

COMPLAINTS MECHANISM

SG/E/2022/06

BANGALORE METRO RAIL PROJECT — LINE 6 (INDIA)

INITIAL ASSESSMENT REPORT

14 JULY 2022



SG/E/2022/06

Bangalore Metro Rail Project — Line 6 (India) Initial Assessment Report

Complaint confidential: No

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Complainants
Promoter

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Inspector General
Relevant EIB project team

Disclaimer

This report is based on the information available to the EIB Group Complaints Mechanism up to 3 June 2022.

The EIB Group Complaints Mechanism

The EIB Group Complaints Mechanism is a tool enabling the resolution of disputes if any member of the public feels that the European Investment Bank (EIB) might have done something wrong, i.e. if it has committed an act of maladministration. The Complaints Mechanism is not a legal enforcement mechanism and will not substitute the judgement of competent judicial authorities.

Maladministration means poor or failed administration. It occurs when the EIB fails to act in accordance with a rule or principle that is binding upon it, including its own policies, standards and procedures. The concept of maladministration includes failure by the EIB to comply with human rights, applicable law, or the principles of good administration. Maladministration may relate to the EIB Group's decisions, actions or omissions and may include the environmental or social impact of the EIB's projects and operations.

One of the main objectives of the EIB Group Complaints Mechanism is to ensure the right to be heard and the right to complain. For more information on the EIB Group Complaints Mechanism please visit: <https://www.eib.org/en/about/accountability/complaints/index.htm>.

The initial assessment report

The initial assessment generally aims to¹:

- Clarify the concerns raised by the complainants and gain a better understanding of the complainants' position as well as the views of other stakeholders (such as the project promoter and national authorities).
- Understand the validity of the concerns raised.
- Assess whether and how the stakeholders (e.g., the complainants, the relevant EIB Group services and the project promoter) can seek resolution of the issues raised by the complainants.
- Determine if further work by the Complaints Mechanism is necessary and/or possible (investigation, compliance review or mediation between the parties) to address the allegation or resolve the issues raised by the complainants.

¹ As outlined in article 2.2.1 of the EIB Group Complaints Mechanism Procedures, available at: [EIB Group Complaints Mechanism Procedures](#).

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1 PROJECT

- 1.1 The Bangalore metro rail project (line 6) concerns the construction of an approximately 22 km long metro line with 18 stations and the related purchase of a fleet of about 96 metro cars in the city of Bengaluru, in the state of Karnataka in southern India². The EIB is providing an investment loan of up to €500 million for the project. The loan to the Republic of India was approved by the EIB's Board of Directors in July 2017. The project is being implemented by the Bangalore Metro Rail Corporation Limited (the promoter or BMRCL), a joint venture of the Government of India and the Government of Karnataka³.

2 COMPLAINT

- 2.1 On 24 March 2022, the EIB Group Complaints Mechanism (the Complaints Mechanism) received a complaint regarding the project. Growthwatch⁴, a voluntary research and advocacy institution based in India, is representing and supporting a group of affected students who studied at the Technical Training Centre for the Deaf (TTCD) in Bengaluru. The TTCD was demolished in 2019 for the construction of an underground station that forms part of the project (see further background in section 5 below).
- 2.2 Growthwatch and the Promoter were in contact before the engagement of the Complaints Mechanism and held a meeting at the beginning of February 2022 (see 5.6 below). While the meeting was appreciated by both parties and led to the payment of first stipend for the students, according to Growthwatch, the promoter has not satisfactorily fulfilled the commitments made during the meeting. In particular, Growthwatch raised the following issues:
- i. No training plan has been provided to the students and parents.
 - ii. The training was suspended after just three days on 28 March 2022 while waiting for the results of one of the exams.
 - iii. Inadequate and poor communication protocol.
 - iv. Students have been offered sweatshop jobs before completing their exams, instead of an actual industrial training plan and jobs that correspond to their training.
 - v. The project based grievance redress mechanism is not effective. For instance, initially there was no online form to file a complaint with the grievance redress mechanism. Even when the form became available, the messages were forwarded to the general customer care service for metro passengers.
- 2.3 Growthwatch formulated the following expectations vis-à-vis the promoter in the interest of the students:
- i. Draw up a study plan with inputs from the training partner and share it with the students, parents and Growthwatch.
 - ii. Continue the training in line with the study plan for students until certification.
 - iii. Continue to provide food and accommodation for outstation students.
 - iv. Continue the payment of the stipend for all students.
 - v. Monitor the mental health of the students and provide counselling.
 - vi. Engage with prospective industries/employers for jobs relevant to the students' industrial training after certification.

