

Logistics Ease Across Different State 2023

For Prelims: <u>Logistics Ease Across Different States 2023</u>, <u>Logistics Performance Index</u>, World Bank, Ease of Doing Business.

For Mains: Logistics Ease Across Different State 2023, Indian Economy and issues relating to planning, mobilization of resources, growth, development and employment.

Source: PIB

Why in News?

Recently, the Ministry of Commerce & Industry has released the 5th edition of "Logistics Ease Across Different State (LEADS) 2023" report, which serves as a guide for stakeholders in the Logistics Sector by providing strategic insights.

What is Logistics Ease Across Different States (LEADS)?

About:

- The LEADS is an **indigenous data-driven index** to assess logistics infrastructure, services, and human resources across all 36 States and UTs.
- LEADS continues to act as a guiding & bridging mechanism for the identification of interventions enhancing logistics efficiency at State/UTs. It reflects positively on international indices, like the Logistics Performance Index.
- LEADS aims to guide stakeholders in the logistics sector by offering strategic insights and fostering healthy competition among states and union territories to improve their logistics performance.
 - LEADS was conceived on the lines of the Logistics Performance Index of World Bank in 2018 and has evolved over time.

Evaluation Criteria:

- The report evaluates logistics performance based on three key pillars,
 - Logistics Infrastructure
 - Logistics Services
 - Operating and Regulatory Environment

Methodology:

 The report is based on a pan-India primary survey conducted between May and July 2023, incorporating over 7,300 responses across 36 states/UTs. Additionally, it includes insights from over 750 stakeholder consultations facilitated by various associations.

What are the Key Highlights of the LEADS 2023?

Achievers:

 Thirteen states and Union Territories, including Andhra Pradesh, Karnataka, Tamil Nadu, Chandigarh, and Gujarat, are categorized as achievers in the logistics index chart 2023. • These regions have **shown efficient logistical services** that contribute to export promotion and economic growth.

Fast Movers:

- **Kerala, Maharashtra, Madhya Pradesh**, Rajasthan, Uttarakhand, Arunachal Pradesh, and Nagaland are recognized as fast movers in the logistics index.
- These areas have shown significant progress and **improvements in their logistical** services.

Aspirers:

 States and UTs in the aspirers category, such as Goa, Odisha, West Bengal, Bihar, Chhattisgarh, Himachal Pradesh, and Jharkhand, are identified as regions with potential for growth in their logistics ecosystem. These areas are striving to enhance their logistical capabilities.

Policy Reforms:

 The report emphasizes the significance of policy reforms such as industry status for logistics, digital initiatives (PM GatiShakti, Logistics Data Bank, Unified Logistics Interface Platform (ULIP), GST), and the alignment of State Logistics Policies with the National Logistics Policy.

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* States/ Union Territories within the performance categories are listed in alphabetical order

What is the Logistics Performance Index?

- The **Logistics Performance Index (LPI)**, developed by the World Bank Group, is an interactive benchmarking tool created to help countries identify the challenges and opportunities they face in their performance on trade logistics and what they can do to improve their performance.
- LPI is the weighted average of the country's scores on the six key dimensions:
 - Customs performance
 - Infrastructure quality
 - Ease of arranging shipments
 - Logistics services quality
 - Consignment tracking and tracing
 - Timeliness of shipments
- India ranked 38th out of 139 countries in LPI 2023.

What are the Initiatives Related to Logistics?

- Multimodal Transportation of Goods Act, 1993.
- PM Gati Shakti Scheme
- Multi Modal Logistics Parks
- LEADS Report
- Dedicated Freight Corridor
- Sagarmala Projects
- Bharatmala Project

UPSC Civil Services Examination Previous Year Question (PYQ)

Q. The Gati-Shakti Yojana needs meticulous coordination between the government and the private sector to achieve the goal of connectivity. Discuss. **(2022)**

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