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#### **ACT EAST POLICY OF INDIA - NORTH EAST REGION AND TRIPURA**

#### 1. India's Act East Policy

India's Act East Policy focuses on the extended neighbourhood in the Asia-Pacific region. The policy which was originally conceived as an economic initiative, has gained political, strategic and cultural dimensions including establishment of institutional mechanisms for dialogue and cooperation. India has upgraded its relations to strategic partnership with Indonesia, Vietnam, Malaysia, Japan, Republic of Korea (ROK), Australia, Singapore and Association of Southeast Asian Nations (ASEAN) and forged close ties with all countries in the Asia-Pacific region. Further, apart from ASEAN, ASEAN Regional Forum (ARF) and East Asia Summit (EAS), India has also been actively engaged in regional fora such as Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), Asia Cooperation Dialogue (ACD), Mekong Ganga Cooperation (MGC) and Indian Ocean Rim Association (IORA). Act East Policy has placed emphasis on India-ASEAN cooperation in India's domestic agenda on infrastructure, manufacturing, trade, skills, urban renewal, smart cities, Make in India and other initiatives. Connectivity projects, cooperation in space, S&T and people-to-people exchanges could become a springboard for regional integration and prosperity.

#### 1.1 Objective of India's Act East Policy.

The Objective of "Act East Policy" is to promote economic cooperation, cultural ties and develop strategic relationship with countries in the Asia-Pacific region through continuous engagement at bilateral, regional and multilateral levels thereby providing enhanced connectivity to the States of North Eastern Region including Arunanchal Pradesh with other countries in our neighbourhood. The North East of India has been a priority in India's Act East Policy (AEP). AEP provides an interface between North East India including the state of Arunachal Pradesh and the ASEAN region. Various plans at bilateral and regional levels include steady efforts to develop and strengthen connectivity of Northeast with the ASEAN region through trade, culture, people-to-people contacts and physical infrastructure (road, airport, telecommunication, power, etc.). Some of the major projects include Kaladan Multi-modal Transit Transport Project, the India-Myanmar-Thailand Trilateral Highway Project, Rhi-Tiddim Road Project, Border Haats, etc.

#### 2. Act East Policy & North Eastern Region

The prosperity cannot be realised without providing the NE Region with world-class infrastructure and building a network of connectivity. Improving connectivity is the most important measure for the resurgence of the NER. Good transportation networks are necessary to inter-link potential growth centres, promote tourism, connect to border trade points and support economic, social and security needs. Creation of a common market is necessary for the region to develop as an entity and realise the goals of peace and prosperity. The biggest constraint in the NER has been the poor state of infrastructure, in particular, roads, railways, waterways and power. From the geopolitical angle, the NER is located in a strategic location as it is bounded by these several foreign countries. Naturally it has got both advantages and disadvantages due to its location. So far advantages are concerned it is connected with the South-East Asian countries mainly China, Myanmar, Bhutan, Bangladesh, Malaysia, Thailand, Philippines, Cambodia and Indonesia etc where almost half of the world's population live. There is no doubt that this vast population could have great advantage for establishing any kind of trade and commerce. But the very geographical condition basically the rivers and mountains of the country stand as a barrier in creating a conducive atmosphere in the path of developing trade relation among those countries. The Mekong-Ganga Cooperation and Kunming Initiative have been undertaken by India and China respectively to reach out to ASEAN. The Mekong-Ganga Cooperation was launched by India on November 10, 2000, at Vientiane, Laos, to boost cooperation in tourism, culture and education. The signatories were India, Thailand, Vietnam, Cambodia, Laos and Myanmar. These countries agreed to undertake joint transportation projects, including the trans-Asian highway. This initiative is India's most significant venture in the region. The best part about the Mekong initiative is that it has the potential for direct flights between Guwahati-Ho Chi Minh City-Imphal-Hanoi. The Asian Highway (AH 48), which would be connecting Phuentsholing in Bhutan to Indo-Bangladesh border point at Changrabandha in Cooch Behar, West Bengal via Dooars, which is being built in full swing should act as a major boost to further cooperation with Bangladesh.

