

**Resettlement and Rehabilitation under Mumbai Urban Transport Project  
in Mumbai Metropolitan Region, India**

University of British Columbia  
School of Community and Regional Planning

*Ko Takeuchi*

*For questions, comments, or suggestions, please feel free to contact  
E-mail: [takeuchiko@hotmail.com](mailto:takeuchiko@hotmail.com)*

## Abbreviations and Acronyms

<b>BEST</b>	<b>Brihan Mumbai Electricity and Transport Undertaking</b>
<b>BMC/MCGM</b>	<b>Municipal Corporation of Greater Mumbai</b>
<b>BP</b>	<b>Bank Procedures</b>
<b>CAS</b>	<b>Country Assistance Strategy</b>
<b>CEMP</b>	<b>Community Environmental Management Plan</b>
<b>DCR</b>	<b>Development Control Regulation</b>
<b>GoM</b>	<b>Government of Maharashtra</b>
<b>GoI</b>	<b>Government of India</b>
<b>FSI</b>	<b>Floor Space Index</b>
<b>IDA</b>	<b>International Development Assistance</b>
<b>IR</b>	<b>Involuntary Resettlement</b>
<b>IRN</b>	<b>International Rivers Network</b>
<b>IMP</b>	<b>Independent Monitoring Panel</b>
<b>JVLR</b>	<b>Jogeshwari-Vikhroli Link Road</b>
<b>MHADA</b>	<b>Maharashtra Housing and Area Development Authority</b>
<b>MMR</b>	<b>Mumbai Metropolitan Region</b>
<b>MMRDA</b>	<b>Mumbai Metropolitan Region Development Authority</b>
<b>MRVC</b>	<b>Mumbai Rail Vikas Corporation</b>
<b>MUIP</b>	<b>Mumbai Urban Infrastructure Project</b>
<b>MUTP</b>	<b>Mumbai Urban Transport Project</b>
<b>NGO</b>	<b>Non-Governmental Organization</b>
<b>OD</b>	<b>Operational Directives</b>
<b>OED</b>	<b>Operations Evaluation Department</b>
<b>OP</b>	<b>Operational Policies</b>
<b>OPN</b>	<b>Operations Policy Note</b>
<b>PAH</b>	<b>Project-Affected Household</b>
<b>PAP</b>	<b>Project-Affected Person</b>
<b>PCC</b>	<b>Project Coordination Committee</b>
<b>PMU</b>	<b>Project Management Unit</b>
<b>PWD</b>	<b>Public Works Department of GoM</b>
<b>R&amp;R</b>	<b>Resettlement and Rehabilitation</b>
<b>RAP</b>	<b>Resettlement Action Plan</b>
<b>RIP</b>	<b>Resettlement Implementation Plan</b>
<b>SPARC</b>	<b>Society for the Promotion of Area Resource Centres</b>
<b>SRA</b>	<b>Slum Rehabilitation Authority</b>
<b>SRS</b>	<b>Slum Rehabilitation Society</b>
<b>TDR</b>	<b>Transferable Development Right</b>

## 概要

本論文は、インドのムンバイ大都市圏におけるムンバイ市都市交通事業の元での住民移転の性質を、世界銀行（世銀）の非自発的住民移転政策の文脈に位置づけて記述したものである。世銀の融資による本事業は道路・鉄道交通事情を改善する目的で行われるものであり、これによって1万9000を越す世帯が影響を受け移転を強いられ、そのほとんどがいわゆるスラムと呼ばれる住居を構えている。この事業には世銀のセーフガードの一つである非自発的住民移転政策が適用されているが、しかし、政策において要求されていることと現地で実際に施行されていることのギャップが世銀の試みに反して生じ始めているのが窺える。したがって、本論文の焦点は、本事業において今後とも検証されるべき重要な側面を明らかにするために非自発的住民移転を分析する枠組みを提供することである。第一章ではインドおよびムンバイの都市化の状況、本事業における住民移転事業に関する概要を述べ、第二章では世銀の非自発的住民移転政策の変遷を説明し、政策で要求されていることと現場での運用の食い違いの諸相を明示する。そして第三章で本事業の仕組みとプロセスを述べ、第四章で非自発的住民移転を分析する際の枠組みを提供し、それを用いて本事業において現在生じている、もしくは今後生じる可能性が高い政策と現場の食い違いの明らかにしたいと思う。

キーワード：非自発的住民移転、スラム、世界銀行、都市開発、ムンバイ市都市交通事業

## Abstract

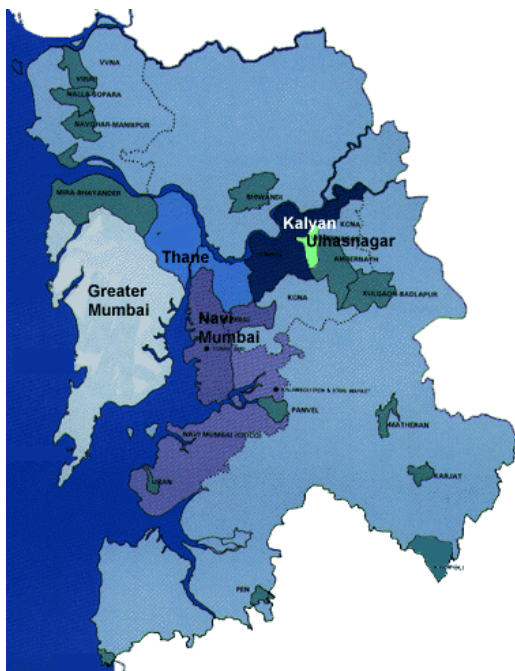
In this paper, I would like to describe the nature of the Resettlement and Rehabilitation under Mumbai Urban Transport Project in Mumbai Metropolitan Region, India, by locating the project in the context of World Bank's Involuntary Resettlement (IR) policy. This World Bank-funded project, which aims to improve the city's road and rail transport, accompanies resettlement and rehabilitation of over 19000 project-affected families, many of which live in so-called "slums." This project adopts the IR policy of the World Bank, however, the "gap" between what is required in the policy and how the project is actually implemented on the ground seems to be arising in spite of the Bank's effort. Therefore, the focus in this paper is to provide a framework with a set of concepts in respect to IR, in order to clarify some crucial aspects of the project which should be investigated.

Key words: involuntary resettlement, slum, World Bank, urban development, Mumbai Urban Transport Project

### 1. Introduction

The urban population of India has reached 280 million and is expected to increase to 350 million by 2010. About 35% of the urban population live below the national poverty line. Maharashtra state, of which Mumbai (formerly Bombay) is the capital, is the most urbanized (35%) in India. Mumbai, which is located on the west coast of India, is the financial and commercial center of the country. The

population in Mumbai Metropolitan Region (MMR) is over 16 million in 2001, which is estimated to grow at about 3% per year to 22 million by 2011. Greater Mumbai, which is located on a peninsula in the west of MMR (see Figure 1), is the densest area of the region with about 12 million in 470 sq. km. MMR, especially Greater Mumbai, is said to have the most difficult infrastructure problems in urban India, and the capacity and quality of urban transport is said to be at crisis level (World Bank 2002b).



**Figure 1.** Map of Mumbai Metropolitan Region.

(Source: MMRDA homepage)

Based on this background, the Country Assistance Strategy of the World Bank identified infrastructure bottlenecks as one of the major constraints to faster poverty reduction (World Bank 2002a: 3). Therefore, a study was conducted with the assistance of consultants from WS Atkins in 1994, and Mumbai Urban Transport Project (MUTP) was conceptualized. The project aims to improve both the rail and the non-rail infrastructure primarily to encourage public transport. The project is to be implemented as a joint venture between the Government of Maharashtra (GoM), Indian Railways and a few local bodies. The implementation period is from 2002 to 2008.

The objective of this MUTP, which is funded by the World Bank, is to “facilitate urban economic growth and improve quality of life by fostering the development of an environmentally and financially sustainable urban transport system including effective institutions in the Mumbai Metropolitan Region” (World Bank 2002b: 3). Also, the project “is designed as a first step to support urgently needed physical investment and to strengthen the institutional capacities required for sustainable transport development” (ibid: 3). This includes the laying of new railway lines, extension of station platforms, road widening for increasing tracks, and station improvements.

However, in a crowded city like Mumbai where about half of its population lives in low-income areas designated by the government as “slums”<sup>1</sup> (Figure 2), a large number of these settlements are located along railway tracks, on public lands and lands that are designated for roads or road widening in the Master Plan. Therefore increasing rail lines and widening roads will directly mean relocating these settlements. In fact, MUTP will affect more than 19000 households, which is a scale of relocation that GoM has not experienced before.



**Figure 2.** Photograph of downtown Greater Mumbai, July 2004.  
(Photograph by the author)

Based on this background, MUTP comprises the Resettlement and Rehabilitation (R&R) component, which will enable GoM to resettle those affected by the rail and road components. This component aims to provide assistance to the displaced people for improving their overall living standards. This R&R component, financed through International Development Assistance (IDA) credit, will provide for the procurement of over 19000 housing units to resettle Project-Affected Households (PAHs)<sup>2</sup>. Other expenses under this component include the acquisition of land for civil works, reconstruction of some of the basic civic amenities to the remaining population and host population and payment of compensation for economic losses and other rehabilitation benefits.

