

North Eastern Development Finance Corporation Limited



Scope of Industrial Development in Barak Valley due to completion of BG Rail Link & Coming up of East West Corridor

January 2021

EXECUTIVE SUMMARY

TITLE OF THE STUDY

SCOPE OF INDUSTRIAL DEVELOPMENT IN BARAK VALLEY DUE TO COMPLETION OF BG RAIL LINK & COMING UP OF EAST WEST CORRIDOR

The Barak Valley includes the three southern-most districts of Assam, viz. Cachar, Hailakandi and Karimganj, which together cover about 9% of the geographical area of the state. In order to improve the connectivity of the Barak Valley with the rest of the country, and in turn to augment the existing supply lines to the adjacent states like Manipur, Mizoram and Tripura; the Government of India had taken up the conversion of the existing Lumding-Badarpur MG line into a broad-gauge line. In addition, Silchar was fixed as the eastern terminus of the East-West (E-W) Corridor, a project for the construction of National Highways across India having four-lanes. This study seeks to assess the scope of industrial development in the Barak Valley, especially in the Micro Small & Medium Enterprise (MSME) sector, due to the above projects taken up in order to improve surface connectivity to the study area. The Terms of Reference have been furnished at Section-2, and may be referred to therein.

The present study has been supported under NEDFi's Techno Economic Development Fund (TEDF). This fund was established to undertake techno economic studies for industry and infrastructure best suited to the region. The study had been awarded to Deloitte Touche Tohmatsu India LLP. This document is the Final Report, which is being submitted by DTTILLP to NEDFi as the fourth and final deliverable in connection with its performance of the current assignment. It gives the study recommendations and the Strategic Action Plan for the industrial development of the Barak Valley based on these recommendations.

➤ **Study Findings:** Section-4 of this Report gives the profile of the study district, including the area and location, demographic profile, composition of economic output and the work-force participation. Section-5 furnishes a discussion on the resources available in the valley, apart from the prevailing agro-climatic conditions. The resources of the study areas include natural resources, non-natural resources, and human resources. This section analyses the available surplus of various crops after considering the local production (including flows from nearby districts in the case of horticultural crops) and the estimated consumption. In addition, the sectors like livestock and poultry, fishery, forest resources (including cane and bamboo) and mineral resources were assessed. The section also covers the fields like healthcare and IT & ITES, apart from the present system for skills development of human resources in the study districts.

Section-6 covers the industrial scenario in the Barak Valley, including the related infrastructure such as industrial areas and estates, utilities (power and water), transport, logistics and the banking network. This section also studies the export and import trade through established border trade facilities on the Indo-Bangladesh border.

The key areas for interventions have been discussed at Section-7. It includes an exercise for determining the priority areas for industrial development. The focus items thus determined included processing of crops like banana, pineapple, Assam lemon, and areca nut, and crafts based on bamboo. Value chain analysis has been carried out for the above items. In addition, a market analysis has been carried out for these products based on product characteristics, target markets, message to these markets, pricing strategies, and distribution and logistics arrangements. Further, the stakeholders' feedback on the key issues and constraints has been presented, which include aspects like transport infrastructure, industrial land, utilities, financial support, and market access. The recent policies of the Government related to the theme of the study have been given in this section, along with the impact of the recent changes on account of the global COVID-19 pandemic. In addition, the skills requirements and skill gap analysis are available for the study districts in the above-mentioned section.

➤ **Study Recommendations:** Section-8 gives the recommendations, based on the findings of the study. These include recommendations on the following themes:

- Delineating the **Thrust Areas** for Industrial Development of the Barak Valley (including those which can benefit from the improved road and railway connectivity)
- Exploring the **Possibilities for Cluster Development**

- Promoting **Local Entrepreneurship**
- Augmenting the **Infrastructure & Logistics** for accelerated Industrial Development and improved market linkages
- Proposing additional **Financial Measures**
- Undertaking appropriate **Capacity Development of the Workforce**
- Implementing other steps for improving the **Ease of Doing Business**
- Building the '**Brand Assam-Barak**' for attracting Investment, as a sub-brand of 'Brand Assam' under the Industrial & Investment Policy of Assam, 2019
- Encouraging investments in **Medium & Large-scale** units
- Exploring the **Longer Term Prospects** for Industrial Development of Barak Valley.

