Logistics Park Development and Promotion Policy of West Bengal 2018

Department of Industries, Commerce & Enterprises
Government of West Bengal
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1. **Preamble**

West Bengal has come a long way from being a provider of transport services to a facilitator of integrated logistic services. Logistics sector market in the state of West Bengal is expected to grow at the rate of at least 9 to 10 percent over the next few years. This impressive performance of the state in the logistics sector can be attributed to various structural positives such as, high trajectory of State GDP & its growth rate, infrastructure ramp-ups in recent times (railways/roads/ports/Waterways/Industrial parks etc.), and vibrant industrial promotion initiatives like “Come to Bengal”.

West Bengal economy is on the cusp of entering into its most robust growth phase of 21st century driven by visionary industrial infrastructure that is being promoted by the state government in recent times. It is also pertinent to mention that the state has 3rd largest road coverage in the country and also shares its highest navigable inland waterways. Critical infrastructure like Eastern Dedicated Freight Corridor, Asian Trilateral highway, BBIN International highway, BCIM corridor, East Coast economic corridor, Kaladan Multi-modal corridor, and ports like Tajpur port are on various phases of their development to boost up the growth rate in the state even further.

At this juncture everything is set to kick start a buoyant logistics sector in West Bengal that assists its local manufacturers in getting access to necessary inputs more efficiently, and to provide an access to new markets. This will also benefit the huge farming community of the state by enabling timely movement of their perishable produce. West Bengal, endowed with its strategic locational advantage and potential multi modal capabilities, is poised to see a higher share of India’s cargo flowing potential due to its arterial trade routes that link the mainland of India with North-Eastern states and neighbouring (South-Asian) economies like Nepal, Bhutan & Bangladesh. Even some South Eastern Asian Countries also might fuel this phenomenon since interconnectivity across this region is being expanded by multilateral agreements.

To handle such anticipated rise in the traffic of the cargo, Government of West Bengal (GoWB) has taken a decision to formulate and adopt a “Logistics Park Development and Promotion Policy” to facilitate an organized development of its logistics Sector. This policy aims to build a vibrant logistics infrastructure within the state with a special focus on developing Logistics Park(s)/(LPS) either directly by government or by encouraging private participation or by entering Public Private Partnerships (PPP). Once developed, these Logistics Parks will act as nodal points for various cargo/trade routes, provide storage facilities and also would facilitate multi-modal transportation of goods and services – to meet the future requirements as well.

This policy is thus being put forward with an intention to remove the difficulties in logistics sector and to decrease the logistics cost of the manufactured goods in the state. This also facilitates an increase in the productivity over a long run in almost all sectors of our state economy. By building efficiency in supply chain logistics this policy also intends to lower the pollution- emission levels that otherwise would be caused by its huge transportation sector.
2. Vision

“To position West Bengal as a globally leading integrated Logistics Hub, by creating an efficient network of transportation and storage infrastructure to fuel the growth of state’s overall economy.”

3. Mission

This policy is aimed at developing a robust logistics strategy in the state that is focused on:

- Attracting the foreign and domestic investments to develop state-of-the-art Logistics Park(s) and collateral infrastructure;
- Facilitating its evolution into safe and sustainable logistics hub which will be global in reach, intelligent in nature and comprehensively efficient in its service delivery.
- Leveraging the multiplier effects of Logistics sector to drive the overall growth in other sectors of economy so that many employment opportunities can be generated;
4. **Policy Objectives**

This policy aims to create a coherent and interoperable transport and logistics network in the state by interlinking its routes, corridors, ports, airports, LP(s), transport hubs and modal terminals. Thus, the policy proposes to:

- create an enabling environment in the state to mobilize investments in the development of Logistic Park(s) infrastructure directly by government/by Private participation/Public Private Partnership (PPP) and subsequently from Logistics Service Providers (LSPs) of both forms i.e. asset-based as well as asset-light LSPs;
- enhance network benefits for the Logistic Park(s) through unified planning by taking into account existing and upcoming industrial infrastructure and urban infrastructure in the state;
- elucidate the roles and responsibilities of relevant state authorities and private parties in development and operation of LP(s) in the state;
- support the development of LSPs (like 3PL, 4PL) in the state by ensuring cooperation and collaboration between state authorities and industry;
- foster industry-institute partnerships and promote collaboration in areas like the adoption of multi-modalism in logistics operation models (like drop and pull, cross-docking, etc.), promoting the use of Artificial Intelligence, logistics data collection, dissemination of the practice, and making advances in research areas like telematics etc.; and to ensure cooperation and collaboration between agencies and authorities of state departments and other relevant authorities from highways, waterways, railways, airports, ports, customs, and inspection authorities to enhance different modal interfaces and devise measures to increase the share of freight movement through Rail and Water;

5. **Validity of the Policy**

The ‘Logistics Park Development and Promotion Policy in West Bengal’ and package of incentives & concessions as proposed by WBLPC shall come into effect from the date as approved by the government of West Bengal by an order to that effect, and they will be valid for a period of as proposed by Govt. of WB.
6. Logistics Park(s)

GoWB with an intention to promote and develop the Logistic sector, has decided to develop multiple attributable areas, referred here as Logistics Park(s) or LP(s) in various parts of the state. These Logistic Park(s) aimed at facilitating the domestic and foreign trade, providing services like warehousing, cold storage, multi modal transport facilities, transportation, freight forwarding, Inland Container Depots (ICDs) / Container Freight Stations (CFSs) and other value added services as described below:

