters.** Among the four Requesters, the concerns of the first group of Requesters, shopkeepers along Santacruz Chembur Link Road (SCLR), has been partly resolved since some of the shopkeepers have already signed a Memorandum of Understanding (MoU) with MMRDA for in-situ resettlement and the remaining shopkeepers are in the process of signing the MoU. The second group of Requesters (Gazi Nagar) along SCLR has resettled to the non-MUTP site according to their choice. In the case of the third group of Requesters (Bharti Nagar residents along SCLR), MMRDA has clarified that there is no change in the alignment and the Requesters may not be affected. The fourth group of Requesters (shopkeepers affected by Jogeswari-Road over Bridge, or ROB) is not yet displaced. MMRDA is exploring various options in accordance with the provisions proposed in the February 2006 Action Plan for their resettlement.

II. DESCRIPTION AND STATUS OF THE PROJECT

7. **The project continues to be a highly challenging undertaking in urban development.** MUTP was approved by the Bank's Board of Executive Directors on June 18, 2002 (Loan No. 4665-IN; Credit No. 3662-IN).² The total Project cost is USD 945.0 million, of which USD 463.0 million is financed by an IBRD Loan, SDR 62.5 million (USD 79.0 million equivalent) by an IDA Credit, and additional financing of USD 403.0 million from the Government of India (GoI). The Project became effective on November 6, 2002 and is being implemented by several entities and coordinated by MMRDA.³

² It should be noted that during the preparation phase, the R&R aspects were for some time considered to be implemented as a separate, but complementary project, the Mumbai Urban Rehabilitation Project.

³ The Mumbai Railways Corporation (MRVC); the Municipal Corporation of Greater Mumbai (MCGM); Bombay Electricity and Suburban Transport Corporation (BEST); Maharashtra State Roads Development Corporation (MSRDC); Traffic Police of Mumbai; and MMRDA on behalf of the Government of

8. **The Project consists of three components:**

- **Component 1 -- Rail Transport**, the main activities of which are: (a) improvement of capacity and performance of the suburban rail network of the Central and Western Railways through provision of infrastructure, (track additions, signaling systems power, etc.), new rolling stock (101 9-car electric motor units); and (b) technical assistance.
- **Component 2 -- Road-based Transport**, the main activities of which are: (a) area traffic control (250 junctions), selected traffic management infrastructure schemes (pedestrian crossings, station areas, over bridges, etc.) implemented by Municipal Corporation of Greater Mumbai (MCGM); (b) buses (644) procured by BEST; (c) road widening to facilitate two East-West linkages, the Jogeshwari-Vikhroli Link Road (JVLR) and the SCLR, implemented by MMRDA and Maharashtra State Roads Development Corporation (MSRDC); and (d) technical assistance.
- **Component 3 -- Resettlement and Rehabilitation (R&R)**, comprising mainly: construction of housing, and provision of services for R&R of project-affected families, implemented by MMRDA and financed with an IDA credit.

9. **MUTP's contribution to life in Mumbai.** The project, though very challenging, has an estimated economic rate of return of 37 percent and holds the promise of making a visible contribution to life in Mumbai by reducing critical transport bottlenecks and accelerating urban development. The resettlement of people along the railway tracks has made possible improvements to rail transport commuter times for hundreds of thousands of middle/lower income rail passengers. The increased speed of commuter trains as a result of MUTP supported improvements has reduced travel times from 4 to 9 minutes, increased peak time passenger capacity by 7-10 percent and significantly improved the operational efficiency of the suburban rail system. The resettlement has also enabled planned track addition construction works to move forward and a first length of 26 km along the Western Railway corridor has been fitted with an additional pair of tracks. In addition, a first electric substation has been commissioned on the railway system, the first train-set prototype has been received to undergo testing on track, and the urban bus system has been significantly improved with the replacement of 644 buses with newer models. Finally, MUTP has improved the quality of life for many residents and small businesses, with 16,888 households (out of a total of 19,947) resettled from squalid slums to formal housing.

10. **Project implementation** has progressed slowly, with 37 percent disbursement after more than five years. Land acquisition and resettlement issues, poor inter-agency co-ordination, and procurement difficulties in several contracts have resulted in delays. Changes in key project management positions have started to improve inter-agency co-operation, to encourage proactive engagement among partners, and to improve quality of the R&R process. This is seen in the progress observed in the rail component, in the

Maharashtra (GoM) and the Borrower, the GoI. As well as being the coordinating agency, MMRDA is responsible for implementing the R&R component on behalf of all the implementing agencies.

enhanced dialogue with the MCGM on follow-up regarding post-resettlement issues, and with the Railways on approvals of designs for Station Area Traffic Improvement Schemes (SATIS). However, the expectation that this would lead to quicker and more effective implementation has yet to be met. MMRDA's and MCGM's ability to manage the project as a whole remains a major concern for Bank Management. Projected timing for completion of the rail component is December 2009 and September 2011 for the road component while the closing date of the loan is June 2008. Following the January 2007 supervision mission, the project was downgraded to unsatisfactory for implementation progress. Renewed interest for the project at the highest level of the state government and agreement to prepare project restructuring provides encouraging signs for a positive outcome. Improvements in the quality of management of rail component implementation over the last year have led Management to accept in principle to extend the implementation period of the loan until December 2009 for the rail component to allow its completion.

11. Following requests from the Bank, the Borrower has recently submitted revised detailed implementation schedules for major challenging activities of the road component, which provides a basis to better assess in the coming months the implementation capacity of the various implementing agencies. On this basis, most of the activities of the road component would require an extension of the loan implementation period to be completed; for instance, JVLR and SCLR are expected to be completed by mid-2009, while the ROBs will be completed only in 2011. The project restructuring is expected to review the scope of the project to limit it to activities that could be implemented successfully.

Table 1: Project at a Glance

Project Financing at Appraisal (2002):*	USD million
IBRD:	463.00
<i>Component 1 (Rail)</i>	304.90
<i>Component 2 (Road)</i>	150.50
IDA:	79.00 (SDR 62.5)
<i>Component 3 (R&R)</i>	79.00
GoI:	403.00
TOTAL	945.00
Disbursed (February 13, 2006):	
IBRD:	69.70 (15%)
IDA:	64.20 (81%)
TOTAL	133.90 (24.7%)
Disbursed (January 31, 2007)	
IBRD:	115.70 (25%)
IDA:	68.70 (87%)
TOTAL	184.40 (34.0%)
Disbursed (October 20, 2007)	
IBRD:	130.15 (28%)
<i>Component 1 (Rail)</i>	58.25 (19%)
<i>Component 2 (Road)</i>	52.05 (36%)
IDA:	68.82 (87%)
TOTAL	198.06 (36%)

* excluding the Project Preparation Facility and Front End Fee of USD 7.63 million.

12. **The Inspection Panel Investigation.** The four Requests for Inspection represented several hundred residents and shopkeepers in 2004. The Inspection Panel subsequently conducted an investigation, the findings of which were presented in December 2005. Most of the Requesters, including those with the most complex cases, are located along SCLR. Section III below sets out in detail implementation of the Action Plan, which addresses key concerns raised by the Inspection Panel, including:

- Resettlement of medium- and large-size shopkeepers (Actions 1 and 2);
- Quality of baseline survey data (Actions 3 and 7);
- Management of post-resettlement activities (such as registration of housing cooperative societies, transfer of maintenance funds, adequate water supply and transport facilities, environmental management of resettlement sites, and institutional capacity) (Actions 3, 4, 6, 8, and 10);
- Grievance redress process (Action 9); and
- Supervision (Action 5).

III. ACTION PLAN

A. KEY OUTCOMES

13. **Implementation of the Action Plan shows improvement in the quality of processes followed in implementing R&R, which has led to better results for PAPs.** MMRDA has resettled 2,642 households (residences and shops) in the last 18 months (since the submission of the Management Response to the Inspection Panel Report in February 2006). To date, 16,888 households (or 85 percent of the total) have received alternative houses or shops. About 91 percent of residential PAPs and 43 percent of shopkeepers have been relocated to permanent houses/shops (of which 21 percent are medium and large shopkeepers and the remaining 79 percent, small shopkeepers). Key achievements are listed below and details are in Annex 1.

14. Significant progress has been achieved with resettlement since the submission of the first progress report in March 2007:

- Substantial shifting of medium and large shopkeepers from 10.5 percent to 28 percent. The overall progress for shopkeepers has increased from 29 percent to 43 percent;
- Signing of an MoU for in-situ resettlement of a group of SCLR shopkeepers;
- Appointment of a post-resettlement consultant to promote and strengthen sustainable self-management of the R&R sites;
- Appointment of a consultant to improve environmental management in R&R sites;

- An increase in registration of co-operative societies from 58 to 85 of the 150 existing societies, with an additional 56 having initiated this process with name reservation (see paragraph 31);
- Transfer of common facilities (society offices, welfare and women's centers) completed for all 141 partially- or fully-registered societies; and
- Provision of identity cards to some 15,011 project-affected households (PAH), or 75 percent of the total, compared to 6,319 (32 percent) at the time of the last report.

15. Further, MMRDA has improved resettlement management capacity, with the posting of a Deputy Registrar of co-operative societies and a social development specialist, and reinforcement of the environment cell. The IMP continues to play a helpful role in the resettlement process, including facilitation of dialogue with shopkeepers and monitoring improvement in living conditions at the resettlement sites.

16. The Tata Institute for Social Sciences (TISS) prepared in July 2007 an interim assessment on resettlement impact that examines a sampling of 1,506 households (out of a total of 7,709) covered in the impact assessment study. The objective of this study is to independently assess the outcomes of the resettlement process in terms of changes in the living standards of displaced families, delivery of entitlements and experience of living in multistoried apartments. The interim findings showed that more than 80 percent of the households were satisfied with their new houses, held their previous jobs, and retained their monthly incomes. However, 78 percent of a small sampling of shopkeepers reported a decrease in their earnings from businesses at the new locations. School dropouts were reported to be low, at 4.3 percent, compared to the average dropout rates of 6 percent for students in grades 1-4 and 21 percent for students in grades 5-8 in the city of Mumbai.⁴ It was noted that the level of satisfaction with respect to new living arrangements was significantly higher among women, who cited increased personal safety and privacy as the main reasons. The households who expressed dissatisfaction are mostly those who have: lost site related advantages, such as proximity to places of employment and schools; moved away from established social networks; and assumed additional costs, such as the payment of water and electricity bills.

⁴ This is per the current data (2006-7) available from the primary education wing (Universal Literacy Mission) of MCGM.

Table 2. Status of Resettlement (September 1, 2007)

Unit Type	Totals	Resettled (as of 1/31/06)	Resettled (as of 12/31/06)	Resettled (as of 9/1/07)	To be Resettled
Households	17,378	13,877 (80%)	15,315 (88%)	15,784 (91%)	1594 (9%)
Shops:	2,569	369 (14%)	752 (29%)	1,104 (43%)	1,465 (57%)
[Of which > 225 sq.ft].	[800]		84 (10.5%)	227 (28.4%)	573 (71.6%)
Total:	19,947	14,246 (71%)	16,067 (80.6%)	16,888 (84.7%)	3,059 (15.3%)

17. **Negotiations with large shopkeepers have progressed carefully, albeit slowly.** Of the 800 large shopkeepers, (with premises greater than 225 square feet), some 227 (or 28 percent) have been resettled to date, including 56 large shopkeepers along the SCLR. The progress to date is largely due to a change in MMRDA's approach of negotiating solutions with shopkeepers, which is above and beyond the resettlement options under the MUTP R&R Policy. Progress with resettlement along the JVLR was delayed due to prolonged negotiations with land titleholder shopkeepers. This has now been substantially completed. Resettlement of shopkeepers along SCLR – United Shop Owners Association (USOA) and Kismat Nagar Welfare Association (KNWA) – was more recently the focus of MMRDA's attention; negotiations have been pursued actively in search of *in-situ* resettlement with the help of private developers.

