



GOVERNMENT OF NAGALAND

Speech of
Shri Neiphiu Rio
Chief Minister, Nagaland

At the
54th Meeting of the
National Development Council
held on
19th December 2007
at New Delhi

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Respected Prime Minister, Dr.Manmohan Singh, Chairman of NDC, Dr. Montek Singh Ahluwalia, Deputy Chairman of the Planning Commission, Union Ministers, Chief Ministers of the various States, other Members of the NDC, senior officers of the Government of India and other Central Institutions and the State Governments, ladies and gentlemen,

1. At the outset, I thank Dr.Manmohan Singh, Hon'ble Prime Minister and Chairman of NDC for having convened this 54th Meeting of the National Development Council in the nick of time to consider and approve the draft Eleventh Plan documents. I am hopeful that under his able and dynamic leadership and stewardship, the NDC will be revitalized, and become a more effective instrument for the accelerated socio-economic transformation of the country.

Comments on the draft Eleventh Five Year Plan documents

2. We are in broad agreement with the draft Eleventh Five Year Plan documents prepared by the Planning Commission. We particularly support and endorse the policies for faster and more inclusive growth, and the measures proposed to achieve it. On going through the State-wise targets on various development indicators, we observe that Nagaland has also been given rather stiff targets. However, we heartily and sportingly accept the targets set for our State by the Planning Commission (as enclosed in Annexure-I). We take it as a measure of the

confidence the Planning Commission places on the growth potential of the State. On our part, the State is eager to play its due part in the economic growth and development of this vast country of ours. Let me highlight in brief our visions for the future growth of the State and how we propose to achieve them through the Eleventh Plan and beyond.

Vision and thrust areas for development of the State of Nagaland

3. Nagaland has already prepared its own “Vision 2020” document, which has been incorporated in the Human Development Report of Nagaland 2004, several copies of which have also been forwarded to the Planning Commission. It would be appreciated if some of the aspirations of the State Government, as highlighted in the “Vision 2020” chapter of the State Human Development Report 2004, are also taken into consideration while finalizing the Eleventh Plan. Let me briefly dwell on the highlights of the State’s visions, and its priorities for the economic development of Nagaland during the Eleventh Plan.

Agriculture & Allied Sectors

4. Broadly speaking, the State’s main thrust area for the Eleventh Plan is Agriculture and allied sectors. The favourable land-man ratio, the good rainfall and temperate climatic conditions, the naturally fertile soil which supports luxuriant growth of all kinds of plants, are some of the advantages and potentials that can be exploited to harvest rich dividends, and to produce exportable surplus sufficient to sustain the State’s economy at a sufficiently high level of development.

economy at a sufficiently high level of development. Horticulture, floriculture, sericulture, aromatic and medicinal plants, animal husbandry and bee keeping etc. can be taken up on commercial scales, with organic farming as an essential element to enhance its market value. As a corollary to this, we shall have to develop food processing industries for value addition, post-harvesting and marketing infra-structures, including agri-link roads to potential areas etc. Therefore, in the 11th Plan, we have set a rather stiff target of 8 percent growth in the agriculture sector. However, going by our experience of the last few years, we believe it is quite achievable.

Jhum Cultivation

5. The Sub-Committee set up by the Planning Commission had expressed certain reservations about jhum cultivation, and the need for its substitution by a more settled cultivation. While not totally dis-agreeing to this commonly accepted line of thought, let me also point out that jhum, per se, is not actually as bad as it is generally made out to be, especially in a State like Nagaland, where the land-man ratio is still very favourable. It is found that in one jhum field alone, as many as 30 to 40 varieties of crops grow together, thus helping in the preservation of our agro-biodiversity. Further, we have introduced a system of planting fast-growing trees in the jhum land as one of the many crops, thereby helping the quick regeneration of the jhum areas. That is why, in spite of the wide prevalence of jhum, Nagaland still has one of biggest area of forest cover, which is about 80%. We are also in the process of taking up bamboo cultivation on a large scale, both in the jhum and non-jhum areas. Our declared policy is to develop bamboo as 'resource' and as an "enterprise",

so as to generate maximum employment opportunities and additional income for our farmers. We are also trying to introduce a new concept of horti-forestry, whereby the emphasis will be on planting fruit bearing trees in our social forestry programmes.

Micro credit facilities & strengthening and widening the scope of existing good practices.

