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India: Orissa steel project threatens human rights

About 2,000 Indian farmers could lose their livelihoods in the next month if a proposed US\$12 billion steel plant operation involving South Korean steel giant POSCO goes ahead, Amnesty International warned today.

The Indian authorities have given POSCO conditional clearance to establish a steel plant and port operation on about 4,000 hectares of land in the coastal Jagatsinghpur district of the eastern state of Orissa.

The area includes land on which local farmers are dependent for their livelihoods, and to which they may have rights under Indian law.

The farmers' claims to the land have not been properly settled, despite the fact that official investigations have raised serious concerns about the failures of Orissa State to protect land rights in the context of the steel project.

State police could take over the land during March if the authorities fail to recognize the farmers' right to use it.

"The potential impacts on local communities could be devastating," said Ramesh Gopalakrishnan, Amnesty International's India Researcher. "Some 2,000 people could lose access to common lands and face destitution if the authorities fail to act."

The proposed POSCO operation would be India's biggest foreign direct investment project.

Investigations were conducted by two panels established by India's Ministry of Environment and Forests (MoEF) in July and September 2010.

They concluded that the Orissa state authorities had failed to settle community claims over common forest lands.

They also stated that the proposed steel project had violated national environmental laws and coastal regulations and failed to adequately assess the potential negative impact of the mega project on the livelihoods of the local communities.

Despite these findings it appears that the MoEF is set to allow the project to go ahead as long as Orissa state authorities can confirm that no local communities have rights to the land under the Forest Rights Act, 2008. However, this does not guarantee that the affected communities will be able to have their claims resolved through a fair and transparent process.

"India has a duty to protect local communities against human rights abuses, including those involving businesses operations," said Ramesh Gopalakrishnan.

“The authorities and POSCO must carry out a comprehensive human rights and environmental impact assessment of the project, in consultation with residents of Jagatsinghpur, and ensure that no work begins on the project until the residents’ rights are protected.”

Background

Since June 2005, local communities in Jagatsinghpur district have protested the possible displacement and potential threats to their livelihoods from the POSCO project.

Protestors have erected barricades in the area and prevented officials from entering three villages. In June 2008, one protestor, Dula Mandal, was killed in by a bomb during a clash between critics and supporters of the project and in May 2010 at least 20 protestors sustained gunshot wounds when police used excessive force against them. Protests have intensified during February 2011.

Several adivasi (indigenous) and other marginalized communities in mineral-rich states including Orissa, Chhattisgarh, Jharkhand, Bihar, Andhra Pradesh and West Bengal have been protesting over the potential negative impacts of major development projects on traditional forest lands and habitats on which they depend for their livelihoods.

This work is part of Amnesty International’s Demand Dignity campaign which aims to end the human rights violations that drive and deepen global poverty. The campaign mobilises people all over the world to demand that governments, corporations and others who have power listen to the voices of those living in poverty and recognise and protect their rights.