



**ELEVENTH FIVE YEAR PLAN
(2007-2012)
NEC**

VOLUME - I

**NORTH EASTERN COUNCIL
SECRETARIAT
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CHAPTER – I

SOCIO-ECONOMIC PROFILE OF THE NER

II. The North Eastern Region: Profile and Projection

The North Eastern Region (NER) extends to north and east of the narrow Siliguri corridor and comprises Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura. These eight States cover an area of 2,62,189 sq. km. constituting 7.98 per cent of the country's total geographical area and account for only around 3.79 per cent of the total population of the country (2001 Census). The region has a long international boundary, about 96 per cent, with China and Bhutan in the north, Myanmar in the east, Nepal in the west and Bangladesh in the south and west. Most of the hill States in the region like Arunachal Pradesh, Meghalaya, Mizoram and Nagaland are predominantly inhabited by tribal people with a fairly high degree of diversity even within the tribal groups.

It would be erroneous to consider the region as a homogenous entity. The significant linguistic, ethnic and cultural diversity, not only among the people of different States but also within each State in the region, is an important feature that needs to be taken into account in designing policies and programmes. Marked by diversity in customs, cultures, traditions and languages, the region is home to over 200 of the 635 tribal groups in the country, speaking a variety of Tibeto-Burmese languages and dialects with a strong tradition of social and cultural identity. Each of the States has its own history and the tribal groups in the States have their own culture, tradition and governance systems. The region is a treasure house of exceptional natural beauty, floral and faunal biodiversity and abundant mineral, water and forests resources.

The political and administrative milieu of the region has gone through several changes from pre-colonial to colonial and post-colonial times . Besides, the partition of the country in 1948 imposed severe economic handicaps on the region. Although the

various States in the region have made some socio-economic progress, this has not been sufficient to propel the region out of its low equilibrium to a higher sustainable growth path. The Eleventh Plan envisages higher growth in GDP and, more importantly inclusive growth requiring rapid increase in employment, significant improvement in human development, particularly of the disadvantaged sections and a sharp decline in poverty. All these underline the necessity and urgency with which the NER needs to be brought in sync with the rest of the country to enable it to participate as an equal partner in India's march to progress.

II.1 The Land and Its People

The NER is home to 39 million or about 3.8 per cent of the total population of the country, of which 68 per cent live in the State of Assam alone. Apart from Tripura, the population of all the NER States grew at a much faster rate than the national average in the 1980s and 1990s, with Nagaland's population growth reportedly touching 64.46 per cent in the latter decade . Migration is seen as an important factor contributing to high population growth as well as consequent social unrest. Most of the States in the region (apart from Assam and Tripura) are sparsely populated, with densities far below the national average. Arunachal's population density is only 13 people per sq. km. and Mizoram's is 42. Within States, densities vary greatly depending on the terrain, with fewer people in hill districts than in the plains.

The region is predominantly rural with over 84 per cent of the population living outside towns and cities (except in Mizoram where only half the population lives in the villages and Manipur where around 76 per cent are rural). Since the 1990s, however, Arunachal Pradesh, Mizoram and Sikkim have registered an increase in urban population, as people have started moving to towns and cities in search of better livelihood opportunities and better access to basic services.

The region is identified as one of the world's most fascinating biodiversity hotspots; it hosts species-rich tropical rain forests, supports a diverse flora and fauna and is the centre of origin of several crop species. The reserves of petroleum and gas in the region constitute a fifth of the country's total potential. Other mineral resources, forests and water resources (rivers, streams and rivulets) are also available in abundance. However, the region is yet to harness the vast developmental potential of these resources for the benefit of its inhabitants.

II.2. Social Characteristics

The North East is home to over 200 of the 635 tribal communities in the country, most of who live in the hill States of Mizoram, Nagaland, Meghalaya and Arunachal Pradesh, and form an overwhelming majority of the population of these States. The tribal population constitutes about one-fourth of the population of the region. In four States, i.e., Mizoram, Meghalaya, Nagaland and Arunachal Pradesh the tribal people comprise a majority of the population.

The total literacy rate of the population in the region at 68.5 per cent, with a female literacy rate at 61.5 per cent, is higher than the country's average of 64.8 per cent and 53.8 per cent, respectively. Mizoram has the second highest literacy rate in the country, while Assam, Arunachal Pradesh and Meghalaya are below the country average.

II.3. Poverty Trends

In spite of good progress in poverty reduction, it remains a concern in all NER States, especially in Assam and Sikkim. Poverty estimates of the NER States are, however, limited; they are based on consumer expenditure data collected by the National Sample Survey (NSS) relating to Assam. Only price variations and the rural-urban population shares influence State-specific estimates. Studies show that there are marked differences in the nature of poverty between the valley and the hills. However, the egalitarian basis of tribal societies which form a majority of the population in the hill States means that these States do not have the 'abject poverty found in many other parts of India.'

II.4 The Economy of NER: Level and Composition of GSDP

II.4.1 Per Capita Income Levels

The Gross State Domestic Product (GSDP) is an important indicator of the economic development of a State. Per capita income broadly represents the overall level of living of the people. An analysis of NER shows that (i) the per capita income level in the region is significantly below the average of the country; (ii) the divergence in per capita income between the country and the region has shown a steady increase over the years; and (iii) there are significant differences in the levels of living between

different States, between the people of urban and rural areas and between people in the plains and hill areas of the region.

Ironically, the region was at the forefront of development almost 150 years ago. Its rich natural resources supported significant economic activities. The proximity to Chittagong port, a network of inland waterways and land transportation through road and railways provided the support network for the transportation of goods and people. The railway network between Dibrugarh and Chittagong was one of the earliest projects implemented by the erstwhile colonial rulers in the late 19th century. The natural transportation route through East Bengal not only reduced physical distances but also provided emotional closeness. A rapid spread of tea gardens followed the establishment of the first tea garden in 1835 and the export of the first consignment of tea to London in 1838. The discovery of oil in Makum and the establishment of a refinery in Digboi in 1890 laid the foundation for the development of undivided Assam. The colonial rulers found significant potential for the exploitation of natural resources and invested in infrastructure in the region.

The partition of the country in 1947 was extremely retrogressive for the nation. It changed the economic landscape of the region, virtually disconnecting it from the rest of the country. The only link that remained was the narrow 28 km. Siliguri corridor. It severed access to the Chittagong port to make it land-locked and blocked natural transportation routes to cut off market access. In fact, per capita income in the undivided State of Assam was higher than that of the country's average on the eve of independence. Even during the 1950s and the 1960s it was higher than the average of the country, but the trend was reversed in the 1980s and the divergence continued to widen thereafter. Thus, in 1995-96, per capita income of the region at 1993-94 prices (Rs. 6,890) in the region was 80 per cent of the national average (Rs. 9,804). In 2004-05, as the country's average per capita income increased to Rs. 14,031, the region's income increased only to Rs. 8,869 constituting just about 62 per cent of the national average. In other words, while the per capita income in the country in real terms increased at the average annual rate of 3.89 per cent, the region's per capita income increased only at 3 per cent. In fact some of the States like Arunachal Pradesh, Assam, Mizoram and Nagaland registered a decline in their per capita incomes during 1995-2000.

II.4.2. Structure of State Income

As in the rest of India, an overwhelming proportion of the population of the NER depends on agriculture for its livelihood, but a large majority of the people engaged in agriculture have subsistence living. The population residing in the rural areas of NER in 2001 constituted 84.39 per cent of the total, but the income generated from agriculture on average during 2000-04 was just about 26 per cent, while the contribution of the primary sector as a whole was 34 per cent. This is marginally higher than the contribution of the agricultural and primary sectors in the country at 20.2 per cent and 24.4 per cent, respectively. In contrast, the share of the secondary sector at 16.9 per cent was much lower than that of the country (23.4 per cent). The contribution of the service sector at 49 per cent in NER was marginally lower than that of the country at 52.2 per cent. Within the service sector, NER had a significantly higher share of public administration (10.6 per cent) than that of India (6.3 per cent). Thus, the NER is characterized by low levels of manufacturing and non-governmental service activities resulting in the population's overwhelming dependence on the agricultural sector. This general observation, however, obscures inter-State differences within the region. The dominance of Assam in the economic landscape of NER replicates the picture. In Assam and Nagaland, the contribution of the primary sector was over one-third, but in Sikkim it was lower than the national average. Services share was higher than the national average in Mizoram and Sikkim. However, public administration contributed 21 per cent in Mizoram and 17.5 per cent in Sikkim. It is also seen that over time, there has been a gradual decline in the share of the primary sector in almost all the States in the region except Nagaland and Tripura.

CHAPTER II

ELEVENTH FIVE YEAR PLAN 2007-2012

1. OBJECTIVES, ISSUES, INITIATIVES & RESOURCES

1.1 Objectives, Issues and Initiatives

The draft Eleventh Five Year Plan (2007-12) (11th FYP) of the NEC is being prepared against the backdrop of many significant changes in the history of economic development of the North Eastern Region (NER) of India. This is the first plan that NEC is formulating its strategies as a Regional Planning Body and not as a regional advisory body. This significant departure from the usual practice followed by NEC has been dictated as well as necessitated by a statutory change in the status of NEC. As per the NEC Act, 1971, NEC's role was of an advisory nature. But, the NEC (Amendment) Act, 2002, entrusted NEC with the role of the regional planning body. Another statutory change is the inclusion of the State of Sikkim into the NEC as its youngest Member. Hence, a detailed exercise has been attempted for identifying the gaps in the development process afflicting the region as a whole and efforts are being made to incorporate this new dimension into the approach of the 11th FYP.

The Eleventh Five Year Plan provides an opportunity, with the new role of NEC, not only to build upon the gains of the past but also to address the weaknesses that have emerged. It attempts to address the fact that a considerably large section of the population in this region still continue to live below the poverty line and there is a significant divide in the socio economic front vis-à-vis other regions of the Country even after more than five decades of planning. The 11th Five Year Plan is being prepared based on the premise that exponential improvement in living standards could be achieved based on the strategy of regional approach to development of the region. This regional planning approach was in fact initiated by the Prime Minister himself

when he chaired a meeting on 16th October 2006 wherein major policy decision were taken.

I. Intervention of the PM and Policy decisions

The Prime Minister's decisions reproduced below can be viewed as the crucial cornerstones of NEC's interventions in the socio-economic development of the North Eastern Region. The 11th Five Year Plan document was drafted with these guidelines in the backdrop. The guidelines are as follows:

- The NEC should prepare the Vision 2020 document and regional plans expeditiously. This should be completed by January, 2007.
- The NEC should concern itself only with Inter-State projects, with wide ranging impact and should focus on few areas of a critical nature and not spread its resources thin.
- The NEC should ensure equitable allocation of resources amongst all the NE States. The Planning Commission would work out alternative formulae for the purpose and seek appropriate ratification.
- The NEC should prepare a Shelf of important Projects through consultations in order to avoid overlap.
- Regional institutions should be transferred to line Ministries immediately. This will ensure that additional resource, on account of avoided O & M expenditure, become available to NEC. It will also help secure professional management input. The Prime Minister directed that their regional character should be maintained under all circumstances and the line Ministries should make special efforts to allay local apprehensions, if any.
- The NEC should utilize the expertise of the full time Members. They should be fully involved with the planning process through Sectoral Empowered Committees. The Members would also be associated with the Annual Plan process and in monitoring and evaluation.
- The NEC should not take up projects of minor nature and should aim to create an impact through substantive projects, not less than Rs 2 crores each.

