

## The SEZ threat to water and food security

The Special Economic Zones, which is posing big threat to the farmers and agriculture sector, is a completely anti people and anti environment scheme. It is also a threat to the water security and food security for the areas where SEZs are proposed and would certainly have an impact on the national agricultural sector. But the prime minister says SEZs are here to stay. On April 6, the Group of Minister gave green signal for notification of 83 more zones. The only concession the PM is ready to offer is what he calls a just, humane, effective R&R policy. The proposed policy would include a mandatory clause that the area notified for SEZs or large scale industrial projects should not touch existing residential/ dwelling units of villages.

**THREAT TO ACCESS TO WATER** In the entire din surrounding the impacts of the Special Economic Zones there is not much information on the impact of these zones on the water situation in the areas around these zones. The Finance Minister P Chidambaram has been credited with a very interesting statement, "Where infrastructure already exist, it is perhaps not necessary to crate SEZs". The trouble is, in backward areas where infrastructure is weak, the impact of SEZ on access to water would be even more serious.

Broadly, there are three kinds of impacts that SEZ can have on access to water for the people in the SEZ area. First would be due to the diversion of water for use within the SEZ. Second impact would be the impact of release of effluents from the SEZ. Here the situation at locations like Ankleshwar in Gujarat and Patancheru in Andhra Pradesh, among scores of other places is illustrative. At these places, the release of untreated effluents from the industrial estates has created a hell for the residents of the area. Our past performance in achieving effective pollution control is dismal, to put it most benevolently. And there is absolutely no movement to change that situation.

Thirdly, the conversion of land to SEZ would mean destruction of groundwater recharge systems. Moreover, it should be remembered here that in India, right to extract groundwater continues to be connected with the ownership of land. Hence SEZs even in relatively small area can pump out huge quantity of water, drying up the wells of the surrounding area. There could be conflicts between the zones and the local residents, as could be

seen at Plachimeda in Kerala, as also in Varanasi and Jaipur.

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Cumulatively, the impact of all these could be quite serious in most areas, and could precipitate crisis in the water scarce areas.

**Land Requirement for SEZs** According to the website of the commerce Ministry, totally about 41 700 ha of land is to be taken for the formally approved and notified SEZs. This looks like

a gross under estimate if we consider just a few large SEZs like the Nandigram SEZ (5 600 ha) in W Bengal (this has been cancelled by the W state govt, but the Chief Minister has said that it will come up elsewhere), Maha Mumbai (10 000 ha) and Navi Mumbai (5 000 ha) SEZs in Maharashtra, the Mundra SEZ (13 000 ha) in Gujarat, the Gurgaon SEZ of reliance (10 000 ha), the Pune SEZ (840 ha) and the POSCO SEZ (1 600 ha) in Orissa, to name a few known examples. When land is acquired on such massive scale, the water requirement for such SEZs would be huge and would have very large impact on water access for the surrounding area. The SEZs at such locations will also have impact on irrigation and agricultural development.

**Water Sources** The Govt of India SEZ Act of 2005 has no mention of the sources of water for the proposed zones, leave aside the question of restrictions or impact assessment. In fact, the only time the Act mentions water, it is in the context of territorial waters of India. The SEZ acts or orders or notifications of various states give a blank cheque to the water requirement for the zones. For example, the Gujarat Act says, "The SEZ developer will be granted approval for development of water supply and distribution system to ensure the provision of adequate water supply for SEZ units." Similar is the situation for other states.

Available information about the water needs and sources of water for various SEZs should ring alarm bells.

- **Mahamumbai SEZ** The massive water demand is to be met by the Hetwane and Morba dams in Pen and Khalapur tehsils in Raigarh district respectively, but there doubts about the capacity of Hetwane reservoir. Farmers had to struggle to get irrigation water due to them from the reservoir, but that won't be available now.
- **Navimumbai SEZ** As per official website, it will require at least 6 million liters per day, expects it to get from Hetwane dam.

- **Mundra SEZ** As per official website of the SEZ, it expects to get at least 6 million liters per day from the Sardar Sarovar project, as promised by Gujarat Water Infrastructure Ltd. Ultimate water requirement would be 400 million litres per day. Here it is relevant to note that the report of the Comptroller and Auditor General of India for Gujarat for the year ending on March 31, 2006 has already criticised Gujarat govt for extra allocation of 255 million litres per day water from the Sardar Sarovar Project for central Gujarat areas for which there was no provision in the plans. Moreover, the govt has allocated more water for industries in Kutch, which would also have impact on access to water for the drought prone areas, as clearly indicated by the CAG report.

