National Strategic Development Plan
To Enhance Transport And Logistics Connectivity

Regional Policy Dialogue- Transforming the Logistics Sector
15th July, 2022
Transforming the Logistics Sector

➢ Logistics sector keeps the Industry, Trade and Commerce moving.

➢ Availability of efficient and cost-effective logistics is a sine qua non for industrial growth and international trade.

➢ As the Indian Economy is growing, the consumption and production activities are also expanding, hence, the demand for Logistics is also growing at a greater pace.

➢ With the increased manufacturing levels to cater to the rising domestic and global demand; the rising internal and EXIM trade of goods and services, we need a robust and sustainable logistics ecosystem.

➢ Efficient and reliable Logistics network coupled with transparent streamlined cross-border trade facilitation, is the key to trade competitiveness and greater integration into Regional & Global value chains.

➢ Government of India is committed to facilitate and enhance the capacity of India’s EXIM logistics infrastructure and services.

➢ Government of India is adopting an Integrated approach of holistic development of Logistics Infrastructure and Logistics Services.
## India’s Strategic Development Plan

### PM GatiShakti NMP
- Transformative approach to have seamless multimodal and last-mile connectivity; logistics efficiency and economic transformation.
- Whole-of-government approach in a federal setup with onboarding of all Ministries/Departments and all States.

### National Logistics Policy
- National Logistics Policy is under its way with a National Logistics Action Plan.
- Aims to bring efficiency in services and human resource.

### Logistics Ease Across Different States (LEADS)
- Ranks all the States on the basis of quality and capacity of infrastructure, operational ease and regulatory approvals.
- Methodology to monitor logistics performance across states.
- LEADS report is released every year.

### User Interaction
- Robust Mechanism for collecting and addressing the user issues from various stakeholders in logistics sector through IMC, SCOPE meetings.

### Project Monitoring Group (PMG)
- Institutional mechanism for the expedited resolution of issues and regulatory bottlenecks in projects.
- One-stop facilitation destination for investors at all stages.

### National Industrial Corridor Development Programme
- Aims to develop new industrial cities as Smart Cities.
- Converges next generation technologies across infrastructure sectors.
India’s Approach to Reform Logistics Sector

A Transformative Approach for Economic Growth and Sustainable Development
With Integrated Mechanism for Reducing Logistics Cost and Improving Logistics Efficiency in India

PM GatiShakti
National Master Plan

For Integrated Infrastructure and Network Planning

National Logistics Policy

For Efficiency in Services and Human Resource
PM GatiShakti National Master Plan (NMP)

➢ Objectives:

- Improvement in infrastructure \(\rightarrow\) Increased economic activity
- Seamless movement of people, goods
- Minimized Disruptions
- Increased logistics efficiency \(\{\)
  - Reduced cost of Internal & EXIM trade
  - Increased Efficiency of Domestic & Global Supply Chains

Ease of Living

➢ Benefits to:

- Consumers – Reduced cost
- Farmers – Better realization of Agricultural produce
- Increased employment opportunities
- Businesses – Increased competitiveness of the product – Greater Market Share
## Sectors involved in PM GatiShakti NMP

<table>
<thead>
<tr>
<th>Economic Zones (Demand Side)</th>
<th>Infrastructure Linkages (Supply Side)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food/ Agri Zones</td>
<td>Highways</td>
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<tr>
<td>Fishing Clusters – Blue economy</td>
<td>Railways/ DFC</td>
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<td>Defence Corridors/ Clusters</td>
<td>Ports/ Inland Waterways</td>
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<td>Electronics Parks/ Clusters</td>
<td>Airports/ Heliports/ Water Aerodromes/ UDAN</td>
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<td>Textile Parks/ Clusters</td>
<td>National Gas Grid</td>
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<td>Pharmaceutical Parks/ Clusters</td>
<td>Power Transmission including Renewable energy</td>
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<td>Industrial Corridors</td>
<td>Optical Fibre Network</td>
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</table>
PM GatiShakti National Master Plan (NMP)

- Innovative use of technology to break silos.
- GIS based digital platform for multimodal connectivity to various economic zones.
- Decision support system.
- Integrated Project Monitoring.
- Institutional Arrangement at Central and State level.
# Guiding Principles of PM GatiShakti

<table>
<thead>
<tr>
<th>I</th>
<th>II</th>
<th>III</th>
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<tbody>
<tr>
<td><strong>Integrated Development</strong> with Railways, Ports, Airports, MMLPs, Urban Corridors etc.</td>
<td><strong>Allied Infrastructure</strong> including OFC, Telecom, Power, Solar, WSAs(^1) with Helipads/ Drones etc.</td>
<td><strong>Improved Connectivity</strong> to Economic / Industrial Clusters &amp; Backward Regions</td>
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<td>IV</td>
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<td>VI</td>
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<tr>
<td><strong>Reduced Ecological Impact</strong> through Forest Conservation, reduction of CRZ &amp; Wildlife conflicts etc.</td>
<td><strong>Expedited Land Acquisition</strong> via optimized alignment, digital land records &amp; State coordination</td>
<td><strong>Minimized Clearances</strong> across ROB / RUB, Utility Shifting etc.</td>
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Key Features of PM GatiShakti NMP