There are basically two main intentions for the R&R component. Since a substantial number of households and commercial activities and structures have to be relocated under rail and road components, the World Bank required sufficient resettlement along with a Resettlement Action Plan (RAP) of the PAHs to obtain financial assistance from the Bank. GoM appointed a Task Force to prepare a framework for R&R Policy and to assist the Government in determining the institutional arrangements and implementation strategies for R&R. The initial objectives were identified under this R&R Policy, which were to minimize the resettlement by exploring all viable alternative project designs and to develop and execute resettlement plans in such a manner that displaced persons are

---

<sup>1</sup> According to Census of India 2001, the population of slum dwellers is 5,823,510, which accounts for about 49% of the Greater Mumbai population (Indian Urban Information Resource Center homepage).

<sup>2</sup> PAHs include households, business units including their workers and owners of assets like land and buildings affected by MUTP (MMRDA 2002a). This includes non-resident land owners, non-resident lessees, resident landlords, resident lessees, tenants and sub-tenants of buildings, squatters, and pavement dwellers. All legitimate occupants of land and buildings affected by MUTP up to the time of actual resettlement will be eligible for the benefit of R&R Policy. However, PAHs who are squatters and not the legitimate occupants of land shall be eligible for R&R only if registered during the baseline survey. Therefore, the date of completion of baseline survey is the cut-off date.

compensated for their losses at replacement cost prior to the actual move where displacement is unavoidable (MMRDA 2002a: 55).

Following the adoption of the R&R Policy, the Mumbai Metropolitan Region Development Authority (MMRDA), which is the main implementing agency of R&R, has prepared a RAP for resettling the PAHs. This RAP describes the policy and institutional framework for carrying out R&R. The objectives of MUTP in respect of this RAP are to prevent adverse social impacts associated with implementation of the MUTP and to deliver the entitlements of PAHs for payment of compensation and support for re-establishing their livelihood (MMRDA 2002a: 17).

However, the key issue here is the “gap” or “disconnect” between policy standard and implementation standard, which many scholars have claimed has not been closed in spite of the Bank’s effort. These terms here referred to the fact that in many cases, what is required in the Bank’s policy is not actually implemented on the ground by the borrowers. This gap is a recurrent theme in many involuntary resettlement (IR) studies as well as the Bank’s own resettlement papers and evaluations, acknowledging that the borrowers have not strictly followed the Bank’s policy (OED 1998, World Bank 1991, 1996, 2004). Hence, the intention of this paper is to 1) review the past policies of the World Bank’s IR policy and identify the aspects of the gap, 2) outline the nature and characteristics of R&R under MUTP, and 3) identify the aspects of R&R under MUTP which needs to be investigated by delineating the forces preventing from narrowing this gap, which is becoming visible in the R&R of MUTP.

## 2. World Bank’s Involuntary Resettlement Policy

### **Overview of theories of Involuntary Resettlement**

Many writers have contrasted IR including refugees with voluntary resettlement such as seasonal migrants, trying to extract the causes of impoverishment that lie within the former. From the standard push and pull opposition in migration theory, the occurrence of involuntary resettlement is differentiated from voluntary resettlement in terms of its strength of the push factor, or “the diminished power of decision [...] sometimes reaching the extreme in which the forced migrants are totally powerless” (Oliver-Smith and Hansen 1982: 4-5). Guggenheim and Cernea also add to the nature above, the makeup of the displaced population, pointing out the fact that voluntary resettlements usually attract young families and that settlers retain social and economic ties to their origin villages while entire population confronts the same difficult situation in involuntary resettlements (Guggenheim and Cernea 1993).

Another distinction is essential in order to discuss the nature of involuntary resettlement mentioned for this paper. Involuntary resettlement such as the one under MUTP is caused by a development project, whose nature is different from other involuntary resettlement caused by political upheaval (such as famine or wars) or natural disasters (such as hurricanes or earthquakes). Development projects are not only planned and foreseen, but also are desired by governments, businesses, citizens, etc., while famines or hurricanes are usually unwanted by most people, which makes IR in development projects more complex as discussed later on in this paper. In addition, those who are displaced by war or natural disasters are often able to return to their homelands once the turbulence has subsided, while development caused displacement is permanent (Guggenheim and Cernea 1993).

The IR discussed here, “involuntary” meaning “actions that may be taken without the displaced person’s informed consent or power of choice” (World Bank 2001b), refers to the displacement of people caused by planned projects such as construction or establishment of dams, new towns or ports, housing and urban infrastructure, etc.

### **World Bank’s policy on Involuntary Resettlement**

Two basic essences resting on IR divide people’s opinions on IR. The complexity stated above, which is one of the tensions within IR discussed later on, generates broadly two types of stance towards IR, i.e. some claims that all projects accompanying displacement should be banned, while others insist on minimizing its negative impact while implementing development projects. The second factor that divides people’s view is more of the methodological aspect of IR, i.e. whether the complexities within IR can be overcome in projects or not. As deWet put it, the “more optimistic” position argues that corrective action can, in principle, overcome the problems resulting in resettlement, while the “more pessimistic” approach views that the complexities inherent in the resettlement process creates sets of problems which are not readily amenable to operationalisation and predispose failures (deWet 2001).

The World Bank shares the view that development is essential and the problems arising from IR can be overcome, and justifies IR:

“It is clearly unrealistic to reject all resettlement. Developing nations cannot forego the benefits of major infrastructural investments that also entail unavoidable population relocation. The question is how to minimize the size of displacement and how to respond effectively to the needs of the people being resettled.” (World Bank 1996: 78-9)

Therefore, its vision is to minimize the negative impact of IR by providing safeguards and organizing to prevent risks, and also as Cernea<sup>3</sup> mentions, by “put[ting] in place sets of procedures, backed up by financial resources, that would increase equity in bearing the burden of loss and in the distribution of the benefits” (Cernea 2002: 13).

#### *1980s: First IR Policy*

The World Bank’s first policy on IR entitled *Social Issues Associated with Involuntary Resettlement in Bank-Financed Projects* (Operational Manual Statement 2.33), which was also the first policy framework on IR enacted by a multilateral institution, was prepared in 1979 and issued in 1980 as a response to external pressure, mainly the international environmental movement that revealed the negative environmental and human impact of its projects. Before the policy was formulated, the Bank admitted that their projects in the 1960s and 1970s dealt with IR on a “case-by-case basis” and was “entirely left to borrowing agencies, with little, if any Bank assistance” (World Bank 1996: 81). External pressure from environmental NGOs such as Environmental Defense Fund publicized Bank projects that accelerated deforestation and desertification, and

---

<sup>3</sup> Michael M. Cernea is the World Bank’s first in-house sociologist, joining the World Bank in 1974 as the Bank’s Senior Advisor for Sociology and Social Policy until 1997.

displaced indigenous peoples, pressuring the US Congress to increase the awareness of such issues within the Bank. The troublesome feedback particularly from Bank-assisted Sobradinho Dam project in Brazil and Chico River Dams in the Philippines combined with criticism from organizations outside the Bank reinforced the internal sense that change was necessary (Cernea 1993b).

It should also be mentioned here that certain change within the Bank has increased its sensitivity to these external opinions and pressures. The study of its post-war development experience has crystallized the official viewpoint of the Bank during McNamara's Presidency (1968-81), emphasizing the alleviation of poverty as its main objective. McNamara's Presidency was also the first to hire sociologists. According to Kardam, a voluntary informal group called the Sociology Group within the Bank, which shared common values towards these social and environmental issues with environmental organizations such as above, influenced and changed the prevalent view among technical staff through demonstrating that new approaches must be adapted to eliminate the performance gap and through transferring the accumulated knowledge into explicit policies and internal procedures usable in the organization's operations (Kardam 1993). She also points out that fit with its goals and procedures were essential, which can be discerned in two aspects clearly from one of the Bank's publications:

“Criticism of involuntary resettlement has mounted, and a vast body of research [...] has documented that poorly managed resettlement can cause increased poverty. [...] While working to reduce poverty, the Bank and its member countries cannot overlook project factors that make some population segments worse off.” (World Bank 1996: 78)

“The fact that projects are frequently delayed by courts, and that compensation levels are raised significantly on appeal, reflects the recognition in legal systems that people cannot be arbitrarily displaced without just compensation, regardless of national need. [...] Carrying out resettlement in a manner that respects the rights of affected persons is not just an issue of compliance with the law, but also constitutes sound development practice.” (ibid: 78)

Thus, internal advocacy on the issue, which enabled the Bank to respond to the external pressure above, and the also fit with its overall goals and procedures were essential factors in the adaptation of the IR policy.

However, a study of resettlement in World Bank-financed projects in agriculture and hydropower approved between 1979 and 1985, revealed that although its policy had led to improvements in the treatment of resettlement components of projects, the Bank staff had not always allied the policy and its related operational procedures in all projects and sectors (Cernea 1993b). This led the Bank to issue a new “Operations Policy Note (OPN)” (No. 10.08) in 1986, and then integrate the 1980 Operational Manual Statement 2.33 and the 1986 OPN 10.08 into one single Bank paper for policy and technical guidance to resettlement operations, which was the first time the Bank went public with its resettlement policy (Cernea 1988).

*1990 Operational Directives 4.30*



In 1990, the resettlement policy was revised and reissued as Operational Directive on Involuntary Resettlement (OD 4.30) along with updating all previous internal policy and operational guidelines (World Bank 1990). The well-known Narmada Sardar Sarovar project in India in the late 1980's significantly highlighted the "gap" between its policy and performance, which led the Bank to strengthen its IR policy, having no resettlement plan when the Bank approved the loan in spite of its IR policy ensuring a comprehensive resettlement and rehabilitation plan (Rich 1994).