- The Planning Commission would review umbrella and subsidy-oriented schemes of NEC like SPINE, Sports and Youth Affairs, Agriculture, etc. with a view to avoiding overlap with the schemes launched by the Central Government and State Governments.
- The Ministry of Finance should immediately post an FA, exclusively for NEC, who would be accountable to the Ministry of Finance as in other cases.
- To strengthen NEC, efforts would be made to fill up the vacant posts, in particular the 10 crucial posts identified by the full time Members. The Ministry would also move proposals through the Cabinet Secretary regarding an appropriate staff incentive package as a special case, without waiting for the recommendations of the Pay Commission.
- Instructions would be issued (by Ministry of DoNER) to the State Governments to open separate accounts for NLCPR/NEC funds.
- There should be proper linkages and coordination between Planning Commission, Ministry of DoNER and NEC. M/o DoNER and NEC should undertake their primary duty of coordination more seriously.
- The line Ministries, while approving the programmes for NER should invariably consult M/o DoNER and NEC in a time bound manner. They should be guided by M/o DoNER to create schemes/projects that are in tune with the priorities. Appropriate advisories could go out from the Cabinet Secretariat for this purpose.

In furtherance of the interventions on directions of the Prime Minister the Hon'ble Chairman, NEC, and Union Minister for DoNER undertook certain key initiatives in the shape of sectoral summits of NEC to review development activities undertaken by ministries in the North Eastern Region and to chalk out future strategies. So far, the following sectoral summits have been concluded:

- First Summit called **Passighat Proclamation on Power** held on 17th January, 2007 at Passighat, Arunachal Pradesh.
- Second Summit called **Shillong Statement on Roads & Highways** held on 9th February, 2007 at Shillong, Meghalaya.

- Third Summit to **Review Commodity Boards and APEDA, Inland Water Transport, Flood & Erosion Control and Irrigation Sector Programmes in the NER** was held on 9th – 11th March, 2007 at Guwahati, Assam.
- Fourth Summit called **Gangtok Declaration on Tourism and Hospitality Sector** held on 27th – 28th April, 2007 at Gangtok, Sikkim.
- Fifth Summit to **Review Air Connectivity Sector Programmes** held on 18th – 19th May, 2007 at Aizawl, Mizoram.
- Sixth Summit called the **Delhi Statement on Rail Connectivity in the North Eastern Region** was held on 19th June, 2007 at New Delhi.
- Seventh Summit on **IT & IT – Enabled Services and Telecommunication programmes in the NER** was held on 31st July – 1st August, 2007 at Kohima, Nagaland.
- Eighth Summit on **Education, Sports, Art and Culture programmes in the NER** was held on 20th – 21st August, 2007 at New Delhi.
- Ninth Summit on **Agriculture & Allied Sector** was held on 11th to 13th September, 2008. at Tezpur, Assam.

These sectoral summits have discussed respective sectoral issues in the backdrop of the economy of the NER and action plans were drawn up for respective sectors in consultation with the State Governments, Central Line Ministries and other stakeholders in the region after due deliberations on critical issues.

II. The Eleventh Plan has also been formulated in the context of selected outputs having regional dimensions.

In this context Hon'ble Chairman, North Eastern Council and Union Minister for Development of North Eastern Region undertook the initiative to hold sectoral summits of NEC to focus on strategic regional developmental issues and parallelly, the North Eastern Region Vision 2020 was also released. In between the Planning Commission's 11th Five Year Plan allocation for NEC has also been finalized and as a follow up of that the 11th Five Year Plan document as well as the Revised Estimate (Annual Plan) for 2008-09 of NEC has been redrafted on the basis of the following four basic documents and availability of financial resources:

- The report of the NEC Working Group on the 11th Five Year Plan
- Vision NER 2020
- Decisions/ recommendations of various Sectoral Summits
- Priority Lists of the States

1.2 Availability of resources and effects of the same on the 11th FYP.

The availability of resources is a critical dimension in the process of implementation of any plan. It must be understood that, even though NEC is the statutory Regional Planning Body for the NER, it is yet to be mandated to be a pivotal planner for the entire region. Neither has it been authorized to recommend allocation of resources. Hence, tautologically, planning by NEC is still an advisory nature. NEC is dependent on Planning Commission for allocation of funds and on the Union Finance Ministry for actual allotment of budgetary resources. Hence for the 10th FYP period, the formally allocated fund was not provided in actuality.

The spill-over from the 10th Five Year Plan on account of ongoing projects as well as the earlier Five Year Plans was of the order of Rs 2202.08 crores. Out of this huge committed liability on spill-over/ on-going projects, an amount of Rs 1767.72 crores pertain to the Transport and Communication Sector projects only. At the current trend of budget allocation, it would take more than three years merely to fulfill the liabilities arising out of the 10th Five Year Plan. This has compelled the NEC not to take up any new project in the Transport and Communication Sector unless and until the committed liabilities are met and completed. The Working Group on the 11th Five Year Plan of NEC thus proposed a plan-size of Rs 12450.00 crores (approximately).

During the 11th Plan period so far an amount of Rs 600.00 crore was released in 2007-08 and an amount of Rs 624.00 crore was kept under Budget Estimate 2008-09. Now, as finalized by the Planning Commission, the 11th Plan size of NEC is Rs 7394.00 crore and as recommended by the Agartala Plenary of NEC, the demand for RE for 2008-09 has been raised to Rs 1000.00 crore.

As for the 11th Five Year Plan, out of an allocation of Rs 7394.00 crore for the NEC, the actual allocation during the first two years of the 11th Plan is a meager amount of only Rs 1224.00 crore. It is worthwhile to note it here that in spite of

communication to Planning Commission regarding the extent of committed liabilities of NEC and a budget requirement of at least Rs 1200.00 crore, Planning Commission intimated to the NEC that in 2008-09, the Budget Estimate will be Rs 750.00 crore and, ultimately, the actual allocation showed a meager increase of 4% over last year's allocation and, in absolute terms, the figure was Rs 624.00 crore. If one consider the rate of inflation during last one and half year or so, four percent increase in absolute terms work out to be a negative rate of increase in real terms. It is certain that even if the present above level of allocation is unchanged, committed liabilities will continue to impact on the 11th Five Year Plan.

1.3 HIGHLIGHTS OF ELEVENTH PLAN

1.3.A THRUST SECTORS :

The following thrust sectors have been identified for sustained support by the NEC during the 11th Plan period:

1.3. A.1 Connectivity is still the primary area of concern for virtually any development in the region and hence has been occupying the position, it deserves in the NEC's priority list, since inception. The NEC's 53rd meeting (New Delhi: 15-16 Nov.2006) also emphasized the same. Further, the area received its due coverage in the 2nd Sectoral Summit of NEC with the adoption of Shillong Declaration on Roads & Highways of the NER.

As assessed by the task force, the spillover cost of the 10th Plan road schemes has been Rs.2188.21Crores including Rs.389.14Crores for completion of 9th Plan road schemes in the beginning of 11th Plan. The Task Force recommended the completion of 9th plan spill over by 2008-09 and the 10th plan spill over by 2009-10 subject to availability of fund.

Altogether, 50 timber bridges on completed NEC-funded roads have been recommended for conversion into permanent bridges during 2008-09.

Out of six Inter State Bus Terminus (one each at Guwahati, Silchar, Agartala, Jorhat, Kohima and Mokokchung) and two Inter State Truck Terminus sanctioned (at Guwahati and Silchar), both of those at Guwahati and Silchar completed and as recommended by the Task Force, the ISBT at Aizawl has also been completed. Agartala, Jorhat and Mokokchung would be completed by 2009-10 and support to

ISBTs in Arunachal Pradesh, Meghalaya, Manipur and Sikkim during the 11th Plan period.

The NEC has a MOU with the AAI for funding upgradation of 10 airports in the ratio of 60:40. Work on 7 airports has since been completed and is continuing at 3 airports.

The Task Force has recommended assistance for preparation of DPR/PFR for taking up new upgradation work at seven identified airports. Accordingly, AAI has submitted the DPR for Tezpur Airport and PFR of six others at Along, Daporijo, Passighat, Zero, in Arunachal Pradesh and Kailashar & Kamalpur in Tripura. The process of finalizing a new dedicated airline for the NER is being done. Four prospective airlines submitted their bids. In the meantime principle approval for the extension of the existing arrangement with the Alliance Air has been conveyed for one more year w.e.f. Jan., 2009.

1.3.A.2 Power Development occupies the number two position in the priority list of NEC, next to only road connectivity. The Pasighat Sectoral Summit had also identified this as a thrust sector. The work for survey and preparation of the detailed project report on the transmission and sub-transmission line of power system in 8 states of the region has been entrusted to PGCIL and the SFC of which has also been forwarded to Line Ministry for views and comments.

Small Hydro-power projects (SHPs) received an wide well come in the Pashighat Summit as an ideal alternative to supply electricity in remote and scattered hamlets widely distributed over a large area of the NER. Accordingly, viability gap funding is being done in SHPs and renewable resources of energy as per the recommendation of the Pashighat summit.

1.3.A.3 Institution Development: NEC's role in the establishment of institutes in the region is well recognized through NERIST, Arunachal Pradesh, RIMS, Imphal, RIPANS, Aizawl, LGBRIMH, Tezpur, NEPA, Meghalay and many other. NEC's support to the institutions like the BCCI, Shankardeva Nethralaya, RDC,RNC,GMC, are also well known. NEC proposes to continue the effort during 11th Plan and accordingly proposes to support setting up of Nursing Colleges in the PPP mode, a Pilot-Training Centre in collaboration with the Ministry of Civil Aviation, a Fashion Technology Institute in collaboration with the NIFT/Ministry of Textiles,

Mountaineering-cum-Adventure Sports Institute in collaboration with the HMI, Darjeeling, etc.

1.3.A.4 Capacity Building: To enhance employability of educated unemployed youth of the NER, skill development are being undertaken through reputed institutes in various fields including Hardware/Software/BPO/Call Centre management etc. For capacity building in the field of Hospitality Sector, Institute of Hotel Management are being established in each and every State of the NER through Ministry of Tourism. For ensuring quality education, efforts are being made to support teachers' training programmes particularly in the field of Science and Mathematics. The region being a great source of bamboo and a number of agro resources, capacity building - in the bamboo sector as well as in other agro-processing fields - already occupies a priority position in the NEC 11th plan.

1.3.A.5 Evaluation & Monitoring :

NEC funds a huge number of schemes/projects etc, while its existing E&M set up is too inadequate to handle the same. Hence, as decided, a plan is being finalized to involve renowned government agencies/institutions and Universities of this region in the exercise to complete the task with due respect to the technicalities and other necessary terms and conditions.

