



MoU for Multi Modal Logistics Park

For Prelims: Multi Modal Logistics Park, Bharatmala Pariyojna, Tripartite Agreement

For Mains: Infrastructure, Significance of Logistic Sector in Economy, Multi Modal Logistics Park, Bharatmala Pariyojna

Why in News?

Recently, the Government of India has signed the **tripartite agreement for swift development of modern Multi Modal Logistics Parks (MMLP)** under **Bharatmala Pariyojna** across the country.

- The objective is to **centralize freight consolidation** and **reduce logistics cost** from 14% to less than 10% of **Gross Domestic Product** at par with International Standards.

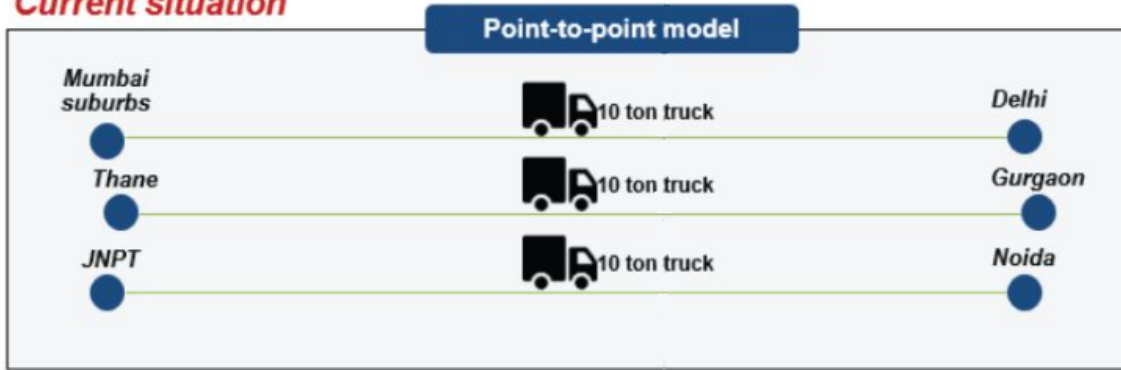
What do we need to know about the Agreement?

- **The tripartite agreement was signed by:**
 - **National Highways Logistics Management Limited (NHLML):**
 - It is a **Special Purpose Vehicle (SPV) of the National Highway Authority (NHAI)** of the Ministry of Road Transport & Highways
 - **Inland Waterways Authority of India (IWAI):**
 - It is a statutory authority under the Ministry of Ports, Shipping & Waterways.
 - **Rail Vikas Nigam Limited (RVNL)**
 - It is wholly owned **Public Sector Enterprise** under the **Ministry of Railways**.
- The agreement underlines the **cooperation & collaboration model** between the three bodies in order to achieve **efficiency in logistics movement within the country**.
- It will provide **seamless modal shift**, MMLPs will ensure that **cargo is swapped/shifted from and to Waterways, Dedicated Freight Corridors & Road Transport**.

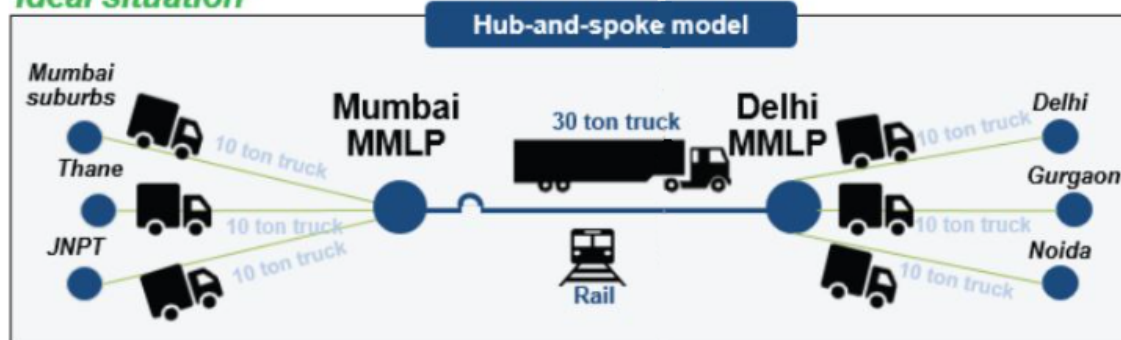
What is a Multi Modal Logistics Park (MMLP)?

