POTENTIAL OF MULTI-MODAL CONNECTIVITY IN INDIA
MULTI-MODAL CONNECTIVITY AND INDIA

Multi-modal transport of goods is described as the carriage of goods by at least two different modes of transport. The goods are taken in charge by the multi-modal transport operator from one place in a country to another designated place within or outside the country. This is done under a multi-modal transport contract. The multi-modal transport network is characterised by integrated and seamless end-to-end or last-mile connectivity, reducing logistics costs and boosting export competitiveness.

India is targeting to enhance its logistics sector performance by building a robust multi-modal transport network. The Gati Shakti - National Master Plan for Multi-modal Connectivity is launched in the country with this objective. Along with reducing the logistics costs in the country, this plan will raise the all-round efficiency of the sector. Many Multi-modal Logistics Parks (MMLPs), Inland Container Depots (ICDs), and other infrastructure integrating multiple modes of transport are being built in India. Dedicated Rail Freight Corridors are also being developed to increase logistics efficiency in the country.

CUTS International, in association with Unnayan Shamannay, Bangladesh, Nepal Economic Forum and Bodhi Media and Communications Institute Bhutan, has undertaken research entitled ‘Enabling a Political Economy Discourse for Multi-modal Connectivity in the BBIN sub-region (M-Connect)’ supported by the Foreign, Commonwealth and Development Office of the United Kingdom and with Asian Development Bank as a knowledge partner. The aim is to understand the challenges and opportunities of establishing an efficient multi-modal transport network in India and the BBIN sub-region.

ABOUT PROJECT: ENABLING A POLITICAL ECONOMY DISCOURSE FOR MULTIMODAL CONNECTIVITY IN THE BBIN SUB-REGION (M-CONNECT)

FOCUS OF RESEARCH

Policy and institutional framework
Logistics and transport infrastructure
Stakeholders' engagement perception and other stakeholder factors

ACTIVITIES

• Multi-stakeholders discourse mapping including the perspective of grassroots people through field research
• Advocacy messages to address implementation challenges of BBIN MVA and other agreements to promote multimodal connectivity in the BBIN sub-region
• Make a platform for discussing multimodal connectivity initiatives in the sub-region

LOCATIONS COVERED IN INDIA

| Land Ports/Rail/Integrated Check Post (ICPs) | Panitanki, Fulbari, Raxaul, Jogbani, Sonauli, Nautanwa, Jaigaon, Hasimara, Changrabandha, Karimganj, Sutarkandi, Agartala, Petrapole, Ranaghat, Gede, Dawki, Shillong, Sabroom, Srimantapur |
| River Ports | Kolkata, Haldia, Gai Ghat, Kalu Ghat, Dhubri, Pandu, Sahibganj, Dhulian Kolaghat |
| Sea Ports | Visakhapatnam, Gangavaram |
| ICDs/MMLPs | Siliguri, Jogighopa (Upcoming MMLP), Varanasi, Guwahati (Amingaon), Sahibganj |
| Other | Tin Bigha corridor, Tetulia, Farakka |
### 200+ Stakeholder Consultations

| **Government** | Inland Waterways Authority of India, Land Ports Authority of India, Indian Customs, Border Security Force, MSME Development Institute, CONCOR, Port Authorities, Assam Investment Development Council, etc. |
| **Private Sector** | Importer, Exporter, Chambers of Commerce, Local Business Associations, Clearing and Forwarding Agents, Truck Drivers, Transporters Associations, Port Labourers, etc. |
| **Community** | Local Government Representatives, Local People, Non-Government Organisation officials |
| **Academia/Think Tank** | Policy Researchers, Academic experts |
FINDINGS AT A GLANCE

PAPERLESS TRADE AND SINGLE-WINDOW SYSTEM

India has rapidly increased the use of digital technologies and ICT in the transport and logistics sector for enabling seamless connectivity. Indian Customs Electronic Gateway (ICEGATE) facilitates paperless trading by providing digital services. Its e-sanchit portal enables online integration of documents while its container scanning and image analytics app minimises the paperwork required for inspections.

India has the Single Window Interface for Trade (SWIFT) through which it has implemented the single window system to facilitate the Trading Across Borders in India. SWIFT allows importers and exporters to lodge their clearance documents online at a single point.

However, the erratic power supply and poor internet facilities at many border points of India negatively affect its paperless trade initiatives. This issue requires immediate attention from the Government of India.

ELECTRONIC CARGO TRACKING SYSTEM (ECTS)

The Central Board of Indirect Tax and Customs, Government of India, uses ECTS during cargo transport across the border. The GPS-based tracking tool will simplify border formalities, cut down on the transshipment time, cost and help minimising cargo pilferage.