The above recommendations cover the necessary interventions across the value chain of potential industries, as well as the development of a supporting eco-system. The above recommendations, excluding the last one (viz. Exploring Longer Term Prospects) are for the short term (up to 2 years) and for the medium term (for 3-5 years hence). The longer term recommendations have been separately covered under 'Exploring Longer Term Prospects'. The discussions for each of the above points include: (a) the recommendations given in a summarized manner; and (b) the basis for the recommendation, citing the relevant study findings and other documents. In addition, short case studies have been presented on the above themes, covering regional, national and international developments. The following table covers the study recommendations in brief.

Table-ES.1: Summary of the Study Recommendations

| Theme | Study Recommendation |
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| Delineating the Thrust Areas for Industrial Development of the Barak Valley | <p>The following have been recommended as the thrust areas for the industrial development of the Barak Valley, especially in the MSME sector, which can benefit from the measures for improved connectivity.</p> <p>(a) Resource Based Units Processing of <u>four</u> horticultural crops - pineapple, banana, areca nut, Assam lemon and coconut; and bamboo shoot processing; Cane and bamboo based units.</p> <p>(b) Demand Based Units Units established to cater to local demand (including demand in nearby states) for daily use items or for use in construction – either based on local materials or materials from outside the study area.</p> |
| Exploring the Possibilities for Cluster Development | It is recommended that an integrated horticultural processing cluster may be established in the Barak Valley area. The same may be located near the Silchar city. The units may focus on the processing of the following crops: pineapple, banana, areca nut, Assam lemon and coconut. |
| Promoting Local Entrepreneurship | The study recommends the promotion of local entrepreneurship as a cooperative endeavour of all concerned stakeholders, especially the related agencies and institutions of the Central and State Governments, and associations representing local industries and entrepreneurs. In particular, such promotion of local enterprises can focus upon the thrust areas delineated earlier. These can include processing of certain surplus horticultural crops, cane and bamboo, items of daily use (consumer items), and inputs needed for construction works. |
| Augmenting the Infrastructure & Logistics for accelerated Industrial Development and improved market linkages | <p>It is recommended that the following steps be taken up for augmenting the infrastructure and logistical support for the development of industries in the study districts, as well as improving the outward flow of goods for improved market linkages:</p> <p>Improved use of the existing Industrial Areas and Estates, including development of vacant areas in Integrated Infrastructure Development Centre (IIDC) / Industrial Area (IA) at Malinibeel and augmentation and renovation of the above facilities as well as major repairs to the Industrial Estate at Badarpurghat;</p> <p>Establishment of Integrated Horticultural Processing Cluster around</p> |