18. Remaining key challenges in achieving full implementation of the Action Plan include: co-ordination between R&R and civil works; cumbersome legal procedures for land acquisition, relocation of affected religious and other community structures, and full optimization of the data base. (A summary table showing the locations and specifics of resettlement-related impediments is provided in Annex 4.) While there have been negligible benefits to PAPs because of slow progress in the payment of interest on maintenance funds, establishment of Community Revolving Funds (CRFs), and transfer of conveyance deeds, the increased pace of registration and appointment of the post-resettlement consultant should help accelerate resolution of any outstanding issues.

B. MANAGEMENT ACTION PLAN

19. Management has worked closely with the Borrowers and affected communities to resolve the issues identified in the Action Plan, in particular, R&R. A number of key issues with respect to the overall management of R&R, the grievance process, communications, and some aspects of post-resettlement are completed or substantially completed. The supervision team has been strengthened with the addition of an urban specialist and a water supply specialist. A Mumbai based social scientist has also been working full time on the project since March 2006.

20. Members of the Bank's supervision team have made 19 visits to Mumbai since March 2006, have maintained intense supervision of the project, and have been engaged

in constant dialogue on key issues with MMRDA and the GoM, as well as interactions with PAP groups (see Annex 2, List of Supervision and other Key Missions). Major missions undertaken to review progress and discuss key issues since the last progress report include the South Asia Region (SAR) Transport Sector Manager's meeting with the Additional Chief Secretary (Urban) to review progress in March 2007, and a full supervision mission in July 2007, which reviewed progress and discussed project restructuring for a more satisfactory outcome. Recently, on August 21, 2007, the Country Director met the Chief Minister, the Chief Secretary and other Senior Government Officials of Maharashtra and discussed ways in which the Bank could help the project achieve greater success.

21. Management has commissioned a study to develop technical guidance to assist staff and clients with the preparation of cost-effective and World Bank policy-compliant resettlement action plans for use in urban areas. The handbook will give special attention to the difficult issue of income restoration for larger non-titleholder business owners as well as the longer term issue of the sustainability of new (often multi-story) communities of resettled people. The study will draw on critical lessons learned in MUTP. The overarching aim of this exercise is to approach these issues in a way which will foster sustainable urban development; in short, to identify win-win outcomes including facilitation of the transition from the informal to the formal sector of the urban economy.

C. BORROWER ACTION PLAN

22. The status of issues under the current Board-endorsed Action Plan is discussed below and summarized in Annex 3:

Action 1: Negotiations with each eligible shopkeeper will be held on the basis of options listed in the Action Plan when applicable. Agreements reached will be recorded and implemented.

23. There is notable progress in the resettlement of shopkeepers along JVLR, with about 85 percent of the shopkeepers already resettled, including 170 of the 209 shopkeepers with more than 225 sq. ft of current space. This progress was possible due to the successful resolution of all outstanding R&R issues with the shopkeepers (Powai Merchants Social Welfare Association) through negotiations. MMRDA provided equivalent shop area space to the owner-occupants at the Powai Shopping Plaza in lieu of affected land and structure; and, at the request of the shopkeepers, made allotments of shop floors based on years of establishment of the existing shops. About one-third of the project-affected shopkeepers have been resettled from SCLR, where the majority of disputes about resettlement and compensation have taken place. As of September 1, 2007, some 259 shopkeepers out of 745 (or 35 percent), including commercial and residential PAHs, have been resettled. Of the 259 shopkeepers, 56 are medium- or large-size shopkeepers (with areas over 225 square feet).

24. MMRDA has prepared and shared with the Bank the draft Resettlement Implementation Plan (RIP) for the Vikhroli Road over Bridge (RoB), which offers negotiated resettlement options above and beyond the R&R Policy by agreeing to

relocate shopkeepers to a private commercial complex near the Bandup Railway Station. Titleholder shopkeepers will be offered equivalent shop area free of cost in lieu of affected commercial land and structures. MMRDA's efforts to purchase industrial plots from the Maharashtra Industrial Development Corporation (MIDC) to relocate the small industries and large shopkeepers affected by the two Jogeshwari RoBs have not succeeded. MMRDA is now contemplating other alternatives to resolve this issue.

Table 3. Detailed Status of Shops Resettlement

Sub-Project	No. Shopkeepers	Jan 31, 2006	Dec 31, 2006	Sep 1, 2007
SCLR	745	112 (15%)	229 (31%)	259 (35%)
<225 sq.ft.	522	n/a	n/a	203 (39%)
>225 sq.ft.	223	n/a	n/a	56 (25%)
Other	1,824	257 (14%)	523 (29%)	845 (46%)
<225 sq.ft.	1247	n/a	n/a	674 (54%)
>225 sq.ft.	577	n/a	n/a	171 (30%)
Total	2,569	369 (14%)	752 (29%)	1,104 (43%)
<225 sq.ft.	1769	n/a	n/a	877 (50%)
>225 sq.ft.	800	n/a	n/a	227 (28%)

Note: The progress along SCLR does not include those who have already signed the MoU (54 shopkeepers) or are in the process of signing the MoU (about 80) with MMRDA for *in-situ* resettlement.

25. MMRDA has held numerous meetings with the USOA and KNWA, starting with the meeting held on June 6, 2006, with World Bank and Inspection Panel representatives present as observers. This process involved both formal and informal meetings and negotiations for *in-situ* resettlement of the shopkeepers at Kismat Nagar (SCLR), an option which MMRDA became willing to consider even though it went well beyond the six alternatives in the Action Plan that were approved by the Bank. Initially, MMRDA responded to the USOA's interest in *in-situ* redevelopment under a Slum Rehabilitation Authority (SRA) scheme, by calling for a definite proposal which met all legal conditions including development norms of MCGM, SRA and the High Court rulings. However, as the shopkeepers took time to respond, MMRDA developed a detailed procedure for resettlement of shopkeepers refusing to negotiate, which was approved by Bank Management on September 20, 2006.⁵ Consequently, MMRDA mapped the shopkeepers into different business categories, obtained approval from the IMP, and issued the first notice as per the procedure to about 314 shopkeepers along SCLR on December 18, 2006.

⁵ These procedures include mapping shopkeepers (and their current business categories) with the two most suitable options proposed in the Action Plan and notifying the shopkeepers to accept one or propose any other mutually acceptable option within 10 working days for negotiation. If the shopkeeper does not come forward or exercise any of the options proposed in the Action Plan, then MMRDA will assign the most suitable option and issue an allotment letter, along with a legal notice approved by the IMP, requesting that the shopkeeper: (a) accept the allotment; (b) request any changes within the resettlement options available in the Action Plan; or (c) appeal to the Grievance Redress Committee (GRC), if there is any grievance with the allotment. If the shopkeeper does not come forward to negotiate within five days of receiving the allotment letter, MMRDA will then clear the site 48 hours after delivering a legal notice to the shopkeeper.

26. In January 2007, USOA and KNWA proposed to MMRDA a large *in-situ* development scheme involving 1,180 shopkeepers including, 207 shopkeepers affected by MUTP. This scheme required legal clearances, notably a change in development reservations and a waiver of Coastal Regulatory Zone (CRZ) norms. Representatives of the Bank, along with MMRDA and an observer from the Inspection Panel, met the USOA and KNWA and discussed their *in-situ* scheme on January 23, 2007. The pros and cons of the proposed *in-situ* development scheme, which MMRDA initially rejected,⁶ were discussed. MMRDA subsequently reengaged on this issue with facilitative support from the IMP.

27. The IMP carried out a field visit to Kismat Nagar (SCLR) on February 22, 2007, with MMRDA officers, discussed the *in-situ* scheme with USOA and KNWA; and decided that MMRDA would issue a 'no objection certificate' for the *in-situ* scheme, provided that the affected shopkeepers gave a 'written undertaking' in advance to clear the site by May 2007. The IMP explained to the shopkeepers that, within its jurisdiction, MMRDA could only recommend the *in-situ* scheme to the competent authorities for approval.

28. Thereafter, in the course of a series of meetings, MMRDA and USOA-KNWA agreed upon a draft MoU⁷ to be signed between them for facilitating the *in-situ* scheme, for which the shopkeepers have hired a private developer.⁸ As the shopkeepers failed to sign the MoU on schedule, the IMP during its meeting on April 20, 2007 passed a resolution directing MMRDA not to consider the *in-situ* scheme. However, in a subsequent meeting, on May 23, 2007, the IMP permitted the shopkeepers to sign the MoU, provided they demonstrated their commitment to the resettlement process by completing the first phase of site clearance by July 1, 2007. In response, KNWA has cleared the front portion of 54 shops affected by SCLR and signed an MoU with MMRDA. The USOA, because of internal differences, has been unable to sign the MoU to date. Meanwhile, in order to dispel doubts regarding its commitment, and to put an end to speculations and encourage USOA to come forward and sign the MoU, MMRDA has taken the proactive step of recommending the approval of the *in-situ* scheme to the GoM and other relevant agencies. Despite such efforts, if USOA still fails to sign the MoU, it is

⁶ MMRDA's argument was that: (a) the land identified in the proposal belonged to MCGM and was designated in the Development Plan reservations for Muslim and Jewish cemeteries and recreation space; (b) the area was zoned under CRZ-2 regulations; and (c) the land was likely to be affected by the Mithi River widening work underway.

⁷ The MoU provides that MMRDA would give 'no objection' and recommend the approval of the *in-situ* scheme by the competent authorities, i.e., the State SRA, the Urban Development Department and the MCGM, upon USOA and KNWA undertaking to voluntarily clear the site in phases and opt out of MUTP once the scheme is sanctioned. The shopkeepers would be resettled as MUTP PAPs in case the *in-situ* proposal (which requires changes in reservations in the city development plan and CRZ-2 clearance) fails to materialize.

⁸ USOA and KNWA have hired Orbit Developers to carry out the *in-situ* scheme, for which they have negotiated with the developer a separate agreement to protect their interests. According to this agreement, the developer will provide them alternative shop space free of cost amounting to 70 percent of their existing shop size, pay monthly rent for shop portions cleared at the rate of INR 20 per sq. ft till the scheme materializes, and pay compensation of INR 5500 per sq. ft in case the scheme fails to materialize; this would be in addition to the resettlement benefits the shopkeepers would receive under the MUTP R&R Policy if the scheme does not work out.

most likely that MMRDA will resort to application of the procedure for “resettlement in the event of break down in negotiations”.

Action 2: MMRDA will publicize policy provisions related to making available up to one year of income on a one time basis to those affected employees who are not reemployed as a result of project resettlement and will process the requests as and when received.

