

Government of India
Ministry of Development of North Eastern Region

**5TH SECTORAL SUMMIT OF THE NORTH EASTERN COUNCIL TO REVIEW AIR
CONNECTIVITY SECTOR PROGRAMMES IN THE NER HELD AT AIZAWL,
MIZORAM (18-19 MAY 2007) - ISSUES AND CONCLUSIONS**

INTRODUCTION

The NEC at its 53rd meeting held at New Delhi on 15-16 November, 2006 had decided to take up review of major Central sector programmes being implemented in the North Eastern Region (NER). A Calendar of 16 such sectoral meetings was drawn up and is hosted on this Ministry of DoNER's website www.mdoner.gov.in

2. So far four sector summits have been held. The 1st summit held at Pasighat on 16-17 January, 2007 reviewed the power sector programmes. The 2nd summit held at Shillong on 8-9 February, 2007 reviewed the road sector programmes. The 3^d summit was held at Guwahati from 9-11 March, 2007. A comprehensive reviews of the activities of the Commodity Boards, viz., Tea, Rubber, Spices and Coffee and the APEDA was taken up on the first day. This was followed by a review of the Inland Water Transport (IWT) and the Flood Control and Irrigation Sectors. The 4th summit held at Gangtok on 27-28 April, 2007 reviewed the tourism and hospitality sector programmes.

3. The 5th Sectoral Summit was held at Aizawl on 19th May, 2007 to review the air connectivity sector programmes being implemented in the NER. The following 'Statement on Air Connectivity' was endorsed by the Summit:

With the objective of operationalizing upto 50 airports/airstrips in the North Eastern Region by the end of the XIth Five Year Plan, and providing upto 600 flights per week within the Region, by using the appropriate type of aircraft, making the required improvements in existing airports/ airstrips in a time-bound manner, the 54th Plenary Session of the NE Council endorses a report of the Sidhu Committee and directs the Ministry of Development of North Eastern Region and other related agencies of the Govt. of India to proceed expeditiously with advertising, screening and evaluating Expressions of Interest from potential operators so as to name by August 15, 2007 'Independence Day' the party/ parties to which will be entrusted the task of setting up a dedicated airlines for the North Eastern Region.

Following issues emerged during the discussion:

ISSUES

- (i) Most of the places in the North Eastern Region are inaccessible and located in far-flung areas. The road and rail infrastructure is

inadequate, therefore, air connectivity is the most viable means of transportation in the Region both for intra-State connectivity and the Region's linkage to the mainland.

- (ii) There are a total of 23 airports in the North Eastern Region out of which 11 are operational. These airports are - Agartala, Aizawl, Dibrugarh, Dimapur, Guwahati, Imphal, Jorhat, Lilabari, Shillong, Silchar and Tezpur. The airport at Lengpui, Aizawl is owned by the State Govt.
- (iii) The 12 non-operational airports are - Along, Daparizo, Kailashahar, Kamalpur, Khowai, Pasighat, Rupsi, Tezu, Tura, Tural, Ziro and Shella.
- (iv) Three proposed Greenfield airports are to be developed at Itanagar, Cheithu and Pakyong. Two new Greenfield airports have been proposed at Tawang and Kokrajhar.
- (v) There has been a growth of 23.4% in aircraft movement in the North Eastern Region between 2004-05 and 2006-07 and a growth of 40.2% in passenger traffic for the same period.
- (vi) To provide better connectivity to the North Eastern Region, the Govt. issued Route Dispersal Guidelines in March, 1994 stipulating the mandatory capacity deployment. Category-I routes are having 12 major trunk-routes. Category-II routes are stations in NE Region, J&K, Andaman & Nicobar and Lakshadweep. Scheduled operators have been stipulated to deploy 10% of capacity deployed on Category-I routes. For Category-II A routes which fall within NE Region, J&K, Andaman & Nicobar and Lakshadweep, scheduled operators have to deploy 1% of capacity deployed on Category-I routes. For Category-III routes which are routes other than in the categories mentioned above, scheduled operators have to deploy 50% of capacity deployed on Category-I routes.
- (vii) It is noticed that all the airlines operating in Category-I routes have fulfilled the requirement as per DGCA Route Dispersal Guidelines.
- (viii) The present airlines operating in the Region include Indian Airlines, Alliance Air, Jet Airways, Air Deccan, Kingfisher Airlines, Spicejet, Air Sahara and Indigo. There has been an increase of 17.2% in capacity, both with regard to flights per week and seats deployed between 2006 and 2007. In the case of flights it is 17.2% and for seat deployment it is 18.9%.
- (ix) Besides aircraft operations, helicopter services also operate in the NE Region. Pawan Hans Helicopters Ltd. have deployed various categories of helicopters in four States of NER which include one helicopter each in Meghalaya, Tripura, Sikkim and Arunachal

Pradesh. Besides these Jagson Airlines has deployed one helicopter in Arunachal Pradesh. There is one Dauphin helicopter of Pawan Hans which is in lease to MHA for operational requirements.

