

 Early Warning System

EIB-20140329

LUCKNOW METRO RAIL PROJECT



Quick Facts

Countries	India
Specific Location	Lucknow, Uttar Pradesh
Financial Institutions	European Investment Bank (EIB)
Status	Approved
Bank Risk Rating	U
Voting Date	2016-03-30
Borrower	LUCKNOW METRO RAIL CORPORATION LTD
Sectors	Construction, Education and Health, Infrastructure, Transport
Potential Rights Impacts	Cultural Rights, Healthy Environment, Housing & Property, Labor & Livelihood, Right to Health
Investment Type(s)	Loan
Investment Amount (USD)	\$ 550.69 million
Project Cost (USD)	\$ 1,118.51 million



Project Description

Project Summary: Two metro rail corridors, funded by the European Investment Bank, have been proposed by the Lucknow Metro Rail Corporation to support Lucknow's public transport system. These include the construction of the rail tracks, stations, two depots and at least two substations. The two corridors identified and approved are: a) The North-South Corridor starting from the Chaudhary Charan Singh Airport and ending at Munshipulia, via Sachivalaya, Hazratganj, IT College Junction, Indira Nagar. This Corridor extends across a length of 22.878 kms. (22 stations-3 underground and 19 elevated). A priority section of 8.5 kms, has also been identified across this stretch; b) The East-West Corridor starting at the Lucknow Railway Station and ending at Vasant Kunj, passing through Lucknow City Railway Station, Balaganj and Musabagh. This Corridor comprises 12 stations-7 underground and 5 elevated for a distance of 11.098 kms. Apart from the two metro corridors, the project also entails a purchase of 80 metro cars.

Location: Lucknow, Uttar Pradesh-India

Resources needed: A total of 65.36 hectares of land-of which 57.04 hectares will be government owned and 8.32 hectares privately owned (permanent acquisition), a total of 11.20 hectares of land-of which 6.38 hectares will be government owned and 4.82 hectares privately owned (temporary acquisition); displacement of approximately 110 households; felling of trees for constructing stations and depots (a total of 1181 trees across the North-South Corridor) etc.

Project Number: 20140329

Risk Category: At the time of writing, the project documents do not specify the project risk category.

As background, the European Investment Bank screens proposed projects into four categories based on the guidelines of the EU Environmental Impact Assessment Directive:

Cat. A - those for which an EIA is mandatory (Annex 1 of the Directive);

Cat. B - those for which the competent authority determines the need for an EIA according to specified criteria (Annex II of the Directive, with ref. to Annex III);

Cat. C - for which a limited environmental assessment, if any, is required according to any likely adverse environmental impacts of the project (projects outside the scope of the Directive);

Cat. D - no environmental assessment required.



Early Warning System Project Analysis

APPLICABLE SOCIAL & ENVIRONMENTAL STANDARDS

This section sets out the social and environmental standards triggered by the project, in accordance with the bank's own assessments. At the time of writing, the EIB website and documents do not make clear the specific environmental and social standards that apply to this project. Nonetheless, the following legislation and EIB standards should apply:

Applicable National Environmental Legislations - As per provisions of the Environmental Impact Assessment Notification-2006, any new project or the expansion or modernization of any existing industry or project listed in Schedule I of the Notification shall be submitted for clearance to the Ministry of Environment and Forests (MOEF), Government of India. Since metro rail projects are not included in Schedule I of the Notification, the project does not require an environmental clearance certificate from the MOEF nor a related Environmental Impact Assessment procedure. This conclusion was confirmed in writing by MOEF in September 2013 for this specific project.

Applicable International and Regional Environmental Treaties and Conventions -

Applicable/Negotiated Higher European Union Standards -

Involuntary Resettlement (Domestic Legislation)– The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (No. 30 of 2013).

Involuntary Resettlement (European Investment Bank)– European Investment Bank Standard No. 6

Indigenous People and Other Vulnerable Groups

ILO Core Labour Standards

Occupational, Community Health and Safety -

Physical Cultural Resources - triggered “because of the project’s potential to affect archaeological or cultural or religious sites.

OUR RISK ASSESSMENT

As noted above, information about the project, the applicable bank policies, and the environmental and social impacts was limited at the time of disclosure. However, based on documents made available by the European Investment Bank’s project, this project poses potential risks to the following human rights:

The Right to a Healthy Environment

Potential harmful impacts identified in bank documents include: air pollution caused by emissions from construction equipment, heavy machinery and vehicles, dust generation during excavation and transportation; problem of excavated soil storage, transportation and disposal; polluting runoff generated by the material intensive processes (steel, cement, sand, microsilica corniche, aggregates etc.); hazardous oil spillages while changing lubricants, cleaning and repair process especially at the depot-cum-workshops; noise pollution including vibrations (from concrete structures) during construction, (airborne noise and vibrations radiated from elevated structures and ground-borne noise and vibrations) during the operation of the metro and at the workshops; solid waste generation including sludge; deforestation involving the felling of 1181 trees for the North-South Corridor, with 968 trees being lost in the priority section.

Right to Health

Following from the environmental pollution and the deforestation potential of the project (as discussed above), multiple health, quality of life issues and rights challenges are foreseeable-affecting not only the local residents but also commuters during both, the construction and operation phase. The project is expected to significantly impact access to uninterrupted water supply. The alignment of the tracks crosses river systems, drains/nalas, a large number of surface, sub-surface public utility services, such as, sewers, storm water drains, telephone and electricity lines etc. Each of these may potentially contaminate or



Investment Description

- European Investment Bank (EIB)

Bank financing: The European Investment Bank

Borrower: Lucknow Metro Rail Corporation

Amount of bank loan or investment: EUR 450 million

Total project cost: EUR 914 million



Contact Information

No contact information provided at the time of disclosure

ACCOUNTABILITY MECHANISM OF EIB

The EIB Complaints Mechanism is designed to facilitate and handle complaints against the EIB by individuals, organizations or corporations affected by EIB activities. When exercising the right to lodge a complaint against the EIB, any member of the public has access to a two-tier procedure, one internal - the Complaints Mechanism Office - and one external - the European Ombudsman. A complaint can be lodged via a written communication addressed to the Secretary General of the EIB, via email to the dedicated email address complaints@eib.org, by completing the online complaint form available at the following address: <http://www.eib.org/complaints/form>, via fax or delivered directly to the EIB Complaints Mechanism Division, any EIB local representation office or any EIB staff. For further details, check:

http://www.eib.org/attachments/strategies/complaints_mechanism_policy_en.pdf

When dissatisfied with a complaint to the EIB Complaints Mechanism, citizens can then turn towards the European Ombudsman. A memorandum of Understanding has been signed between the EIB and the European Ombudsman establishes that citizens (even outside of the EU if the Ombudsman finds their complaint justified) can turn towards the Ombudsman on issues related to 'maladministration' by the EIB. Note that before going to the Ombudsman, an attempt must be made to resolve the case by contacting the EIB. In addition, the complaint must be made within two years of the date when the facts on which your complaint is based became known to you. You can write to the Ombudsman in any of the languages of the European Union. Additional details, including filing requirements and complaint forms, are available at:

<http://www.ombudsman.europa.eu/atyourservice/interactiveguide.faces>

CONTACTS



Bank Documents

- [EIB Project Page](#)
- [Environmental and Social Data Sheet](#) [Original Source]
- [Environmental and Social Impact Assessment \(ESIA\)](#) [Original Source]