

**Themes: Governance, Food and agriculture**

## **ABSTRACT**

**Case title: The Social Side-effects of the Upper Veda Dam Project #308**

**Sub title:** *Describes the problems associated with rehabilitation and the process of conflict resolution.*

### **Description**

The Upper Veda Project involves the construction of a dam and the creation of an irrigation facility for 9900 ha of agricultural land in 71 villages in the command area of a dam to be constructed across the river Veda (a tributary of the river Narmada in western Madhya Pradesh, India). It is a Rs 870 million medium-sized irrigation project being implemented by the Narmada Valley Development Authority (NVDA) and financed by the National Bank for Rural development (NABARD). At full capacity the back waters of the dam would submerge 1258.59 hectare land in 14 villages, affecting a total population of 1585 people in 577 families. Most of the affected families belong to local tribal communities.

The project-affected people had opposed the construction of the dam and proposed that an alternative solution should be found. As a result, the state government constituted a committee including representatives of the affected people and Narmada Bachao Aandolan (NBA), a NGO advocating the cause of the affected people. In its first meeting held in 2000 the Committee unilaterally concluded, in the absence of the NBA, that there was no alternative to the dam. The NVDA announced the rehabilitation package in the year 2000, which was not accepted by the affected people. However, the project authorities initiated the process of land acquisition, and compensation for the people of most of the affected villages were finalized. The Chief Minister of the state laid the foundation stone for the construction of the dam on 3<sup>rd</sup> June 2003 and the contract for the construction of the dam was awarded on 1<sup>st</sup> October 2003, i.e. even before the award of compensation was announced. However, actual work was delayed due to opposition of the villagers, who were insisting on a review of the project proposal and finding alternatives or to provide at least 2 ha of irrigated land in the Upper Veda Command area for all the affected people. The NBA even asked the NABARD to cancel the sanction for the project. They had also filed a Public Interest Litigation (PIL) in the High Court of Madhya Pradesh demanding settlement of compensation before the construction of the dam.

The state government initiated steps to resolve the conflict through awareness programme, contact drive and communicating the real picture regarding the compensation to the affected people. However, conflict continued since the affected people remained dissatisfied with the government proposal. Consequently, the district administration proposed the government to reconsider the proposal to find the alternative to the dam or to allow a joint survey of the submergence area with the affected people to demarcate the affected area and to provide 2 ha of irrigated land in the command area of the project to each affected family.

On 23<sup>rd</sup> May 2004, the affected people held a demonstration at Khargone against the land acquisition for the dam site by the government. In retaliation, the government arrested 125 demonstrators and started the work of construction of dam after crushing the agitation of the affected people. Land required for the project was acquired paying compensation to the affected people.

### **Lessons Learned**

- Dam projects, such as this one, which directly affects the livelihoods of a large number of people, need to have developed a well defined rehabilitation plan during the project planning stage
- Simply employing a routine government system of obtaining sanction and execution of sensitive rehabilitation projects can lead to resentment among the project affected people, and thus conflict between the affected people and the project implementing authorities.
- Consultation with the project affected people at every stage of project implementation starting from proposal stage is necessary to resolve the conflict and reducing the human suffering.
- There needs to be scope to allow for changes in the packages, as per local needs, within the policy and need for quick decision-making at the lowest practical level in regard to these changes.
- There is need for transparency and proper publicity of project action at all levels.

### **Importance of case**

The case reveals common lacunae in project planning and highlights the need for rational approach in dealing with social issues.