#### 2.1. Border Trade in North East Region

The North East Region (NER) of India, despite being endowed with immense resource potential, is considered to be an economically backward region of the country. The lack of proper accessibility and the absence of infrastructure and connectivity facilities have impeded many of the developmental prospects of the region. The crucial geostrategic location of the NER along with its rich natural reserves accords the region with the possibility of being India's powerhouse of trade and investment as well as a substantive gateway to robust engagements with the neighboring countries. The trade at India's border needs to be enhanced to take advantage of the NER's strategic location. The NER border is critical for business and commercial transactions between North East India and its. The importance of border is profound for the NER as it yields tangible benefits to the region thereby facilitating sustainable economic development. Determinants like geographic proximities, socio-cultural and ethnic affinities, economic complementarities, political commitments, policy coordination, infrastructure development and mutual interdependence extensively bolster the promotion of trade at borders. A proposal to build the Asian Highway and Asian Railway Link and natural gas pipeline were brought forth. The proposed geographical niche for the Asian Highway is the Imphal (India)-Tamu (Myanmar) road going on to the Kalemyo railway and then to Mandalay in Myanmar. A four-lane Asian Highway is sought between New Delhi Singapore with a link to Kualalumpur, Ho Chi Minh City, Phnom Pen, Bangkok, Vientiane, Yangon, Mandalay, Kalemyo, Tamu, Dhaka, and Kolkata. Road construction has already started from Tamu to Kalemyo, Myanmar. Portions of the 1,360-km trilateral highway from Moreh (India) to Mae Sot (Thailand) through Bagan (Myanmar) has already become functional and is on its way to completion. A number of recent developments in the North East region of India are notable. The level of education has certainly risen in the region, as has the demand for professionals from this part of the country. Some of these growth patterns are a result of the establishment of the Ministry of Development of North Eastern Region in 2001. The Ministry is entrusted with the responsibility of ensuring security. There is a need to "rebrand" the North Eastern part of India. Nagaland and Myanmar have hosted many cultural events that are evidence of greater integration and prominence to the region. Shillong is being promoted as the "Education Capital" of the North East. Similarly, Sikkim is being hailed as India's "brand ambassador" in terms of zero plastic consumption, organic produce, and eco-friendly industries. A number of laboratories have also been set up to study the innovative methods of entrepreneurial activity in this area. Google has also set up some enterprises in the region.

#### 3. Act East Policy & Tripura

The policy focus of the "Act East" should begin with North Eastern India itself. To this end, it is necessary to create physical infrastructure. The most important and immediate initiative required is the significant upgradation of infrastructure along the borders to facilitate trade and ensure the faster movement of goods to and from neighbouring countries. In fact, facilities such as approach roads, telecommunications, electricity, weighbridges, customs/immigration posts and bonded warehouses should be taken up on a priority basis.

The state of Tripura is located at the extreme end of NE Region mostly bounded by Bangladesh (856KM) leaving to a chicken neck access to the main land through Assam and Bengal. The state has very difficult topography and full of hillocks, rivers and rivulets. Due to its topography, intra state connectivity was practically absent before merger with India and the movements were restricted through Roadway, railway and waterway at Bangladesh (earlier East Pakistan). As such all towns, growth centres grew up along the State's border with Bangladesh.

There are significant gains to be had for both countries from a common market. Access to the Chittagong port and opening up of the inland water route could lead to economic resurgence of the region. In fact, the Chittagong port is only 72 km from Sabroom in Tripura and could become an important gateway for India to East Asian countries. The construction of a bridge by India across the Feni River, and helping Bangladesh modernise the Chittagong port, could go a long way in building confidence and goodwill for the benefit of the peoples of Bangladesh as well as of North Eastern India. Opening railway link through Agartala and Bangladesh (Akhaura) would make another way to improve the railway connectivity with Bangladesh and further with other countries. Improving the quantity and quality of flights, introducing charter flights, cargo carriers and ground infrastructure such as cold storages, night landing facilities will need immediate attention. At present airport with night landing facilities is only operational in Assam and Agartala. Improving the Cargo handling capacity in the airports will support the growing food processing industry in the states.

Infrastructure and connectivity could support the East Act Policy and provide an impetus to trade with the Eastern part of Asia. It is important to note that the NER shares 98 per cent of its borders with the neighbouring countries of Bhutan, Nepal, China, Bangladesh and Myanmar and the policy focus on the region can help it to access the markets in East Asian and Southeast Asia. Indeed, there is considerable potential for the policy to benefit

the region but that would call for a qualitative change in the relationship with the neighbouring countries like Bangladesh, Myanmar etc. The specific issues related to Tripura state are given below:

## 3.1. Railway:

## 3.1.1 Trans-Asian Railways:

Connecting NE with Trans-Asian railways (TAR), with South Asian Countries through Railway Link is an intergovernmental agreement that will establish strategic partnership among the countries in terms of exchange of business & trade, culture, regional integration and prosperity. The Network will connect Myanmar, Thailand, Cambodia, Malaysia, Singapore and other Asian countries. It will boost trade, commerce, tourism etc. In respect of connectivity from Tripura with Trans Asian rail, it has been proposed for rail connectivity from Jawaharnagar (Tripura) to Darlawn (Mizoram, 109 km) to Kalay of Mayanmar (148 km), altogether 257 km from Jawaharnagar to Kalay of Mayanmar.