29. Information regarding R&R benefits for affected employees is explained in the Implementation Manual (page 12), which is available for reference in the Public Information Centers (PICs) and on MMRDA’s website. Affected employees losing their job are entitled to receive one-time assistance equivalent to one year’s income. MMRDA has so far not received any requests for assistance since those affected employees have either retained jobs with their former employer in the new location, or have found alternative jobs elsewhere. Identity cards are being issued to the affected employees prior to displacement in order to enable them to access assistance in the event of loss of employment.

Action 3: MMRDA will improve its resettlement implementation mechanisms through various measures such as: (a) registration process for PAP cooperative societies and cooperative management plan; (b) undertaking construction of additional social services at R&R sites; (c) transferring maintenance funds from the SRA to PAP cooperative societies; (d) transferring conveyance deeds from MMRDA to the cooperative societies; (e) providing building maintenance manuals and brochures for supporting proper management of cooperative societies; (f) taking steps to improve water supply at resettlement sites; (g) improving transport connectivity at resettlement sites; and (h) undertaking impact assessments to determine the improvements in the living standards and proposing remedial measures for any improvement required as a result of assessment findings.

30. **Registration Process for PAP Co-operative Societies and Co-operative Management Plan.** There will be an estimated 200 PAP co-operative societies at the end of project implementation. At this stage there are 150 fully occupied buildings where residents can register their housing co-operative societies.

31. The registration of housing co-operative societies is a two-step legal procedure involving first, reservation of the name of the co-operative society based on a members’ resolution, with permission to operate a bank account, and thereafter, final registration of the society after submission of society by-laws, deposition of membership fees, written consent of members, and bank account statements. This process has proved difficult because of: the cumbersome procedure requiring scrutiny at several stages, resistance shown by certain PAPs who hope to get additional welfare support from MMRDA if they are not registered as societies, and the fact that some buildings are not yet fully occupied.

32. Despite such challenges, the registration process has been initiated for 141 of the 150 occupied buildings. At this time, some 85 societies have been registered, (compared

to 58 in December 2006). Name reservation has been completed for another 56 societies, (compared to 30 in December 2006). Of this number, 11 are in the final stages of registration. Applications for name reservation have been received from six additional societies. The Deputy Registrar is clearing the backlog and keeping pace with the new applications to keep this process on track.

33. MMRDA has also transferred common facilities (society office, child welfare, center, and women's welfare center) to all 141 societies whose registration has been partially or fully completed. This has been possible due to the posting of the dedicated Deputy Registrar of Societies at MMRDA. The appointment of a post-resettlement consultant, TCS, is expected to further accelerate the registration process. MMRDA expects to have about 130 societies fully registered by December 2007.

34. **Construction of Additional Social Services at R&R Sites.** MMRDA's efforts to provide educational facilities in the resettlement sites are in progress. The construction of a 3,500 sq.ft. secondary school in Mankhurd commenced in January 2007 and another site for school construction has been identified at Anik. In addition, MMRDA handed over 48 housing units (10,800 sq.ft) at Mankhurd and Anik to MCGM in December 2006 to house primary schools. MMRDA has remodeled these tenements into well-furnished class rooms with toilets and drinking water facilities. MCGM, however, is taking time to start running the schools due to administrative procedures. MMRDA anticipates the schools will start after the Diwali vacation in October 2007. The interim findings of the Resettlement Impact Assessment Study conducted by TISS recorded a dropout rate among children at 4.3 percent, which corroborates an earlier assessment by MMRDA. As indicated in paragraph 16, this dropout rate is lower than the average school dropout rate recorded in Mumbai. MMRDA has noted that informal education centers run by Sarva Shiksha Abhiyan (Universal Literacy Mission) inside and around the R&R sites are catering to learning needs of the school drop outs.

35. **Transferring Maintenance Fund Interest and Conveyance Deeds.** Transfer of interest on maintenance funds has been completed for the initially registered 46 co-operative societies. The transfer of funds for the newly registered societies will be initiated in the coming months. The transfer of conveyance deeds to the registered societies is frequently done only after several years in Indian cities as it is not considered a priority by residents. In the case of MUTP, it has been delayed due to MMRDA's preoccupation with other high priority resettlement issues, such as negotiations with the shopkeepers, improving post resettlement conditions and shifting of the remaining PAPs and utilities to pave the way for civil works completion.

36. **Providing Building Maintenance Manuals and Brochures to Societies.** MMRDA has distributed maintenance manuals and brochures on society management to 100 co-operative society committees. The distribution of these manuals and brochures among remaining co-operative societies will be facilitated by TCS, the post-resettlement consultant. TCS will prepare and disseminate additional public education materials and conduct training programs for the co-operative societies to strengthen self-management of assets and facilities.

37. **Steps to Improve Water Supply at Resettlement Sites.** Significant progress has been made in the regular provision of water supply to resettlement sites, which is now broadly comparable to that of other areas of Mumbai. MMRDA has in co-ordination with MCGM largely addressed difficulties (inadequate water supply at low pressure) experienced by the people in Anik and Mankhurd over the previous summer and earlier. Steps taken since March 2006 to improve water supply in Anik and Mankhurd include looping of the main supply line to increase pressure, removal of obstructions in pipelines, and increase in water allocation by MCGM to M (East) Ward, where most of the resettlement colonies are located. Supply now ranges from 60-150 lpcd with most sites receiving water above 85 lpcd, compared to 25 lpcd in Anik and 69 lpcd in Mankhurd in May 2005.⁹ During this past summer, due to a general 20 percent cut in water supply by MCGM, a few buildings located at higher elevations at Anik experienced a shortage until normal supply was resumed in July. Inappropriate handling of the supply valves by the residents during the summer shortage disturbed the internal distribution system. As a result, instances of inequitable supply within the resettlement colony with some buildings getting over supply and some facing relative shortages have been reported.

38. MCGM is studying the internal distribution system and is also in the process of releasing additional water to Anik. However, a long term solution to the issue lies in setting up a pumping station at Trombay Low Level Reservoir to further augment water supply to Anik. MCGM has allocated a 500 sq.m. plot to MMRDA for this purpose. MMRDA has completed the procurement process and has obtained the approval of its Executive Body to place the work order to construct the pumping station before the summer of 2008. Meanwhile, the Bank has advised MMRDA to monitor closely the supply process, fix temporary snags, and assure smooth functioning of the water meters.

39. **Improving Transport Connectivity at Resettlement Sites.** Since the last progress report (March 2007), the PAPs have requested that BEST run additional buses connecting them to main city centers. In reality, only a few large localities in Mumbai are connected with the main city centers through direct bus routes. People from most localities in Mumbai travel to the nearest main bus route in order to reach their destinations. The major bus routes are within 1-2 kms of the Anik and Mankhurd resettlement colonies. At Mankhurd, the PAPs told the Inspection Panel when they visited the project site in early 2007 that they needed a footbridge to enhance connectivity to the nearby railway station. MMRDA is aware of this issue and has taken up the matter with MCGM, as directed by the IMP.

40. **Independent Impact Assessments to Determine Improvements in Living Standards and Remedial Measures.** TISS's interim report on the Anik, Mankhurd and Majas resettlement sites independently assessed the impact of the resettlement process in terms of changes in living standards of the PAPs with regard to housing conditions, access to basic amenities, opportunities for employment and income, and other living conditions.

⁹ As per monitoring reports of MMRDA (June-July 2007), out of 33 residential buildings at Anik, only 6 buildings receive between 60-85 lpcd and the rest receive water in the range of 90-129 lpcd; at Mankhurd out of 29 residential buildings, 27 receive water supply in the range of 90-95 lpcd and the remaining two receive 121 and 150 lpcd respectively.

41. The key findings of the interim study report indicate that 80 percent of the households were satisfied with their new houses, held their previous jobs, and retained their monthly incomes. However, a small section reported a loss of supplementary income, although the mean income level among the resettled families moved up by 12 percent.¹⁰ The satisfaction level among women was more visible because of their sense of enhanced privacy and security. The final report of the Impact Assessment Study is expected by the end of December 2007. The study, based on a small sample of 28 shopkeepers, found that 78 percent of resettled shopkeepers reported that their business earnings had decreased. This initial finding was discussed with the consultants and will be further researched and analyzed to determine if this is a transitional issue or an indication of difficulties with the longer-term sustainability of the businesses. The final report will provide MMRDA with specific recommendations for follow-up.

Action 4: MMRDA will assist co-operative societies to maintain public assets and take measures for solid waste management in resettlement sites.

42. MMRDA has hired a professional agent (TCS) to carry out post-resettlement support activities that will help promote and strengthen self-management of assets and facilities by the co-operative societies. TCS has set up field offices at the major R&R sites (Anik, Mankhurd, and Ashgaonkar), submitted its inception report outlining key actions based on its initial reconnaissance study, and started holding workshops for capacity and needs assessment to prepare the Post-Resettlement Action Plan.

43. In response to complaints, MMRDA wrote to all PAP co-operative societies in November 2005 asking them to report defects in their buildings. The IMP has been proactive in monitoring the post-resettlement situation through regular field visits to R&R sites. In compliance with the IMP's suggestions, MMRDA continues to take corrective action. MMRDA has prepared an inventory of civil work related problems reported in the R&R sites in order to monitor progress of the required repair works. During the July 2007 supervision mission, the IMP explained that the resettled PAPs, not used to living in multi-story buildings, tend to misuse their facilities. Actions such as dumping garbage in kitchen sinks, toilets, bathrooms, and open drains, cause blockages in the open drains and drain pipes, leakages from roof and drain pipes, etc. A few instances of terrace leakage and dead wall seepage have been reported in buildings at Anik.

44. Despite the various efforts to address building maintenance and solid waste issues with the PAPs, MMRDA has been rather slow in complying with IMP suggestions for improvement of the situation due to limited estate management capacity in MMRDA. Improvement of asset management at R&R sites is being monitored with the help of an "Action Taken Matrix," which MMRDA shares regularly with the Bank for review and with the Inspection Panel consultant based in Mumbai. The Bank has recently engaged a Mumbai based short term consultant (an architect) to guide and monitor MMRDA's efforts at carrying out repair works, as proposed in the Action Taken Matrix.

¹⁰ Families with supplementary incomes dropped from 45% to 35%, whereas the mean income level rose from INR 5101 to INR 5756 (a 12% increase). The study team attributed the rise in mean income levels among resettled households to the current economic boom.

45. MMRDA has appointed EMCB consultants to provide technical support for improving environmental management, including waste segregation and disposal, and promote healthy living in resettlement colonies. EMCB consultants will prepare and implement an environmental management plan at the Kanjur Marg site on a pilot basis and provide training to NGOs for replicating the same at all other R&R sites. The EMCB consultants will focus on environmental issues such as solid waste management and other activities that have implications for community health and tree plantation in the resettlement sites.

46. MMRDA is also coordinating efforts with MCGM to ensure disposal of solid waste from the resettlement colonies. MCGM has developed a transport plan for garbage pick-up from the R&R sites, and MMRDA has taken responsibility to ensure waste segregation at source and put in place garbage bins at various pick-up points in the R&R sites. Based on a waste disposal assessment report for R&R sites, MMRDA is making provisions for placing garbage bins in the R&R sites from its own resources with the administrative approval of its Executive Committee. The EMCB consultants will provide capacity building support to facilitate waste segregation at source in order to allow regular waste collection and disposal by the MCGM garbage vans.