**Tools Used :** C 5.1 Conflict management  
C 5.3 Consensus building  
C 4.2 Communication with stakeholders  
C 4.3 Information and transparency for awareness-raising  
A1.2 Policies with relation to water resources

**Keywords:** Dam construction, irrigation project, rehabilitation, compensation, conflict.

### **MAIN TEXT**

#### **1. Background and Problems**

The Upper Veda Project, a Rs 870 million medium irrigation project, is being implemented by the Narmada Valley Development Authority (NVDA) and financed by the National Bank for Rural Development (NABARD). It involves construction of a dam across the River Veda, a tributary of the Narmada River, at village Nemit under Jhirnia tehsil of Khargone district of Madhya Pradesh; as well as the creation of an irrigation facility for 9900 ha of agricultural land (cumulative irrigated area due to double cropping, i.e. kharif & rabi cropping, would be 13,365 ha) in 71 villages in the command area. Due to the proposed submergence of 1258.59 ha of land in 14 villages, a total of 1585 people are being relocated. It is one of the 30 large dams being constructed in the Narmada valley. Additional benefits of the project would be drinking water supply to Bhikangaon and other villages and water supply for industrial areas (Table 1).

**Table 1: Proposed facility under Upper Veda Project**

Facility	Quantity
Irrigation Potential	9, 900 ha (Net), 13,365 (Gross area)
Potable water	3.6 Million cum
Industrial use	8.6 Million cum

The small and marginal farmers of 71 villages of Khargone district will be benefited as under :

Land holding (hc)	Farmers (%)
< 2	70
2-5	20
> 5	10

Most of the beneficiaries are tribal or of less-favoured classes. Details are as under:

Class of beneficiaries	Percentage
Scheduled tribe	58.3
Scheduled caste	7.5
Others	34.2

The proposed development activities has its share of socio-economic problems, emerged mainly due to the proposal of submergence of 1258.59 ha land in 14 villages affecting 1585 persons of 577 families of Jhirnia tehsil. Out of this 89 ha land needed to be acquired only for the dam construction purpose.

Details of affected villages/ land are as under:

Villages affected	1 No	100 %
	2 No	> 50 %
	2 No	> 25 %
	9 No	< 25 %
Land under submergence	Agricultural (Private)	1037.57 ha
	Waste land (Private)	62.520 ha
	Waste land (Revenue)	206.785 ha
	Forest land	14.240 ha

The affected people were basically opposed to the construction of the dam and had waged struggle since 1997 against the proposed displacement of the people from the area to be submerged due to the construction of the dam. They along with representatives of people affected under other projects in the Narmada valley fasted in the month of April 1999 while demanding alternatives to the Upper Veda project. The fast continued for 21 days, which was only broken on assurance of the government for exploring alternatives to the Upper Veda project. Their specific demands were as follows:

1. The government should consider alternatives to the Upper Veda project, and implement the decentralized water alternatives in the command area. Instead of implementing Rs.870 million project, the village Panchayats of 72 villages in the command area be provided Rs.10 million each for implementation of water alternatives.
2. In case the government insist on construction of the dam instead of the alternatives suggested by the affected people, the government must make available irrigated agriculture land of around 1323 hectares for all the affected landed families and 2 hectares of land to each landless families from the irrigated command of about 9900 hectares to be created under the Upper Veda project on acquisition of land under the provision of Madhya Pradesh Displaced Persons Act 1985.

As promised, in October, 2000 the Government of Madhya Pradesh constituted a committee having two representatives of Narmada Bachao Aandolan (NBA), a NGO advocating the cause of the affected people, as its members to explore the alternatives to construction of the dam. The committee, however, in its very first meeting itself declared unilaterally in the absence of the NBA that an alternative to the Upper Veda dam is not possible.

And in March 2002, the NVDA put together a Rehabilitation and Resettlement Plan (RRP) for the people affected by the Upper Veda dam project. The key elements of this policy are as follows:

- Land is the basic plank of the rehabilitation policy.
- Each landholder to be given a minimum of 2 ha. of irrigated land .
- In case of un-irrigated land, irrigation to be provided at the expense of the Government.
- Each adult son, and unmarried adult daughter to be counted as separate family.
- Each displaced family is to be given a house plot, at the resettlement sites having all basic amenities and basic infrastructure so as to settle the villages as a unit.
- Provision for cash compensation in lieu of land, based on choice of the family being displaced. The policy also stated that such a choice exercised in favor of cash by a tribal family, however, would not be accepted at face value but be investigated by the District District Magistrate and without his/her verification and certification compensation in cash will not be given.
- Entire financial responsibility of ensuring that tribal families are resettled with irrigated agricultural land belonged to the government.