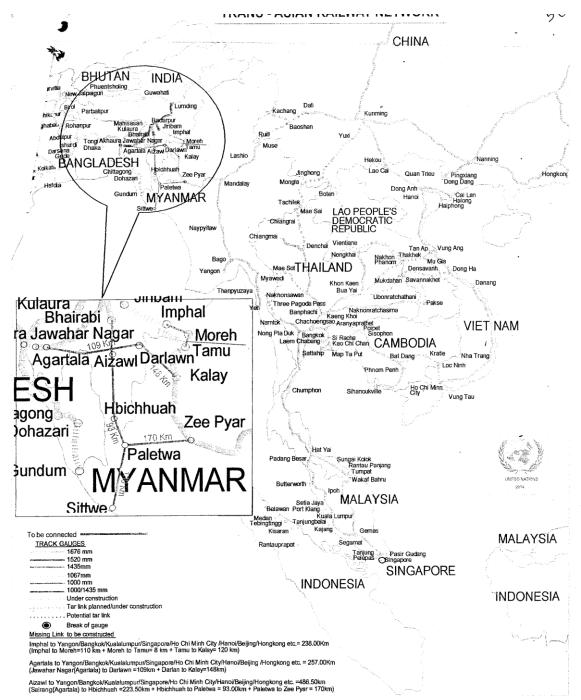
#### 3.1.2. Current Status

An initial proposal for establishing this rail link has been made by the Government of Tripura to the Union Railway Minister on 29.04.2016, followed by a requesting letter to the Chairman, Railway Board from the Principal Secretary, Transport on 22<sup>nd</sup> April, 2017. Secretary, Transport, Government Of Tripura in letter vide No.F.17(5)-Trans/2015 dated April 02, 2016 to Joint Secretary(BM), Ministry of External Affairs has sent views of State Government in the context of enhancing Rail connectivity and transit in sub-region and Rail connectivity with trans-Asian countries including Myanmar, Thailand, Malaysia, Singapore etc.

#### **3.1.3** Issue

Regarding proposed Trans-Asian Railway connectivity, the matter is awaiting a decision of Railway Board, Government of India and Ministry of External Affairs.

## 3.1.4. Proposed Trans-Asian Railway Network



#### 3.2. Agartala-Akhaura Rail-link

## 3.2.1.Background:

The project was sanctioned in the year 2012-13. Track length in Indian portion is 5.46 km (West District) and 6.57 km in Bangladesh portion. Total land involved for acquisition in the Indian side of the project is 72.466 acres, out of which 67.076 acres of land have already been acquired and handed over to the Railways. The balance land would be handed over on acquisition to the Railways within December, 2017 by the State Government. Agreement for construction works in Indian portion was signed between

IRCON and NFR on 12<sup>th</sup> Nov, 2014. The detailed estimated cost is Rs.967.50 crores (580.00 crs Indian portion, 387.50 crs, in Bangladesh portion). Work in Indian portion will be executed with elevated corridor/viaduct of 3.00 km. Ministry of DoNER has agreed to provide fund for the Indian portion.

#### **3.2.2.** Time line

Land acquisition: By 30th June 2017

Project Completion: By 31st March 2019

#### 3.2.3. Current Status:

Ministry of DoNER has released 1st instalment for Rs. 120 crores and this amount has been transferred to Ministry of Railways. Ministry of DoNER vide letter No. DoNER /NLCPR-Central/1/2012 dated 25<sup>th</sup> May 2016 have requested State Government to initiate the process of land acquisition. Payment for land acquisition already been made to the Govt. of Tripura by NF Railway on July, 2016. Now, land acquisition is in progress under the new LA Act 2013. Agartala-Akhaura Railway link/ Gangasagar Project shall open up Tripura and the North East India globally and facilitate in augmentation of trade and commerce and movement of goods and passenger services between India and the neighbouring countries and others by ensuring maximum use of Chittagong Port. This would also ensure easy passenger movement from Agartala-Kolkata by train, thereby reducing distance between Agartala-Kolkata from existing 1600 Km (via Assam) to near about 450 Kms. Moreover, this would also open up the scope of establishing Kathmandu-Kolkata-Dhaka-Agartala-Guwahati Railway link project and finally upto the terminal point in Bhutan in due course of time.

Bangladesh Government reported that they have acquired 28.46 acres of land out of around 50 acres of land for Akhaura/Gangasagar-Agartala rail link project. The balance land is expected to be acquired by mid December 2017. Bangladesh is committed to commission Bangladesh portion of the project within December 2018.

#### 3.2.4. Issue:

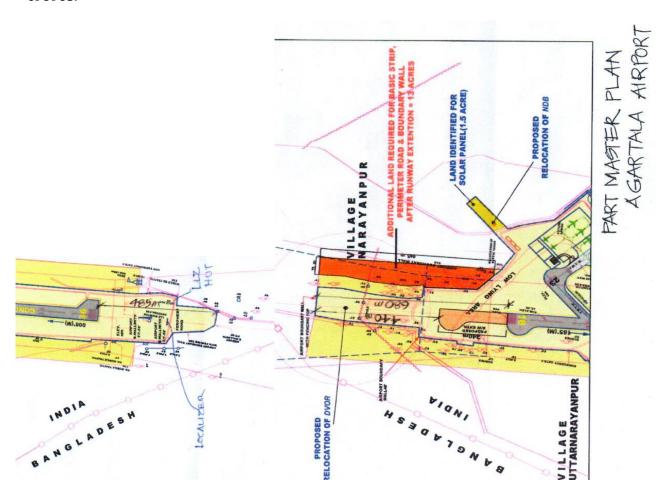
IRCON is not likely to complete the elevated corridor project (Indian side) before December 2018. Therefore IRCON must put maximum emphasis on construction of two lane road from NH 44 extension (Badharghat burning ghat location) to the International Border point of Nischintpur of Agartala beneath the elevated corridor, besides Rail yard at Nischintpur in Indian side so that Akhaura/Gangasagar to Nischintpur rail link poject would be made functional by December 2018 without waiting for completion of the construction of the viaduct/overbridge of a length of 3.140 Km on Indian side.