Setting up of a Project Formulation and Quality Management Cell in the NEC Secretariat is the highlight of this sector for 2008-09. The guidelines, so prepared, are now under consideration of the Competent Authority.

1.3.B. THRUST AREAS WITHIN THE SECTORS IN THE ELEVENTH PLAN

1.3.B.1 Water, Power Development & RRE Sector

- Viability gap funding for Small Hydro Projects and Renewable Energy schemes
- Survey and preparation of DPRs for development of transmission and distribution system in the NER through PGCIL
- New transmission/ sub-transmission lines and system improvement

1.3.B.2 Industries & Tourism Sector

- Support to develop industrial infrastructure and capacity building in the field of agro-processing, bamboo products, rubber, handloom and handicrafts and setting up of Bamboo Park in Assam through CBTC
- To support a study on investment already made under NEIP 1997 & prospect of investment under NEIIPP-2007
- Support to promote border trade - in view of Look East Policy - by way of establishing border huts, marketing centres, capacity building for Chamber of Commerce as well as Export Promotion Council etc. under the coordinating support of Br. Secretariat, Ministry of External Affairs, Gol.
- Preparation of Tourism Master Plan for the NER and development of tourism circuit including publicity & promotion
- Support towards Project Preparation for the development of tourism infrastructure

1.3.B.3 Transport & Communication Sector

- DPR/PER Preparation for upgradation of new airports at Tezu, Pasighat, Daporijo, Zero (Arunachal - Pradesh) and Kailashahar & Kamalpur (Tripura)
- Finalizing process of a new dedicated airlines for the NER is in progress
- Approval for extension of contract with Alliance Air for one more year

1.3.B.4 Medical & Health Sector

- Facilitate Setting up of Nursing Colleges in PPP mode

1.3.B.5 Manpower Development Sector

- Support to Skill development for educated unemployed youth in the field of Computer Hardware /Software training in BPO/Call Centre management
- Support to teachers' training in Science and Mathematics
- Setting up of Pilot Training Centre at Lilabari, Asom.
- Facilitate Regional Fashion Technology institute in collaboration with the NIFT/Ministry of Textiles

- Facilitate Mountaineering and Adventure Sports Institute in collaboration with the HMI, Darjeeling.

1.3.B.6 Science & Technology Sector

- IT Hardware support to the educational institution
- Support to IT applications i.e STPI, E-Gov. etc
- Establishment of Telemedicine nodes in all the district headquarters
- Disaster management programmes

1.3.B.7. Evaluation & Monitoring Sector

- Setting up of Project Formulation and Quality Management Cell(PFQM) and outsourcing of consultants to assist the state Governments in formulating and evaluating projects

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CHAPTER III

2. OVERVIEW OF POLICY ISSUES AND NEW INITIATIVES IN VARIOUS SECTORS

2.1 Agriculture & Allied Sector

The actual expenditure under Agriculture and Allied sector in 2007-08 is Rs 1033.90 crore. The budgeted requirement of fund 2008-09 is Rs 1200.00 lakhs and the amount provisioned under 2008-09 Revised Estimate is Rs.1850.00lakhs. The proposed outlay for the remaining period of the 11th Five Year Plan is Rs 555.22 crore.

The major constraint to the economic development of the NE Region and the fundamental cause of widespread unemployment of educated and skilled people has been identified as the extremely weak agriculture. A structural change is called for in this sector especially since the economy in the NER is dominated by the primary sector.

More than 80% of the people of the NE Region live in rural areas and, hence, a significant increase in agricultural productivity and production would have considerable multiplier effects on income generation and bring about an all round speedy development of the region. In fact, the experience shows that augmentation of income in the hands of the rural masses have strong multiplier effects since the lower income strata do have a high marginal propensity to consume and the majority of the rural masses belong to the lower income strata. In the process, diversified employment opportunities will be generated and even the educated, unemployed youth will find several income generating opportunities. A holistic approach to development of the region, covering linkages from research and development to agro-processing and marketing will bring a significant shift in the development paradigm of the region. Adoption of modern technologies in agriculture has been the key element in bringing technological breakthroughs in the country and should be replicated in the case of the North Eastern Region as well. A quantum increase in productivity can be attained in the region simply by way of tapping the resources existing in abundance in the region with necessary scientific and technological inputs. Keeping that in mind, the following

policy recommendations have been suggested for equitable and sustainable growth in rural/ agricultural economy in the region.

The technology dissemination programme needs to be restructured, by giving special importance to the concept of demand-driven, and not supply driven, economy. To cope up with the changing global scenario of agriculture, the exercise of strengthening and capacity building of the extension personnel invites special attention of the policy administrators. Consumers' preferences for selected horticultural crops should be enhanced through value addition and by promoting their diversified uses. Development of low-cost machinery for basic agro-processing and training of rural youth in agro-processing activities should be encouraged.

Market intelligence system in the region needs to be established/ strengthened for the faster dissemination of marketing information to the producers, traders and consumers. Establishment of marketing infrastructure, like regulated markets, cold storages, grading & packaging facilities, roads, etc. in the region need to be given high priority. With the increases in per capita income and awareness towards food security, the demand for organically produced agricultural commodities, particularly fruits, vegetables, spices and even medicinal plants, have shown an increasing trend across the world. The NER has a competitive edge over the rest of the country in the matter of producing such commodities to cater to the ever-increasing demand in the domestic as well as global markets. Therefore, special drive for standardization of organic production practices, their licensing and marketing systems need to be initiated and promoted in the region.

Out of about 1300 species of orchids, about 800 are found in the North Eastern Region of the country. The Eastern Himalayan region is rich not only in terms of number of species, but also more importantly, in terms of their ranking at the top of the list of ornamentally important ones. Besides, many cut flowers like Arthurian, Carnation, Chrysanthemum, Aster, Rose & Liliun etc. are successfully grown in all the States of the North Eastern Region. Potential of floriculture remains largely unexploited and untapped in this region even after growing excellent quality of Orchids and other rare species of flowers. The strength of the region in floriculture is there to be exploited through well planned strategies, not so much as regards production but largely in terms of marketing.

The subsidiary activities like livestock piggeries, poultry, fisheries, sericulture should have important place in the production system according to their economic viability and technical feasibility in the locality, which will supplement the earning, thereby sustaining the livelihood security of the rural households in the region.

Some of the areas where the NEC's intervention under this sector is of utmost necessity are - (i) cultivation of fruit crops on cluster basis as per agro-climatic conditions of the region (ii) rejuvenation of existing orchards of the region (iii) development of floriculture activities.

In short, it may be concluded that where land and people continue to remain idle for the better part of a year, economic progress remains at a low subsistence level. Development has, therefore to be spearheaded through increase in agricultural production by way of introduction of double-cropping. A success in this will bring a real breakthrough and bring hope & confidence of success, which is very much needed.

But, in spite of the importance of agriculture in the overall scheme of development of the region, the NEC cannot do much in this area since agriculture is a State subject under the constitution of India. The NEC is aiming at a catalytic role by way of conceiving and funding pilot projects in this area.

The Eleventh Plan proposals include mainly the on-going projects, the only new initiative being the - 'Diversification of Agronomical Crops in the Region'. A Demonstration Project, under this scheme, for improvement of crop and soil in Assam and Tripura was taken up by NEC during the 10th plan. The Tingrai Pather Demonstration project in Tinsukia, Assam showed very encouraging results. Prior to taking up of the project, the production was only 1.5 MT/ha which following the implementation of the project went up to 6.7 MT/ha thereby making an almost 4.5 fold increase. Subsequently, the farmers started going for a second cropping of Vegetables, Mustard in the same land which were not grown in the land earlier. Justifiably therefore, the farmers of the States got motivated to adopt the technology. Success of the project encouraged NEC to replicate the technology in other States of the region as well and proposals have been received from the States of Mizoram, Manipur, Nagaland and Sikkim. Already some projects are in the pipeline and have been followed up for obtaining approvals of the Competent Authority.

Issues Relating to Agriculture & Allied programmes highlighted in the Vision NER 2020 Document:

The Vision NER 2020 document has dealt with participatory development process through grass-root planning. Agriculture is a sector where people's participation could be maximized since more than 80% of the population in the region resides in villages. It has been advocated that we may have separate strategies for development of agriculture in the plains and that in the hills. The following areas have found importance – a) Increase in the land area under double cropping to 25% in a phased manner, b) Adoption of improved technology such as High Yielding Varieties (HYV) of seeds, c) Balanced use of Organic Manure and Chemical Fertilizers & Pesticides, d) Adoption of appropriate steps to balance acidity of the land, e) Expansion of areas under cultivation, f) Weaning away of cultivators away from jhum cultivation, g) Development of rural infrastructure including market links, cold storages and processing facilities, h) Taking up fruit production in the 'Mission Mode' with the provisions of complimentary infrastructure and services, i) Provision of adequate thrust on animal husbandry and fish production, and j) Making provision for training aiming at skill development. The suggestions have already been duly considered under the NEC Annual Plan 2008 – 09 within the overall constraint of resources.

2.2 Augmentation of the North Eastern Region Community Resource Management Project.

The expenditure during 2007-08 was Rs 2350.00 lakhs. The fund kept as NEC's share under 2008 – 09 Budget Estimate for the project has been Rs 200.00 lakhs and the amount in RE 2008-09 is also Rs.200.00 lakh.

The NERCORMP, which had been launched in May 1999, was a joint livelihood Project of the IFAD and the North Eastern Council. As per the IFAD Loan Agreement, the Project was implemented at the regional and district levels through registered societies established as special purpose vehicle to achieve the objectives of the Project.

The Project covered 862 villages, reaching out to 39161 families living in some of the most inaccessible hill districts of North East. These are the remotest of all villages in the districts where Govt. Organizations and other Developmental Agencies have little or no developmental initiatives. The project has been designed in such a

way so as to reach-out to the poorest of the poor, and has been able to successfully deliver results.

The Project has organized the beneficiary families into 3168 SHGs, and 1012 NaRM-Gs.

NERCORMP is a fairly large and successfully implemented project and its achievements can be written in volumes. Its achievements need to be measured against the background of the region where results on the ground often is not commensurate with the amount invested due to many reasons including law and order situations. However, through active participation of the communities and the hard work of a committed team, the Project today has many breakthroughs to share. The Project believes that its success is attributed to the change of mindset which has been brought about by consistent and focused capacity building.

Besides, its physical achievements, social responsibility/accountability towards development, total transparency of the institutions (NaRM-Gs & SHGs) and successful management of the project by the communities are some of the unique features of the project. The human capacity developed among the community has boosted in addressing food security, health and sanitation, gender empowerment, improving banking culture and high level of participation in educational institutions.

The Project was funded as per the table-1 given below to achieve the following objectives:

The overall objective is to improve the livelihood of vulnerable groups in a sustainable manner through improved management of their resource base in a way that contributes to protecting and restoring the environment.