Action 5: MMRDA will strengthen its institutional arrangements for day to day management, assess NGOs' capacity and roles and prepare and implement a training program for sensitization and skills improvement of staff, NGOs and others involved in the implementation.

47. MMRDA has strengthened its R&R capacity with additional staff, including a Social Development Specialist, Community Development Assistants, a Deputy Registrar of Societies, a data base manager, and a Special Land Acquisition Officer. TCS has been hired as the post-resettlement consultant. MMRDA has also reinforced its environment cell and hired EMCB consultants to improve healthy living in R&R sites through better environmental management. The Deputy Register has been posted to speed up registration of cooperative societies. The Bank has a social development specialist focused on MUTP who is working closely with MMRDA to ensure efficient systems are in place for R&R implementation.

48. During the supervision mission of July 2007, the Task Team held meetings with TCS, EMCB consultants, NGOs, and MMRDA officials to discuss roles and responsibilities of the agencies involved in resettlement and post-resettlement activities. It is understood that TCS will, in close consultation with MMRDA, prepare and implement a Post-Resettlement Action Plan focusing on institutional strengthening of cooperative societies for sustainable self-management of the R&R sites. The NGOs will make use of their community mobilization skills to play a facilitative role in this process and coordinate their activities in line with this Action Plan. TCS and the EMCB consultants will provide necessary training support to the NGOs for this purpose.

49. MMRDA has defined the roles and responsibilities of NGOs, the post-resettlement consultant (TCS), and its own staff. NGOs continue to assist MMRDA in activities such as consultations with PAPs, management of PICs, facilitating the transfer

of ration cards and electoral rolls, undertaking baseline surveys, preparing identity cards based on eligibility lists prepared by MMRDA, and providing support to TCS in helping resettled households manage their assets and facilities. MMRDA is responsible for holding negotiations with PAPs, preparing RIPs and the eligibility lists, disbursing shifting allowances, issuing allotment letters and identity cards, and addressing all key resettlement related issues. TCS will assist in registering co-operative societies; enhancing their capacity for management of revolving funds, and for self-management and maintenance of assets and facilities; and providing livelihood assistance to vulnerable women headed PAHs through micro-credit and mainstream linkage, and other post-resettlement activities.

50. NGOs have been phased out of certain key activities such as issuance of allotment letters and identity cards, payment of shifting allowances, preparation of RIPs, etc. MMRDA has, however, decided to retain the NGOs and to not completely phase them out until the completion of the project for the following reasons: (a) it may prove difficult to find alternative NGOs to complete the remaining tasks, which are limited in nature and may not attract reputable NGOs; (b) considerable time is required for procuring services of new NGOs, which the implementation schedule does not permit at this stage; and (c) any move to completely phase out the NGOs may create conflict in the resettlement colonies, where NGOs are implementing certain welfare activities with their own resources and hence have a considerable rapport with vulnerable households.

51. MMRDA continues to conduct training programs for enhancing its staff skills, for which it has prepared a second annual program schedule. MMRDA has conducted four training programs – with internal and external resource persons – for its staff, other implementing agencies and NGOs to upgrade skills. Key themes have included: data base management; process documentation; and R&R policy. MMRDA was able to partially implement the training schedule for 2006; and has drawn up its training schedule for 2007, which will be implemented in the coming months.

Action 6: MMRDA will improve its R&R process through measures such as: (a) finalizing the R&R implementation manual to define the procedures; (b) expediting the finalization of outstanding RIPs; (c) expediting the issuance of identity cards and payment of shifting allowances; (d) assessing the magnitude of relocation of community assets and synchronizing their relocation with the civil works time table; and (e) the GoM filling the position of IMP Chairman and clarifying the IMP's role.

52. **Finalizing the R&R Implementation Manual to Define Procedures.** The R&R Implementation Manual has been revised and is updated as needed. The Manual is available in the PICs and is accessible on MMRDA's website.

53. **Expediting the Finalization of Outstanding RIPs.** Out of three pending RIPs, the SCLR RIP was finalized and cleared by the Bank in May 2006. MMRDA submitted the Vikhroli RoB RIP to the Bank for review on September 17, 2007 and this will likely be cleared very soon. The RIP for SATIS will be prepared after finalization of designs and identification of resettlement sites for the affected shopkeepers. MMRDA has used a negotiation approach in the preparation of the Vikhroli RIP that has effectively gone

beyond the R&R Policy. In this case, the shopkeepers will be relocated at a private shopping complex at Bandup. Titleholder shopkeepers will be given equivalent shop areas as compensation.

54. **Expediting Issuance of Identity Cards and Payment of Shifting Allowances.** MMRDA has made substantial progress in issuing identity cards since March 2007. To date, 15,011 identity cards have been issued, which is about 75 percent of the total requirement and 88 percent of those already resettled. This is a significant increase, compared to 6,319 recorded in the previous report. Shifting allowances are being paid as PAPs are shifted; however, a few instances of delay in payment of allowances are not ruled out, in view of cumbersome official accounting procedures.

55. **Multiple Allotments.** Following media reports on the issuance of multiple allotments of identity cards, MMRDA requested the IMP in November 2006 to lead an independent verification exercise. The IMP has completed a desk review of sample cases with the help of a special task team constituted for this purpose. Based on the findings of this review, which found a few cases of multiple allotments (4 out of 1000), and the legal provisions applicable in the state of Maharashtra, the IMP recommended in June 2007 that past cases need not be pursued. However, the IMP has recommended a new framework to MMRDA to preclude any multiple allotments in future. According to this framework, residential and/or commercial PAPs in the squatter category will receive a maximum of one alternative residence or shop, irrespective of the number of structures owned or occupied by her/him.¹¹

56. **Assessing Magnitude of Community Asset Relocation and Synchronizing with Civil Works Timetable.** The relocation of community religious structures and other assets has been challenging in view of social sensitivities. MMRDA has identified major religious buildings and sites along the JVLR and SCLR that will be affected by the project (Details are included in Annex 4) and has held consultations with the concerned stakeholders to explore solutions. MMRDA has so far been able to identify alternative sites for relocating some religious structures and has made alignment adjustments in some cases. This is a sensitive issue at this point and no definite time frame can be set for relocation of these structures.

57. **Position of IMP Chairman Filled by GoM and Clarification of IMP's Role.** The IMP, reconstituted with a new chairperson in March 2006, has played a key role in facilitating consultations and negotiations with the shopkeepers and has been proactive in monitoring the post-resettlement situation through regular field visits and review. MMRDA apprises the IMP on corrective action taken to fix problems that the latter has identified. MMRDA's latest report indicates that, out of 113 actions recommended by the IMP, MMRDA has fully addressed 37 and partly addressed another 54 points.

¹¹ The Bank will nevertheless follow up with MMRDA on the specifics of the four cases cited to date.

Action 7: Improving data base management.

58. MMRDA has put Oracle software in place, hired a data base manager, and developed a data base management system, which is undergoing further refinement. Data entry has progressed and the data base is able to generate eligibility lists, issue identity cards, provide socio-economic information and relocation status, and produce reports. MMRDA is using the data base for fresh allotments, as per the Bank's request and prior-review control. MMRDA is in the process of verifying the level of refinement before deciding its next course of action. The Task Team will assess progress at the next supervision to determine adequacy of these improvements.

Action 8: MMRDA will engage in communications with project-affected persons and improve documentation.

59. MMRDA has sustained improved communications with PAPs. This is seen in the high frequency of meetings with PAPs over the past several months. It is public knowledge that the Chief of R&R is available to meet with individuals and groups of PAPs in the afternoon twice a week. In addition, it is evident that the Chief of R&R and his personnel are meeting PAPs on an almost daily basis. All relevant project-related information is available at the PICs and on the MMRDA website.

Action 9: Improve grievance redress process.

60. This action was completed and documented in the first report to the Board (March 2007). Prior to re-working the grievance redress process in April 2006, MMRDA and an NGO (SPARC/SRS) were members of the Grievance Redress Committees (GRCs). In April 2006, the GRCs were reconstituted as 'single member' committees headed by a Chairperson. Since then, MMRDA and NGOs have had no role in the resolution of grievances, other than acting as respondents who must provide facts and information on specific cases as called for by the GRC Chairperson, who is the sole authority to resolve grievance cases. The interim report of the Impact Assessment Study carried out by TISS (July 2007) noted a high level of satisfaction amongst PAPs regarding the grievance redress process.

61. MMRDA has submitted a status report (September 2007) on the grievance redress cases to date. A cumulative total of 2,566 cases were received as of September 1, 2007 of which 2,248 or 88 percent were resolved by the field level GRC. This shows a slight improvement in resolution rates, which stood at 83 percent (2068/2501) in March 2007. Out of this, 983 cases (or 44 percent) received favorable decisions.

62. The senior level GRC has held hearings for 165 out of 367 pending cases and has delivered decisions in 122 cases (62 positive and 60 negative); decisions on 43 cases are pending. In addition, another 202 cases (recent petitions) are yet to be heard. The GRC process has been streamlined; however, the hearing process has been slower than expected in the case of the Senior Level GRC. The delays in resolving grievances have been largely due to the inability of the petitioners to produce supporting documents as evidence on time, and, in certain cases, due to the complexity of the cases (which have

required field visits, submission of follow-up evidence by the affected persons, field verification, cross examination, etc.).

63. All the pending grievance cases in transit camps have been resolved. Out of 104 pending cases, 24 were found to be eligible. MMRDA has completed allotments of housing units to the eligible PAPs.

Action 10: Operationalization of the Implementation Manual.

64. As reported in the previous progress report, this action has been completed. The Implementation Manual has been finalized, taking into account the Bank's comments, and is now available in the PICs and has been uploaded on the MMRDA website. The manual is being used to administer the entitlements and apply relevant procedures.

IV. CONCLUSION

65. **Resettlement.** MMRDA has made noteworthy progress in reaching mutually-acceptable and compliant solutions with the shopkeepers, which is seen in a shift from the use of pre-set options to the pragmatic use of negotiations for problem-solving with the larger shopkeepers. With respect to the smaller shopkeepers who are re-establishing businesses in the R&R areas, there is a preliminary indication that they are experiencing difficulties in adapting to doing business in the new locations. This issue will be further researched and analyzed and if systemic problems with the long-term survival of these businesses are identified, then remedies will be developed.

66. **Post-resettlement.** Ensuring proper management of assets and facilities by residents and their co-operative societies in resettlement colonies is a key issue, especially in view of the challenges involved in enabling people long used to living in slums to adapt to a new mode of living. These challenges fall into four areas:

- Assuring the physical integrity of the buildings and surroundings, which have some civil work-related problems;
- Establishing appropriate and self-sustaining institutions for effective management of the assets (co-operative societies);
- Identifying and assisting poorer community members to develop income streams which enable them to retain their residence in the community; and
- Providing adequate training and the assistance needed for ensuring a safe and clean environment for the community. MMRDA is aware of these challenges and has commenced addressing them in a more focused manner. The number of co-operative societies registered or in the process of being registered has grown significantly over this reporting period. The appointment of the post-resettlement agent (TCS) and environmental consultant, both of which have commenced efforts to improve co-operatives' capacity to manage assets sustainably in co-ordination with the NGOs, are important milestones. The challenges are

substantial and complex. Post-resettlement will remain a central concern in Bank supervision.

