



Address by
Dr. Mukul Sangma
Chief Minister, Meghalaya

at the

62nd Plenary meet
of the
North Eastern Council

New Delhi
16th July 2013

Hon'ble Union Minister, DoNER & Chairman, N.E.C, Shri Paban Singh Ghatowar-Ji, Excellencies the Governors of the States of the North East, Chief Ministers, Distinguished Members of the North Eastern Council, Officials from the Government of India, N.E.C., State Governments and Friends.

It is a great privilege for me to participate in the deliberations of the 62nd Plenary Session of the North Eastern Council. I am hopeful that the deliberations will be meaningful and productive.

We are now in the second year of the 12th Five Year Plan and we as members of the NEC need to adopt a strategic approach to facilitate result-oriented investments thereby taking us to a higher growth trajectory. The amendment of the Principal Act in the year 2002 mandated the NEC to

function as a Regional Planning Body for the North Eastern Area and give priority to projects and schemes that benefit two or more States. This underscored the urgency of redefinition of the role of NEC and changes in the way business would be done. However, unless backed by adequate resources, it would be impossible for the NEC to fulfil its mandated role as the Regional Planning Body for the North Eastern region.

Annual Plan (2013-14)

The proposed outlay of the North Eastern Council for the Twelfth Five Year (2012-17) Plan was Rs.13027.38 crore. The proposed outlay for 2012-13 was Rs. 1840.40 crore. However, the approved outlay was Rs.770.00 crore only. The approved outlay thus constituted 41.83% only of the proposed outlay and was grossly insufficient to meet the actual requirement

of the member States. This year, the outlay approved once again is Rs. 770.00 crore. I would suggest that this issue be taken up by the NEC as a body with the Union Finance Minister and the Deputy Chairman, Planning Commission.

10% Gross Budgetary Support (GBS)

During the 60th Plenary held at New Delhi, many of the Members had pointed out that while substantial funds are reported to have been accumulated in the non lapsable pool, the allocation to the States from this pool, however, get regulated by the yearly budget ceilings fixed for the Ministry of DoNER by the Ministry of Finance. I would like to once again reiterate our request that the non-lapsable pool should be kept in a Revolving Fund to be operated by the Ministry of DoNER and the funds should be made available to the States based on their

demand and capacity and not constrained by the yearly budgetary ceilings. A portion of this should also be placed at the disposal of NEC for funding their activities. As per the existing arrangement, 10 % of the GBS is supposed to be invested in the North-Eastern region and the shortfall, if any, is to go into the non-lapsable central pool of resources (NLCPR). Therefore, 10% of the GBS of the concerned Union Ministries should be regarded as an entitlement for the development of the North Eastern Region in its entirety.

It is disheartening to note that in the financial year 2013-14, the Planning Commission has taken into account the allocation under NEC & NLCPR for determining the size of the plan of all the North Eastern States. This needs to be thought through afresh as it negates the

regional role of the NEC and the Ministry of DoNER. Such funds are not simply an aggregate of releases to 8 States but are also required to address inter State issues and problems of regional nature. NEC & NLCPR funds are meant to help the States . upscale their infrastructure and are an additionality over and above the normal State Plan. We, as Members of the North Eastern Council can collectively take up with Planning Commission to keep NEC & NLCPR funds outside the ambit of the State Plan.

The role of the NEC is required to be adequately strengthened to enable it to function as a semi autonomous body with adequate financial powers. The financial power of the Secretary NEC may be kept at par with that of the Secretary to the

Government of India or increased to Rs.50.00 crore. Further, the Ministry of DoNER and the NEC should put in place a strong mechanism for technical vetting of the estimates submitted by the Member States. This would go a long way towards faster implementation of projects. The NEC could adequately articulate general policy issues and their application for the North Eastern States.

Maintenance Fund

The NEC has been funding maintenance of NEC roads since 2001-2007. This has since been discontinued. The North Eastern Region comprises Special Category States which have a weak resource base. It may be appreciated that it is difficult for these States to maintain even the assets created out of their own State funds. The NEC needs to evolve a

mechanism to provide funds for maintenance to prevent deterioration of the assets already created.