The specific objectives were :

- to promote a more sensitive approach to the design and implementation of development interventions;
- to enhance the capabilities of local people to manage new technologies and institutions at the village level;
- to increase incomes through the development of more sustainable farming systems and the establishment of non-farm enterprises;
- to make people more aware of the need to preserve and regenerate natural resources, particularly forests and biodiversity;
- to establish effective and appropriate delivery systems for inputs (credit, extension, etc.) and for the maintenance of assets and resources;

- to increase the participation of women in local institutions and in decision-making processes within the community;
- to enhance savings capacity and establish the habit of thrift;
- to increase access to basic services and infrastructure facilities.

The project's objectives were achieved through the following components:

- (a) Capacity Building of Communities and Participating Agencies;
- (b) Economic Livelihood Activities;
- (c) Community-Based Biodiversity Conservation;
- (d) Social Sector Activities;
- (e) Village Roads and Rural Electrification;
- (f) Project Management

Table-1

Component	Source of Fund			
	GOI funding on the Strength of IFAD soft- laon	Beneficiary Contribution	Financial Institution	Total
	INR (Cr.)	INR (Cr.)	INR (Cr.)	INR (Cr.)
Capacity Building	14.35			14.35
Economic Livelihood Activity	61.63	11.82	10.53	83.98
Social Sector	9.53	1.05	1.81	12.39
Village Road & Rural Electrification	18.16	2.13	4.06	24.35
Conserving Bio-diversity/NRM	4.66	0.12	0.05	4.83
Project Management	26.36			26.36
Total	134.68	15.12	16.45	166.25

(INR Crore/Cr = 10 million INR)

The outcomes of the Project are summarized as under :

i) Institution building:

The project believes in establishing community-based institutions that will carry the rural communities to self-sustainability. The following table provides the details of institutional achievements.

Sl.No	Components	No. of SHGs	No. of NaRM-Gs	SHG Federation	NaRM-G Associations	Cluster
1	Institutions	3168	1012	103	103	103
2	Bank Linkages	980	-	5	-	-
3	Total amount saved by groups Rs. 648.41 lacs					
4	Total amount sourced by the groups from various Financial Institutions Rs. 443.67 lacs.					
5	Revolving Fund provided by the Project : Rs. 2650.82 Lacs					

It may be noted here that replication of CBOs within and outside the Project villages is on a fast track. It is very clear, as on date, that the habit of savings and thrift among the group members has developed to a large extent.

Our records as well as report from bankers show that the repayment rate by these groups is 95 to 100 per cent. We have instances where our SHGs are literally requested by the by the Bankers to take loan. As on date the SHGs and NaRMGs run and managed about 80 commercial vehicles (buses & pick-up vans) profitably.

ii) Training and capacity building:

The key input that contributed to NERCORMP's achievement had been the Capacity building initiatives that empowered the communities and brought them up to where they are today. In short the change of mindset that we see today is the result of various capacity building conducted by the Project.

The Project had so far conducted about 15000 (Fifteen thousand) trainings in diverse areas relevant for rural communities.

iii) The emerging Institutions

The emerging Institutions viz, NaRMG Associations and SHG federations, that have already assumed the role NGOs_are capable of taking the Project mandate further and make the Project activities sustainable. With minimum support to sharpen their skill, these Institutions can replicate the NERCORMP model of development to other villages outside the Project areas.

iv) Social Sector:

Low cost latrines (LCL) and the potable water supply systems, created by the Project have such far reaching impact on the lives of the community that the womenfolk, particularly acknowledged that it has actually restored their honor and dignity. Having access to potable water within their respective villages and close to their houses has transformed their lives. The health and hygiene have improved thereby increasing their productivity as well.

The Causeways, built by the Project with comparatively low investment, bring the villages together to continue their business transactions round the year, who would have otherwise remained isolated from each other during the monsoon season.

The village roads, which are, by and large, all weather roads, make the lives of the villagers easy. They are now able to transport their produces to the nearby hats (village markets) and fetch a better price for their goods.

Zero interference in insurgency infested areas

NERCORMP operated and had achieved its objectives not only in difficult geographical terrain but against adverse odds including law and order situation due to active presence of underground elements and groups in the Project Areas, particularly in Assam and Manipur. The NERCORMP team had never been hindered or obstructed from carrying out their work by any groups even in the most difficult Districts of the region. The transparency and unquestionable commitment of NERCORMP was respected and recognized by all section.

Issues for Discussion:

During its Implementation, the Project trained and developed manpower who are well experienced and committed to execute the Project Objectives.

The NERCORMP team comprises Development executives in various fields that include :

1. Project Management specialist
2. Institution building experts
3. Micro Credit expert
4. Monitoring and Evaluation experts
5. Natural resource management experts
6. Rural Infrastructure development experts

7. Agricultural scientists
8. Gender specialist

NERCORMP Team's experience and expertise in rural development in the region, if made available to the World Bank, will be helpful in the Project Report preparation of NERLP. Their experience and practical knowledge of the communities and ground realities are bound to come very handy in ensuring the Project Appraisal Document (PAD) to be a practical and implementable road map for full-throttle launch right from the beginning itself. Project report of such a project is very extensive in nature involving very extensive research and information/ data gathering. The team can provide the much-needed information/ knowledge. Wherever additional research and studies are required, the team can provide extensive support, both on theoretical and field-level experience plains. So to say, the most crucial role of the NERCORMP team will be to pass on the well-trained NERCORMP DNA/ genes to the proposed NERLP, both during project formulation and eventual launching of the project.

Some of the activities that have been carried out by NERCORMP need to be consolidated in order to deepen and replicate the project interventions for which assistance would be required. These were not part of the original appraisal.

The key areas:

i) Institution building – Replication of successful processes

Even as Natural Resource Management Group Associations and Self Help Group Federations are getting firmly rooted, with some of them already up and running, focus and action need to be on them consistently. Both Project Support Unit and District Support Teams will continue to work on them to provide hand holding to some of the Federations and Associations that are not sufficiently empowered to ensure that they would become self sustaining . Some districts are already working hard on District level Apex Bodies which would need further mentoring. These emerging community-based social Institutions really need to be taken to a logical conclusion where they can function properly. Institution-building is a painstaking exercise and involves much effort. Once this has been achieved with much effort and costs, such effort and costs should not be wasted but rather replicated beyond the Project areas, Districts and in other States of NE.

ii) Value addition and Marketing of established/successful agri-horti produces :

The Groups under the NERCORMP would have to move from sustainable livelihood to prosperity. The only way to do this is through up-scaling of production which is already happening, value addition and marketing of the produces in a more organized and systematic manner.

It may be mentioned here that initiatives such as value addition and market linkage were taken up at the later stage of the Project life as project activities were concentrating more on livelihood improvement of the communities during the early stage. As a result, NEAT, the NERCORMP brand for all its produces, could not be promoted sufficiently. This sector needs to carefully identify key areas and extend strategic interventions/ supports. Value additions are happening but to bring more areas under the same has to be given due thrust . Value chain analysis of some more items is needed. This may be on sample basis, yet will constitute helpful illustration. The NERCORMP could actually be a trend-setter in exporting the surpluses from the region to the rest of the country if proper support is provided.

iii) To evolve NERCORMP as a grass root training institution

iv) To facilitate formation of MFI at the existing six project districts

CONCLUSION :

The NERCORMP was formally closed down on 30th Sept 2008 in the sense that IFAD is no longer associated with the project.

The formal ending of the IFAD-NEC cooperation was on a very successful note with the NERCORMP excelling as a very important Project both at national and international levels, having strong replicable strengths to the extent that today it is considered as a robust and replicable developmental model in the North Eastern Region (NER). This has been duly acknowledged by the Government of India in the form of citing the NERCORMP model as a suitable developmental one for this region even in the NER Vision 2020 document. This calls for not only strengthening NERCORMP but also sustaining it.

Even as IFAD assistance was gradually approaching its end, the Ministry of DONER have been engaging with the World Bank for sometime to launch the NERLP (North

Eastern Region Livelihood Project), originally proposed to be built on the approach and strength of the NERCORMP.

However, as regards the NERCORMP, Hon'ble Union Minister of DoNER and Chairman NEC was impressed about the progress and extent of the livelihood project. A very comprehensive but brief picture of the changes of the project that have been effected in the lives of the people covered under the project was presented to him when he visited Maram Centre in Senapati, Kuingai Village in Ukhrul of Manipur and Hamren in Karbi Anglong of Assam. It may be mentioned here that Hon'ble Minister for DoNER and Chairman, NEC during his visit to the NERCORMP project villages in Senapati, Ukhrul and Karbi Anglong assured the communities that the project will be extended and that there will be no gap between the closure of the NERCORMP and the launch of the NERLP.

Prior to the aforementioned visit, a letter was sent to the Ministry from the NERCORMP soliciting their opinion on the financial continuation of the NERCORMP for 2009-10. After Hon'ble Minister visited the project sites, he called a meeting on the subject of the proposed continuation of the NERCORMP which was held on 10th December 2008. As regards the NERCORMP, the decision, in brief, was to continue with the Project as an NEC Project, subject to approval by NEC-in-session, in a manner so as to up scale the existing activities, to spread the same in other areas and to mentor the existing institutional framework.

In this connection, it is to be mentioned here that, during the aforementioned meeting, Hon'ble Union Minister for DoNER and Chairman, NEC discussed all the relevant issues threadbase and the PCDS (Programme Coordinator & Development Stratetist of the Project) summed up the discussion. Hon'ble Minister stressed the need for having an exit policy in place.

The agenda note is enclosed. The salient points of the Agenda note, as regards the future course of the Project, are as given below:

Summary of activities

- (1) Project preparation for the NERLP.
- (2) Institution Building – Replication of processes.
- (3) To facilitate establishment of MFI.
- (4) Value addition and Marketing of established/successful agri-horti produces.
- (5) NERCORMP as Cooperating institute for project services for NEC.
- (6) NERCORMP as a grass root training institution.

- (7) Interfacing between NERCORMP and Govt. delivery systems and field agencies.
- (8) Consolidation of social sector interventions.

Fund requirement:

1.	Project Management Cost covering Staff salary and other Project overheads	-	Rs2.9 Cr
2	Capacity Building of the Federations and Associations and its share of overheads	-	Rs 0.50 Cr.
3.	Value addition for medicinal plants and tea factory and its share of overheads involved	-	Rs 0.50 Cr.
4.	Value addition for agri and horti produces and its share of overheads involved	-	Rs 0.50 Cr.
5.	Marketing and promotion of NEAT brand and its share of overheads involved	-	Rs 0.50Cr.
	Total	=	Rs 4.90 Cr.

In order to augment this project (NERCORMP) an amount of Rs 14.90 crore is the proposed outlay for the remaining period of the 11th Five Year Plan. This is placed as Agenda Item No. 8 for consideration of the Council.

2.3 Power Development

The expenditure during 2007-08 is Rs 6349.63. The allocation in BE 2008-09 for Power Development has been Rs. 6870.00 lakhs and the Revised Esitimate 2008-09 is Rs.12, 905.00 lakhs. The proposed outlay for the remaining period of the 11th Five Year Plan is Rs 764.69 crore.