6. However, our vision of revolutionizing and commercializing agriculture and allied sectors, and creating self employment opportunities in the agriculture & allied sectors, in the handloom and handicraft and in agriculture processing and other small scale industries by promoting entrepreneurship etc. cannot materialize without putting into place adequate credit infrastructure. The C.D. ratio in Nagaland is one of the lowest in the country, and currently hovers around 25%, against the national average of 60%. The private money lenders are charging exorbitant and back breaking rates of interest. Out of 52 Rural Development Blocks in the State, as many as 21 Rural Development Blocks, covering 421 villages, are still without any banking facilities. Our success in communitisation of public services and institutions in rural areas have demonstrated the strength of our village communities and traditional institutions. Hence, we propose to provide micro credit in our rural areas through the VDB (Village Development Board) by using them as credit channelising agencies. This is considered to be the surest way of reaching cheap credit in rural areas, combined with assured recovery. In this, we will require liberal financial assistance from the various agencies of the Central Government in making available the initial corpus fund to the VDBs. A beginning has been made last year with 25 selected VDBs being

given corpus fund of Rs. 1 lakh each as seed money, and banks agreeing to extend another Rs. 1 lakh of credit to each VDB. It is targeted to cover 540 more VDBs during the current year. We are also looking forward to support and assistance from the Planning Commission and other financial institutions, particularly NABARD, to support these micro credit facilities through VDBs, and also to strengthen and further broaden the scope and coverage of the Communitisation programme.

Bamboo Mission

7. Much has been discussed about the launch of the National Bamboo Mission. However, nothing very concrete has so far come up. As the North East Region has about 67% of the country's bamboo resources, we should immediately launch a "Bamboo Mission for the North East Region", and adequate funds provided for the development of Bamboo as a resource and an enterprise. As far as Nagaland is concerned, we had already gone ahead and launched Nagaland Bamboo Mission in 2005 to promote bamboo as 'a resource' and as 'an enterprise' with a mission mode approach. The Nagaland Bamboo Research Centre at Dimapur was recently inaugurated by Shri Kapil Sibal, Union Minister for Science & Technology & Earth Sciences.

Converting the Bio-diversity of North East into economic benefits

8. The North East is one of the world's richest biodiversity hot spots, and the region also has very high forest cover. A policy to benefit from this speciality of the region requires to be immediately drawn up. Such a policy should lay emphasis on

the preservation of the environment, and how the people may reap the benefits through such an activity. The deprivation of the means of livelihood to the people due to the stringent Supreme Court directives on felling of trees, and a compensatory mechanism or incentive also require a clear policy, both in the region as also in the country. The Kyoto Protocol and issues of Carbon trading has to be vigorously pursued by the Central Government.

Infrastructures – roads, railways & airports

9. The other equally important thrust areas are roads and other transport infrastructures, such as building of new airports and railway lines. In this connection, the North East Express Highway linking all State capitals, which has been discussed several times in the past, should now be made a reality, and if necessary, with private public partnership. Railway line from Dimapur to Kohima, and construction of a new green field airport at Chiethu (Kohima), both of which are presently under investigation, should be expedited. Another Railway line from Dimapur to Tizit via the foothills of Nagaland, and roads of economic importance connecting the eastern belt of the State are other priority areas to open up the agricultural and mineral rich belts of Nagaland, and to enable full exploitation of their potentials for economic prosperity of the State. The railway line from Dimapur to Tizit will be particularly vital for the success of the Tuli Paper Mill, which is in the process of being revived.

Hydro- power development

10. Other priority areas are Hydro-power development and tourism. While the vast hydro-power potential of the North

Eastern region should be exploited to produce exportable surplus, at the same time, the vast potentials for mini and micro hydel power plants should be harnessed for power self-sufficiency at the grass root level, and also to avoid high transmission loss and costs. Our experiments with the Chinese made hydroger have shown that this simple technology can be conveniently and economically introduced on a large scale in all rural areas. After the initial installation, the farmers themselves can maintain and look after the hydrogers with negligible cost.

Tourism & RAP/PAP

11. The North East region, with its natural beauty and ethnic charm, can be turned into a virtual 'tourist paradise', provided the required infrastructures are built up, and proper marketing strategy adopted. Rural tourism, eco-tourism, adventure tourism, culture tourism etc are the strong points of the region. The North East could be marketed as a common tourist destination, and attractive tourist circuits to fit various pocket sizes can be worked out and advertised world wide through internet. In this regard, the proposed creation of 'North East Tourism Development Council' is a welcome step. However, before we can project the North East region as a tourist paradise, the out-dated RAP/PAP regimes, which were the product of the Cold War era, and which do not appear to serve any useful purpose now, shall have to be further relaxed, or altogether removed from the statute book. Even if it cannot be removed immediately, the process of issuing PAP/RAP may be entrusted to the concerned State Governments who may file weekly returns to the Ministry of Home Affairs in whatever format as may be prescribed by the Government of India.