The affected people did not accept the rehabilitation plan prepared by the government. There were various anomalies in the plan, but the project authorities and NABARD did not act sensibly to remove confusion of the affected people resulting in issues becoming a bone of contention, which are enumerated as under:

1. People were demanding land in lieu of land only, as per the proposal of the Chief Engineer, Upper Veda Project submitted to the NABARD. This proposal involves allotment of land to the landowners in lieu of their land and 5 acres of land to the landless. However, unavailability of land with the NVDA resulted in non-adherence to the above resulting in confusion among the affected people.
2. The memorandum regarding compensation for rehabilitation issued by the NVDA itself has several confusing provisions. Half of the land owners whose land is to be submerged, reside above the submergence area. However, most of their cultivable land was coming under submergence. Hence, they expected to be compensated for their constructed houses along with the cost of land. But there was no provision for such compensating the construction cost. Even there was no definite provision for the cost of plot to be provided to the affected people.
3. There was no fund allocation for the land acquisition and payment of compensation by the government. Therefore, project authorities sought funding for the acquisition of land for the dam site, and initiated the process of land acquisition for the dam site only. The project authorities

completed the process of land acquisition of 70 ha. for the dam site and prepared the cheques for the distribution to the dam site affected people of the Nemit and Devit Bujurg villages on 7th January 2004. It created confusion amongst the people that once the dam is constructed and filled they may not get the compensation for the land that would come under submergence.

4. The NVDA had directed that the arrears of land revenue and the recovery of loans by the banks and cooperatives should be recovered from the farmers out of the compensation to be paid to them.

Pending resolution of the conflict, the project authorities went ahead in implementation of the project. The Chief Minister of the state laid the foundation stone for the construction of the dam on 3<sup>rd</sup> June 2003 and the contract for the construction of the dam was awarded on 1<sup>st</sup> October 2003, i.e. even before the award of compensation was announced. The land in question was not taken into possession either. The project authorities actually awarded the contract without verifying whether the land for dam construction has been taken into possession.

The award of contract without paying compensation invited protest from the affected people. They demanded the review of the project proposal and finding alternatives or to provide at least 2 ha of irrigated land in the Upper Veda Command area for all the affected people. The NBA even had asked the NABARD to cancel the sanction for the project. They had also filed a Public Interest Litigation (PIL) in the High Court of Madhya Pradesh praying settlement of compensation before the construction of the dam. They insisted that

1. All construction and land acquisition work in Upper Veda dam be immediately stopped.
2. There should be an immediate and time bound investigation by a joint mission comprising of representatives of the affected people, NVDA, NABARD and the Central Ministry of Social Justice.
3. Decentralized water alternatives in command area rather than the proposed large dam, as originally promised by the state government in April 1999 to be implemented.

The opposition caused delay in the commencement of work on the dam.

The lack of communication between the project authorities and the affected people regarding the proposal of the government, especially with respect to rehabilitation plan and the expected benefit to the area were the main reasons of the conflict. Moreover, the project authorities found it difficult to identify the owners of the land for payment of compensation. It was observed that in the land records the name of the person, who has the possession of the land, does not figure. Actually when the present owners had purchased the land, they have not got their name of ownership changed in the land records. As per the land records, even the houses constructed by the present owners are in the name of other farmers from whom they had purchased the land. This was due to the lack of knowledge of the villagers regarding the government procedure in keeping records.