Power is the key to the economic development of any region in the modern world and the North Eastern Region of India possesses enormous potential in Hydel Power and Gas-based Thermal Power generation. This fact was duly underscored in the **Pasighat Proclamation on Power**. The Pasighat Proclamation on Power says that the most important element of this proposed policy would be to reach the benefits of power availability to the people of the region. As such, the thrust towards 'Power to the People' requires prioritization. The Sectoral Summit at Pasighat prioritized export of power from the NER to elsewhere in the country because the region has the potential to become the 'Power House' of the Country. In order to achieve that

objective, all the resources and potentialities of the region are required to be harnessed.

The NEC Annual Plan 2008 - 09 has been drawn up keeping this end in view. Baramura Gas Based Thermal Power Project is being funded under the NEC Plan. The EFC meeting for the project had been held in February, 2006 when the Union Ministry of Finance advised that, as per norms of Power Sector projects all over the country, the NEC should provide only 30% grant and the remaining 70% should be raised as loan. However, it was advocated by the NEC that, considering the States of the NER as special category States, NEC should provide 90% grant and loan component would be only 10% as in the case of other projects of the region. It is a victory for the NEC and the people of the NER that the Union Finance Ministry agreed to this proposition and their acceptance was conveyed in August, 2007. The Ministry of DoNER, New Delhi has approved the project at an estimated cost of Rs 8120.00 lakh. In the Annual Plan 2008 – 09, a provision of Rs 3,000.00 lakh has been made for this project and Rs 4000.00 lakhs has been kept for 2009-10.

As viewed during the Pasighat Summit, the scheme of setting up Small Hydro Power Projects (SHPs) has been given adequate attention while drawing up the Plan. Priority has been accorded to NEC / NLCPR lending to provide viability gap funding for SHP projects. Stress has been given on the need to popularize other MNRE programmes such as those relating to biomass and solar energy. Stress has been laid also on transmission and distribution of power throughout the region to achieve the objective of 'Power to the People' as highlighted in the Pasighat proclamation. NEC has, therefore, proposed new schemes on System Improvement under this sector. This follows from the focus of the Pasighat Proclamation on Power on the power transmission / sub-transmission / distribution systems in the NER.

Another project on the **Load Flow Study** of the region **to be executed** by the **Power Grid Corporation of India Ltd. (PGCIL)** has also been included in the Annual Plan 2008 – 09. In the BE 2008-09, an amount of Rs.100 lakhs was provisioned for this but in view of the urgency felt by Hon'ble Chairman in this regard, the EFC proposal has already been firmed up for an RE of Rs.1000 lakhs approximately for this study to be taken up in the NER. This RE proposal is within the overall allocation of BE for MH2552. However, since the change in the RE is yet to be agreed to by the

Ministry and the EFC meeting is yet to be held, the changes have not been reflected in the RE proposals enclosed with this document.

Issues Relating to Power Development Highlighted in the Vision NER 2020 Document:

The Vision NER 2020 document has also placed emphasis on augmentation of infrastructure in the Power Development Sector and generation of Hydel power. According to the report, development of power infrastructure is an important precondition for the economic development of the region.

2.4 Water Development/Irrigation, Flood Control and Waste Land Management.

The expenditure during 2007-08 under the sector is Rs 2780.41 lakh. The allocation for 2008–09 BE is Rs 2175.00 lakh and the amount provisioned under 2008-09 RE for the sector is Rs.3325.00 lakh. The proposed outlay for the remaining period of the 11th Five Year Plan is Rs 75.43 crore.

The Sectoral Summit on Commodity Boards and APEDA, Inland Water Transport, Flood & Erosion Control and Irrigation Sector Programmes in the NER held at Guwahati on 9-11 March, 2007 amongst other items, discussed not only the issues related to Inland Water Transport but also had in its agenda, the subjects of control of floods, erosion of river banks and irrigation. Capacity building also came up for discussion. Surveys & Investigations of HEPs and MPPs are equally important for the region. NEC Plan highlights all these issues.

The initiatives proposed under this sector during 2008 – 09 are, - i) Survey and Investigation of Hydel Projects and Multipurpose Projects, ii) Implementation of Irrigation Projects , iii) Implementation of Flood Control and River Management, iv) New schemes for implementation in Sikkim, v) Watershed Management projects.

The NERIWALM was set up at the initiative of NEC in 1989 and since then the Institute has been conducting training courses for in-service personnel in the fields of Irrigation, Flood Control and Watershed Management. The NERIWALM is conducting other multifarious training courses in rural development -related fields including the PRI and people's participation in development, etc. Recently, a proposal has been submitted to NEC by the Institute for introducing distance learning through virtual classroom i.e. e-learning training facility in the institute. This has been done as per the

instructions of Hon'ble Chairman, NEC, and sufficient funds have been provided for this proposed programme.

Issues Relating to Irrigation, Flood Control etc. highlighted in the Vision NER 2020 Document:

The Vision Document highlights the fact that controlling the fury of floods in the Brahmaputra and strengthening embankments to control erosion should be an important part of the strategy for development of Agriculture in Assam and Arunachal Pradesh. The needs for peoples' participation in flood control exercise and creation of flood detention structures have been highlighted in the report. Taking up irrigation for development of Agriculture have been stressed upon.

2.5 Industries & Minerals

The expenditure during 2007-08 is Rs 777.09 lakhs. The total allocation for the sector in BE 2008–09 is Rs. 605.00 lakh and the RE for 2008-09 is Rs.855.00 lakh. The proposed outlay for the remaining period of the 11th Five Year Plan is Rs 51.49 crore.

The industrial scenario of the NE is mainly dominated by petrochemicals; paper, Textiles and jute also have their presence in the NER. Around 300 timber-based plywood factories that used to meet around 60% of the country's demand have been languishing ever since their closure over a decade back under orders of the Hon'ble Supreme Court in order to save trees from illegal felling that was denuding forests. It is necessary to address the problems of these shut down plywood industrial units as well as to spread awareness about the fast- emerging bamboo technology. It was on these considerations that the NEC started utilizing (and funding) the CBTC (Cane & Bamboo Technology Centre, Guwahati—a specialized technical body set up under the UNDP-UNIDO assisted programme that came to an end in 2004) and utilizing its experience and expertise of the said organization in the field of bamboo development in the region in a holistic manner adopting a mission approach.

After detailed discussions during a meeting on the 26th February, 2007 at New Delhi, which was also attended by representatives of the Ministry of Agriculture, the National Bamboo Mission with over Rs. 500 crore budget was launched in addition to the Deptt. of Science & Technology's ongoing National Mission on Bamboo Application (NMBA), It was decided on the recommendation of the Ministry of Agriculture that the NEC would support only the capacity building component in the Bamboo Sector. The need for continuing with the NERBaM, in this context, would be

examined in consultation with Ministry of Agriculture, DST, DoNER, Planning Commission and the States. NEC would, however, continue to co-ordinate closely with the NBM and NMBA to enable the NE States to access the benefits under these two national Missions.

The tea industry of the region is also suffering from ageing, obsolescence, high costs (of security and workers' welfare) and tough competition from Sri Lanka and elsewhere. Small tea-growers have suffered as a result of declining prices and activities of anti-social elements.

Around 13.7 lakh registered SSI units (unregistered units number around 91.5 lakh making a total of 105.2 lakh) in the NER constitute only 1.87% of the country's registered SSI units, as against the population which stood at 3.87% of the country's population (01-02 data). The traditional silk/ muga industries are on the decline and need encouragement. Thus the position of the NER in the Indian industry Sector is far from satisfactory and requires support from all concerned for economic upliftment of the region.

An umbrella scheme called "The Scheme for Promotion of Industrialisation in the North East (SPINE)" was in operation under the NEC Plan in which around 190 SSIs were assisted during the 10th Five Year Plan period. Training Programmes were organised for capacity building and support was given to NEDFI for conducting industry-related techno-economic studies, etc. As per the directions issued by the Hon'ble Prime Minister as mentioned in the beginning of this plan document, the NEC has discontinued the SPINE Scheme. However, committed liabilities of the 10th FYP under the SPINE Scheme would be considered in the 11th Five Year Plan period. A committee has been constituted with the representatives from the State Governments and NEDFi to consider further disbursement of subsidy component of SPINE Scheme to the units who have already received installments from NEC before the closure of the scheme. All applications where no disbursement of funds took place were rejected straightaway. The terms of reference have been drawn up and the Committee is examining fresh information supplied by the units. This exercise will take some time and all the committed liabilities may not be cleared immediately. So, necessary provisions for clearing the liabilities had to be kept in the Annual Plan 2008-09.

New initiatives under this sector have been proposed in the 11th Five Year Plan for Capacity Building and livelihood program in the Bamboo Sector:

i) Capacity Building in the Bamboo Sector

Depletion of forests-cover is a cause for global concern and a matter of our national and global responsibility. The main reason behind this is the ever growing demand for wood and wood based products. Thanks to technological development, processed bamboo has emerged as a viable and acceptable substitute for wood because of its superior physical, mechanical and aesthetic properties and, above all, the fact that bamboo is a grass with a quick regeneration cycle of 4 to 6 years. Besides paper-making, it is now possible to utilize bamboo (without leaving any wastages) in large quantities in making of ply-boards, corrugated roofing-sheets, furniture pieces and, again, in packaging and construction of comfortable, climate-friendly, light-weight (crucial factor in seismic zones) and sophisticated housing and interior decoration. It has tremendous potential for *import substitution* and export.

ii) THE UNIDO/CBTC PROPOSAL Phase –II

The Cane & Bamboo Technology Centre (CBTC) of Guwahati was established as part of Cane & bamboo Technological Up gradation and Networking Project under the initiative and funding support of UNDP where DST was the executing body. The project was set up in the year 2000 and was ended in March, 2004. There after CBTC has registered itself as a Society and has been receiving financial support from NEC time to time. In between, UNIDO had conducted an independent evaluation in 2006 under the Country Service Framework for India whereby CBTC was adjudged as the best Project in India.

Under this back ground the present UNIDO/CBTC PROPOSAL Phase – II has been sanctioned under the funding support of the following organizations where out of the NEC’s share is US\$ 6.00 lakh an amount of Rs.60.00 lakhs has been released as first installment in the first year of 11th FYP. Allocation under the project for 2008-09 is Rs.60.00 lakh.

Project Period – 4 Years	USD	USD per year
Source of Funding:		
DIPP	400,000	100,000
NEC	600,000	150,000

DC (H)	1,296,226	324,056
UNIDO	196,000	49,000
Total	2,492,226	623,056

iii) Establishment of Bamboo Technology Park at Burnihat under CBTC:

A Bamboo Technology Park (BTP) has been proposed to be set up at State Forest Training College, Burnihat, Meghalaya where the land to be leased by the MOEF, Govt. of India. This facility will be first of its kind in the entire South Asia with the state of art machinery and equipment and other related infrastructures.

