

National Logistics Policy Set To Reduce Logistics Cost- Pramod Kumar Srivastava

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The release of a National Logistics Policy (NLP) has been long-awaited by the entire logistics fraternity. With the Indian logistics market valued at around USD 250 billion in 2021 and expected to cross USD 380 billion by 2025, the policy was indeed a need of the hour.



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National President of 'National
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India is a country which is heavily reliant on its road network. Studies have shown how rail transport and inland waterways are more cost effective, but they have remained under-utilized due to lack of sufficient infrastructure. This is a major reason why India's logistics cost is much higher when compared with the developed nations as well as other countries in BRICS.

The National Logistics Policy has digitalization at its core. It aims to seamlessly integrate transport, railways, customs, aviation, foreign trade and commerce ministries. The policy will enable the development of a Unified Logistics Interface Platform (ULIP) to ensure timely movement of cargo with detailed information. NLP correctly recognizes that multimodal hubs need to be built with dedicated freight corridors to ensure road transportation is required only for the first and last mile.

Infrastructure facilities such as Container Freight Stations (CFS), Inland Container Depots (ICD), Air Freight Stations (AFS), and modern warehouses will play a major role in creating logistics efficiencies near gateway ports, airports and hinterland regions. I am confident that the industry partners will work in close coordination with government authorities to scale up facilities near the proposed logistics park and enable value-addition. The Logistics Parks will be mapped on PM Gati Shakti platform which will ensure proper planning for a balanced logistics ecosystem throughout the country.

I am happy to see the government work hand in hand with the private sector. The policy will enable industry associations to have a direct link with government authorities and ensure issues are resolved in a timely manner with direct intervention. NACFS welcomes the National Logistics Policy launched by the Government of India, and we are confident that the policy will bring progressive changes to reduce logistics cost.

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