PRIME MINISTER'S OFFICE

Please find copies of two communications of this office pertaining to the PM's visit to the State of Arunachal Pradesh on 31^{st} January – 1^{st} February, 2008.

- 2. I am directed to request the Ministry of DONER to follow up with the concerned Ministries/ Departments and ensure that project implementation schedules are finalized within a month's time and thereafter ensure regular monitoring of their implementation. The Ministry is also requested to bring any slippages to the notice of this office on priority and submit bi-monthly reports on the status of the implementation.
- 3. This issues with the approval of the Principal Secretary to PM.

PRIME MINISTER'S OFFICE

During his visit to the State of Arunachal Pradesh on 31^{st} January – 1^{st} February 2008, the Prime Minister has made the following announcements:

- (i) "Our Government is taking a programme of electrification of all the houses in the State An amount of Rs. 550 crores will be spent to provide electricity through solar power as well as small hydro-power projects to all the villages along the State border. Our efforts will be to provide electricity to these villages within a span of two years." (Action: Ministry of New and Renewable Energy).
- (ii) "A new Greenfield Airport will be constructed in Itanagar. We will also operationalize Pasighat, Along, Daporijo, Ziro and Teju Airports." (Action: Ministry of Civil Aviation)
- (iii) "Defence Ministry would improve infrastructure of the Advanced Landing Grounds at Tuting, Mechuka, Pasighat, Vijainagar and Walong." (Action: Ministry of Defence)
- (iv) "Daily helicopter facility between Guwahati and Tawang." (Action: Ministry of Home Affairs)
- (v) "We are going to construct a two-lane Trans-Arunachal Pradesh Highway from Tawang to Mahadeopur. This 1840 kms. Long highway will pass through Bomdi La, Nechipur, Seppa, Sagalee, Ziro, Daporijo, Along, Pasighat, Roing, Teju, Mahadevpur, Namchik, Changlang, Khonsa and Kanubari." (Action: Department of Road Transport & Highways)
- (vi) "Itanagar will be connected by four-lane highway within four-five years and all District Headquarters will be connected with two-lane roads." (Action: Department of Road Transport & Highways)
- (vii) "Under Bharat Nirman, 500 small settlements will be connected by roads." (Action: Ministry of Rural Development)
- (viii) "We will surely provide the required funds for providing drinking water facilities in remote villages and settlements of Arunachal Pradesh." (Action: Department of Drinking Water Supply)
- (ix) "In order to stop losses due to floods and bring about improvements in flood affected areas, we will provide an assistance of 400 crore rupees from the Central Government." (Action: Ministry of Home Affairs)
- (x) "Many projects in the State are lying unfinished. We will provide an amount of Rs. 265 crores for completion of these projects." (Action: Planning Commission and Ministry of DoNER)
- 2. I am directed to request the concerned Ministries/ Departments to take appropriate necessary action for timely completion of these projects/ schemes. Key timelines may be intimated to this office by 22-2-2008. The Ministries may also monitor the implementation on a regular basis under intimation to Ministry of DONER and this office.

PRIME MINISTER'S OFFICE

During his visit to the State of Arunachal Pradesh on 31st January – 1st February 2008, the Prime Minister has laid foundation stones for the following projects:

- i) New Secretariat Building (Action: Ministry of DONER)
- ii) Para power project (Action: Ministry of Power)
- iii) Dibang power project (Action: Ministry of Power)
- iv) Itanagar Water Supply Scheme. He also announced commencement of work on Drinking Water Project for Itanagar for which the Govt. of India has allocated seventy seven crore rupees. (Action: Ministry of UD)
- v) New Railway Line between Harmuti and Itanagar (Action: Ministry of Railways)
- 2. I am directed to request the concerned Ministry to take appropriate action for timely completion of these schemes. Key timelines may be intimated to this office by 22-2-2008. The Ministries may also monitor the implementation on a regular basis under intimation to Ministry of DONER and this office.

