Enhancing Connectivity in North East India and BBIN

- JICA’s experience and way forward –

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JICA is a **governmental agency** of Japan that implements official development assistance (ODA).

- **ODA** (Official Development Assistance)
  - Bilateral assistance
  - Multilateral assistance
  - ODA Loan / Private Sector Investment Finance (PSIF)
  - Grant
    - Grant Aid
    - Technical Cooperation
  - International authority

Headquartered in Tokyo, India Office in New Delhi
Accumulative Commitment by FY2022:
- JPY 7.4 trillion in total (approximately Rs. 4.5 lakh crore)

Operational Results in FY2022:
Commitment: JPY 567 billion (approximately Rs. 34,400 crore)
Disbursement: JPY 459 billion (approximately Rs. 27,800 crore)

Terms and conditions (as of Oct 2023):
- General terms: Interest rate 1.8%, repayment period 30 years (incl. 10 years grace period)
- STEP: Interest rate 0.3%, repayment period 40 years (incl. 10 years grace period)
• Landlocked nature and poor connectivity

• Approx. 46 million of population in 2011 in whole NE (70% in Assam)

• Agriculture and Tourism (service) are listed as priority industries in the vision and mid-term plans for the NE, while key industrial policies focus on MSMEs as its driver to promote employment.

• While the NE has achieved the same level of economic growth as India as a whole in recent years, connectivity, business environment, basic infrastructure and social issues (ex. poverty, healthcare) still have been identified for the further growth in NER.
JICA’s Ongoing Cooperation in NER

As of October 2023

**Total ODA:** appx 325 billion JPY (appx: 20,313 Cr INR)

**Sikkim**
- Biodiversity Conservation and Forest Management

**Assam**
- Guwahati Water Supply
- Guwahati Sewerage
- Road Network Connectivity Improvement (Phase 5)
- Health System Strengthening

**Assam/ Meghalaya**
- Road Network Connectivity Improvement (Phase 3) (Dhubri-Phulbari Bridge)

**Meghalaya**
- Road Network Connectivity Improvement (Phase 1/Phase 2)
  - NH-51 (Tura – Dalu)/NH-40 (Shillong – Dawki)
- Umiam-Umtru Stage-III Hydroelectric Power Station
- Forest Management and Livelihoods Improvement

**Tripura**
- Forest Management
- Road Network Connectivity (Phase 4/Phase 6) NH-208 (Kailashahar–Khowai–Sabroom)

**Mizoram**
- Road Network Connectivity (Phase 1/Phase 2)
  - NH-54 (Aizawl–Tuipang)
- Super-Specialty Cancer and Research Centre

**Nagaland**
- Forest Management

NER States
- Bamboo Use Promotion

**JICA Supports in Bangladesh**

- East West Corridor
- Asian Highway in Bangladesh
- Kaladan Multi-Modal Transit Transport Project
- JICA Supports in Bangladesh

**Graphical Elements**

- Map of the region indicating connectivity and cooperation areas.
- Notations for specific projects and initiatives.
Projects in the North East Region

**Forestry**
Supporting forest resource management, biodiversity conservation and livelihood improvement through Joint Forest Management approach in the following NER states:

- **Sikkim** - Loan amount: 5,384 mil JPY, signed Mar 2010
- **Nagaland** - Loan amount: 6,224 mil JPY, signed Mar 2017
- **Tripura** - Loan amount: 12,287 mil JPY, signed Oct 2018
- **Meghalaya** - Loan amount: 10,397 mil JPY, signed Mar 2020
- **Mizoram** - Project formulation stage

**Agriculture**
Agriculture is main sector in NE but further enhancement of added value is required in order to become a driving force of growth. From this viewpoint, JICA has been supporting;

- **Mizoram** - Capacity Enhancement for Sustainable Agriculture and Irrigation Development in Mizoram (signed October 2016)
- **Across NE** - “Initiative for Strengthening Bamboo Value Chain in the North East” to evolve NE as a hub of innovation and design for bamboo based products.

(photo: Sikkim/ Inventory of Herb Species at Kyonnosla Alpine Sanctuary)
Health
Considering that improvement of social development indicators is lagging in the northeast area, implementing/preparing several yen loan projects:

**Assam:**
Tertiary/Secondary health facility, Capacity development (Loan amount: 45.6 Bil JPY, signed Mar 2022)

**Mizoram:**
Super-specialty cancer and research center development (Loan amount: 9.9 Bil JPY, signed Feb 2023)

**Nagaland:**
Medical college hospital development under project formulation

Industry, MSMEs
The Focus will be placed on human resource development and nurturing Startups/MSMEs that can become promising investment destinations. This will help overcome the shortage of funds, which is one of the challenges for industrial creation in NE.

Across NE:
Sustainable Global Business Breakthrough Ecosystem (SGBBE) project: supporting joint initiatives to assist private sector players’ business expansion in the North East between IIT Guwahati and Gifu University.

Extending a bank loan to a North Eastern local financial institution is being explored.
Due to logistical barrier, the speed of development in North East India is slow compared to other parts of India.

To improve connectivity in the region, JICA started financing a road project in Mizoram and Meghalaya in 2017.

JICA has so far financed road projects in six phases, implemented by National Highways & Infrastructure Development Corporation Ltd (NHIDCL).

Loan amount: **185 bil JPY (11,550 Cr INR)**
Challenges in Implementation

- Coordination across agencies
- Land acquisition and utility shifting
- Slope protection

Capacity development of highways in mountainous region
Five guidelines aimed enhancing mountainous road infrastructure (published by IRC)
Connectivity across Border

• Creating cross-border connectivity to redress landlocked nature of North East India, thereby promoting socioeconomic activities including movement of people, goods and services.

• JICA supports connectivity projects in Bangladesh including Matarbari port (a new deep sea port) and highways and bridges from Matarbari port to Chattogram and further to the border with India, contributing to the improvement in cross-border logistics and economic activities.

• JICA recently started a new data collection survey to examine the situation of cross-border logistics in the BBIN countries from September 2023.
The map may not reflect all the development projects in the region for the presentation purpose.
Data Collection Survey on Cross-Border Logistics in South Asia

| Objectives | • Identify and analyze issues related to logistics and distribution in the survey area and borders.  
| • Collect necessary information for the formulation of cooperation policies and for the proposal of cooperation programs by JICA. |

| Target Borders | Focusing on the target borders/ICPs |
| • Petrapole (India)-Benapole (Bangladesh)  
| • Sabroom (India)-Ramgarh (Bangladesh)  
| • Dawki (India)-Tamabil (Bangladesh)  
| • Karimganj (India)-Sylhet (Bangladesh)  
| • Jaigaon (India)-Phuentsholing (Bhutan)  
| • Jogbani (India)-Biratnagar (Nepal) |

| Consultant | Japan: Padeco; Indian local: CUTS International |

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- Review of Existing Plans
- Baseline Information Collection
- Analysis of Logistics Infrastructure
- Analysis of Customs Issues
- Proposal of Assistance Policies, New Projects, etc.
Thorough implementation to ensure the projects bring about impact in the region

Looking beyond the borders

For the bigger agenda of “intraregional connectivity”
- Building infrastructure is a must but not enough
- Trade and custom policy to promote cross-border movement of goods and services
- Efficiency at the border point

JICA to also consider possibilities of starting new cooperation in this area.

Conclusion – JICA’s role and way forward

NH-40 near Shillong, Meghalaya
Thank you
धन्यवाद

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