The key elements of 1990 OD 4.30 are summarized below:

- Involuntary displacement should be avoided or minimized whenever feasible, because of its disruptive and impoverishing effects.
- Where displacement is unavoidable, the *objective* of Bank policy is to assist displaced persons in their efforts to improve, or at least restore, former living standards and earning capacity. The *means* to achieve this objective consist of the preparation and execution by the Borrower of resettlement plans as development programs. These resettlement plans are integral parts of project designs.
- Displaced persons should be: (i) compensated for their losses at replacement cost, (ii) given opportunities to share in project benefits, and (iii) assisted in the transfer and in the transition period at the relocation site.
- Moving people in groups can cushion disruptions. Minimizing the distance between departure and relocation sites can facilitate the resettlers' adaptation to the new socio-cultural and natural environments.
- The tradeoffs between distance and economic opportunities must be balanced carefully.
- Resettlers' and hosts' participation in planning resettlement should be promoted. The existing social and cultural institutions of resettlers and their hosts should be relied upon in conducting the transfer and reestablishment process.
- New communities of resettlers should be designed as viable settlement systems equipped with infrastructure and services, able to integrate in the regional socio-economic context.
- Host communities that receive resettlers should be assisted to overcome possible adverse social and environmental effects from increased population density.
- Indigenous people, ethnic minorities, pastoralists, and other groups that may have informal customary rights to the land or other resources taken for the project, must be provided with adequate land, infrastructure, and other compensation. The absence of legal title to land should not be grounds for denying such groups compensation and rehabilitation.

(World Bank 1996: 83)

#### *2001 Operational Policies/Bank Procedures 4.12*

The Operational Policies (OP) 4.12 and Bank Procedures (BP) 4.12 issued in December 2001, together replaced OD 4.30 from projects which a Project Concept Review takes place on or after January 1, 2002. This was perhaps based on many findings from the Bank-wide review carried out between January 1993 and April 1994 by a Task Force headed by Michael Cernea jointly with the regional departments, as well as the evaluation done by the Operations Evaluation Department (World Bank 1996, OED 1998). The finding of these two evaluations can be summarized as below:

- 1) frequent unsatisfactory income restoration, resulting from inadequate income data gathering and lack of Borrowers' monitoring and evaluation,
- 2) lack of resources provided through compensation provisions and property acquisition practices to allow resettlers to purchase replacement lands and other assets,
- 3) lack of preparation in terms of its legal framework and skill needed to help resettlers and their hosts within the institutions charged with managing resettlement, which often accompanies weak commitment,
- 4) lack of adequate participation in the resettlement process by the affected and host communities and lack of use of local knowledge in designing resettlement programs or finding viable solutions,
- 5) lack of overall financial resources earmarked for resettlement, causing from initial underestimates in terms of the volume of displaced persons and from not including the full cost of resettlement in the economic and financial assessment of the overall project, and
- 6) unsatisfactory Bank performance, resulting from lack of attention to resettlement during implementation and supervision and lack of commitment by task managers.

A comparison between 1990 OD 4.30 and 2001 OP/BP 4.12 in regard to the elements of the performance gap as mentioned above is listed below in Table 1.

**Table 1.** Changes from OD 4.30 to OP/BP 4.12 in key aspects of the gap.

<i>Key aspects of the gap</i>	<i>Changes from 1990 OD 4.30 to 2001 OP/BP 4.12</i>
<b>1) Unsatisfactory income restoration</b>	<ul style="list-style-type: none"> <li>• OP specifies that resettler livelihoods and standards of living should be restored in real terms to pre-displacement levels or to levels prevailing prior to beginning of project implementation, whichever is higher (para 2 of the OP).</li> <li>• OP recognizes the need to maintain sustainability of parks or protected areas while restoring the livelihoods of people adversely affected by the restriction of access to resources in these areas (para 7 of the OP).</li> <li>• OP highlights the complexities associated with the physical displacement of indigenous peoples practicing traditional, land based modes of production, and requires that the borrower explores all viable alternative project designs to avoid physical displacement of these groups (para 9 of the OP).</li> <li>• OP requires that at the time of project completion, the borrower undertakes an assessment to determine whether the objectives of the resettlement have been achieved (para 24 of the OP), and that the Bank's Implementation Completion Report also evaluates the achievement of the objectives of the resettlement instrument (para 16 of the BP).</li> </ul>
<b>2) Unsatisfactory compensation</b>	<ul style="list-style-type: none"> <li>• OP provides both basic explanation and detailed definition of "replacement cost" (footnote 11 of the OP, footnote 1 of the Annex).</li> <li>• OP specifies circumstances under which cash compensation can be paid (para 12 of the OP).</li> <li>• OP clarified who is eligible for "compensation for lost assets", who is eligible for "resettlement assistance", and who is not eligible to receive entitlements (para 15 and 16 of the OP)</li> </ul>
<b>3) Lack of borrowers' legal framework, skill, and preparation</b>	<ul style="list-style-type: none"> <li>• OP established new entity, the Resettlement Committee, to clarify issues related to application of the policy (para7 of the BP).</li> <li>• OP specifies the procedure for disclosure of planning instruments (para 22 of the OP, para9 of BP).</li> <li>• BP requires that the Task Team review resettlement planning and</li> </ul>

	<p>implementation during the early stages of resettlement implementation to facilitate a timely response to problems or opportunities that may arise with respect to resettlement (para 14 of the BP).</p> <ul style="list-style-type: none"> <li>• OP establishes that a resettlement framework is needed for financial intermediary loans and other “projects with multiple subprojects,” in addition to SILs (para 26 of the OP).</li> <li>• OP specifies that subproject-specific resettlement plan is required as a condition for approval of each subproject (para 27 and 29 of the OP).</li> <li>• OP also requires a plan of action acceptable to the Bank, which could double as a natural resource management plan, for such projects. The plan of action is approved by the Bank prior to the enforcement of restrictions (para 31 of the OP).</li> <li>• OP specifies that resettlement frameworks are required as a condition of appraisal, except in cases where no resettlement is foreseen in subprojects to be financed by financial intermediaries (para 27 and 28 of the OP).</li> </ul>
<b>4) Lack of displaced and host community participation</b>	<ul style="list-style-type: none"> <li>• OP elaborates on procedure for establishing the criteria by which affected people will be deemed eligible for entitlements.</li> <li>• OP emphasizes that patterns of community organization appropriate to the new circumstances are based on choices made by the displaced persons (para 13 of the OP).</li> <li>• OP specifies that displaced persons and their communities, and any host communities receiving them, are provided timely and relevant information, consulted on resettlement options, and offered opportunities to participate in planning, implementing, and monitoring resettlement (para 13 of the OP).</li> <li>• OP clearly states that the borrower draws on relevant CBOs and NGOs (para 19 of the OP).</li> </ul>
<b>5) Underestimation of overall financial resources</b>	<ul style="list-style-type: none"> <li>• Not specified.</li> </ul>
<b>6) Unsatisfactory Bank performance</b>	<ul style="list-style-type: none"> <li>• Converted from the OD format that combined mandatory policy and Bank procedures, to OP and BP format to distinguish between policies and procedures.</li> </ul>

(by the author)

### *Recent movement*

Although the Bank seemed to have strengthened its IR policy in certain aspects, it has just approved a 108 million (US\$) investment loan that will finance a series of infrastructure projects in the Mexican state of Guanajuato on June 2004 (BIC immediate release homepage). It set aside the Bank’s own environmental and social safeguard policies and will instead rely on Mexican laws and procedures, many of which do not meet the Bank’s existing standards. Although the president of the World Bank, James Wolfensohn, claims in his response to the letter sent by the International Rivers Network that “this move towards using country systems will not weaken our [the Bank’s] existing safeguard policies” (IRN homepage), the new middle income country strategy says that relying on national safeguard systems rather than the Bank’s policies would “remove obstacles to timely quality lending,” and many NGOs are protesting against this shift (BIC protest letter homepage). No detailed survey has been conducted for the projects that adopted 1990 OD 4.30 or 2001 OP/BP 4.12, and whether those projects has closed the performance gap and whether the move towards using national policies and procedures is weakening the existing safeguard standard remains untested at this point.

### 3. Resettlement and Rehabilitation under Mumbai Urban Transport Project

The R&R of MUTP adopts OD 4.30 of the World Bank's IR policy. The project is one of the latest projects adopting OD 4.30, being appraised in April 2002.

According to baseline socio-economic survey (BSES)<sup>4</sup>, more than 99% of the PAHs are squatters and do not have any tenurial rights of the land they occupy. The monthly mean household income is 2978 (Rs), and 40% of the households are below the poverty line of 2500 (Rs) per household per month.

