

**GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE
LOK SABHA**

**UNSTARRED QUESTION NO. 2088.
TO BE ANSWERED ON WEDNESDAY, THE 02ND AUGUST, 2023.**

LOGISTICS COST

2088. SHRI K. NAVASKANI:

Will the Minister of **COMMERCE AND INDUSTRY** be pleased to state:

वाणिज्य एवं उद्योग मंत्री

- (a) whether the Government has taken cognizance of the fact that the logistics cost in India is currently thirteen percent of the GDP as compared to eight percent in the rest of the world, which makes it difficult for Indian exports to compete globally; and
- (b) if so, the details of the initiatives that are proposed to be taken by the Government to bring down logistics cost to 7.5 percent of GDP from the current thirteen percent?

ANSWER

वाणिज्य एवं उद्योग मंत्रालय में राज्य मंत्री (श्री सोम प्रकाश)

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY
(SHRI SOM PARKASH)**

- (a) & (b):** There are no official estimates of Logistics Cost or its impact on competitiveness, though various reports put it at 8% - 13%. To reduce logistics cost, Government has launched the PM GatiShakti National Master Plan initiative on 13 October 2021 and to complement it, National Logistics Policy was notified in September, 2022. PM Gati Shakti National Master Plan is a transformative approach for improving logistics efficiency and reducing logistics cost, with focus on integration of existing and proposed infrastructure development initiatives of different agencies to ensure first and last mile connectivity, for seamless movement of people and goods.

While development of integrated infrastructure and network planning is addressed through the PM Gati Shakti National Master Plan, for efficiency in services (like processes, digital systems, regulatory framework) and human resource development, the National Logistics Policy, through its Comprehensive Logistics Action Plan (CLAP), provides a framework for creating data-driven decision support mechanism aimed at reducing logistics cost and enhancing logistics efficiency in the country.

As part of the Comprehensive Logistics Action Plan (CLAP) under the National Logistics Policy 2022, the Government is focusing on development of integrated digital logistics system and IT solutions through Unified Logistics Interface Platform (ULIP). Currently, around 34 digital systems across 8 line Ministries/Departments have been integrated on to ULIP. Such integrated digital systems intend to help achieve greater information symmetry across supply chains and enable more informed decision-making for both domestic and international trade.