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| | Silchar; Augmentation of Power Supply to the Industrial Areas and Estates |
| Theme | Study Recommendation |
| Augmenting the Infrastructure & Logistics for accelerated Industrial Development and improved market linkages | <p>Completion of the on-going works on the 4-lane ‘East-West Corridor’; Up-gradation of existing truck terminal at Silchar and Silchar Airport, along with the construction of truck terminals at other locations in the Barak Valley, such as Karimganj, Hailakandi, and Badarpur</p> <p>Development of multi-modal logistic park incorporating road, rail and water transport, storage facilities etc. for which suitable land may be identified in the study districts, or in nearby areas.</p> <p>Setting-up of cold chains and other infrastructure for the storage and marketing of farm produce under Government schemes like the ‘Agriculture Infrastructure Fund’ of the Atmanirbhar Bharat stimulus package</p> |
| Proposing additional Financial Measures | <p>It is hereby recommended that the following measures may be contemplated for providing additional financial support to entrepreneurs in order to accelerate the industrial development</p> <p>From Central Government</p> <p>The Government of India needs to create additional awareness about the North East Industrial Development Scheme (NEIDS), 2017, which was announced in March 2018 and the guidelines of which were announced in February 2019.</p> <p>Under the NEIDS 2017, Transport Incentive (TI) has been limited to 20% of the cost of transport of finished goods by rail and waterway (or to 33% of the cost of airfreight). These limits may be marginally increased for MSME units located in geographically disadvantaged areas of the NE Region, such as the Barak Valley.</p> <p>Support measures are being contemplated by the Central Government for strengthening the cash flows of MSME units across India to meet the outcome of the on-going pandemic. These measures may be extended to up-coming MSME units located in areas like the study area on a liberalized basis. Interest subvention on new or incremental loans could be extended to all MSMEs.</p> <p>Awareness may be strengthened in the study area about the availability of electronic system for facilitating the financing of trade receivables of MSMEs called Trade Receivable e-Discounting System (TReDS).</p> <p>In the medium term, when the NEIDS 2017 is revised after March 2022, stakeholders, such as the entrepreneurs and their associations, the State Government etc., may submit additional recommendations to the Government of India for inclusion under a more proactive policy for industrial development aimed at the MSME Sector in remote parts of the NE Region.</p> <p>From State Government</p> <p>Additional support for may be extended for new MSME units (green-field / brown-field) in the study districts in order to offset the location disadvantages of industrial development in these district and other prevailing factors, especially for:</p> <p>Interest subsidy on working capital;</p> <p>Incentive to units for the employment of local youth;</p> <p>100% stamp duty reimbursement limit.</p> <p>The above are suggested in addition to the support announced under the Industrial & Investment Policy of Assam, 2019</p> |

| Theme | Study Recommendation |
|---|--|
| Undertaking appropriate Capacity Development of the Workforce | <p>Regarding the capacity development of the work-force, it is recommended that the following steps may be taken up in this regard:</p> <p>Impart skills development by training and other means to the entrants to the workforce consisting of those youth who leave the education system for work, as well as unemployed persons looking for work.</p> <p>Upgrading of skills of persons in the existing work-force who desire to improve their capabilities or expand their areas of competence to cover new trades.</p> <p>In the above matter of capacity development of the workforce, due importance may be given to areas where skills may be needed in the study districts and elsewhere.</p> |
| Implementing other steps for improving the Ease of Doing Business | <p>The State Government may, in concert with the Central Government, actively undertake steps aimed to improve the ‘Ease of Doing Business’ in the Barak Valley (and elsewhere in Assam). These may include the action points highlighted by the Department for Promotion of Industry & Internal Trade, Government of India for action by the states / UTs of India from time to time.</p> |
| Building the ‘ Brand Assam-Barak ’ for attracting Investment | <p>The State Government may take up steps for building the ‘Brand Assam-Barak’ for attracting industrial investment in the study districts of the Barak Valley. This may be done as a sub-brand of ‘Brand Assam’, which has been envisaged under the Industrial & Investment Policy of Assam, 2019.</p> |
| Encouraging investments in Medium & Large-scale units | <p>In order to strengthen the industrial development of the Barak Valley districts, the State Government may consider steps for attracting investment in both large-scale and medium-scale units, especially in the thrust areas. Apart from the incentives provided under the Industrial & Investment Policy of Assam, 2019, additional support may be provided to such investments made in the study area as per decision of the State Government.</p> |
| Exploring the Longer Term Prospects for Industrial Development of Barak Valley | <p>It is recommended that all stakeholders, such as the State Government, entrepreneurs, business associations, academic and social institutions, local leadership etc., involved with the industrial and economic development of the Barak Valley take concerted action with the Governments of India, Bangladesh and Myanmar to enable the Barak Valley to realise its long-term potential for serving as the preferred land route between the Indian sub-continent and the ASEAN nations.</p> <p>The longer term multi-dimensional benefits of realizing such a vision can be enormous, including for the industrial development of the Barak Valley, based on a vision of it becoming a logistics-cum-industrial hub on the route between the Indian sub-continent and the ASEAN nations. The benefits will be much greater if the above vision is accompanied with the concurrent development of improved connectivity between the valley districts and nearby areas lying away from the route. These areas include Mizoram, Meghalaya, Tripura, the hill areas of Assam and parts of the Brahmaputra Valley of Assam.</p> |