#### Overview of Structure

##### *Stakeholders and Institutional Framework*

The stakeholders or the actors who were involved in R&R of MUTP are as below. International agencies, consists of the WB and IDA. IDA is the funding agency for R&R component and provided a no interest loan of 79 million (US\$) out of 100.08 million (US\$) of the indicative costs of R&R component. Although IDA is a part of the WB, the distinction is made in order to refer to the Bank's staff and team involved and the effect it had on the project, particularly in the development of R&R Policy. The Government of India (GoI) is the borrower and MMRDA is the responsible agency for overall project coordination or road, rail, R&R components, and implementation of Community Environmental Management Plans (CEMPs). GoM and Indian Railways will share the costs for R&R component based on actual R&R expenditure incurred for the rail and road-based components respectively. Group 5 refers to the four main organizational structures formed under MUTP, which are the High Power Steering Committee, the Project Coordination Committee (PCC), the Independent Monitoring Panel (IMP), and the Project Management Unit (PMU). The High Power Steering Committee<sup>5</sup> has been constituted to oversee the progress of MUTP and provide necessary policy back up. This Committee is also aimed at recognizing the recommendations of the IMP and directing the PMU. The role of Project Coordination Committee is to supervise timely implementation of MUTP, including inter-agency coordination and adequate budgetary provision. Representatives of NGOs and eminent persons of civil society, as well as representatives from local authorities<sup>6</sup> comprise this Committee. The main responsibility of the IMP is to ensure that accepted policies are followed, and to monitor the implementation process of rehabilitation<sup>7</sup>. It operates and interacts at the level of the High Power Steering Committee. PMU has been established in MMRDA, on behalf of all the implementing agencies, to be responsible for overall coordination and monitoring

---

<sup>4</sup> Data collected through BSES covers the followings; demographic data, social data, economic data, housing data, and environmental data (MMRDA 2002a: 14-16).

<sup>5</sup> The Committee consists of representatives of concerned departments of GoM, MRVC, IR, MMRDA, BMC, BEST, Planning Commission of GoI, and the Department of Economic Affairs (Ministry of Finance, GoI). The Project Director of MUTP is the Member Secretary of the Committee.

<sup>6</sup> Other members of this Committee include representatives form MMRDA, MRVC, BMC, PWD,SRA, and Police. The Project Director is also a Member Secretary of this Committee.

<sup>7</sup> To meet these responsibilities, the IMP functions to review the progress of R&R Policy for MUTP and WB's safeguard policies related to social and environmental aspects of the project. For this purpose, the IMP can 1) review the periodical progress reports prepared by the PMU on implementation of rehabilitation plans, 2) visit the sites of rehabilitation, 3) conduct an independent survey or data collection through an agency. Another function is to make suggestions for improvement in the implementation process (MMRDA 2002a).

the progress of MUTP. The PMU consists of the Project Director<sup>8</sup>, Project Manager of R&R, Project Manager for Transport, and six Joint Project Directors specialized in the areas of Procurement, Finance, Land Acquisition and Social Development, Environment, External Relations, and Legal Affairs.

Involvement of NGOs in the actual implementation process is one unique characteristic of this R&R. Three reputable NGOs based in Mumbai, viz. SIDDHI, SRS, and SPARC, have been assigned for BSES of affected communities. Out of the three NGOs, SRS and SPARC were also involved in preparing Resettlement Implementation Plans (RIPs), and providing implementation support for the entire railway and road project. Preparation of RIPs includes informing communities in issues like resettlement options, alternative locations, site layouts, detailed design of the resettlement tenements (see Figure 3). Prior to the move, this implementation support includes preparation of legal documentation, allotment of dwelling units to individual PAH, public announcement regarding the proposed resettlement, periodic visit to the resettlement site to ensure that the resettlement site and building are developed. During the relocation, it includes transporting the belongings to the resettlement site. After the resettlement, the NGOs will help the communities register cooperative societies, training them to manage the co-operative housing societies' affairs, provide support for employment and deliver compensation. The involvement of these NGOs is aimed at ensuring the process of "community participation" and community organizations such as women's groups, co-operative housing societies, and committees for the CEMP are organized by, or in collaboration with SPARC and SRS.



**Figure 3.** Photograph of a Public Information Center managed by SRS, July 2004.  
(Photograph by the author)

### *Legal Framework*

---

<sup>8</sup> The Project Director has the overall responsibility of implementing R&R component and coordination of Transport projects.

There are four related legislations for R&R Policy and the RAP and the site specific RIP to be developed and executed. The Maharashtra Regional and Town Planning Act, 1966 provides for preparation of Development Plans (Master Plans) that designate land for public purpose. It also provides a statutory framework for formulation and enforcement of Development Control Regulations (DCRs). The land designated by Development Plans can then be acquired through Land Acquisition Act, 1894<sup>9</sup>. The Development Control Regulation for Greater Mumbai, 1991, prepared under Maharashtra Regional and Town Planning Act, 1966, offers an alternative to acquisition under Land Acquisition Act by way of Transfer of Development Rights (TDRs)<sup>10</sup>. In addition, the Maharashtra Co-operative Societies Act, 1960 provides for establishing, registering and administering the co-operative housing societies, which is a common way of owning and maintaining apartment buildings in Mumbai.

### *Rehabilitation Entitlements*

With regard to shelter related entitlement, every eligible household losing a dwelling place will be provided with a flat of 225 sq.ft. at the resettlement site. In addition, those losing a commercial structure will be allotted a place for commercial use of equivalent area. As for compensation, households which have lost access to existing employment will be eligible for the compensation for the permanent loss of employment or extra travel cost. This effect is largely due to the fact that land is often unavailable within Mumbai, and that the resettlement site may not be provided close to the previous settlement. Access to training, employment, and credit is planned to be offered through various government programs and through activities of NGOs.

### **Overview of Implementation Process**

The process of R&R component began in 1995 by establishing a Task Force<sup>11</sup> to formulate R&R Policy. The Task Force considered the Operational Directive 4.30 in respect of Involuntary Resettlement of the World Bank and the legal framework which will be relevant under R&R. Other issues discussed in the Task Force were that the cut-off date will be at the end of BSES, that the resettlement site should not be more than 2 km away from the previous settlement, and that PAHs should get a 225 sq.ft. flat free of cost reflecting the Slum Rehabilitation Scheme<sup>12</sup> (From the author's dialogue with the Director of SRS).

BSES was carried out by SIDDHI, SRS, and SPARC for all the sub-projects from 1996. The main purposes of the BSES were to create a comprehensive database, to organize the communities, and to create the database and community network to decide the entitlements. This survey enabled the

---

<sup>9</sup> This act provides for compulsory acquisition of land for public purposes by paying compensation at the market rate with 30% solatium for the compulsory nature of acquisition and interest at 12% per annum from the date of notification.

<sup>10</sup> The permissible Floor Space Index (FSI) defines the development rights of every parcel of land in Mumbai. If a particular parcel of land is designated for a public purpose, the land owner has an option of 1) accepting monetary compensation under the LA Act, 1894, or 2) accept Transferable Development Rights, which can be sold in the market for use elsewhere in Mumbai.

<sup>11</sup> The Task Force comprised government officials, representatives of project implementation agencies including IR, representatives of NGOs, practicing lawyers and architects and a representative of housing finance institution.

<sup>12</sup> Also referred as the SRA Scheme, this is guideline to offer slum dwellers a free flat of 225 sq.ft. The cost of tenement is cross-subsidized by selling extra flats in the market (see for example, Sanyal and Mukhija 2001, Sukumar 2001, Mukhija 2002, and SRA homepage for more information about this scheme).

assessment of the overall social impact of the project in the planning stage, and to explore alternatives to minimize the adverse social impacts.

The BSES was followed by organizing community groups and preparing site-specific RIPS including the CEMP. The preparation of RIPS includes updating BSES, identifying and selecting of resettlement sites, developing designs for dwelling units and site layout (see Figure 4, 5, and 6), formation of co-operative housing societies of PAHs, and deciding the compensation for the economic losses. In regard to the preparation of CEMP, assessment of the existing environmental conditions<sup>13</sup>, assessment of the environmental conditions and availability of infrastructure at the resettlement site, preparation for a CEMP and training the PAHs through formation of committees to maintain the community environment was carried out at this point.

Dwelling units for the PAHs are provided through three patterns. In the first option, the land is obtained by PMU through TDR or from BMC. The estimated cost of construction under this method is 250,000 (Rs) per dwelling unit. In the second option, the land and dwelling units are provided by inviting bids from the developers against the TDR benefits that would accrue to the developers for the construction area as well. In the third option, dwelling units are constructed by MHADA and the price ranges between 125,000 to 200,000 (Rs) per dwelling unit. The land and buildings will be transferred to the co-operative housing societies of PAHs, which will be responsible for maintaining the buildings and services and payment of taxes and user fees. Individual PAH will have the occupancy rights of the dwelling unit, and will not be able to transfer the one's unit without the approval of the Government and the consent of the co-operative society.



**Figure 4.** Site layout plan for JVLR resettlement site.

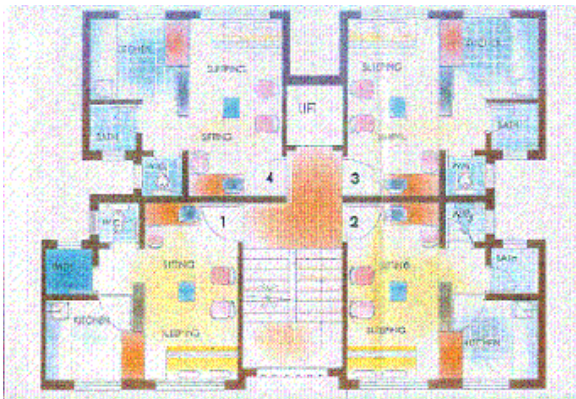
---

<sup>13</sup> Assessment of the existing conditions covers the followings; basic urban environmental infrastructure services, water supply, sanitation, storm water drainage, solid waste collection, environmental factors affecting human health, pollution of air, pollution of water, contamination of land, noise levels, flooding during monsoon, and hazardous industry (MUTP Resettlement Action Plan, p.43).