<table>
<thead>
<tr>
<th>Services proposed in Logistic Park(s)</th>
<th>Description of Infrastructure Capabilities</th>
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<tbody>
<tr>
<td>Warehousing</td>
<td>Cargo Centers, Inbound &amp; Outbound Operations, Humidity Controlled and Non climate controlled storage spaces, Bonded spaces, Pallets, Pallet Racking system and others</td>
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<tr>
<td>Cold Storage</td>
<td>Temperature &amp; Humidity Controlled Spaces, Reefer vehicles</td>
</tr>
<tr>
<td>Multi Modal Capabilities</td>
<td>Air Freight handling, Water bound container freight handling, Rail Sliding, Truck Terminal, Internal Roads, EXIM</td>
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<tr>
<td>ICD/CFS</td>
<td>Intermodal Containers, Container Yard, Docks, Central Roads, EXIM facilities, Loading/Unloading platform, Customs Clearance Facilities</td>
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<tr>
<td>Value Added Services (VaS)</td>
<td>Inventory Management, Quality Check, Planning &amp; Forecasting, Packaging &amp;Labeling, Reverse Logistics, Ancillary units for many industry, Workshops</td>
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<tr>
<td>Utility Services</td>
<td>Weigh Bridge, Central Administration Facility, Office Space, Recreational Centers, Sewage Treatment plant, Power Back up, Power T&amp;D network, Water Storage &amp; Treatment Plant, Captive Solar energy plant, Telecom &amp; IT network, Healthcare Centers, Cafeteria/Restaurant, Workshops, Petrol Pump, Fire fighters, Housing plots etc.</td>
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7. Proposed Logistic Park(s) in West Bengal

7.1 Logistic Park(s) Location and Conceptualization

GoWB, whenever necessary - with the help of private developers, will identify the prospective locations in the state, for the development of Logistic Park(s) (LPs) by taking into consideration of catchment areas and their contribution to state GDP, origin-destination cargo flow in the hinterland, existing industrial infrastructure, and planned upcoming urban infrastructure.
GoWB is also aiming to encourage the development of LP(s) infrastructure in all the routes in the state, to the extent possible. While executing such projects GoWB may prefer either direct execution of the projects by the government itself, or by encouraging private participation or by making necessary Public Private Partnerships (PPP). Even in cases where such project(s) is/are found to be commercially unviable, but socially or strategically desirable, the GoWB, at its own discretion, may aim to promote and develop such project(s) in view of public interest.

7.2 Development of Logistic Park(s)

GoWB proposes to set up a committee, called as West Bengal Logistic Park Committee (WBLPC), for the purpose of developing the LP(s) in the state. The WBLPC will include representations from relevant state departments for that purpose. All communications with regards to LPs and other Logistics related issues will be routed to the WBLPC through the department of Industry, Commerce and Enterprises.

WBLPC will be responsible for:

I. Overseeing the process for identification of prospective locations and confirming them and/or vetting the locations as proposed by private developers to sanction approvals - as the case may be.

II. Overseeing the feasibility assessments, master planning and related preparatory activities for development of LP(s) if it feels appropriate;

III. Making suggestions and guidelines for any/all of the following a) LP Infrastructure and land usage; b) specifications and standards; c) Functioning strategies and methodology; d) Incentives and penalties; e) Facilities and services in LP; f) Outline of Blue print; g) Trunk Infrastructure requirements; h) validate Investment Details and i) Risk Sharing and Mitigation mechanism for the identified project(s); as necessary.

IV. Recommending the trunk Infrastructure to LPs.

V. Making guidelines and overseeing the situation with regards to all kinds of Private and PPP engagements, agreements, execution and their operations, but with the minimal intervention to the extent possible.
VI. Coordinating between relevant state and non-state entities, academic and research institutions, as may be deemed necessary from time to time.

VII. Reviewing the status of the implementation of various projects of this Policy and/or the subject matter related to the development of LP(s)

VIII. Making any other recommendations either to GoWb or its various departments on matters to logistics sector.

IX. Any other related assignments as recommended by the state government from time to time.

7.3 State’s Role:
Govt. of West Bengal, through WBLPC will help the Private Partners or Private Participants in getting various statutory approvals as the case necessitates. And also will provide handholding mechanisms to assist a speedy execution of these projects. The WBLPC will also help the projects by removing various difficulties that may arise out of lacking coordination between various departments of the state. The WBLPC will also help the projects by easing out the practical difficulties in processes like land conversion and such others. In case of disputes also, WBLPC will adjudicate the cases and directs the departments concerned to take appropriate action whenever it deems fit. WBLPC will also suggest various incentives that may be provided to the cause of developing a robust logistics parks and hubs across the state. The trunk infrastructure that connects each approved Logistics Park will be provided by the State Government and all the works related to their execution will be coordinated and supervised by the WBLPC. The trunk infrastructure will include approach roads, drainage facilities, street lights, water supply, Electricity/Energy connection, and any other requisite facility as recommended by the WBLPC from time to time;

8. Incentives that may be available for the Sector
Government of West Bengal, on recommendations of WBLPC may provide various kinds of Fiscal and Non Fiscal incentives which it may feel necessary to encourage the sector of Logistics in the state. However, detailed promises would be made in consultations with the WBLPC in due course of the time.

9. Capacity Building
With focus on making the state’s working personnel industry ready, high priority will be accorded by GoWB on
arranging for and conducting training sessions on logistics and supply chain management. In this regard, GoWB proposes to take the following measures:

I. Development of educational programmes and research in areas of improving logistics and transportation efficiency and standardization of the industry;

II. Introduction of curricula and courses suited to the Logistics and Transportation industry in professional institutes, polytechnics, vocational education institutes in the state;

III. Supporting collaboration with renowned foreign colleges with West Bengal state colleges/universities in areas of Logistics and Transportation planning;

IV. Promoting start-ups in the domain of Logistics and Transportation in the state focusing on upcoming advanced areas in the sector; and

V. Formulating technical courses on logistics administrator in consultation with Technical Education department of GoWB.