Strategic Action Plan: Section-9 discusses the Strategic Action Plan for the industrial development of the Barak Valley, consequent to the improvements in surface connectivity due to the completion of the BG Rail Link and coming-up of the East West Corridor. This plan has been prepared on the basis of the recommendations presented in the previous section. The action points have been furnished separately for the short term (up to 2 years) and medium term (3-5 years hence). The action points related the last theme, viz. ‘Exploring the **Longer Term Prospects** for Industrial Development of Barak Valley’, cover the period after five years. The table given in the following pages summarizes the action points based on the present study.

Table-ES.2: Action Points based on the Study Recommendations

| Theme & Recommendations | Action Points | |
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| | Short Term Action Points(for up to 2 years hence) | Medium Term Action Points(2-5 years hence) |
| <p>Theme: Delineating the Thrust Areas for Industrial Development of the Barak Valley</p> <p>Recommendations: The following have been recommended as the thrust areas for the industrial development of the Barak Valley, especially in the MSME sector, which can benefit from the measures for improved connectivity.</p> <p>(a) Resource Based Units Processing of <u>four</u> horticultural crops - pineapple, banana, areca nut, Assam lemon and coconut; and bamboo shoot processing; Cane and bamboo based units.</p> <p>(b) Demand Based Units Units established to cater to local demand (including demand in nearby states) for daily use items or for use in construction – either based on local materials or materials from outside the study area.</p> | <p>Prepare Project Profiles for the identified focus areas – processing of surplus horticultural crops, demand based units (consumer non-durables and construction inputs) including suggested project sizes</p> <p>Highlight these potential of such thrust areas for industrial development of Barak Valley in any road shows, conferences, fairs, exhibitions etc. that may be arranged by the State Government to attract outside investment</p> <p>[Government support for establishment of such units may be also stressed, under schemes and policies of the Govt. of India and the State Government.]</p> | <p>Estimate if any other crops have become sufficiently surplus to be included in the list of crops in the thrust area</p> <p>Assess changes in the socio-economic scenario that make it viable to focus on additional areas of industrial investment</p> <p>Prepare Project Profiles for such additionally emerging thrust areas</p> |
| <p>Theme: Exploring the Possibilities for Cluster Development</p> <p>Recommendation: It is recommended that an integrated horticultural processing cluster may be established in the Barak Valley area. The same may be located near the Silchar city. The units may focus on the processing of the following crops: pineapple, banana, areca nut, Assam lemon and coconut.</p> | <p>Identify intending entrepreneurs with suitable experience and some financial strength.</p> <p>Identify and secure the cooperation of Government agencies and academic and research institutions that can act to crystallize the cluster formation.</p> <p>Commence discussions with banks and financial bodies for supporting the cluster.</p> <p>Identify suitable land to locate the proposed cluster, and commence the finalization of site. Interested banks and financial bodies may be involved in this exercise.</p> <p>Identify grower belts within the study area / nearby feeder areas for extension of support.</p> | <p>Complete the civil & associated works for the infrastructure of the cluster – sheds, developed plots, power and water supply, approach road etc.</p> <p>Support identified entrepreneurs with finance, market information, infrastructure</p> <p>Support the associated growers with improved planting materials and other inputs, improved package of practices, equipment etc. that will boost their output and productivity.</p> <p>Associate the identified Government agencies and academic and research institutions / other stakeholders for the development of the cluster</p> <p>Involve the interested banks and financial bodies for supporting the cluster units</p> |

