

Freight corridors for economic development

Presentations

Presentation 1: Mr. Jose Luis Irigoyen (Senior Director, World Bank Transport & ICT Group) talked about the importance of increasing urbanization, manufacturing sector and digital advances that make India one of the fastest growing economies in the world. He mentioned that the key factors for developing and managing corridors for economic growth are:

- Physical planning - coordinated hierarchical multimodal planning
- Institution and corridor governance
- Required policy shifts (funding to planning instrument) - project approach to programmatic approach (bottom-up and top down both)

He also highlighted areas in the corridor development program where World Bank could add value such as analytical underpinning for corridor selection, developing institutional & regulatory framework, development of implementation and financing, monitoring implementation and leveraging financial support.

Presentation 2: Mr. Anil Devli (CEO, Indian National Shipowners' Association) talked about the relatively smaller share of waterways in freight transportation compared to other modes. He emphasized the need to shift from road and railways to waterways to achieve significant reduction in logistics costs. He applauded the Central Government initiative to formulate supportive policies for the shipping sector. However, he mentioned that Indian shipping is costlier than US due to taxes, and highlighted the need for favorable policies

Presentation 3: Mr. H.F.W. de Leijer (Partner, STC NESTRA, Netherlands) presented a theoretical framework for the development of economic corridors and showcased the role of inland ports. He also discussed the possibility of clustering cargo – direct and complex bundling where loads are consolidated and transported between exchange nodes (hub and spoke model) as an upcoming innovative technique. He also talked about Synchronomodality- which is the optimal allocation of cargo to different modes and routes in a network under the control of a logistics service provider, so that the customer (shipper or forwarder) is offered an integrated solution for its (inland) transport, which is a new concept in the domain of multi-modal transport.

Addresses & Panel Discussion

Members:

Mr. Nitin Gadkari, Hon'ble Minister of Road Transport, Highways and Shipping

Ms. Nirmala Sitharaman, Hon'ble Minister of State of Commerce and Industry

Mr. Yudhvir Singh Malik (Chairman, National Highways Authority of India)

Mr. Vinayak Chatterjee (Chairman, CII National Committee on Infrastructure & PPP; Chairman, Feedback Infra Ltd.)

Mr. Adesh Sharma, Chairman, DFCCIL

Mr. Sanjay Bhatia, IAS, Chairman, Mumbai Port Trust

Mr. Vivek Kele, President, Association of Multimodal Transport Operators of India (AMTOI)

The panel talked about the transformational change in logistics in India, highlighting that development of economic corridors and multi-modal integration have emerged as key focus areas. The importance of administrative and procedural interventions was also discussed. The Panel discussed the decreasing share of railways in freight transportation, highlighting the capacity constraints in this sector and how the increase in rail capacity will significantly reduce the congestion on roads.

The existing challenges at JNPT and their proposed resolutions were also discussed. The panel spoke about several institutional frameworks for the execution of corridor development and among other suggestions, a corridor-wise SPV was discussed. The panel discussion concluded with observations and suggestions from the Hon'ble Minister of State, Commerce & Industry. The Hon'ble Minister highlighted the alignment of logistic corridor with inland waterways and ports as well, and not just road freight corridors. Work by State governments of Tamil Nadu, Rajasthan and Andhra Pradesh received a special mention for their initiatives in the field of multi-modal transportation. She also talked about several institutional frameworks for the execution of corridor development and among other suggestions, a corridor-wise SPV was discussed.