

GOVERNMENT OF ARUNACHAL PRADESH
DEPARTMENT OF FINANCE, PLANNING & INVESTMENT DEPARTMENT
(PLANNING & INVESTMENT DIVISION)
ARUNACHAL PRADESH CIVIL SECRETARIAT: ITANAGAR



PLNG-280/7/2022-Planning/FPID/2258 Dated Itanagar the 22nd February 2024

NOTIFICATION

The Governor of Arunachal Pradesh is pleased to notify "The Arunachal Pradesh Logistics Policy 2023" enclosed at Annexure-'A' for implementation within the State of Arunachal Pradesh.

The Arunachal Pradesh Logistics Policy 2023 shall be in force for a period of 5 (five) years or till the declaration of a new revised policy, whichever is earlier from the date of issue of this notification.

This is issued with the approval of the State Cabinet vide No.CAB/M-15/11/2023 dated 04.12.2023.

Sd/

Chief Secretary

Government of Arunachal Pradesh

NO. PLNG-280/7/2022-Planning/FPID

Dated Itanagar the 22nd February 2024

Copy to:

1. The Commissioner to Hon'ble Governor of Arunachal Pradesh.
2. The Commissioner to Hon'ble Chief Minister, Arunachal Pradesh
3. US to Hon'ble Deputy Chief Minister, Arunachal Pradesh.
4. PS to Hon'ble Speaker, Arunachal Pradesh Legislative Assembly.
5. PS to Hon'ble Deputy Speaker, Arunachal Pradesh Legislative Assembly.
6. PS to Hon'ble Ministers, Arunachal Pradesh.
7. Us to Chief Secretary, Government of Arunachal Pradesh.
8. All Pr. Secretaries/Commissioners/Secretaries, Govt. of Arunachal Pradesh.
9. All Deputy Commissioners, Government of Arunachal Pradesh.
10. Director (Gazetteer), Government of Arunachal Pradesh, Itanagar. He is requested to publish in the next issue of Gazette.
11. Director (Printing), Government of Arunachal Pradesh, Papu Hill, Naharlagun with a requested to print the same.
12. Office Copy.

(R.K Sharma), IAS

Secretary (Planning & Investment)



Arunachal Pradesh Logistics Policy 2023

Table of Contents

ABBREVIATIONS & DEFINITIONS	3
1. INTRODUCTION	7
1.1 ABOUT ARUNACHAL PRADESH.....	7
1.2 FOCUS SECTORS IN THE STATE	7
1.3 SWOT ANALYSIS OF LOGISTICS SECTOR OF ARUNACHAL PRADESH	12
1.4 VISION, MISSION AND OBJECTIVES.....	13
1.5 POLICY PERIOD	14
1.6 POLICY REVISION.....	14
2 CONNECTIVITY INFRASTRUCTURE (LINKS)	15
2.1 CIVIL AVIATION	15
2.2 ROADS	16
2.3 RAILWAYS	17
2.4 POWER.....	18
2.5 TELECOM.....	18
2.6 INTERNET	19
2.7 PORTS	19
3 LOGISTICS HUBS AND SEZS (NODES)	20
3.1 APPROACH TO DEVELOP LOGISTICS NODES	20
3.2 EXISTING INDUSTRIAL AREAS.....	20
3.3 PROPOSED INDUSTRIAL AREAS.....	21
3.4 SPECIAL ECONOMIC ZONE (SEZ)	21
3.5 INTERNATIONAL INTEGRATED CHECK POSTS (ICPs).....	21
3.6 DOMESTIC INTEGRATED CHECK POSTS (ICPs).....	21
3.7 AGRI-HORTI CLUSTERS.....	22
3.8 DISTRICT LEVEL TRUCK TERMINALS.....	23
3.9 WAREHOUSE AT CHIMPU	23
3.10 FARM GATE LOGISTICS.....	23
4 TECHNOLOGY ADOPTION	24
4.1 PM GATI SHAKTI DIGITAL INTERVENTION	24
4.2 E-PRAGATI.....	24
4.3 SPACE TECHNOLOGY	24
4.4 DRONE TECHNOLOGY	24
4.5 CENTRE OF EXCELLENCE FOR LOGISTICS & WAREHOUSING.....	25
4.6 IT ENABLEMENT & USAGE OF ICT PLATFORM.....	25
5 REGULATION & COMPLIANCE	28
5.1 REDUCTION OF COMPLIANCE BURDEN	28
5.2 EASE OF DOING BUSINESS (EODB)	28

5.3	SINGLE WINDOW CLEARANCE SYSTEM	28
5.4	WHITE STATUS TO LOGISTICS INDUSTRIES	28
5.5	REDUCED VAT FOR ATF.....	28
5	SKILLED LABOUR	29
7	FINANCING	30
7.1	SOURCES OF FUND	30
7.2	INCENTIVES UNDER OTHER POLICIES	30
7.3	INCENTIVES UNDER LOGISTICS POLICY.....	30
8	SUSTAINABILITY	34
8.1	EMISSION REDUCTION AND ACTION(S) AGAINST CLIMATE CHANGE.....	34
8.2	ENERGY	34
8.3	WASTE MANAGEMENT.....	35
8.4	CARBON OFFSET UNIT (COU) TRADING.....	35
9	KEY PERFORMANCE INDICATORS (KPIS).....	36
10	POLICY GOVERNANCE AND COLLABORATION	37
10.1	EMPOWERED GROUP OF SECRETARIES (EGoS)	37
10.2	NETWORK PLANNING GROUP (NPG)	37
10.3	TECHNICAL SUPPORT UNIT (TSU)	38
10.4	COLLABORATION.....	38
10.5	GENERAL TERMS AND CONDITIONS.....	39
	ANNEXURE I: THE LIST OF EMPOWERED GROUP OF SECRETARIES (EGOS).....	40
	ANNEXURE II: THE LIST OF NETWORK PLANNING GROUP (NPG) MEMBERS	41
	ANNEXURE III: THE LIST OF TECHNICAL SUPPORT UNIT (TSU) MEMBERS.....	42
	ANNEXURE IV: MAPS SHOWING VARIOUS LOGISTICS-RELATED LINKS AND NODES	43

Abbreviations & Definitions

ALG	Advanced Landing Ground
APEDA	Arunachal Pradesh Energy Development Agency
API	Application Programming Interface
APSTS	Arunachal Pradesh State Transport Services
ASI	Archaeological Survey of India
ATF	Aviation Turbine Fuel
BBNL	Bharat Sanchar Nigam Limited
BEE	Bureau of Energy Efficiency
BISAG	Bhaskaracharya Institute for Space Applications and Geoinformatics
BSNL	Bharat Broadband Network Limited
CAGR	Compound Annual Growth Rate
CMCSRDP	Chief Minister Comprehensive State Road Development Plan
CNG	Compressed Natural Gas
CoE	Centre of Excellence
COU	Carbon Offset Units
DGBR	Director-General Border Roads
DPR	Detailed Project Report
EGoS	Empowered Group of Secretaries
EoDB	Ease of Doing Business
EV	Electric Vehicle
GDP	Gross Domestic Product
GIS	Geographical Information System

GPS	Global Positioning System
GRIHA	Green Rating for Integrated Habitat Assessment
GSDP	Gross State Domestic Product
ICCC	Integrated Command & Control Centre
ICP	Integrated Check Post
ICT	Information and Communications Technology
IIDC	Integrated Infrastructure Development Centre
ILP	Inner Line Permit
ISBT	Inter-State Bus Terminus
IT	Information Technology
ITES	Information Technology Enabled Services
ITI	Industrial Training Institutes
KPI	Key Performance Indicators
LAC	Line of Actual Control
LEADS	Logistics Ease Across Different States
LEED	Leadership in Energy and Environmental Design
MEITY	Ministry of Electronics and Information Technology
MoRTH	Ministry of Road, Transport and Highways
MoU	Memorandum of Understanding
MSME	Micro, Medium and Small Enterprises
MW	Mega Watt
NER	Northeastern Region
NERIST	Northeastern Regional Institute of Science and Technology
NGO	Non-Government Organisation

NH	National Highway
NHIDCL	National Highways & Infrastructure Development Corporation Limited
NIT	National Institute of Technology
NPG	Network Planning Group
NPV	Net Present Value
NSDC	National Skill Development Corporation
OFC	Optical Fibre Cable
PHE & WS	Public Health Engineering & Water Supply
PMGS-NMP	PM Gati Shakti - National Master Plan
PPP	Public Private Partnership
PSU	Public Sector Unit
PWD	Public Works Department
RCS-UDAN	Regional Connectivity Scheme- 'Ude Desh ka Aam Nagrik'
RERA	Real Estate Regulatory Authority
RWD	Rural Works Development
SARDP	Special Accelerated Road Development Programme
SASCI	Special Assistance to States for Capital Investment
SBTi	Science Based Targets initiative
SEZ	Special Economic Zone
SWCS	Single Window Clearance System
TSU	Technical Support Unit
UD & H	Urban Development and Housing

UT	Union Territories
VGF	Viability Gap Funding
VSAT	Very Small Aperture Terminal
VVP	Vibrant Villages Programme
WRD	Water Resource Development

1. Introduction

1.1 About Arunachal Pradesh

Over the years, the logistics industry has become one of the major pillars for the economic growth. Due to its topology, difficult terrain and poor infrastructure, the logistics costs in the State of Arunachal Pradesh remain high compared to developed States in the country. A key driver of these high costs is primarily the reliance on road transports, which still need to be largely improved for freight purposes. Also, Inadequate warehousing, Dry storage, Cold Storage facilities and limited platform for buyer seller exchange the enormous Agriculture and Horticulture produces don't reach to the consumer within the best possible time. This ultimately results in the wastage of such yields which eventually hampers the GSDP and economic development of the State. The terrain distribution of Arunachal Pradesh is mostly mountainous with Himalayan ranges along the Northern borders crisscrossed with mountain ranges running North- South. These divide the State into five river valleys: Subansiri Valley, Kameng Valley, Siang Valley, Lohit Valley and the Tirap Valley.