Using an integrated approach, the National Master Plan aims at achieving enhanced efficiency through:

1. **Comprehensiveness** by including all the existing/planned initiatives of various Ministries with data layers on a centralized portal

2. **Prioritization** by enabling different departments to prioritize their projects through cross-sectoral interactions

3. **Optimization** in planning for modification/expansion/new projects after identification of critical gaps

4. **Synchronization** and coordination in planning and implementation of projects to avoid delays/clashes/unsystematic development

5. **Analysis** using GIS based spatial planning and analytical tools of multi-layered data on NMP portal

6. **Dynamic** process to identify the vital interventions for enhancing and updating the master plan

All Ministries/Departments can visualize, review, monitor the progress of cross-sectoral projects through this Plan. They can work together to avoid conflicts and achieve better efficiencies.
Use/Benefits of NMP Portal

- NMP serves as an Effective Decision support System for infrastructure projects
- NMP serves as a tool for Facilitation of Integrated Planning for various Investment Regions, MMLPs etc
- NMP as tool for deciding the most optimized Alignment of expressways and corridors
- Visualization and Gap Identification can be done in effective manner based on the existing assets/Infrastructure
- Various requirements of Infrastructure ministries is addressed through this portal
- Through the Dynamic Dashboard, Monitoring of the infrastructure projects and status of data integration can be seen at a glance
<table>
<thead>
<tr>
<th>Parameter</th>
<th>China</th>
<th>Indonesia</th>
<th>Korea</th>
<th>U.S.A.</th>
<th>Germany</th>
<th>India</th>
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<td>Infrastructure</td>
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<td>Modernization/ 3rd party logistics</td>
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<td>Control/ monitoring</td>
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<td>ICT</td>
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<td>Skill Development - Human Capacity</td>
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<td>Safety</td>
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<td>Harmonization and standardization</td>
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<td>Trade and transport facilitation</td>
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<td>Internationalization</td>
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<td>Environment</td>
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<td>Logistics clusters - Logistics Corridors/ Multimodal Hubs</td>
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<td>Key industries/ stakeholders</td>
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<td>Intermodality</td>
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<td>Logistics certification</td>
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Legend: Not incorporated | Incorporated
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<tr>
<th>Country</th>
<th>LPI Rank <em>(Score)</em> 2018</th>
<th>Logistics Cost (as a % of GDP) 2017</th>
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</thead>
<tbody>
<tr>
<td>Germany</td>
<td>1 (4.20)</td>
<td>8.2</td>
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<tr>
<td>United States</td>
<td>14 (3.89)</td>
<td>8.2</td>
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<tr>
<td>Korea, Rep.</td>
<td>25 (3.61)</td>
<td>8.3</td>
</tr>
<tr>
<td>China</td>
<td>26 (3.61)</td>
<td>14.1</td>
</tr>
<tr>
<td><strong>India</strong></td>
<td><strong>44 (3.18)</strong></td>
<td><strong>13</strong></td>
</tr>
<tr>
<td>Indonesia</td>
<td>46 (3.15)</td>
<td>23.1</td>
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As per NCAER study, Logistics Cost in India in 2017-18 was estimated at 8.10% of GDP based on Supply and Use Tables (SUT) published by the Central Statistical Organization. Whereas 13% Logistics cost of India is calculated using Artificial Neural Network (ANN) model.

6 Parameters of LPI calculation include- Customs, Infrastructure, Ease of arranging shipments, Quality of logistics services, Tracking and tracing, Timeliness

National Logistics Policy – Vision & Targets

VISION OF NLP-
To develop a technologically enabled, integrated, cost efficient, resilient, sustainable and trusted logistics ecosystem in the country for accelerated and inclusive growth.

TARGETS OF NLP-
1. Reduce cost of logistics in India to be comparable to global benchmarks by 2030.
2. Logistics Performance Index ranking – endeavor to be among top 25 countries by 2030.
3. Create data driven decision support mechanism for an efficient logistics ecosystem.
# Strategy for achieving Targets

## TRANSPORTATION
- Right modal Mix
- Efficient Transportation
- Interconnected infrastructure
- Sectoral Logistics Plans

## WAREHOUSING
- Framework guidelines for Logistics Parks
- Standardization of physical assets/services

## INVENTORY
- Reducing stock in transit
- Improved predictability & reliability

## ORDER PROCESSING/ADMIN
- Simplifying processes & regulatory regime
- Integration of digital systems
- Seamless documentation
Thank you