



# Shri Nitin Gadkari inaugurates India Integrated Transport and Logistics Summit

## Road, Rail, Aviation and Shipping Sectors Come Together to Deliberate on Integrated Multi-Modal Transport Planning

### Food, Revenue, Commerce, Skill Development and Other Stakeholder Sectors Also Participate

## Integrated Multi-Modal Transport Planning Critical for Bringing Down Logistics Cost and Ensuring a Sustainable and Balanced Economic Growth

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The Minister of Road Transport and Highways Shri Nitin Gadkari inaugurated the three day **India Integrated Transport and Logistics Summit (IITLS)** organized by the Ministry of Road Transport and Highways in New Delhi today. Speaking on the occasion, he said that “Antyodaya” or the welfare of the weakest person in society is the foremost aim of this Government. To achieve this aim it is necessary to boost economic growth in the country. From the present GDP of around 7.5 percent we need to achieve double digit growth figures. Shri Gadkari said that for India, one of the major impediments to such growth is our high logistics cost. If our economy is to flourish and if we want to ensure sustainable and balanced growth in the country, we urgently need to reduce our logistics cost to globally comparable rates.

The Minister further said that our high logistics costs are a result of the various modes of transport growing and developing in silos, in an un-integrated manner. Integrated, multi modal transport planning will help us to achieve a healthy modal mix of transport, which is efficient, faster, safer, import substituting, cost effective and pollution free. He also said that the logistics and transport sector has a very high potential for employment generation. It can provide jobs to the local youth after proper skill training. It can also provide employment opportunities in rural areas.

The IITLS has been organized with the objective of facilitating constructive dialogue between various stakeholders for the development of multimodal infrastructure in the country. For the first time, the Ministries of Road Transport & Highways, Shipping, Civil Aviation, Railways, Consumer Affairs, Food and Public Distribution, Skill Development, Commerce, Urban Development, Finance, various state governments and industry and infrastructure experts are getting together to deliberate on various connected issue and discuss the modalities for bringing about a transformation of the logistics and transportation scenario in India. This is urgently required to improve logistics costs in India. Currently India has a very poor Logistics Performance Index due to an unfavourable modal mix of transport and a lack of seamless intermodal connectivity.

In his address the Minister for Civil Aviation Shri P Ashok Gajpathi Raju said that India has witnessed explosive growth of air traffic and infrastructure in the last two to three years. He said that the Air Cargo industry is expected to register around 9% growth in the next few years. Given the circumstances, the coming up of logistics parks in the country will be very useful.

The Minister for Consumer Affairs, Food and Public Distribution Shri Ram Vilas Paswan in his address said that there is an impressive growth in Road, Waterways, Air and Rail sector. He said that procurement, storage and distribution of agricultural produce need proper and efficient logistics system to plug leakages, avoid rotting of grains and other perishable items and timely transport of the produce to the market. He said that there is a need to develop a National Common Market. He said connectivity between rail, road and waterways are required, so that farmers can take their produce to market in time and get better price.

Welcoming the efforts being put into the development of an integrated transport and logistics system the Minister for Railways Shri Suresh Prabhu said that there is an urgent need to integrate all transport systems. He said that with implementation of GST, trade and business will grow with much faster rate. While fiscal barriers to the movement of goods have been done away with, the physical barriers also need to be removed. The Minister said that the various transport sectors like railways, aviation, roads and shipping are seeing a lot of growth and development in the recent years. The railways have greatly enhanced their investment, and decongestion and electrification of routes are being done on a war footing. Efficiency of freight terminals is being improved, and three more dedicated freight corridors have been planned. He also said that port rail connectivity is also becoming better and more efficient with the Sagarmala programme. He added that to make transport systems in the country truly efficient we need to focus on integrated, seamless, multi-modal growth.

The Minister for Skill Development Shri Rajiv Pratap Rudy said with all infrastructure and logistics development the need to develop skills of man power is also required. The employment seeker will need proper training for this area. He said that with the transport and logistics sector poised for a makeover, a lot of new jobs are likely to become available. He emphasized the need to train the youth to make the best of these upcoming opportunities.

The Minister of State for Road Transport & Highways and Shipping Shri Pon Radhakrishnan proposed a vote of thanks. Earlier during the session the Minister for State for Road Transport & Highways and Shipping and Chemical & Fertilizers Shri Mansukh L. Mandaviya welcomed the delegates. Speaking on the occasion Shri Mandaviya stressed upon the need for an integrated approach for development of multi modal transport. He said the government is also working for alternatives for cargo movement from road to inland waterway and rail. He said the mission of the government is to bring down carbon emission to 10 percent.

The Chairman and Chief Executive officer of DP World, H.E. Sultan Bin Sulayam also addressed the summit. Shri Sulayam said that due to lack of proper

storage, nearly 10,000 tonnes of fruit and vegetables get wasted in India. If proper planning is done and proper storage facility and logistic infrastructure made available, this wastage could be stopped. He said India has huge potentials and opportunity to unlock.

An MoU was signed between DP World and National Investment Infrastructure Fund (NIIF) to develop projects spanning the port and logistics sectors including opportunities under the Sagarmala initiative, the Dedicated Freight Corridors and Logistics infrastructure aimed at reducing agriculture produce losses.

The inaugural session was followed by the plenary session. The session was addressed by Secretary Shipping Shri Rajive Kumar, Chairman Railway Board Shri A.K.Mittal, Commerce Secretary Smt Rita Teotia, Secretary Civil Aviation Shri Rajive Nayan Choubey , Secretary DIPP Shri Ramesh Abhishek, Secretary Food and Public Distribution Smt Preeti Sudan and Secretary Road Transport & Highways Shri Sanjay Mitra. The secretaries all welcomed the step to organize the seminar and flagged issues relevant to their ministries.

The IITLS is envisaged as a platform for all stakeholders in transport and logistics sectors to come together and initiate collaborative partnerships to realize the various greenfield and brownfield opportunities in logistic parks, freight corridors and IT solutions. The Ministry of Road Transport and Highways (MoRTH) had undertaken a study, called the Logistics Efficiency Enhancement Programme (LEEP), which has identified four key solution themes to improve the state of logistics in India. These are, freight corridor upgradation, logistics park development, seamless interstate movement and electronic toll collection systems. Taken together, these initiatives are expected to reduce India's logistics costs and bring them closer to the accepted global benchmarks from the current high levels of 13-14% of GDP. The Ministry plans to develop 35 Multimodal Logistics Parks (MMLPs) in India which will, cater to 50% of the freight movement, enable -10% reduction in transportation costs and -12% reduction in CO2 emissions. Land parcels have been identified and pre-feasibility studies initiated on six of these locations. The government is also working to formulate a uniform policy for the development of MMLPs.

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