

For Promotion of Intra-Regional Connectivity

*India-Japan Partnership for Economic Development
in the Northeast*

20th March 2018

Takema Sakamoto

Chief Representative, **JICA** India Office



Japan-India Joint Statement

Prime Minister Abe Visits India
(September 13-15, 2017)



13. The two Prime Ministers **welcomed the Japan-India cooperation on development of India's NER** as a concrete symbol of developing synergies between India's Act East policy and Japan's Free and Open Indo Pacific Strategy.

In this context, they noted with satisfaction the setting up of the India-Japan Act East Forum.

They **appreciated the cooperation between Japan and NER of India**, ranging from key infrastructure such as road connectivity, electricity, water supply and sewage, to social and environmental sustainability such as afforestation and community empowerment...

Rationale: Poverty Situation in NER

Steadily improving, but still to be improved (compared with “All India”).

Percentage of Population below Poverty Line By States

	(2011-2012)		(cf. 2009-2010)	
	%	Persons (lakh)	%	Persons (lakh)
Assam	32.0	101.3	37.9	116.4
Arunachal Pradesh	34.7	4.9	25.9	3.5
Manipur	36.9	10.2	47.1	12.5
Meghalaya	11.9	3.6	17.1	4.9
Mizoram	20.4	2.3	21.1	2.3
Nagaland	18.9	3.8	20.9	4.1
Sikkim	8.2	0.5	13.1	0.8
Tripura	14.0	5.2	17.4	6.3
NER	28.5	131.8	33.6	150.8
All India	21.9	2,697.8	29.8	3,546.8

(Source: Report of the Expert Group to Review the Methodology for Measurement of Poverty (June 2014))

Rationale: Road Situation in NER

Less surfaced, narrower national highways.

Total Road Surfaced and Lane-wise National Highways (as in March 2013)

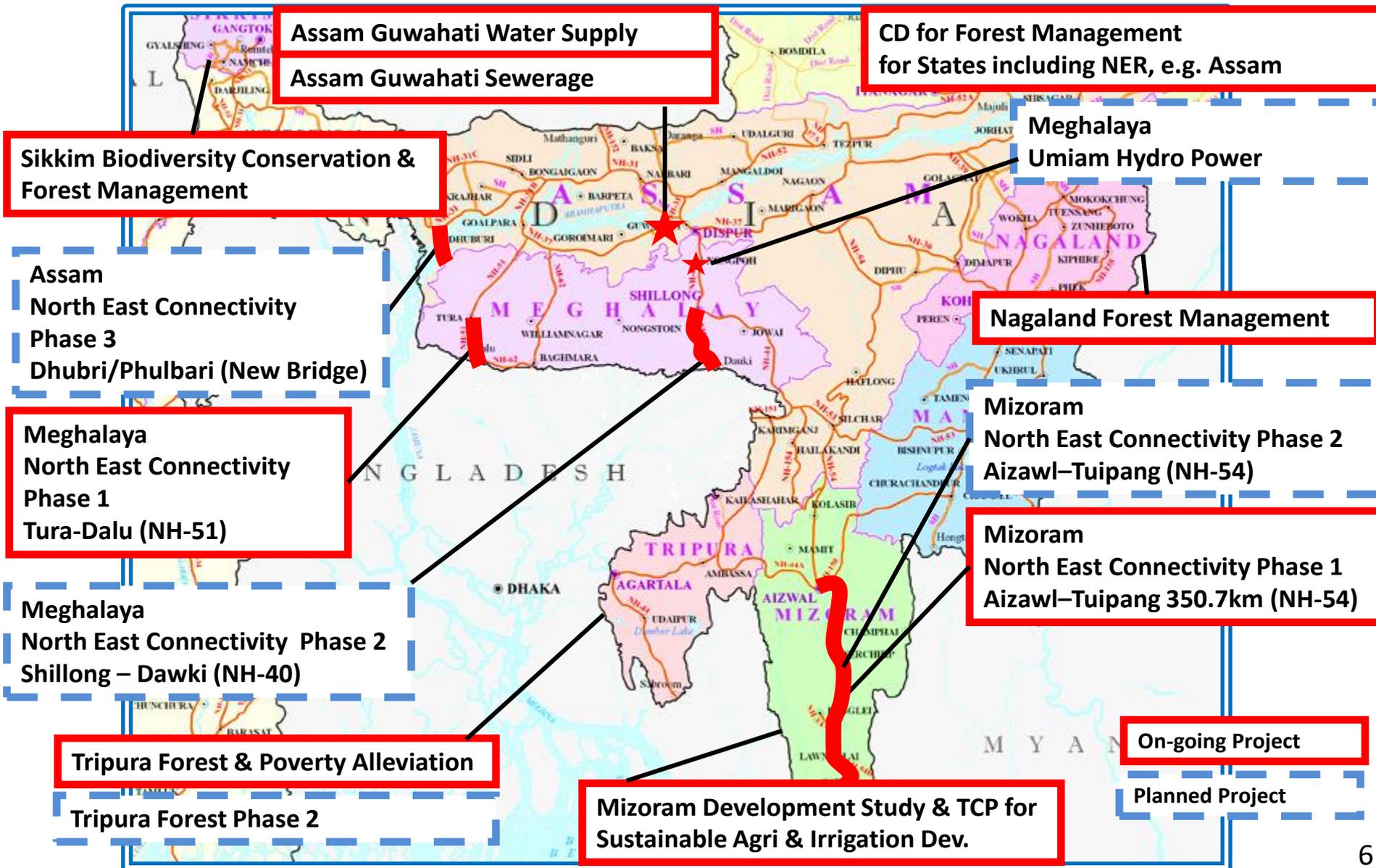
	Total Road Surfaced (%)	Total NH more than 2 Lane (%)
Assam	19.7%	82.8%
Arunachal Pradesh	72.6%	10.7%
Manipur	52.7%	35.5%
Meghalaya	65.3%	43.2%
Mizoram	77.9%	23.7%
Nagaland	48.7%	41.1%
Sikkim	87.9%	0.0%
Tripura	57.1%	9.5%
NER	33.7%	43.1%
All India	69.0%	75.6%