The State Government of Arunachal Pradesh has formulated the Arunachal State Logistics Policy, 2023. The policy aims to create and strengthen the network of logistics facilities by creating new infrastructure, alternative economical routes and modes of transports and effective regulatory and support systems, encouraging private sector adoption of new technologies, and increasing logistics expertise in terms of efficiency and timeliness throughout the entire value chain of logistics. The State Government has envisaged a holistic development through the upliftment of the various modes of connectivity which eventually will bring about atmosphere of industrialization, generate more employment across all the districts in the State.

1.2 Focus Sectors in the State

(a) Agriculture & Horticulture

Arunachal Pradesh is blessed with exceedingly diverse portfolio of agri-horti produce, medicinal plants, organic products, orchids, and various other food produces. The State's Agriculture & Allied Sectors have recorded a growth rate that is three times the national average in the recent years. The capacity of agricultural yields for some of the districts in FY 2022-23 gives us a clear picture of the surplus production and exportable commodities across the State of Arunachal Pradesh. Ziro, Lower Subansiri District is best known for Kiwi production. Around 2500 MT of Kiwi is produced every year in this area. In Dirang, West Kameng District, Kiwi and Persimmon are best known in that area. Dambuk, Lower Dibang Valley District produces 2369 MT of oranges per year.

Chaglagam, Anjaw District is best known for its large cardamom with production of about 81 MT a year. Namsai district is famous for crops like Areca nut, Ginger and Turmeric. The district produces over 381 MT of Areca nut. Tezu, Lohit District produces 3600MT of Ginger a year. Pineapple is a largely produced commodity in Angu, Bagra, Dojee area of West Siang District with over 9000 MT of Pineapple production a year. The State Horticulture Farm at Shergaon, West Kameng District produces 40.8 MT of Apple every year. Pasighat in East Siang District and Roing in Lower Dibang Valley are famous of their Ginger, Buckwheat, and Oil Palm Plantations. During the last financial year, East Siang and Lower Dibang Valley produced a total of 4931 MT of Ginger and 165 MT of Buckwheat and Roing produced a lump sum of 23000 MT of Ginger and 180 MT of Buckwheat respectively.

In the agri-horti sector, Arunachal aspires to be the largest player in the North East region. With a large farmable area, focus on Oil Palm, and a number of organic, exotic produces, the State needs to develop its own food processing clusters to add more value to its produces.

To this end, State Government has already taken up developing farm-gate logistics at more interior areas. Such developments should be comprehensively planned and implemented under the logistics policy.

(b) Forest & Bamboo

Arunachal Pradesh is one of the world's top ecological hotspots with rich ecosystem diversity. Around 79.63% of the State's geographical area is covered by forests. Such that, the total carbon stock of forest in the State is around 3,855 million tonnes of CO₂ equivalent (14.76% of the total forest carbon of the country).

Arunachal Pradesh's commitment towards environment protection and fight against climate change is fundamental. The State has signed the Pakke Declaration – the first of its kind by any State government in the country – envisaging a multi-sectoral approach towards low emission and climate-resilient development. There are 75 climate actions under the five Panch-Dhara objectives. With financial support 23 actions have been completed and rest are in various stages.

Arunachal Pradesh has the largest Bamboo area in Northeast India and third largest in the country. The State has an extensive Bamboo diversity of 75 Species and 24 Genera across Tropical and Temperate forests. It also has the highest growing stocks in terms of green bamboo culms and contributes about 16.55 percent of the total bamboo growing stock of the country. Centrally Sponsored Schemes like of National Bamboo Mission of Government of India and various State Government funded projects are also being implemented.

These schemes lay emphases in creating Bamboo Nursery, Plantation, Bamboo Treatment and Seasoning Plants, Establishment of Livelihood Incubation Centers, Furniture Making. Other bamboo-oriented activities like Bamboo Processing Units, Handicrafts, Bamboo Jewelry, Bamboo Utility Crafts, Bamboo Shoots, Incense stick making etc., will lead to the emergence of entrepreneurship in Bamboo sector.

(c) Minerals

Arunachal Pradesh has significant coal and petroleum reserves with many rivers which are largely untouched with heavy potential. Most of the power supply is derived from hydroelectric power plants. Other mineral resources of the region include quartz, marble, limestone, dolomite, iron, and graphite. The estimated Net Present Value (NPV) of hydrocarbon resources in the State is estimated to be Rs. 1,800 Cr for discovered Resources (4 PMLs of 18) and Rs. 7,000 Cr. for undiscovered Resources.

(d) Tourism

Awarded as the “Best Emerging Destination” and “Best Emerging Green Tourist Destination” by renowned magazines like the Lonely Planet and Travel & Leisure Magazine, Arunachal has unmatched potential for experiential and niche’ tourism that is largely unexplored. There are 12 major tourist circuits in the State and two new circuits have been recently approved by the Govt. of India namely, Tirap and Longding. The upcoming tourism sectors for the State are Wellness Tourism, Film Tourism, Festival Tourism and Orchid Tourism.

Tourism in Arunachal is another focus area that would require massive logistics boost to become popular among domestic and international tourists. Improvement in connectivity infrastructure for these 14 circuits may be taken up in priority.

(e) Hydropower

Arunachal Pradesh has the highest Hydropower potential in India. It has 40% of India’s total hydropower potential and over 9% of India’s small hydropower potential. The hydropower potential in the State is estimated to be over 58,160 MW. Arunachal Pradesh has 8 major river basins to harness its hydroelectric potentials.

(f) E-commerce

The Government has made continued efforts to increase digital connectivity in the State. There is a high demand for IT and ITES within the State. The backbone of the e-Commerce business is the connectivity and accessibility of the services to the last mile. Government of Arunachal Pradesh has been focusing on bridging any gaps in terms of connectivity and the logistics system in the State.

The growth and prosperity of Arunachal Pradesh's IT industry depends on factors like technically skilled professionals, English speaking population, lowest cost, robust Telecom Infrastructure, and favourable governmental policies. The IT industry in Arunachal Pradesh has seen massive change, growth and development over the years. While 507 villages have been covered in mission mode, and the 4G connectivity will be extended to an additional 1,903 villages in the State by December 2023. Also, 5G services have been launched in the Itanagar Capital Region.

(g) Defense & Border area Development

Arunachal Pradesh shares a long international border of 1863 km with Bhutan, China and Myanmar. The total length of international border with China is 1,126 km. The State has 28 (Twenty-eight) border blocks in 11 (eleven) districts of the State with coverage of total 1,451 villages having population of 1,55,594 as per 2011 census for the northern border.

In the defense sector, there is a need to increase last mile connectivity to border areas. State has been pursuing the erstwhile Comprehensive Villages Development / Model Villages programme, while the GoI's new Vibrant Villages Programme (VVP) for border villages was launched. Arunachal Pradesh has already submitted a proposal of about Rs 3,750 Cr which includes connectivity infrastructure development for about 2,800 villages in the border areas.

Despite long international borders, there is only one potential ICP for international trade that is located along the Ledo Road at Pangsau Pass. This passes through Myanmar and connects Sittwe Port, and Kunming and Hanoi to further East. Development of Ledo Road has also been under consideration in recent times.

Arunachal Pradesh has pioneered many infrastructural projects in the border areas of the State in order to culminate easement of air, road and digital connectivity. The State has taken up several initiatives like "*Mission Krishi Veer*" which is aimed at meeting the demand for fresh fruits and vegetables by the Indian Army posted in the Kameng sector (comprising Tawang, West Kameng, and some pockets of East Kameng). This will bridge the agri-logistics gaps that the Indian Army stationed across the border areas of the State and bring about harmony between the people and the Special Forces.

The State of Arunachal Pradesh is also planning to develop livelihood related programmes through agriculture & allied and tourism activities. The border guarding forces, various NGOs, PSUs and tour operators have been roped in to make these villages vibrant in every aspect. Under the Border Village Illumination Programme, 50 micro and mini hydel projects are being taken up with an estimated cost of Rs 200 Crores. Of these, two projects of Dichu at the LAC in Anjaw District and Preetnagar in Changlang District are under trial. 15 more projects are nearing completion under Phase I benefitting 128 border villages with an estimated cost of Rs 50 Crores.

(h) Skilled Human Resources

As per Census 2011, literacy rate of Arunachal Pradesh is approximately 65.38% and the workforce participation rate was estimated to be around 42.47%. Arunachal Pradesh boasts a pool of skilled human resources that contribute significantly to the State's development. With a strong focus on education and training, Arunachal Pradesh has nurtured a growing workforce proficient in various fields. The State's youth are increasingly gaining expertise in sectors such as agriculture, tourism, and traditional crafts, alongside modern industries like information technology and healthcare. In Arunachal Pradesh, many individuals are proficient in both English and Hindi, in addition to their native languages. This multilingual competence enhances their employability and communication skills on a broader scale, facilitating participation in various industries.

