

SPEECH OF THE HON'BLE LT. GOVERNOR, ANDAMAN & NICOBAR ISLANDS
FOR THE 50TH MEETING OF THE NATIONAL DEVELOPMENT COUNCIL ON 21ST
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Respected Prime Minister; Deputy Chairman, Planning Commission; Chief Ministers, Members of the National Development Council.

We have closely perused the draft Tenth Five Year Plan document. The document is comprehensive one with a clear perspective, objectives and development strategy outlined. The draft document also clearly lays down monitorable targets for the tenth plan and beyond. We are happy to note that the emphasis has been laid on development with efficiency, which is imperative in a globalising & liberalising economy. Being a developing country it is important that our scarce resources are put to optimum productive use. The draft tenth plan has rightly laid emphasis on critical issues of poverty reduction, changing demographic profile, growing incidence of unemployment & under employment and environmental degradation. It is heartening to note that important issues of national security in terms of agricultural & energy security and a shield from disasters, whether natural or man-made, have also been given a special thrust.

2. We note with satisfaction the proposed development strategy for employment generation, poverty reduction and the targeted growth rate of 8% per annum during tenth plan. This target is achievable if our policies are appropriately dovetailed towards improving efficiency both in the public and private sectors and through combined efforts of all sections of the society. It may not be possible for the government alone to finance all our resource needs. We have to therefore, tap all possible sources and also ensure a more conducive environment for private sector participation. Agriculture and allied sectors have to be made more attractive, for private investment, as they are the backbone of a large industrial base.

Education and health require larger allocations and emphasis as they provide confidence to our citizens to achieve the best and add to enhanced productivity. Providing shelter alone is not our only aim but shelter that is cost effective and sustainable. Shelter strategies should be a function of our environment and should complement and preserve the ecology while taking what is required from it. We understand that the energy - transport infrastructure is the backbone for any significant acceleration in development. Increasing energy tariffs to realistic levels

and the need for environmentally friendly fuels will definitely benefit us in the long run. We are very happy to note that the philosophy behind Panchayati Raj Institutions is gaining wider acceptance. This is a major step towards further decentralisation of our democratic institutions.

3. I would like to take this opportunity to briefly appraise this august gathering of some of our achievements during the 9th Plan. Significant progress was made in the field of infrastructure specially construction of power plants, expansion of runway, acquisition of new ships and completion of the Andaman Trunk Road. Development indicators in the fields of education, health services and water supply have shown significant improvements. Andaman & Nicobar Islands have already achieved a literacy rate of 81.18%. With the commencement of the Sarva Shiksha Abhiyan, we are hopeful of universalisation of primary education by the end of tenth Five Year Plan. The decadal population during 1991-2001 was 26.84% much below the decadal growth of 48.7% during 1981-91 and migration into the islands has been substantially kept under control. The health indicators - the Infant mortality rate and the Maternal Mortality Rate - are amongst the lowest in the country despite geographical constraints and reflect our stress on health care. Even though our villages are scattered in different far-flung islands, 342 villages out of the 504 villages have been fully covered for potable drinking water. We intend to provide full coverage to the remaining 162 partially covered villages during this Five Year Plan. Our 10th Plan will lay special emphasis on further improvement of connectivity both with mainland and inter-island, upgradation of rural infrastructure, enhancing the availability of rural water supply and better rural roads. Further, in line with national priorities Self Help Groups will continue to be promoted for income generation and asset creation. We also hope that NGOs will gradually develop so that the Voluntary sector becomes important. Efforts are being made in this direction.

4. We are going ahead with the process of democratic decentralization and have devolved significant powers into the hands of the PRIs. In a pioneering move many activities of five departments viz. Agriculture, Fisheries, APWD (Rural Roads and Rural Water Supply), Rural Development and Rural Power Supply (street lighting) have been transferred to PRIs. During 2001-02 an amount of Rs.62.28 crores was transferred to the different tiers of PRIs. Transfer of such a large magnitude of funds into the hands of the PRIs is unprecedented in the history of the country and will give a major fillip to the developmental activities at grass roots level.