| Theme & Recommendations | Action Points | |
|---|--|---|
| | Short Term Action Points(for up to 2 years hence) | Medium Term Action Points(2-5 years hence) |
| <p>Theme: Promoting Local Entrepreneurship Recommendation</p> <p>The study recommends the promotion of local entrepreneurship as a cooperative endeavour of all concerned stakeholders, especially the related agencies and institutions of the Central and State Governments, and associations representing local industries and entrepreneurs. In particular, such promotion of local enterprises can focus upon the thrust areas delineated earlier. These can include processing of certain surplus horticultural crops, cane and bamboo, items of daily use (consumer items), and inputs needed for construction works.</p> | <p>Identify intending entrepreneurs and impart relevant training for them.</p> <p>Support the entrepreneurs to crystallize their ideas and to finalize their Business Plans.</p> <p>Finalize a list of mentors to support entrepreneurs working in the identified thrust areas.</p> | <p>Assist the entrepreneurs as necessary in matters like funding, sheds, equipment suppliers, power connection, and compliance and permissions etc. to set up their units.</p> <p>Support the efforts of entrepreneurs in developing market linkages by assisting them to participate in Trade Meets and Conferences.</p> <p>Monitor the progress of the entrepreneurs in terms of business revenues, loan repayment etc.</p> <p>Involve mentors in shaping the progress of the entrepreneurs</p> <p>Encourage the entrepreneurs to form a supportive network with outreach to similar networks in India and outside.</p> |
| <p>Theme: Augmenting the Infrastructure & Logistics for accelerated Industrial Development and improved market linkages</p> <p>Recommendations: It is recommended that the following steps be taken up for augmenting the infrastructure and logistical support for the development of industries in the study districts, as well as improving the outward flow of goods for improved market linkages:</p> | | |
| <p>Improved use of the existing Industrial Areas and Estates, including development of vacant areas in Integrated Infrastructure Development Centre (IIDC) / Industrial Area (IA) at Malinibeel and augmentation and renovation of the above facilities as well as major repairs to the Industrial Estate at Badarpurghat;</p> | <p>Draw up a Plan for the following: Utilization of the available unused areas of IIDC / IA at Malinibeel (incl. for use as Integrated Horticultural Processing Cluster if feasible) and augmentation and renovation of needed facilities esp. water supply Repairs & Renovation of the Industrial Estate at Badarpurghat Identify sources and secure funding for above works Commence the works (if funding is secured)</p> | <p>Complete the works (under Phase-I) for the utilization of the available unused areas of IIDC / IA at Malinibeel, and the repairs and renovation of the Industrial Estate at Badarpurghat Secure additional / supplementary funding for the above purposes. Complete the works as per Plan prepared in the short-term for the improved use of the existing industrial areas and estates, including repairs and renovations</p> |

