CASE STUDY

9 Infrastructure-led Development in Northeast India and the Case of the Shillong-Dawki Road

Youth's Forum for Protection of Human Rights

Introduction

In order to stimulate economic growth and development, the government of India has been pursuing numerous infrastructure projects. Roads, bridges, highways, and power plants are all in the pipeline to enhance connectivity and productivity in the country. Recognising that large infrastructure projects entail massive amounts of financing, grants and loans coursed to the government of India, which mobilised the private sector to implement these projects through Public-Private Partnerships (PPPs).

Given the strategic location of Northeast India, several infrastructure projects are located in this region, such as the North East Road Network Connectivity Improvement Project. While the construction and upgrade of these transport networks aim to facilitate the movement of goods and people, these are at the expense of people's rights and the environment, which is exemplified in the case of the Shillong-Dawki road. Furthermore, the participation of private sector partners have not contributed to the efficiency and effectiveness of the project.

Country Context

Northeast India is composed of eight states – Assam, Nagaland, Manipur, Mizoram, Tripura, Arunachal Pradesh, Meghalaya, and Sikkim – and is home to various indigenous groups in India. The region is strategic, with its natural resources and its borders with Nepal, China, Myanmar and Bangladesh.[1] With this, the region is purported to be one of the country's drivers of economic growth, as it can serve both as a source of goods and facilitate connectivity of markets.

As the government of India pursues political influence and economic growth, it increasingly partners with Japan to finance infrastructure projects and support its security initiatives. India's Act East Policy purports Northeast India as the gateway to Southeast Asia, enhancing their economic cooperation and ties with the sub-region. In the same manner, the region is also critical for Japan's Free and Open Indo-Pacific (FOIP) Vision, which aims to promote peace, prosperity, and order among its neighbours. The FOIP is undertaken with its Quad allies, the United States, Australia, and India. The FOIP is the Quad's alternative to the China-led Belt and Road Initiative, where development financing is mobilised for infrastructure.

Japan provided a total of USD 2 billion of Official Development Assistance (ODA) to Northeast India to finance various projects, with an emphasis on road infrastructure. These infrastructure projects are then pursued with public-private partnerships as the main modality, working with corporations to construct major infrastructure in the region.[2] It is in this context where the North East Road Network Connectivity Improvement Project is initiated.

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[1] Borah, R. (2019). Japan in the Infrastructure Sector of Northeast India. https://www.isas.nus.edu.sg/wp-content/uploads/2019/03/ISAS-Insights-No.-556.pdf
[2] Basu, T. (2022, April 29). Japan in India's Northeast: The Indo-Pacific Connect. https://idsa.in/idsacomments/japan-in-indias-northeast-the-indo-pacific-tbasu-190422