² <https://www.eib.org/en/projects/pipelines/all/20160816>.

³ <https://english.bmrc.co.in/AboutUs>.

⁴ <https://growth-watch.blogspot.com/>.

- vii. Establish and follow a communication protocol to improve communication with the stakeholders involved.
- viii. Explore the appointment of an alternative training partner.
- ix. Provide reparation in the form of financial compensation to students for the time lost, and the mental and emotional hardships faced by the students and their parents.

3 REGULATORY FRAMEWORK

- 3.1 The Complaints Mechanism policy⁵ and procedures⁶ apply to complaints of alleged maladministration lodged against the EIB Group⁷. Article 5.3.2 of the policy provides that the Complaints Mechanism, in cooperation with relevant internal and external stakeholders, will attempt to resolve problems raised by complainants through a consensual process⁸. The Complaints Mechanism is independent from the EIB's operational activities to ensure that each complaint is dealt with according to the highest standards of objectiveness, and that the interests of all the internal and external stakeholders of the EIB are safeguarded, in accordance with Article 5.1.4 of the policy⁹.
- 3.2 Article 6.2.4 of the Complaints Mechanism policy provides that “[w]henever possible, and giving due consideration to the type of complaint, the Complaints Mechanism establishes a collaborative resolution process with a view to resolving the dispute by (i) achieving a better and common understanding; (ii) improving the degree of trust between the parties and (iii) seeking to identify a common agreed solution”¹⁰. As an independent and impartial entity within the Complaints Mechanism, the Dispute Resolution Unit is in charge of designing and carrying out this collaborative resolution process.
- 3.3 As part of its initial assessment, the Complaints Mechanism identified the regulatory framework which is relevant to this complaint, including:
- i. Laws and regulations to which the borrower, the promoter or the project are subject.
 - ii. The EIB Statement of Environmental and Social Principles and Standards (ESPS)¹¹.
 - iii. The EIB Environmental and Social Standards, as set out in Volume I of the EIB Environmental and Social Handbook¹², in particular: Standard 1 — Assessment and management of environmental and social impacts and risks; Standard 6 — Involuntary resettlement; Standard 7 — Rights and interests of vulnerable groups; Standard 10 — Stakeholder engagement.

4 WORK PERFORMED

- 4.1 Following the admissibility decision on the complaint, the Complaints Mechanism carried out an initial assessment. The initial assessment aims to (i) clarify and understand the concerns raised by the complainants, (ii) understand the complainants' position, and (iii) determine if further work by the Complaints Mechanism is necessary to address the allegations or to resolve the issues raised by the complainants. Such further work may include a compliance review or a collaborative dispute resolution between the complainants and the promoter.

⁵ [EIB Group Complaints Mechanism policy, November 2018.](#)

⁶ [EIB Group Complaints Mechanism procedures, November 2018.](#)

⁷ Article 1.1, [EIB Group Complaints Mechanism policy, November 2018.](#)

⁸ Article 5.3.2, [EIB Group Complaints Mechanism policy, November 2018.](#)

⁹ Article 5.1.4, [EIB Group Complaints Mechanism policy, November 2018.](#)

¹⁰ Article 6.2.4, [EIB Group Complaints Mechanism policy, November 2018.](#)

¹¹ [EIB Statement of Environmental and Social Principles and Standards, 2009.](#)

¹² [EIB Environmental and Social Standards, 2018.](#)

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- 4.2 The Complaints Mechanism had meetings with the EIB project team and reviewed relevant project documents. At the end of April 2022, two officers of the Complaints Mechanism met in person in Bengaluru with a group of students, parents, representatives of Growthwatch and representatives of the promoter (the parties). All parties provided further clarification on the issues raised and the Complaints Mechanism explained the complaint handling procedure and the possibilities for the way forward.