- **POSCO SEZ** The water requirement, as given on the POSCO website, is 286 million litres per day, will be procured from Jobra barrage on Mahanadi River in Cuttack district in Orissa. The water for this is bound to come from the upstream Hirakud dam. There is already an agitation against reservation of water from Hirakud dam for industrial use.

- **Nagpur IT Park SEZ** The official website says "The water will be drawn from irrigation project" in a document inviting express of interest.

- **Mangalore SEZ** In a letter in June '06 to the Prime Minister Manmohan Singh, the convener of the SEZ Impact Assessment Committee, an affiliate of the NGO Forum of Mangalore has quoted the Mangalore SEZ Limited having estimated the water need at 136 million litres of water a day. When Mangalore city is facing water crisis without the SEZ, one can imagine what will be the case when SEZ comes up.

- **Cochin SEZ** The website of the Cochin SEZ ([www.CSEZ.com](http://www.CSEZ.com)) says, "The Special Economic Zone is a foreign territory within India... CSEZ has an integrated water management system comprising a 1.5 MLD water supply system."

One can already see the seeds of conflict that these water allocations would create. If these tips are any indication, implementation of these SEZ will create crisis of access to water for the people staying in areas around the proposed SEZs.

**Promise of National R&R Policy holds no water** The PM promised on January 11, '07 at a FICCI meeting (of all places) that within three months a "humane" National Policy for Rehabilitation and Resettlement will be formulated. The trouble is that his government's track record is very bad on that issue, like most other issues affecting common people of the country His govt has not bothered to implement the first ever National R&R

Policy, notified in Feb 2004, which does not lend any credibility to his words.

Further to show how non serious the govt is about R&R, on March 21, '07, the Union Commerce Ministry notified some changes in the SEZ Act, stating among other things, "the developer shall make adequate provision for rehabilitation of displaced persons as per the relief and rehabilitation policy of the state government". The trouble is, no state has a just R&R policy that is legally mandatory.

**Private enterprise a public purpose?** In a highly questionable move, the govt intends to expand the

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definition of public purpose to include "to help private enterprise", in addition to the current "strategic interest" and "center's and state's infrastructure", and thus get right to acquire land for private projects. But this is most shocking, as how can the govt equate private projects as public purpose? This will also be

unconstitutional. The impression among everyone in the country that the govt, hand in glove with the private industries and real estate developers, is out of cheat the common people out of their lands at any cost, is entirely correct.

Among the changes affected by the Group of Ministers in SEZ policy on April 6 is one that says that the private developer will acquire the land and the state will have marginal role in land acquisition. This is unacceptable, as this would leave the farmers at the mercy of the private developer. In the negotiations between the millionaire and paupers, it is well known who will win.

**No Land Use Policy in India** No state in India has a land use policy, only a couple of states like Kerala have a draft policy, yet to be converted into a Land Use policy. In absence of land use policy, it is free for all and there is no coordination between agricultural development, water resources development, forest and wildlife conservation and other uses of land.

**Protests in W Bengal** Nandigram is the most well known face of protests against SEZ projects in W Bengal, though it is not the only one. Protests are also rising at Haripura where the govt wants to set up a huge 10 000 MW nuclear power project as SEZ. In Nandigram in Medinipur district, the govt wanted to acquire 5600 ha of land for setting up chemical industries SEZ. The W Bengal govt is so adamant on setting up such SEZs that at Nandigram, the police and armed CPM activists together attacked thousands of innocent women,

children and other people and killed 15 people and injured hundreds of others.

**Protests in Maharashtra** The Govt of Maharashtra has issued a land acquisition notice to acquire 10 000 ha land of 45 villages in Pen, Uran and Panvel talukas of Raigarh district for the proposed Mahamumbai SEZ by Reliance. But farmers here have been strongly agitating against this proposal, refusing to give any land for the project. In Pen taluka there are people displaced by the Koyna dam, still without potable water, living in miserable conditions, punching holes in govt's claim of rehabilitation. Adjacent to this land, the company, in joint venture with the Maharashtra City and Industrial Development Corporation, is acquiring 5000 ha for Navi Mumbai SEZ.

