

1.1 BACKGROUND

The Government of Andhra Pradesh (GOAP), with the assistance from the World Bank, has been implementing the third Andhra Pradesh Irrigation Project (APIP-III). The AP IP III is made up of two sub-projects, viz. Srisailem Right Bank Canal (SRBC) Project and Sri Ram Sagar Project (SRSP). The SRBC is in Kurnool district. The SRSP is located in two districts, namely Karimnagar and Warangal. Under the SRSP project construction of canals and roads has been taken up in the two districts, necessitating acquisition of land and other immovable assets of the people through which the canals and roads pass. Obviously these people have stood to lose, *inter alia*, their income-yielding asset, viz. land. Hence, they have to be resettled and rehabilitated. The programme of Resettlement and Rehabilitation (R&R) of the Project Affected Persons (PAPs) of the SRSP is under way since 1997.

The GOAP (through the Superintending Engineer, G V Circle, No. 4, Karimnagar) had entrusted STEM, Bangalore, with an assignment to objectively assess and evaluate, *inter alia*, the contents of the R&R programme implemented in AP IP III and AP IP II, progress made, and the results obtained. The evaluation should reveal, amongst other things, how well the PAPs have been rehabilitated, whether or not their real incomes are higher now than the pre-rehabilitation level of incomes (or at least the same as before). The methodology adopted for monitoring and evaluation of the PAPERP was a combination of secondary and primary data collection through field surveys and FGDs.

1.2 PRIMARY DATA COLLECTION

Diagnostic Survey: A sample of PAPs of AP III and AP II was contacted through a structured questionnaire. The PAPs were mainly asked about their impressions, reactions and assessment of the R&R programme implemented for the amelioration of their conditions. Although information on various issues of the R&R Programme was sought, the principal objective of the sample survey was to know from the target group how far the ERP has bettered their conditions. Since the primary goal of the R&R programme is to restore and improve the income levels of PAPs, the respondents were asked to give a comparative assessment of their levels of living before becoming PAPs and now.

Focus Group Discussions (FGDs): Next to generation of primary data, through canvassing questionnaires, is holding group discussions on focussed issues and / or on focussed cluster of people. This could be a good source of information as input for the current evaluation. FGDs will add a personal touch and warmth in gathering information. A number of homogenous groups of PAPs, facilitators, and implementing officials were met in separate places spread over a three-month period. They were quizzed on a number of issues. The following seven FGDs were held in the course of the investigation.

- Women's Self Help groups - known as Women's Thrift Societies,

- Members of Village Committees,
- Three NGOs,
- Select PAPs choosing a given IGS (like dairying, Kiranam, etc.),
- Members of the Review Committees,
- Members of Grama Sabhas
- Leaders of PAPs

1.3 SECONDARY DATA COLLECTION

The secondary data source comprised various GOAP documents such as *the Socio-Economic Survey* of PAPs, Policy on R&R and Action Plan, etc.

1.4 R&R MACHINERY

The GOAP has made a formal institutional arrangement comprising a three-layered structure, which represents the grievance redressal mechanism under the RR programme. At the apex level, there is the State Level Rehabilitation Committee (SLRC). At the district level, there is District Level Rehabilitation Committee (DLRC). At the project level, there is an R&R Cell and at the state level a PPM cell, it consists of a number of specialists like economist, sociologist, finance officials, and other assisting officials. The R&R Cell is headed by a Rehabilitation Officer (RO). The RO may seek and, in most cases, seeks help from NGOs to implement Resettlement Action Plan (RAP). The NGOs also monitor the progress of the programme of R&R. And, finally, at the village level, there is the Village Rehabilitation Committee (VRC).

1.5 PROJECT AFFECTED PERSONS (PAPs)

The people whose lands have been acquired are socially and economically a backward lot as per the *Socio-Economic Survey (SES)* conducted in 1996. Since their lands were acquired in 1988, the households were eight years old as PAPs when the SES was conducted. The total population of the PAPs was 7,205. The levels of literacy amongst them are low. They are all poor or very close to Poverty Line (PL) as observed in SES survey findings. The PAPs of AP III are from two districts, viz. Warangal and Karimnagar. The PAPs of AP II are from only from Karimnagar.

1.6 PRE-PROJECT STATUS & RESETTLEMENT ACTION PLAN (RAP)

The economic rehabilitation of the PAPs of AP III is a five-year programme. Beginning in 1997-98, the ERP was expected to be completed by 2001-02. By that date, all the 2,619 PAP households would be covered under the programme of ERP. All of them would also be given different training such as vocational training, PAP training, training of women for thrift grants, etc. Such training would enhance their resources and skills so that they will be able to manage their assets properly. With this end in view, an action plan was drawn. The plan indicated the number of PAPs to be rehabilitated in each year over the five-year period. The plan was broken down from an annual one to a quarterly and even a monthly one. Meticulous exercises were made to fix the physical and financial targets.