- (x) From October, 2007 Pawan Hans Ltd. is expected to deploy larger capacity Dauphin helicopters in place of Bell Helicopters in Sikkim. Pawan Hans is also considering the proposal of State Govt. of Nagaland for providing helicopter services.
- (xi) Meanwhile, Govt. of India has granted an initial NOC, 2006 to M/s Sky King Aviation to operate scheduled air services within the North Eastern Region. Another proposal from a private airlines of M/s Surya Air is under consideration of the Govt. for non-scheduled operations with short-haul feeder air services in the North Eastern Region.
- (xii) A number of major works were completed during XIth Plan Period at various airports in the North Eastern Region. This included construction of new terminal building at Agartala and Lilabari. Upgradation of terminal building at Guwahati. Strengthening and extension of runway for AB-320 operations was carried out at Dimapur, Agartala, Imphal and Lilabari. Expansion of apron was also carried out between Agartala, Imphal and Guwahati.
- (xiii) The North Eastern Council, during the Xth Plan, has funded 60% of the cost upgradation of the airports and balance 40% was provided by the Airport Authority of India (AAI).
- (xiv) There are major works proposed during the XIth Plan Period at Silchar, Pasighat and Tezu, Agartala, Dibrugarh, Imphal, Guwahati and Jorhat. The major works include expansion and modification of terminal buildings, operationalization of airports to handle ATR-42, extension and strengthening of apron for parking, extension of runway, construction of international terminal building, construction of new control tower and terminal building etc.
- (xv) Night landing operations are currently possible only at the airports of Agartala and Guwahati. It is expected that night operations will be possible by June, 2008 in the airports at Dibrugarh, Dimapur, Imphal and Lilabari.
- (xvi) Instrument Landing Systems (ILS) are in place at Agartala, Dibrugarh, Dimapur, Guwahati and Imphal.
- (xvii) Various projects involving installation of navigational equipment such as Communication, Navigation and Surveillance (CNS), Doppler Very High Frequency Range (DVOR), Digital Satellite Communication Network (DSCN), Digital Automatic Terminal

Information Service (DATIS), Digital Video Tape Recorder (DVTR) are on-going in various airports of the Region.

- (xviii) For various upgradation works to be carried out in some airports there are problems of land acquisition. At Guwahati 66.36 acres of land needs to be negotiated with defence authorities for construction of isolation bay and part-parallel taxi track. In Jorhat 11 acres is required from Assam Rifles, IAF and Govt. of Arunachal Pradesh for development civil enclave. At Dibrugarh 59.9 acres from defence is required for extension of runway.
- (xix) AAI with support from NEC grant, invested a capital of Rs. 180.69 crore in the Xth Plan for development of airports in the Region. An outlay of Rs. 651 crore has been planned for investment in NER in the XIth Plan which also includes an outlay of Rs. 379 crore for three Greenfield airports estimated to cost Rs. 960 crore.
- (xx) It was indicated that the airports in Meghalaya are not effectively functional. Due to infrastructure constraints the connectivity to Shillong is very erratic. The airport at Baljek is not functional. It was communicated by AAI that the Baljek airport is proposed to be completed by the end of 2007.
- (xxi) The air services to Dimapur have improved due to installation of ILS system. However, the link to Dimapur is primarily through ATR services. This is a big constraint for movement of patients and carrying-of dead bodies. The State Govt. of Nagaland is willing to provide land for extension of infrastructure at Dimapur for handling Boeing aircraft. It was indicated that the airfare between Guwahati and Dimapur and Guwahati to Kolkata was on the higher side and should be reduced.
- (xxii) The Govt. of Nagaland also requested for helicopter service to be operationalised between Dimapur and Kohima.
- (xxiii) It was indicated by the Govt. of Nagaland that no major works have been planned for Dimapur airport in the XIth Plan.
- (xxiv) The air connectivity to Aizawl is not dependable due to the existing infrastructure constraints at the airport. The problem becomes more acute due to adverse weather conditions. The Govt. of Mizoram is willing to provide land for extension of runway.
- (xxv) The Govt. of Mizoram has requested flattening of adjacent of hill-top of height 1531 meters at distance of 94 meters towards North, construction of DVOR/DME equipment on top of the adjacent hill, UHF/VHF link for remote control and status display etc.