Arunachal Pradesh, like many regions, has the potential for green skill development, which involves training and equipping individuals with the knowledge and skills needed to work in sectors that promote environmental sustainability, conservation, and green technologies. The key areas to be considered for skill development keeping in view of the green economy potential of the State are, Renewable Energy, Sustainable Agriculture, Biodiversity Conservation, Eco-Tourism and Hospitality, Waste Management and Recycling, Water Resource Management, Green Building and Architecture, Climate Change Adaptation and Mitigation, Forestry and Agroforestry, Renewable Energy Entrepreneurship, Environmental Education and Awareness, Green Technology and Innovation etc.

(i) Green Growth

Arunachal Pradesh has significant potential for green growth due to its rich natural resources, biodiversity, culture, traditions, and pristine environment. Green growth in Arunachal Pradesh can help balance economic development with environmental sustainability and social well-being. The focus sectors and the potential for green growth in the State are clean energy with immense hydropower generation potential, renewable energy, ecotourism, harnessing green credit markets, sustainable forestry, and green transportation.

The state has a forest cover of 66,431 Sq.km which is 79.63% of its total geographical area, with a maximum carbon stock of 1023.84 million tones in the country. This makes Arunachal Pradesh one of the most carbon-rich States in India. Conserving and sustainably managing these forests can not only protect the environment but also create opportunities for non-timber forest product-based livelihoods, besides earning carbon revenue. Towards, green transportation, the Arunachal Pradesh Electric Vehicle (EV) Policy was drafted in 2021 and is under finalization. The draft policy aims to promote the adoption of electric vehicles in the State by providing incentives to EV buyers and manufacturers.

The State can also adopt nature-based entrepreneurship, where encouraging community-based initiatives for sustainable natural resource management, such as community forests and fisheries, can empower local communities and contribute to conservation efforts. Waste management, agri-horti sectors and green buildings are few other areas where State can witness green growth.

1.3 SWOT Analysis of Logistics Sector of Arunachal Pradesh

To know about the hurdles and resources towards setting up the logistics industry in the State vis-à-vis the State's present capacity a SWOT analysis has been carried out which has been tabulated as below: -

(a) Strengths

- High priority to Development both by State and Central Governments
- Unprecedented economic growth
- Adequate air connectivity
- Major connectivity infrastructure development initiatives

(b) Weaknesses

- Limited road coverage & poor road condition
- Basic rail and lack of port connectivity
- Limited internet connectivity
- Sparsely populated
- High cost of land acquisition
- High cost of development

(c) Opportunities

- Large army presence = more demand
- High potential growth sectors – tourism, agri-horti, hydropower, etc.
- Potential for international trade with and through Myanmar

(d) Threats

- High logistics cost will impact all sectors adversely
- Lack of alternative options may lead to supply chain disruptions
- Weather-related risks
- Environmental sustainability

1.4 Vision, Mission and Objectives

The Vision of the Policy is,

“Augment integrated, multi-modal, logistics ecosystem for a ‘Developed Arunachal Pradesh 2047’”

The Mission Statement of the Policy is,

“To develop and facilitate an integrated multi-modal logistics ecosystem in Arunachal Pradesh, with a view to enhance competitiveness, operational efficiency and sustainability through innovation, skilled manpower, quality and disruptive technologies; thereby achieving the goal of ‘Developed Arunachal Pradesh 2047’ through harnessing potential growth areas.”

The targets of the Arunachal Pradesh Logistics Policy are described below. The Technical Support Unit (TSU) shall be responsible for establishing a baseline for each of the targets mentioned below.

- Increase in trade and export volume
- Increase in footfall in tourism sector
- Increase in storage capacity
- Increase in private investment
- Decrease in cost of logistics

The geography of Arunachal Pradesh can be divided into four regions based on the nature of logistics demand and supply. i.e.,

- 1 Northern region bordering Tibet (China).
- 2 Eastern region bordering Myanmar.
- 3 Middle region with agri-horti potential and
- 4 Lower region connecting to Assam and beyond.

In the Northern regions, priority lies in enabling basic infrastructure like roads - thereby providing last mile connectivity and digital connectivity to residents of border areas and border guarding forces. For the Myanmar border, the need is to utilize the Integrated Check Post at Pangsau Pass and enable cross border trade to Southeast Asian Countries.

In the middle blocks with moderately hilly terrain, the potential lies in creation of agri-horti clusters and utilizing cultivable and tourism potential of the region.

In the lower regions with plains, development of logistics hubs can enable trade with Assam and neighboring States and further with other parts of the country.

1.5 Policy Period

This policy shall come into force with effect from the date of its notification and shall remain valid for a period of 5 (five) years or till the declaration of a new or revised policy, whichever is earlier.

1.6 Policy Revision

The Empowered Group of Secretaries (EGoS) will review the policy one year after its launch and propose revisions to the policy if needed.

2 Connectivity Infrastructure (Links)

2.1 Civil Aviation

Air connectivity is an essential aspect of logistics for Arunachal Pradesh owing to its wide area expanse, mountainous terrain and presence of population and security personnel in border areas. Thus, the air cargo transportation through existing and new airports will enable faster and efficient delivery of goods to both residents of the State and Border Guarding Forces.

(a) Existing infrastructure and its upgradation

1. Arunachal Pradesh has 4 operational airports in Hollongi, Tezu, Pasighat and Ziro.
2. The area in and around the Greenfield airport at Hollongi is prospected to transform into an 'aero city' which will also consist of a logistics hub to facilitate larger inter and intra State logistics related operations.
3. For faster transport of low volume, high value goods, especially those of perishable items, air cargo and cargo handling facility is required. Upgradation of Hollongi airport so as to enable cargo flight with necessary cargo handling facilities will be a priority.
4. The State has 7 Advanced Landing Grounds (ALGs) that can be used for logistics movement to border areas.
5. The ALGs at Tuting, Mechuka, and Vijohnagar are proposed for civilian operations.
6. There are 25 Nos. of existing helipads in Arunachal Pradesh.
7. The State has also taken two Dornier-228 aircrafts for exclusive commercial operations.

(b) Creation of new aviation infrastructure

1. In order to increase last-mile connectivity and service delivery in the remote and border areas, the State has proposed two new airports at Richi village in Upper Subansiri and Termoba in West Siang.
2. Two new ALGs have been proposed at Dirang and Anini, of which, the latter is set for redevelopment.
3. ALGs at Walong, Tuting, Mechuka, and Vijohnagar are proposed for civilian operations.

4. 6 helipads are proposed to be taken up under the Regional Connectivity Scheme – Ude Desh ka Aam Nagrik (RCS-UDAN)

2.2 Roads

The combined problem of larger dependency on and unavailability of sufficient road networks posits a setback in facilitating seamless transportation of goods and services within the State to its farthest points. The dependency on road networks also increases the cost of logistics in the State. In order to reduce the cost of logistics and ensure hassle-free logistics movement, the State will take up the following works and expedite the pending and ongoing road construction and development projects.

(a) Existing infrastructure and its upgradation

1. The 1,859 km long Arunachal Frontier Highway from Nafra to Vijoynagar is currently under construction.
2. Likewise, the Trans Arunachal Highway will be developed and will cover a length of 2,400 km.
3. To facilitate and accommodate larger volume of private and freight vehicles within the State and between States, the State has taken up construction of 2,284 km of National Highways (NH) of which 1,286 km are completed and work in 937 km are ongoing. The 61 km of balance works are likely to be completed within the next 5 years.
4. The State government has initiated the project to build a 1,500 km 2-lane East-West Industrial Corridor Highway project with the central government which will be built along the foothills of the State from Bhairabkunda in the district of West Kameng, at the tri-junction of Bhutan, Arunachal Pradesh and Assam to Ruksin, located in the district of East Siang.
5. Under Chief Minister Comprehensive State Road Development Plan (CMCSRDP), the State has successfully completed the construction of 516 km out of 3,650 km planned.
6. Ongoing 427 km NH projects by PWD To facilitate the transportation network in the State, PWD has currently 427 km National Highway projects.
7. Arterial roads of the State are also to be upgraded such as the two-lane road in 25 districts under Special Accelerated Road Development Programme for Northeastern region (SARDP).
8. The historic Ledo Road or Stillwell Road located at Pangsau Pass; Changlang District has the potential to undertake export-import (EXIM) operations with the Southeast Asian Countries. The length of road in Arunachal Pradesh from Jairampur near Assam to Pangsau Pass near Myanmar is approximately 32 km.

(b) Creation of new road infrastructure

1. In November 2022, the construction of 2,574 km of NH, Frontier Highway and Inter Connectivity corridors at an estimated cost of Rs. 44,000 Cr was sanctioned by the Union Ministry of Road, Transport and Highways (MoRTH), Government of India.
2. The State will identify major junctions along National Highways and Frontier highway for the development of basic wayside amenities and truck bay-lanes.
3. Decongest existing nodes (where goods vehicles are restricted) by facilitating 24x7 travel
4. Develop infra for intermodal connectivity for existing industrial estates, proposed nodes (as follows) and mega projects (need to list mega projects – railways, hydels, airports, ALGs, etc.)