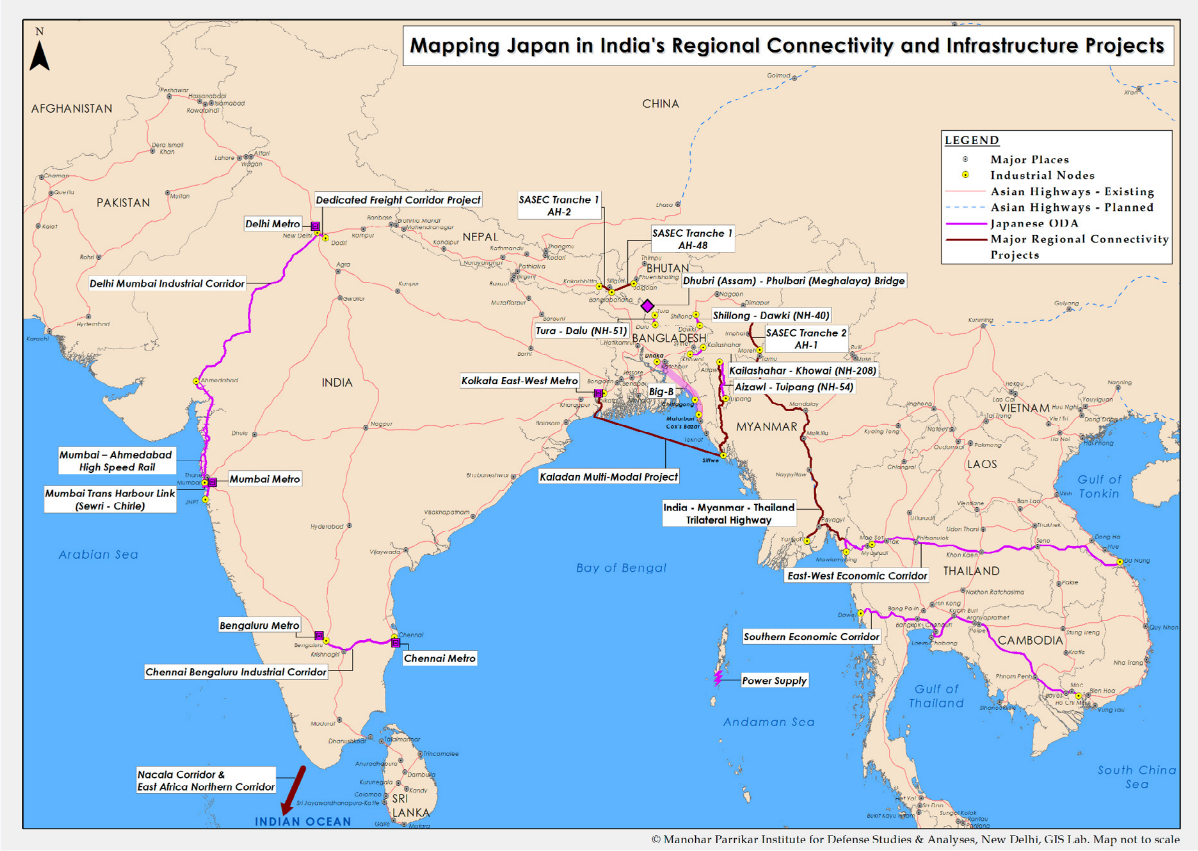

Figure 1. Mapping Japan in India's Regional Connectivity and Infrastructure Projects.[4]

However, the region has been subjected to development aggression, with relentless resource extraction and militarisation. Indigenous Peoples and other communities in the region are subjected to repressive measures as they are also driven away from their land, their sources of livelihood and culture. Rich biodiversity areas are also subjected to development aggression, as forest lands are cleared to make way for large-scale infrastructure projects.[3]

[3]Transnational Institute. (2023, July 13). Conflict and development in Northeast India. https://www.tni.org/en/article/conflict-and-development-in-northeast-india
[4]GIS Lab, Manohar Parrikar Institute for Defence Studies and Analyses. (2022). Prepared based on data drawn from Act East Forum, Japan International Cooperation Agency and Asian Development Bank. https://idsa.in/idsacomments/japan-in-indias-northeast-the-indo-pacific-tbasu-190422.

Shillong-Dawki Expansion Road under the North East Road Network Connectivity Improvement Project (Phase 2)

Overview

The Shillong-Dawki Expansion Road is pursued by the government of Japan and India, as a way to enhance movement in the region for economic growth and development. The road infrastructure project is largely driven by donor interests, as it contributes to Japan's Free and Open Indo-Pacific Vision. Affected communities and civil society have opposed the project as the road cuts through forested areas, ancestral lands, and villages, impacting their homes, land, and environment. The implementation of the project also faced delays as its contractors have failed to deliver on their contracts and agreements.

About the project

The North East Road Network Connectivity Improvement Project is an initiative by the Japan International Cooperation Agency (JICA) with the government of India. The project aims to improve national highways and bridges in the Northeastern region, which is considered to be the gateway to its neighbouring countries in South and Southeast Asia. Among the roads included in this initiative is National Highway 40 (NH-40) between Shillong and Dawki in Meghalaya. The construction of these road infrastructure is believed to contribute to the region's socio-economic development.

National Highway 40 or Shillong-Dawki Road is located in the southern part of Meghalaya. The targeted section of NH-40 is from Shillong to Dawki in Meghalaya with a length of 81 kilometers in total. The project consists of widening roads to two-lane highways of 35.8 kilometres and to four-lane highways of 10.19 kilometres (46 kilometres in total length), constructing five new bypasses of 21.4 kilometres in total. NH-40, spanning approximately 80 kilometres, is specifically constructed to enhance trade, connectivity and tourism with Bangladesh.