67. **Management of resettlement and post-resettlement.** There has been clear progress on a number of management indicators. Recent progress with resettlement and actions taken with respect to post-resettlement demonstrates a shift in approach by the project management team. Management capacity has been strengthened with the filling of key staff positions and sourcing of required specialized technical expertise for all resettlement-related activities. The IMP has played an important role in contributing to better outcomes, monitoring, and quality assurance. Likewise, a recent decision to delegate powers of decision-making has also contributed to better implementation.

68. **Looking ahead.** If MMRDA is able to consolidate the progress made over the last reporting period, Management expects that the project will regain satisfactory compliance by the time of the next supervision mission. Should this be the case, the issues raised by the Inspection Panel may be largely addressed in a satisfactory manner.

69. The Bank will continue to supervise actively and re-assess the project at the next supervision mission in January 2008. Management will submit another progress report to the Board in a year's time. If MMRDA is able to maintain progress with problem-solving for the shopkeepers, the Bank will reassess the need for a full-time Bank consultant in MMRDA.

ANNEX 1: KEY RESETTLEMENT IMPLEMENTATION PROGRESS

No	Action	Target	April-May 2005 (Inspection Panel Visit)	February 2006 (submission of Management Response to Inspection Panel Report)	December 2006 (First Progress Report on Action Plan)	September 2007 (Second Progress Report on Action Plan)
1	No. of households shifted to permanent houses	17,378	12,396 (71%)	13,877 (80%)	15,315 (88%)	15,784 (91%)
2	No. of affected shopkeepers provided permanent alternative shops	2,569	249 (10%)	369 (14%)	752 (29%)	1,104 (43%)
	< 225 sq.ft (small shopkeepers)	1769	na	na	668 (38%)	877 (50%)
	> 225 sq.ft (medium and large shopkeepers)	800	na	na	84 10.5%)	227 (28%)
3	No. of households issued identity cards	19,947	1,685 (8%)	5,616 (28%)	6,319 (32%)	15,011 (75%)
4	Disclosure of beneficiaries list on the website	19,947	Nil	10,910 (55%)	15,627 (78%)	16,447 (82%)
5	No. of cooperative societies registered (approximate)	200*	47 (27%)+	48 (247)+	58 (33%)+	85 (49 %)+ (name registration done for another 56)
6	No. of maintenance funds (Interest) transferred to the joint accounts of cooperative societies	200*	23 (13%) †	23 (13%)	46 (26%)	46 (26%)
7	No. of cooperative societies that received Community Revolving Funds (CRF)	200*	47 (27%) ‡	47 (27%)	47 (27%)	47 (27%)
8	No. of PAPs who received assistance under CRFs	2000	NA	244 (12%)	244 (12%)	244 (12%)
9	Transfer of common facilities (pre-school, society office and welfare centre) to cooperative societies)	600	Nil	Nil	114 (18%)	423 (70%)
10	Issue of building maintenance manuals to cooperative societies	152	Nil	Nil	100 (66%)	100 (66%)
11	No. of community assets reconstructed	85*	NA	16 (18%)	18 (21%)	50*** (58%)
12	Water supply – Mankhurd (sample buildings) – lpcd	90	69	60-65	70-125	90-150 27 buildings get 90-95 lpcd; 2 get 121 and 150 lpcd respectively
13	Water supply – Anik (sample buildings) lpcd**	90	25	30	70-125	60-129 6 buildings get 60-85 lpcd; 27 buildings get 90-129 lpcd

The figures in parentheses indicates percentages.

Building maintenance manuals are not prepared for initial 48 buildings which were purchased directly from Maharashtra Housing Board.

* Revised target. At this stage there are 175 fully occupied buildings where residents can register their housing co-operative societies.

† This represents the percentage of the 175 fully occupied buildings.

‡ This represents the percentage of the 175 fully occupied buildings.

ANNEX 2: WORLD BANK SUPERVISION MISSIONS FROM MARCH 2006 - FEBRUARY 2007

March 9 – 14, 2006

Robert J. Saum	Manager, Financial Management, SAR
Els Hinderdael	Manager, Procurement, SAR
Hubert Nove-Josserand	Task Team Leader
Warren Waters	Lead Social Development Specialist
IUB Reddy	Senior Social Development Specialist
Manoj Jain	Senior Financial Management Specialist
Manmohan Singh Bajaj	Senior Procurement Specialist
Rajat Narula	Senior Finance Officer
Priya Goel	Financial Management Specialist

April 12 – 21, 2006

Fayez Omar	Senior Country Program Manager
Hubert Nove-Josserand	Task Team Leader
Frederick Brusberg	Regional Safeguards Advisor
I.U.B. Reddy	Senior Social Specialist
Richard Clifford	Lead Urban Specialist
Sameer Akbar	Senior Environment Specialist
Satya Mishra	Social Development Consultant
Mr. Apte	Architect

May 2 – 5, 2006

Hubert Nove-Josserand	Task Team Leader
Arnab Bandyopadhyay	Transport Specialist
Sujit Das	Transport Specialist
Setty Pendakur	Traffic Management Specialist

June 5 – 6, 2006

Hubert Nove-Josserand	Task Team Leader
Frederic Brusberg	Safeguards Advisor
I.U.B. Reddy	Senior Social Specialist
Michael Carter	Country Director
Satya Mishra	Social Development Consultant

June 28, 2006

Hubert Nove-Josserand	Task Team Leader
Satya Mishra	Social Development Consultant

July 25 – 28, 2006

Hubert Nove-Josserand	Task Team Leader
Arnab Bandyopadhyay	Transport Specialist
Sujit Das	Transport Specialist
I.U.B. Reddy	Senior Social Specialist
Satya Mishra	Social Development Consultant
Sameer Akbar	Environmental Specialist
Sonia Sandhu	Environmental Specialist
Sankaran Vaideeswaran	Environmental Specialist

August 14, 2006

Fayez Omar	Acting Country Director
I.U.B. Reddy	Senior Social Specialist

Satva Mishra	Social Development Consultant
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Hubert Nove-Josserand	Task Team Leader
Arnab Bandyopadhyay	Transport Specialist
Sujit Das	Transport Specialist
Ke Fang	Transport Specialist
Setty Pendakur	Traffic Management Specialist
Jitendra Sondhi	Rail Transport Specialist
Satva Mishra	Social Development Consultant
Sonia Chandu	Environmental Specialist
Sankaran Vaideeswaran	Environmental Specialist
Manmohan Singh Bajaj	Senior Procurement Specialist
Priya Goel	Financial Management Specialist
Sona Thakur	Public Relations Specialist

September 25 – 26, 2006

I.U.B. Reddy	Senior Social Specialist
Satya Mishra	Social Development Consultant

Hubert Nove-Josserand	Task Team Leader
Frederick Brusberg	Regional Safeguards Advisor
Shyamal Sarkar	Senior Water and Sanitation Specialist
I.U.B. Reddy	Senior Social Specialist
Satya Mishra	Social Development Consultant

January 16-25, 2007

Hubert Nove-Josserand	Task Team Leader
Stephen Lintner	Senior Technical Advisor for Safeguards, OPCS
Frederick Brusberg	Regional Safeguards Advisor
I.U.B. Reddy	Senior Social Specialist
Satya Mishra	Social Development Consultant
Sujit Das	Transport Specialist
Sonia Sandhu	Senior Environmental Specialist
S. Vaideeswaran	Environment Consultant
Richard Clifford	Lead Urban Specialist
Shyamal Sarkar	Senior Water and Sanitation Specialist
Priya Goel	Financial Specialist
Jitendra Sondhi	Railway Specialist (consultant)
Sudip Mozumdar	External Relations
K. Srinivasan	Financial Analyst

Hubert Nove-Josserand	Task Team Leader
Jitendra Sondhi	Railway Specialist (consultant)
Rajesh Rohatgi	Civil Engineer

Hubert Nove-Josserand	Task Team Leader
Guang Zhe Chen	Sector Manager, Transport (SAR)
Satya Mishra	Social Development Consultant

April 16-19, 2007

Sujit Das	Senor Transport Specialist
Satya Mishra	Social Development Consultant

April 25-27, 2007

I.U.B. Reddy	Senor Social Development Specialist
Satya Mishra	Social Development Consultant

June 6-7, 2007

Hubert Nove-Josserand	Task Team Leader
Satya Mishra	Social Development Consultant

July 6-20, 2007

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ANNEX 3: MUTP: STATUS OF ISSUES AS OF SEPTEMBER 1, 2007

Issue	Status as of September 1, 2007	Comments
Resettlement of Shopkeepers		
1. Shopkeeper Resettlement Options		
<p>1.1 Complete negotiations / resettlement with all affected shopkeepers of SCLR.</p>	<p>Status: In progress <i>Target Date: May 2006</i> <i>Revised: December 2007</i></p>	<p>Out of 745 SCLR shopkeepers, 259 (35 percent compared to 31 percent in December 2006) have been resettled, including 56 medium- or large-size shops. A detailed procedure on how MMRDA would deal with shopkeepers who refuse to negotiate was approved by Bank Management and disclosed on MMRDA's website. MMRDA issued a letter in December 2006 to over 300 eligible shopkeepers of SCLR, initiating the process of resettlement in case of failure of negotiation. Nevertheless, MMRDA continued to pursue a negotiated solution with facilitative support from the IMP. As a result of long negotiations, MMRDA and USOA-KNWA have finalized an MoU for an <i>in-situ</i> proposal; KNWA has already signed the MoU; USOA is taking time to sign the same due to internal differences. Meanwhile, MMRDA has taken the proactive step of recommending the approval of the <i>in-situ</i> scheme to the GoM and other agencies in order to put an end to speculations and encourage USOA to come forward and sign the MoU. If USOA fails to sign MoU for the <i>in-situ</i> scheme, MMRDA may resort to the procedure for resettlement of shopkeepers in the event of break down in negotiations. The Bank continues to monitor, advise and assist MMRDA to expedite the resettlement process.</p>
<p>1.2 Complete negotiations / resettlement of affected shopkeepers of other sub-projects (non-SCLR).</p>	<p>Status: In progress <i>Target Date: October 2006</i> <i>Revised: October 2007 for JVLR; June 2008 for SATIS/RoBs</i></p>	<p>Thus far, 845 (46.3 percent compared to 29 percent in December 2006) out of 1,824 shopkeepers have been resettled, of whom 171 have medium- or large-size shops. MMRDA has substantially completed negotiation with and resettlement of shopkeepers from JVLR-II and Thana-Kurla Railway corridor. With regard to SATIS and RoBs, design issues in the former case, and readiness of relocation sites for PAPs in the latter have led to a revised estimated date of June 2008 for completion of resettlement of shopkeepers in these areas.</p>
2. Affected Employees		
<p>2.1 MMRDA will publicize the R&R policy, which provides one year's income on a one-time basis to those employees who are not re-employed as a result of Project resettlement.</p>	<p>Status: Completed <i>Target Date: March 2006</i></p>	<p>The provision of assistance to affected employees is described in the Implementation Manual which is disclosed in the PICs and uploaded on MMRDA's website.</p>

Issue	Status as of September 1, 2007		Comments
2.2 MMRD A will process such cases of assistance as and when formal requests are received. The amount of income will be determined by a valuation committee, per the R&R policy. Funding for this assistance will come from the Bank-financed portion of MUTP.	Status: In progress <i>Target Date:</i> Ongoing		MMRDA is yet to receive any requests from the affected employees for assistance. The Bank continues to monitor this issue.
2.3 E mployees will be issued identity cards prior to displacement of the business unit.	Status: In progress <i>Target Date:</i> Ongoing		Issuance of Identity Cards to employees is underway. The Bank will monitor the issuance of identity cards to employees prior to their displacement.
Post-Resettlement			
3. Implementation			
3.1 MMRD A will strengthen the R&R management system and engage additional staff for the timely completion of the registration process of the co-operative societies.			