**Figure 5.** Photograph of JVLR resettlement construction site, July 2004.

(Photograph by the author)



**Figure 6.** Typical floor plan of JVLR resettlement site.

Every eligible household losing a dwelling as well as those losing a commercial structure is allotted an alternate site for dwelling or commercial structure. The resettlement site<sup>14</sup> will include on-site amenities, such as recreational open space, balwadis (kindergartens), water supply, sanitation, and pathways etc., according to the DCRs<sup>15</sup>. Compensation for economic losses is provided to workers/employees who permanently lose their source of livelihood because of displacement and to workers/employees whose travel distance increases in excess of 1 km. Vulnerable households such as women headed households, handicapped and the aged will be provided with an additional package of

<sup>14</sup> Two basic alternatives for the resettlement is identified under R&R Policy, which are “sites and services” and multi-storied tenements. The form of “sites and services” was included as an option under R&R Policy because it was considered suitable and feasible for projects outside Greater Mumbai. However, since most sub-project or MUTP are in Greater Mumbai where land is scarce and PAHs prefer close locations, multi-storied tenements were constructed.

<sup>15</sup> Some of the standards stated in the DCRs are; recreational open space at 15% of the plot area, water supply at 135 liters per capita per day, one balwadi of 225sq. ft. (20.9 sq.m.) for every 100 dwelling units, and minimum width of pathway to be 1.5m (MMRDA 2002a: 26).



rehabilitation services to help them overcome the difficulties caused by the resettlement. Furthermore, a community-operated revolving fund is planned to be created with the assistance of NGOs to provide access to credit for income-generation and other needs<sup>16</sup>.

Out of 19228 PAHs (April 2002)<sup>17</sup>, 10933 PAHs have already been resettled by June 2001 (6901 in transit accommodation and 4032 in permanent dwelling units). The work on construction of about 12000 dwelling units started from October 2002. The entire process of resettlement will be completed by September 2005.

Completion of R&R of PAHs is judged by the physical relocation of all the PAHs from the project sites or transit quarters to permanent accommodation, turning over of land for the infrastructure project, and formation of cooperative housing societies including their PAH members, and transfer of legal tenure of land in the names of the societies. In addition, payment of all kind of monetary compensations and providing community facilities to the remaining population that are lost in the process of resettlement is considered for the completion of the resettlement. The PMU will prepare the quarterly progress reports and furnish them to the PCC, High Power Steering Committee, the IMP and the World Bank. Furthermore, the impact evaluation of R&R will be done by MMRDA in collaboration with SPARC and SRS through regularly monitoring the PAHs' concerns and perceptions<sup>18</sup>.

#### 4. The Gap and the Tensions in IR

I would now like to explore the aspects of the gap within R&R of MUTP as well as the highly possible aspects of the gap which may have occurred or may occur in the future, by utilizing five sets of concepts; maximizing economic development and minimizing displacement, need for infrastructure and lack of IR capacity, increasing lending and strengthening IR policy, control of the project and share of benefit, and inferiority of R&R component. The reason why I am utilizing these concepts to explore the aspects of the gap in this project is because first of all the resettlement has not been completed and because the information to assess and evaluate in detail the outcome of the resettlement is inadequate at this point. Secondly, the author's view towards the issue of the gap is that there are larger forces or factors – summarized by the five sets of concepts above – that prevents or operates in the direction to prevent closing this gap. Therefore, the purpose here is to analyze both the current and possible gap in R&R of MUTP through delineating the complexities or tensions – a situation in which the fact that there are different needs or interests causes difficulties – inherent within formulating IR policy and operating it on the ground.

#### **Maximizing economic development and minimizing displacement**

---

<sup>16</sup> The idea of creating a community-operated fund with the assistance of NGOs which could be linked with community saving programs is stated in the R&R Policy of GoM, RAP, and some RIPs. For example, in the case of RIP of JVLR resettlement, the proposal is that the project contribute 1000 (Rs) per PAH to the revolving fund and this contribution will then be used to leverage other grants and subsidies from schemes of the GoI that deals with urban poverty (MMRDA 2002b).

<sup>17</sup> The exact total number of PAHs tends to change frequently according to the frequent changes made in the transport plan.

<sup>18</sup> The outcomes to be monitored will cover; quality of shelter, status of health, employment and income, access to amenities, participation and community empowerment, and organizational capacities (MMRDA 2002a: 41-2).

The first tension is one that many scholars have mentioned, and can be well illustrated by this picture (see Figure 7). The principle of minimizing the volume of displacement and the principle of maximizing economic development potential, in which the latter is often rationalized by the belief of “the greater good for the greater number,” is a recurrent theme and one of the most dominant tensions in IR. As for the IR in urban areas, promoting urban economic growth can be identified as one of the major causes of displacement, making room for new industrial estates, transportation corridors, economic ancillary activities, or for other infrastructural equipment entailed by economic growth and



**Figure 7.** Photograph of a sign in JVLR, one MUTP settlement site to be relocated, July 2004.  
(Photograph by the author)

population agglomeration (Cernea 1993a). Fernandes and Thukral also describe this tension in the Indian context:

“The first point that emerges out of this [development, displacement and rehabilitation] discussion [...] is that displacement is an offshoot of the present pattern of development. When after a century of colonial occupation the Third World countries attained political independence, their Governments assumed responsibility for economic progress. In this aspiration *for a better tomorrow*, most of them took for granted that the western model was the only one available to them.” (Fernandes and Thukral 1989: 2, emphasis made by the author)

Furthermore, this can be seen in one of the priorities articulated in the Tenth Five Year Plan and Annual Plan 2002-2003 of GoM, which is “[a]ccelerated economic development through infrastructural development (with more private initiative in all possible sectors) ensuring high speed industrial development and creating employment on large scale” (GoM homepage).

Hence, given this pressure toward the direction of promoting economic development, which is inherent in the nature of projects with IR per se, one of the objectives of IR policy, that is, “[i]nvoluntary resettlement should be avoided or minimized if feasible, exploring all viable

alternative project design” (para 3 of the OD 4.30), becomes an immensely difficult task to achieve. This implies that there is a considerable scope in analyzing whether the stakeholders have made the effort to achieve this objective. As for the World Bank, the concern here is whether the Bank has developed a method to ensure that this objective is supervised and achieved on the ground.

### **Need for infrastructure and lack of IR capacity**

The tension above seems to call attention to another complexity within IR. The problem here is that countries which are or are often believed to be in need for large infrastructure for providing clean drinking water, energy for expanding industries, sewage treatments, or irrigation water, etc., often lack the institutional and financial capacity to implement satisfactory IR. Furthermore, they tend to have lower policy standards, as spotlighted by the Narmada Project in India (deWet 2001, Fox 2002). 2001 OP/BP 4.12 seems to be quite ambitious in overcoming this tension, establishing the Resettlement Committee, requiring that a Task Team review resettlement planning and implementation, etc.(see 2) of Table 1). However, the reality is that many of the so-called developing countries face problems unprecedented in many of the developed countries. As for Mumbai, the situation that about half of its population lives in slums, which is remarkable but not so uncommon in the Third World, makes any kind of urban development projects severely difficult and complex. Hence, this tension relates to one of the aspects of the gap identified by the World Bank, i.e. lack of preparation in projects in terms of its legal framework and skill needed to help resettlers and their hosts within the institutions charged with managing resettlement, which often accompanies weak commitment.

There was an attempt to build capacity in order to carry out sufficient R&R in MUTP, whose scale is unprecedented in the state of Maharashtra. In addition, there was no state R&R policy on urban infrastructure development projects. In this aspect, MUTP was successful in forming the Task Force consisting of members from diverse sectors and organizations to prepare a policy framework for R&R. The World Bank played a role in the formulation of the R&R policy through suggesting certain changes to be in compliance with OD 4.30. However, the capacity of recruited NGOs and whether the MMRDA or the World Bank supported the NGOs in terms of their financial and institutional capacity for the project should be further examined. Although SRS and SPARC are among the most reputable NGOs in housing slum dwellers in Mumbai, it is questionable whether their financial and institutional capacity in dealing with over 19000 PAHs and supporting them with income restoration through savings and credits<sup>19</sup> is sufficient.

### **Increasing lending and strengthening IR policy**

Another tension, somewhat parallel to the ones above, can be seen within the objectives of the World Bank. Best put forward by Bruce Rich, the program manager of the Environmental Defense Fund International Program, strengthening its environmental and social policy tends to conflict with the Bank’s main objective, that is, to give out loans to its borrowers. According to Rich, “the key to

---

<sup>19</sup> It is worth mentioning here that many slum dwellers lack access to formal loans or credits. SPARC and SRS collaborate with community-based organizations called Mahila Milan and Mahila Mandal, which are translated as “women’s groups”. Mahila Mandal, which is organized by SRS, collects money for savings from its members and the savings are deposited in a formal bank through SRS staff. Loans from formal banks are also available through SRS staff. Mahila Milan, which is in collaboration with SPARC, also has a similar scheme.

the failure of the Bank's resettlement policy" is that "most Bank projects involving forced relocation would be economically nonviable if the full cost of resettlement and economic rehabilitation of the displaced were included. Governments would not borrow for such projects, exacerbating the Bank's ever-looming quandary of lack of bankable projects and increasing net negative transfers from its borrowers back to Washington" (Rich 1994: 160). Although, as Kardam(1993) has described, the in-house sociologists and anthropologists have sought to fit the environmental and social issues into the goals and procedures of the Bank, its goals to increase profitability as a financial institution, to increase economic growth for developing countries (with reliance on the market mechanism), and its procedural consideration to speed up preparation and approval of loans, still seems to be the constraints on the consideration of these environmental and social issues. There is a considerable scope for examining the recent approval of loan to the Mexican state of Guanajuato without adopting the Bank's environmental and social safeguard policy through this perspective. Furthermore, this "disconnect" between timely approving loans and carefully assessing environmental and social impacts of projects may not only reside in its concepts, but also within its operations, from the fact that Environmental Assessments are often not understood by project implementation staff nor available in project offices (Rich 2002).