- (xxvi) For the proposed Greenfield airport at Pakyong in Sikkim it was indicated that the DPR has been prepared and forwarded to Planning Commission. The estimated cost of the project is about Rs. 320 crore. The State Govt. of Sikkim has been allocated Rs. 100 crore by the 12th Finance Commission for development of the airport which will lapse by April, 2008 if unutilized. Planning Commission has proposed sharing of cost on 1:1 basis between GBS of Ministry of Civil Aviation and resources from Airport Authority of India.
- (xxvii) For the proposed Greenfield airport at Cheithu in Nagaland the consultants have submitted the interim report for the techno-economic feasibility study which is under examination by AAI and likely to be finalized by June, 2007.
- (xxviii) As regards the proposed Greenfield airport at Banderdeva site at Itanagar, consultants have been appointed to conduct the techno-economic feasibility study which is likely to be submitted by May, 2007.
- (xxix) It was proposed by AAI that the funding pattern for projects in the North Eastern Region should be either 100% grant or 90% grant and 10% internal resource generation.
- (xxx) North Eastern Council has an MOU with Alliance Air for leasing four ATR aircrafts to operate in the NER. Rs. 35 crore is being released to Alliance Air for operations of the ATR aircrafts. The term of the MOU is expiring in December, 2007. It was indicated by Alliance Air that by 15th June, 2007 a specific decision whether to continue or terminate the present MOU will have to be taken as the lessors of the aircraft require six months prior notice.
- (xxxi) H.E. Governor of Manipur, Dr. S.S. Sidhu gave a detailed presentation of the study on a 'Dedicated Airline for the North Eastern Region' undertaken by the Committee chaired by him. The study indicated the following points for consideration:
- The dedicated airline should be based in North East and its operations dedicated to the Region.
 - The operations should function as a hub and spoke model with the initial hub at Guwahati and sub-hub to be established at Imphal and Agartala.
 - The type of aircraft should be Short Haul, Short Take-Off and Landing (STOL), Turbo-prop with a seating capacity of 15 to 20.
 - The public notice for Expression of Interest to be issued at the earliest.
 - Technical and financial bids to be called from short-listed entities.

- Finalization of entity/operator for dedicated operations in the NER.
- (xxxii) Representative from Tripura did not commit on the decision to go for a dedicated airlines for the North Eastern Region. He sought time to confirm his State Government's position in this regard.
- (xxxiii) Representative from Sikkim stated that Bagdogra should continue to be an airport within the ambit of the dedicated airlines till such time the airport at Pakyong was developed.
- (xxxiv) Alliance Air indicated that the main reason for its erratic services was shortage of pilots which has now been overcome. They also confirmed that the ATR services (four aircrafts) is being strictly being implemented within the North Eastern Region.
- (xxxv) Alliance Air indicated that they are committed to improving the services in the Region and are willing to insert an effective Penalty Clause in case the services were not upto expectations.
- (xxxvi) The dedicated airline should operate under the 'Bush Operations' concept where the small aircraft will hop from location to location. The airports so serviced should include the small airports which need to be operationalized.

After discussion, following conclusions were arrived at:

CONCLUSIONS

- (i) The Report submitted by the Committee Chaired by Dr. S.S. Sidhu, H.E. Governor of Manipur on a 'Dedicated Airline for the North Eastern Region' was endorsed/accepted by the members present at the sectoral summit.
- (ii) Specific milestones were tentatively decided for implementing the basic recommendation of the Sidhu Committee for selection of an operator for the proposed dedicated airline:
 - 25th May 2007 - Issue of Public Notice inviting Expressions of Interest.
 - 25th June 2007 - Last date for receipt of Expressions of Interest.
 - 15th July 2007 - Evaluation of technical and financial bids.
 - 15th August 2007 - Awarding of contract to the party and announcement by Hon'ble P.M. about dedicated airlines in the North East.
- (iii) Guwahati to be developed as an airline hub in North part of NER and Agartala/Imphal to be developed as hubs in the Southern region of NER.
- (iv) Night landing facility to be provided at Imphal by the end of 2007.
- (v) Pending finalization and implementation of a dedicated airline in the Region, the interim period has to be serviced by Alliance Air. M/s Alliance Air to workout an agreement for extending the existing MOU for another year.
- (vi) M/s Alliance Air were advised to increase flights in the Category-II routes pertaining to the North Eastern Region.