Issue	Status as of September 1, 2007	Comments
<p>3.1.1. Complete registration of 80 housing cooperative societies in addition to the initially registered 48 societies</p>	<p>Status: In progress <i>Target Date:</i> May 2006 <i>Revised:</i> December 2007 for 130 societies; June 2008 for full registration (200 societies)</p>	<p>Society registration is at different stages of completion for 147 out of about 150 fully occupied buildings. To date, 85 cooperative societies have been registered (65 percent of the target 130 societies compared to 44 percent—58 societies—of the target achieved in December 2006) and name registration of another 56 societies has been completed, compared to 30 in December 2006, out of which registration of 11 is in an advanced stage; fresh proposals for name reservation have been received for another 6 societies. Despite the perception of some PAPs that they may get more support from the Government if they are not yet members of a registered society, the substantial progress made in the last six months reflects MMRDA's commitment, sustained efforts, and well functioning systems in place to achieve the target despite delays due to non-cooperation of the resettled households. The appointment of the post-resettlement consultant (TCS) is likely to accelerate the society registration process. The Bank task team will continue to monitor this action with the aim of achieving full registration by June 2008.</p>
<p>3.1.2 Implementation of co-operative management action plan.</p>	<p>Status: In progress <i>Target Date:</i> June 2006 <i>Revised:</i> June 2008</p>	<p>MMRDA has appointed Tata Consultancy Services (TCS) as consultant to manage post-resettlement activities; TCS has set up three field offices, submitted its inception report, and started holding workshops for capacity and needs assessment for preparing the Post-Resettlement Action Plan. The Bank will continue to monitor the progress on this issue.</p>
<p>3.2 Construction of social services at R&R sites.</p>	<p>Status: In progress <i>Target Date:</i> July 2007 <i>Revised:</i> December 2008</p>	<p>The construction of a secondary school in a 3,500 sq.ft. plot has commenced in Mankhurd and another site has been identified at Anik. MMRDA handed over 48 housing units (10,800 sq.ft) at Mankhurd and Anik after converting and furnishing them as class rooms to MCGM to run primary schools. MCGM is taking time to start the schools due to complex administrative procedures. It is expected to start the schools in October 2007. As for health services, the resettlement impact assessment study is being carried out; TISS will collect and analyze data on health status of people, based on which recommendations for local health service provisions shall be considered by MMRDA. The Bank will actively work with MMRDA and MCGM to ensure progress on this issue.</p>
<p>3.3 MMRDA will facilitate, through the GoM, the transfer of maintenance funds to the cooperative societies that have been established. If there is a delay, interest on the maintenance funds will be transferred within 3 months of the end of the financial year.</p>	<p>Status: Completed <i>Target Date:</i> April 2006 (first 48 societies) Status: <i>Target Date:</i> March 2008 (for additional 80 societies)</p>	<p>Transfer of interest on maintenance funds* has been completed for the initially registered 46 cooperative societies. (Two have organizational difficulties and are not yet ready to receive the funds.) For the additional 80 societies, action is being initiated for those who will be registered in near future. The Bank will continue to monitor the progress on this issue.</p> <p>* MMRDA decided, with the Bank's concurrence, to maintain the maintenance funds in escrow for a certain number of years and to pay out the interest only during that time.</p>

Issue	Status as of September 1, 2007	Comments
3.4 Transfer of conveyance deeds to first 48 co-operative societies.	Status: No action taken <i>Target Date: July 2006</i> <i>Revised: June 2008</i>	MMRDA has not initiated action towards transferring the title to the cooperative societies. This issue involves many buildings in Mumbai, not just those affected by the project. At present MMRDA's focus is on high priority resettlement issues. The Bank will continue to monitor the progress on this issue.
3.5 Transfer of conveyance deeds to next 80 co-operative societies.	Status: <i>Target Date: December 2007</i> <i>Revised date: June 2008</i>	Process is yet to be started; MMRDA is preoccupied with more pressing post-resettlement issues at present.
3.6 Training and building facilities maintenance manuals and brochures will be provided to co-operative societies' committee members to support proper management of the societies, maintenance of lifts and provision of services, such as water supply, sewerage, solid waste management, etc. The Bank is following up with MMRDA on specific additional measures to assure sustainable self-management of co-operative societies in the longer term.	Status: Substantially completed <i>Target Date: June 2006</i>	The maintenance manuals have been distributed to 100 cooperative society management committees in Mankhurd, Ajgaonkar, Anik, Kanjur Marg and Majas sites. A brochure on the society guidelines has been printed and is distributed widely among the PAPs. The post-resettlement consultant (TCS) will prepare and disseminate additional learning material on society management for assisting the PAPs in the self-management of their affairs.
3.7 MMRDA will work with the GoM to engage with MCGM on steps required to improve water supply at the resettlement sites.	Status: Substantially completed <i>Target Date: Ongoing</i>	The water supply situation has considerably improved in the resettlement sites, despite reports of relative scarcity in a few buildings at Anik. Supply ranges from 60 to 150 lpcd, with most sites receiving more than 85 lpcd (compared to 25 lpcd in Anik and 69 lpcd in Mankhurd in May 2005). MMRDA has allocated land to set up a special pumping station to enhance water supply on a more sustainable basis to buildings at higher elevation in Anik.
3.8 The Bank is pursuing measures with GoM and MMRDA to improve transport connectivity to resettlement colonies.	Status: Substantially completed <i>Target Date: Ongoing</i>	Accessibility and availability of bus service from the resettlement colonies is comparable to that of other areas of Mumbai. Major bus routes are within 1-2 km of Mankhurd and Anik resettlement colonies.
3.9 Independent resettlement impact assessments will be carried out as and when due for each resettlement site. Remedial measures, if required, will be implemented.	Status: In progress <i>Target Date: August 2006</i> <i>Revised: December 2007</i>	Tata Institute of Social Sciences (TISS), which was hired by MMRDA to carry out independent resettlement impact assessments in Mankhurd, Majas and Anik resettlement sites, has presented its interim findings. The Bank will review the final report and subsequent remedial measures proposed by MMRDA based on the study findings.

Environmental Management of Resettlement Sites

4. Maintenance of Public Assets; Waste Management

<p>4.1 MMRD A will assist the ad hoc co-operative housing societies to survey repairs needed to rectify construction defects, such as water and sewerage networks, plumbing and civil works, before expiration of the contractors' liability period.</p>	<p>Status: In progress <i>Target Date: Ongoing</i></p>	<p>MMRDA has received complaints about civil work related problems from some housing cooperatives. Complaint registers are being kept in each building for regular feedback. The IMP is closely following up the situation through regular field visits and review meetings with MMRDA. In compliance with IMP suggestions for improvement, asset management at R&R sites is being monitored with the help of an "Action Taken Matrix," which is regularly provided by MMRDA to the Bank task team for review and shared with the Inspection Panel consultant based in Mumbai. MMRDA's survey of buildings at resettlement sites shows leakage defects in 5-10 percent of the buildings. MMRDA has been slow in complying with IMP suggestions for repairing civil work defects and the Bank is following up with MMRDA to ensure better compliance. The Bank Task Team is concerned about the issue and is closely following up with MMRDA.</p>
<p>4.2 MMRD A has prepared maintenance manuals which will be handed over to each registered co-operative society.</p>		<p>See Item 3.6.</p>
<p>4.3 MMRD A is liaising with MCGM to provide necessary community facilities, including tree plantation.</p>	<p>Status: In progress <i>Target Date: Ongoing</i></p>	<p>MMRDA has appointed EMCB consultants to implement an action plan for environmental management at Kanjurmarg and to train NGOs to replicate the same in other R&R sites. The EMCB consultants will help address environmental issues such as solid and liquid waste management and other activities which have implications for community health and tree plantation in resettlement sites. The Bank will continue to monitor the progress on this issue.</p>
<p>4.4 Concerned Ward Offices will be asked to route solid waste collection vehicles to the resettlement sites for the timely collection and disposal of waste.</p>	<p>Status: In progress <i>Target Date: Ongoing</i></p>	<p>Further to MMRDA's dialogue with MCGM, the latter has drawn up a transport plan for regular pick up of waste from R&R sites. Based on an assessment of waste disposal needs, MMRDA is providing garbage bins in the R&R sites. It will ensure waste segregation at source in order to facilitate solid waste collection and disposal. The Bank will continue to monitor the progress on this issue.</p>

Overall Management of R&R Implementation

5. Strengthening Institutional Arrangements for R&R

<p>5.1 Day-to-day R&R management (with delegated administrative and financial authority) will be undertaken by a Chief Officer (R&R) reporting to the Project Director. The R&R Chief will be supported by 12 officers with backgrounds in R&R management and community development, data base management, land acquisition, environmental management, estate management, public relations, registration of societies, legal, etc. Functions and responsibilities of key officers will be documented soon. Requirements for other support staff will be assessed and provided accordingly. The Bank Task Team will work closely with MMRDA to ensure that effective and efficient management systems are put in place.</p>	<p>Status: Completed April 2006</p>	<p>MMRDA has strengthened its R&R capacity with a new Project Director and five additional staff, all of whom have experience in R&R implementation. The Chief of R&R is supported by five community development assistants and staff with backgrounds in R&R management, a data base manager, a special land acquisition officer, environmental management consultants, and staff for public relations. MMRDA has also appointed a Deputy Register-Cooperatives and a Social Scientist with background in the field of social development. The Bank has a social development consultant focused on MUTP who is working closely with MMRDA.</p>
<p>5.2 MMRDA will review and assess the NGOs' capacity and future role.</p>	<p>Status: Substantially completed</p> <p><i>Target Date:</i> To be determined with Bank</p>	<p>MMRDA has identified the activities that NGOs will continue to carry out: consultations with PAPs, management of PICs, facilitating the transfer of ration cards and electoral rolls, undertaking baseline surveys, and assisting in post-resettlement activities. MMRDA has hired TCS for management of post-resettlement activities. MMRDA has decided not to completely phase out NGOs. The Bank will monitor the role of NGOs in the light of agreements reached.</p>
<p>5.3 MMRDA will prepare and implement a training program for the sensitization and skills improvement of R&R staff, NGOs, and others concerned with R&R implementation.</p>	<p>Status: In progress</p> <p><i>Target Date:</i> Ongoing</p>	<p>MMRDA was able to partially implement the training schedule for 2006 focusing on key theme such as data base management, process documentation, and R&R Policy and implementation; and it has prepared its second annual training schedule for 2007 to be implemented in coming months for its staff, other implementing agencies and NGOs. The Bank will continue to monitor the process.</p>
<p>5. Improving the R&R Process</p>		
<p>5.1 MMRDA will further define procedures in the R&R Implementation Manual.</p>	<p>Status: Completed</p> <p><i>Target Date:</i> May 2006</p>	<p>The R&R Implementation Manual has been revised and updated to define the procedures for implementation of various R&R activities. The Implementation Manual has been disclosed in the PICs, and uploaded on MMRDA's website. No further action is required.</p>
<p>5.2 Strengthen data base capability for effective management of resettlement and post-resettlement.</p>		<p>See Items 7.1 and 7.2 below.</p>