This tension, however, can also be observed from a rather different perspective. Strengthening its environmental and social standard too much at the policy level may actually weaken the standard of overall development projects on the ground in Bank's borrower countries. As the Bank put it:

"[...] the Bank has also encountered serious difficulties in dialogues with some Borrowers about adopting domestic resettlement regulations. Advances in instituting policy are always subject to various domestic factors – including financial, institutional, and land-scarcity difficulties that Borrowers themselves are facing – and many commitments made by Borrowers are still to be met." (World Bank 1996: 103)

This illustrates the possibility that the Borrowers may implement through other funding without adopting adequate policy standard instead of borrowing the Bank's loans and adopt its policy. Given that the Bank-funded projects account for some 3 percent of the resettlement caused by dam construction worldwide and for about one percent of the displacements caused by urban and transportation projects in the developing world (World Bank 1996), setting a standard slightly higher than that of the Borrowers' might be more effective to reduce displacements than having the Borrower countries implement projects through their own policies from a broader perspective.

This might be the appropriate concern for the recent Mumbai Urban Infrastructure Project (MUIP) planned to be implemented and completed within three years, whose main objective is to improve road network and efficient traffic dispersal system in Greater Mumbai (MMRDA MUIP homepage). Financed entirely by various government agencies, 35000 slum families are being affected by this project, much greater than those of MUTP (19000 project affected households) (MMRDA MUIP homepage). The whole planning process of MUIP has taken place from November 2003 and will commence from October 2004, which is extremely shorter than the preparation done for MUTP, and resettling about half of 35000 families by 2006 without much detailed resettlement plan comparable to the RAP of MUTP, seems to highlight this concern.

This tension relates with two of the aspects of the gap identified by the World Bank. The first one is the unsatisfactory Bank performance, resulting from lack of attention to resettlement during implementation and supervision and lack of commitment by task managers. This is from the fact that the Bank's basic objective as a financial institution trying to increase its lending and speeding up its procedures tends to diminish the importance of environmental and social issues as mentioned above. This creates the potential to cause lack of monitoring and supervision, and commitment by task managers during the implementation of projects. As for MUTP, three NGOs claimed that the Bank did not disclose information to them, and that "[d]ue to negligence by the Bank in disclosure of information and denial of our rights to participation and consultation, we [the NGOs] were not able to put forth our such suggestions in the interest of affected public at large to resettle us in the nearby area in accordance with the criteria of the state government to rehabilitate PAPs to the nearest possible open plots of land" (Inspection Panel 2004). Furthermore, they claim that the Bank has failed to supervise the design of the resettlement plan, and that the Public Information Center is in poor condition and they "always found it vacant with no attendant present to provide any sort of information" (ibid).

The second is lack of preparation in terms of its legal framework and skill needed to help resettlers and their hosts within the institutions charged with managing resettlement, which often accompanies weak commitment. Too much gap between the current national policies and institutional and financial capacity of the Borrowers and the Bank's IR policy standard potentially causes weak commitment of the Borrower, leading to lack of preparation for IR. The required level of income restoration and compensation under the Bank's IR policy are often expensive to the Borrowers, and therefore the Borrowers are often reluctant in borrowing the Bank's loan as seen above.

### **Control of project and share of benefit among the stakeholders**

The fourth tension somewhat related to the first (i.e. minimizing displacement and maximizing economic development) is about the problem of the distribution of benefits or the "share of the pie," as well as the distribution of control over projects. deWet articulates this tension when he attempted to answer a similar question, that is, "can everybody win?" in development projects:

"It is not always the case that it is in the perceived interest of either of these parties (that is, funders and borrowers) to undertake resettlement properly [...]. This requires much more flexibility with regard to everything: negotiation around the nature of the project, and its resettlement component, planning, implementation, and crucially, time and budget frames. [...] But the problem is that the authorities and the funders will to a considerable degree have to let go of the control of the project." (deWet 2001: 4644)

Briefly, in regard to IR policy and implementation, the World Bank and the Borrowers are challenging to give away their control over the project. As we can see from many key aspects of the "gap" (such as 1), 2), and 4) of Table 1), 2001 OP/BP 4.12 ambitiously sought to overcome the tendency which the Bank and the Borrowers maintain their influence over the project.

This tension seems to be the affecting many aspects of the gap. The first aspect of the gap in relationship with this tension is unsatisfactory income restoration. In MUTP, Sheela Patel, Celine d'Cruz, and Sundar Burra state from their experience as representatives of SPARC in resettling the

slums along railways that this resettlement scheme is “unusual,” since “it did not impoverish those who moved” (Patel, d’Cruz, and Burra 2002). However, some of the problems that they cited are PAHs being resettled far from their previous settlement, which means extra costs in time and railway fares to work and fewer work opportunities for women who used to work as maids in their old location within walkable distance to middle-class areas. In addition, schools in the new location were unable to expand to cope with the increased population of children of school age, and hence many of them still go to previous schools. They also highlight the difficulties in gaining access to hospitals and postal services, telephones, and regular garbage collection services from the municipal authorities.

The second aspect of the gap – lack of resources provided through compensation provisions – is seen from the recent request of an inspection to the Inspection Panel of the World Bank by three NGOs in Mumbai (Inspection Panel 2004). The claimed in the request that the relocation land is degraded environment and unsuitable for relocation, and that the place allocated for resettlement is “considered amongst the highest polluted areas in the Mumbai city and it is near [a] dumping ground spread across 110 Hectares of land” (ibid).

Thirdly, the World Bank and the Borrowers’ control of the project against the PAHs deeply affects lack of adequate participation in the resettlement process by the affected and the host communities. The three NGOs mentioned above also revealed that their rights to participation and consultation were completely denied and that they were “not provided with an opportunity” to offer their suggestions, which may have reduced the number of PAPs (ibid). Lastly, this tension affects lack of overall financial resources earmarked for resettlement, results from underestimation of the volume of displaced persons and from not including the full cost of resettlement in the economic and financial assessment of the overall project. This aspect of the gap has not been identified by the author in R&R of MUTP, however, there is room for further investigation in this perspective.

### **Inferiority of R&R component**

The problem with issues in IR, such as the R&R of MUTP, is that once the project as a whole has been undertaken, the IR component does not have the flexibility to redesign its plan. Once the project has started, IR is always subject to what the main component implements, whether that is the frequent change in the road alignment or the release of water by a dam (see Figure 8). In this sense, the IR component is powerless within a project by its nature.