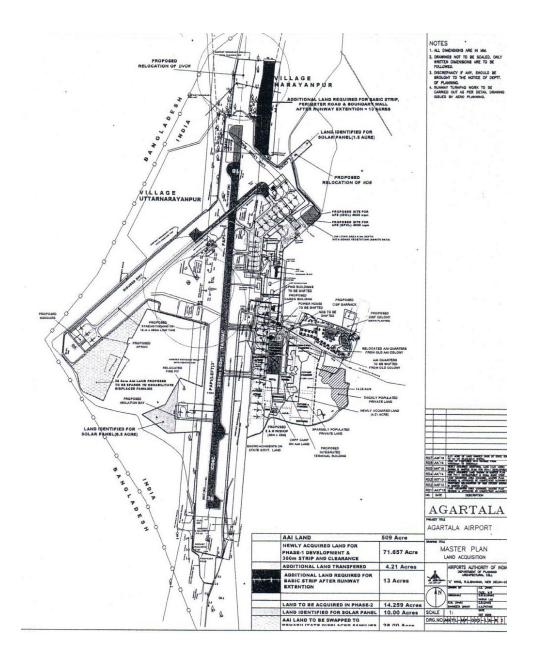
## 4. Airport

## 4.1. Modernization and Up-gradation of Agartala Airport

## 4.1.1.Background

The State Govt. has already handed over a quantum of 76.703 acres of land to Airport Authority of India for the modernization and up-gradation of Agartala Airport. It has spent Rs. 38.13 crores for land acquisition and rehabilitation in this process.AAI is implementing the project for which the AAI Board has approved an amount of Rs. 438.00 crores. The State Govt. has already handed over a quantum of 76.703 acres of land to Airport Authority of India for the modernization and up-gradation of Agartala Airport. It has spent Rs. 38.13 crores for land acquisition and rehabilitation in this process.AAI is implementing the project for which the AAI Board has approved an amount of Rs. 438.00 crores.





## 4.1.1.1 Airport Profile

## Runway

• Orientation : 18/36

• Dimension : 2286 m X 45 m (7500' X 150')

Suitable for : A-320 aircraft

Domestic Terminal : Handling capacity 500 at peak hour

Apron : 5 ( 4 nos. C Type and 1 nos. ATR Type)

Night operation permission : Yes

ATC watch hours : 0945 – 1810 IST

Scheduled Airline operators : Air India, Indigo, Spice Jet

Destination : Kolkata, Guwahati, Imphal, Delhi, Bangalore

Scheduled movements : 124 per week

Existing AAI Land : 556.77 acre

Additional land required : 13 acre

#### 4.1.2. Current Status

List of ongoing projects:

- New Integrated Terminal Building with all the modern facilities including 4(four) aerobridges.
- New Apron with 6(six) aircraft parking stands (all power in and push back).
- Construction of new car park area and beautification of city side.
- Construction of new operational wall and gradation of Runway basic strip.
- Construction of new isolation bay.
- Construction of new Hangar.
- Replacement of Airside canopy with tensile fabrics to improve the aesthetics of the building from the airside.

## 4.1.3. Time Line for Development of Agartala Airport

## 4.1.3.1.Construction of New Terminal Building

Engagement of Project Management Consultant : 30.06.2016

Call of Tenders for Terminal Building : 30.10.2016

Award of Tenders : 31.01.2017

Mobilization of Resources : 25.02.2017

Completion of work : 25.02.2019

## 4.1.3.2. Construction / Expansion of Apron at Airport

Accord of T/S & Draft NIT : 20.06.2016

Call of Tenders : 30.06.2016

Award of Tenders : 30.09.2016

Mobilization Period : 25.10. 2016

Completion of Work : 31.12. 2017

#### 4.1.3.3.Construction of Perimeter road and drain

Accord of T/S & Draft NIT : 15.06.2016

Call of Tenders : 22.06.2016

Award of Tenders :20.09.2016

Mobilization Period :15.10.2016

Completion of Work :31.12.2017

#### 4.1.3.4.Construction of Perimeter Wall

Accord of T/S & Draft NIT :17.06.2016

Call of Tenders : 24.06.2016

Award of Tenders : 25.09.2016

Mobilization Period :20.10.2016

Completion of Work : 31.12.2017

#### 4.1.3.5.Construction of Hanger

AAI sent Detailed Project Report for an estimated cost of Rs. 34.16 crore to NEC on 07.05.2014. Approval from NEC is awaited.

#### 4.1.3. Issue

State Government of Tripura requires to provide addition land of 13 acres.