2.3 Railways

Arunachal Pradesh currently has 26 km of railway tracks and 5 rail goods sheds. With extensive widening of railway line network and creation of cargo facilities at station hubs, they can serve as nodal points for storage, pick up and onward transportation of goods via road network. This will ensure that the State is well placed to enable logistics movement from States across Northeast and beyond and ensuring last mile delivery to even the remotest border areas.

(a) Existing infrastructure and its upgradation

The State is building extensive railway infrastructure connecting to neighbouring States like Assam and Nagaland. The ongoing works at railway line like Murkongselek to Pasighat (26 km) are important for logistics movement as it passes through proposed stations at Sille, Labo (Rani) and Pasighat.

(b) Creation of new rail infrastructure

1. Future works on Pasighat-Tezu-Parshuram Kund-Rupai (218 km), Silapathar - Bame - Along (96 km), Misamari - Tawang (201 km), Ledo - Kharsang (60 km) and Margherita - Deomali (26 km) will further improve railway connectivity to industrial clusters/ logistics hubs.
2. The World Class Station of 6,000 Sqm and G+2 floors proposed at Pasighat will be made an important transport hub for enhancing rail-road connectivity.

3. A time bound action plan will be adopted with Ministry of Railways to implement the railways master plan in the State and connect major nodes with rail network.
4. The State Government shall endeavor to set up Roll On-Roll Off services for goods vehicles along the existing and upcoming rail lines to facilitate seamless transport of goods vehicles bypassing the roadways wherever feasible.

2.4 Power

(a) Existing infrastructure and its upgradation

1. The backbone infrastructure of power in Arunachal Pradesh is being expanded to a State wide network of more than 2,000 km of 132 kV transmission line and more than 2,000 km of 33 KV distribution line.
2. The State will work on strengthening of these lines to ensure reliable power supply for logistics hubs, ports, industrial parks, storage facilities etc.

(b) Creation of new power infrastructure

1. The State will consider setting up of Battery/ Electric charging infrastructure to cater to future demand of e-vehicles (eg. e-buses) for transport of goods across major identified clusters.

2.5 Telecom

Reliable and fast internet connectivity supplied by this infrastructure will allow real-time information on goods movement, information on available capacity at truck terminals

(a) Existing infrastructure and its upgradation

1. Arunachal Pradesh has wide coverage of telecom with full saturation of BHARAT NET in all districts. 827 Gram Panchayats and 407 sites are connected by VSATs installed under BBNL and BSNL. 5G services are now available in the Itanagar Capital Region which will provide big boost to logistics.
2. There are 149 Airtel Towers along National Highways that can provide reliable internet connectivity to transport corridors/ cargo movement along highways and checkpoints.
3. Further, the State has endeavored to provide 3,721 of its villages with 4G services by setting up 2,605 4G mobile towers which will ensure logistics links reach the last mile.

2.6 Internet

(a) Existing infrastructure and its upgradation:

The State will lay Optical Fibre Cable Network (OFC) along the power transmission lines to ensure digital connectivity in the entire State.

(b) Creation of new power infrastructure

The State may consider setting up a Data Centre for enabling easy movement and tracking of data related to cargo movement, delivery at terminals, cold chain capacity and inventory management etc.

2.7 Ports

(a) Existing infrastructure and its upgradation:

1. The State of Arunachal Pradesh currently has no ports. However, considering the expanse of waterways under the 5 major river basins of Brahmaputra, the State Government shall endeavor to develop ports at Pasighat (via Oiramghat (Assam) to Pasighat route), Namsai (Sadia (Assam) to Namsai route), Tezu (Sadia to Tezu route) and inland shipping lanes from Oiramghat Port (Assam) to Pasighat, Roing and Tezu in Arunachal Pradesh.
2. The State shall seek investments for creation of passenger terminals, modern inland cargo terminals and navigational infrastructure.
3. The State shall explore feasibility to develop floating terminals at Dibang, Lohit, Siang in collaboration with Inland Waterways Authority of India.

3 Logistics Hubs and SEZs (Nodes)

3.1 Approach to Develop Logistics Nodes

Arunachal has a nascent logistics ecosystem with nine (9) industrial areas to start with. While the inbound logistics has increased in the era of e-commerce, the outbound logistics is yet to realize its potential. The key sectors are expected to play a major role to drive up demand for outbound logistics as well. This policy will aim to develop facilitating infrastructure such as industrial areas, logistics hubs and wayside facilities.

The policy will incentivize developing green and integrated logistics infrastructure such as approach and internal roads, inter-modal connectivity infrastructure, cargo bays, warehouses, cold storage, weighbridge, treated water supply, green power supply, solid and liquid waste processing plants and civil amenities as required.

The prioritization of developing such hubs shall be driven by market demand. All identified hubs shall be targeted to be developed in Public Private Partnership (PPP) mode. To make land available to develop these hubs, the State government shall facilitate private landowners through financial and legal support. Land may be acquired only in exceptional circumstances when the PPP option is not available or viable.

3.2 Existing Industrial Areas

Arunachal Pradesh has the following nine industrial areas / estates / growth centers. Under this policy, opportunities will be explored to augment the connectivity and facilities of these areas so that they may be developed as brownfield logistics hubs / wayside facilities.

1. Industrial Area at Dirang, West Kameng District (7 Acres)
2. Industrial Estate at Wanghoo, West Kameng District (15 Acres)
3. Industrial Growth Centre at Niglok, East Siang District (582 Acres)
4. Industrial Area at Balinong, Changlang District (79.5 Acres)
5. Industrial Estate at Pasighat, East Siang District (19 Acres)
6. Industrial Estate at Khachang, Changlang District (5 Acres)
7. Industrial Estate at Roing, Lower Dibang Valley District (10 Acres)
8. Industrial Estate at Deomali, Tirap District (4.5 Acres)
9. Integrated Infrastructure Development Centre (IIDC) at Bam, Lepa Rada District (50 Acres)

3.3 Proposed Industrial Areas

State Government shall endeavor to set up new industrial areas / estates / growth centers in the following locations.

1. Tawang, Tawang District
2. Tippi/ Bhalukpong
3. Manipolyang, Lower Subansiri District
4. Chandranagar, Papumpare District
5. Naharlagun, Papumpare District
6. Changlang, Changlang District
7. Namsai, Namsai District
8. Tezu, Lohit District
9. Charju, Tirap District

3.4 Special Economic Zone (SEZ)

The Industrial Area at Balinong, Changlang District will be developed as a Special Economic Zone (SEZ). The Balinong SEZ will be located near Pangsau Pass on the Indo-Myanmar border. The Pangsau Pass is strategically located in Nampong in Changlang district and can function as a commercial route on the Indo-Myanmar border. The Stilwell Road passes through Pangsau Pass.

3.5 International Integrated Check Posts (ICPs)

Arunachal has international borders with three countries – Tibet (China), Bhutan and Myanmar, out of which there are existing trade routes with Bhutan and Myanmar. The State Government shall assess the potential to increase the trade volumes along these routes and take necessary measures towards this objective.

The existing ICP at Pangsau Pass, which is located along the Stillwell Road, will be taken up as a priority infrastructure augmentation project to reach the full potential of Indo-Myanmar trade through Arunachal Pradesh. Feasibility of export through Sittwe Port in Myanmar will also be explored.

3.6 Domestic Integrated Check Posts (ICPs)

The State of Arunachal Pradesh shares its domestic border with Assam and Nagaland. There are existing and proposed logistics facilities at the border of the States along the key entry points. Domestic ICPS will be developed along eight (8) such entry points for smooth entry and exit to the State.

Logistics infrastructure needs and trade promotion potential will be assessed for each domestic ICP. All ICPs should have the necessary infrastructure such as logistics terminals, warehousing, cold storage, weighbridge, waste processing and other amenities.

The proposed domestic ICPs are as follows:

1. New Agri-Horti Cluster at Banderdewa-Kimin
2. New Agri-Horti cluster / Investment / Logistics Hub at Namsai as proposed under PM Gati Shakti scheme
3. Upgradation of Lekhi / Naharlagun Inter-State Bus Terminus (ISBT)
4. Proposed Logistics Park at Hollongi
5. Proposed ICP near Likabali
6. Proposed ICP near Ruksin
7. Proposed ICP at Deomali
8. Proposed ICP near Kanubari
9. Proposed ICP at Bhalukpong

3.7 Agri-Horti Clusters

Arunachal Pradesh is a traditionally agrarian State with large potential in the agri-horti sector. The State is one of the largest producers of Kiwi, Khasi Mandarin Orange, Large Cardamom, and Oil Palm, along with large tracks of and under organic farming.

Arunachal aspires to be an agri-horti powerhouse and has taken multiple initiatives to achieve the same. Developing agri-horti logistics clusters is one of such initiatives for which the State has identified five (5) key locations to set up such clusters. Similar to the ICPs, these agri-horti clusters will be provided with logistics terminals, warehousing, cold storage, weighbridge, waste processing and other amenities.

One such cluster is proposed to be developed as an ICP at Banderdewa-Kimin. The existing Banderdewa Mega Food Park will be scaled up into another agri-horti cluster. The remaining three (3) locations to establish the clusters are provided as follows.

1. Pasighat
2. Dirang
3. Tezu

3.8 District Level Truck Terminals

Optimally strategic locations shall be explored to develop district level truck terminals.

