



Public Affairs Forum of India

PM GATI SHAKTI NATIONAL MASTER PLAN SUGGESTIONS ON THE WAY FORWARD



PM GATI SHAKTI NATIONAL MASTER PLAN & NATIONAL LOGISTICS POLICY FOR MULTIMODAL CONNECTIVITY

The logistics sector provides significant macro contributions to the national economy by creating employment, national income and foreign investment influx. In the last five years, India has been focusing its attention on taking leadership in the global value chains. In order to make India the preferred destination for manufacturing as well as retailing, the Government of India has started identifying areas that will lead to greater competitiveness. One of the biggest challenges identified by India is the cost of logistics that adds to the cost of goods and services, thereby taking away from the national competitiveness. To address the challenges in logistics, the Government of India launched the PM Gati Shakti National Master Plan (PM GATI SHAKTI) and the National Logistics Policy (NLP). The industry welcomes this timely and important step towards transforming this sector.

The plan to provide an integrated platform where all the economic zones and their multimodal connectivity infrastructure projects are depicted, along with physical linkages to promote a comprehensive and integrated multimodal national network of transportation and logistics are indeed very well thought of. The creation of a unified platform will help in providing a comprehensive framework for government projects to increase efficiency, address relevant gaps for seamless movement of goods and services to eliminate delays.

PM GATI SHAKTI has information at the village, district, taluka level, inhabited areas apart from terrain conditions, 3D imagery and soil conditions. This information can greatly simplify the survey and planning process of different ministries/departments and may reduce time in finalizing the best locations for projects thereby enabling cost efficiency while reducing months of development and processing time.

The NLP also aims to achieve reduction of cost of logistics in India and make them comparable to global benchmarks by 2030, improve the Logistics Performance Index ranking and make India to be among top 25 countries by 2030 as well as create data driven decision support mechanism for an efficient logistics ecosystem. Several industry players (service providers and users) involved in the logistics sector have been in the forefront for adopting state of the art technology to optimize operations, route planning and fleet and cargo capacity. This effort to modernize the industry with tech-based solutions has helped businesses solve various challenges associated with last mile operations in both the pre and post pandemic eras. Leveraging the private sector's sophisticated supply chain and logistics networks using their data would enable knowledge sharing and aid the government in better planning and implementation of large-scale projects. While a number of provisions are in place, the government may consider the following suggestions to PM GATI SHAKTI and NLP to ensure a more thriving logistics



RECOMMENDATIONS TO PM GATI SHAKTI FOR INCLUSION OF DATA POINTS RELEVANT TO INDUSTRY

PILLAR	AREA	RECOMMENDATION	MINISTRIES INVOLVED
COMPREHENSIVENESS One unified portal for all current and upcoming initiatives from various Ministries and Departments	Railways	<ol style="list-style-type: none"> 1. Status of new and upcoming railways corridors and speed upgradation plans to be made available to help industry plan routes. 2. Availability of container handling infra at stations as well as connectivity to satellite stations near industrial corridors is needed for enabling multi-modal connectivity. 3. Bolstering Rail Freight Corridors in the north east will increase connectivity in remote areas. Availability of refrigerated containers could ensure perishable goods are taken care of. 	Ministry of Railways
	Waterways	<ol style="list-style-type: none"> 1. Information regarding port operators, navigable waterways and vessel docking status will help industry leverage waterways. 2. To reduce dependence on port facilities, installations of more jetties and dolphins is advisable. 	Ministry of Shipping, Inland Waterways Authority of India
	Containers	Live information on CONCOR 40 ft container availability is pertinent to help plan logistical operations.	Ministry of Shipping



PILLAR	AREA	RECOMMENDATION	MINISTRIES INVOLVED
<p>OPTIMIZATION</p> <p>The plan will assist in choosing the quickest and most economical path to move items from one location to another.</p>	<p>Airways</p>	<p>Live status of planes and cargo load capacity at airports can help the industry identify dynamic alternative route options and systematically plan operations.</p>	<p>Airport Authority of India (AAI), MoCA</p>
	<p>Roadways</p>	<p>Access to maps of load limits on roads and alternate route options to plan routes and arrange at acceptable and alternative locations.</p>	<p>MoRTH, State Governments</p>
	<p>Van Parcels</p>	<p>Live status and location of van parcel units will benefit companies track packages and serve customers in a timely manner.</p>	<p>Ministry of Railways</p>
	<p>Sustainability</p>	<p>Information on carbon footprint or carbon intensity of route options and built infrastructure will help companies achieve their sustainability goals as well as align with government's goals.</p>	<p>MoEFCC, NITI, DPIIT</p>
	<p>Customs</p>	<p>Single window system for all customs related matters (domestic, SEZ bound, international) will help simplify the process.</p>	<p>MoF, CBIC, DPIIT</p>



PILLAR	AREA	RECOMMENDATION	MINISTRIES INVOLVED
SYNCHRONIZATION Integrating the activities of each department in a holistic manner by ensuring coordination of work between them	Nodal Officers	<ol style="list-style-type: none"> Nodal logistics officers will enable faster resolution of issues and also help provide workarounds on local issues such as road use restrictions due to festivities, etc. A marketing cell would help improve access to government infrastructure. 	DPIIT, State Governments
	EV Charging	Visibility of network of EV charging stations as well as a central smart booking tool will allow logistics providers to streamline their last mile operations.	MoP, DPIIT, Power Utilities, State Governments
	Tele communication	Mobile usage density that is appropriately aggregated and anonymized is a lead indicator for commercial activity. Making this data available can help companies plan logistics investments. State governments can use this information to plan infrastructural activity and remediate any untouched areas.	DoT, State Governments, DPIIT
ANALYTICAL	Provide all data in one place with GIS based spatial planning and analytical tools having 200+ layers		
	Warehousing	Information of government warehouses such as their location, capacity, building condition, availability, can enable WAAS (warehouse as a service). Warehouse on hire model can help reduce logistical costs.	Nodal agency for Warehousing/ PM GATI SHAKTI to be notified/ tasked



TOP LEVEL SUGGESTIONS ON NLP

KEY STAKEHOLDER	AREA	RECOMMENDATION
State Government	City level plans for taking NLP forward	State Governments to come up with city level plans for enabling urban logistics for the last mile as part of their state level logistics policies
State Government	Unrestricted movement of supply chain	Provide for creating resilient supply chains e.g. provide methods for unrestricted movement of last mile vehicles and provide for alternates to city entry bans etc.
State Government	Special incentives for aggregators	Include incentives targeted for large scale aggregators/ logistics user companies to promote logistics related investments in states
Central and State Government	Budget line for incentives/ schemes	Central and State Governments to work together to provide budget line in state finances to avail logistics related incentives
Central Government	SLAs for services	Central Government agencies involved in movement of cargo goods to provide SLAs to large customers e.g. Ministry of Railways may introduce SLAs to improve
Central Government	Remove old / outdated restrictions	Central Government agencies involved in cargo movements to re-visit any old/ outdated regulations that pose restrictions on cargo movement e.g. red tariff rules of railways that pose restrictions on carriage of goods such as mobile phones on rail network



NEXT STEPS

We request Logistics Division, DPIIT to form a joint working group between Government and Industry. This group may consist of experts from the field of logistics, think tanks and government agencies including railways, roadways, shipping, warehousing and environment. The remit of the working group could be to evaluate recommendations to bolster the effectiveness of PM GATI SHAKTI and NLP.