This park is to impart specialized physical and intellectual input for identifying and transferring appropriate manufacturing techniques, providing technical assistance, generating and disseminating technical information, rendering specific services such as, laboratory testing and quality assurance and, at the same time, provide practical training to promote bamboo based industrial productivity in the NER. The prime objective of this Technology Centre is to support the development of specific technologies by assisting manufacturers in maintaining their technical perfection, knowledge base and capabilities required for successful operation of factories in the region for the production of innovative as well as competitive bamboo based products.

Issues Relating to Industries Highlighted in the Vision NER 2020 Document:

The Vision NER 2020 document puts emphasis on taking up agro-processing Industries as the horticultural crops need processing support. The scope of expanding handloom & handicrafts-related industries, particularly those depending on sericulture has been discussed. The issue of setting up of medium sized Cement producing units as well as oil, gas and wood based industries have found mention in the report. Generation of power for industrialization has been discussed.

2.6 Tourism Sector

The expenditure during 2007-08 was Rs 720.68 lakhs under tourism. The allocation in BE 2008 – 09 is Rs 475.00 lakhs and the amount provisioned under RE 2008-09 is Rs.575.00.lakh. The proposed outlay for the remaining period of the 11th Five Year Plan is Rs 63.45 crore.

The development of Tourism in the region has many dimensions. On the one hand, this would enable maintenance of peace and tranquility by making the common people and even small tour vendors the real stake holders in the peace process and, on the other hand, this would ensure economic development of each and every individual/group connected with the sector. The 4th Sectoral Summit of NEC on Tourism & Hospitality Sector held at Gangtok, Sikkim on 27 – 28 April, 2007 discussed at length about the importance of tourism as an industries for economic development of the region and declared Tourism as one of the “thrust Areas” for intervention in 11th Plan of NEC. The summit highlighted the areas where inputs would be necessary. Some of the key decisions of the Summit are;

1. Master Plan for development of Tourism in the NER to be prepared by NEC. A professional consultant may be engaged for this purpose.
2. A **Forum** would be established with representatives of the Ministry of DoNER, Ministry of Tourism, Ministry of Civil Aviation, North Eastern Council, Public and Private Stake holders, tour operators etc. for the purpose of formulating – i) State Tourism Circuits, ii) Inter-State Tourism Circuits, iii) Eco and Village Tourism, iv) Promotional Events, v) Advocacy.

The Forum has already been constituted and is called as North **Eastern States Tourism Forum (NEST)** with representatives from all the 8 member States of NEC, Union Ministry of DoNER and the Union Ministry of Tourism. The Forum in its first meeting constituted a NEST Sub-committee to work out the modalities for preparation of Tourism Master Plan for the NER including Sikkim. The Sub-committee also met for the first time and, as a follow up of that, work is in progress for the preparation of Master Plan.

These programmes under the Tourism Sector have gained importance because of sudden spurt of influx of tourists into the NER as a result of change in the LTC policy of the Govt. of India for its employees for which the initiative was taken by the Chairman, NEC, as a follow up of the Sectoral Summit on tourism.

It was decided in the Sectoral Summit that infrastructural facilities required for the promotion of tourism in the region were to be developed. The development infrastructures closely linked with tourism promotion such as communication, transport, etc. are being dealt with simultaneously by other sectors.

The new initiatives for the sector during 2008 – 09 are proposed to be:

i) **Support to Establishment and Extension of Tourism Circuits:**

The North Eastern Region has enormous potential to attract both domestic as well as foreign tourists. Efforts are required to create awareness among both domestic and foreign tourists for visit to the region. Tourist Circuit development are necessary to popularize the destinations for these tourists to economise their time and budget as well as for them to tour the region in safety and with security .

Development and extension of established tourism circuits would benefit the hotel industry in the designated locations and create employment; tourist guides i.e. local entrepreneurs, local handlooms and handicrafts etc. Development of local tour operators having linkages with national level tour operators would generate employment and hence bring in economic development of the region. NEC would, in consultation with the States, identify attractive and viable tourist circuits with the active involvement of the Regional Office of the India Tourism and the State Governments.

ii) **Preparation of Master Plan on Tourism:**

Taking up of this project is a follow up action of the Gangtok Summit. In fact upon completion of this other projects may be drawn up in a phased manner for development of tourism in the region in a planned way. As already mentioned above, the work is in progress. An expert and experienced consultant will be appointed by the NEC to take up the task within a definitive time frame.

What the Vision NER 2020 document has to say about the Tourism Sector:

The report identified Tourism Sector as the most important sector to be developed in the region because it has the potential to generate income as well as employment. The Vision 2020 emphasizes that, to fully benefit from natural, cultural, business, leisure, spiritual, religious, ecological, adventure and medical tourism, the Eleventh Plan should focus on the development of adequate infrastructure such as increase in accommodation facilities under star and budget category hotels, expansion of airports and road connectivity to tourist destinations. Development of Tourist Circuits and Capacity Building in the Hospitality sector in the region is two other areas which received special attention of the Vision2020 for their due enhancement in the region.

2.7 Transport & Communication Sector

The expenditure under this sector during 2007-08 was Rs 39344.17 lakhs. The total allocation in BE 2008–09 is Rs 43050.00 lakhs and the provision under RE 2008-09 is Rs.70095.00 lakhs. The proposed outlay for the remaining period of the 11th Five Year Plan is Rs 3356.84 crore.

Transport and Communication Sector is a major sector in NEC, being the most important thrust sector under the NEC Plans right since its inception. During the 9th Five Year Plan a **Perspective Transport Plan for Development of the North Eastern Region** was prepared by NEC with the vision of development in the road sector till 2021. The Plan, however, did not include Sikkim as the State was not part of NEC at that point of time. The second Sectoral Summit of NEC held on 9th February, 2007 at Shillong also recommended for preparation of the **Master Plan** for the development of roads in the region. The M/DoNER and the NEC together with the 8 concerned State Governments in consultation with Union Ministries and agencies involved have to initiate actions expeditiously to put the Plan in place. The Union Government has expressed its willingness to invest nearly Rs 50,000 crores in the roads sector during the 11th Five Year Plan period. It was felt that extending, intensifying and improving the roads network are essential elements of the process of the economic development of the region. Connectivity between the existing roads should also get proper impetus.

The 5th Sectoral Summit of NEC was devoted to Review of the Air Connectivity Issues. Up gradation of existing 11 operational Airports and 12 non-operational Airports as well as 3 proposed Greenfield airports were given adequate importance for improving air connectivity in the region. Besides fixed wing aircraft services, the issue of Helicopter services operated in the region was also discussed. Introduction of night landing facilities and hubs for the aircrafts in the region were considered absolutely essential. The study conducted on '**Dedicated Airline for the North Eastern Region**' under the chairmanship of Dr. S. S. Sidhu, H.E. Governor of Manipur was discussed during the Summit. It was emphasized that dedicated airline should be based in the North East and its operations would be dedicated to the Region with initial hub at Guwahati and sub hubs at Imphal and Agartala. The Summit accepted and endorsed the report and specific time frame for different actions was firmed up. However, in response to NEC notice inviting Expressions of Interest, many firms have submitted

the same. However, only a couple of them have submitted the tenders. However, the bids were rejected because of procedural/technical requirements and the tender notice has been advertised again.

The Airport at Lengpui is the only Airport in India built and owned by a State Government. It was initiated with the financial support from the Tenth Finance Commission as a grant-in-aid to Special Problem States. It was constructed at a cost of **Rs.118.97 crores** with the contribution of Rs.57.00 crores by the Tenth Finance Commission, Rs.40.92 crores by Planning Commission and Rs.21.05 crores from the State Government. The Airport started functioning w.e.f. February, 1998 and since then there are regular flights between Aizawl to Kolkatta and Imphal and this airport being run with minimum facilities. To improve the Airport as per the basic mandatory requirements, the State Government approached the NEC for up-gradation of the Airport at an estimated cost of **Rs.6.58 crores** in 2004-05 and the said Project was duly sanctioned by the Competent Authority in May, 2005 and the works have been completed in 2006-07.

The existing terminal building is capable of handling 200 arriving and 200 departing passengers and is being operated and maintained by the State Government. Govt. of Mizoram submitted a DPR for strengthening of the airport runway pavement at a cost of **Rs.14.92 crores** on 28th December, 2007.. Finally, the proposal was appraised by the SFC on 9th of June, 2008 and the approval from the Competent Authority was conveyed on the 8th of July, 2008. Accordingly, Administrative Approval for the said project was issued from NEC Secretariat along-with a release of **Rs.5.00 crores** for the said project. This is a landmark achievement of NEC during the current Annual Plan under the initiative of Hon'able Chairman, NEC, who made a promise at Agartala Planery to make it happen as soon as possible.

The Annual Plan 2008 – 09 of the sector also laid additional stress on Maintenance of NEC Roads in the region. The State Governments of the region do not have very strong revenue-generating capacity and, more often than not so, they decline to take up the responsibility of maintenance cash-strapped of roads. An amount of Rs 400.00 lakhs is, therefore, proposed in the Annual Plan 2008 – 09 for this purpose alone. This Annual Plan is drawn keeping in view that there is an outstanding liability of Rs.1483 crores for the Transport & Communication Sector.

Issues highlighted in the Vision NER 2020 document as regards this sector:

While discussing the efforts for strengthening infrastructure and connectivity, the document observes that the main bottleneck in the development of the region lies in inadequate road and rail connectivity and advocates strongly for their development as development in this sector is closely linked with the development in all other sectors.

Due to the 11th Plan being already on the threshold of its third year, advance action for obtaining in principle approval of regional roads has already been obtained from the Planning Commission. Letter to this effect is placed at **Annexure -I**.

2.8 Medical & Health Sector

The actual expenditure during 2007-08 under this sector was Rs 2124.00 lakh. The total allocation under BE 2008–09 is Rs 2450.00 lakhs and the amount for the RE 2008-09 is Rs.4670.00 lakh. The proposed outlay for the remaining period of the 11th Five Year Plan is Rs 319.65 crore.

Whatever may be the reason, that the North Eastern Region of India remained backward compared to the rest of the country is an accepted fact and efforts are necessary to bring the region at par with the rest of the country. Availability of adequate health care facilities is one of the impediments which need additional thrust. The communication network in the region is also very poor; hence, whatever facilities are available in the urban areas remain almost inaccessible to the rural masses. The insufficient infrastructure facilities and inadequate specialized manpower in the region result in poor Health Care Delivery System. The broad policies adopted under National Health Policy (NHP) – 2002 subscribe to provision of more equitable access to health care facilities and tailor made projects to meet the needs of women, children, geriatrics, tribal and other socio-economically under-served sections of the society.

Keeping in view the National Policy and the initiative of the Govt. of India under the National Rural Health Mission Programme, NEC has prepared its Eleventh Plan to support projects where meeting viability and requirement gaps is an utmost necessity. It is to be remembered that only the States of Assam, Manipur, Sikkim and Tripura have Medical Colleges and other four States of the region are yet to establish Medical Colleges in their States. The existing Medical Colleges and the institutions of the

region which serve regional interests require creation of modern facilities to keep pace with scientific developments in the field. The planning exercise has to be undertaken in such a way that patients do not require to go to other areas of the country for medical care. Hence, Specialty and Super-Specialty facilities are necessary to be introduced in the region. Unfortunately, the State Governments are not in a position to give much attention to the agenda. The NEC, therefore, needs to be the facilitator to take care of all these necessities and the 2008 – 09 Plan has tried to take care of these ends within the overall budget / resource constraint. Another important aspect of this plan is to provide support for preparation of Project Reports for bringing up more health institutions on the PPP model. With the handing over of three very important Health Institutions (RIMS, RIPAN and LGBRIMH) to the Union Ministry, funds are no more required for them.