## 4.2. Declaring Agartala Airport as an International Airport

#### 4.2.1.Background

Agartala airport which is the second busiest air traffic in the region after Guwahati, was proposed to be declared as an International Airport for facilitating travel of passengers between Agartala-Dhaka-Chittagong in Bangladesh and to other parts of South-East-Asia. The State Government has been demanding to Ministry of Civil Aviation for up-gradation of Agartala Airport and declaration of Agartala Airport as an International Airport since 2010. Hon'ble Chief Minister, Tripura raised this issue in a letter to Minister for Civil-Aviation, Government of India vide D.O. No.F13(17)-TRANS/2011/873 dated 14<sup>th</sup> June 2013. Modernization of Agartala airport will help improve the air services and make it suitable for international travel particularly to **Dhaka, Sylhet, Chittagong and South East Asian countries**. After completion of the project, Ministry of Civil Aviation may consider for declaring the Agartala Airport as International Airport

#### 4.2.2. Current Status

The responsibility for the up-gradation of a Domestic Airport into an International Airport solely rests with the Ministry of Civil Aviation (MoCA). The new Integrated Terminal Building of Agartala Airport will be capable of handling at least 200 (two hundred) international passengers as per the design of the building.

#### 4.2.3.Issue

After modernization, Agartala Airport will be an international standard Airport. Therefore, Ministry of Civil Aviation, Government of India should declare Agartala Airport as an International Airport.

## 4.3. Operationalization of Kailasahar Airport

## 4.3.1.Background

Kailasahar Airport is an unutilized airport in the State. Earlier there was air connectivity between Agartala and Kailasahar. During last 4 decades air services in this Airport has been disconnected and since then this Airport is in not use. The State Government had proposed for operationalization of this airport for regional connectivity.

### 4.3.2. Current Status

State Government has decided for revival of the existing Kailasahar airport under the UDAN Regional Connectivity (RCS) Scheme. Jt. Secretary, Ministry of Civil Aviation, GOI has been informed by the State Govt. on 10<sup>th</sup> November, 2016 that Govt. of Tripura is willing to participate in the RCS for taking up the development of Kailasahar Airport in its present form to make it operational. As required under RCS-UDAN, State Government has agreed for offering the required concessions at Kailasahar Airport including reduction of VAT on ATF by 1%. Ministry of Civil Aviation has been requested to bring down the "stage length" for air fare basis for RCS routes from 150 km to 75 km as Kailasahar is less than 150 km from Silchar and Agartala. Kailasahar Airport has potentiality for operation of 19 seater Aircrafts straightway in its present form. No additional land is required for this.

#### 4.3.3. Issue

Operationalization of this Airport is pending with Ministry of Civil Aviation, Government of India.

### 5. Waterways

## 5.1. Connectivity with Bangladesh- status of Development of Inland Water Transport on Gomati river

## 5.1.1.Background

Ministry of Shipping, Govt. of India had sanctioned for development of IWT on Gomati river with a view to setting up linkage with Meghna river system in Bangladesh with a cost of Rs. 12.59 crore. Out of which, Rs.2.00 crore as 1<sup>st</sup> installment has been released under Central Sector Scheme during the year 2015-16.

#### 5.1.2. Current Status

State PWD, Water Resource is the executing agency of the project. But during execution of the project, it was observed that provision for cost of land acquisition in three sites i.e. Sonamura, Maharani and Udaipur was not kept in the DPR and the DPR in its present form may not be suitable to implement the project. There may be a need to recast the DPR to include outsourcing of dredging operations rather than procurement of Dredger. Land acquisition cost also needs to be brought in the DPR. There may also be a need to finalize the locations for the terminal buildings/jetties, particularly at Sonamura as the eventual link up to Bangladesh river port will be key to the satisfactory realisation of the investment made.

#### 5.1.3. Issue

Accordingly, GM, RITES Ltd has been requested to recast the DPR or prepare a fresh DPR of the above project and Sri Rajat Sachar, Advisor, MoS has been requested to arrange visit by some senior representatives of IWAI to the State so that the issues may be taken suitably forward. The Secretary, Ministry of Shipping has been requested by the Chief Secretary, Govt. of Tripura for inclusion of Gumti-Surma-Meghna-Haldia Inland Water Transport route in the newly signed (signed on 6th June, 2015) Protocol on Inland Water Transit and Trade for future use by the State. Ministry in turn requested to find the scope for recasting the DPR and call a meeting with RITES Ltd in presence of the representative of the Ministry.

## 6. Road & Bridges

#### 6. 1. Projects under North East Road Sector Development Scheme(NERSDS)

#### 6.1.1. Background

The objective of the North East Road sector Development Scheme (NERSDS) is to take up rehabilitation/construction/upgradation of roads (including bridges on the roads) in the North Eastern Region (NER) which are inter-state in character, previously built by the North Eastern Council (NEC) and other agencies which are of vital connectivity for one state, but of little importance for the other state and hence remained neglected, but with available formation width of roads.