The PAPs of both AP III and AP II have given up part of their lands for the public cause of the construction of canal, distributaries and ayacut roads. A total of 1,494

acres of land have been acquired from 1,514 PAP households. The two numbers between them suggest that the average land lost per family is less than one acre. According to the *SES*, the average loss of land per PAP is 0.95 acres, the minimum being 0.25 acres in the case of canals and 0.148 in the case of ayacut roads. The maximum loss of land suffered is 1.5 acres, since over 90 per cent of the PAPs are small and marginal farmers. As the primary data reveals, most PAPs (98 per cent of them) were owner cultivators before land acquisition. The proportion of the category of PAPs has been reduced to 13.5 per cent after land acquisition.

1.7 REHABILITATION IMPLEMENTATION

The study attempted to ascertain if the PAPs who were economically rehabilitated were effectively rehabilitated or not. Towards this, it was examined whether: (i) the number of PAPs the programme set out to reach over the five-year period and, in a given year, have been reached or not; and (ii) those who were grounded with different IGSs have derived meaningful benefit from the IGS they chose.

There were 2,619 PAP households to be rehabilitated in the period of five years from 1997-98 to 2001-02. Of these, the R&R machinery could rehabilitate only 1,336, about 50 per cent of the target.

The observation of RO on the issues mentioned above are more or less in the same lines - "Atleast in initial stages of inception of R&R Cell items like selection of NGOs, fixing remuneration, staffing & provision of infrastructure and also release of funds could not be done as a result of which progress was very slow. However, by 99 December NGOs were in place, staffing was completed by 2001 September, telephone was given by 2001 January, additional jeep was provided by 2001 March. R&R Cell had picked up momentum gradually which is reflected in progress registered".

The performance in the first two years (1997-98 & 1998-99) was as low as 40 per cent. For all the years, the achievements are below target. The only exception is 1999-2000. In that year, nearly two-thirds of the targeted number of PAPs were rehabilitated.

The main problem seems to be shortage of manpower. Understaffing of the R&R Cell and delayed hiring of NGOs between them could have, to a great extent, affected the rehabilitation efforts.

Non-availability of funds in time also could have contributed to the sub-optimal achievement of the programme. As against the administrative sanction of Rs.380 lakh, only Rs.290 lakh have been released till date.

The retrofit plan for PAPs of AP II was for three years between 1997-98 and 1999-2000. The PAPs of AP II are of two categories: (a) houseless PAPs to be given housing plots; and (b) those covered under IGSs. The available information suggests that there are 778 PAPs in the second category. One distinctive feature of this rehabilitation programme is that the beneficiaries are all entitled only for a Productive Asset Grant (PAG) of Rs.8,000 and no more. Hence, they are obliged to choose only such schemes under IGS, the investment for which has to be close to Rs.8,000. Obviously, this imposes severe limitations on the PAPs in choosing the IGS.

It is inferred that, in four years of the ERP, only 932 PAPs (45.7 per cent) could be economically rehabilitated. Still, even in 2002, a sizeable number of PAPs were not

economically rehabilitated, 14 years after their lands were acquired in 1988. Concerted efforts are called for, on the part of the R&R machinery, if the Revised Action Plan (ReAP) for covering all the left-over PAPs, in just one year's time, is to be realized.

With regard to other R&R components (like payment of compensation, allocation of land to STs, resettlement of PAPs, and construction of school buildings), more than 50 per cent of the tasks remain to be completed. The targets fixed for the last year, in these cases, naturally turn out to be unrealistic.

One of the important components of the R&R was imparting training to PAPs and to the staff in the R&R Cell. Though women have not been trained at the NGO premises originally planned, they have been trained at Mandal & District Headquarters and other places. As far as vocational training goes, PAPs have been trained in insecticide spraying, garment manufacturing, mushroom cultivation and computer skills.

As for training of PAPs on R&R issues, the indication is that of 2,039 PAPs, as many as 823 (40 per cent) have been trained in the first four years. The remaining 60 per cent are to be trained in the last year.

According to the Retrofit R&R Programme, 571 PAPs of AP II were to be given housing plots. After a process of verification and elimination, it has come out that only 34 PAPs (6 per cent) are actually eligible for housing plots. This number is indeed achievable.

1.8 INCOME GENERATING SCHEMES (IGSs)

The primary data reveals that most PAPs (98 per cent) were owner cultivators before the lands were acquired. According to the SES, the average loss of land per PAP was 0.95 acre. This implied a loss in production of grains worth Rs.3,522 per annum, at 1994-95 prices. Converted to prices in 2002, it would be approximately Rs.4,400 per annum. This loss has to be made good for restoration of incomes. But, if one takes a development approach to R&R, as both the multi-lateral lending agencies and the GoAP insist, the PAPs' income should even improve in the new dispensation. An attempt was made to determine if those who were grounded with different IGSs have derived meaningful benefit from the IGS they chose, namely, Agriculture & Minor Irrigation, Animal Husbandry and IBS (Industry, Business & Service).

Out of nearly 1,340 PAPs who have been grounded with various IGSs, nearly 820 PAPs (more than 61 per cent) have opted for animal husbandry. This is followed by IGSs under ISB (22 per cent) and Agriculture & Minor Irrigation (16 per cent). By and large, the choice appears have been voluntary. Most PAPs managing such schemes seem to be making reasonable gains. But it is difficult to say if the returns make them better off than they were prior to becoming PAPs. Juxtaposing and comparing may be tricky for a variety of reasons, particularly when the incomes pertain to two different periods separated by as many as 10-15 years.

