

**Speech of  
SHRI CHOWNA MEIN  
Minister**

**(Rural Works Department & Rural Development)**

**Arunachal Pradesh  
INDIA**

**At the NER Investment Conference  
in New York  
on 26<sup>th</sup> September, 2007.**

Respected Chairperson, Chief Guest, Dr. Montek Singh Ahluwalia, Shrimati Sushma Singh, Secretary, DoNER, Shri Dipankar Chatterjee Chairman, Confederation of Indian Industry, Hon'ble Chief Ministers, Ministers, Official's, Industrialists and representatives of North Eastern Region and Sikkim, and other distinguished guests.

At the outset I would like to thank the Ministry of Development of the North Eastern Region, Government of India and the Confederation of Indian Industry for organizing the North Eastern Region Investment Conference in New York. It is indeed a momentous occasion for me to present before the NRIs and other institutional and industrial representatives. This Summit Jointly organized by the Ministry of DoNER and CII is not only an indication of the Government of India's genuine concern for exploring the vast pool of resources which, if properly harnessed, could make the entire region a hotbed for prospective investors from at home and abroad.

1. Arunachal Pradesh is the sentinel of the North Eastern Border of India. The enormous natural resources like rich forests, crude oil, mineral resources, tourism, splendid handlooms and textiles of indigenous designs and motifs, exotic arts and craft activities have endowed Arunachal Pradesh as a rich treasure for investment opportunity in power, minerals, industries, infrastructure and tourism sectors. Our State still remains one of

the least explored regions of the world as harnessing and tapping of the latent potential is yet to be done properly and in a scientific manner because of financial constraint.

2. The scenic beauty of Arunachal Pradesh is beyond descriptions. Tourism constitutes the most latent industry in Arunachal Pradesh. Despite the tremendous tourism potential, infrastructure remains woefully inadequate. Given its rich and varied natural and socio-cultural characteristics, Arunachal Pradesh has a large potential to develop the certain categories of special interest tourism such as : (a) eco-tourism; (b) village tourism; (c) cultural and religious heritage tourism ; (d) nature tourism ; (e) adventure tourism and (f) health tourism. The Govt. of India's intervention for promotion of tourism in the State is inescapably required in view of poor resource base and this will include (i) development of tourism infrastructure facilities like hotels, tourist lodges, cottages, motels, (ii) development of tourist circuits, (iii) development of adventure tourism, cultural and heritage tourism, and (iv) inclusion of Arunachal Pradesh in International Buddhist circuits and development action plan. We have created a number of wild life sanctuaries, national parks and biosphere reserves. However, the tourism potential of the State still remains un-explored and un-ex-

ploited because of resource crunch for creation of infrastructure like tourist lodges, tourist huts, hotels, motels, resorts etc. The State is also very keen to build a tourist infrastructure with all modern facilities. The State Government is providing incentives to the private investors for tourism development on PPP basis. The State's Tourism Policy provides PPP as an essential ingredient for development of tourism in Arunachal Pradesh.

3. Diverse physiographic and agro-climatic features of the State are congenial for commercial cultivation of both tropical and temperate fruits, orchids, medicinal and aromatic plants, tree borne oilseeds, bamboo etc. There is vast scope of setting up of fruit processing, value addition enterprises and floriculture.
4. Arunachal Pradesh is one of the "Hot Spots" of biodiversity in the world because of abundance of varied flora and fauna including medicinal and aromatic plants. There are about 57 medicinal and aromatics plants which have commercial importance and 15 of them are very promising for cultivation. Besides, there is short gestation period in many cases and value addition is possible. Arunachal Pradesh is blessed with 600 species of orchids which is more than 50% of the total species occurring in India. The viability of tea

plantation in the State is now a question settled beyond doubt. The Bamboo Mission Programme has been taken up to generate large surplus of bamboo crops that can be diversified to score of industrial products like bamboo chips , fermented shoots, culinary items that have already market in several Asian Countries.

5. Arunachal Pradesh is extremely rich in hydel resource. Its hydro-potential is estimated to be more than 50,000 MW. Over 54000 MW of power would be surplus in the State by the end of 2022 if its hydro-power potential is totally tapped. An ultra high capacity and ultra high voltage mega structure would be required to transmit this much amount of power to the Central load centers of India through the narrow 18 Km chicken neck corridor near Siliguri in West Bengal. As per the Indian experience, this power evaquation system would be a technological challenge, as new technology; new standards for design and development of such mega structure, capable of carrying over 40,000 MW of power are to set. Within the State of Arunachal Pradesh, development of basin pooling stations at Bhalukpong, Kimin, Pasighat and Namsai. The design of transmission systems connecting each of the mega hydro power projects and development of pulling stations can be undertaken on Public Private Partnership mode or totally as Private Investment mode. Investment opportu-

nities on power evaluation and pooling systems in and outside of Arunachal Pradesh would be in order of 10,000 to 15,000 million US Dollars.

6. Apart from hydro-power potential, the State is well endowed with coal deposits, natural gas and petroleum. There is an estimated 90.23 million tonnes of Coal deposits, 154.00 million tonnes Dolomite, 479 .00 million tonnes Limestone and 320.00 million tonnes of Graphite The estimated Oil reserve is about 12.14 million tonnes with an estimated recoverable reserve of about 1.82 million tonnes .The exploration and exploitation of oil & natural gas and coal have just begun, while lime stone and other reserves of marbles, dolomites, graphite etc. are yet to take place for commercial exploitation owing to resource constraints. The State Government has decided to woo private investors to explore and exploit the mineral resources in the State. Private entrepreneurs, investors and other Govt. agencies shall be invited for long term joint venture projects.
- 7, All the major tribes of Arunachal Pradesh are experts in making beautiful handloom textile with traditional motifs and designs. These splendid fabrics have a high eco-friendly status not only in the national markets but also in the international markets like USA,

Europe, Nepal etc. Regular participation in international trade fairs like IITF at New Delhi have exposed the handlooms textiles, carpets, wood carving and other handicrafts products of cane-bamboo , beads etc. towards a potential export market. In spite of growth potential, textile and handicrafts sector is struggling hard for its survival against competitions because of its quality and design. There is scope to improve the traditional design and quality product through consultancy. The existing Industrial Policy of the State provides incentives like 100% equity ownership for a maximum period of 99 years, Outsider investors shall be allowed to hold land on lease for a period of 99 years after which the lease may be renewed further, 99% sales tax remission/ exemption (VAT/ Entry Tax) etc. for industries both in case of entry on plant and machinery and raw materials and sales of finished products in the local market for a period of seven years etc.

8. Before I conclude, I would like to impress upon the distinguished gathering that Arunachal Pradesh has a well deserved reputation of being an "Island of Peace" amongst the North Eastern States. This is our invaluable asset in store to welcome all potential investors of the world to explore and exploit our untapped resources and potentials of Arunachal Pradesh. Investment in our State would be highly productive. Being a resource-

rich State, Arunachal Pradesh offers unique opportunities for private and foreign investors particularly in the sectors like tourism, power, horticulture, floriculture, handlooms and handicrafts etc.

**Thank You**