#### 6.1.2. Current Status

Secretary, DoNER in a video conference on 1<sup>st</sup> September 2017 clarified that only the roads having inter-state connectivity would be considered under NERSDS. The State Government requires to send such proposals to Ministry of Road Transport & Highways requesting the Ministry to declare proposed project(s) as National Highway(s), under intimation to Ministry of DoNER. In case, MORT&H regrets to declare them as National Highways, Ministry of DoNER will include them in North East Road Sector Development Scheme(NERSDS). Following the discussion in the video conference 2 projects have been proposed by Principal Secretary, Planning and Chief Engineer, NH.

- i. Improvement & up-gradation of inter-state connectivity from Hmunpui to Damcherra (Tripura-Mizoram border) via Hmonchuang (31 Km) upto Kwarthah at Mizoram including replacement of Bailey Bridge by RCC bridge over river Longai at Damcherra.
- ii. Kadamtala to North Tarakpur upto Assam-Tripura border (7 Km).

Secretary, DoNER has in-principally agreed with the proposals of State Government. As such, Chief Engineer, PWD (R&B) has been told to prepare Concept Note and send these proposals to MoRT&H for declaration as National Highways.

#### 6.1.3. Issue

The PWD(R&B) requires to prepare Concept note /estimates on the aforesaid 2 proposals and send them to Ministry of Road Transport & Highways for declaring them as new National Highways. Information should be sent to Ministry of DoNER about the proposals.

### 6.2. Construction of Bridge over Feni in Tripura to connect Bangladesh

#### 6.2.1. Background

India and Bangladesh have already agreed to allow cargo movement through Chittagong sea port. The proposed bridge will connect southern Tripura border at Sabroom, just 72 km off Chittagong port, with Ramgarh town in Bangladesh. The four-lane bridge will also have related infrastructure like a four-lane approach road. On 6th June 2015, India's Prime Minister Narendra Modi and Bangladesh's Prime Minister Sheikh Hasina jointly laid the foundation stone of the bridge on the river feni. And now, construction of the bridge is underway.

## 6.2.2. Salient Features of Feni Bridge:

- 3-lane carriage way with footpaths.
- Takes off at Sabroom (NH-8) on India side to R 152 road (Haeko- Ramgarh Road) in Bangladesh.
- Main bridge: 180 m with main river span 80m and with stay span 100 m, [50m on both sides]
- 232 m viaduct over river Feni with 6 viaducts of span 29.5 m on Bangladesh side and 2 viaducts of span 27.5 m on Indian side.
- Contract awarded to M/S Dineshchandra R Agrawal Infracon Pvt. Ltd.
- Agreement signed on 31/03/2017.
- Cost of Civil works Rs.82.57 crore.
- Works to be commenced in September, 2017.
- On Bangladesh side, administrative approval for land acquisition issued and has been lodged to DC office.

#### 6.2.3. Issue

In meeting between officials of the two countries held on 6<sup>th</sup> July,2016, at Dhaka & Ramgarh it was proposed by Government of India official that land would be acquired (with 30m RoW), all structures in the proposed RoW would be removed, utilities from the RoW. Would be shifted etc. which were accepted to be taken up with concerned authorities by Bangladesh delegation. NHIDCL has already issued a letter in April, 2017 to Ministry of External Affairs to take up the matter with Bangladesh. Meanwhile, land acquisition and award in India side has already started.

### 7. Information Technology

#### 7.1. Background: Marine Cable

Dedicated International Gateway (IGW) at Agartala has been commissioned on 23<sup>rd</sup> March 2016 extending 10Gbps International Internet Bandwidth from Coxbazar, Bangladesh.

#### 7.2. Current Status

At present the IGW bandwidth has been catering only international internet traffic of Tripura as well as other NE States. At present, bandwidth for all domestic traffic (which is 60% of total traffic) is being routed through the old route via Guwahati and then Kolkata or Chennai, which is not stable or adequate. GGSN is installed at Kolkata for

catering eastern region including Kolkata and SGSN is installed at Shillong for NE-I circle. Due to break down in media, mobile data customers are not getting proper service. State Government in IT Department has requested to Ministry of Electronics & Information Technology, Government of India for installing GGSN and SGSN at Agartala so that mobile data traffic can be routed through Agartala IGW (Reference below: Letter of Principal Secretary, IT to Ministry of Electronics & Information Technology, Government of India vide No. F.1(7)/I&C/2017/481-82 dated 27th April 2017).

#### **7.2.** Issue

BSNL to install GGSN and SGSN at Agartala so that mobile data traffic can be routed through Agartala IGW

# 8. Improvement of facilities in Land Custom Stations(LCs), Border Haat, Trade and Industrialization

### 8.1. Background

There are seven land custom stations in Tripura viz. Dharmanagar, Kailasahar, Kamalpur, Agartala, Sonamura, Belonia and Sabroom. Most of the LC stations are located nearer to the State Highways or Major District Roads. Additional length of roads now be constructed to connect LC stations with roads for augmenting the border trade. The Govt. Of India should consider launching a separate scheme for improvement of connectivity with all land customs stations alongside border of Bangladesh.