S.No	Ministry/Department	Item/Project	Current status
	Ministry of New and	' Our Government is taking a programme of	1) Planning Commission has approved
	Renewable Energy.	electrification of all the houses in the State. An	additional allocation of Rs.69.11 crore for the
		amount of Rs. 550.00 crores will be spent to	year 2007-08 for Arunachal Pradesh for
		provide electricity through solar power as well as	power generation from on going Small Hydro
		small hydro-power project to all villages along	projects.
		the State border. Our effort will be to provide	2) MNRE has started interaction with the
		electricity to these villages within a span of two	State to collect detailed information about
		years.'	sites, size of systems, implementation strategy
			etc. for decentralized SHP projects and solar
			lighting systems. (As on 3/3/2008)

KEY TIMELINES

S.No	Item	Start	Finish
1.	On going Small Hydel Projects (42 projects)		
i.	Completion of SHP projects where the work is completed upto 90% (13 projects)	Already Started	31.12.2008
ii.	Completion of SHP projects where the work is completed upto 80% (9 projects + 3 R & M projects)	Already Started	30.06.2009
iii.	Completion of SHP projects where the work is completed upto 70% (17 projects)	Already Started	31.12.2010
II	SHP projects on Indo-China border where the work is completed upto 50% (4 projects)	Already Started	31.12.2010
III	Project on "Decentralized micro hydel projects and solar lighting systems"	01.06.2008	31.12.2010

<u>2.</u>

S.No	Ministry/Department	Item/Project	Current status	
2.	Ministry of Rural	'Under Bharat Nirman, 500 small	1. Formal amendment of the PMGSY Guideline is in process.	
	Development	1	2. State Government has been advised in the meeting of Empowered Committee held on 26/2/2008 to expedite Survey and	
		10445.	preparation of DPRs. (As on 27/2/2008)	

<u>3.</u>

S.No	Ministry/Departmen	t Item/Project	Current status
3	Department	of 'We will surely provide	Physical Status:
	Drinking Wat	er the required funds for	(i)As on 1/4/2005 there were 668 uncovered [158 Not covered) (NC) and 510
	Supply.	providing drinking water	partially covered PC] 2752 slipped back habitation in the State in the beginning of
		facilities in remote	Bharat Nirman. In addition 566[353 Iron affected and 213 Multiple problems]
		villages and settlements	habitations were reported to have become quality affected as on 1/4/2006.
		of Arunachal Pradesh.'	(ii) Till December 2007, 560, uncovered,137 slipped back habitations are reported
			to have been covered and all the quality –affected habitations have been addressed
			leaving a balance of 108 un-covered, 1615 slipped back habitation which are targeted
			to be covered by March 2009.
			Financial Progress:
			(i) Adequate funds have been provided for drinking water supply in the rural areas of
			the State by the Department under Accelerated Rural Water Supply
			Programme(ARWSP). Rs 106.97 crore and Rs. 138.83 crore have been released to
			the State under ARWSP in 2005-06 and 2006-07 respectively.
			(ii) During 2007-08 Rs 85.99 crore has so far been released to the State against
			allocation of Rs. 114.64 crore. The State has unspent balance of Rs. 37.31 crore of
			the fund released in the previous years. Thus out of available fund of Rs 123.30
			crore Rs 61.26 crore has been reported to be utilised in the current year.
			(iii) In addition as per available information, the State has utilised Rs. 14.69 crore,
			Rs 76.28 crore and Rs. 26.64 crore in 2005-06, 2006-07 and 2007-08 so far
			respectively from State budget for drinking water supply. (As on 27/2/2008)

S.No	Ministry/Depart	Item/Project	Current status
4	ment Planning Commission & Ministry of DoNER	'Many projects in the State are lying unfinished. An amount of Rs 265.00 crores to be provided for completion of the projects.'	(i) As follow up of announcement made by the PM, Planning Commission has allocated Rs.20.00 crore as additional grant(Special Plan Assistance) in the Annual Plan 2007-2008.
	DONER	completion of the projects.'	(ii) The Planning Commssion conveys approval of Sectoral break up for the Annual Plan 2007-08 outlay of Rs. 1320.00 crores and letter dated 8/1/2008 conveying approval of the project under onetime ACA of Rs. 43.08 crore (Rs.38.77 crore grant) and Special Plan Assistance of Rs. 149.88 crore.(Rs. 134.89 crore grant)
			(iii) Planning Commission further allocated Rs 20.00 crore as grant (Special Plan Assistance) as part of the Prime Minister announcement made at Itanagar over and above one time ACA/SPA of Rs 192.96 crore(Rs 173.66 crore grant) for the Annual Plan 2007-08. The grant provision is to be used for the purpose of 'creation of corpus fund for maintenance and strengthening of the Rama Krishna Mission Hospital.(RKMH), Itanagar'. The provision would be reflected under the Health Sector.
			(iv) Planning Commission recommends release of the grant provision to the state Government to be passed on to RKMS, Itanagar.
			(v) Consequent upon the approval of Rs. 20.00 crore for the above mentioned scheme, the size of Annual Plan 2007-08 of Arunachal Pradesh would increase to Rs 1340.00 crore (As on 22/2/2008)

