

UPDATE FROM POSCO PRATIRODH SANGRAM SAMITI (PPSS) AS ON 31ST March 2012

We welcome the judgment of National Green Tribunal (NGT) on 30th March 2012 for suspension of the final 2011 environmental order of the then [environment minister Jairam Ramesh](#) in favour of the Korean Company. From the beginning, we have been protesting against handing over our fertile agricultural land, sources of livelihood of 20,000 people and rich environment to a private company like POSCO. The judgment of NGT now brings the real truth. We demand the complete scrapping of this project.

The tribunal pointed out that memorandum of understanding between the Odisha government and Posco states that the project is for production of 12 million tons of steel per annum (MTPA) but the environment impact assessment (EIA) report has been prepared only for 4 MTPA steel productions in the first phase. "The entire process was vitiated in the eyes of law," the bench said in this regard.

NGT has rightly said that "A project of this magnitude particularly in partnership with a foreign country has been dealt with casually, without there being any comprehensive scientific data regarding the possible environmental impacts. No meticulous scientific study was made on each and every aspect of the matter leaving lingering and threatening environmental and ecological doubts un-answered."

You may remember that Ramesh had set up a four-member committee under the ex-environment secretary [Meena Gupta](#) to review the case. Gupta had given a minority report in favour of the project even while pointing out several lacunae, but the other three had demanded the project's cancellation. Ramesh went ahead and cleared the project after this in January, 2011, with some conditions.

The tribunal bench observed that Gupta's findings were "definitely hit by personal/official/departmental bias, in other words she supported the decision made by her earlier. This is a gross violation of principles of natural justice. Therefore, the entire process of review is vitiated under law".

In another development, the Comptroller and Auditor General of India (CAG) in its latest report (civil) for the year ended March 31, 2011 has rapped the state revenue department for acquiring land for these industries by invoking emergency provisions without fulfilling the conditions prescribed under Land Acquisition Act-1894.

An audit scrutiny of these land acquisition cases reveals that 4,967.08 acres of land valued at Rs 165 crore (approximate present market value Rs 901.30 crore) were acquired between July 2002 and March 2011 for establishment of industries by six promoters- Posco India Ltd (Jagatsinghpur)-437.86 acres, Aditya Aluminium Ltd (Sambalpur)-2021.41 acres, Bhusan Power & Steel Ltd (Sambalpur)-608.67 acres, Viraj Steel & Energy Ltd (Sambalpur)-2.58 acres, VAL (Kalahandi)-826.56 acres, Dhamara Port Company Ltd (Bhadrak)-1070 acres and.

The CAG is also sore over the fact that land acquired in case of all these six industrial projects was not put to use for a period ranging from 15 months to six years three months from the date of publication of notification under Section 4 (1) against the stipulated time period of six months.

The CAG has also pointed out that application of emergency clause in these cases was misplaced and deprived the land losers of the opportunity to contest the propriety of such acquisition and to be heard under Section 5A of the Land Acquisition Act. We also come to know from the media report that the Orissa law department has objected to the proposal to extend or renew the memorandum of understanding (MoU) signed with the POSCO, saying that it will be illegal to extend the validity of an expired MoU.

As you may know that the five-year term of the MoU signed between the Orissa government and Posco in June 2005 for setting up integrated steel plant at our villages lapsed in June 2010. The government and POSCO had been in negotiation since for renewal of the MoU with some changes in original terms and conditions.

The law department said. That "In the instant case it appears that 5 years have already expired. So, after expiry of the period of validity, extension of the same may not be possible. Extension is made prospectively before the expiry of the original MoU,"

We will keep opposing the project. All these reports by NGT and the CAG exemplify the strength of our democracy and the independence of various institutions of democracy. We are confident that at the end of the day the voice of people will be victorious.

I am attaching herewith the press statement of Lok Shakti Abhiyan on NGT verdict on POSCO for your information.

Kindly circulate this mail widely.