1.9 INSIGHTS FROM DIAGNOSTIC SURVEY & FGDs

As mentioned above, a diagnostic survey of a sample each of PAPs of AP III and AP II was conducted through a structured questionnaire. The responses received indicated the following:

AP III PAPs

- A shift in occupational pattern of PAPs from predominantly owner-cultivators (98%), prior to acquisition of land, to agricultural/non-agricultural labourers (56%) at present
- PAPs' lands were acquired after all the formalities were observed
- Most of the PAPs (97.5 %) were unhappy with the size of compensation, which was, on an average, around Rs.24,000
- Most (91%) of PAPs had approached the Grievance Redressal Cell to lodge their complaint regarding inadequacy of compensation
- Those PAPs who went to court were instigated by touts, middlemen and others
- Nearly 55% of PAPs used the compensation money unproductively (like repaying loans or clearing debts, marriage of children, purchase of consumer durables and so on), while the remaining (45%) utilized it for productive purposes (such as investing in fixed deposits, buying land and other assets, etc)
- Nearly half the PAPs have chosen animal husbandry under IGS, followed by minor irrigation (27.3%) and business (14.6%).
- By and large, each IGS-grounded PAP derives an income of 10,000 to 15,000 per annum or Rs 1,000 per month, on an average.
- The rise in income is viewed by respondents as marginal to moderate.
- Majority (81%) of PAPs felt that the R&R officials were helpful in getting them the compensation
- Nearly half the number of PAPs were of the opinion that the NGOs were not very helpful

AP II PAPs

- A shift in occupational pattern of PAPs from nearly 100% owner-cultivators, prior to acquisition of land, to agricultural labourers (70%) and non-agricultural labourers (13%)
- Almost all PAPs are of the view that their economic status has improved compared to what it was prior to being rehabilitated
- More than half of them felt the improvement was only marginal and the remaining thought that the improvement was moderate
- An overwhelmingly large proportion of PAPs (83.3%) have opted for IGSs in animal husbandry, especially dairying followed by business (11%), minor irrigation (2.9%) and service (1.9%)
- All PAPs were of the opinion that the R&R officials were quite helpful to them and they behaved satisfactorily with them
- PAPs similarly felt that the NGOs' attitude was also satisfactory and they were friendly to the respondents

FGDs

- The members and office bearers of the WTG sampled were of the opinion that the body was of some use to them. However, they felt that the resources were too meagre to make any meaningful dent.

- Members of the WTG felt that neither their men nor the Gram Panchayat Office-bearers interfered in the working of their organization
- The PAPs being scattered, there was a problem especially in forming the WTGs
- In a few cases, the age of women was also a limiting factor in the formation of WTGs
- PAPs grounded with dairy scheme wanted a second buffalo so that, during the non-lactating period of one, they could depend on the other
- PAPs did not know there was anything like R&R. Even today, they call the R&R programme in general and the ERP in particular, as “Loan” Programme.
- Many PAPs have taken up sheep farming and since their sheep are disease-prone they, badly need succour from the medical fraternity, on the one hand and insurance companies, on the other.

1.10 MONITORING INDICATORS

Efficient internal monitoring is imperative for the success of any R&R Project. The effectiveness of monitoring depends as much as on the appropriateness of the indicators developed for the purpose as on the responsiveness of the machinery. As part of the present study, an attempt was, therefore, made to identify a set of indicators for internal monitoring. The indicators pertain to (a) Details of PAPs, (b) Grants Received, (c) Amounts Sanctioned, (d) Date of Grounding and (e) Training. After discussions with the project personnel, it was decided that the procedures currently being followed in the R&R process could be further streamlined and strengthened with the incorporation of this new set of indicators.

1.11 REVISED ACTION PLAN

The R&R machinery has achieved a little over 68 per cent of the target. In fact, the actual achievement comes to nearly 92 per cent if one takes into consideration the rejection of some claims, nearly 490 of them, as PAPs. Thus, viewed realistically, the achievements are fairly satisfactory. In essence, it is not lack of ambition, but lack of resources, which hold back the progress of R&R in AP III and the Retrofit of AP II.

The normal R&R cost in most projects is around 3-5 per cent of the total cost. Going by the benchmark, the present R&R cost in AP III (between 1-2 per cent) is somewhat low. Hence, there is enough room for enhancing the outlay and, thereby, being liberal towards the PAPs. It may be relevant at this juncture to recall a perception of the PAPs of both AP III & AP II. They feel that the present PAG of Rs.8,000 offered to them is too meagre to make any dent on their level of living and that it could be raised to Rs.20,000.

The PAG, as also the APAG & SPAG, should be inflation-indexed. This will help keep the real value of PAG intact and also make the PAPs earn more despite inflation.

With the time-frame for completing the R&R process having been extended by almost another two years, it should be possible for the authorities to be more focussed in accomplishing the unfinished tasks.