3.9 Warehouse at Chimpu

A warehousing facility will be set up at Chimpu to cater to the Itanagar Capital Complex.

3.10 Farm gate Logistics

The State will also provide farm gate logistics support to farmers through the applicable agriculture and horticulture policies and schemes.

4 Technology Adoption

4.1 PM Gati Shakti Digital Intervention

PM Gati Shakti National Master Plan have a mechanism of effective governance with the help of a Digital platform where 16 Ministries are brought together including Railways and Roadways so that an integrated planning, work coordination and implementation is possible for the infrastructure connectivity projects in the country.

The State Government of Arunachal Pradesh will plan for an integrated Digital Platform where all the concerned Departments pertaining to People and Goods movement such as State Transport, Revenue, PWD, Forest, Inland Water, Aviation, Tax & Excise, Private Logistics and Warehousing Partners etc. in the State are onboarded. This will ensure seamless connectivity for the movement of people and goods, and best possible mode of transport.

4.2 e-Pragati

Benefits of Government welfare schemes should reach the last mile and happiness of citizens. Through the e-Pragati portal all the State government Departments have been brought into the same platform where the progress made so far in various activities and schemes can be displayed including various issues and concerns. The Departments associated with the logistics and warehousing sectors will be under close monitoring for implementation of different infrastructural development projects.

4.3 Space Technology

GIS (Geographic Information System) is useful for the mapping of hazardous zones and during emergency conditions identification and rescue of victims is possible using these maps. GIS along with Remote Sensing are much beneficial in mitigation strategies and preparedness plans. Real-time geographic data can improve the allocation of resources across the State. The Government of Arunachal Pradesh shall sign an MOU with BISAG-N (Bhaskaracharya Institute for Space Applications and Geoinformatics) to use satellite communication and space-and-geo-spatial technologies for the planning and development activities primarily in logistics sector.

4.4 Drone Technology

The State has already been using the Drone Technology for transportation of medicines and medical equipment. The operations would be scaled up in terms of the end point connectivity, capacity of the delivery loads and the frequency of delivery. There would be Drone Landing spaces set up in every node and every district head quarter along with the availability of adequate charging stations.

To ensure the effectiveness and viability of the usage of Drone Technology State would come up with Arunachal Pradesh Drone Policy soon. If considered necessary, the State would plan for viability gap funding in this area.

4.5 Centre of Excellence for Logistics & Warehousing

The State of Arunachal Pradesh will setup a Centre of Excellence for Logistics and Warehousing in the Capital Complex City of Itanagar either through Public Private Partnership (PPP) mode or through incentivizing the private players. The Centre shall undertake research, bring in Information Technology/ Artificial Intelligence to find innovative solutions for strengthening, monitoring and analysis of complex logistics operations.

4.6 IT enablement & usage of ICT Platform

The State would adopt innovative technological platforms to bring in reformation in the logistics and warehousing industry to make it more effective, efficient and less time consuming and eventually reducing the overall cost of transportation in the State. The State would organize Hackathon kind of events challenging the startups and individuals in the State to come up with innovative IT solutions to improve the logistics and transport system in the State. The following are some areas where Information Technology would play a vital role to bring in transparency, timeliness, ease of operation and real time monitoring in logistics sector.

- (a) Vehicle tracking & Toll taxes (FASTag/ Smart Card):** The transport vehicles will be fitted with GPS navigation system with which the actual route traversed by the vehicle and the total kilometers travelled will be captured and the e-wallet would be debited accordingly during the time of exit through FasTag/Smart Card. Through the convergence of GPS and SIM-based technologies, Cargo-visibility is being facilitated in real-time even when it's on the move, imparting palpable dependability and robustness to the chain.
- (b) Ease of Documentation:** The logistic companies often face problems in proper documentation and the authentication of the sources. Through the indulgence of the technologies viz Blockchain with its distributed ledger technologies with all the stakeholders involved in the chain of logistics. Once the transaction is recorded for implementation none of the single nodes would be able to change it. Furthermore, data science and artificial intelligence are the way forward for logistics companies to improve the customer experience and get their preferred commodities closer to them by predicting demand ahead of time.

- (c) **EoDB in Logistics:** Government of Arunachal Pradesh will prioritize to streamline and simplify various laws, regulations and bring all approval/clearances related to logistic sector under EoDB (Ease of Doing Business) for seamless facilitation for the companies interested to enter this sector.
- (d) **Command & Control Centre:** State Government of Arunachal Pradesh will setup a dedicated Command & Control Centre integrating all the IT applications used for seamless logistic operations in the State. It aims at minimizing physical checks, increasing transparency, and to ensure hassle free movement of men and material within the State. The Integrated Command & Control Centre (ICCC) will have interfacing with all the logistics/ transport touch points viz. Check Posts, Truck Terminals, Toll Gates, Warehouses, Floating terminals, Inland Container Depot etc.
- (e) **RFID & Smart Cards:** RFID tags will be pasted over all Transport carriers/ vehicles handling cargo operations and the containers therein. The RFID scanner at the check post will have all the information on various parameters of the cargo in the vehicle viz. type, dimension, weight, value, E-Waybill details, Source-Destination, Consigner-Consignee etc. The drivers will be provided with Logistics carrier card for identification, authentication, data storage and application processing, e-payment etc. The personal information of the driver such as name, age, address, blood group, driving license, Aadhaar number etc. are saved in the microchip attached to the smart card. The same card could be used to make payment at some of the network petrol pumps.
- (f) **Online Inner Line Permits (e-ILP):**
The process of getting Inner Line Permits (ILP) online is already operational through the Government portal- <https://arunachalilp.com>. However, the process doesn't have any specific turnaround time as because the approval process in the back-end runs on manual mode and the operator must physically intervene in the process. To improvise the same there could be integration of Artificial Intelligence/ Machine Learning Technologies where the verification process can be automated and eventually the ILP can be obtained instantly or on the same day of application.

(g) e-Chopper App

To ease the process of booking of Chopper services in the State an integrated app would be developed where the travelers can check the availability status of the Chopper seats, route maps, date & time etc. irrespective of the service providers. The portal could be subsequently integrated through APIs (Application Programming Interface) with the national/ international travel booking sites.

5 Regulation & Compliance

5.1 Reduction of Compliance Burden

In line with the government's ongoing drive to reduce compliance burden, the policy will explore areas of intervention in the logistics sector where compliance burden can be reduced, and reforms can be undertaken.

5.2 Ease of Doing Business (EoDB)

The government of Arunachal Pradesh has implemented Ease of Doing Business (EoDB) reforms in the State. The success of EoDB will be replicated for logistics sectors and all stakeholder departments.

5.3 Single Window Clearance System

The State Single Window Clearance System (SWCL) shall be extended for logistics services. All State approvals, licenses, no objection certificates, and extension of previously obtained services shall be executed through the SWCL in a time bound manner. The Stated objective of the said reforms shall be aimed to reduce time and cost for the logistics operators for entry and exit at the State border check posts.

5.4 White Status to Logistics Industries

All logistics infrastructure set up in the identified industrial and logistics hubs shall be provided with 'White Status' so that the incentives under the State industrial and investment policy can be claimed under this policy. This will be applicable to warehouses, cold storages, etc. – with the exception of dedicated infrastructure for hazardous material such as nuclear waste, chemical waste or any other hazardous waste as defined by the State pollution control board.

5.5 Reduced VAT for ATF

Arunachal has reduced the Value Added Tax (VAT) of Aviation Turbine Fuel (ATF) from 20% to 1% in 2022. This makes the State of Arunachal Pradesh to charge one of the lowest ATF VATs among all States in India. The State will maintain this rate of 1% throughout the policy tenure to facilitate the aviation operators in the State.

5 Skilled Labour

Skill development will be a major enabler in generating employment for the citizens of the State in the logistics sector. With the development of the sector, sector-specific skilling programs/ courses in managerial and ground-level roles shall be initiated to build manpower capability.

The Empowered Group of Secretaries will designate the Department of Skill Development to assess skill gaps and availability of skilled personnel in collaboration with other government entities and logistics operators/ industries (identified as part of policy).

In collaboration with premiere institutes and organizations such as Logistic Skill Council, National Skill Development Corporation, Indian Institute of Entrepreneurship, etc. training can be imparted for various sectors.

Currently there are five Industrial Training Institutes (ITI) and seven Polytechnics (six Government and one private) in Arunachal Pradesh imparting foundation technical and non-technical course. The coursework in these Polytechnics shall be augmented to include logistic related courses.

State-based ITIs and Polytechnics will be incentivized to meet the skill gaps and offer trainings. The Council for Technical Education will be roped with permission from NSDC for setting up logistics courses in ITIs/ polytechnics.

A separate institutional organization can also be set up for logistics with sector specific course curriculum. This institute can function as a Center of Excellence (CoE) to impart logistic specific knowledge and skill development to cover various sectors such as primary packaging and processing, automobile repair, management of warehouses, cargo handling, cold storage management, digital monitoring of shipments, marketing, shipping, heavy motor vehicle driving etc. The institute may provide technical and non-technical trainings. It may also provide trainings for upgrading the skills of the existing workforce.

7 Financing

7.1 Sources of Fund

The sources of fund to implement the policy are as follows.