S.No	Ministry/Departm	Item/Project	Current status
	ent		
5.(i)	Ministry of	'Daily Helicopter facility	Daily helicopter service between Guwahati to Tawang, a sanction has been
	Home.	between Guwahati and	issued on 15/2/2008 for an exclusive helicopter service between these two
		Tawang.'	places as approved by the Cabinet. (NE Division as on 4 th March 2008)
5 (ii)	Do-	'In order to stop losses due to	1. In the wake of flood of 2005, the High Level Committee(HLC) after
		floods and bring about	taking into consideration the request of the State Govt, report of Central
		improvements in flood	Team and recommendation of Inter-Ministerial Group thereon, approved an
		affected areas, we will provide	amount of Rs74.86 crore from NCCF pending the processing of the
		an assistance of Rs 400.00	Memorandum of State Government.
		crores from Central	
		Government.'	2. The proposed financial assistance of Rs.399.20 crore received from the
			State Govt. of Arunachal Pradesh for long term rehabilitation and
			reconstruction of infrastructure damaged in the wake of flood in 2005 has
			been considered by the Inter-Ministerial Committee headed by Vice-
			Chairman National Disaster Management Authority and their
			recommendation has been placed before High Level Committee (HCL) for
			its consideration. The HCL in its meeting dated 21/1/2008 has agreed to the
			proposal and recommended that the said proposal may be placed before
			Cabinet for consideration and approval. Accordingly, a draft Cabinet Note has
			been circulated to the Finance Ministry and Planning Commission on
			28.2.2008 and their views on the same are awaited.
			(MHA, D.M-II Division dated 10/3/2008)

S.No	Ministry/Department	Item/Project	Current status
6.	Ministry Civil Aviation.	'A new Greenfield Airport will	Greenfield Airport at Itanagar:
		be constructed in Itanagar. To	Consultant appointed by Airport Authority of India has
		operalionalize Pasighat, Along,	submitted a Detailed Project Report (DPR). Estimate cost of
		Daporjo, Ziro and Teju Airport.'	the project has been indicated Rs.515.17 crore. The report is
			being reviewed.
			Operationalisation of Non-Operational Airports:
			Pre-feasibility study has been conducted for non-operational
			airports viz. Ziro, Daporijo and Along for operation of ATR-
			42d class of aircraft. Status/progress in respect of these airports
			is as under:
			(i) Ziro Airport: It is not feasible to extend the present
			runway of dimensions 1220x30m, for operation of 50-
			seater aircraft, due to unauthorized construction that
			have come up immediately after boundary
			wall/fencing. Alternate proposal is for acquiring
			2010x200m parallel to existing runway. In the event of
			construction of new runway, existing ATC building
			with fire station, Terminal Building etc. and refuelling
			station will have to be dismantled.

- (ii) Daporijo Airport: In view of the man-made obstructions like market, petrol pump buildings etc. and hillocks in the approach of runway 07/25, it is not feasible to extend the present runway of dimensions 1100x30m. The State Government should explore alternate location of size 2000x200m for setting up of airport.
- (iii) Along Airport: It is not feasible to extend the present runway of dimensions 910/27m for operation of ATR type of aircraft due to hill within 2 to 3 kim on both approach of runway. The required approach slope may not be available. Alternate location at Tarmoba as suggested by State Government could be explored for construction of new airport.
- (iv) Passighat and Tezu Airports: For non-operational airports at Passighat and Tezu, Consultant appointed by the Airport Authority of India for preparation of Detailed Project Report (DPR) has submitted first stage of report and the same is being reviewed.
- 2. We would also like to inform that pre-feasibility study has been conducted by Airports Authority of India on the site identified at Tawang by State Government of Arunachal Pradesh for setting up a Greenfield airport. The report has been submitted to DoNER/NEC. The report indicates that there is a possibility of constructing an airport at this site. Detailed Project Report (DPR) will be prepared on confirmation from NEC. (Updated as on 11th March 2008)