Industrialization, Trade and Look East Policy

12. Revival and modernization of our traditional handlooms and handicrafts, along with their patenting and marketing is another priority area. We are happy that the Government of India has given its approval in principal for the revival of Tuli Paper Mill, which is a matter of vital importance to the State. This project will have vast multiplier impact on the economy and employment scenario of the State through its ancillary and downstream activities. Another priority area is development and opening of trade with the South East Asian countries, not only to boost trade and economy, but also to remove the sense of isolation and neglect felt so long by the people of the North East region. In this connection, the 'Look East' policy of the Government of India needs to be better defined and crystallized into specific action programmes, so that it does not remain a mere 'policy statement' or a 'attractive slogan'. This would require restructuring of the various policies of the country, including its foreign policy. As a component of this look east policy, and to facilitate trade and cultural exchanges, the learning of Mandarin, Japanese, Korean and other oriental languages should be encouraged, and facilities created for the purpose.

Youth Empowerment and Employment

13. Another important area that needs focused attention is Youth Empowerment through training and capacity building to enable them to find gainful employment, either in the organized sector, or as self-employed entrepreneurs. For this purpose, appropriate technical and training institutes, such as Engineering Colleges, Institutes of Communication & Information

Technology etc. may be set up within the region itself, instead of solely depending on institutions outside the region. The existing ITIs also need to be expanded and modernized, and their syllabi upgraded to suit the market demands for technicians. We also need to promote youth activities in the areas of sports, music, art and culture; and towards this end, to create the necessary sports infrastructures and other facilities. These measures may also be seen as means of weaning away the youth from insurgency and other destructive tendencies. It may be mentioned here that the nation spends huge sums of money on army and para-military forces being deployed in the North East region on counter-insurgency duties. This money could, perhaps, be better used for youth empowerment and other development activities, which may, in the long run, prove to be a more effective way of countering insurgencies in the region. Peace and development are inseparable, like the two sides of the same coin. That is why in Nagaland, we have coined a new slogan, “Development for peace, and peace for development”, to emphasize the importance and inter-linkage of development and peace. We have also declared both the years 2004 and 2005 as the “Years of Youth Empowerment”, and used them as launching pads for organizing a number of youth empowerment activities to be continued from year to year.

Promotion of border trade and construction of roads in Border Areas.

14. A new thrust need to be given to the promotion of border trade under the ‘Look East Policy’. The North East region can become an effective cultural and economic bridge between India and South East Asia. To achieve this objective, infrastructure development must be stepped up. In this connection, I would plead for construction of a highway along the Indo-Myanmar

border, which will not only open up the area for trade and economic development, but will also serve as the highway for patrolling the international border, and for checking of illegal trafficking of drugs and arms through the famous Golden Triangle. Large sums of money have been invested in constructing roads and fencing along the Indo-Bangladesh border; but surprisingly, no tangible investments has been made along the strategic Indo-Myanmar border, which is equally important.

Non-Implementation of Prime Minister's Package for Nagaland

15. The following commitments were made by the former Prime Minister of India during his visit to Nagaland in October, 2003. However, in spite of the best efforts on the part of the State Government, they are yet to be sanctioned for implementation:-

Name of the Project	Estimated cost (Rs. in crore)
1. Revival of Tuli Paper Mill (for which GOI's approval received recently)	555.00
2. Four-Laning of NH-39 from Dimapur to Kohima	400.00
3. Creation of 25,000 Employment opportunities for Youths in Nagaland.	250.00

4. Upgradation of Higher and School Education for Science Education and facilities for girls in Mon and Tuensang Districts. 10.00
5. Regional Institute for Information Technology 20.00
6. Extension of Railway Line from Dimapur to Kohima

I would request the Hon'ble Prime Minister's intervention in expediting sanctions for the above projects, so that commitment made from the highest executive office of the country are given due importance and respect by all concerned.

Certain pertinent issues of policy affecting the North East States

16. I would also like to place before this august house some of the policy issues which have a bearing on the planning and economic development of Nagaland and other North East States, so that corrective steps are taken by the Government of India through the intervention of the NDC.

(i) There is a need to standardize the pattern of funding of various CSS schemes. We had all along been pleading that in respect of special category North East States, the pattern of all CSS schemes be standardized, and fixed at 90:10. The recent decision of the Government of India to fund one of its flagship scheme, SSA, on a 50:50 basis between the Central and the State Governments will spell doom for its implementation in the North East. All the Chief Ministers of the North East States

had made a joint petition to make it 90:10, which had been strongly supported by the Ministry of DoNER.

(ii) The benefits of fund allocation by the Ministry of Tribal Affairs under the Tribal Sub Plans are not being extended to the fully tribal States of the North East region. We feel that the fully tribal States of the North East region should be eligible to receive their due and proportionate shares of the funds under the Tribal Sub Plan.

(iii) Lastly, most of the North East States do not have Panchayati Raj, but we have our own village councils (by whatever name they are called) constituted as per respective traditional and customary practices, and duly recognized by the concerned State Governments. I feel that the Ministry of Panchayati Raj, should also work out special schemes for implementation through the Village Councils of the North East tribal States.

17. With these words, I thank the Chairman for giving me the time to raise these issues, and the members and others in the audience for their patient hearing.

Thank you.