Issues Emanating from the Vision NER 2020 Document for the Medical & Health Sector:

The Vision NER 2020 document has identified basic health needs and capacity development in the health sector as the most important areas. Improvement in the health and nutrition status for children and women finds mention in the report. Shortage of Medical Specialists and lack of tertiary facilities in most of the States have been highlighted. High incidence of AIDS, Cancer, Malaria and other diseases and the wide gaps in rural urban provisioning of basic services have been pointed out in the report.

The new initiatives of the NEC proposed in the Annual Plan 2008 – 09 for this sector pertain to the NEC chipping in to fill in the gap areas and meeting requirements of fundamental amenities in different hospitals. The initiatives include – i) CT Scan facility at General Hospital, Naharlagun, ii) Burn Care Unit at Nemcare Hospital, Guwahati, iii) Up-gradation of Dr. J. K. Saikia Homeopathic Medical College, Jorhat, iv) Up-gradation of infrastructure at Naga Hospital, Kohima, v) Up-gradation of Infrastructure of Nursing School at Naga Hospital, Kohima, vi) Expansion of Zion Hospital, Dimapur, vii) Modernisation of Bethal Medical research Society, Kohima , and viii) Up-gradation of Cancer Hospital, Agartala.

2.9 Human Resources Development & Employment Sector

The actual expenditure during 2007-08 under this sector was Rs 1413.07 lakh. The total allocation under BE 2008–09 is Rs. 2910.00 lakh and the amount kept under RE 2008-09 is Rs.3285.00 lakh. The proposed outlay for the remaining period of the 11th Five Year Plan is Rs 147.36 crore.

Development of Manpower in the areas of Education, Sports and the related fields of Youth activities have been taken up under NEC programme to facilitate youth of the region to go for higher and technical education. Financial support to the students in NER facilitated no less than 10,000 students during the last two and a half decades. Employment oriented training programmes for the youth are helping to generate manpower in the fields of Tourism & Hospitality Sector, Hotel Management, Air Hostesses etc. Development of Sports Infrastructure is another area where NEC has been rendering support. Realising that teaching in Schools and Colleges in the Region is not upto the standard; NEC has introduced the Scheme for Skill Upgradation of the Teachers of the region. With the aim to develop professional courses, some new projects such as, setting up of the Institute for Fashion Technology, Pilot Training Centre, Vocational and Co-operative Management Institute etc. have been introduced in the Annual Plan 2008 – 09. NEC, is administering an institute namely North Eastern Regional Institute of Water and Land Management (NERIWALM) set up at Tezpur, Assam to impart training to the professionals, farmers, NGOs related to the field of agriculture, soil science, irrigation and water resources development.

The Vision NER 2020 Document for the region has laid emphasis on capacity building as this sector has a critical role in participatory development. The key sectors where the support is considered essential are Agro-Processing, Information Technology, Paramedical, Biotechnology, Aviation and the Entertainment and Hospitality Industries. Skill upgradation in the agri-horti sector and in vocational fields is other relevant areas highlighted in the report.

The conclusions arrived at during the 8th Sectoral Summit of NEC on 'Education, Sports, Art & Culture' held at New Delhi on 20 – 21 August, 2007 laid emphasis on addressing the following areas - i) Massive Teachers' Training Programme to be assisted with the support of NCERT and IGNOU, ii) To create

facilities for Residential Accommodation for teachers serving in remote hilly areas of the region like that in Arunachal Pradesh, iii) Vocational Trainings through Community Polytechnics, iv) Upgradation of the Knowledge and Competence of teachers specially in Science and Mathematics.

2.10 Science and Technology Sector

The actual expenditure during 2007-08 under this sector was Rs 1022.05 lakh. The allocation under BE 2008–09 for the sector is Rs.1545.00 lakhs which remains the same in RE for 2008-09. The proposed outlay for the remaining period of the 11th Five Year Plan is Rs 292.04 crore.

Science and technology inputs are actually the lifeline of all the development activities of a region. It is interlinked with all the branches of human activities. Therefore, the role of Science & Technology cannot be defined in specific terms. It encompasses all disciplines.

Under the NEC Plan, the activities undertaken through this Sector are – IT and IT enabled services, activities of North East Space Application Centre (NE-SAC), Remote Sensing & Development of Communication Related programmes, S & T Application Oriented Programme, Disaster management, Telemedicine etc. During the 8th Sectoral Summit of NEC on ‘IT, IT-Enabled Services and Telecommunications Sector’ held at Kohima on 31st July – 1st august, 2007, conclusions were drawn on measures to solve the problems of the BSNL, its manpower requirement and other connectivity related problems. It was decided to create quality infrastructure under IT Sector, in particular, and to stress on importance to use of IT by the people, in general. Efforts are to be initiated for positioning the NER as the back office for the South East Asian and Far Asian countries and E-Governance is to be practised and NIC is to provide the necessary inputs.

Under this sector, NEC has been imparting IT education to school and college students. Under IT application oriented programmes e-Governance, Networking, Establishment of IT Parks, Popularizing Intelligence Character Recognition (ICT) programmes etc. are on the agenda charted out by NEC for itself.

A new project for Public Awareness of Science and Technology and IT has been proposed for taking up in the financial year 2008 – 09. Under this project,

attempt would be made to inculcate the values of science and technology in the minds of the students and inculcate in them scientific temper and attitude.

2.11 Information and Public Relations Sector

The actual expenditure during 2007-08 under this sector was Rs 257.36 lakh. The total allocation for the sector under BE 2008 – 09 is Rs 350.00 lakhs which remains the same under RE 2008-09. The proposed outlay for the remaining period of the 11th Five Year Plan is Rs 26.11 crore.

The primary objective of the IPR Sector is to build and execute a two-way communication strategy for **brand building** through effective communication between the stake holders and the outside world.

Given the backdrop of negative publicity/ inadequate coverage of the NER both in print & electronic media, it seems that one of the first and foremost objectives of the IPR Sector, NEC, is to herald a **Brand North East** in the entire gamut of **India**, if not the **globe**, by dint of concerted, cohesive and continuous **multimedia campaign**. The **Brand North East** would pave the way towards building the North East as the **vibrant brand** to add **vibrancy** to the socio-economic and cultural, development and progress of the region leading to the **actualization** of the **concept** of '**Look East Policy**' and "**Vision 2020 Document**". The consistent and persistent effort to create a positive image of the region would attract **Tourists, Investors** as well as **Industrialists** to embark on new initiatives and ventures ushering in a sea change in the socio-economic and cultural scenario towards a bright and prospective future of the region.

The Regional Documentation and Information Centre exists in NEC since 1974 – 75. It has turned out to be the nerve centre for academicians, researchers, students and the knowledge gathering public. The Centre has built up a collection of over 34,000 books and regularly subscribes around 190 National and International Journals. This Centre requires up gradation on a regular basis and Rs 100.00 lakhs is allocated during 2008 – 09.

Presently though, the sector is catering to publicity related tasks for NEC, the following new initiatives have been conceived for 2008 – 09 : i) North east Information Cell as the 'Single Window' information exchange centre for the entire region, ii) North East Craft Village at Gandhi Darshan Complex, Rajghat, New Delhi for making permanent exhibition and sale outlet for the Handicrafts and Handlooms of the region

so that the North East products are showcased, etc. and iii) Providing viability gap funding for setting up Tribal Museums in the NE States.

2.12 Evaluation and Monitoring Sector

The actual expenditure during 2007-08 under E&M was Rs 187.83 lakh. The total allocation in BE 2008 – 09 is Rs 395.00 lakh and the amount kept under RE for the sector is also same i.e Rs.395.00 lakh. The proposed outlay for the remaining period of the 11th Five Year Plan is Rs 17.40 crore.

The Primary task of this sector are - i) Preparation of Monthly and Quarterly Progress Reports for NEC projects, ii) Intensive Inspection of NEC projects, iii) Organizing quarterly review by Secretary, NEC, iv) Evaluation of Ongoing projects of NEC, v) Evaluation-cum-Impact study Schemes etc. the sector also handles the ongoing projects, viz. 1) Support to Seminar, Symposia, Workshops, and 2) Evaluation and Monitoring Cell in NEC.

Two new schemes have been proposed for introduction during 2008 – 09. These are – 1) Support to preparation of DPRs and engagement of consultants – the project basically aims at making a shelf of viable schemes for development of the North East, and 2) Setting up of a project Formulation and Quality Management Cell in the NEC. As regards the second one, the scheme and its guidelines have been prepared and are now under consideration of the Competent Authority.

As regards the E&M set up, the NEC Secretariat is not fully equipped to look after the evaluation /monitoring of so many plan schemes. Hence, as decided by the Secretary, NEC, plan is afoot to involve renowned government agencies/institutions and Universities of this region in this exercise for consultancy and field work.

Note: The Scheme-wise Tentative Outlay of 11th Five Year Plan (2007-12) of NEC is given in a separate booklet entitle “ Sectoral Availability of Funds”

**M-12020/11/2007 (NEC) –SP-NE
Planning Commission
(State Plan Division)**

Yojana Bhavan, Sansad Marg,
New Delhi, dated 15.12.2008

Office Memorandum

Subject: *"In principle"* approval of the Planning Commission for new road projects proposed to be taken up during the 11th Period under NEC Plan

Undersigned is directed to refer to the D.O. letter No. NEC/T/11th Plan/2007-2012 Dated 8th August 2008, requesting "in principle" approval of the Planning Commission for 56 new road projects proposed to be taken up during the 11th Plan Period under NEC Plan. Based on the discussions held and information furnished by the NEC, the proposal has been examined.

Planning Commission conveys its *"In principle"* approval for 16 new road projects identified under the Phase-I, covering 987.13 Kms at an estimated cost of Rs. 1284.16 crore, as indicated in the letter of even number dated 23rd September, 2008.

A copy of the list of 16 road projects, indicating road-wise length and cost estimates is attached.

Sd/
(S.N. Brohmo Choudhury)
Director (NE)

Shri M.S. Sodhi
Adviser (T&C)
North Eastern Council,
Nongrim Hills,
Shillong – 793003
Fax 0364-2522643

Copy to:

1. Ms. Urvasi Sadhwani, Director (Transport), Planning Commission.
2. Director(NEC), M/o DoNER, Vigyan Bhavan Annexe, Maulana Azad Road, New Delhi.