S.No	Ministry/Departme	Item/Project	Current status
	nt		
7.(i)	Department of	'We are going to construct a two lane Trans-	After the announcement of the package by Prime Minister at
	Road and	Arunachal Pradesh Highways from Tawang to	Itanagar on 31.01.2008, the Department has taken the following
	Transport	Mahadeopur. This 1840 kms long highway	follow-up actions:
	Highways	will pass through Bomdi La, Nechipur, Seppa,	
		Sagalee, Ziro, Daporijo, Along, Pasighat,	(i) The Government of Arunachal Pradesh has been
		Roing, Teju, Mahadevpur, Namchik, Changlang, K	requested on 4.2.2008 to prepare pre-feasibility
		honsa and Kanubari.'	report of the alignment of Trans Arunachal Highway.
			The pre-feasibility report is expected to be received
		'Itanagar will be connected by four lane lane	by June, 2008.
		Highways within four-five years and all	(ii) The Department has sought on 21 st February 2008
(ii)		Districts Headquarters will be connected with	
		two lane roads.'	Planning Commission to declare the route as National
			Highway. After the concurrence of Ministry of
			Finance and Planning Commission, the Trans
			Arunachal Highway would be declared as National
			Highway. This action is expected to be completed by
			31 st March 2008.
			(iii) After declaration of the route as National Highway, a
			proposal will be submitted for CCEA approval to
			include the roads under Arunachal package in Phase

'A; of SARDP-NE for implementation. This action is targeted to be completed by April, 2008. If the approval of the CCEA is received by end of June 2008, work on some of the stretches of Trans Arunachal Highway can start in the next working season from October, 2008. Completion of the Trans Arunachal Highway to 2-lane standards will span over 11th and 12th Five Year Plans (likely to be completed by 2015-16). All other roads of the package namely District Headquarter connectivity, missing link between NH-37 and NH-52 and roads to facilitate all power sector projects are also likely to be completed by the same time, except 4-lane connectivity to Itanagar. 4 lane connectivity to Itanagar is targeted to be completed by 2012-13 (4-5 years as announced by the Prime Minister). In a meeting taken by Principal Secretary to the Prime Minister

on 5/1/2008, it was decided that special dispensation would be sought to connect Itanagar under NHDP III, so as to compress the schedule of execution. Accordingly, a CCEA note is under preparation seeking approval to include 4- lane connectivity of

Itanagar in SARDP-NE. (As on 13th March 2008)

S.No	Ministry/Department	Item/Project	Current status
8.	Ministry of	'Defence Ministry would improve	Headquarters Eastern Air Command(HQEAC) has been
	Defence.	infrastructure of the Advance Landing	instructed by Air Headquarters to evaluate and forward
		Gruounds at Tuting, Mechuka,	consolidated requirement. Keeping in view the urgency of the
		Pasighat, Vijainagar and Walong.'	matter, AOC-in-C HQ, EAC has again been requested for early
		-	finalization of the requirement. (As on 10 th March 2008)

S.No	Ministry/Department	Item/Project	Current status
1	Ministry of DoNER	'New Secretariat Building'	The project of Construction of New Secretariat Building at Itanagar
		_	was retained at Rs. 71.73 crore and the State Government was requested to submit the DPR on 31/12/2007. The DPR of the project is still awaited from the State Government. Reminder has been issued.(As on 25/2/2008)