- Capex from Line Ministries
- Funds from Special Assistance to States for Capital Investment (SASCI)
- Private Sector Investments
- Ministry of Finance's Viability Gap Funding (VGF) scheme for PPP projects
- State's own funds disbursed through regular activities of the line Departments
- Financial Incentives under the Logistics Policy

7.2 Incentives under Other Policies

The units set up in logistics sector for warehouse, logistic terminals, cold storage etc. under this policy shall qualify for all the incentives as are provided to the *Arunachal Pradesh Industrial & Investment Policy 2020*, as amended from time to time, for the Industrial setting up of industrial units.

Private industries shall be eligible for incentives available from Government of India, as applicable, in addition to the incentives provided by the State. State Government shall facilitate access to such incentives.

7.3 Incentives under Logistics Policy

Under the Logistics Policy, the State Government shall provide incentives under the following categories.

- 1 Capital Investment Incentives to set up logistics nodes
- 2 Cold chain operations to facilitate the agri-horti sector
- 3 Capacity building in the logistics sector
- 4 Environmental Sustainability

(a) Capital Investment Incentives to set up logistics nodes

All capital investment incentives shall be 30% of the project cost or the prescribed upper limit, whichever is lower. All such incentives, including from other policies, can be availed together, and incrementally, for large projects, after the prescribed upper limit / cap of any one incentive is exhausted.

The location of such nodes shall preferably be in or around the areas identified in Section 3 (Nodes). The selection will be on first come first serve basis and feasibility of the proposal.

1. Landholder Incentive

The State shall provide a financial assistance of up to 30% of the fixed capital investment, with a cap of Rs 3 Cr per unit, for developing logistics hubs in the State –to develop common infrastructure such as roads, water supply, power lines, treatment plants, etc. This incentive shall be provided for a maximum of 5 nodes, including logistics hubs / ICPs / warehouses, cold storages, agri-horti clusters, etc.

2. Warehouse Facility

The State shall provide a financial assistance of up to 30% of the fixed capital investment, with a cap of Rs 90 Lakhs per unit, for developing warehouses in the State. This incentive shall be provided for a maximum of 12 warehouses.

3. Cold Storage Facility

The State shall provide a financial assistance of up to 30% of the fixed capital investment, with a cap of Rs. 1.2 Cr per unit, for developing cold storage infrastructure in the designated areas in the State. This incentive shall be provided to a maximum of 12 units.

4. Logistics Park

The State shall provide financial assistance of up to 30 % of the fixed capital investment, with a cap of Rs 15 Cr per unit, for developing large scale logistics parks in the State. This incentive shall be provided to a maximum of 2 units during the policy period.

5. Agri-Horti Processing centers

The State shall provide financial assistance of up to 30% of the fixed capital investment, with a cap of Rs 3 Cr per unit, for setting up of agri-horti and food processing centers in the State. This incentive shall be provided to a maximum of 5 units.

(b) Cold chain operations to facilitate the agri-horti sector

The State shall provide financial assistance to procure and operate insulated, refrigerated transport/mobile cooling units, to maximum 100 units during the policy period. The selection of the beneficiaries shall be based on first come first serve basis.

6. Procurement of Refrigerated Vans

The State shall provide financial assistance of up to 10% for procurement of insulated, refrigerated transport/mobile cooling units, with a cap of Rs 1 Lakh per unit. The ex-showroom price of the vehicles shall be considered for this purpose.

7. Road Tax Exemption for Refrigerated Vans

The State shall allow up to 50% one-time road tax exemption, with a cap of Rs 70,000/- per unit, for such vehicles.

8. Registration Fees Reimbursement for Refrigerated Vans

The State shall reimburse up to 100% of registration fees, with a cap of Rs 14,000/- per unit, for such vehicles.

(c) Capacity building in the logistics sector

9. Logistics Innovation Centre or The Centre of Excellence (CoE)

The State shall provide financial assistance of up to 50% of the capital expenditure for development of a Centre of Excellence for Logistics and Warehousing in the State, with a cap of Rs 1.25 Cr. The Centre shall undertake research, bring in ICT / Artificial Intelligence to find innovative solutions for strengthening, monitoring and analysis of logistics operations, among others.

10. Training

The State shall reimburse training cost of up to Rs 3,000/- per candidate, where the training pertains to technical training imparted by any government recognized institutions or training partners empanel under State's skill implementation agencies.

The State shall keep a target to train at least 100 candidates per year, with a total target of 500 candidates during the policy period. The training cost must be claimed by the entrepreneur within 12 months from the date of completion.

(d) Environmental Sustainability

The State shall provide financial assistance to procure and operate electric vehicles including two-wheelers and three-wheelers, to maximum 100 units during the policy period. The selection of the beneficiaries shall be based on first come first serve basis. This incentive shall be available for fleet owners including restaurants, courier service providers or similar last mile delivery providers.

11. Procurement of Electric Two-Wheelers / Three-Wheelers

The State shall provide financial assistance of up to 10% for procurement of electric bikes / scooters / rickshaws, with a cap of Rs 10,000/- per unit. The ex-showroom price of the vehicles shall be considered for this purpose.

12. Road Tax Exemption for Electric Vehicles

The State shall allow up to 50% one-time road tax exemption, with a cap of Rs 10,000/- per unit, for such vehicles.

13. Registration Fees Reimbursement for Electric Vehicle

The State shall reimburse up to 100% of registration fees, with a cap of Rs 1,000/- per unit, for such vehicles.

8 Sustainability

8.1 Emission Reduction and action(s) against Climate Change

The State Government shall endeavor to adopt the Science Based Targets initiative (SBTi) by collaborating with partners in the logistics value chain towards strengthening the net-zero commitments across all nodes and modes of operations, with the anticipation that the private sector logistics entities should have a net zero roadmap determined by science-based targets to reduce their emissions and fulfil the larger goal of the Paris Agreement i.e., to limit global warming to well below 2 degrees Celsius above pre-industrial levels.

To this end, the Government of Arunachal Pradesh may provide assistance through incentives. Such that, 10% additional incentives may be announced for companies declaring Science Based Targets.

The State Government will focus on declaring mandates on the use of trucks, buses and all other logistics-related modes of transportation facilitated with Bharat Stage VI (BSVI) (2020) and above emission standard to curb vehicular emissions discharged during heavy cargo operations within the policy period.

The State Government shall promote use of Electric Vehicles (EV) for intra-State freight movement or shorter inter-State distances. Charging points may be installed in significant locations in consultation with Department of Power, Govt. of Arunachal Pradesh and Arunachal Pradesh Energy Development Agency (APEDA).

The State Government will strive to incorporate India's National Green Hydrogen Mission in decarbonizing logistics transportation by adding new fleet of trucks and buses equipped with hydrogen fuel-cells or converting the existing petrol and diesel-powered fleet for advancing sustainability in logistics operation.

The State will also recommend Arunachal Pradesh State Transport Services (APSTS) to commence upgradation of traditional petrol and diesel-powered fleet to Compressed Natural Gas (CNG)-powered in a phased manner within the policy period.

8.2 Energy

In an attempt towards advancing sustainability in the logistics operations, the State will encourage the companies to install renewable-powered captive power plants and procure clean electricity through green energy open access with adherence to the Green Open Access Rules 2022. Smaller logistics hubs with relatively lesser energy demand can benefit from the reduction of open Access transaction limit from 1 MW to 100 kW.

The notified SEZ at Balinong in Changlang district and the two logistics parks earmarked for incentives, shall require to comply with energy efficiency regulatory instrument such as the Bureau of Energy Efficiency's (BEE) Performance, Achieve, and Trade (PAT) set under the Energy Conservation Act, 2001.

All nodes with an area more than or equal to 50 Acres shall be required to obtain a Green Rating for Integrated Habitat Assessment (GRIHA).

8.3 Waste Management

The State shall facilitate and ensure implementation of sustainable waste management practices from collection of waste to its disposal - harnessing the potential of the communities in waste management practices like, vermicomposting, recycling, among others.

The State shall facilitate and ensure installation of solid and liquid waste processing plants at all the nodes mentioned in the policy, with the capital investment incentives primarily earmarked for such infrastructure, along with connectivity infrastructure.

8.4 Carbon Offset Unit (COU) Trading

The State shall establish a mechanism to trade Carbon Offset Units (COU) with logistics sector industries and operators wherever feasible. Companies with larger tradable offset units will be given priority.

9 Key Performance Indicators (KPIs)

The State Government of Arunachal Pradesh will set up a baseline of key performance indicators of the logistics sector and monitor them on a regular basis. This will ensure that the implementation of the policy is continually aligned with the core objectives outlined in the policy.

The baseline information will be captured for the following parameters.

- 1 Total Warehousing Capacity of Arunachal Pradesh
- 2 Total Cold Storage Capacity of Arunachal Pradesh
- 3 Total Export Volume of Arunachal Pradesh for the last ten (10) years
- 4 Total Private Sector Investment in Logistics for the last ten (10) years
- 5 The Carbon Emission of the logistics sector will also be considered a KPI. The Government will set up an SBTi approved methodology to measure emissions for the logistics sector in the State – especially targeting all the logistics infrastructure that will be established under this policy, including the ICPs, agri-horti clusters, SEZ, etc.
- 6 The Logistics Ease Across Different States (LEADS) Ranking will be another KPI where government will strive for continual improvement of ranking and higher scores as per LEADS parameters.