Financial Inclusion

The Credit Deposit ratio in Meghalaya is much below the national level. Same is the case with the other North Eastern States. In respect of credit especially the agricultural credit, the outreach of formal banking system has not been very encouraging and as a region we remain grossly under banked. In each of our States, an overwhelming proportion of the population depends on agriculture and horticulture. Any effort at expansion of agricultural credit will have a wider effect on the over-all economic growth in terms of generating revenue and income opportunities. NEC as a regional planner could play a more proactive role in facilitating an effective approach to formal banking towards the North East Region.

Retention of NEC Projects

Preparation of DPRs usually involve time, effort and huge expenditure and therefore, it will be appropriate that the NEC Secretariat considers making retention decisions based on concept papers and only after a particular project has been identified for retention that the specific details in the form of DPRs may be called for. This approach is followed for projects under the NLCPR and there appears to be no cogent reason for a differentiated approach.

Air Connectivity

There has been no air connectivity to the Umroi (Shillong) airport since the contract with the Alliance Air ended on 1st January 2013. I am happy to learn that with the concerted efforts of the NEC, the Alliance Air have again been awarded the

contract and flights from Umroi Airport to Kolkata have resumed from the 10th July, 2013. While appreciating this achievement, I am hopeful that the NEC will continue its efforts towards increasing the frequency of this flight and encouraging other airlines to also fly to Shillong.

Expansion of Shillong / Umroi Airport

Umroi Airport is located at about 30 Kms from the capital city of Shillong which is also the headquarter of the NEC. The runway of this Airport is 6000 feet which is inadequate for the operation of bigger aircraft. For expansion of the airport, the Government has acquired 193 acres of land which was handed over to the Airport Authority of India in November, 2010 to expand the runway to 7500 feet for facilitating landing of bigger aircrafts. The expansion work could not proceed satisfactorily since the transfer of 32 acres

of land belonging to Umroi Army Cantonment, which is of paramount importance with regard to the expansion of the airport, is still pending with the Ministry of Defence. This requires immediate attention of Government of India. The delay in setting up of the **Instruments Landing System (ILS)** at Umroi Airport is another hurdle which has led to the inability of the flights to land on a regular basis. The AAI has already submitted the proposal to the Directorate General of Civil Aviation for installation of the ILS at the Airport. This needs to be done on utmost priority.

Baljek Airport

Baljek Airport with 3300 ft. runway is fit for landing of 20-seater class of Dornier aircrafts. This new airport was inaugurated by the then President of India Smti Pratibha Patil on the 22nd October, 2008.

Four years after the inauguration, the Airport could not be made operational due to various hurdles. The Airport Authority of India had agreed to take over the airport on 'as is where is' basis. The State Government had agreed to provide the requisite security. This needs to be formalized expeditiously. The intervention of NEC and DoNER would be helpful.

Inland Waterways

The Government has decided to introduce Inland Water Transport in the State. M/s RITES Ltd. has been assigned by the Inland Waterway Authority of India to identify the waterways with potential for inland water transport. M/s RITES Ltd in turn have identified (i) Jinjiram (ii) Kynshi – Jadukata and (iii) Simsang rivers in their feasibility report. They are currently preparing Techno-feasibility report and Detailed Project studies to assess the

viability of the identified rivers for inland water transport. The State Government has recommended Jinjiram river under Inland Waterways Project in the first phase as a priority project. Considering the interstate nature of waterways and the benefits which flow from them, it is appropriate that necessary investments in this sector are channelised through the NEC for implementation by the State concerned.

Disaster Management

The State of Meghalaya and other States of North Eastern Region have a history of natural disasters such as earthquakes and floods. Though the terrain in different parts of the state / region is susceptible to floods and landslides, the primary natural disaster that we have to prepare for is earthquake.

The importance of effective and timely risk mitigation measures cannot be over

emphasised. Much of the action lies in the domain of individual State Governments in terms of assessing potential for damage and our level of preparedness for rescue, relief and mitigation.

Since natural disasters of this magnitude affect more than one State, there is a rôle for NEC in this area. Workshops need to be held to discuss the lessons learnt from various disasters such as the Sikkim earthquake (2011), the Kedarnath Cloudburst etc. NEC could also consider a funding window for facilitating mitigation measures such as:

- Time bound mandatory retrofitting for all Lifeline buildings such as hospitals, schools, roads and bridges, so that these do not collapse in the event of a major earthquake.
- Setting up of 'Retrofitting Clinic' at the School of Technology, NEHU by the

Construction Industry Development Council (CIDC), Government Agencies, approved private companies and other stakeholders.

