

Social Impact Analysis Supports Sustainable Development

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Abstract

To facilitate a transformative change in the process of acquiring land, the Indian Government enacted the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act in 2013. For a developing nation such as India, the procurement of land is a critical step for purposes that serve the public good, including the building of infrastructure, the advancement of urbanization, and the promotion of industrial growth, among other things. Although such developmental initiatives catalyze economic growth and bring substantial alterations to the lives of the local populace, they also result in the displacement of numerous individuals and, in the immediate term, a disruption of their livelihoods. The RFCTLARR Act of 2013 introduces the concept of a Social Impact Assessment (SIA) to chart and calculate the prospective advantages and detriments for those affected by such acquisitions. Addressing specific concerns tied to land acquisition and pinpointing the obstacles faced when implementing the SIA as mandated by the RFCTLARR Act, this paper suggests the undertaking of SIAs to ensure food security as viewed through the lens of sustainable progress, to enlighten the populace, and to diminish opposition.

Key words: *Rehabilitation and Resettlement, Displacement, Food insecurity, Land Acquisition and Social Impact Assessment, RFCTLARR Act 2013.*

Introduction

Land, as a finite natural resource, necessitates judicious management and reallocation, with an emphasis on social equity, particularly when procured for the public good in line with the principles of sustainable development. Land acquisition is a fundamental driver of

GDP-linked economic activities. In a rapidly expanding economy like India's, the demand for land is ever-increasing, propelled by a surge in economic development initiatives such as special economic zones, urban development projects, and infrastructure expansion.

The concept of sustainable development within the context of land acquisition extends beyond economic growth. It encompasses the assurance of food security, the execution of thorough social impact

assessments, and the resettlement of those displaced by mandatory land acquisitions which can infringe upon individual rights, affecting livelihoods, homes, and cultural identities. Land carries not just economic value but also significant social and cultural importance to individuals. Consequently, the underprivileged suffer disproportionately from the repercussions of displacement due to land acquisition, impacting their livelihoods, habitats, and assets, while the better-off are less affected¹.

The welfare of society is intricately linked to economic development that safeguards individual rights. Land, being a crucial input for nearly all forms of economic ventures, often necessitates acquisition that leads to the displacement of communities. Such dislocations, predominantly resulting in the loss of shelter² and livelihoods, have affected millions. Thus, matters of resettlement and rehabilitation, social impact assessments, and the development of the surrounding or local areas emerge as pivotal concerns in any developmental undertaking. In this light, displacement is not merely an economic concern but is deeply intertwined with human rights³.

To proceed with land acquisitions responsibly, we must commit to 'sustainable displacement', a process that thoroughly addresses the securing of food security, detailed social impact assessments, and the resettlement and rehabilitation of those displaced. It is crucial to ensure that these dimensions are carefully balanced to achieve equitable and sustainable progress.

Sustainable Displacement

The compulsory seizure of land often obligates individuals to relinquish their homes, possessions, and livelihoods in the name of progress. To address the consequences of such actions, the Act mandates the establishment of an independent Rehabilitation and Resettlement (R&R) authority or mechanism. This body will be endowed with the same powers as a civil court to oversee and resolve disputes pertaining to rehabilitation and resettlement.

The requirements for rehabilitation and resettlement stipulated by the Act are activated when the government procures land for its own use, for Public-Private Partnership (PPP) projects (excluding State and National Highways), and also when private companies acquire land exceeding 100 acres in rural areas or 50 acres in urban areas through private negotiations. The applicability of these provisions, triggered by the specified land thresholds, is independent of whether the land acquisition is for a 'public purpose' or under the state's eminent domain powers, which traditionally pertains to state-initiated acquisitions.

Furthermore, the Act expands R&R entitlements to include those who lose their means of subsistence due to the land acquisition. This includes farmers, tenants, sharecroppers, artisans, and others whose primary source of income is directly tied to the acquired land, and have been dependent on it for the last three years. The intent is to ensure that not just the landowners but all those affected by the land acquisition are adequately compensated and supported through the transition.

¹ Indian infrastructure Report 2009.

² Kelly .A Dhru, '*Displacement due to Land Acquisition for Development, Projects in India: the Problems with existing Legislative Policy*' (unpublished manuscript, on file with author).

³ Xavier Jeyaraj , '*An SEZ with a Defiance*', *58 Social Action* 281(July-Sept 2008).

Social Impact Assessment

Following the enactment of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (RFCTLARR) Act in 2013, the landscape of land acquisition in India has experienced a fundamental shift, particularly concerning the aspects of Social Impact Assessment (SIA) for projects, as well as compensation, rehabilitation, and resettlement protocols.

