



Civil Services Day
21ST APRIL, 2022



PM GATI SHAKTI

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COMPOSITION OF THE SESSION

Breakaway Session

Chair

- **Shri Nitin Gadkari, Minister for Road Transport and Highways**

Rapporteur

- **Shri Amit Ghosh, Additional Secretary MoRTH**

Panellists

- **Shri O P Singh, Member Infrastructure, Railway Board**
- **Shri Aramane Giridhar, Secretary, MORTH**
- **Shri Pankaj Jain, Secretary, MoPNG**
- **Shri Amrit Lal Meena, Special Secretary, Logistics**
- **Shri Harikishan Koppula Reddy, CEO Cube Highways, NOIDA**

INTRODUCTION

PM Gati Shakti is a digital platform, and a holistic infrastructure development programme, aiming to improve the productivity of industries and employment opportunities, through the medium of synergizing various government ministries. It is an integrated step towards developing modern India, consisting of railways, aviation, waterways and roadways. Hon'ble Prime Minister Narendra Modi on 15th August 2021 announced the 'Pradhan Mantri Gati Shakti National Master Plan', which means "the power of speed", marking "**Azadi ka Mahotsav**" as India enters its *Amrit Kaal*.

Hon'ble PM mentioned that the purpose of Amrit Kaal was to improve the lives of India's citizens, lessen the divide between cities and villages, introduce the latest technologies and opt for minimum government and maximum governance. It includes four priority areas, namely (i) PM Gati Shakti, (ii) Inclusive Development, (iii) Productivity Enhancement and Investment, Sunrise Opportunities, Energy Transition and Climate Change, and (iv) Financing of Investments.

Pegged at a budget of Rs. 100 lakh crores, this national master plan for multi-modal connectivity will break departmental silos and institutionalize holistic planning for stakeholders across major infrastructure projects. This would enable departments to have visibility of each other's projects and to beat the categorized bureaucratic system, through integrated planning and coordinated execution.

The **vision** of this priority area is to incorporate schemes of various Ministries and State Governments like Bharatmala, Sagarmala, inland waterways, dry/land ports, UDAN, etc. and increase the range of Economic Zones such as textile clusters, defense corridors, pharmaceutical clusters, electronic parks, industrial corridors, fishing and agricultural zones to improve connectivity and ensure that Indian businesses become more competitive. It would also extensively use spatial planning tools with **ISRO (Indian Space Research Organization)** imagery developed by **BiSAG-N (Bhaskaracharya National Institute for Space Application and Geoinformatics)** as one of the ways in which to leverage technology for a coordinated execution of projects.

KEY ASPECTS OF THE NATIONAL MASTER PLAN

There are six pillars supporting the Master Plan and facilitating coordination between Ministries and Departments:

- **Comprehensiveness:** All Departments would have access to visibility of projects of each other's activities, providing critical data for planning and execution in a comprehensive manner. The centralized portal would include all the existing and future projects of various Ministries.
- **Prioritization:** The Ministries would now be able to prioritize their projects through cross-sectoral interactions made through the Gati Shakti portal.
- **Optimization:** The National Master Plan will assist different Ministries to coordinate their projects after identification of critical gaps. Transportation of goods would also be easier as the plan would help select the optimum route, reducing time and cost.

- **Analytical:** It will provide all the data in one place using GIS based spatial planning and analytical tools with over 200+ layers, as a means of enabling better coordination and execution of projects.
- **Synchronization:** Ministries often work at individual capacities and in silos, leading to a lack of coordination in planning and implementation of projects, resulting in delays. The plan is to synchronize the activities of such departments, as well as the different layers of governance in a holistic manner.
- **Dynamic:** All the various Ministries and Departments will be able to visualize, review and monitor the progress of cross-sectoral projects, using the GIS platform as the satellite imagery will give on-ground progress periodically and which would be updated regularly on the portal. This will help in identifying the vital interventions required for enhancing and updating the master plan.

Institutional Framework

The National plan will give impetus for the rolling out of government policies related to infrastructure, for planning and execution. It would employ the usage of next generation technology, multimodal connectivity and modern infrastructure to gain momentum from its initiation. Hence, the institutional framework for rolling out, monitoring and implementation of projects is designed to be supported by a three-tier system:

- i. **Empowered Group of Secretaries (EGOs):** EGOs will be headed by the Cabinet Secretary and consist of the Secretaries of 18 Ministries as members, and the Head of Logistics Division as the Head Convenor. It has been mandated to review and monitor implementation of the PM Gati Shakti National Master Plan to ensure logistics efficiency. ¹
- ii. **Network Planning Group (NPG):** It will consist of heads of Network Planning wing of respective infrastructure Ministries and assist the EGOs.
- iii. **Technical Support Unit (TSU):** It is approved for providing the required competencies for the complexities involved in the overall integration of networks, enhancing optimization to avoid duplication of works for holistic development of any region and reduces cost of logistics through micro-plan detailing.

