Panel: Resettlement of Project-Affected-Families: Where are we going?

Organized by: The Energy and Resource Institute (TERI)

An outcome of India’s tryst with development has been the large scale displacement of its population. It is estimated that about sixty millions people, comprising of landowners and those dependent on acquired land for livelihood, have been displaced since Independence. According to Micheal Cernia, the risks most commonly associated with involuntary displacement are landlessness, homelessness, marginalization, joblessness, increased morbidity, food security, loss of access to food security and social disarticulation.

The Land Acquisition Act, 1894, under which land was acquired till 2013, in India, relied heavily on the Doctrine of ‘Eminent Domain,’ using a process shrouded in opacity that denied fair compensation to the land owners, conducted forceful evictions and ignored the need for proper relocation of displaced families or restoration of their livelihoods. This has, over the years, spawned widespread unrest and conflict.

The Sardar Sarovar project, an inter-state project involving Maharashtra, Gujarat, Rajasthan and Madhya Pradesh, was the first instance where a project – specific R&R Policy was framed under The Narmada Water Disputes Tribunal Award, 1978. Clear guidelines were provided with respect to the rehabilitation villages in which the ousted families were to be resettled. Further, irrigable lands and house sites for affected families had to be prepared in advance. The Narmada Control Board (NCB), in 2006 decided to adopt the National Policy on Rehabilitation and Resettlement for Project Affected-Families, 2003, for all its future projects in Narmada Valley. However, the R&R efforts have drawn mixed response in terms of the actual benefits to the displaced.


The first national level rehabilitation policy was made in 2003 - the National Policy on Rehabilitation and Resettlement for Project Affected Families. It provided that if there was a displacement of 500 families or more in the plain areas and 250 families or more in certain specific areas, such as hilly area or those falling under Schedule V and VI of the Constitution, the District Collector would be appointed as an administrator to oversee the preparation and implementation of an adequate rehabilitation plan for project oustees. The Policy favoured consultation with representatives of the PAFs, including women and members of elected Panchayati Raj Institutions within whose jurisdiction the project area was located.

In 2007, the National Rehabilitation and Resettlement Policy was notified by the Ministry of Rural Development. Under this, employment or cash compensation or a one-time cash grant or financial package was available to those whose land was acquired, as decided by state governments. The Policy provided for the assessment of social impacts of the project on communities residing in the affected area and the preparation of a rehabilitation plan by taking into consideration the socio-cultural characteristics of the affected people. The provisions of the National Rehabilitation and Resettlement Policy, 2007 were applicable if a project affected 400 families or more in plains, and 200 or more families in tribal or hilly areas, and certain other specified areas.
R&R policies of state governments and PSU

Several public sector undertakings, state governments and project Authorities had designed their own R&R policies much before the National R&R Policies were framed. For example, the National Thermal Power Corporation (NTPC) developed its R&R Policy in 1983, which was revised in 2017, after adding the benefits mandated under The RFCTLARR Act, 2013. Coal India Ltd (CIL) had formulated its R&R policy in 1994, which was modified in 2012, by inserting the provisions of National Rehabilitation and Resettlement Policy, 2007, and the Land Acquisition Rehabilitation and Resettlement Bill, 2011. Odisha framed the ‘Orissa Resettlement and Rehabilitation Policy’, in 2006, prior to which it responded to problems of displacement through project-specific R&R policies and plans. Haryana formulated a ‘Policy for Rehabilitation and Resettlement of Land Owners-Land Acquisition Oustees’ in 2007.

This policy laid down guidelines for the allotment of plots by the Haryana Urban Development Authority (HUDA) to land losers. The R&R Policy of Jharkhand was prepared in 2007, by incorporating the provisions of the National Rehabilitation and Resettlement Policy, 2007. However, by and large, the R&R planning and execution lacked focus, leading to unsatisfactory outcomes for the affected people. This was a result of various factors – non-involvement of displaced people in the planning and execution process, flawed planning, poor provision of basic amenities such as safe drinking water and sanitation, lack of foresight in the choice of host communities resulting in conflicts, grant of unproductive land at new locations and the challenge of creating income generation activities.

The Right to Fair Compensation and Transparency in Land Acquisition in Rehabilitation and Resettlement (RFCTLARR) Act, 2013

The RFCTLARR Act, that came into force in 2013 sought to create a humane and participative regime of land acquisition in which the PAFs would become partners in development, resulting in an improvement in their socio-economic conditions. The Central Law has provided elaborate safeguards to ensure the satisfactory resettlement of displaced landowners and other affected families, not owning homestead land, but residing in the area for last three years. As per the Second Schedule of the Act, the entitlements include dwelling units, of different specifications in rural and urban areas, land for land in the command area of irrigation projects, offer of 20% of developed land (in case of urbanization projects), subsistence grant of Rs 3000/- per month for a year, transportation cost of Rs 50,000/- and one-time settlement allowance of Rs 50,000/. The Third Schedule has identified a list of 25 infrastructural facilities and public utilities to be arranged at the resettlement site, to ensure a reasonable standard of living for the relocated families.

About the session

The effectiveness of The RFCTLARR Act, 2013 in ensuring that the benefits of development reach the PAFs is contingent on the successful implementation of the various provisions. This, in turn, requires a clear understanding of the roles and responsibilities of the various stakeholders, an identification of the myriad challenges and adoption of suitable plans and strategies to promote beneficial outcomes.

The session seeks to discuss the attributes of the design and implementation framework of a successful resettlement plan. Specifically, the objectives are:

1. Identify the role of PAFs in resettlement plan preparation and execution
2. Understand the challenges faced by Acquiring Bodies in the resettlement process
3. Gain insight into the Project proponent’s conception of best practices in resettlement
4. Acquire knowledge of the current trends in resettlement of PAFs
04-Mar-20  Panel 32: Resettlement of Project-Affected-Families: where are we going?  13.30 - 15.00 Hrs

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<tr>
<td>Mr R R Rashmi, Distinguished Fellow, TERI (Moderator)</td>
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<td>Dr Ashok Dalwai, CEO, National Rainfed Area Authority</td>
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<td>Dr Sanjay Pradhan, Senior Development Specialist, RITES</td>
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<td>Mr Rahmat Masood, PAF of Sardar Sarovar project</td>
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Date and Time: 13:30 – 15:00 p.m. | 4 March 2020
Venue: India International Centre, New Delhi