

## Center for introspection & enlightenment



Transforming India into a developed nation by eradicating poverty thru 'systemic' changes.

### **The American Way. Connecting the dots.....**

Inspired by the saint from Shirdi for alleviating misery of the poor

#### **How USA/Canada resolved their Land acquisition problem.**

When private companies in USA/Canada wanted to purchase land for railroads, mining, oil exploration, factories etc they faced a similar situation with native Americans ie Red Indians and native Canadians aborigines.(like the problem facing Govt/ Indian businesses/ farmers)

The deal that the Govt, private companies & the native Americans (landowners) structured involved

- 1) **Market price for land:** A One time current market price of the land to the land owners.
- 2) **And Equity ownership to land owners (This is the key) :**
  - ✓ The native (landowners) were given part ownership of the business/companies that were acquiring the land - by way of equity shares..
  - ✓ Equity shares were given to the native American/Canadian landowners who came together (formed groups) to negotiate the deals.
  - ✓ This ensured part ownership of the business as well trailing income for all the native Americans/Canadians for rest of their lives
  - ✓ Ownership provides farmers with a voice in decision making, aligns their interests with project partners, increases their self reliance and ensures that they share in the benefits and risks of resource development activities on their lands.
  - ✓ Equity participation also provides spin off benefits in communities, including revenues to improve housing, social services and the local economy.

The deal was accepted as fair by all parties (Govt/Business groups/landowners) as it was a "win-win" situation for all.

[How this was structured in Canada for the Mackenzie Valley Pipeline is summarized below](#)

This resulted in land deals being consumed rapidly and accelerating the pace of American/Canadian industrialization.  
As well as equitable distribution of wealth.

The details & approach paper of the Canadian govt is encl below for your perusal.

**The Indian farmers only asset in life is his land.  
His future should be protected by sharing the benefits derived from his land.**

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### **An Example of Native Canadians Aboriginal Equity Participation in Mackenzie Valley Pipeline Canada**

The Aboriginal Pipeline Group

The Aboriginal Pipeline Group (APG) works with all the Aboriginal groups along the Mackenzie Valley to ensure that they have a stake in the Mackenzie Valley Pipeline(MVP) project.

In 2000, a group of leaders met to discuss how they wanted to participate and to determine their common vision to maximize Aboriginal ownership and benefits from the pipeline.

APG was able to secure one-third ownership interest in the MVP.

APG's current shareholders are: the Gwich'in Tribal Council, the Inuvialuit Regional Corporation and the Sahtu Pipeline Trust.

The APG deal works as follows:

- 1) APG borrows money to pay for its share in the pipeline from a group of banks;
- 2) natural gas producers sign long term shipping contracts with the pipeline and pay a fee to transport their gas from the Mackenzie Delta to Alberta;
- 3) loans are repaid from APG's share of pipeline revenue; and,
- 4) The balance of APG revenue is returned to APG shareholders as dividends.
- 5) Once the pipeline is completed, APG will be able to pay meaningful long-term dividends to its stakeholders.

### **Canada White Paper:**

#### **Increasing Aboriginal Participation in Major Resource Projects in Canada (Links)**

(a) [http://www.naedb-cndea.com/wp-content/themes/naedb/document/INCREASING%20ABORIGINAL\\_PARTICIPATION\\_IN\\_MAJOR\\_RESOURCE%20PROJECTS.pdf](http://www.naedb-cndea.com/wp-content/themes/naedb/document/INCREASING%20ABORIGINAL_PARTICIPATION_IN_MAJOR_RESOURCE%20PROJECTS.pdf)

(b) <http://www.naedb-cndea.com/index.php/news/increasingaboriginal/>

Best wishes

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**www.ci-e.com**

**email: rk@ci-e.com**

**Canada**