



GOVERNMENT OF MIZORAM

SPEECH

OF

**SHRI ZORAMTHANGA
CHIEF MINISTER, MIZORAM**

**53RD NATIONAL DEVELOPMENT COUNCIL
MEETING**

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Respected Prime Minister, Deputy Chairman of the Planning Commission, Union Ministers and other distinguished colleagues and high officials of the Center and State Governments.

I am extremely happy to participate in this prestigious Council once again to deliberate on the agenda pertaining to the strategies and policy issues which I am sure would have far reaching impact on the lives of the people of the country and especially the farming community which constitutes the majority of the poorer and weaker sections of our society. While the over all performance of the Indian economy during the Tenth Plan has been commendable with almost 8% growth rate achieved, some areas of concern persists - of which the deceleration in the growth in agriculture sector has been the prime focus of the planners, and to which I suppose we are meeting here today to draw our attention and thoughts on the issue in this august gathering.

In the context of the present scenario of the Indian economy and with specific reference to the issues that obtain in my State, I would like to deliberate on a few pertinent points before the National Development Council. I shall begin with the areas of concern to us.

Food / Livelihood Security & Bamboo Flowering:

Before delving on the various factors that are perceived to be detrimental to the economic growth particularly in the agriculture sector in our State, I must open my remarks with the major issue that confront us today i.e. the onset of bamboo

flowering in the state which has begun to adversely impact upon the food grain production and food security of our small state. The over all food grain production of the predominantly subsistence farming economy is expected to fall far below the 50 % mark which has already triggered a famine like situation in a large part of the state today. Needless to say, this has caused a huge jolt to productivity in the agriculture sector and particularly in the food grain production of our state - which is characteristically still deficient in many areas - institutional, infrastructural, technology, and basic delivery mechanisms in the sector. Though, the average production in rice during 10th Plan period was 1.64 Mt/Ha, there was a sharp decline in rice production during 2006-2007 with an average yield at 0.55 Mt/Ha. This sharp decline in rice production has resulted from none other than the onset of bamboo flowering in the State which is characterized by phenomenal increase in pests and rodent population causing large scale damage to our food crops. It is apprehended that this trend will continue for sometime and the adverse impact is bound to spill over to the XIth Plan period as well.

Aside the problems confronted on account of bamboo flowering, I would like to highlight a few other issues that have been the cause of low productivity and growth in the agriculture sector. The report of the *SUB COMMITTEE ON NDC ON AGRICULTURE AND RELATED ISSUES* has amongst other things pointed out the major factors that have impeded growth in the sector. Of the issues raised, some of the findings are pointedly relevant to the NE Region and particularly in the context of Mizoram.

Communication (transportation bottlenecks):

One of the conspicuous factors that were spelled out as region specific constraints in the Sub-Committee Report was on poor communication infrastructure. I cannot more than agree to this. It would be acknowledged by all discerning that any agri-business plan for the State would be seriously confronted with this restrictive factor. The fate of any PPP arrangement would also largely be governed by this factor. The Center and the Planning Commission is well posted on the matter and positive steps towards the right direction are being taken with long term action plans drawn to address the issue. However, the recommendations are, as mentioned, *long term* in nature. With the target of raising incomes in the agriculture sector, certain policy intervention would need to be hastened to facilitate agriculture production & agri-business activities for the current 11th Plan period if we are to achieve any significant growth in the sector during this period. To tide with the gestation period for the completion of mega projects like the multi-modal road-river-sea route access through the south of Mizoram and the broad-gauge up-gradation plan of rail connectivity to the north of the state, there is an urgent need to modify the application of subsidies that would not only be attractive but luring to the investment-shy private sector players. The subsidy norms as they apply today would need to be suitably modified or augmented in its application. For instance, to spell out the first of my wish list, transport subsidy for all agriculture produce from the farm land to the end buyer would prove to be highly facilitating for the initial agri-business ventures. To be a little specific the existing subsidy provision for agriculture / horticulture produce (90%) for export purpose must apply to all out-moving agriculture produce bound for the *domestic market* and not confined to export-

oriented produce only. Some of the factors assessed as relevant to other regions by the sub-committee like soil fatigue and excessive use of fertilizers are not an issue that concerns us at this juncture. Rather the issue that concerns us would be on how to earn the best returns on our organic produces. Value addition of this nature must be encouraged with appropriate incentives and subsidies so that the value addition earned is not offset by the high transportation costs to reach the end niche markets which has begun to opened up at a significant scale in the domestic market.

The fact that subsidies cause trade distortion notwithstanding, what I would like to emphasize here is that truncated subsidy doses in the lines of what I have suggested here mainly to tide with the gestation period involved in the consummation of projects targeted for solutions to communication infrastructure gaps is inevitably the immediate need for our state. I firmly trust and believe that if appropriate changes on these lines are taken, tangible results would be forthcoming.