Besides the institutional framework, the implementation of the plan also depends on stakeholder synergies, financing infrastructure and status of credit information. Bringing in local municipalities and state governments into the folds of this plan would ensure a smooth coordination and facilitation for projects, increasing connectivity and mobility. To design and maintain such modern infrastructures, financing bodies can help enhance capital base, speeding up of debt resolution system and ensuring higher scalability for banks and non-banks to participate in. And finally, the sharing of credit information by a credit institution to a central agency is in public interest and can be used to mitigate credit risk.

¹ http://164.100.47.193/Refinput/New_Reference_Notes/English/03122021_105656_102120474.pdf

Sector Impact²

- A total length of 35,00,000 km of optical fiber cable network is to be laid down by 2024-25, for the telecommunication sector. This would connect all 2,50,000 with high-speed internet and 4G mobile connectivity by 2022.
- New and Renewable Energy sector will increase from 87.7 Gigawatt to 225 Gigawatt by 2024-25. 50 per cent of India's power generation capacity is to be met by renewable energy sources by 2024-25.
- Power transmission network is to be upgraded from 4,25,500 circuit km to 4,54,200 circuit km by 2024-25. Transmission network performance parameters to match the best global standards.
- In Petroleum and Natural Gas sector, 17000 km long trunk pipeline, connecting major demand and supply centers for industries, is to be added by 2024-25 making a total length of 34500 km of pipeline across the country. All states to be connected with the trunk natural gas pipeline network by 2027.
- Powered by Sagarmala, shipping sector to see an increase in cargo capacity at the ports to 1759 Million Metric Tonnes per Annum (MMTPA) by 2024-25 from 1282 MMTPA in 2020. Cargo movement on all national waterways will be 95 Million Metric Tons (MMT) by 2024-25 from 74 MMT in 2020. Cargo movement on Ganga to be increased from 9 MMT to 29 MMT by 2024-25.
- Powered by Regional Connectivity Scheme – UDAN, civil aviation sector to see an increase in the aviation footprint globally. 220 airports, heliports and water aerodromes to be operational by 2024-25. 109 airports including existing 51 airstrips, 18 greenfield airports, 12 water aerodromes and 28 heliports to be developed by 2024-25.
- Powered by Bharatmala, in the road transport and highways sector two lakh km route of national highway network to be achieved by 2024-25. Along the coastal areas, 5590 km of four & six-lane national highways to be completed by 2024-25. All state capitals in North Eastern Region to be connected with either four-lane National Highway or two alternate alignments of two-lane configurations each by 2024-25.
- By 2024-25, Indian Railways will see a decongestion by 51 per cent due to completion of critical projects. Cargo to be handled by Indian Railways will be 1600 million tonnes up from 1210 million tons in 2020. Western and eastern dedicated freight corridors for faster movement of freight trains to be completed.

Establishing Economic Zones³

One of the important features of the National Master Plan, is the establishment of Economic Sector Zones, to boost India's ease of doing business. Some sectors where they have been proposed are:

² <https://static.pib.gov.in/WriteReadData/specificdocs/documents/2021/oct/doc2021102511.pdf>

³ <https://static.pib.gov.in/WriteReadData/specificdocs/documents/2021/oct/doc2021102511.pdf>

- For promotion of industry and internal trade, 11 industrial corridors comprising 32 nodes/projects to be developed in four phases by 2024-25. Greenfield smart industrial cities are to be created for reliable, sustainable, resilient and quality infrastructure for industries.
- 90 textile clusters/mega textile parks to be developed by 2024-25. 10 mega integrated textile regions/parks to have plug and play facilities, common facilities and integrated value chain to boost scale and efficiency with two parks partly dedicated to machinery manufacturing.
- 109 pharma and medical device clusters to be developed by 2024-25. 10 pharma clusters to be developed by financing common facilities worth Rs. 20 crore each. Further, three bulk drug parks and four medical device parks to be developed.
- For electronics manufacturing, 38 Electronic Manufacturing Clusters (EMCs) to be developed by 2024-25. Among them, 23 new clusters to have plug & play and CFC facilities.
- By 2024-25, two defense corridors to be developed with a target investment of over Rs. 10000 crore each. A turnover of Rs. 170000 crore including export of Rs. 35000 crores in aerospace and defense goods and services to be achieved by 2024-25.
- By 2024-25, 197 mega food parks and agro processing centers to be developed increasing the food processing and preservation capacity from 222 lakh MT to 847 lakh MT. Further, a value chain development of agri-food produce on cluster basis would be done.
- By 2024-25, 202 fishing clusters/fishing harbors and major fishing landing centers to be developed with an additional fish production of 70 lakh metric tonnes and doubling of fisheries exports. Integrated aqua parks as hubs of multifarious fisheries activity to be developed.

