

World Bank's Probe on Amaravati

Why in news?

\n\n

World Bank panel seeks 6 months to decide whether a probe is required or not in Amaravati plan.

\n\n

What is Amaravati?

\n\n

\n

- Amaravati, is the proposed capital of Andhra Pradesh, it is envisioned to be a city of world-class standards.
- The planned city is located on the southern banks of the Krishna River in Guntur district.
 - ∖n
- The word "Amaravati" derives its name from the historical Amaravathi Temple town, the ancient capital of the Telugu Rulers of the Satavahana dynasty

\n

- The Andhra Pradesh Capital Region Development Authority (APCRDA) is the body which runs the project. $$\n$
- The Land Pooling scheme was adopted by CRDA which is consider to be the largest and the most successful of its kind in India. \n

\n\n



\n\n

What is the financing mechanism for this project?

\n\n

∖n

- The AP government is expecting \$300-million loan from the World Bank for Amaravati Sustainable Capital City Development.
- The total financing for the projectis \$715 million, of which the World Bank lending is proposed to be \$300 million. \n
- Which is through an IBRD(International Bank for Reconstruction and Development)investment project financing loan.
- The State government has so far pooled over 33,000 acres from farmers for construction of thenew capital under different categories of agreements. \n
- The Bank's financing is planned to be used within the 217 sq km area designated for the development of Amaravati Capital City. \n

\n\n

What is the probe about?

\n\n

\n

 \bullet Farmers of the region complained to the World Bank in September this year,who alleged that they were forced to part with their land. \n

• They also claimed harmfrom a land pooling scheme (LPS) being implemented to assemble the land required for the city, aswell as from other project activities.

\n

- Due to this complaints World Bank inspection panel, had recommended a probe into the charges of forcible land pooling against the Andhra Pradesh government.
- It recommended an investigation into the alleged issues of harm andrelated potential noncompliance with bank policies, especially relating to involuntary resettlement.

\n

- Now it has sought six months' time to decide if a probe is required or not. \n
- The decision deferredbased on the discussion with panel and the proposed actions.

\n

\n\n

Source: Business Line, Business standard

\n