<p>6.3 MMRD A will expedite:</p> <p>6.3.1 Finalizing the draft RIP for SCLR up to 45.7 meters with flexibility to proceed on a section-by-section basis.</p>	<p>Status: Completed</p> <p><i>Target Date: April 2006</i></p>	<p>The revised RIP for SCLR has been finalized and endorsed by the Bank. This was disclosed on MMRDA's website and in local PICs. This RIP was also disclosed in the Bank's InfoShop.</p>
<p>6.3.2 Finalizing the draft RIP for SATIS, to be submitted to the Bank when railway clearances are obtained for the sub-project.</p>	<p>Status: In progress</p> <p><i>Target Date: April 2006</i> <i>Revised: December 2007</i></p>	<p>Engineering alignments and designs were recently finalized by MCGM in consultation with railways. MCGM wrote to MMRDA in August 2007 to undertake SATIS. Separate RIPs for SATIS shall be prepared and sent to the Bank for clearance after relocation sites for affected shopkeepers have been finalized. Instead of MCGM, MMRDA will implement SATIS schemes.</p> <p>The Bank will review the draft, which if found consistent with the policy provisions, shall be given clearance.</p>
<p>6.4 Finalizing the Vikhroli RoB draft RIP.</p>	<p>Status: In progress</p> <p><i>Target Date: April 2006</i> <i>Revised: October 2007</i></p>	<p>MMRDA has submitted the draft RIP for Vikhroli RoB. MMRDA has gone beyond the R&R policy to relocate the shopkeepers at a shopping complex at Bandup; and has offered owner-occupant shopkeepers equivalent shop area above 750 sq. ft in lieu of affected land and structure. The Bank will review the draft, which if found consistent with the policy provisions, shall be given clearance.</p>
<p>6.5 Updating the baseline socio-economic survey data for JVLR and Jogeshwari RoBs.</p>	<p>Status: Completed</p> <p><i>Target Date: April 2006</i></p>	<p>MMRDA has completed the updating of the baseline survey and the copies were submitted to the Bank. No further action is envisaged.</p>
<p>6.6 MMRD A will improve on timely reporting and the submission of progress reports. The Bank Task Team will work with MMRDA on report content and frequency.</p>	<p>Status: Ongoing</p> <p><i>Target Date: March 2006</i></p>	<p>MMRDA has been regularly sending monthly progress reports to the Bank in a format provided by the Task Team. The Bank will continue to monitor the timely receipt of the progress report on implementation of the Action Plan.</p>
<p>6.7 MMRD A will expedite timely issuance of identity cards and payments of shifting allowances for PAPs shifting to new resettlement sites.</p>	<p>Status: Substantially completed</p> <p><i>Target Date: Ongoing</i></p>	<p>The issuance of identity cards is in progress. To date, 15,011 identity cards have been issued to PAHs, which is about 88 percent of those resettled and 75 percent of the total requirement, compared to 32 percent recorded in the previous report. Shifting allowances are being paid as PAPs are shifted.</p> <p>The Bank will continue to monitor the progress on this issue.</p>
<p>6.8 Road project impacts on community assets will be assessed and their relocation and reconstruction will be synchronized with the timetable for civil works.</p>	<p>Status: In progress</p> <p><i>Target Date: Ongoing</i></p>	<p>MMRDA has drawn up an indicative action plan for relocating the religious and community structures; however, no significant progress has been made in view of strong sensitivities involved. MMRDA has held consultations with the concerned stakeholders to identify suitable alternative sites, and has been successful in identifying relocation sites in a few cases. In some cases, road alignment is being reworked to avoid affecting the religious structures (Buddha Vihar and Suvarna Temple along JVLR) Details about various community assets to be affected by the sub-projects have being documented (see Annex 4). Because of the sensitivity of the issue, no time limit can be set for resolving the issue at present.</p> <p>The Bank will continue to monitor the progress on this issue.</p>

6.9 The GoM will fill the post of Chairman, IMP and will elaborate on and clarify the IMP's role. Secretarial assistance will be provided to the IMP.	Status: Completed <i>Target Date: April 2006</i>	A new IMP was constituted in mid-March 2006 under the chairmanship of a former MMRDA and MCGM commissioner. The new IMP is actively involved in following up key resettlement implementation aspects. No further action is required. However, the Bank will follow up on the implementation of IMP decisions.
7. Improving Data base Management		
7.1 MMRDA is in the process of procuring state-of-the-art software for the management of all the R&R-related data.	Status: Completed <i>Target Date: May 2006</i>	MMRDA has procured and installed the Oracle software to establish full coordination between grievance management and resettlement. No further action is required.
7.2 Systems will be put in place for providing inputs, updating, using and retrieving various types of information related to R&R and post-resettlement implementation. The data base will be linked with family photo IDs to facilitate tracking and management of the process. The resettlement support consultants will conduct hands-on training for MMRDA staff.	Status: Substantially completed <i>Target Date: June 2006</i> <i>Revised: October, 2007</i>	Data entry has progressed; a User Manual has been prepared. A Data Base Manager has been appointed. To date, the system can generate eligibility lists, identity cards, baseline socio-economic information, allotment letters, and relocation status for PAPs. The data base is being used for fresh allotments. The data base can generate reports on simple queries, further refinement is at an advanced stage for generating reports on queries involving multiple variables. The application is being made more user-friendly and MMRDA is verifying refinement of the data base. The Task Team will assess progress during the next supervision mission.
8. Improving Communications and Consultation		
8.1 MMRDA will enhance communication with PAPs and improve documentation.	Status: In progress <i>Target Date: Ongoing</i>	MMRDA has improved communications and recently held meeting with shopkeepers of SCLR, JCLR, and Jogeswari (RoBs), and residents of MHADA buildings at SCLR. The key project related documents are now available in PICs and also uploaded in MMRDA's website. MMRDA is in the process of developing a special website for MUTP. Following reports in the media about the issuance of multiple identification cards to PAPs, MMRDA asked the IMP to lead an independent verification exercise, which the latter has completed, and the IMP has provided MMRDA with a framework to preclude multiple allotments in future. The Bank will continue to monitor the process.
8.2 MMRDA will make separate space arrangements for a PIC at MMRDA. It will also ensure the timely availability of relevant documents and brochures.	Status: Completed <i>Target Date: March 2006</i>	A new PIC with a separate room and arrangements for seating of visitors was created at MMRDA (1 st Floor), where all the relevant documents and brochures are now available. No further action is required.
8.3 The Bank Task Team will work with MMRDA to assess and implement training needs in public consultation and communications.	Status: Completed <i>Target Date: March 2006</i>	The Bank organized a one day session on public consultation and communications for the staff of MMRDA and NGOs in February 2006. The Bank's local consultant is providing orientation in consultations and communications on a day-to-day basis.
9. Grievance Redress		
9.1 MMRDA will provide support staff to the Field Level GRC to expedite the hearing and disposal of cases and to improve recording and reporting of decisions.	Status: Completed <i>Target Date: April 2006</i>	MMRDA has provided secretarial assistance and computers to the field level GRC to improve the hearing and disposal of cases. The Bank is concerned about the slow hearing process with the Senior Level GRC and will monitor the issue.

<p>9.2 A separate one -page brochure on the updated grievance redress process will be prepared, circulated, and posted on the Project website.</p>	<p>Status: Completed <i>Target Date: March 2006</i></p>	<p>The updated grievance redress process has been incorporated in the Implementation Manual (Chapter 29) and disclosed in PICs and uploaded on the website. The main improvement in the process is the specification of a clear timeframe for registering a grievance and confirmation that the resettlement of a petitioner will not be carried out before the grievance process is completed. Brochures in English and Marathi have been printed and are being attached to the allotment letters /eviction notices. No further action is envisaged.</p>
<p>9.3 The Bank Task Team will work closely with MMRDA staff to evaluate the current status of the system, support its revision, and facilitate its effective implementation.</p>	<p>Status: In progress <i>Target Date: March 2006</i></p>	<p>The process is now streamlined and slowly improving. There has been a remarkable shift in MMRDA's approach to resettlement, characterized by its openness to pursue negotiated solutions in consultation with PAPs. MMRDA is more focused in its efforts to strengthen management of post-resettlement issues. The Bank has posted a Social Development consultant focused on MUTP since March 2006 to continuously work with MMRDA. The resettlement impact assessment consultant's terms of reference include the evaluation of improvements in MMRDA's R&R management systems. The Bank will review the study findings.</p>
<p>10. Operationalization of the Implementation Manual</p>		
<p>10.1 MMRDA will finalize the Implementation Manual in consultation with the Bank, GoM, and consultants. The MMRDA will then identify procedures specified in the Implementation Manual that will be used for the balance of R&R activities and notify the relevant agencies regarding its implementation:</p>		
<p>10.1.1 Revise and amend Implementation Manual to include R&R and environmental procedures.</p>	<p>Status: Completed <i>Target Date: April 2006</i></p>	<p>The Implementation Manual has been revised in close consultation with Bank staff. No further action is envisaged.</p>
<p>10.1.2 Finalization of Implementation Manual.</p>	<p>Status: Completed <i>Target Date: May 2006</i></p>	<p>The Implementation Manual has been finalized taking into account the Bank's comments and is now disclosed in PICs and uploaded on the website. No further action is envisaged.</p>
<p>10.1.3 Operationalization of the Implementation Manual.</p>	<p>Status: Completed <i>Target Date: June 2006</i></p>	<p>The Implementation Manual is being used to administer the entitlements and apply procedures. The Implementation Manual occasionally requires updates when new procedures are adopted. The Bank will continue to monitor this issue to ensure that the provisions in the Implementation Manual are applied and that it is updated when needed.</p>

