



“TOWARDS SUSTAINABLE MOBILITY”

THEME LEADS

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INTRODUCTION

The nature and volume of freight transport in India has been undergoing significant changes over the last few decades. Characteristic of one of the largest and most rapidly growing economies in the world, not only have the volumes of freight transport increased exponentially, there has also been changes in the way the movement of these goods take place.

Based on energy and environmental considerations, various committees such as the National Transport Policy Committee (NTPC), 1980 and the National Transport Development Policy Committee (2013) have repeatedly emphasized on the need to move larger volumes of freight by rail. However, the share of freight transport on the railways has continued to decline from about 62 per cent in 1990-91 to about 36 per cent by 2012-13. A large number of factors have been responsible for this declining trend of freight transport on the railways including inadequate rail infrastructure, changing patterns of commodity, wise demands, increasing rail transport costs, etc.

This declining share of freight transport on railways has been capitalized by road transport which has in the last couple of decades become the dominant freight transport mode in the country. Augmented by the growth in the National Highways, road transport has seen a rapid growth since the turn of this century. However given that it is mostly in the unorganized sector, with a large number of small operators, the trucking and road-based freight transport industry in India is riddled with many challenges such as poor road infrastructure and old and low capacity vehicle stock. In addition to these operational and infrastructural issues, a large number of policy and regulatory bottlenecks limit the seamless movement of road-based freight transport across states and union territories of the country. All these lead to longer turnaround times and systemic inefficiencies in the interstate and long lead movement of freight on road transport. These inefficiencies also lead to increasing costs of goods transport

KEY QUESTIONS

- What kind of changes might be required to help in integrated transport planning for emerging industrial clusters/mining areas around the country?
- What steps can corporate India take/ what changes to policy does corporate India need to increase their use of rail and water (IWT/coastal shipping)?
- What measures should be taken to improve recording and reporting of freight transport demands for the movement of raw materials and finished products and creation of a transport database for the same?



accompanied by a much higher demand for energy and resulting emissions. Any factor limiting the movement of freight, such as prohibitive costs of crude or its limited availability has the potentials to completely bring the country to a standstill. These trends in shifting shares from road to rail have many implications on the economic growth trajectory of the country and it also critically impacts the levels of energy consumption for freight transport and its efficiencies.

In addition to improving the road- and rail-based freight transport, there is also ample scope for developing and strengthening the coastal and riverine transport systems in the country which have largely been underutilized. Water-based freight transport, given its economies of scale, is also an efficient mode of freight transport. India has to its advantage, a long and inundated coastline which it is in the right position to use for coastal shipping and a long list of perennial rivers which crisscross the peninsula and could be used for inland water transport. A large number of new ports have already come up in the recent few years or is being planned to become functional in the next few years. These have to be optimally used to move larger volumes of freight on water hand in hand with improving the quality of road and- rail-based goods transport. An integrated view of transport planning by improving the modal mix of freight transport across the country by combining the use of rail, road, and water could help in moving towards a path of sustainable mobility in India.

To help in moving in this direction, policy, and decision makers in India are often challenged given the lack of adequate information about the current and future needs for freight mobility. Coordinated and efficient multimodal transportation can only be made possible with adequate

information to assist in planning and movement. A systematic method of generation and dissemination of information related to the nature and volumes of movement of goods such as raw materials and finished products is therefore extremely critical to help in enabling a sustainable transport framework for India. Such information would help unlock greater efficiencies in the movement of freight transport not only from improved planning but also through achieving efficiencies resulting from coordinated multi-modal movement of goods.

Indian industry and corporate organizations are perhaps the largest users of freight transport in the country and would be the greatest beneficiaries if larger efficiencies could be unlocked in the movement of goods in the country. They are both the consumers and users of freight transport for moving both their raw materials and finished products and goods. It is for this reason that the discussions on Sustainable Mobility at the High Level Corporate Dialogue 2015 would focus on the topic of "Increasing efficiency in the freight transport in India".