At Maan near Pune, where the govt plans to acquire 800 ha of land for industrial zone, a strong protest by the farmers, fisherfolk, salt pan workers and other affected persons demanded scrapping of the SEZ on April 5.

**Food Security Threat** The SEZ Act, by allowing acquisition of (so called single cropped) agricultural land for such zones, is threatening food security of the country, with the stagnation of food production and reduction in yields for a decade, even with the SEZs. BJP's Kashiram Rana, Convener of Parliamentary committee on SEZ says that the policy needs to be scrapped and no agricultural land should be allowed to be used for SEZs. However, his words do not hold too much credibility as in a number of states like Gujarat, where BJP is in power, agriculture land, even in Sardar Sarovar Project Command area is being taken for SEZ.

**Large scale Mangrove destruction in Gujarat** In the 13 000 ha Mundra SEZ in Kutch in Gujarat, 3000 ha area is covered by Mangroves, which are already being destroyed for the SEZ. Gujarat Forest Dept has raised an alarm over this destruction. Mangroves are also facing destruction at a number of other locations in Gujarat due to industrial expansion along the coast in Kutch, Saurashtra and South Gujarat. Potentially the largest SEZ in the country, the Mundra SEZ will destroy fisheries and livelihood of large number of fisherfolk and they are protesting against the SEZ. On Feb 14, '07, five members of the community have filed a petition before the Gujarat High Court. Nine villages have also lost their grazing land to the SEZ.

**Protests in Haryana** People of Gadauli Khurd village near Manesar in Gurgaon District in Haryana on March 28, '07 opposed the possession of land by the govt to hand it over to Reliance group (Mukesh) for SEZ. The officials had to beat a retreat, but threatened to come back to dispossess the people. On April 1, the farmers of Khandsa, Narsinghpur, Mohammedpur, Gadouli and Harsaru village took a collective decision not to give the 558 ha of land to the Reliance as the govt had taken the land in 2003 in the name of industrialization in public

interest and decided to move court. Kuldeep Bishnoi, a Member of Parliament has decided to sit on hunger strike against the project. The proposed SEZ in Gurgaon violates the norm finance minister has proposed that SEZs should be taken up only in backward areas.

At Jhajjar in Haryana, Mukesh Ambani group plans to set up a 10000 ha SEZ in partnership with Haryana Industrial Development Corporation, but after the decision of GoM on April 5 to limit the size of SEZs to 5000 ha and taking away the role of state to acquire land for SEZ, this SEZ is in some trouble.

**PIL in Rajasthan HC** In response to a public interest petition questioning the manner in which the Mahindra World City SEZ was formed near Jaipur, the Rajasthan High Court has issued notices to various concerned including the Union and state govt.

**What justification for subsidy to industries** The SEZ provides a large amount of subsidy to the industries and there is absolutely no justification to provide any subsidy to industries. Even agencies like the IMF and ADB have questioned the need to provide subsidies to industries. In its report *Asian Development Outlook 2007*, ADB says the subsidies are expensive, unnecessary and would provide disincentives to the units outside SEZs and also would make the landless people the worst affected.

**Projects so far** So far, the board of approvals in the commerce ministry, the single window clearing house for the SEZ has approved 237 projects, of which 63 have been notified, 60 are awaiting notification and the CMs have been pushing their case. On April 5, the group of Ministers approved notification of 83 more SEZs, limited the size of SEZ to 5000 ha, asked state not to acquire land for SEZ and said that one member of each of the displaced family will be given employment. However, there is no clarity how this will be implemented. Another 160 odd applications have received first stage clearance as the developers do not have land in their possession. There are 325 more applications that are pending. It is clear that SEZ are going to remain a very big threat to the farmers and agriculture of the country.

On World Water day this year, the Prime Minister said, "we cannot allow human societies to descend into chaos due to conflict on utilisation of water resources". Action speaks louder than words, Mr Prime Minister.

Let us see what his govt does to address the conflicts that SEZs are creating. A lot needs to be done to ensure that water use at these SEZs do not become seeds of bigger crisis in the days to come. Going by the track record such hope does not seem realistic. (The Business Line 090706, India Together 271106, The Economic Times 220307, 270307, 280307, 300307 The Times of India, 230307, 240307, 020407 The Hindu 240307, 060407 Down & Earth 310307, The Tribune 290307, *Dainik Bhaskar* 030407)

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