The SIA has risen to become a critical determinant in the land acquisition process. The mandatory requirement for conducting an SIA study for each project before any land is acquired for public use has opened up channels to reduce the conflicts associated with land acquisition. Notably, the SIA is empowered to scrutinize the rationale behind claims of 'public purpose' in the acquisition procedure.

The objective of the SIA is to meticulously evaluate the nature and extent of public interest involved, the socioeconomic effects on affected families, the necessity to acquire the minimal amount of land required, and the consideration and viability of alternative land options. The SIA report must document the perspectives of impacted families, ensuring that their views are accurately represented. For this, the government is committed to facilitating public hearings in collaboration with local self-governance institutions and Gram Sabhas as recognized by the Constitution.

The aim of the SIA study is to orchestrate a humane, participatory, informed, and transparent process for land acquisition, causing minimal disruption to both landowners and other impacted families, while making comprehensive arrangements for their rehabilitation and resettlement.

In conjunction with the SIA, an Environmental Impact Assessment is also to be conducted. The SIA report encompasses key issues such as:

Assessing the public purpose served by the proposed acquisition.

Estimating the number of affected families and the subset that is likely to be displaced.

Determining the scope of lands, homes, settlements, and communities to be impacted by the acquisition.

Evaluating if acquiring land at an alternate location has been considered and deemed impractical.

Analyzing the overall investment, costs, and benefits associated with the project.

Such a multifaceted approach ensures that land acquisition is not just a transactional affair but a process sensitive to social dynamics and environmental sustainability.

After the public consultation phase, an autonomous, multi-disciplinary panel of experts is tasked with scrutinizing the Social Impact Assessment (SIA) report. This panel evaluates whether the proposed project indeed serves the public interest, if the expected benefits justify the social costs and adverse impacts, whether the land intended for acquisition is strictly the minimum necessary, and if there are alternative options that would result in less displacement. Each expert on the panel is expected to provide a clear opinion on the viability of the project based on these considerations.

The SIA process culminates with the evaluation of the land acquisition proposal by a committee designated by the relevant government authority, which acts as the final arbiter on the project's legitimacy. The committee deliberates on the SIA report and the expert group's recommendations to conclude if there is a genuine public need that justifies the land acquisition, if the anticipated long-term

public benefits outweigh the social impacts, if only the minimum required land is being acquired, and if the collector has explored the potential for acquiring non-agricultural land as opposed to agricultural or irrigated land. This committee is also responsible for ensuring that the affected families' consent has been obtained in cases where land acquisition follows the partial compulsory sale model.

The government can bypass the requirement for an SIA by invoking the urgency clause stated in Section 40 of the Act. However, it must ensure that prior consent has been obtained from the affected families, which must be at least 80% for acquisitions intended for private companies and at least 70% for Public-Private Partnership projects. If a preliminary notification is not issued within 12 months from the evaluation of the SIA report, the report will lapse, necessitating a fresh SIA before proceeding with any land acquisition.

Given the critical role of land in driving economic growth through infrastructure, urbanization, and industrialization, the legal mandate for an SIA in land acquisition under the Act aims to diminish resistance by fostering a more inclusive approach. The SIA represents a proactive measure to address the issue of development-induced displacement by involving local communities in the decision-making process and by mandating the formulation of a rehabilitation and resettlement plan.

Food Sovereignty

Food sovereignty is a term that was introduced in 1996 during World Food Summit. Food sovereignty emphasizes the right of peoples and sovereign states to democratically determine their own agricultural and food policies⁴. It is a broader concept than food security, which generally focuses on the availability and access to food. Food sovereignty includes the sustainable management of land, seeds, and water and ensuring that all people have the right to food that is healthy and culturally appropriate.

In many regions of the world, especially in developing countries, the challenge of landlessness and marginal land holdings is acute. Agrarian reform is seen as a critical solution to this issue, aiming to provide equitable land distribution to enable a self-sufficient and dignified life for smallholders and peasants⁵. Agrarian reforms can help address the imbalances in land ownership, often a legacy of colonial or feudal systems, and are fundamental to achieving food sovereignty⁶.

In India, agrarian reform has been a pivotal part of the post-independence socio-economic development strategy. With a significant portion of the population engaged in agriculture for livelihood, redistributive land reforms were meant to address the skewed ownership patterns inherited from the colonial era. These reforms included the abolition of intermediaries like zamindars and jaghirdars, tenancy reforms to secure tenant rights, and ceiling laws to redistribute surplus land⁷.

⁴Sudarshan Nimma, Right to Food- Reforms and Approaches, The Icfai University Press, Hyderabad, 2007, p-18

⁵ Ibid at 27

⁶ Ibid at 46

⁷ Ibid at 47

The objectives of these reforms were manifold:

Increase Agricultural Production: By redistributing land to the tiller, it was believed that those who worked the land would have a greater incentive to increase productivity.