Post Harvest Infrastructure:

Adequate Post harvest Infrastructure especially pack-houses and Cold Storages is highly essential. Besides the qualitative advantages of having such infrastructures, especially in the context of Mizoram, we have learnt through unpleasant experiences on the need to enhance the shelf life of our agriculture produces when the farmers are confronted with unscrupulous traders. Preserving the shell life through cold storage facility effectively circumvents the middle men from dictating their terms of procurement. The present availability of such infrastructure is inadequate and I am encouraged to hear that the assigned working

group has delved on this and the recommendation made on the subject, should be reckoned with in the right earnest and hopefully more resources should devolve to States to meet this need.

On-Farm Development (Land Development):

With a view to enhance productivity in production of food grain, bringing more potential areas under wet rice cultivation through land development efforts need to be given a serious consideration. We have taken initiatives in this front, however much remains to be carried out as this involves considerable intervention in terms of resources and manpower.

Project Area Connectivity:

Appreciating the need to strategize on pooling of resources through convergence of various program components to address the essential infrastructure needs, initiatives to dovetail programs of developmental departments especially Rural Development with that of the Agriculture and allied sector have been made. Connectivity requirements including *potential area* connectivity are met from available resources from plan grants and central sector as well as sponsored programs. Yet large gaps continue to remain. With state-wide programs being launched e.g. Turmeric, Passion Fruit, Oil Palm, etc, *project area* connectivity to facilitate effective management as well as product extraction will be crucial especially during the current Plan period. As a matter of fact the success of the new initiatives in agri-business and the investment made by the Companies would largely depend on the extent this need is met.

Low Level of Farm Mechanization:

Farm mechanization is perceived to be a crucial component in the strategy for enhancing farm productivity. Characterized by low density population and inadequate manpower availability for effective farm handling, appropriate application of mechanized tools and machinery is expected to contribute to a more efficient management of the present holdings especially in the lowlands and wet rice cultivation areas of the state.

Water Resource Management:

Agriculture in Mizoram is typically rainfed. The state receives heavy rainfall from May to October 2007. *Water Harvesting structures* coupled with *Micro Irrigation* through Drip and sprinkler systems will effectively increase productivity especially in the dry spell period. As a matter of fact this can be said to be a prerequisite for multiple cropping. Besides, with individual rain water harvesting structures and micro irrigation systems in place, the process of settled farming will be by default facilitated. This would be particularly true for the majority of farmers with small holdings. One might summerise a little further to say that the placement of flammable (HDPE) micro irrigation facility may- to a great extent- dissuade the farmers from the typical slash and burn habit. The recommendation for Rain Water Harvesting at Individual Farm level is indeed most welcomed but I see this as an immediate short term need rather than a long term measure. (The Sub-Committee recommended *Rain Water Harvesting at Individual Farm level* as a long term measure). Preferably in the case for Mizoram, this program can be effectively

dovetailed with the Minor Irrigation Department programs. What is needed is adequate intervention in terms of resources through appropriate policy adoption.

Technology Application:

The need for new generation technologies and their effective application is indeed very crucial. However, I for one do not quite endorse the idea of setting large discipline-specific Research Institutions in different states in the NE. Institutional arrangements must be made such that in each state a fully loaded yet appropriately scaled Institution/Center catering to the whole gamut of the agriculture and allied sector ought to be instituted.

Further, while largely depending on the ICAR and State Level Institutions, some flexibility must be allowed such that fully integrated A to Z Hi-Technology application through contract scientists or consultants/firms of the choice of the State Government is facilitated.

I would also like to make a point here that application of technologies and agriculture practices in the NE Region has close affinity with those of the farming communities of the South Eastern nations as much as there is close ethnic and cultural affinity particularly with the nation states of Myanmar, Thailand, and Malaysia etc. Geographical contiguity and cultural compatibility is a case in point which could be taken advantage of through sharing of systems and practices both traditional and modern.

Market Linkages for Agriculture/Horticulture Produce:

Although there are a number of other pertinent issues which one would have liked to touch upon in this session - like

the value addition needs relevant to the agriculture sector, I shall restrict my comments on the point on Market Linkages and the rôle the Central Government can play in facilitating the link. Although APMC amendments and application of the new norms would lend a great extent in linking buyers with the organized contract farming societies, the process of seeking out reliable and trustworthy buyers, exporters can best be identified and facilitated with central government intervention. Forums and meets have proven to be fruitful and the NE-Business Summit was one such positive step. Other arrangements of the nature as well as North East specific programs would be most welcomed.

Lastly, action plans proposed in the agriculture sector on a regionally differentiated model is indeed a positive step taken by the Government of India. The programs and schemes that may emanate from such action plan should however take due cognizance of the regionally different cost norms on the scheme components.

With this, I would like to express my gratitude to the Honorable Prime Minister and the Planning Commission for giving me this opportunity to express my views and thoughts before the Council.

CHIBAI and THANK YOU