

IAIA15

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.

Highlights of the Act (Contd..)

- **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

contd.....

Highlights of the Act (Contd..)

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...

Highlights of the Act (Contd..)

- **Cash assistance for artisans/ self employed**
- **Additional compensation in case of Scheduled caste and Tribe People affected in schedule areas**
- **Double compensation in case of multiple displacement**

contd/.....

Highlights of the Act (Contd..)

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.**