

Multimodal Logistics Parks: Way Forward for Reducing Logistics Cost

India Integrated Transport & Logistics Summit

Multi Modal Logistics Parks are the way forward for reducing logistics costs in India, and the Government needs to focus on putting in place the right regulatory and institutional support for building the same. A panel of experts discussed the issue at the India Integrated Transport & Logistics Summit at Vigyan Bhawan in New Delhi yesterday.

Developing a network of multimodal logistics parks (MMLPs) to act as logistics hubs will address the issues of unfavorable modal mix, inefficient fleet mix and an underdeveloped material handling infrastructure. Logistics parks are expected to help transition from the current situation of point-to-point freight movement to an ideal situation of hub and spoke model freight movement.

The large-scale investment required for developing logistics parks and the need to leverage industry best practices make the PPP model the most viable option. The involvement of a private player will enable access to state-of-the-art technologies available with the private sector and help in achieving efficient delivery of quality operational and maintenance services. Availability of long tenured loans, assistance in land acquisition and quality of trunk infrastructure are some of the other reasons which make the participation of the government critical in the development of logistics parks.

Addressing the session the Union Minister of State for Civil Aviation Shri Jayant Sinha highlighted that both time and cost of logistics need to be considered while planning for efficient logistics. He gave international examples of multimodal integration and talked about developing Guwahati into an efficient multi-modal logistics hub. Shri. Mohammed Jamshed, Member (Traffic), Railway Board also addressed the session and presentations were made by Mr. Robert Brekelmans, Chief Executive Officer, Transforium Company Support and Shri Prakash Tulsiani, Chief Operating Officer, All Cargo Logistics Limited.

The panel discussed issues like success stories of MMLPs in developed economies, Changing economic landscape and the need for MMLP, Impediments for multimodal logistics movement in India changes needed in Multimodal Transportation Act and the need for coordinated action

Multi Modal Logistics Parks are expected to bring down logistics costs by serving four functionalities - Freight aggregation and distribution, Multi Modal freight transportation, Storage and Warehousing with modern, mechanized warehousing space satisfying the special

requirements of different commodity groups and value added services: such as customs clearance with bonded storage yards,

warehousing management services, etc.

UM/NP/MS
(Release ID :161578)