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Entrepreneurship and Agri-Allied Activities can be prime mover for Development of NER India

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Agriculture has been a crucial sector for the North-East Region (NER) due to several unique features. The region is diverse in [agro-climatic zones](#) (high rainfall zones and climate ranges from subtropical to alpine) blessed with fertile soil and bio-diversity. Despite these favourable factors, this sector has been neglected. This fact was recognized by Indian Foreign Secretary, Harsh Vardhan Shringla in his latest address at [ICFAI, Sikkim](#) where he said that the contribution of agriculture to State GDP in the NER is currently only 15-20 per cent on average. But he further added that this sector has huge potential to boost the economy of the region and the climatic conditions of the North-East is suitable for growing fruits and vegetable along with horticulture, floriculture and medicinal plants.

The development of agri-allied activities in the region can act as the prime mover of development in this region. Setting up of food processing industries will lead to value addition to the products which in turn will generate new employment opportunities, thus boosting the overall growth of the region. Government of India (GOI) has started to work towards it. Foreign Secretary said, "Government has announced a new framework for farmers to enter into direct contracts with those who wish to buy farm produce. This, combined with the deregulation of several food items, is expected to allow better price realization for farmers by attracting investments and enabling competition in the sector."

The development of a full-fledged and sustainable agro-allied industry will require the confidence of business and a robust entrepreneurial eco-system in the region. In this regard, the newly *Aatamnirbhar Bharat* scheme will play an essential role. Harsh V. Shringla said, "The Mission for building a self-reliant India and the stimulus package of Rs 20 lakh crores launched under the initiative aims to both reinvigorate the economy and provide a social safety net to our vulnerable sections. The initiative is aimed at

boosting the confidence of our businesses and industries; making our manufacturing globally competitive; linking our agriculture and small farmers with global supply chains; and attracting investment and technology.”

The progress of the NER region is an important region at domestic level and regional level. It shares its boundary with four neighbouring countries. The foreign secretary in his address outlined the vision for this region which will be based on 3 Cs- Connectivity, Commerce, and Cultural Commonalities. He said, “In partnership with our neighbours and friends to the East, we are working to improve the infrastructure and connectivity in our North-Eastern states while also facilitating greater regional integration.” He further added that to facilitate the regional integration, India will be working with its closest partner, Japan for economic modernization of the North East and regional connectivity.

Investment in agri-allied activities in the region will help India reach out to these neighbouring countries. Agriculture is a vital sector of these neighbouring countries and India can work towards the development of agri-allied industry and by setting up ‘special processing units’ in these countries along with NER which will help in blooming of regional cooperation. It will also lead to the establishment of the regional value chain of agro-products which can be integrated into the global value chain.

Foreign Secretary Shringla pointed out that there is a demand for agro-based products and processed foods from Bangladesh, opportunities for land border trade need to be leveraged for enhanced employment and development in the region. In this regard institutions such as Shillong headquartered think-tank [Asian Confluence](#) have been taking a series of initiatives in close collaboration with the state governments. Last year Asian Confluence and government of Meghalaya hosted the “Shillong Dialogue” on the theme of “ Indo Bangladesh Agr- Horti Zones” which saw high level participation from commerce minister of Bangladesh and Chief Minister of Meghalaya. The organization, in a set of recent publications highlighted the need for development of agri-based cross-border value chain between India and Bangladesh. Bangladesh is a net importer of agriculture and other food products and NER can act as an alternative to fulfil its needs. The vibrant food industry of Bangladesh can invest in farms and develop value chains in the NER. These value chains can be built on the backbone of the multimodal (rail, roads and waterways) connectivity projects underway.

The Foreign Secretary in his remarks said, “ Four of the six pre-1965 rail links between the two countries have been made operational, and work is underway on the remaining two. The under-construction rail link between Haldibari in West Bengal and Chilahati in Bangladesh will revive the old Siliguri-Sealdah rail route through Bangladesh, taken by the Darjeeling Mail. A new railway link between Akhaura in Bangladesh and Agartala and Tripura is under construction.” The trail run on [Inland waterway](#) between the two countries also started on Gomati river with a cargo vessel

reached Sonampura port (Tripura) from Munshigang (Bangladesh). The two governments are also upgrading the land customs stations for seamless movement of good and people.

The development of agri-allied industries in the NER is the need of the hour as it will solve twin benefit for India. Firstly, it will lead to the development of NER which is key to building *Aatmnirbhar Bharat* ([self-reliant](#) India). Secondly, by developing regional cooperation with neighbouring countries through the agri-based value chain, India will be a partner in the progress of these countries in the true spirit of 'Neighbourhood First' and 'Act East' policies.