India’s New Land Acquisition Act
“Right To Fair Compensation and Transparency in Land Acquisition and Rehabilitation and Resettlement Act, 2013”

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Challenging Resettlement (2nd Edition)
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ISSUES IN EARLIER LAND ACQUISITION ACT

This Act came into force from January 01, 2014 replacing Land Acquisition Act of 1894

Issues challenged under 1894 Act

- Public purpose
- Quantum of compensation
- Use of Urgency clause
- Litigations

Contd......
SCENARIO UNDER NEW ACT

- R&R integral part of LA Act
- Expanded categories
- Expanded quantum and benefits in kind
- Increased number of processes
- Expanded number of bodies
- Narrow down of ‘urgency’ acquisition
- Narrow scope of acquisition in Scheduled areas
- Prescribes punishment for wrong doing
Highlights of the Act

- **Public purpose defined**: (i) Defense and Security, (ii) Roads, Railways and Ports, (iii) infrastructure projects; (iv) industrial corridors; (v) Education and, health and recreation facilities; (v) PPP and (vi) private companies for above purposes.

- **Social Impact Assessment**: (i) 6 months’ time frame; (ii) SIA unit; (iii) consultations with local bodies and mandatory public hearing; (iv) Evaluation by Expert Group (whether public purpose serves and social costs and adverse impacts outweigh potential benefits).

- **Requirement of Consent**: Land owner consent of 80% private and 70% for PPP projects; village councils in scheduled areas.
Urgency Acquisition redefined: Natural security/emergences/ Natural calamities (Additional compensation of 75% of market value)

Land Acquisition Process: (i) only after SIA is completed and consent where required ;( ii) Restrictions in acquisition in multi cropped area

Enhanced Compensation: (i) 2 times of market values in urban areas and 2-4 times in rural areas based on distance from urban area; (ii) Retrospective applicability
Rehabilitation and Resettlement

- R&R scheme
- Alternative houses in case of displacement or cash in lieu of houses
- Transitional allowance: subsistence allowance: USD 50/month/year and moving allowance of USD 830
- Choice of employment/Annuity (@ USD 35/per month for 20 years)
- One time Resettlement Allowance for displaced: USD 850
- Land for land in irrigation projects

contd…
• Cash assistance for artisans/ self employed
• Additional compensation in case of Scheduled caste and Tribe People affected din schedule areas
• Double compensation in case of multiple displacement

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Other highlights

- Special safeguards for Disadvantaged groups
- Safeguard against displacement
- Compensation for livelihood losers
- Caps on multi-cropped area
- Return of utilized area
- Exempt for income tax or stamps duty
- Share in appreciated value
- Infrastructure facilities in resettlement sites
- R&R mandatory if land is purchased by private companies beyond certain threshold
KEY AMENDMENTS UNDER CONSIDERATION

- Change in public purpose to exclude private educational and hospitals;
- Exemption of SIA for defense, Rural Infrastructure, affordable housing, Industrial corridor and PPP projects
- Dilution of consent for Private and PPP projects
- Compulsory employer to affected farm laborer
- LARRA Authority must held grievances in the respective districts where lands are acquired.
- Extending provisions to Exempted central laws
INSTITUTIONAL ARRANGEMENTS UNDER NEW ACT

- SIA unit
- Collector/Land Acquisition Authority
- State Monitoring committees
- Administrator/Commissioner
- R&R committee for monitoring
- LARR Authority for grievance redressal
Synergies with World Bank’s Policy on Involuntary Resettlement

- Social Impact Assessment
- R&R Provisions and Entitlements
- Focus on those losing livelihoods
- Census surveys and R&R Plan
- Options and choices
- Replacement cost of Land and Assets (Net of Taxes)
Synergies with World Bank’s Policy on Involuntary Resettlement (Contd..)

- Replacement cost of Land and Assets (Net of Taxes)
- Additional provisions for Disadvantaged groups
- Full Payment of compensation and R&R Monetary assistance prior
- To taking over of land and assets
- Consultations and Disclosures
- Post Implementing Social Audit (End Impact Evaluation)
Differences with World Bank’s Policy on Involuntary Resettlement

- Cut-off date for eligibility
- Valuation of building and assets
- Support to those residing on public lands and ROWs
- Implications: (i) increased counterpart funding, (ii) State agencies capacity; (iii) Coordination with state Agencies rather than implementing agency.