| Theme & Recommendations | Action Points | |
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| | Short Term Action Points(for up to 2 years hence) | Medium Term Action Points(2-5 years hence) |
| Establishment of Integrated Horticultural Processing Cluster around Silchar; | Described earlier under the theme of ‘Exploring the Possibilities for Cluster Development’ | Described earlier under the theme of ‘Exploring the Possibilities for Cluster Development’ |
| Augmentation of Power Supply to the Industrial Areas and Estates; | Assess the power needs for industrial use for a 5/10 year time horizon in the Barak Valley, including feasibility of separate dedicated industrial feeders to identified points. Identify and secure funding for the plan | Complete the works as per plan to augment power supply for industrial use as per needs. Assess further needs (as a continual process) focussed upon the power needs of the industrial sector in the study districts. |
| Completion of the on-going works on the 4-lane ‘East-West Corridor’ ; and | Completion of the on-going works on incomplete stretch of the E-W Corridor | Take suitable action to overcome the landslides and other geological problems on the stretch of road between Nrimbanglo and Jatinga, so that the E-W Corridor becomes fully functional for traffic in between the study area and the rest of the state / India. |
| Up-gradation of existing truck terminal at Silchar and Silchar Airport , along with the construction of truck terminals at other locations in the Barak Valley, such as Karimganj, Hailakandi, and Badarpur | Prepare a plan for the up-gradation of existing truck terminal at Silchar, as well as for the construction of truck terminals at other locations in the Barak Valley [In case, adequate land is not available to handle the projected truck traffic, terminal may be shifted elsewhere on land near NH-37 (new) if available.] | Implement plan for upgraded truck terminal for Silchar, and for the construction of some of the other truck terminals in the study areas after securing funding. Plan for upgrading the airport terminal may be carried out, as this has been reportedly approved. |
| Development of multi-modal logistic park incorporating road, rail and water transport, storage facilities etc. for which suitable land may be identified in the study districts, or in nearby areas. | Identify suitable land for multi-modal logistic park, in the study districts, or in nearby areas. | Prepare plan for a multi-modal logistic hub incorporating road, rail and water transport, storage facilities etc. in the study area for funding and implementation in the longer run. |
| Setting-up of cold chains and other infrastructure for the storage and marketing of farm produce under Government schemes like the ‘Agriculture Infrastructure Fund’ of the Atmanirbhar Bharat stimulus package | Create awareness amongst eligible beneficiaries (and entities) about the benefits under the scheme. Support eligible entities to prepare bankable proposals for post-harvest infrastructure and community farming assets under the scheme. [Scheme will extend for four years.] | Assist those who have availed of loans in the implementation and operation of their units. |
| Theme & Recommendations | Action Points | |
| | Short Term Action Points(for up to 2 years hence) | Medium Term Action Points(2-5 years hence) |

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| <p>Theme: Proposing additional Financial Measures</p> <p>Recommendations</p> <p>It is hereby recommended that the following measures may be contemplated for providing additional financial support to entrepreneurs in order to accelerate the industrial development</p> | | |
| <p>(a) From Central Government</p> | | |
| <p>The Government of India needs to create additional awareness about the North East Industrial Development Scheme (NEIDS), 2017, which was announced in March 2018 and the guidelines of which were announced in February 2019.</p> | <p>Create an awareness creation mechanism with involvement of Government and other stakeholders for educating entrepreneurs (including intending ones) about the provisions of NEIDS and compliance with its rules notified subsequently. Hand-holding of interested MSMEs for compliance and receipt of benefits.</p> | <p>In case of revision to the NEIDS after March 2022, the changes may be communicated through the above awareness creation mechanism.</p> |
| <p>Under the NEIDS 2017, Transport Incentive (TI) has been limited to 20% of the cost of transport of finished goods by rail and waterway (or to 33% of the cost of airfreight). These limits may be marginally increased for MSME units located in geographically disadvantaged areas of the NE Region, such as the Barak Valley.</p> | <p>Organize efforts by stakeholders to represent before the Government to marginally raise the limits for Transport Incentive (TI) under NEIDS 2017.</p> | <p>In case of extension of NEIDS 2017 or the announcement of new policy in its lieu; the concerned stakeholders have to properly represent to the Government to marginally raise the limits for Transport Incentive (TI) for MSME units located in geographically disadvantaged areas of the NE Region, such as the Barak Valley.</p> |
| <p>Support measures are being contemplated by the Central Government for strengthening the cash flows of MSME units across India to meet the outcome of the on-going pandemic. These measures may be extended to up-coming MSME units located in areas like the study area on a liberalized basis. Interest subvention on new or incremental loans could be extended to all MSMEs.</p> | <p>Understand measures being proposed for strengthening cash flows for MSME units across India to meet outcome of pandemic Request if these measures can be extended to MSME units located in the NE Region for a longer period, including measures to provide any interest subvention.</p> | |