In Solidarity,

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LOK SAKTI ABHIYAN

PRESS NOTE ON NGT VERDICT ON POSCO

SCRAP POSCO PROJECT

BOOK THE COMPANY FOR ALL VIOLATIONS

**BOOK THE CULPRIT OFFICERS FOR CRIMINAL CONSPIRACY
AGAINST THE PEOPLE AND THE LAND**

March 31, 2012:Bhubaneswar: The Lok Sakti Abhiyan while welcoming the decisions of the NGT to suspend the arbitrary, unjustified and uncalled for green node given to the so called mega steel project POSCO on January 31, 2011 by the MOEF of government of India, congratulates the Judges for not succumbing to the pressures of the global finance capital and their Indian slaves. The President of Lok Sakti Abhiyan and petitioner in the NGT against POSCO Sri.Prafulla Samantara stated here today that it is indeed the victory of the people of Dinkia, Gadakujanga and Nuagaon Gram Panchyats of Jagatsinghpur who have sustained their struggles against this giant steel company at a huge cost to their life, liberty, peace and happiness for the last 6 years. The women and children of the struggle deserve special thanks for the sacrifice they have made and also for inspiring the whole nation. It is quite painful for any conscientious citizens of an independent and democratic nation to realize that its elected representatives are willing to serve any unscrupulous and erring corporation even if the people who have elected them suffer in terms of life, livelihood and peace.

It may be recalled here that the LSA along with others has raised again and again the issues of violations of forest, environmental laws of the country by the company with active support from the state government in Odisha. The government at the center is equally responsible for any single act of commission and commission. The NGT verdict to suspend environmental clearance, review the whole project, suppression of facts, misleading investigations and to have a holistic approach to the project raises many questions.

The judges have said, **"A close scrutiny of the entire scheme ... reveals that a project of this magnitude particularly in partnership with a foreign country has been dealt with casually, without there being any comprehensive scientific data regarding the possible environmental impacts. No meticulous scientific study was made on each and every aspect of the matter leaving lingering and threatening environmental and ecological doubts un-answered. The following recommendations deserve special attentions:**

- **Land and infrastructure:** The clearance was given for a 4 million tons per annum (MTPA) steel plant, but the land, water etc. were allocated for a 12 MTPA project (which has been POSCO's stated plan). The judgment directs MoEF to "consider optimizing the total land requirement for 4 MTPA steel plant proportionately."(par. 8.5) Moreover, the impacts of other infrastructure for the plant have not been assessed at all, even though they were planned for a 12 MTPA plant.
- **Issues that should have been done now, but which MoEF left for future studies:** On several points highlighted by the review committee, the MoEF just said future studies should be done and ignored the issue. The Tribunal finds this deeply unsatisfactory, and notes the following among other issues:
- **Water:** The Tribunal said that "We are all aware that ... the drinking water is becoming scarce commodity and at every level precaution needs to be taken for protecting the drinking water supply to human habitation and preventing from utilizing such water for industrial use ... alternative water source for the present project, like creating/ constructing a small barrage or augmenting any other existing source at the cost of project proponent to avoid the utilizing the water meant for Cuttack city... could be examined." (par. 7.4, page 29)

- **Pollution:** The plant's discharge was also left for future study by MoEF. The Tribunal says this is a "serious environmental concern." (para 7.4, page 30)
- **Impact on surrounding wetlands and mangroves, as well as cyclone risk:** This was left for vague future studies without any time frame or modus operandi."

Therefore, the LSA demands that no lenient view be taken on the company-POSCO. The project should immediately be scrapped, the Company should be booked for manipulating facts and misleading the nation and all officers involved in the criminal conspiracy against the people and land must also be booked under law and tried. The CAG report has clearly shown how land has been undervalued to suit the interests of the company. WE also see how the Collector, Jagasinghpur has decorated his official residence with money from rehabilitation/compensation fund. On the other hand one sees how even the grass root democracy like the GP has been dishonored and the elected leaders not allowed functioning. The battle is not yet over. People will not depend on any judicial process. But recent verdict of the NGT shows that people were right in their opposition and they will continue their struggle against any unjust and immoral imposition on them which would destabilize their life and livelihoods.

Prafulla Samantara