### 8.1.1 Shifting of IBB fencing in Manughat Land Custom Station

The Ministry of Commerce & Industry, Government of India has sanctioned the project for Up-gradation of Manughat LCS under ASIDE. As per the intimation of Department of Commerce, Ministry of Commerce & Industry Government of India dated 31-12-2012, both India and Bangladesh agreed to allow development work including ICPs/LCS within 150 yards of zero line Accordingly, considering the land constraint, it was proposed to include the acquired land on Indo-Bangla Border fencing measuring 1.171 acres after shifting of existing fencing to zero line of Manughat LCS..

#### 8.1.2. Issue:

The matter was taken up with BGB on several occasions by the BSF but the request to construct single row fence close to the zero line has not been accepted. In a note verbal issued by HCI, Dhaka dated 4th May, 2017, it was informed to the Ministry of Foreign Affairs, Government of Bangladesh, that consensus has been arrived between the two countries in a Joint Statement in April 2017 to ensure that development work including construction of ICPs/land Ports will be allowed within 150 yards of the zero line. The

issue was also discussed in the IG, BSF-RC, BGB meeting held in July, 2017. Accordingly, the matter may be followed-up with Government of Bangladesh to instruct BGB suitably.

## 8.2. Removal of port restriction through the Land Custom Stations in Tripura

Due to the Non-tariff barrier of restriction on export of certain commodities through the LCSs of Tripura to Bangladesh, the export from Tripura is getting hampered, which in turn is effecting the entire trade scenario with Bangladesh and the entire foreign trade is mostly in favour of Bangladesh with total value of import of Rs.300.23 cr. and the export to the Bangladesh of only Rs.4.60 cr. During 2016-17. All these items are allowed to be exported to Bangladesh through other LCS of the country except Tripura. The restriction is imposed on rubber bamboo, tea, cashew nut etc. To improve the export from Tripura, it is urgently required to remove this trade barrier and allow the commodities for export.

## 8.2.1. Issue

As suggested by Ministry of Commerce & Industry, Government of India, 10(ten) items produced or manufactured in the State like Rubber (all products,) Bamboo Products (including sticks for agarbatti manufacturing), Tea, Cashew nut, Arjun flower (broom) etc. have been kept in the Preference List-I; the other items kept in Preference List-II and recommended to Ministry of Commerce, Government of India for taking up with Peoples republic of Bangladesh for removal of port restrictions. A copy of the **minutes** with the detail lists is enclosed.

### 8.2.2. Non-tariff barrier for export of items from Tripura to Bangladesh.

There is non-tariff barrier through port restriction on export of items through LCS/Land Ports of Tripura and only selected items are allowed by Peoples Republic of Bangladesh for import. This has resulted in a vast gap in export figures as against import. To resolve this issue, a meeting under the Chairmanship of Principal Secretary, Industries & Commerce, Government of Tripura was held on 4th August 2017 on Port Restriction on items of export through Agartala Land Custom Station (LCS) of various commodities.

As per decision of the meeting held on 4<sup>th</sup> August 2017, Government of Tripura has taken up with Ministry of Commerce, Government of India to allow export of thirty items. Recently the Ministry has informed that the proposal was discussed with Bangladesh Authority. Government of Bangladesh has requested to suggest some of the commodities to be proposed in the first instance which could be considered for removal of export restrictions through Akhaura Land Port. Therefore, it was necessary to prioritise the list of items, in consultation with the Associations which may be considered in the 1<sup>st</sup> Phase of removal of port restrictions.

Accordingly, all the items has been grouped as Priority/Preference **List I** & **List II** and recommended to Ministry of Commerce, Government of India for taking up with Peoples Republic of Bangladesh for removal of port restriction in a phased manner. The proposed list is enclosed at **Annexure-A**.

LIST OF ITEMS PROPOSED FOR REMOVAL OF PORT RESTRICTION FOR EXPORT THROUGH AKHURA LAND PORT.

#### PRIORITY / PREFERENCE LIST-I

(i) Rubber (all product), (ii)Bamboo products ((including sticks for agarbatti manufacturing), (iii)Tea, (iv)Cashew nut, (v)Arjun flower, (vi)Readymade garments including handloom products, (vii)Spares parts of car, (viii) Electric and Electronic items (including home appliances), (ix) Bicycle ,(x) Two wheelers & auto mobile (three, four and multi wheeler),

#### PRIORITY / PREFERENCE LIST-II

(i) Cosmetics, Old Car (ii) CNG Spares (iii) Paper (iv) Sugar (v) Marble Stone (vi) Generators (vii) Broken glass (viii) Chocolate (ix) Soya bean (x) Steel and steel products (xi) Baby whiper (xii) Confectionary (xiii) Salt (xiv) Maize (xv) Bitumen (xvi) Stone Bolder

# 8.3. Creation of infrastructure in the Counterpart Land Custom Station of Bangladesh

The infrastructures of existing LCS in Tripura are being upgraded. Already, the Agartala LCS has been upgraded into an Integrated Check Post. Also, the Srimantapur LCS has been upgraded into an Integrated Development Complex. Manughat is also being converted into IDC in phase-wise.