Currently, the use of this system is limited to the India-Nepal cargo movement, and this modality has to be explored in India-Bangladesh and India-Bhutan cargo movement.

IMPROVEMENT IN COORDINATION AND CONSULTATION

There are areas for improvement in the inter-governmental and inter-agency coordination in the affairs related to cross-border trade and transport. Many public and private sector investment cases are held up in the administrative tussles between the involved departments.

There needs to be more consultations with the involved stakeholders during the development of transport and connectivity projects in the country. The needs and concerns of the residents, traders, transporters, and other stakeholders should be represented on relevant platforms.

LAND ACQUISITION AS A CHALLENGE

Hurdles in land acquisition delay the implementation of connectivity and infrastructure development projects. Proper implementation of the resettlement and rehabilitation policy and plans is necessary to build confidence among the people. It is also essential to involve the local communities and civil society organisations in the development process. There should be strong coordination among the Central and state governments.

NEED FOR CAPACITY BUILDING

Officials at various relevant trade and transport connectivity-related offices are trained to handle the software that facilitates cross-border paperless trade.

Training and capacity building for traders on procedures are necessary.

Women entrepreneurs and small traders need to be trained in the exporting procedures to enable gender inclusiveness in cross-border trade; the current level of women’s participation is minimal.
Corridor 1: Connecting Nepal with Bangladesh through India
[Kathmandu-Kakarbhitta/ Panitanki-Siliguri-Fulbari/Banglabandha-Dhaka-Mongla/Chattogram]

Recommendations
- Expedite the ICP construction in Panitanki and Fulbari
- Road traffic management in Siliguri- developing alternatives to the Siliguri corridor with cooperation from Bangladesh
- Hili (West Bengal)–Mahendraganj (Meghalaya) Corridor through Bangladesh
- Enhanced rail link between Kakarbhitta and New Jalpaiguri
- Full-utilisation of the Siliguri ICD
- Building sufficient storage, quarantine, and testing facilities in the major points in the corridor
Corridor 2: Connecting Kathmandu to Kolkata/Haldia and Visakhapatnam in India

[Kathmandu-Birgunj/Raxaul-Biratnagar/Jogbani-Bhairahawa/Sonauli-Kolkata/Haldia and Vishakapatnam (alternative intermodal accessibility for Nepal to India's NW-1, i.e., from Kalughat to Raxaul, and Sahibganj to Biratnagar; Visakhapatnam to Nautanwa)]

Recommendations

- Improvement of the approach road to Kolkata port and upgradation of lock gates in NSD and Kidderpore Dock (KPD)
- Intervention to reduce the congestion in the Haldia port - few vessels being able to move into and out of the dock every day due to the dependence on tide timings for lock gate operation
- A dedicated rail corridor inside the Visakhapatnam port
- Speedy completion of Motihari-Raxaul Highway Construction-started in 2014
- Cold storage and rail facility inside Raxaul ICP
- Expediting Jogbani-Biratnagar rail link construction
- Using Sahibganj for Nepal-based cargo; Speed-up construction of bridge between Sahibganj and Manihari (foundation laid in 2017)
Corridor 3: Connecting Bhutan with Bangladesh through India
[Thimphu/Phuentsholing (Bhutan) to Dhubri and Jogighopa (Northeast India) to Chattogram and Mongla Ports (Bangladesh)-(multimodal transport and transit access by road, inland waterways and railways)]

Recommendations
• Upgrading the rail link to Hasimara and establishing railway connectivity from Hasimara to Pasakha
• Conversion of Jaigaon LCS to ICP with all the infrastructure and facilities upgradation
• Jetty connection between Pandu port to another side of Brahmaputra River in Guwahati to reduce the congestion on the road
• Connecting Gelephu with Jogighopa via railway
• Customs office closer to the Dhubri river terminal
• Quickening the construction of the Jogighopa multi-modal logistics park
• Conversion of Changrabandha LCS to ICP with all the infrastructure and facilities upgradation
Corridor 4: Connecting Northeast India with the rest of India via Bangladesh

Recommendations
- Soft and hard infrastructure in Dawki. Currently, the LCS in Dawki is under-equipped, very congested, and even without internet connectivity. An ICP is being developed in Dawki, which might solve the current problems
- Widening of approach road to Dawki LCS/under-construction ICP
- Shillong–Dawki road widening and wider, a high-capacity bridge on Umngot River, Dawki
- A multimodal terminal at Karimganj - where there is a road, water and rail connectivity
- Reopening of the closed Shahbazpur (Bangladesh)-Karimganj (India) rail link
- Rail link to the ICP in Agartala and lab facilities in Agartala ICP
- Decongesting approach road to ICP Petrapole and building sufficient parking facility
INFRASTRUCTURE AND POLICY SUPPORT REQUIREMENTS