| Theme & Recommendations | Action Points | |
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| | Short Term Action Points(for up to 2 years hence) | Medium Term Action Points(2-5 years hence) |
| Awareness may be strengthened in the study area about the availability of electronic system for facilitating the financing of trade receivables of MSMEs called Trade Receivable e-Discounting System (TReDS). | <p>Activate awareness mechanism (same as contemplated for NEIDS 2017) with stakeholder participation.</p> <p>Hand-hold MSEs to received benefits under scheme after compliance with rules (Can be a paid service if needed, based on success of the application)</p> | Continue the works to cover newly formed MSEs during this time horizon – including hand-holding for compliance and receipt of benefits. |
| In the medium term, when the NEIDS 2017 is revised after March 2022, stakeholders, such as the entrepreneurs and their associations, the State Government etc., may submit additional recommendations to the Government of India for inclusion under a more proactive policy for industrial development aimed at the MSME Sector in remote parts of the NE Region. | --- | <p>Submit additional suggestions to the Government of India for inclusion under a more proactive policy for industrial development aimed at the MSME Sector in remote parts of the NE Region</p> <p>Communicate changes in policy and rules to MSME units in the study area and assist them in compliance to receive benefits under extended policy.</p> |
| (b) From State Government | | |
| <p>Additional support for may be extended for new MSME units (green-field / brown-field) in the study districts in order to offset the location disadvantages of industrial development in these district and other prevailing factors, especially for:</p> <p>Interest subsidy on working capital; Incentive to units for the employment of local youth; 100% stamp duty reimbursement limit.</p> <p>The above are suggested in <u>addition</u> to the support announced under the Industrial & Investment Policy of Assam, 2019</p> | <p>Make proposals to Government of Assam for the additional support to new MSME units (green- field / brown-field) located in the Barak Valley</p> <p>Create awareness amongst the MSME units, incase of any changes to the policy, so that they can meet the requirements and avail of the benefits.</p> | <p>Prepare suggestions for the State Government for a more proactive policy for industrial development aimed at the MSME Sector in the Barak Valley districts, after tenure of 2019 Policy expires.</p> |
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| Theme & Recommendations | Action Points | |
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| | Short Term Action Points(for up to 2 years hence) | Medium Term Action Points(2-5 years hence) |
| <p>Theme: Undertaking appropriate Capacity Development of the Workforce</p> <p>Recommendations: Regarding the capacity development of the work-force, it is recommended that the following steps may be taken up in this regard: Impart skills development by training and other means to the entrants to the workforce consisting of those youth who leave the education system for work, as well as the unemployed persons looking for work in areas specified at Page No.111; and Upgrading of skills of persons in the existing work- force who desire to improve their capabilities or expand their areas of competence to cover new trades. In the above matter of capacity development of the workforce, due importance may be given to areas where skills may be needed in the study districts and elsewhere.</p> | <p>The short term action points have been briefly given below: Assess the skill development needs of the incoming cohorts to the work-force in the Barak Valley, as well as the existing work-force, based on their aspirations and the employment avenues in the valley and neighbouring states /elsewhere in India. Survey the supply of skill development facilities in the study area, and determine the need for augmenting these facilities. Propose to the Government / private units to meet the demand –supply gap in skill development facilities. Undertake steps to create awareness among the new entrants and existing workforce about the need and availability of skill development.</p> | <p>The above steps may be continued, especially to take advantage of emerging areas of employment. Support of the State Government and Ministry of Skill Development & Entrepreneurship, Govt. of India may be actively sought.</p> |
| <p>Theme: Implementing other steps for improving the Ease of Doing Business</p> <p>Recommendation: The State Government may, in concert with the Central Government, actively undertake steps aimed to improve the ‘Ease of Doing Business’ in the Barak Valley (and elsewhere in Assam). These may include the action points highlighted by the Department for Promotion of Industry & Internal Trade, Government of India for action by the states / UTs of India from time to time.</p> | <p>Undertake an assessment of the EODB in the Barak valley districts, based on the parameters of The World Bank and list out areas for local improvement Impress the State Government to take steps to improve the EODB in the 2-5 years horizon starting from the 2nd Year. Measures highlighted by the Ministry periodically under its BRAP may be given priority.</p> | <p>Continue the measures for improving the EODB over the medium term.</p> |
| <p>Theme: Building the ‘Brand Assam-Barak’ for attracting Investment</p> <p>Recommendation: The State Government may take up steps for building the ‘Brand Assam-Barak’ for attracting industrial investment in the study districts of the Barak Valley. This may be done as a sub-brand of ‘Brand Assam’, which has been envisaged under the Industrial & Investment Policy of Assam, 2019.</p> | <p>Propose a sub-brand ‘Brand Assam-Barak’ for the study districts, as a part of the Brand Assam’. In case proposal is accepted, to ensure that the sub-brand is effectively positioned.</p> | <p>Ensure that the sub-brand ‘Brand Assam-Barak’ is effectively positioned with supporting materials like presentations, brochures, business delegations from the Barak Valley etc. Recommend steps for the improvement of the sub-brand and its appropriate positioning</p> |