Eliminate Poverty: Land reforms were seen to provide economic resources to the poor, enabling them to sustain themselves and break the cycle of poverty.

Social Justice: Redistributing land was also about correcting historical injustices and providing a more equitable social structure.⁸

However, the effectiveness of agrarian reforms in India has been a subject of intense debate. While there has been some success, the implementation has been uneven across states. Factors such as political will, resistance from powerful landowners, and bureaucratic hurdles have often impeded the process. Additionally, post-reform support in the form of access to credit, inputs, and markets is crucial for the success of agrarian reforms, and this support has sometimes been lacking.

For food sovereignty to be fully realized in the context of India and other nations, agrarian reform needs to be complemented by policies that support sustainable agriculture practices, strengthen local markets, and prioritize the needs and voices of small-scale producers in the agricultural policymaking process.

Food Security and National Food Security Act, 2013

Food security encompasses the consistent availability of adequate food supplies to meet the demands of the population, as well as the ability of individuals to obtain sufficient food in the right quantities and at prices that are within their economic reach. A key triumph for the nation has been the achievement of self-sufficiency in the production of food grains at the national scale. To further tackle the challenges of food security at the household level, the Government operates the Targeted Public Distribution System (TPDS), which distributes subsidized food grains to identified, eligible households⁹.

Furthering these efforts, the Indian government enacted the National Food Security Act on September 10, 2013. The primary goal of this Act is to ensure food and nutritional security for the populace, providing them with access to an adequate amount of nutritious food at prices they can afford, thereby supporting a life of dignity for all.

Safeguarding Food Security in Compulsory land acquisition

Food security is further reinforced under the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act of 2013. Section 10 of the Act includes special provisions designed to protect food security, aligning with Section 31 of the National Food Security Act. Under this framework, both the central and state governments are committed to taking actions that enhance food security.

The Act, specifically in Section 10(1), aims to curb the indiscriminate acquisition of agricultural land, particularly irrigated and multi-cropped land, to safeguard food supplies. Such land can only be acquired

⁸ <https://www.civilserviceindia.com/subject/General-Studies/notes/land-reforms-in-india.html>

⁹ https://dfpd.gov.in/LwB3AHIAaQB0AGUAcgBIAGEAZABkAGEAdABhAC8AUABvAHIAAdABhAGwALwBNAGEAZwBhAHoAaQBuAGUALwBEAG8AYwB1AG0AZQBwAHQALwA=1_93_1_Original.pdf

as an absolute last option. Additionally, to compensate for the loss of agricultural land, the law mandates either the development of equivalent wetlands for agricultural use or a deposit of an amount corresponding to the value of the acquired land into a government fund dedicated to agricultural investment for the purpose of bolstering food security.

Moreover, the acquisition of agricultural land that is not multi-cropped and irrigated is subject to certain limits. These limits are expressed as a percentage of the total sown area within a district or state, ensuring that only a finite amount of arable land can be appropriated for non-agricultural purposes. However, these limits do not apply to linear projects, which include infrastructures such as railways, highways, major district roads, irrigation canals, and power lines. Additionally, states must set thresholds for the amount of agricultural land that can be acquired within their respective districts to prevent excessive appropriation and to maintain local food production capacities.

Conclusion

The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act of 2013 strives to establish a fair equilibrium between the imperatives of land acquisition for development and the rights and livelihoods of those whose lands are acquired. The inclusion of Social Impact Assessment (SIA) in the Act represents a forward-thinking approach to address issues of sustainable development and to engage affected parties in a collaborative manner.

The Act specifically addresses the critical issue of food security by underscoring the importance of preserving multi-cropped and agricultural lands, which form the backbone of a society's food resources. Given the repercussions of large-scale land acquisitions, which can diminish the per capita availability of land for food production, the Act introduces measures to avert food insecurity risks. This is achieved by stipulating that agricultural land should only be acquired as a measure of last resort and ensuring that such acquisitions do not surpass government-notified limits within districts or states.

Conducting an SIA is complex, dealing with the intricate dynamics of diverse stakeholders, often with competing interests. Nevertheless, SIA emerges as a holistic tool, ensuring that the concerns of all individuals reliant on the land in question are taken into account. This process has the potential to reduce resistance to land acquisition and create mutually beneficial outcomes. Key to this is the active engagement of affected communities in the decision-making process, informed by a thorough understanding of the SIA procedures and its findings.

SIA stands out as a critical step to ensuring that only the minimum necessary land is acquired, thereby preventing large-scale displacements. Through a thorough SIA, challenges of forced displacement can be addressed proactively, underpinning the path to sustainable development and upholding the delicate balance between economic growth and social justice.