**Figure 8.** Photograph of Narmada, India.  
(Source: IRN India homepage)

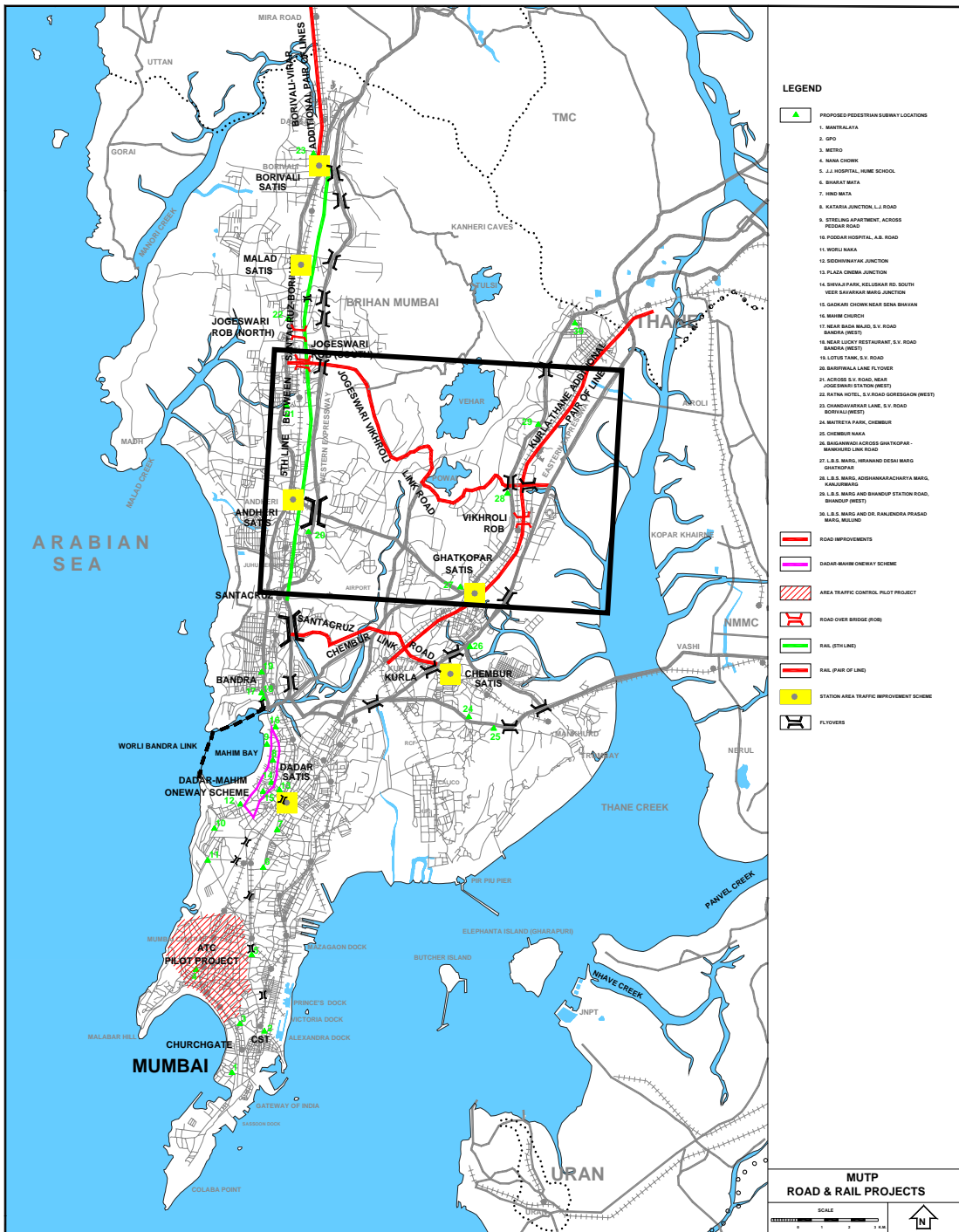
As for the implementation period of MUTP, this tension causes some of the aspects of the gap, which is lack of preparation for resettlement. One of the most critical factors that significantly affect the outcome of R&R is the frequent change of road alignment in Jogeshwari-Vikhroli Link Road (JVLR)<sup>20</sup>(see Figure 9,10, and 11). The road alignment of a road widening plan has change from the initial 30m width during BSES to 35m in year 2000, and eventually to 45m in 2002. Furthermore, the road alignment was shifted sideways after widening it to 45m in 2004. The main influence by this tension, first of all, was obviously the overload of work on NGOs. The change in the road alignment mentioned above made SRS – one of the NGOs supporting its implementation – go over the process of counting and numbering affected structures and distributing ID cards each time the alignment was changed, which was an overload of work for an organization limited in financial and human resources.

In addition, the PMU demanded SRS to form co-operative housing societies from the nearest to the road to the farthest, therefore breaking up the existent community structure even further than just resettling itself<sup>21</sup>. Although 2001 OP 4.12 clarified that “patterns of community organization appropriate to the new circumstances are based on choices made by the displaced persons” (World Bank 2001b), R&R in MUTP adopting 1990 OD 4.30 was not successful in reflecting the PAHs preference in forming co-op housing societies, which may affect their income restoration in a longer perspective. Thus, the nature of participation could be severely affected by the fact that IR component is subject to the main component of a project.

---

<sup>20</sup> Some of the social, economic, and environmental characteristics of the settlements along JVLR identified by BSES in 1995-6 and updated in 1999 are; literacy-above the age of 6 years old is 63%, average monthly household incomes is 2552 (Rs), percentage of household below poverty line (Rs. 2500 household income per month) was 24.5%, access to public toilets is 49% and toilets not available is 51%, access to occasional solid waste collection is 42% and those not available is 53% (MMRDA 2002a).

<sup>21</sup> From the author’s personal dialogue with the director of SRS in July 2004.



**Figure 9.** Map indicating MUTP rail and road projects in Greater Mumbai. (Source: MMRDA 2001)





**Figure 10.** Enlarged map of JVL R.



**Figure 11.** Photograph of JVL R project site, July 2004.  
(Photograph by the author)

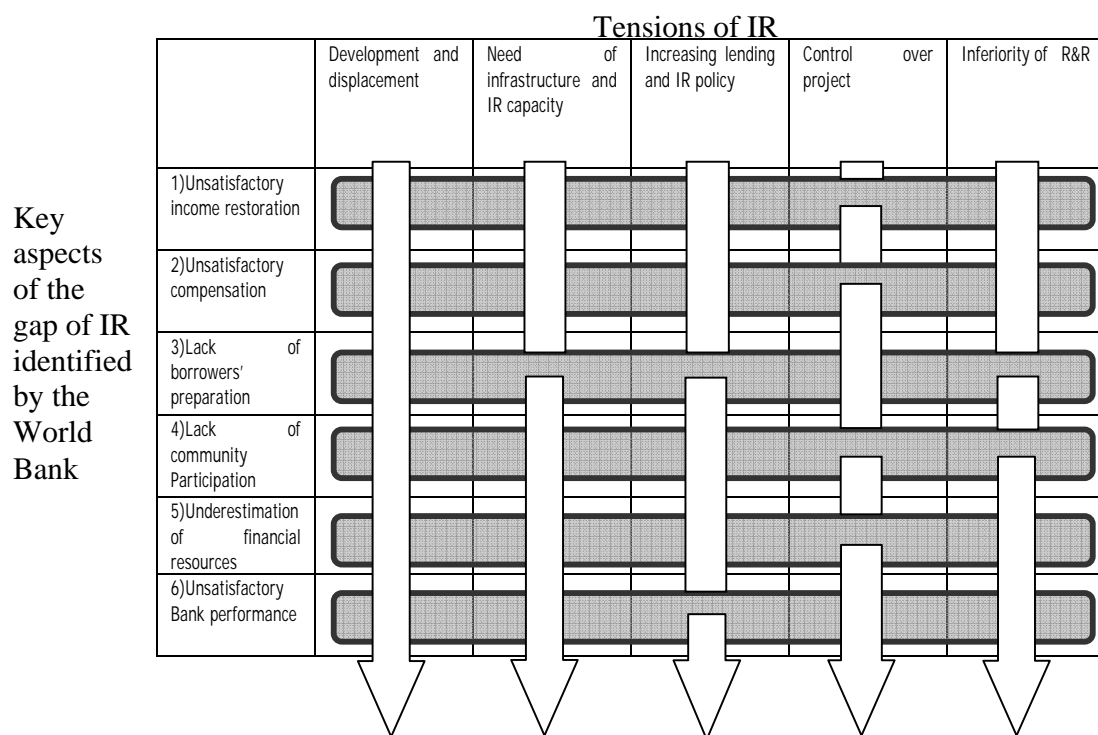
## 5. Conclusion

The attempt of this paper was to locate the R&R of MUTP in the context of the World Bank's IR policy with regard to the gap between the standard required at the policy level and how the project is implemented on the ground. This paper also went deeper in describing some of the major complexities related to the occurrence of the gap, offering a broader view in observing the nature of IR.

It is worthwhile mentioning here that the author avoided employing the "Impoverishment Risks and Reconstruction Model" (Cernea 2002) for a considerable reason, which seems to be prevailing in IR studies. This model, which "focuses on the social and economic content of both segments of the process: the forced displacement and the reestablishment" (ibid: 18), is aimed at identifying, and thus predicting the displacement risk such as landlessness, joblessness, and/or homelessness. It then

attempts to investigate strategies to prevent and reconstruct the impoverishment caused by these risks, for example, land-based resettlement for landlessness or reemployment for joblessness. However, the author’s point of view is that identifying risks in terms of landlessness, homelessness, and/or joblessness is too obvious, superficial, and technical, and that one should investigate the broader forces which often prevent these risks to be avoided or satisfactorily reconstructed, as Albert Einstein have said, “no problem can be solved from the same consciousness that created it.”

The summary of the analysis in this paper is given in Figure 12. The tension or force which is relevant to or promotes a certain “gap” is expressed as an arrow penetrating that key aspect of the gap.



**Figure 12.** Relationship between key gap aspects noted by the World Bank and the tensions of IR.  
(by the author)

Three points seem to be critical here. First of all, by contrasting the Table 1 and Figure 12, one can notice that although underestimation of the cost for resettlement was often cited and is pressured by political control over the project, 2001 OP 4.12 failed to specify any method or procedure to assure adequate financial resources. Secondly, neither the Bank’s review by the Environment Department or the OMP does not take in to account the prevailing tension between minimizing displacement and maximizing economic development potential. Although the 2001 OP 4.12 states that “[i]nvoluntary resettlement should be avoided if feasible, or minimized, exploring all viable alternative project design” (para 2 in the OP 4.12) as one of its primary objectives in IR policy, it

lacks concrete method or procedure to assure this. Thirdly, securing the PAPs' control over the project from the initial period of projects to assure sufficient budget and designing process to minimize PAPs as well as to provide adequate compensation seems to be crucial for the overall improvement of IR quality.

The analysis in this paper also clarifies the apparent negative outcomes or factors that will lead to negative outcomes and suggests the factors that would possibly lead to unsatisfactory outcomes. The apparent factors which will lead to negative outcomes were 1) unsatisfactory Bank performance in supervising the implementation of R&R, 2) resettlement site being very far from the previous settlement and thus affecting their income restoration, 3) unsatisfactory mechanism for community participation to reflect their ideas in the design of the project, and 4) insufficient capacity building and overload of work on NGOs supporting the implementation of R&R. The possibilities of further investigation and evaluation are 1) whether the effort was made by the stakeholders to minimize displacement, 2) whether there was adequate preparation by the borrower for R&R, 3) whether the overall financial resources were earmarked for resettlement, and 4) whether income restoration of the PAHs, which may possibly occur from the negative factors above, is successfully achieved.