Modality	Financing
Instrument	Official Development Assistance (ODA)
Program Type	Loans

Duration	July – December 2023
Budget	JPY 38.6 million (approximately USD 262, 151) for the second phase of the North East Road Network Connectivity Improvement Project INR 12.51 billion (approximately USD 150, 450) for the Shillong-Dawki Road
Sector	Infrastructure, transport
Development Partner(s)	Japan International Cooperation Agency (JICA)
Type of private sectors engaged	Large domestic corporations
Private sector partners	SS Infrazone Pvt. Ltd. ARSS Infrastructure Projects Ltd. Niraj Cement Structural Ltd.
Othe dev't partners	Ministry of Road Transport and Highways (MoRTH) National Highways and Infrastructure Development Corporation Limited (NHICDL)
Role of partners	The National Highway Infrastructure Development is a state-owned company under the Ministry of Road Transport and Highways of the government of India. NHIDCL is responsible for the design, construction, operation, maintenance and upgrade of national highways and strategic roads. The Shillong-Dawki Road or NH-40 is also under NHICDL, which divided the road network into five packages, which it awards to private sector partners for its construction. A total of INR 12.51 billion is allocated for the construction of NH-40. For these packages, SS Infrazone Pvt. Ltd., ARSS Cement Structural Ltd., and Niraj Cement Structural Ltd. are the chosen contractors.
Monitoring	The NHIDCL monitors the overall implementation of the project, including the work of private contractors and partner non-governmental organisations, and the mitigation of social and environmental implications. The NHIDCL is also responsible for reporting to the other national and local government institutions regarding the projects' design and implementation.
Results framework	No information available
Results	While the project is slated to be finished by December 2023, it faced a lot of issues in its implementation. A case under public interest litigation in relation to the wide-scale deforestation from the project was heard by the High Court of Meghalaya. Over a hundred trees are estimated to be cut down for the construction of a flyover as part of the road network. There were also issues of land disputes over some project sites, especially over the ancestral lands of indigenous groups in the area.
Evaluation	No information available

Adherence to the Kampala Principles

Kampala Principle 1: Inclusive Country Ownership

The Shillong-Dawki Road expansion project and the rest of the North East Road Network Connectivity Improvement Project are financed by a loan agreement between the Japan International Cooperation Agency (JICA) and the government of India. In the same manner, this project is being pursued by the Japanese government under its Free and Open Indo-Pacific Vision, which aims to enhance trade connectivity in the region. Northeast India is a crucial link that can connect Myanmar, India and Bangladesh.[5]

The road infrastructure project is being utilised by the government of Japan to enhance its influence and connectivity in the region. The government of India is also using these loans to pursue infrastructure-led development, in the name of economic growth and increased trade with its neighbours. This is also exhibited in the government's National Infrastructure Pipeline and the increased investment towards these projects, with 3.3% of its Gross Domestic Product going towards infrastructure.[6] While the government enhanced its partnership with the private sector through PPPs, there is a lack of initiative to include affected peoples and civil society in these development processes.

In the case of the Shillong-Dawki road project, state and private sector actors have failed to consult all the stakeholders, particularly Indigenous Peoples, affected communities and civil society organisations, in the project sites. Without the participation of affected communities and civil society in development processes, projects will lead to adverse environmental and social impacts on the marginalised.

Kampala Principle 2: Results and Targeted Impact

While the project is intended to finish by December 2023, it has faced a lot of delays. In November 2022, the road expansion work ran into a land acquisition hurdle. Around 50 landowners have expressed their unwillingness to accept the project assessment and land compensation package. The government has asked the Deputy Commissioner of the East Khasi Hills to expedite the acquisition proceedings in order to continue the project.[7] There is no additional information regarding how they plan to resolve these disputes.

Affected communities and civil society have highlighted how the road construction will lead to massive deforestation. Hundreds of pine trees in Shillong, scores of them over a century old, were cut down, which led to public outrage. The pine trees were considered Shillong's heritage and were part of a hill station, one of the state's tourist destinations. Despite existing policies like the Indian Forest Act, Biodiversity Act and Meghalaya Forest Regulation Act, the Indian Forest Department was ordered to cut down a total of 4,447 trees in order to make way for the project. Development aggression in the Northeastern region has led to massive deforestation. In 2019, a total of 765 square kilometres were deforested in the region.[8]

[5] The Diplomat. (2022, February 8). Japan's infrastructure investment in Northeast India. https://thediplomat.com/2022/02/japans-infrastructure-investment-in-northeast-india/
[6] Invest India. (2023, March 29). Infrastructure development in India. https://www.investindia.gov.in/team-india-blogs/infrastructure-development-india
[7] Meghalaya Times. (2023). Shillong – Dawki road project to be allocated at the earliest. https://meghalayatimes.in/shillong-dawki-road-project-being-work-to-be-allocated-at-the-earliest/
[8] Banerjee, S. (2020, August 10). Draft EIA 2020: How it may impact North East. Down to Earth. https://www.downtoearth.org.in/blog/environment/draft-eia-2020-how-it-may-impact-north-east-72742

Photo from Lebanriford Dohling via EastMojo

Kampala Principle 3: Inclusive Partnership

In October 2020, the Kurkalang (Kseh) clan staged a protest against the construction of the four-lane project claiming that some parts of the areas projected for the widening work belonged to them since the pre-Independence era. Egenstar Kurkalang, the clan secretary, said the clan will keep on protesting as long as the government does not meet their demand of providing sufficient compensation for the land acquired for the project. “The whole world knows, the British government knows, even the Indian Government knows that this is our land since time immemorial,” he said. Clan Chief Joken Kurkalang said the clan has been writing petition after petition to the government but their cries were not heard, therefore, they have to protest against the government.