**ANNEX 4: MUTP: STATUS OF IMPEDIMENTS AND R&R- RELATED ISSUES
FOR JVLR & SCLR**

SN	Impediments	Location/Name	Difficulties, Challenges, Risks	Remedial Steps Taken/ Progress Made So Far	Estimated Timeframe for Closure
Jogeswari-Vikhroli Link Road					
1.	<ul style="list-style-type: none"> About 250 shops including about 180 shops with area above 225 sq. ft including 20 titleholder shops; 123 households 	2000-2460 and 2890-3600, RHS, ¹² JVLR-II (Powai)	Requesters to IP; Prolonged deadlock in negotiations for R&R due to strong resistance from owner-occupants	<ul style="list-style-type: none"> Issues resolved through negotiations 170 shops >225 sq. ft resettled Owner occupants offered equivalent shop area (even when exceeding 750 sq. ft, which is beyond MUTP R&R Policy) 209 shopkeepers resettled at an attractive shopping mall Majority of residential PAHs resettled 	Complete resettlement by December 2007
2.	14 Marble shop owners	3660-2920 RHS, JVLR-II, Adi Sankaracharya Marg	Strong resistance from marble shop owners to relocation moves; demand for alternative land difficult to meet in view of scarcity of land in Mumbai	<ul style="list-style-type: none"> Issues resolved through negotiations MMRDA shall provide <ul style="list-style-type: none"> (a) equivalent shop area in exchange for affected shop area at Powai shopping mall (b) TDR¹³ for affected land area (c) shop area equivalent to the value of land in case of fully affected land area (above 80%) at Powai shopping mall 	Complete resettlement by December 2007
3.	Transfer of 1100 sq. mts. of IIT Land	2080-3575 LHS ¹⁴ , JVLR-II; Powai	Approval of MHRD, ¹⁵ GoI needed and MoU with IIT ¹⁶ to be signed and executed; Challenges in inter-agency coordination involving IIT, GoM, and GoI delayed the process	<ul style="list-style-type: none"> MHRD, GoI approval obtained MoU for transfer of land signed between MMRDA and IIT-Mumbai Actual transfer of land to take place after IIT relocates the affected structures 	<ul style="list-style-type: none"> Transfer of IIT land for civil work for 30 mt. road width by March 2008; transfer of land for 45.7 mts.width by December 2008 Relocation of structures (IIT) by November

¹² RHS: Right Hand Side of the road

¹³ Transfer of Development Rights

¹⁴ LHS: Left Hand Side of the road

¹⁵ Ministry of Human Resources Development

¹⁶ IIT: Indian Institute for Technology, premier technical institute managed by the Union Ministry of Human Resource Development

SN	Impediments	Location/Name	Difficulties, Challenges, Risks	Remedial Steps Taken/ Progress Made So Far	Estimated Timeframe for Closure
					2008; • Resettlement of squatters within IIT land by June 2008
4.	Acquisition of small parcels of land in different stretches	<ul style="list-style-type: none"> • Cremation Ground wall, 80-190 RHS, JVLR-I; Pratap Nagar • Part of Green Field Society compound, 620-1400 RHS, JVLR-I Opp. Fantasy Land • Land for Pedestrian Grade Separator Sub-projects (PGSS) staircase; 4300 RHS, JVLR-III, Pameri Nagar • IES School compound, 4080-4160 EHS, JVLR-III, Pameri Nagar 	LA ¹⁷ process has hit road blocks due to cumbersome legal procedures, unclear title in some cases, and lack of coordination between MSRDC and MMRDA; joint measurements of land pending in some cases	<ul style="list-style-type: none"> • MSRDC¹⁸ plans to redraw road alignment where LA process remains protracted (green field society) • LA for cremation ground wall portion not needed in view of plans for shifting cemetery • LA process initiated in remaining cases 	Complete LA by April 2008
5.	Relocation of Religious/common property structures	<ul style="list-style-type: none"> • Ganesh temple/ Condivita cave; 2650-2750, JVLR-III; Sariput Nagar • Buddha Temple, 370 RHS, JVLR-I, Pratap Nagar • Hanuman Temple, JVLR-II, Powai 	<ul style="list-style-type: none"> • Approval of ASI¹⁹ required; Difficulty faced due to stringent ASI norms; • Approval process stalled due to Public Interest Litigation filed by an NGO in the Mumbai High Court • Alternative locations need to be identified for relocating temples 	<ul style="list-style-type: none"> • MSRDC plans to limit civil work to existing alignment pending ASI approval; Alternative land identified for relocating temple situated at the foothill • Police department to shift its post • Negotiations to shift Suvarna Temple and Buddha Vihar failed; road being realigned • Relocation of Hanuman Temple under way 	No time frame can be set at this moment due to sensitivities involved

¹⁷ LA: Land Acquisition

¹⁸ MSRDC: Maharashtra State Road Development Corporation

¹⁹ Archaeological Survey of India

SN	Impediments	Location/Name	Difficulties, Challenges, Risks	Remedial Steps Taken/ Progress Made So Far	Estimated Timeframe for Closure
		<ul style="list-style-type: none"> Suvarna Temple, Powai, JVLR-II, Powai 	in consultation with the structure custodians		
6.	About 150-200 Squatters	000-210 RHS, JVLR-II and 4440-4480, JVLR-I at the Pipeline Bridge, Milind Nagar	These squatters, said to be re-encroachers, have to be relocated; survey work challenging due to interference of local leaders	MMRDA has confirmed its commitment to relocate the squatters in a compliant manner, however, progress has been slow	<ul style="list-style-type: none"> Complete baseline survey by March 2008 Complete resettlement by May 2008
Santacruz-Chembur Link Road					
1.	247 Shopkeepers including about 140 large and medium ones (USOA, KNWA)	Kismat Nagar, 300-325 RHS SCLR	<ul style="list-style-type: none"> Shopkeepers strongly resisted R&R process Demand for <i>in-situ</i> scheme Proposed private <i>in-situ</i> development scheme requires administrative clearances involving change in land use regulations Final closure of agreement for <i>in-situ</i> scheme pending due to internal differences among shopkeepers (USOA) 	<ul style="list-style-type: none"> 40 shopkeepers resettled at BKC²⁰ MMRDA has gone beyond the MUTP R&R Policy to complete negotiations with 207 shopkeepers (USOA and KNWA) for <i>in-situ</i> development scheme KNWA (54 shops) has cleared the site after signing the MoU with MMRDA USOA is taking time to sign MoU due to internal problems Rest willing to relocate to shops at BKC MMRDA may apply procedure for resettlement in the event of break down in negotiations if USOA fails to sign MoU MMRDA has already recommended <i>in-situ</i> scheme to the GoM requesting change in land use regulations 	<ul style="list-style-type: none"> Sign MoU with USOA by December 2007 Complete resettlement as per procedure if USOA fails to sign MoU by March 2008
2.	90 households of 3 MHADA buildings	925-1000, Netaji Nagar	<ul style="list-style-type: none"> Residents demanding <i>in-situ</i> redevelopment or relocation within BKC Success of <i>in-situ</i> scheme depends on consent of households of 2 unaffected buildings 	<ul style="list-style-type: none"> Negotiations for <i>in-situ</i> redevelopment completed MMRDA willing to recommend <i>in-situ</i> scheme Netaji Nagar MHADA association asked to prepare lay out for further discussion Joint meeting between MMRDA, MHADA and PAHs to take place once initial lay out is ready 	<ul style="list-style-type: none"> Sign MoU by December 2007 Complete resettlement by March 2008

²⁰ Bandra Kurla Complex

SN	Impediments	Location/Name	Difficulties, Challenges, Risks	Remedial Steps Taken/ Progress Made So Far	Estimated Timeframe for Closure
				<ul style="list-style-type: none"> If <i>in-situ</i> scheme fails, MMRDA to relocate PAHs within BKC 	
3.	Relocation of 180 Squatters for diversion of drain across road	1700-2125 Sawle Nagar	Survey was not done as part of original baseline survey. Drain alignment was finalized after RIP was prepared. Resettlement of affected households required negotiations	<ul style="list-style-type: none"> Baseline survey carried out PAHs resettled by MMRDA following approved procedure 	Completed in May 2007
4.	About 4-5 structures and facilities on Railway land	2125-2500, Sawle Nagar	MMRDA can not relocate these structures as these are Railways property, which need to be cleared for the overbridge	<ul style="list-style-type: none"> MSRDC has deposited required amount with Railways for relocation of these facilities Railways' efforts very slow 	Relocate structures by May 2008 (tentative). Difficult to set exact date
5.	Relocation of about 260 legal residents of 13 MHADA buildings	2125-2775, Tilak Nagar	<ul style="list-style-type: none"> Residents resist relocation to any MUTP R&R site Demand <i>in-situ</i> redevelopment of their buildings beyond road alignment Initial negotiations failed 	<ul style="list-style-type: none"> MMRDA hired Tilak Nagar MHADA Resident Association's Architect to prepare redevelopment plan Redevelopment scheme submitted to MHADA for approval MMRDA recommended redevelopment scheme providing additional floor space (50% more) to resident households Plan likely to be approved soon PAHs willing to relocate temporarily to MUTP sites until scheme materializes 	<ul style="list-style-type: none"> Approve <i>in-situ</i> scheme by March 2008 Complete resettlement by May 2008
6.	About 50 residential squatters	2775-3000, Rahul Nagar	These structures were identified to be relocated after final alignment was shifted to avoid affecting Railways land	<ul style="list-style-type: none"> Additional baseline survey started RIP Note to be prepared Resettlement to be done as per RIP Note²¹ 	<ul style="list-style-type: none"> Complete baseline survey by January 2008 Prepare RIP Note by March 2008 Complete resettlement by June 2008
	About 40 shopkeepers	3000-3200, Santajog Marg	Shopkeepers resistant to relocation to any MUTP site	<ul style="list-style-type: none"> MMRDA offered relocation to BKC 28 shopkeepers relocated to BKC Negotiations with the rest underway 	Complete resettlement by December 2007

²¹ RIP Note: Amendment to the approved RIP for SCLR for resettlement of households and shops covered in the additional base line survey

SN	Impediments	Location/Name	Difficulties, Challenges, Risks	Remedial Steps Taken/ Progress Made So Far	Estimated Timeframe for Closure
				<ul style="list-style-type: none"> MMRDA to apply the procedure for resettlement in case of breakdown in negotiations to relocate the rest if no agreement is reached 	
8.	About 3-5 MCGM staff residential structures (Row house, building)	2775-3200 Rahul Nagar, /000-294 Panchsheel Nagar	Inter-agency coordination between MCGM and MMRDA required	<ul style="list-style-type: none"> Discussions under way between MMRDA and MCGM 	<ul style="list-style-type: none"> Agreement with MCGM by January 2008 Relocation by April 2008
9.	About 50 Shopkeepers at Arm-I	000-294, Amarmal Junction	Survey carried out for 9 mts width; additional survey required for 20 mts width as per final alignment	<ul style="list-style-type: none"> Baseline survey started RIP Note to be prepared Shopkeepers to be relocated as per RIP Note 	<ul style="list-style-type: none"> Complete baseline survey by January 2008 Prepare RIP Note by March 2008 Complete Resettlement by June 2008
10.	Relocation of public utilities and facilities: <ul style="list-style-type: none"> 2 electric pylons 1 dispensary 1 welfare centre 9 religious structures 	3000-3200 Panchsheel Nagar Religious structures in different stretches	<ul style="list-style-type: none"> Identifying alternate land for relocation challenging Host communities not cooperative Strong sensitivities involved in case of religious structures 	<ul style="list-style-type: none"> Alternative land for shifting facilities at Panchsheel Nagar complete Baseline survey started for host community Resistance shown by sections of the host community (who were part of a slum rehabilitation scheme now cancelled) Survey process slow due to resistance Land cleared for shifting 4-5 religious structures 	No date can be set at this time
11	Acquisition of small parcels of land in different stretches	In different stretches along SCLR	Joint measurements yet to be carried out in some cases for issuing notices; process slow due to inadequate coordination	<ul style="list-style-type: none"> Special LA officer of MMRDA has initiated LA process Process considerably delayed 	Complete LA by April 2008