Focus on Logistics

The logistics sector has been recognized for the first time in the Union Budget of 2022, and for the significant role it plays in the economy⁴. Focusing on this sector will attract more investments from institutional funds and developers, led by the PM Gati Shakti plan to set up multimodal logistics parks and other initiatives. Following this, logistics hubs in tier 2 and tier 3 cities will reap the benefits, apart from the major metropolitan cities such as Mumbai, Delhi NCR, Kolkata, Bangalore, etc.

This recognition has been lauded by several industry leaders and Ministries as a transformative step towards an integrated network for monitoring and coordination of projects and the Finance Minister's efforts to simplify the tax structure. This would bring together 16 ministries, including railways and roadways, and 24 digital systems of six ministries through Unified Logistic Interface Platform (ULIP), creating a National Single Window Logistics Portal that would effectively reduce logistic cost.

One of the primary examples of the Centre's focus on connectivity would be the first freight train reaching Manipur's Rani Gaidinliu Railway Station, Tamenglong, after 75 years of independence, allowing for further transformation in the North-Eastern region of the country.

⁴ <http://cargotalk.in/editions/2022/CTMarch22.pdf>

The Union Minister for Commerce and Industry, Shri Piyush Goyal, notes that the export target of US \$650 billion with 2022's financial year would be achievable, as a target of \$400 billion merchandise exports is within sight and the services sector should strive for US \$250 billion in exports. India had recorded its highest ever monthly merchandise exports in December 2021, with \$37.29 billion, indicating a rise of 37 per cent over US\$ 27.22 billion in December 2020 and an increase of 37.55 per cent over US\$ 27.11 billion in December 2019.

By encouraging private participation in the market, India aims to capitalize on the advantage of its geographical location and create a robust system of catering to domestic and international market demands and investments. The plan aims to boost warehousing and logistics facilities within the country, expanding the depth of reach to new age consumers, who are rapidly increasing as the country's digital/internet reach increases.

Apart from the infrastructure developments, experts have also focused on the sustainability initiatives of the plan. The *Amrit Kaal* initiative conceptualized by the government to boost ease of doing business would aid in improving productive efficiency of capital and human resources. The announcement of a battery swapping policy, the introduction of a uniform standard of batteries for e-vehicles, while encouraging the public and private sectors towards a sustainable and eco-friendly approach has also been deemed commendable by many.

BENEFITS OF THE PLAN:

- The higher share of freight for the railways and railroad multi-modal connectivity shall provide multiple benefits such as:
 - Reduced cost of logistics to GDP that has prevailed at about 14% to an aspirational 8%.
 - Addresses the challenge of reducing vehicular emissions from road freight growth in order to meet climate change commitments and containing input costs due to extraordinarily high taxes on diesel.
- Integration of postal and railways network would greatly facilitate easier mobility for parcels, helping lead to **One Station One Product**.
- Will introduce 400 new generation Vande Bharat trains, as well as National Ropeways Development Plan as sustainable alternative to conventional roads.
- With respect to efficiency in port operations, it has:
 - Increased cargo handling capacity
 - Reduced vessel turnaround time

A holistic and integrated transport connectivity strategy will greatly support Make in India and integrate different modes of transport.

CHALLENGES

- The COVID-19 pandemic has brought about large unemployment in the country and affected global markets and businesses. It would be challenging to ensure that a vast majority of the population is able to receive employment through the plan, in order to meet the lagging demand and supply of the markets.
- Even after employment, capacity building and skill training would need to be imparted in order to ensure that they can meet global standards. India's workforce largely is within the informal sector, who may have limited training and education. This would hamper their chances for gaining skillful employment and increase the gap between white-collar and blue-collar jobs.
- While the Central Government has announced a grand budget for the plan, ensuring infrastructure development and increasing India's manufacturing capabilities would still require investments from global groups. For e.g., developing manufacturing hubs to meet global market demands for goods, or upgrading other sectors like aviation, technology, etc. would require huge investments.
- Issues may arise from incompatible or hostile land acquisition to develop projects. While large projects require huge plots of land, the population and wildlife living within its vicinity may be affected. Alienation of people from their land may lead to socio-political issues as well as have consequences on the environment.

CONCLUSION

The Gati Shakti National Master Plan represents a paradigm shift in decision making in order to break departmental silos and move past bureaucratism. It will provide new energy to the present and future generations of the country, the chance to build 21st century India and lay the foundation of Atmanirbhar Bharat for the next 25 years. In the proposed plan, economic zones and Ministries have been identified where an integrated approach is possible and could lead to better implementation, monitoring and designing of projects.

However, while the plan still faces minor obstacles in its path, there are ways in which it can overcome them and ensure a better outcome. Utilizing the help of state governments in identifying potential industrial areas for development, while reclaiming lands that have been subjected to degradation and pollution, rather than alienating communities from their lands, is a viable priority. Apart from this, ensuring that citizens are better educated about the National Master plan and how it will work to benefit their lives and enhance its quality and welfare would greatly help in such developments.

Thus, Gati Shakti will bring synergy to create a world class, seamless network, whilst employing modern technology and the latest IT tools for coordinated planning of infrastructure.