Furthermore, it is crucial to investigate the nature of R&R of MUTP within the context of slum housing policies of Mumbai. The Time of India announced that the Slum Rehabilitation Authority gave the green signal for a project to rehouse 20000 slum families under the SRA scheme on a plot of land which failed to meet the guidelines framed by the World Bank for resettling slum dwellers evicted for MUTP. The land got 8 out of 20 points, which took into consideration the distance of the plot from the nearest railway station, its accessibility, the conditions on the site and quality of the infrastructure, when the qualifying mark was 14 (The Times of India, December 17, 2002). This interface implies the importance of locating R&R of MUTP and furthermore IR in urban areas in general in the context of slum upgrading and policies within the city where the project is implemented.

## References

Bank Information Center USA immediate release homepage.

([http://www.bicusa.org/bicusa/issues/safeguard\\_policies\\_at\\_the\\_world\\_bank/1417.php](http://www.bicusa.org/bicusa/issues/safeguard_policies_at_the_world_bank/1417.php))

Bank Information Center USA protest letter homepage.

([http://www.bicusa.org/bicusa/issues/safeguard\\_policies\\_at\\_the\\_world\\_bank/1469.php](http://www.bicusa.org/bicusa/issues/safeguard_policies_at_the_world_bank/1469.php))

Cernea, Michael M.

(1988) *Involuntary Resettlement in Development Projects: policy guidelines in World Bank financed projects*, World Bank Technical Paper No. 80, Washington, D.C.

(1993a) *The Urban Environment and Population Relocation*, World Bank Discussion Papers.

(1993b) "Anthropological and sociological research for policy development on population resettlement," in Cernea, Michael M. and S. Guggenheim, *Anthropological Approaches to Involuntary Resettlement: theory, policy and practice*, Boulder, CO: Westview Press, pp. 13-38.

(2002) "Risks, safeguards, and reconstruction: a model for population displacement and resettlement," in Cernea, Michael, M. and C. McDowell (edt), *Risks and Reconstruction: experiences of resettlers and refugees*, Washington, D.C., World Bank, pp. 11-55.

Cernea, Michael M. and C. McDowell (edt) (2000) *Risks and Reconstruction: experiences of resettlers and refugees*, Washington, D.C., World Bank.

Cernea, Michael M. and S. Guggenheim (1993) *Anthropological Approaches to Involuntary Resettlement: theory, policy and practice*, Boulder, CO: Westview Press.

deWet, C. (2001) "Economic development and population displacement; can everybody win?," in *Economic and Political Weekly*, December 15, pp.4637-46.

Fernandes, Walter and Enakshi Ganguly Thukral (1989) "Introduction: questions on development, displacement and rehabilitation," in Fernandes, Walter and Enakshi Ganguly Thukral(edts), *Development, displacement, and rehabilitation : issues for a national debate*, New Delhi : Indian Social Institute, pp.1-10.

Fernandes, Walter and Enakshi Ganguly Thukral (edts) (1989) *Development, displacement, and rehabilitation : issues for a national debate*, New Delhi : Indian Social Institute.

Fox, J. (2002) "The World Bank Inspection Panel and the limits of accountability," in Pincus J. and Jeffrey Winter (eds), *Reinventing the World Bank*, Cornell University Press, pp. 131-63.

Government of Maharashtra homepage. (<http://www.maharashtra.gov.in/pdf/tenthPlan/Chapter1.pdf>)

Guggenheim, A. and M. Cernea (1993) "Anthropological approaches to involuntary resettlement: policy, practice, and theory," in Cernea, Michael M. and S. Guggenheim, *Anthropological Approaches to Involuntary Resettlement: theory, policy and practice*, Boulder, CO: Westview Press. pp. 1-12.

Hansen, Art and Anthony Oliver-Smith. (edited) (1982) *Involuntary Migration and Resettlement: the problems and responses of dislocated people*, Boulder, Colo. : Westview Press.

Indian Urban Information Resource Center homepage. (<http://www.indiaurbaninfo.com/niua/table/table6.htm>)

Inspection Panel, World Bank (2004) "Request for Inspection: India-MUTP-Gazi Nagar," Notice of Registration, June 29, 2004.

- International Rivers Network homepage. ([http://www.irn.org/programs/finance/irn\\_wb\\_critique.pdf](http://www.irn.org/programs/finance/irn_wb_critique.pdf))
- International Rivers Network India homepage. (<http://www.irn.org/programs/india/>)
- Kardam, Nüket (1993) "Development approaches and the role of policy advocacy: the case of the World Bank," *World Development*, Volume 21, Issue 11, November 1993, pp. 1773-86.
- MMRDA homepage. ([http://www.mmrda.mumbai.org/basic\\_map.htm](http://www.mmrda.mumbai.org/basic_map.htm))
- MMRDA MUIP homepage. ([http://www.mmrda.mumbai.org/projects\\_muip.htm](http://www.mmrda.mumbai.org/projects_muip.htm))
- MMRDA
- (2001) *MUTP Consolidated Environmental Assessment Executive Summary*, November 2001.
- (2002a) *MUTP Resettlement Action Plan*, April 2002.
- (2002b) *MUTP Resettlement Implementation Plan and Community Environmental Management Plan (Jogeshwari-Vikroli Link Road) Volume 1*, April 2002.
- Mukhija, Vinit (2002) "An analytical framework for urban upgrading: property rights, property values and physical attributes," *Habitat International* 26, pp. 553-70.
- Oliver-Smith, A. and A. Hansen (1982) "Involuntary Migration and Resettlement: Causes and Contexts," in Hansen, in Art and Anthony Oliver-Smith. (ed) *Involuntary Migration and Resettlement: the problems and responses of dislocated people*, Boulder, Colo.: Westview Press, pp.1-12.
- Operations Evaluation Department, World Bank (1998) *Recent Experience with Involuntary Resettlement*, Report No. 17540. ([http://www-wds.worldbank.org/servlet/WDSContentServer/WDSP/IB/1998/06/02/000009265\\_3980716170213/Rendered/PDF/multi\\_page.pdf](http://www-wds.worldbank.org/servlet/WDSContentServer/WDSP/IB/1998/06/02/000009265_3980716170213/Rendered/PDF/multi_page.pdf))
- Patel, Sheela, Celine d' Cruz and Sundar Burra (2002) "Beyond evictions in a global city: people-managed resettlement in Mumbai," in *Environment and Urbanization*, Vol.14, No.1, April 2002, pp. 159-72.
- Pincus J. and Jeffrey Winter (eds) (2002) *Reinventing the World Bank*, Cornell University Press.
- Rich, Bruce
- (1994) *Mortgaging the Earth: the World Bank environmental impoverishment and the crisis of development*, Boston, Beacon Press.
- (2002) "The World Bank under James Wolfensohn," in Pincus J. and Jeffrey Winter (eds), *Reinventing the World Bank*, Cornell University Press, pp.26-53.
- Sanyal, Bishwapriya and Vinit Mukhija (2001) "Institutional pluralism and housing delivery: a case of unforeseen conflicts in Mumbai, India," in *World Development*, Vol. 29, No. 12, pp. 2043-57.
- SRA homepage. (<http://www.sra.gov.in/>)
- Sukumar, G. (2001) "Institutional potential of housing cooperatives for low-income households: the case of India," in *Habitat International* 25, pp. 147-74.
- The Times of India
- (2002) Nauzer Bharucha. "Land for slum resettlement had failed WB guidelines", December 17, 2002.
- World Bank.

- (1990) "Involuntary Resettlement." Operational Directives. 4.30.  
([http://ifcln1.ifc.org/ifcext/enviro.nsf/Content/ESRP%5C\\$FILE%5COD430\\_InvoluntaryResettlement.pdf](http://ifcln1.ifc.org/ifcext/enviro.nsf/Content/ESRP%5C$FILE%5COD430_InvoluntaryResettlement.pdf)  
)
- (1996) *Resettlement and Development: the Bankwide review of projects involving involuntary resettlement 1986-1993*, Environment Department, World Bank, Washington, D.C.  
([http://www-wds.worldbank.org/servlet/WDSContentServer/WDSP/IB/1996/03/01/000009265\\_3980728143956/Rendered/PDF/multi\\_page.pdf](http://www-wds.worldbank.org/servlet/WDSContentServer/WDSP/IB/1996/03/01/000009265_3980728143956/Rendered/PDF/multi_page.pdf))
- (2001a) "Involuntary Resettlement," Bank Procedures. 4.12.  
(<http://wbIn0018.worldbank.org/Institutional/Manuals/OpManual.nsf/toc2/19036F316CAFA52685256B190080B90A?OpenDocument>)
- (2001b) "Involuntary Resettlement," Operational Policies 4.12.  
(<http://wbIn0018.worldbank.org/Institutional/Manuals/OpManual.nsf/tocall/227908E400B88C4585256E8B00026E4E?OpenDocument>)
- (2001c) "Involuntary Resettlement," Operational Policies 4.12 Annex.  
(<http://wbIn0018.worldbank.org/Institutional/Manuals/OpManual.nsf/whatnewvirt/46FC304892280AB785256B19008197F8?OpenDocument>)
- (2002a) *MUTP Project Appraisal Document*, May 2002.
- (2002b) *MUTP Project Information Document*, May 2002.
- (2004) *Involuntary Resettlement: planning and implementation in development projects*, Washington D.C.,  
World Bank.