

**Most Urgent**  
**Speed Post**

F. No. 8-63/2007-FC  
Government of India  
Ministry of Environment and Forests  
(F.C. Division)

Paryavaran Bhawan,  
CGO Complex, Lodhi Road,  
New Delhi - 110510.  
Dated: 5<sup>th</sup> August, 2010.

To

**The Principal Secretary (Forests),**  
Government of Orissa,  
Bhubaneswar.

Sub: Diversion of 1253.225 ha of forest land for establishment of Integrated Steel Plant and Captive Port by POSCO-India Pvt. Ltd., Jagatsinghpur district of Orissa.

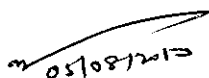
Sir,

I am directed to refer to this Ministry's letter of even number dated 29.07.2010 on the subject cited above, wherein the Government of Orissa was requested to submit, through return fax, the factual position of handing over of the forest and non-forest land to M/s. POSCO India Limited for establishment of an Integrated Steel Plant and Captive Port by them in Jagatsinghpur district of Orissa.

I am further directed to say that the said information has not been received by this Ministry till date.

I am further directed to say that a Committee had been established jointly under the Ministry of Tribal Affairs and the Ministry of Environment and Forests to study and assess the impacts of The Scheduled Tribes and Other Traditional Forest Dwellers (Recognition of Forest Rights) Act, 2006, with regards to the sustainable management of forest resources across the country. As part of its work the Committee had been holding consultations across India. A sub group of the Committee, comprising of Shri Arupjyoti Saikia, Shri Ravi Rebbapragada and Shri Ashish Kothari had also visited Orissa. During its deliberations and consultations in the state, it came to light that certain violations related to the POSCO project were taking place as well. With reference to the POSCO project they brought the following facts to the attention of the MoEF:

- (a) There are Other Traditional Forest Dwellers (OTFDs) in the area, contrary to what the district administration is saying. Both documentary and oral evidence exists to this effect.
- (b) The FRA process has not been completed, in fact it has not proceeded beyond the initial stages, for various reasons. It is therefore incorrect and misleading for the district administration to conclude that there are no OTFDs "in cultivating possession of the forest land since 3 generations" in the area.

  
05/08/2010

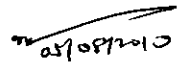
- (c) Some *palli sabhas* have given resolutions refusing to consent to diversion of forest land on which they are dependent. These *palli sabhas* were convened by the district administration itself, after receiving instruction relating to the MoEF circular of July 2009, which indicates that the administration was aware of the possible presence of forest rights claimants in the area. (It is interesting that this was done after the District Collector had given the opinion that there are no STs and OTFDs in the project area). To the best of the knowledge of the team these *palli sabha* resolutions have not been sent by the State Government to the MoEF, which is tantamount to deliberate withholding of relevant information/ documents. Only the *palli sabha* resolutions setting up FRCs in March 2008, have been sent to MoEF (which MoEF has asked the State Government to translate, in April 2010).

The team's findings were reported to the district administration on 24 July, and the State Chief Secretary (along with secretaries of all relevant departments) on 27 July 2010. It appears from news reports, however, that the district administration is proceeding with land acquisition and demolition of the *paan* cultivation of people on forest land. Reportedly this is of families who have consented to such acquisition; however this does not alter the fact that such work is illegal.

- (d) The team's conclusion is that any work related to the project in this area, such as what has been reportedly started on 27 July 2010, is a violation of the FRA, and of the conditionality laid down by the MoEF in its forest clearance dated 29 December 2009.

Accordingly, I am directed to say that Government of Orissa shall take all necessary measure and ensure that work, if any, being undertaken on the said land, for the said project, including handing over of the forest and non-forest land to the said project, **shall be stopped forthwith** and report on the same, along with details of work, if any, already executed for the said project along with the details of the forest and non-forest land handed over to the said project shall be submitted to this Ministry through return fax.

Yours faithfully,

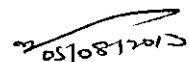


(H.C. Chaudhary)

Assistant Inspector General of Forests

**Copy to:**

1. The PCCF, Government of Orissa, Bhubaneswar for similar action.
2. The Nodal Officer, O/o PCCF, Bhubaneswar for the similar action.
3. Regional Office, Bhubaneswar.



(H.C. Chaudhary)

Assistant Inspector General of Forests