#### 8.3.1 Issue

While the connectivity through railway, waterway and road is being improved with Bangladesh to facilitate passenger and cargo movement, but, there is a visible gap in the infrastructure of LCs in Bangladesh side, which is affecting the trade between the two countries. The issue was raised in different forums. However, this may need to be taken again by the Government of Bangladesh.

#### 8.4. Land for Border Haats in Tripura

For Kamalpur and Ragna Border Haats, land has been identified in the Indian side, but the same is yet to be finalized at the Bangladesh side. Haat Management Committees have been constituted in Indian and Bangladesh side.

#### 8.4.1 Issue:

The restriction is imposed on rubber, bamboo, tea, cashew nut etc. To improve the export from Tripura, it is urgently required to remove this trade barrier and allow the commodities for export. Meetings of Joint Haat Management Committees were held on 5<sup>th</sup> & 6<sup>th</sup> June, 2017 for Raghna –paschim Batuli & Kamalpur-Kurmaghat respectively. Land for both the boder haat were identified and finalized. It would be necessary to take up with Bangladesh to issue No Objection Certificate(NOC) for construction.

## 8.5. Investment from Bangladesh to Tripura for setting up of Industry

Government of Bangladesh approves investment by its citizens outside the country on a case to case basis. Thus, investors of Bangladesh are required to seek approval from Bangladesh Bank for any investment in Tripura.

#### 8.5.1. Issue

Though Government of Bangladesh approves on a case to case basis to invest outside the county, so far no investor could obtain approval from Bangladesh Bank to invest in Tripura. Therefore, Government of Bangladesh may be persuaded to allow investors to invest in India, at least in Tripura.

### 8.6. Strategy for Industrialization

### **8.6.1** Strategy for the Manufacturing Sector.

Providing a thrust to sectors with comparative advantage will require focusing on manufacturing services based on the region's resource endowments. In the manufacturing sector, agro-processing industries will have to play an important role in the emerging scenario. Horticultural crops need cold storages and processing support and it would be necessary to tie up with the corporate sector for the processing and marketing of fruits and vegetables, including organic products. Similarly, there is considerable scope for expanding food –processing, handlooms and handicrafts, which currently provide the largest employment, after agriculture. Almost 96% of NE is having International border & there is ample opportunity to develop trade & commerce in the region. The traditional ethnic designs can capture South–East Asian market which requires design inputs & skill development. In particular, there is considerable scope for the expansion of sericulture as the climate of the North East is congenial for the expansion of the silk industry. It is important to modernize the sector and help producers with design inputs, financial support and marketing assistance, including access to overseas markets.

There are about 181 large and medium-scale industries in the region, over 70 per cent of which are in Assam. Most of the units are based on resources, such as oil, gas and wood. Tea plays vital role in Assam's economy. Also the scope of downstream industries on

petroleum & gas cracker project needs to be explored. The significant deposits of limestone in Meghalaya and Arunachal Pradesh can be used for setting up medium-sized cement industries by using the deposits of natural gas in the region. It is also important to augment production by exploiting the enormous hydroelectric potential of the region, as regular and quality power supply can be an important incentive for setting up manufacturing units. Regular power supply is also an important necessity for cold storage infrastructure. While in the initial years the increase in power generation may not be absorbed entirely and States would be able to generate financial resources by selling power to the national grid (as in the case of Sikkim), over time the absorptive capacity of the region for power consumption would increase and a significant portion of the power generated would be used for expanding economic activities.

### 8.6.2. Strategy for Service Sector

In services, the participatory approach will aim to accelerate growth by focusing on the development of non-governmental services and their interaction with agriculture and manufacturing. Tourism is a sector with a very high potential for generating income and employment. With its moderate climate most of the year, scenic splendour and varied cultural attractions, the region is ideal for tourism. The focus, however, should be on high-value tourism which will require close collaboration with the private sector hospitality industry, building high –quality infrastructure and well –targeted promotion. Several tourist circuits could be development in the region, depending on the attractions and experiences they present. Annual music and dance carnivals held in different parts of the North East, with national and international participation, could help attract visitors at these times. Similarly, tourist visits and circuits could be built around the colourful Bibu festival in Assam and Dusshera Festival in Manipur, which could also be promoted. Hill tourism, skiing, river-rafting, adventure tourism, etc can be developed. However this should be done although in a sustainable manner, keeping in mind the fragile environment.

Other important services that present an opportunity for development are in the financial sector including banking, and insurance, the information technology industry. The IT industry however, requires significant capacity building, a larger emphasis within the education system towards mathematics and science, and creating the environment to induce information technology companies to operate in the region. Some information technology companies have found significant potential for sourcing employees in the region and it is important to create favorable conditions for their operation. Creation of education and training facilities for the youth of the region in information Technology (IT) and Information Technology Enabling Services (ITES) cloud provide a great impetus in generating a pool of personnel increasing employment opportunities for the youth.