- Plant and animal quarantine, **sufficient lab and testing facilities**, along with representation of Food Safety and Standards Authority of India (FSSAI) at border points to avoid hold-up of food items and agricultural goods at border points
- **24*7 uninterrupted power and internet** facility at all trade and transit points
- Enabling the country’s **paperless trade and transport system** by building hard and soft infrastructure at all the relevant points. Paperless trade and transactions will result in saving costs and time. It will also help in the proper recording and monitoring of data, which will be helpful in making informed decisions and policymaking
- There’s an urgent need for **upgrading the existing infrastructure and build soft infrastructure** for digital connectivity at all LCSs, railheads and other relevant points. The existing infrastructure at many points is sub-standard and under-equipped. For example, the LCSs at Jaigaon and Changrabanadha have old buildings that do not even have proper spacing, guest/restrooms, boundary walls, storage facilities, parking facilities or any other basic necessary facilities
- **Automated cargo handling** facility at all points to reduce time and human error while handling cargo. Container handling equipment, such as forklifts, conveyor belts, cranes, sufficient handling space, commodity-wise warehousing facility, scanners and security enhancement infrastructure at relevant points are to be ensured
- Ensuring **adequate workforce and up-skilling** officials and locals at every key trade and transit point such as ICPs, LCSs, MMTs, MMLPs, ICDs, etc.
- **Gender-friendly infrastructure** at trade and transport-related offices. There should be basic facilities, such as restrooms, washrooms and drinking water facilities for drivers.
- **Foreign exchange office and banking facility** at border points
- **Integrating Management Systems** used by various government agencies at trade and transit points to ensure seamless connectivity
- Ensuring **proper dissemination of information** regarding new developments and reforms regarding cross-border trade and multi-modal transport through national, state and local media. This is important for creating awareness and clarity among all relevant stakeholders
- Need for **integrating air cargo connectivity** with other modes of transportation for improved trade and connectivity
- **Involving local people** in the development activities and ensuring losers in land, job, livelihood, etc. are compensated adequately
CASE IN POINT

Gati Shakti – National Master Plan for Multi-modal Connectivity

The Government of India has launched the ambitious Gati Shakti – National Master Plan for Multi-modal Connectivity, with the aim of coordinated planning and execution of infrastructure projects. It focuses on reducing logistics and project costs, expediting work, and creating jobs. The plan aims to increase cargo handling capacity and reduce the turnaround time at ports to boost trade.

A digital platform will be created to bring 16 ministries and departments of the Government of India together, including the Railways and the Roadways. Creating this common umbrella platform will help in the planning and implementation of infrastructure projects productively, though coordination between various ministries/departments on a real-time basis.


Dedicated Freight Corridors

The Dedicated Freight Corridor Corporation of India Limited, under the Ministry of Railways, is constructing six Dedicated Freight Corridors (DFCs). The Western DFC is around 1,500-km staring from Dadri in Uttar Pradesh to Jawaharlal Nehru Port Trust in Mumbai. The WDFC covers Haryana, Rajasthan, Gujarat, Maharashtra and Uttar Pradesh. The Eastern DFC starts at Sahnewal (Ludhiana) in Punjab and ends at Dankuni in West Bengal. The EDFA route covers Punjab, Haryana, Uttar Pradesh, Bihar, Jharkhand and West Bengal.

The project’s main aim is to prioritise freight trains without hampering the movement of passenger trains.

These integrated corridor are a crucial example set by India. The potential of such dedicated freight corridor in other BBIN countries need to be explored.

https://dfccil.com/

Multi-modal ICPs

The nine operational ICPs in India are a big boost to regional connectivity and trade. There are four ICPs at India-Bangladesh borders; two at India-Nepal borders; one at India-Myanmar border; and two at India-Pakistan borders. In addition, several new ICPs are planned to be set up in the coming periods, and the number is expected to reach 24 by 2030.

The ICPs in India are operated and managed by the Land Ports Authority of India (LPAI), a statutory body under the Department of Border Management, Ministry of Home Affairs, Government of India.

The operational ICPs have enabled India’s trade with neighbouring countries increase by almost threefold over the last eight years (2012-13 to 2020-21), presently valued at over ₹95,000 crore. However, the potential is much more. Realising trade potential calls for connecting existing ICPs, particularly in the Northeast region of India, such as Sutarkandi ICP in Assam, and Sabroom ICP in Tripura, through multi-modal nodes of transportation.

CUTS International is a global public policy think- and action-tank on rules-based trade, effective regulation and good governance.

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