This situation created problem for the Revenue authorities in awarding the compensation, since the persons whose name is recorded in the land records is entitled for the award, and not the person who has the land under possession. Lack of publicity on the part of the project authorities, aggravated the problem. Confusion among the villagers continued to prevail, resulting in non-acceptance of the notices served to them for land acquisition. Though the project site was away from the NVDA headquarter, the site office was not provided with adequate staff and infrastructure. Publication of misinformation in the newspapers due to the lack of rapport between the project authorities and the media had further created confusion among the affected people.

## **2. Decisions and Actions Taken**

From time to time the project authorities have taken various steps to appease the protesters and for smooth implementation of the project. But due to various lacunae confusion prevailed among the affected people:

1. The state government announced special rehabilitation package. However, land acquisition award remained pending due to delay in fixation of cost of land to be acquired.

2. Two Committees were constituted to resolve the pending issues regarding award of compensation for the land coming under the submergence:
  - i. Divisional Commissioner (Chairman)  
District Magistrate  
Rehabilitation Officer  
Chief Engineer, NVDA  
Representative of Rehabilitation Commissioner
  - ii. District Magistrate (Chairman)  
Member of Legislative Assembly  
President of the Block Local Body (Panchayat)  
Rehabilitation Officer  
Chief Engineer, NVDA
3. NVDA approved the transportation cost @ Rs 5000/- to each house owner and their adult son/daughter and Rs 18700/- to all land less farmers, laborers, Scheduled Caste and Scheduled tribe communities to facilitate shifting of belongings of the affected people. .
4. To address the problem arising due to discrepancy in the land records, Patwaries were asked to make the people understand the process of formalizing the land records and accept the notices to facilitate award of compensation. They have also been advised to file their claim in the civil court so that award for compensation could be passed.
5. The project authorities had started dialogue with the representatives of the affected people and published government decisions in the newspapers.

#### **Status of land acquisition in dam submergence area**

A total of 89 ha of land was acquired for the dam construction and payment of compensation and special settlement grants for residential plot to the 252 affected families were released. The public hearing regarding land acquisition for the land to come under submergence has been completed and award of payment of compensation for all the villages has been issued. Disbursement of the awards is going on.

The task force has selected two sites for rehabilitation of the 1585 affected persons- Paldakhurd and Pipalaya. Government land is available in Palda whereas 17 ha. land is being acquired in Pipalaya and is in the final stages of issue of award. The work order for infrastructural development in Pipalaya rehabilitation site has been issued.

### **3. Outcomes**

Despite award of contract in October, 2003, the construction of dam was delayed due to opposition of the project affected people. Initiatives of the project authorities in appeasing the people proved futile. On 2<sup>nd</sup> January, 2004, nearly 2000 affected people from 14 villages took out a rally in Khargone and demanded a dialogue with the District Magistrate and the senior officials of the NVDA regarding the government plan for construction of the dam and rehabilitation of the affected people. The dialogue took place wherein tribal leaders Vesta Patel, BanaBai and Vishrambhai as well as prominent activists from the Man dam area Mr. Ram Kuwar and Paro and Radheshyam Verma and NBA activists Alok Agrawal and Chittaroopa Palit from the side of the affected people presented their views.

On 23<sup>rd</sup> May 2004, the affected people held demonstration at Khargone against the land acquisition for the dam site by the government. As retaliation, the government arrested 125 demonstrators and started the work of construction of dam. Thus the construction of the dam started after acquisition of land. The payment of compensation since been settled and construction of the dam completed.

### **4. Lessons Learned**

- Dam projects, such as this one, which directly affects the livelihoods of a large number of people, need to have developed a well defined rehabilitation plan during the project planning stage
- Simply employing the routine government system of obtaining sanction and execution of sensitive rehabilitation projects can lead to resentment among the project affected people, and thus conflict between the affected people and the project implementing authorities.
- Consultation with the project affected people at every stage of project implementation starting from proposal stage is necessary to resolve the conflict and reducing the human suffering.

- There needs to be scope to allow for changes in the packages, as per local needs, within the policy and need for quick decision-making at the lowest practical level in regard to these changes.
- There is need for transparency and proper publicity of project action at all levels.

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