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Creating an Ecosystem of Entrepreneurship: The Need of the Hour in North-East India

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On September 10, 2020, Hon'ble Foreign Secretary of India Shri Harsh Vardhan Shringla delivered the keynote address at a webinar titled "Self-Reliant India: Reimagining the North East India in terms of Employment and Skill"

In his speech, he put a great emphasis on the potential the North Eastern States have in terms of its natural resources and a young population. The North East has frequently been overlooked by big investments and investors due to a variety of reasons ranging from lack of infrastructure to accessibility.

Problems Faced by Entrepreneurs in the North-East

Entrepreneurs in the North-East face a lot of issues in terms of technological and digital connectivity. The existence of an ecosystem of entrepreneurs is negligible and capacity building problems still plague most areas in the region.

Various programs and initiatives have been put in place to end this disparity with PM Modi's Aatmanirbhar Bharat Abhiyan being one such initiative. Mr Shringla stressed on how the Rs 20 Lakh crore stimulus package will benefit the North East for it aims to make India self-reliant. An interesting thing to note here is that the North East is dotted with numerous "micro-entrepreneurs" who remain under the radar because of issues such as financial illiteracy and lack of funding. Handicrafts and traditional artists have been running these small businesses there for ages. Initiatives such as Aatmanirbhar Abhiyan may encourage these entrepreneurs to scale their businesses up.

In his speech, Mr Shringla highlighted a largely neglected sector i.e agriculture which has major potential for employment and development and as it employs a large portion of the population but contributes only 15-20% to the GDPs of the North Eastern States. Facilitation of contract farming, deregulation of food items has been introduced by

the government in order to help agri-entrepreneurs and agri-startups move up the value chain and even adopt newer technologies for their businesses.

The importance of India's neighbourhood

Mr Shringla's speech called attention to the connections between the North East and India's Eastern and South-Eastern Neighbourhood. The current government has been proactive in engaging the country's neighbours through the Neighbourhood First and Act East Policies and setting a vision for the region through 3 Cs- Connectivity, Commerce, and Cultural Commonalities. The Atmanirbhar Abhiyan comes into play here which not only focuses on self-reliant India but also a self-reliant neighbourhood.

With Bangladesh, many new trade routes and linkages are to be established to facilitate better communication. Rail linkages between Haldibari in West Bengal and Chilahati in Bangladesh is to be revived along with new railways links between Akhaura in Bangladesh and Agartala. Crossborder movement of goods and people between the two countries will become much easier. Development of inland waterways will also improve linkages between the two countries. A similar trend can be applied to Nepal, Bhutan and Myanmar which are culturally close to India. The **Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC)** and **Bangladesh-Bhutan-India-Nepal (BBIN)** initiative remain important focuses of the government to develop the North East.

One of the major points highlighted by the Foreign Secretary was building a self-reliant North East through entrepreneurship and encouraging indigenous self-made businesses to thrive through increased connectivity to India's Neighbourhood.

"A strong, stable and prosperous North East is key to building a Self-Reliant India", he said while emphasising the use of the Act East Policy to achieve this goal. The Atmanirbhar Abhiyan also comes into play here which not only focuses on self-reliant India but also a self-reliant neighbourhood.

Government initiatives to encourage entrepreneurship in the region

Developing entrepreneurial skills seem like the need of the hour considering that the COVID-19 pandemic has had adverse effects on salaried employees, forcing many to work from home. A concern amongst entrepreneurs in the North East is lack of infrastructure and financing problems. Both the state and central government have established [North East Small Finance Bank \(NESFB\)](#) and the [NEDFi Opportunity Scheme for Small Enterprises \(NoSSE\)](#) to provide funding to the budding entrepreneurs who might be struggling to give wings to their ideas due to lack of monetary resources. The geographical location of the North-Eastern states can support the cultivation of fruits, vegetables, coffee and floriculture. In recent years, there has been some increase in the number of

entrepreneurs in these fields from the region however, their businesses are not mainstream or even their main source of income in most cases.

Government initiatives such as the **Meghalaya Institute Of Entrepreneurship (MIE)** and the **Indian Entrepreneurship Foundation (IEF)** have now created a vast network of entrepreneurs through extensive programs and foundation building activities.

Beacons of hope for north-eastern entrepreneurs

At the same time organisations such as the **Startup-Assam** and [Asian Confluence](#) are actively working to create new spaces for entrepreneurs in the North East. Startup-Assam has a year-long [Northeast Startup Festival](#) beginning with a Business Webinar on September 12, 2020, to help startup owners to communicate and network with ASEAN and neighbouring countries.

Asian Confluence, a North-East based think tank headquartered in Shillong thinktank is collaborating with the US Consulate General, Kolkata to launch the [AWE Idea Challenge](#), the first of its kind in India, specifically aimed at **women entrepreneurs** in the North East and to provide them with the tools necessary to further their businesses or to offer a jump start to their business ideas. Asian Confluence not only focuses on research on the North-East but also actively works to engage the region with [India's neighbours](#).

Supplemental incomes through individual businesses have long been a way of living for the North East so harnessing their skills to bring development to the area is encouraged not only by the government through StartUp India or Make in India but also through organisations such as Asian Confluence who are actively working to create a network of budding entrepreneurs in the region.

“Our North-Eastern states are known for their natural beauty. But the North East is also a storehouse of Indian talent. From the traditional handicrafts to the cutting edge fields in the services sector, the young men and women from the states of the North East have made their mark everywhere”, said Mr Shringla and indeed the new groups of young and upcoming entrepreneurs from these states have set out for success.