5. The Andaman & Nicobar Islands have peculiar topographical features. There are 572 islands extending over 900 KMs from north to south. They are more than 1000 KM away from the mainland. We have a total forest cover of 92%, of which 87% are reserved and protected forests. We are a repository of a large biological diversity, both marine and terrestrial. The rainy season lasts more than 7 months in a year and is thus restrictive of major developmental works.

6. Hon'ble Supreme Court's Order dated 07.05.2002 in forest & environment related matters is under implementation by A&N Administration and is going to have far reaching socio-economic implications on the lives of the islanders. The implementation of the Order of Hon'ble Supreme Court involves shifting of about 5150 families (about 25,750 persons) from forest to non-forest areas. This involves massive rehabilitation of affected families involving large expenditure and finding alternate avenues for their livelihood. The Order also requires closure of all saw mills and wood based industries with effect from 1st April, 2002 except for Government Saw Mills to meet local requirements. This has already rendered a large number of already employed islanders unemployed and without livelihood. It will also substantially affect our already meager revenue receipts. The Hon'ble Supreme Court has also accepted the Shekhar Singh (single-man) Commission's recommendations such as closure of Andaman Trunk Road, introduction of an Inner line permit system and closure of the Andaman & Nicobar Islands Forest & Plantation Development Corporation etc. We have sought intervention of the Govt. of India to effectively present the implications of these recommendations with the help of the Attorney General because of their far reaching socio-economic effects leading to possible turmoil in these islands which otherwise have been very peaceful till now.

7. Therefore, the development strategy of the islands that started with the settlement of the refugees & other settlers from the mainland and continued till the mid seventies now needs a major re-orientation, keeping in view the orders of the Hon'ble Supreme Court, the ever-present environmental and security concerns and also because the islands are prone to natural disasters as they fall in Seismic zone-V. It is vital that a 25-year perspective plan is prepared for the development of the Union Territory. Fortunately this is already under the active consideration of the Planning Commission. We also need a regional plan for the entire area and a complementary Master Plan for Port Blair town. This will enable us to take a holistic perspective of all infrastructure requirements like drinking water supply and

connectivity etc.

8. As already mentioned, with the imposition of a ban on wood based industries, and eviction of encroachers from forest land as a consequence of the orders of the Hon'ble Supreme Court, we are faced with a major problem of unemployment apart from a loss of revenue from forest operations. We are forced to think of alternate sources of employment and revenue generation. With a fragile eco system, it is not possible for us to go in for any major interventions in the industrial sector. Only Tourism, Fisheries and IT sectors offer some hope for economic development and employment generation in the islands.

9. We would like the Govt. of India to recognize the Tourism potential of the Islands and promote high value low volume eco-tourism through a Tourism Task Force, directly under the highest supervision. These islands need greater funding for tourism, faster environmental clearances and, perhaps, most importantly a sustained level of publicity worldwide which would enable us to fully exploit its potential. In case tourism is not allowed to prosper because of too restrictive environmental and security constraints, it could deprive these islands of an economic future and lead to a massive unemployment problem in the years to come. I had brought this to the notice of this august body last year also and am reiterating it because of the significance the administration attaches to it.

I had then requested the Government of India to set up a High Level Task Force and I would like to renew my request. The two crucial inputs for the tourism segment are Government of India support through the Tourism Ministry and the availability of the best shipping technology in the form of fast and comfortable vessels for tourists. It would only be appropriate if a high level Task force consisting of the Ministries of Shipping, Tourism and Planning Commission is set up for this purpose.

The administration on its part is also making efforts. The runway at Port Blair is being extended to 11,000 feet and is likely to become operational by the middle of the next year. This will enable long haul wide body aircrafts to land. We also hope that the airport will be declared as an International airport, thus, hopefully bring down the operational costs and air tariffs. This could lead to a major boost in tourist traffic. We have also set up a Task force to project traffic demand up to 2025 AD to take care of future traffic needs.

