



Sustainable Development Investment Portfolio (SDIP)

Media Conference on Higher Trans-Boundary Cooperation in Eastern South Asia Sub- Region on Agri Value Chain

23rd May, 2016 at Guwahati, Assam

1.1 CUTS International had organised a media conference “**Higher trans-boundary cooperation in Eastern South Asia sub-region on Agri Value Chain under**” on 23rd May at Gauri Sadan, Gauri Press Club in Guwahati, Assam. This event was organised under the Sustainable Development Investment Portfolio (SDIP) supported by Department of Foreign Affairs and Trade (DFAT), Australian Government.

1.2 The event had participation from eminent journalists and media personnel of leading media houses of Assam and aimed to create media awareness on the recent developments in trans-boundary cooperation in the BBIN Sub-region and the opportunities for North East India in general and Assam in particular. This workshop was organised as part of CUTS’s advocacy efforts to promote trans-boundary cooperation on food, water and energy.

1.3 Prithviraj Nath, of CUTS was given a presentation based on CUTS study findings under SDIP. He mentioned that Changing political winds in Assam signal an important shift of the people’s mandate towards higher prosperity through better connectivity and economic integration. He also said that the significance of market led growth strategies as a game changer for agriculture in this region and how the higher trans-boundary cooperation in Eastern South Asia sub-region can be the dovetails with the economic agenda of the new Assam government.

1.4 He shared that the time to push for better trans-boundary cooperation is just right for Assam and Eastern South Asia in general given the positive political will in the Bangladesh-Bhutan-India-Nepal (BBIN) sub-region at present and the clear mandate from the people of Assam to push for economic growth-led development. He further shared that it is important that people, leaders, entrepreneurs of the state and region are able to link the state’s ambitions and aspirations with the larger developments in the sub-region and its potential impact on the state and stressed that only media can play this enabling role to connect them all by highlighting such linkages and potential so as to create a positive political and public discourse on the issue of economic development through greater connectivity.

1.5 The event highlighted India’s shift from “Look East” to “Act East” as one of the most important policy shifts in the recent times that contributed towards this positive impetus to sub-regional integration agenda. Under the present union government, cooperation with neighbouring countries has been a highlight with many mutually

benefitting agreements being signed between India and its neighbours, both at the bilateral and regional level. As many as 22 agreements, MoUs and protocols were agreed and signed during Indian Prime Minister's visit to Dhaka in June 2015. These include MoU on Use of Chittagong and Mongla Ports for Movement of Goods to and from India, Agreement on Coastal Shipping, Protocol on Inland Waterways Transit and Trade, etc.

1.6 Another crucial development towards greater connectivity and access for the North East region has been the BBIN Motor Vehicle Agreement (MVA) that was signed last year amongst the four nations of Bangladesh, Bhutan, India and Nepal. This agreement has seen a lot of political push and can indeed be a game changer for the economic development of India's North East. CUTS's ongoing and long term research indicates that one of the most important take-away from this sub-regional trans-boundary cooperation discourse is the possible impact on its North Eastern states. The proposed BBIN transport corridors criss-crosses through the North Eastern region and the states, including Assam, are expected to gain majorly from higher trans-boundary cooperation in the sub-region via gaining access to alternate and much shorter land routes to the rest of India through Bangladesh, access to the sea ports of Mongla and Chittagong, access to bigger and better markets from across the sub-region and also developing the tourism potential of the naturally beautiful and culturally rich North Eastern region.

1.7 To cite a small example of the benefits of trans-boundary cooperation and trade links, one can cite the wonderful initiative of the Border Haats in the states of Meghalaya and Tripura. As per data available with Department of Industries and Commerce, Government of Tripura, collective business at the two border haats in Tripura was more than INR 2 crores in 2014-15. CUTS's study also revealed the positive gains and higher availability of everyday products for the border communities from the haats. The haats stand as live examples of how trans-boundary cooperation can lead to immediate economic gains and higher access for people. Assam and other North Eastern states can consider similar haats along their international borders for generating gains for its marginalised border communities.

1.8 Research on trans-boundary production networks and value chains suggest that there are ample opportunities to build such networks for food products, plastic products, readymade garments, cement, electronics, etc. between North East Indian states and neighbouring countries, which is in tandem with the proposed focus on agri-horticulture sector by the incoming government. To take an example, in 2014-15 India exported fruits (including edible fruit and nuts; peel or citrus fruit or melons) worth US\$ 6,451.47 million to Bangladesh alone. A majority of this export happens from the North Eastern states. On the flip side, India and particularly North East India exports a lot of processed fruit juice and such other products from Bangladesh. Total Indian imports of fruit juices from Bangladesh amounted to US\$ 621.37 million in 2014-15. (Source: Ministry of Commerce, Government of India). Given this, it may be argued that Assam stands to gain by developing its MSME sector, particularly for agri-horticulture and related processing. Assam leads in terms of number of MSMEs with around 2.34 lakh units (out of a total 4.34 lakh units in entire North East region employing around 6.58 lakh people) (Source: Ministry of MSME Industries, Government of India). Developing the agri-horticulture sector and related processing industries in the MSME sector and integrating it to regional value chains can generate a good amount of employment and opportunities in the coming days for the youth of Assam, thereby further cementing its

lead among the North Eastern states and also generating prospects for export earnings for the state.

1.9 He said that as already indicated by the soon to be sworn-in Chief Minister of Assam, the incoming government intends to focus on developing Assam as an investment destination for agriculture, horticulture, pisciculture and tourism the incoming government has also indicated that in terms of connectivity focus will be on building roadways, waterways and rail connectivity and access of bigger markets via Myanmar (particularly ASEAN countries) and Chittagong port of Bangladesh. This perfectly dovetails with the centre's "Act East" policy, thrust on developing roads, railways and inland waterways as transport and trade corridors and also the recent connectivity developments in the larger Eastern South Asia sub-region.

1.10 Thus, in the North Eastern context, promoting better trans-boundary value chains and connectivity can bring immediate gains for its people. It is therefore imperative to promote higher cooperation between state, national and trans-boundary players to promote an enabling and easier regulatory regime, better capacities and infrastructure so as to facilitate a more robust trans-boundary cooperation and connectivity regime, in particular between North Eastern India and Eastern South Asia.

1.11 He mentioned that the role of Media in creating consensus on these issues is extremely crucial. It is an imperative for state, national and regional media to take proactive steps to this end and engage in the much needed public and political discourses on these issues so as to push for greater cooperation and connectivity in the region.

1.12 The event has got two media coverage in local leading newspapers in Assam & Meghalaya. The links to these are given below:

1. Assam can boost trade by cooperating with neighbouring countries (Amar Asom, May 24, 2016) – Can be accessed here: [http://www.cuts-citee.org/SDIP/Media-Assam can boost trade by cooperating with neighbouring countries.htm](http://www.cuts-citee.org/SDIP/Media-Assam%20can%20boost%20trade%20by%20cooperating%20with%20neighbouring%20countries.htm)
2. Greater trans-border cooperation will be boon for NE (Shillong Times, 1 June, 2016) – Can be accessed here: [http://www.cuts-citee.org/SDIP/Media-Greater trans border cooperation will be boon for NE.htm](http://www.cuts-citee.org/SDIP/Media-Greater%20trans%20border%20cooperation%20will%20be%20boon%20for%20NE.htm)

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