10 Policy Governance and Collaboration

10.1 Empowered Group of Secretaries (EGoS)

The Government of Arunachal Pradesh has constituted an Empowered Group of Secretaries under the chairmanship of Chief Secretary, Arunachal Pradesh for the overall development of logistics sector in the State of Arunachal Pradesh and to ensure the projects are in line with the vision of PM Gati Shakti National Master Plan. The list of associated members is mentioned in Annexure I. The terms of reference of the EGoS are as follows.

- (a) To give directions/order to any of the Departments concerned in the State for the implementation of Integrated State Logistics Plan and National Logistics Policy
- (b) To discuss First mile/ last mile connectivity to National Economic Corridors and major transportation projects including major Rail, Air and Shipping/ Inland waterways terminals
- (c) To approve the State Logistics Plan, State Logistics Policy or any other guidelines, schemes for the promotion of logistics sector in the State
- (d) To review the various measures for enhancing Ease of Doing Business (EoDB) in the State for logistics sector
- (e) To review the performance of departments and agencies in availing and utilization of grants from Central Government under various schemes for infrastructure developments for logistics and resolve difficulties, if any
- (f) The Empowered Group of Secretaries may co-opt any private/ official/ expert members as required for the overall development of logistics sector

10.2 Network Planning Group (NPG)

The Government of Arunachal Pradesh has constituted a Network Planning Group (NPG) for operationalizing the PM Gati Shakti – State Master Plan for overall development of logistics sector in the State. The group is chaired by the Secretary of Planning Department, Government of Arunachal Pradesh. The composition of NPG is mentioned in Annexure II. The terms of reference of the NPG are as follows.

- (a) To prepare integrated logistics plan and policy and suggest amendments from time to time
- (b) To facilitate the investors in obtaining regulatory clearances from departments concerned of State and Central Government
- (c) To coordinate with allied departments for overall development of logistics sector in the State

- (d) To maintain data of warehouses facilities setup in the State of Arunachal Pradesh
- (e) To implement any other tasks/directions issues by Empowered Group of Secretaries for the development of integrated logistics sectors in the State of Arunachal Pradesh.
- (f) The Network Planning Group may co-opt private/official/expert members as required for the overall development of logistics sector.

10.3 Technical Support Unit (TSU)

The Government of Arunachal Pradesh has constituted a Technical Support Unit (TSU) under the chairmanship of Secretary, Planning, Government of Arunachal Pradesh for the overall development of logistics sector in the State of Arunachal Pradesh and to ensure the projects are in line with the vision of PM Gati Shakti National Master Plan. The composition of Technical Support Unit is listed in Annexure III. The terms of reference of the TSU are as follows.

- (a) To assist in data gathering and guidance to departments.
- (b) To support departments in preparing detailed project reports (DPR) with the help of designated consultant.
- (c) Validation of DPRs as proposed by the concerned departments.
- (d) To schedule regular follow ups to review progress.
- (e) To resolve issues raised by the line departments if any.

10.4 Collaboration

Keeping up with the spirit of collaboration propagated by the PM Gati Shakti scheme, the empowered groups under this policy shall ensure regular coordination and knowledge sharing meetings with key stakeholders including but not limited to departments of forest, railways, civil aviation, petroleum, MEITY, shipping, road transport, textiles and food processing, banks, chamber of commerce – to start with.

Collaboration with private industries and PSUs will also be ensured through six-monthly stakeholder meetings with industries, service providers.

State Government will identify / establish Government to Business (G-2-B) and Business to Business (B-2-B) interfaces and promote them for better collaboration.

10.5 General Terms and Conditions

Doubts relating to interpretation of any term and/ or dispute relating to the operation of any provision under this policy will have to be referred to the Planning, and Investment Department, Government of Arunachal Pradesh for clarification/ resolution, and the decision of the State Government in this regard will be final and binding on all.

No right or claim of any incentive under this policy will be deemed to have been conferred merely on the ground of provision in this policy. Implementation of various provisions covering the incentives, concessions, etc. is subjected to the issue of detailed guidelines/ statutory notifications, wherever necessary in respect of each item by the Committee(s) as defined in the Policy.

The Government of Arunachal Pradesh may at any time amend any provision of this policy.

The detailed guidelines on standard operating procedures on grievance redressal, fund disbursement, etc., as may be amended from time to time, may be referred in conjunction with this policy.

Annexure I: The list of Empowered Group of Secretaries (EGoS)

EGoS shall have representatives from all major State Departments and its composition shall be as under:

Sl.	Member	Designation
1	Chief Secretary	Chairman
2	Principal Chief Conservator of Forest	Member
3	Principal Secretary (Finance)	Member
4	The Nodal Officer for Arunachal Pradesh, Dept. for Promotion of Industry & Internal Trade, GoI	Member
5	Commissioner/Secretary (Home)	Member
6	Commissioner (Planning)	Member
7	Commissioner (PWD)	Member
8	Commissioner(Power)	Member
9	Secretary (Industries)	Member
10	Secretary (Agriculture)	Member
11	Secretary (UD & H)	Member
12	Secretary (RD)	Member
13	Secretary (Land Management)	Member
14	Secretary (Tourism)	Member
15	Secretary (Transport)	Member
16	Secretary (IT)	Member
17	Regional Director (AAI) or his representative	Member
18	ADDL DGBR (East), BRO or his representative	Member
19	Executive Director (P), NHIDCL, Itanagar	Member
20	Chief General Manager (Railways) or his representative	Member
21	Secretary (Planning)	Member Secretary

Annexure II: The list of Network Planning Group (NPG) members

Sl.	Member	Designation
1	Secretary (Planning)	Chairman
2	Director (Industries)	Member
3	Director (Agriculture)	Member
4	Director (Horticulture)	Member
5	Director (Fisheries)	Member
6	Director (Animal Husbandry)	Member
7	Director (UD & H)	Member
8	Director (Town Planning)	Member
9	Director (Land Management)	Member
10	Director (Transport)	Member
11	Director (IT)	Member
12	Director (Science & Technology)	Member
13	Director (Civil Aviation)	Member
14	Director (Tourism)	Member
15	Chief Engineer, Power (D&P)	Member
16	Chief Engineer, PWD (Highways)	Member
17	Chief Engineer, Electrical (D&P)	Member
18	Chief Engineer, WRD (D&P)	Member
19	Chief Engineer, PHE&WS (D&P)	Member
20	Chief Engineer, RWD (D&P)	Member
21	Director (Planning)	Member Secretary

Annexure III: The list of Technical Support Unit (TSU) members

Sl.	Member	Designation
1	Secretary (Planning)	Chairman
2	Director (NERIST)	Member
3	Director (NIT)	Member
4	Director (Industries)	Member
5	Director (Agriculture)	Member
6	Director (Horticulture)	Member
7	Director (Fisheries)	Member
8	Director (Animal Husbandry)	Member
9	Director (UD & H)	Member
10	Director (Town Planning)	Member
11	Director (Land Management)	Member
12	Director (Transport)	Member
13	Director (IT)	Member
14	Director (Science & Technology)	Member
15	Director (Civil Aviation)	Member
16	Director (Tourism)	Member
17	Chief Engineer, Power (D&P)	Member
18	Chief Engineer, PWD (Highways)	Member
19	Chief Engineer, Electrical (D&P)	Member
20	Chief Engineer, WRD (D&P)	Member
21	Chief Engineer, PHE&WS (D&P)	Member
22	Chief Engineer, RWD (D&P)	Member

Annexure IV: Maps showing various logistics-related links and nodes

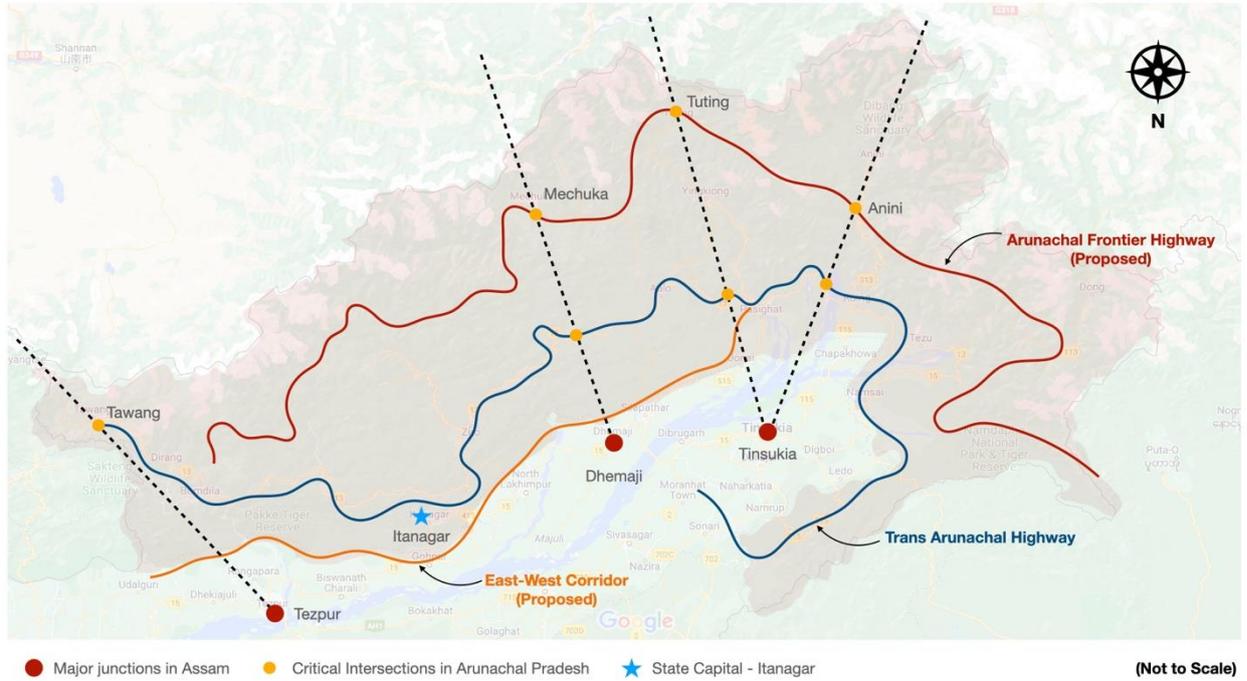


Figure 1: Conceptual mapping of important logistics nodes along the major highways namely, Arunachal Frontier Highway (proposed), Trans Arunachal Highway (under construction), and East-West Corridor (proposed)