10. In the Fisheries sector, we need to attract investment from the mainland both in fishing as well as setting-up of processing units. It is estimated that the EEZ around the A&N Islands have a massive fisheries potential of 2.435 lakhs tonnes per annum. However at present only about 11.5% of the potential is being exploited. Recently, a licensing regime for fishing trawlers has been liberalized but investment in this sector will not be forthcoming in good measure without enhancement of other related infrastructure. It also requires clear long-term policies, specially in the area of liberalising deep sea fishing, of course, with appropriate safeguards.

11. In the IT sector, the Islands offer a conducive environment in view of clean environment and high literacy. Encouraging private initiative requires enhanced satellite connectivity, or even connection with the high bandwidth undersea cable passing near the area. The feasibility of either proposition needs to be assessed at an early date and we would urge greater attention to this area.

12. Due to its remoteness and environmental considerations, basic necessities like food and clothing will continue to be imported from the mainland. The cost of living is very high. The high shipping & airlines tariffs also add to the cost of living, as the local population has to frequently travel to the mainland for medical treatment and other exigencies. It is therefore not fair to impose the same standards/norms for poverty as in the mainland. Therefore, BPL norms need to be raised substantially from Rs.269.07 per capita per month. We are happy to know that revised guidelines have been issued by the Ministry of Rural Development to rest on a score based ranking method which gives weightage to different factors. Hopefully, this will raise the BPL norms for the islanders and enable us to better avail benefits of different Centrally Sponsored Schemes for BPL families.

13. I would also request for a greater delegation of financial powers, so that plan schemes of urgent nature can be sanctioned and implemented expeditiously. This is in the context of the fact that the Ministry of Finance has recently enhanced the delegation of powers to the Public Investment Board, EFC and the Secretaries of various Ministries substantially. The present level of delegation to the Lieutenant Governor needs to be substantially enhanced for quicker decision making and timely implementation of vital projects.

14. The Great Nicobar Island is located centrally between Singapore/Colombo and just north of the sea traffic route to South East Asia and beyond. The Southern

tip is only about 160 Kms away from Indonesia. This is an extremely busy route where at least one ship passes 3.5 nautical miles south of the Island almost every 3-4 minutes and approximately 70% of the world's commercial traffic is through this area. Development of South Eastern tip of Nicobar as a Trans-shipment port for Container handling, bunkering and refueling of international/national ships passing through this route has great economic & strategic potential. This port could provide an alternative to Singapore and Colombo. International ship lines are looking for alternatives to Colombo/Singapore because of the congestion, high berthing charges and high insurance premiums. Conservative estimates indicate that at least 10% of the total Indian import cargo and most of the cargo for Bangladesh, Myanmar, Thailand and other South East Asian Countries will be transhipped from Campbell Bay. Indian coastal shipping will be given a boost, as it can provide link services to the Bay of Bengal littoral states. Greater Regional co-operation will be achieved with South East Asia and will be in line with our 'Look East' Policy. It can go a long way in over all development of A & N region. Private participation in the form of BOOT or BOLT, or other similar agreements, should be explore

15. Oil & Natural Gas Corporation Ltd (ONGC) had carried out some geo-scientific investigations in A&N Islands and territorial waters in the sixties and in the eighties. ONGC has also carried out remote sensing geological mapping of the Andaman Islands and has already drilled a dozen exploratory wells in seven structures for exploration of hydrocarbons in offshore areas. ONGC has informed that it has now vigorously embarked on hydrocarbon exploration programmes in both eastern and western deep water offshore area and proposes to carry out geological studies in parts of the northern as well Southern Andamans. Such exploratory efforts need to be expedited to give thrust not only to the development of the economy of A&N Islands but also in the national interest.

16. I would like to urge all for their full support to our endeavour to further develop these remote islands. Once again, I thank the Prime Minister and the Deputy Chairman Planning Commission for giving me this opportunity to place our views before this august National Forum.