//

Current situation



Ideal situation



▪ About:

- Developed under a **'Hub & Spoke'** model, the MMLP will integrate multiple modes of freight transport through **highways, railways & inland waterways**.
- The Multi Modal Logistic Park project is poised to **develop state-of-the-art large scale warehousing facilities** for different types of commodities, to become a **one stop solution for all services** related to cargo movement like **warehousing, custom clearance, parking, maintenance of trucks etc.**
 - **It will have all the facilities like** warehouses, railway siding, cold storage, custom clearance house, yard facility, workshops, petrol pumps, truck parking, administrative building, boarding lodging, eating joints, water treatment plant, etc.

▪ Focus:

- The MMLPs will focus on a **technology driven implementation** for a state-of-the-art freight management system.
 - Many value-added services like **packaging, repackaging and labelling** will be available in these projects.
- MMLP will be a **freight handling facility for mechanised material handling and value-added services** along with other associated facilities.

What is Bharatmala Pariyojna?

BharatMala: Connecting India Like Never Before



34,800 km of roads
to be constructed



Rs. 5,35,000
crores to be invested



- **Economic Corridors (9000 km):**
To unlock full economic potential
- **Inter Corridor and Feeder Route (6000 km):**
Ensuring holistic connectivity
- **National Corridors Efficiency Improvement (5000 km):**
Enhancing efficiency
- **Border Roads and International Connectivity (2000 km):**
Boosting Border Connectivity
- **Coastal Roads and Port Connectivity (2000 km):**
Leveraging Ports for Progress
- **Green field Expressways (800 km):**
Express speeds for Express gains
- **Balance NHDP works (10,000 km):**
Boosting all round connectivity

▪ About:

- Bharatmala Pariyojana is an **umbrella program for the highways sector** envisaged by the **Ministry of Road Transport and Highways**.

▪ Focus:

- It calls for **improvement in efficiency of existing corridors** through development of **Multimodal Logistics Parks and elimination of choke points**.
- It enhances focus on **improving connectivity in North East** and leveraging synergies with Inland Waterways.
 - North East Economic corridor enhancing connectivity to state capitals and key towns.
 - Multimodal freight movement via 7 Waterway terminals on River **Brahmaputra - Dhubri, Silghat, Biswanath Ghat, Neamati, Dibrugarh, Sengajan, Oriyamgh**.
- It emphasizes the **use of technology & scientific planning** for project preparation and asset monitoring.
- It calls for **seamless connectivity with neighboring countries**:
 - 24 Integrated check posts (ICPs) identified
 - Transit through Bangladesh to improve North East connectivity
 - Integrating **Bangladesh - Bhutan - Nepal and Myanmar - Thailand corridors** which will make NorthEast hub of East Asia
- **Satellite mapping** of corridors to identify upgradation requirements

▪ Objectives:

- To **optimise the efficiency of freight and passenger movement** across the country by bridging critical infrastructure gaps through effective interventions.
- **The effective interventions include** the development of economic corridors, inter corridors and feeder routes, national corridor efficiency improvement, border and international connectivity roads, coastal and port connectivity roads and greenfield expressways.
 - **Economic Corridors:**
 - These are integrated networks of infrastructure within a geographical area designed to stimulate economic development.
 - **Greenfield Projects:**
 - They lack constraints imposed by prior work on the site. Typically, it entails

development on a completely vacant site and architects start completely from scratch.

- **Brownfield Projects:**

- They carry constraints related to the current state of the site and might be contaminated or have existing structures that architects have to tear down or modify in some way before the project can move forward.
- To generate a large number of **direct and indirect employment opportunities** in the construction and infrastructure sector and also as part of the **enhanced economic activity** resulting from better road connectivity across the country.
- To connect **550 districts in the country through national highway linkages.**

UPSC Civil Services Examination, Previous Year Questions (PYQs)

Q. What is the significance of Industrial Corridors in India? Identifying industrial corridors, explain their main characteristics. **(2018)**

Source: PIB

PDF Refernece URL: <https://www.drishtias.com/printpdf/mou-for-multi-modal-logistics-park>