S.No	Ministry/Departm ent	Item/Project	Current status
2.(i)	Ministry of Power.	1.'Para Power Project.'	The Public Investment Board.(PIB) held a meeting on 28/1/2008 at 5.00 P.M and their recommendation is as under: PIB recommended that the proposal of Para Hydro Electric Project (110 MW) be placed before CCEA for consideration, in view of a good economic of the project and adverse hydro thermal ration in the country at a total estimate cost of Rs. 553.25 crore (June 2007 PL) including Interest During Construction (IDC) of Rs.48.87 crore and Financial Charge of Rs.0.39 crore subject to following observations: 1. Time line for land acquisition, forest clearance, implementation of Relief &Rehabilitation package for Project Affected Families(PAF) security situation in and around the project areas and preparation of the project authorities may be clearly spelt out; 2. Optimum use of the existing infrastructure for the project; 3. Completion time of the project may be reduced to 44 months in place of 48 months; 4. Option of loan from external agency with lower rate of interest against debt component to bring down the high cost of loan may be explored; 5. Option for availing CDM benefit through 'Carbon Credit' may also be explored for the project; 6. Debt equity ratio will be 70:30; 7. Flow of equity should be pari-passu with commercial debts;

				8. Resettlement and Rehabilitation Plan may be aligned with the extant policy of the Government.
(ii)	-Do-	2. 'Dibang project.'	Power	Recommendation of Public Investment Board (PIB) vide its meeting on 28/1/2008. The PIB recommended the proposal to set up Dibang Multipurpose Project(3000 MW) for an amount of Rs 15,886.40 crore including IDC and financing charges of Rs. 2,495.59 crore(November 2007 PL) for consideration of Cabinet Committee on Economic Affairs(CCEA) subject to the observation and suggestion of para 10 and 11 as under: Para 10. Chairman, PIB and Secretary, Department of Expenditure concluded by observing that Dibang Project, being a storage project, is justified as it will play a vital role in improving the power situation of the North Eastern Region(NER) in particular and country in general and shall also provide much needed flood control benefits. It was, however, observed as under: 1. The cost of the project being on higher side, the possibility of funding through external debt and subordinate debt may also be explored to reduce the cost of the project; 2. The cost of external roads, bridges and providing flood moderation benefit should not be loaded to the project cost. 3. The construction period of 9 years is on higher side and need to be compressed so that the benefits from the project could accrue much earlier, thereby resulting in reduction in IDC and FC charges. 4. The difference between Base Cost and Completion Cost of the project seems to be higher side as compared to other Hydro Projects, which needs to be examined further. Para. 11 The Board in view of the above- suggested that a Committee to be set up as was done in the case of Kishanganga HEP, to examine the aspect related to reduction in the cost of

	the project, including difference between Base Cost and Completion Cost, funding through External and Subordinate Debts and exploring the possibility of reducing the construction period of 9 years of the project. The Committee may finalize its report within 2 months, which should be taken into consideration while preparing the Note for CCEA. Meanwhile, environment, forest and other statutory clearance for the project may also be obtained to facilitate posing of the project to CCEA for Investment Approval. (A report from PIB Minutes of the Ministry of Finance, Dept of Expenditure. As on 27/2/2008)
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S.No	Ministry/Department	Item/Project		Current status		
3	Ministry of	'New Railway li	ine between	(i) Year of inclusion in the Budget 1996-97		
	Railways	Harmuti and Itanagar'		(ii) Length in Km 33 Kms		
				(iii) Approved cost in 1996-97 Rs. 156 crore		
				(iv) Outlay provided during 2008-09. Rs 5 crore		
				The project could not take off so far as Government of Arunachal Pradesh had requested thrice in the past to change the alignment. However, finally, State Government proposed to adopt the original alignment from Harmuti to Itanagar only.		
				Final location Survey upto Naharlagun has been completed. Section from Harmuti to Naharlagun is expected to be completed by 2010-11 provided Land acquisition is completed within next 4-5 months. Section from Naharlagun to Itanagar is expected to be completed by 2011-12. (As on 12/3/2008)		

S.No	Ministry/Department		ment	Item/Project	Current status
4	Ministry	of	Urban	'Itanagar Water Supply Scheme.	A project Augmentation of Water Supply for Itanagar was
	Development.			Commencement of work on	sanctioned on 26/3/2007 with an approved cost of Rs 7725.32
				Drinking Water Project for	lakh for which an amount of Rs 1738.20 has been released as
				Itanagar for which the Government	ACA. Government of Arunachal Pradesh has been requested to
				of India has allocated seventy seven	report on present status of implementation of the above project.
				crores reupees.'	The Department of Urban Development & Housing, Govt. of
					Arunachal Pradesh, Itanagar has been requested for key time
					line of implementation of the aforesaid project.
					(As on 25/3/2008)