5 INITIAL ASSESSMENT

- 5.1 The Complaints Mechanism gathered from its meetings with the parties and the documents provided that the TTCD was a private industrial training institute affiliated with the national council for vocational training of the Government of India. It contained an industrial training unit for electronics, a garment unit to train students in cutting and tailoring and a mechanical/electrical workshop to train students as fitters and turners. After two years of training, students were eligible for a national trade certificate and placement for an apprenticeship, and later, for permanent government or private sector employment. The TTCD premises comprised (i) a technical training unit, (ii) the main offices and auditorium, and (iii) a hostel block for 40 students from outside Bengaluru.
- 5.2 At the end of 2017, the promoter initiated discussions with the Association of the Deaf of Bengaluru that was operating the TTCD about the need to acquire the land for the construction of an underground station and the potential relocation of the TTCD. In 2019, the association decided to discontinue the activities of the TTCD. This decision appears to have been a voluntary decision by the association.
- 5.3 The demolition of the TTCD building began at the end of November 2019. At that time, 43 students (37 male, six female) were enrolled for the academic year 2018–2020. On 30 November 2019, the promoter organised the transfer of three teachers and all the 43 students to a private educational establishment in Bengaluru, the Ghousia Institute. The TTCD's equipment was donated to the Ghousia Institute. Training classes were conducted at Ghousia Institute from December 2019 till the outbreak of the coronavirus in March 2020, when a nationwide lockdown was imposed. Accommodation was provided to students in the boys' hostel of the Nettur Technical Training Foundation, 16 kilometres away from the Ghousia Institute.
- 5.4 Growthwatch reported about challenges the move to the new location posed to the enrolled student. The commute to Ghousia, for instance, was reportedly challenging for some students, because they were unfamiliar with the city. It is further alleged that the training during the time after the move was intermittent and inadequate. The former TTCD staff did not support the arrangement of moving to Ghousia, because their salary payments were unclear. The students allegedly were left without a trainer who would know sign language or an interpreter. Additionally, to sit their exams, the students required the support and cooperation of TTCD management, who no longer had any official standing. Students thus struggled to get their hall tickets (mandatory documents to sit the exams) and missed one opportunity to sit the exam in November 2020.
- 5.5 Growthwatch met the students for the first time in December 2020. It provided them with support to prepare for the exams taking place in March 2021. In August 2021, it wrote to the Asian Infrastructure Investment Bank, which offered to pass on the students' concerns to the European Investment Bank as co-financier. The promoter reached out to the students directly on 13 September 2021. On 16 September 2021, Growthwatch wrote to the promoter requesting a formal meeting with the students and parents.

- 5.6 In February 2022, Growthwatch and the promoter met and discussed how to address some of the issues encountered by the students.¹³ The parties agreed on the following actions by BMRCL:
- i. To hold a consultation meeting with the parents and students and send the study plan,
 - ii. To organise training with a sign language interpreter,
 - iii. To provide accommodation for outstation students and a monthly stipend for all,
 - iv. To help students in obtaining skilled jobs relevant to their industrial training once they complete their certification.
- 5.7 The Complaints Mechanism notes that the promoter and its social and environmental management unit is taking action to solve the issues encountered by the students, in particular since February 2022. The social and environmental management unit is closely following the students and providing support. Efforts have been made to pay the stipend and identify those students who have not yet been paid. The Complaints Mechanism therefore notes that both parties share the goal to provide to the students the right conditions to prepare for the exams and maximise their chances of obtaining the national trade certificate.
- 5.8 On 4 March 2022, the promoter organized a meeting with the students and parents during which it assured them to provide training, stipend and job opportunities to the students. As of 5 March 2022 training was provided to the students with an interpreter until the exam that took place on 12 March 2022. In March 2022, the promoter started to pay to each student a stipend of INR 2 500 per month for 12 months. The promoter further provides food and accommodation to students that require it and assistance with the job placement. By the end of May 2022, 24 students out of 43 passed their exams and 19 students had one or two exams to take.
- 5.9 The Complaints Mechanism also notes that the EIB project team, in collaboration with the project team of the Asian Infrastructure Investment Bank, has been following up with the promoter on the requests from Growthwatch since January 2022 and encouraged the promoter to contact the students.

6 WAY FORWARD

- 6.1 Building on the previous exchanges between the parties and the achievements reached thus far, the Complaints Mechanism considers that a facilitated dialogue would be beneficial to address the remaining issues encountered by the students in a constructive way. A facilitated dialogue should help to further strengthen communication and collaboration between the parties in their mutual interest of best preparing the students to take the pending exams.
- 6.2 Following the field mission, the Complaints Mechanism had additional calls with the parties to confirm their willingness to engage in a facilitated dialogue. The Complaints Mechanism has agreed with the parties to proceed with a facilitated dialogue. In light of the time sensitiveness of many of the students' concerns, the Complaints Mechanism will coordinate with the parties to design and move forward swiftly with the facilitated dialogue.

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¹³ According to the EIB project team, these issues have not been foreseen in the [Resettlement Action Plan](#).