- Seismic micro-zonation (to take into account local variations in soil and geology), especially in the wake of haphazard urbanization and dangers due to unscientific coal mining in certain pockets of the region. This seismic micro-zonation will allow us to assess risks and suggest necessary measures.
- A Regional Institute for Disaster Management needs to be set up in the region for linking with various agencies in this domain and for training all stakeholders including private citizens, relief and rescue workers, communications personnel and police. The State of Meghalaya would be happy to take a lead in this.

Inclusive development

All State Governments are keen to promote inclusive development. This is possible only when vulnerable sections of the population have access to education, healthcare and employment opportunities. The youth of the State will have to be provided with access to education and skill development to empower them to acquire productive employment in the economy. This will also ensure that youth are not drawn to anti social activities and will be able to participate in the developmental activities of the State Government. Our development strategy should also foster greater gender balance by ensuring a more equitable role for women in representative and elected bodies at all levels of Government. Inclusive development also entails ensuring balance development of the areas within the State. It might be useful if

the NEC could take measures to ensure that adequate attention is given to promoting inclusiveness.

Preservation of Biodiversity:

The North Eastern Region is one of the biodiversity hot spots in the world. With the passage of time due to economic development and the rapid growth of population, our natural resources are depleting very rapidly. The results are already before us – less water, perennial streams and rivulets becoming seasonal, extinct and endangered species, more landslides and a diminishing green cover that ultimately impinge upon quality of life. To mitigate these alarming problems and to prevent the impending danger of disastrous effects, the intervention of the NEC as a Regional Planning Body in preserving the biodiversity assumes critical significance. This goes beyond funds as it will involve

advocacy, persuasion and engaging with communities and decision makers.

Tourism and Youth Development

A presentation on tourism circuits in the North East had been made at an earlier plenary meeting of the NEC. We have been keenly awaiting implementation of the action plan indicated therein. I would request the NEC to follow up with the Ministry of Tourism in this regard. Similarly, we have time and again discussed the ideas on creatively engaging with the youth of the region. Actual implementation of Plans has tended to be slow. This too needs to be expedited.

I would like to also request that mountaineering could be included as one of the disciplines to be considered for the NEC Sports Award. This is a relatively new sport for the region but we already have a number of promising mountaineers.

Look East Policy

Look East Policy was formulated in the year 1992 during the Prime Ministership of (L) Shri P.V Narasimha Rao with an ambition to induce economic development in the NE India at rapid strides. All the prospects of the 'Look East Policy' have been included in the "Vision 2020 Document". The policy was aimed at bringing about prosperity to the people of the NER. 'Look East Policy' is inevitable since countries like Bangladesh, Myanmar, Thailand and Nepal are the only regions for exploring trade with North East India. The four **Ts** viz., **Trade**, **Transits**, **Transportation** and **Tourism** require a special focus for which a suitable Foreign Policy oriented towards South East Asian countries including Bangladesh is required. For this to happen, the NEC should focus on development of infrastructure and connectivity.

Look South Policy

Look South Policy is already the agenda of the NEC. The main objective is to increase investment in the field of trade and commerce with Bangladesh. This will facilitate a single point interface for industrial development between Meghalaya and Bangladesh. In 1972, India signed a Treaty of Friendship with Bangladesh and recognized Bangladesh as a free Sovereign State. Right from those years, India had started to establish Trade linkages with Bangladesh and till today trade between the peoples of the two Countries in the Border areas continue. Presently, there are a lot of exports from Meghalaya to Bangladesh but due to the absence of trade infrastructures on both sides; desired level of trade transaction is yet to take place. To actualize the matter, the setting up of the VISA office in all the State Capitals of the region would be the most important step

for accelerating international trade by the investors and exporters. Indo-Bangla trade relationship will surely bring about economic profits to both the partners.

I hope that the deliberations and decisions of this august house would be fruitful for the benefit of the people of the North East. In conclusion, I would like to thank you once again for having given me the opportunity to place our views before this august gathering.

THANK YOU

JAI HIND