Figure 2: Map showing existing and proposed Advanced Landing Grounds (ALGs) and Airports

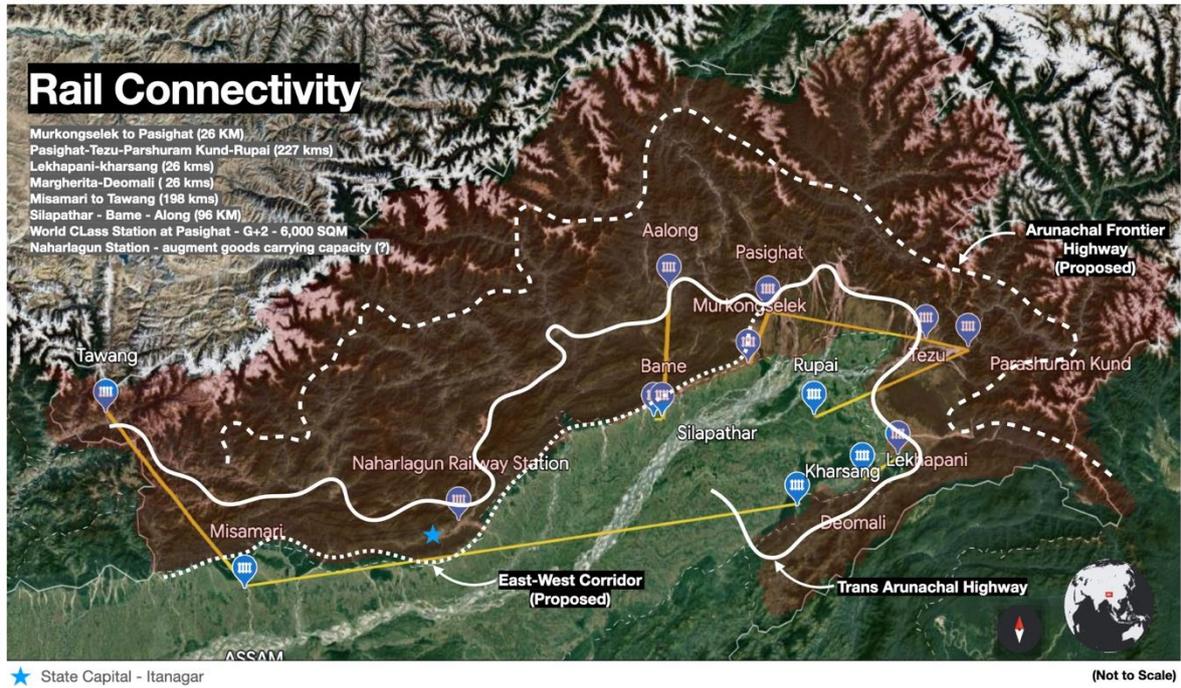


Figure 3: Map showing existing and proposed rail connectivity within the State

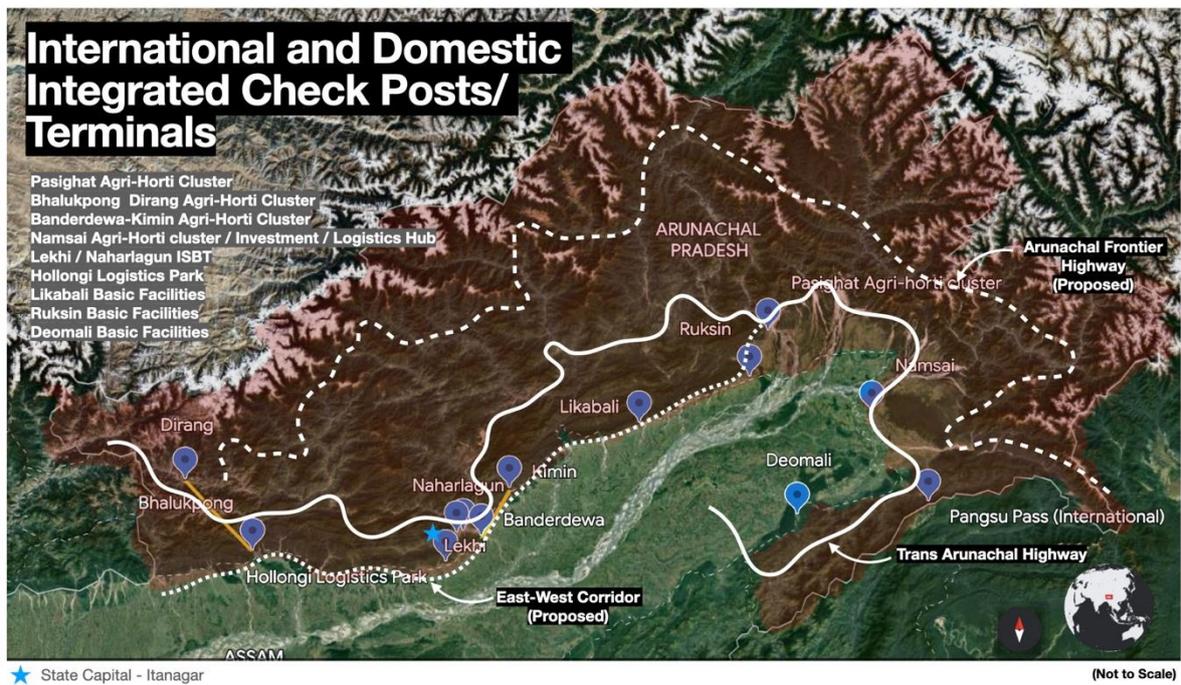


Figure 4: Map showing International and Domestic Integrated Check Posts (ICP), proposed agri-horti clusters and other terminals

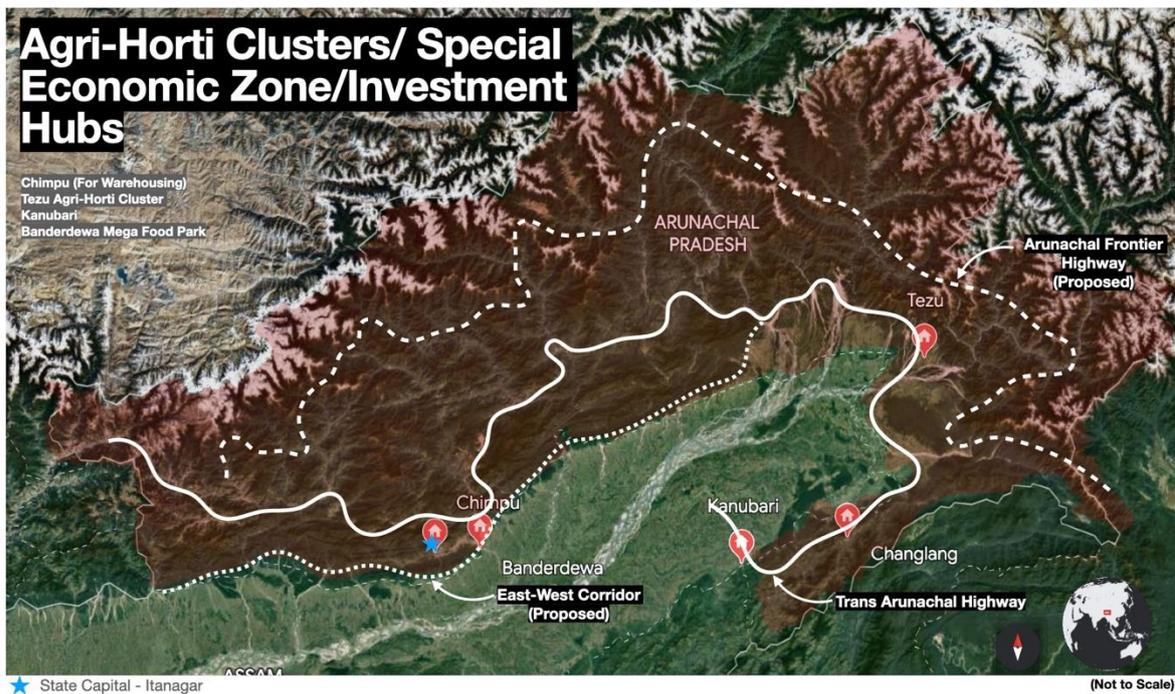


Figure 5: Map showing the major Agri-horti cluster, notified Special Economic Zone (SEZ) and potential Investment hubs