JICA's Overall Stance for NER Development

- ***NER is important;***
 - **For NER (own development)**
 - **For India (Balanced development)**
 - **As a gateway btw India and neighboring countries (BBIN, ASEAN...)**
- ***JICA is keen to support***
for sustainable development of NER.

JICA's Cooperation for NER

Continuous Cooperation for Sustainable Development including Connectivity Enhancement



JICA's Supporting Projects in NER (On-going)

- **Road network (NH54 (Mizoram) & NH51 (Meghalaya))
(JPY 67bil./2017.03-/NHIDCL)**
- **Guwahati Water Supply (Assam)
(JPY 29bil./2009.03-/GMDA)**
- **Guwahati Sewerage (Assam)
(JPY 16bil./2015.02-/Guwahati Jal Board)**
- **Forest & Poverty Alleviation (Tripura)
(JPY 8bil./2007.03-/Forest Dep't)**
- **Forest management (Nagaland)
(JPY 6bil./2017.03-/Forest Dep't)**
- **Forest management & Biodiversity conservation (Sikkim)
(JPY 5bil./2010.03-/Forest Dep't)**
- **CD for Forest management (13 states (4: Assam, Arunachal, Mizoram, Nagaland))
(JPY 5bil./2008.11-/MoEF)**
- **CD T/A for Agriculture and Irrigation dev. (Mizoram)
(2017.07-2022.07 (5years) / GoMZ)**

Points for New Project Formulation

1. Good preparedness

- Necessary internal consultation / procedural preparation within GoI in advance.
(State Government (esp. Budget Dept) , DoNER, Line Ministries, DEA, and so on)
- DEA's prior acknowledgement is the precondition for consideration / supplement study by JICA.

Points for New Project Formulation

(Contd.)

2. Higher priority with justification

(Comparative advantage among other candidate projects)

- Already there is a long queue for national prioritized projects.
- All candidates cannot be promoted all at once.
- Justification for higher priority with good preparedness is essential for materialization / speeding up.
- Wider Economic Benefits from projects, such as income growth, job creation, and resilience, should be persuasive.
- Appropriate social & environmental considerations are also important.

Points for New Project Formulation

(Contd.)

3. Demonstration of implementation capability

(Especially JICA's on-going project, if any)

- Smooth implementation history on on-going projects is more than important, for demonstrating high capability and enough absorption capacity,.
- JICA should convince GoJ to obtain green light for future candidate projects, therefore, good track records on the ground is essential.

Points for New Project Formulation

(Contd.)

4. Security Situation

(Evidence based improvement)

- Demonstration of actual decrease of statistical numbers of incidents, attacks and accidents is important.
(although understood that every state is doing utmost efforts for security risk mitigation.)
- Especially after Dhaka tragic incident in July 2016, where 1 Indian lady and 7 Japanese were killed by a terrorist attack, Japan is extremely nervous about security risks.

Points for New Project Formulation

(Contd.)

5. Entry Permission Procedures

- Complicated and time-consuming, sometime.
- Ensuring quick entry is essential in case of emergency or urgent needs.
- Relaxation of the procedures for JICA related persons is necessary.

Points for New Project Formulation

(Contd.)

6. Others (Undertakings)

a) Land acquisition

(Free-Encumbrance land handing over / Resettlement)

b) EIA (Environmental & Social Impact Assessment)

c) Budget allocation for counterpart fund

(both for Implementation & O/M stages)

(Fiscal space for borrowing / Absorption Capacity)

Points for New Project Formulation

(Contd.)

Plus,,,

7. JICA Training Programs to be fully utilized.

- All state governments are strongly encouraged to seek opportunities to dispatch related officials to participate in JICA training courses for CD.
- Advance preparation is strongly recommended for the same, as significant delay has been observed for application/dispatch procedures, e.g. obtaining passports and visas, in the past.

<Summary>

Points to be taken notes;

1. **Good preparedness**
2. **Higher priority with justification**
3. **Demonstration of implementation capability**
4. **Security Situation**
5. **Entry Permission Procedures**
6. **Other Undertakings (Land, EIA and Counterpart Fund)**

Plus, you are recommended;

7. **Full utilization of JICA T/A (Training Programs)**

Thank you!