List of 16 new road projects proposed to be taken up under Phase-I during 11th Plan of NEC

Sl. No	Name of the Road	State in which the road physically located	States which will benefit directly from the project	Length (in Km)	Estimated cost (Rs in crore)	Brief Justification
1	2	3	4	5	6	7
1	Tamen-Dollongmukh	Arunachal	Arunachal and Assam	89.00	127.22	This is an interstate road connecting Arunachal Pradesh and Assam at NH-52. NHPC proposed to have three mega hydel projects at Dollongmukh over River Subansiri and Tamen over river Kamla. Another project at Menga over river Subansiri. By constructing this road the Interstate connectivity between Arunachal Pradesh and Assam will be established at the same time this road also will help for speedy implementation of these power projects. Since, the road has the importance of interstate and mega power projects the road is proposed to be constructed as MDR standard with intermediate carriageway.
2	Longding-Nokjan	Nagaland & Arunachal	Nagaland and Arunachal	50.00	60.00	This is an interstate road between Arunachal and Nagaland. This part of the region is not well connected by road between Arunachal (Tirap District) and Nagaland (Mon District). This road can benefit for better administration there by controlling the Law and Order. This area is rich in Agriculture and Horticulture the farmers of both the State can be highly benefited by this Road.
				28.19	33.35	
3.	Mairang-Ranigodown-Azra	Meghalaya & Assam	Meghalaya & Assam	85.00	102.00	This is an interstate road connecting Meghalaya and Assam. The road starts from Mairang (West Khasi Hills District and Ri- Bhoi District) in Meghalaya and connects NH-37 near Azra (Kamrup District) in Assam. This road will act as a parallel road to NH-40 between Meghalaya and Assam. By constructing this road can reduce the traffic congestion in NH-40. This road was taken up under NEC 6 th Five Year Plan as ODR standard and all the bridges are constructed as RCC double lane bridges, hence, only improvement of the road to MDR standard with intermediate pavement width are proposed.
				18.92	23.38	

Sl. No	Name of the Road	State in which the road physically located	States which will benefit directly from the project	Length (in Km)	Estimated cost (Rs in crore)	Brief Justification
1	2	3	4	5	6	7
4.	Jowai-Khanduli-Baithalansu	Assam & Meghalaya	Assam & Meghalaya	60.00	72.00	This is an interstate road between Meghalaya and Assam. This road starts from Jowai (Jaintia Hills District) the district Headquarter at NH-44 and further connect via Khanduli in Meghalaya and Baithalansu (Karbi Anglong District) in Assam. Further this road connect NH-37 at Raha through the existing NEC road Baithalansu-Kampur-Raha (Nagoan District) (existing MDR standard road). The existing road is of ODR standard which was constructed during NEC 6 th Five Year Plan. Now it is proposed to be improve to MDR standard with intermediate pavement width. All the bridges on this roads has been constructed by NEC as RCC double lane, hence, only improvement of formation and pavement is proposed.
				55.00	66.00	
5.	Mankachar-Mahendraganj	Meghalaya & Assam	Meghalaya & Assam	30.00	36.00	This is an interstate road connecting Meghalaya (West Garo Hills District) and Assam (Goalpara District). This is an important road for border trade connecting Assam, Meghalaya with Bangladesh. Coal and Lime are the major exporting items in addition to agriculture and horticulture produces, through this border point. This road was constructed by NEC during 6 th Five year plan as ODR standard. Now it is proposed to be of MDR standard with intermediate pavement width.
				6.00	7.20	
6.	Silchar-Kalain	Assam	Assam, Manipur and Mizoram	28.53	68.04	This road connect NH-53 at Silchar and NH-54 at Kalain via Karigorah in Assam. This is a vital link road to Mizoram (NH-54), part of Manipur (NH-53) and for the entire Barak Valley and Cachar District of Assam (NH-44 and NH-53). The existing road was constructed by NEC during the 7 th Five Year Plan including the major bridges over river Barak as per ODR standard. Now the State Govt. has proposed this road to improvement into double lane considering the increase traffic and vital linkage to Mizoram, Manipur and Barak valley.

Sl. No	Name of the Road	State in which the road physically located	States which will benefit directly from the project	Length (in Km)	Estimated cost (Rs in crore)	Brief Justification
1	2	3	4	5	6	7
7.	Thanlon-Singhat-Ngopa	Manipur & Mizoram	Manipur and Mizoram	39.00	46.80	This is an interstate road connecting Mizoram and Manipur. This road starts at NH-54 at Thanlon (Churachandpur District) in Manipur via Sinzawl and Ngopa (Aizawl District) in Mizoram. This area is very rich in Horticulture forest produces along with other agricultural produces. This is an existing ODR standard road proposed for improvement to MDR standard with intermediate carriageway.
			Mizoram	33.30	42.12	
8.	Tamenglong-Tamei	Manipur	Manipur, Assam and Nagaland	47.00	56.40	This is an intrastate road in Manipur connecting NH-39 and NH 53 for providing interstate connectivity between Manipur, Nagaland and Assam. The road starts from NH-39 at Kangpokpi and connect Tamei (existing road). Tamei to Tamenglong is the proposed road in Tamenglong District. From Tamenglong to Khongsang at NH-53 it is an ongoing 10 th Plan road schemes under NEC. From Tamei this road will lead to the existing Tamei-Tenning Road connecting Manipur and Nagaland which was constructed during 9 th Five Year Plan by NEC. By constructing this road a linkage will be provided between NH-39 and NH-53. This road will facilitate to improve the over all law and order of these Districts and also help the farmers to meet their socio economic development. The road is proposed to improve to MDR formation and ODR carriageway.
9.	Balance portion of Rymbai-Bataw-Jalalpur	Meghalaya	Meghalaya & Assam	57.00	69.06	This an interstate road connecting Meghalaya (Jaintia Hills District and Assam (Cachar District). The total length of the road in Meghalaya is 96.00 Kms out of which part of the road (0 – 63.00 Kms) and Assam 14.80 Kms already taken up in the 10 th Plan the works are in progress. The balance portion under Meghalaya 63-96 Kms has been proposed as Phase-II. This is an important interstate road which will be a parallel road to NH-44. The NH-44 at a particular portion at Sonapur create heavy landslide every year and the communication to Barak Valley of Assam, entire state of Mizoram and Tripura remain cut off. This road will also act as an alternative road to NH-44.

Sl. No	Name of the Road	State in which the road physically located	States which will benefit directly from the project	Length (in Km)	Estimated cost (Rs in crore)	Brief Justification
1	2	3	4	5	6	7
10.	Balance portion of Agia-Medhipara-Phulbari-Tura	Meghalaya	Meghalaya and Assam	72.79	87.35	This an interstate road between Meghalaya (West Garo Hills District) and Assam. Part (Goalpara District) of the road has been already included in the 10 th Five Year Plan of NEC (0-60 Km) in Meghalaya and (0-25 Km) already got sanctioned in the 10 th Five Year Plan of NEC and the works are in different stages of progress. The total length of the road in Meghalaya is 132.79 Kms the balance portion of 72.79 Kms in Meghalaya has been proposed as Phase-II in the 11 th Plan. This road was taken up under NEC during the 5 th Five Year Plan as ODR standard road and all the bridges were constructed as RCC double lane and hence only improvement of the formation and pavement to MDR standard has been proposed for the balance portion.
11	Sherkhan-Bhagabazar Road	Mizoram	Mizoram and Assam	114.00	144.21	This an interstate road connecting Mizoram (Aizawl District) and Assam (Cachar District). This road was taken up in the 7 th Five Year Plan of NEC between Assam and Mizoram. The Assam portion of the road is fully developed only the Mizoram portion could not be developed. Hence, the State Govt. has proposed to include this road in the 11 th Plan. By constructing this road the Turial Hydel power project can be completed in a faster way. The existing road is ODR standard and proposed to improvement to MDR standard with intermediate carriageway.
12.	Viswema-Khedima-Zuketsa	Nagaland	Nagaland and Manipur	36.40	43.68	This is an interstate road connecting Nagaland (Phek District) and Manipur (Senapati District). The road starts at NH-39 at Viswema in Nagaland and connect existing road Tadubi (Manipur) Pfutsero (Nagaland) which was constructed by NEC during the 6 th Plan. This is an existing road proposed for improvement to MDR standard formation and ODR standard carriageway. By constructing this road the overall law and order problem between Manipur and Nagaland can be improved to a great extend in addition to the socio economic development of Senapati District and Phek District.

Sl. No	Name of the Road	State in which the road physically located	States which will benefit directly from the project	Length (in Km)	Estimated cost (Rs in crore)	Brief Justification
1	2	3	4	5	6	7
13.	Bishalgarh-Boxonagar-Sonamara-Borpathari-Belonia	Tripura	Tripura	83.00	134.55	This is an intrastate road connecting NH-44 at Bishalgarh and passes through Sonamara-Nidaya-Barphathari-Belonia the Sub-Divisional Head quarters and further connecting at Begafa in NH-44 (The road from Begafa to Belonia is already existing). Since Tripura has very limited boundary with India the neighbouring State with Assam. The State Govt. has prioritized this road. This road will facilitate the speedy implementation of the recently approved 750 MW power project at Palatana by ONGC and 550 MW power project at Monarchak by NEEPCO, both are natural gas based power project. By constructing this road the over all socio economic development of South and West Tripura district and also improve border trade with Bangladesh. Belonia and Sonamara the main border trade points. This is an existing ODR standard road proposed to be improve MDR standard with intermediate carriageway.
14.	Impr. Of Sangkhola-Zingla road	Sikkim	Sikkim	20.00	24.00	This is an existing road starting from NH-31(A) at Sangkhola to Marta. This road will become a very short route for the people of Rumtek/ Martam villages to the National Highway. This particular area is very rich in Agriculture and Horticulture produces including cash crops like Oranges, Ginger and Cardamom. The following villages Tshalumthang, Burung, Rapdang, Lower Nazitam, Upper Nazitam, Martam, Rumtek and Sang will be benefited from this road. The total population of these villages are approximately more than 10,000. This is an existing road proposed to be improved to MDR standard formation and ODR standard carriageway.

SI. No	Name of the Road	State in which the road physically located	States which will benefit directly from the project	Length (in Km)	Estimated cost (Rs in crore)	Brief Justification
1	2	3	4	5	6	7
15.	Upgradation of Simchuthang-Namphok-Yangyang road	Sikkim	Sikkim	22.00	26.40	This road is located in South Sikkim District. A Central University is located in Yangang and this road also benefiting the Hydro Power project. The villages of Yangang, Namphok, Mangley, Pabong are proposed to be benefited from this project, the population is more than 7000 are proposed to be benefited from this road. This area is highly rich in Ginger and large cardamom in addition to Agriculture produces. This is an existing road proposed to be improved to MDR standard formation and ODR standard carriageway.
16.	Impr. Of Sangkhola Sumin road	Sikkim	Sikkim	12.00	14.40	This road starts from NH-31 A at Sangkhola and end at Sumin in East Sikkim District. Mainly the villages of Sumin and Upper Sumin are likely to be benefited from this road and the population of these villages are more than 5000. These villages are very rich in production of Oranges and ginger in addition to other Agricultural produces. This is an existing road proposed to be improved to MDR standard formation and ODR standard carriageway.
			Total	987.13	1284.16	