Kampala Principle 4: Transparency and Accountability

After the NHICDL awarded the packages to private sector partners, some of these companies abandoned the work they were contracted to do. With this, they had to open the bidding process again and retender the road packages to find other companies to construct the road network. This process was open to the public since it was open for bidding, but was closed after two companies had submitted their proposals. Private sector partners have blamed the delays in project implementation on the prolonged land acquisition process.[9]

Kampala Principle 5: Recognising, sharing and mitigating risks for all partners

As a modality, public-private partnerships have often burdened states and the people more than their private sector partners. Risks in undertaking large development projects are not shared equally, as the public sector shoulders more of the financial, social and environmental risks, while corporations pocket most of the profit. Across the globe, the use of PPPs has led to high costs for governments that often result in increasing debt, with no assurance of fair returns and efficiency of services. Furthermore, the lack of proper oversight mechanisms of the state over private sector entities allows them to exploit human and natural resources, violate human rights and further degrade the environment.[10]

In order to address the adverse impacts brought about by infrastructure development, the High Court of Meghalaya set up a committee to discuss and make decisions regarding the Shillong-Dawki road. The committee is expected to balance how to pursue infrastructure development while addressing and mitigating the social and environmental impacts of the project.[11] While the committee has addressed some concerns, it has not been able to resolve all of the issues posed by the communities. This has led to further delay and opposition of affected communities towards the project.

[9]Hub Network. (2023, March 21). Shillong-Dawki road expansion project: Umshyrpi to Baniun road under retendering process - Hub News. https://hubnetwork.in/shillong-dawki-road-expansion-project-umshyrpi-to-baniun-road-under-retendering-process/
[10]Eurodad. (2022). History RePPPeated II: Why Public-Private Partnerships are not the Solution. https://assets.nationbuilder.com/eurodad/pages/3071/attachments/original/1671445992/01_history-rePPPeated-2022-EN_19dec.pdf?1671445992
[11]LawBeat. (n.d.). Meghalaya High Court constitutes 5-member Committee to balance environment & development. https://lawbeat.in/news-updates/meghalaya-high-court-constitutes-5-member-committee-balance-environment-development

Conclusion and Recommendations

With the construction of the Shillong-Dawki Expansion Road as a part of the North East Road Network Connectivity Improvement Project, it can be seen that donor and private sector interests are prioritised over people's rights, welfare and environment. In order to forward effective development cooperation, development actors must adopt the following recommendations:

- **For donor countries to stop shaping development priorities according to their own political, economic and security interests.** In the case of Japan, it can be seen that aid is being disbursed for a massive infrastructure drive in Northeast India as a part of its wider strategy of a Free and Open Indo-Pacific. Donor countries and corporations have promoted infrastructure-led development for profit, much to the detriment of people's rights and the environment. Development policies and projects must be democratically owned by the people, which ensures that these address their needs and are aligned with their interests. This entails providing an enabling environment for the marginalised sectors and communities, such as Indigenous Peoples, farmers, fisherfolk, workers, women, and youth in development processes.
- **For governments to abandon PPPs as a modality for development projects.** Given that PPPs have often led to financial risks for the public sector, a lack of transparency and accountability from corporations, and innumerable adverse social and environmental impacts on the marginalised, these should not be further used and promoted. PPPs ensure profit for private sector partners, but place additional burden on the people as they repay the debt incurred from these projects and are forced to purchase basic goods and services with the privatisation of essential services.
- **For governments to safeguard people's rights and the environment by ensuring the transparency and accountability of its private sector partners.** The Shillong-Dawki Road has been shrouded with opposition from affected communities and sectors. The construction of the road has displaced communities from their ancestral lands and destroyed the biodiversity in the area. The government should be responsible for establishing mechanisms and policies to ensure that business operations do no harm to the people and the environment. Upon violation of people's rights and exploitation of the environment by businesses, government institutions must be able to exact accountability from private sector entities and provide redress to those affected.