| Theme & Recommendations | Action Points | |
|---|---|---|
| | Short Term Action Points(for up to 2 years hence) | Medium Term Action Points(2-5 years hence) |
| <p>Theme: Encouraging investments in Medium & Large-scale units</p> <p>Recommendation In order to strengthen the industrial development of the Barak Valley districts, the State Government may consider steps for attracting investment in both large-scale and medium-scale units, especially in the thrust areas. Apart from the incentives provided under the Industrial & Investment Policy of Assam, 2019, additional support may be provided to such investments made in the study area as per decision of State Govt.</p> | <p>Understand the challenges in attracting large-scale and medium-scale investments from elsewhere into the study area.</p> <p>Propose a plan for overcoming the challenges and improving perceptions about the Barak Valley</p> | <p>Implement the plan for the challenges and improving perceptions about the Barak Valley as an investment destination.</p> <p>Make mid-term corrections to the plan in case of need, and to implement these in the plan.</p> |
| <p>Theme: Exploring the Longer Term Prospects for Industrial Development of Barak Valley</p> <p>Recommendation It is recommended that all stakeholders, such as the State Government, entrepreneurs, business associations, academic and social institutions, local leadership etc., involved with the industrial and economic development of the Barak Valley take concerted action with the Governments of India, Bangladesh and Myanmar to enable the Barak Valley to realise its long-term potential for serving as the preferred land route between the Indian sub-continent and the ASEAN nations.</p> <p>The longer term multi-dimensional benefits of realizing such a vision can be enormous, including for the industrial development of the Barak Valley, based on a vision of it becoming a logistics-cum-industrial hub on the route between the Indian sub-continent and the ASEAN nations. The benefits will be much greater if the above vision is accompanied with the concurrent development of improved connectivity between the valley districts and nearby areas lying away from the route. These areas include Mizoram, Meghalaya, Tripura, the hill areas of Assam and parts of the Brahmaputra Valley of Assam.</p> | <p>Long Term Action Points (After 5 years hence)</p> <p>Take up with the Government of India, so that it can work with the Governments of Bangladesh & Myanmar for opening of the Sylhet – Sutarkandi-Silchar-Imphal-Moreh-Tamu route for seamless transport of goods and people.</p> <p>Work with the State Government of Manipur to secure funding for the up-gradation of the NH-37 (new) portion covering Jiribam – Imphal.</p> <p>Develop a multi-modal logistic hub at Silchar incorporating road, rail and water transport.</p> <p>Study the socio-economic impact of the above changes in logistics (whereby Barak Valley to realise its long-term potential for serving as the preferred land route between the Indian sub- continent and the ASEAN nations) including on industrial development</p> <p>Delineate new thrust areas, and develop a modified version of the action points suggested under this report for the Industrial Development in the longer run.</p> | |