



Logistics in Agriculture

AGRI LANDSCAPE OF ANDHRA PRADESH

Agriculture



Horticulture



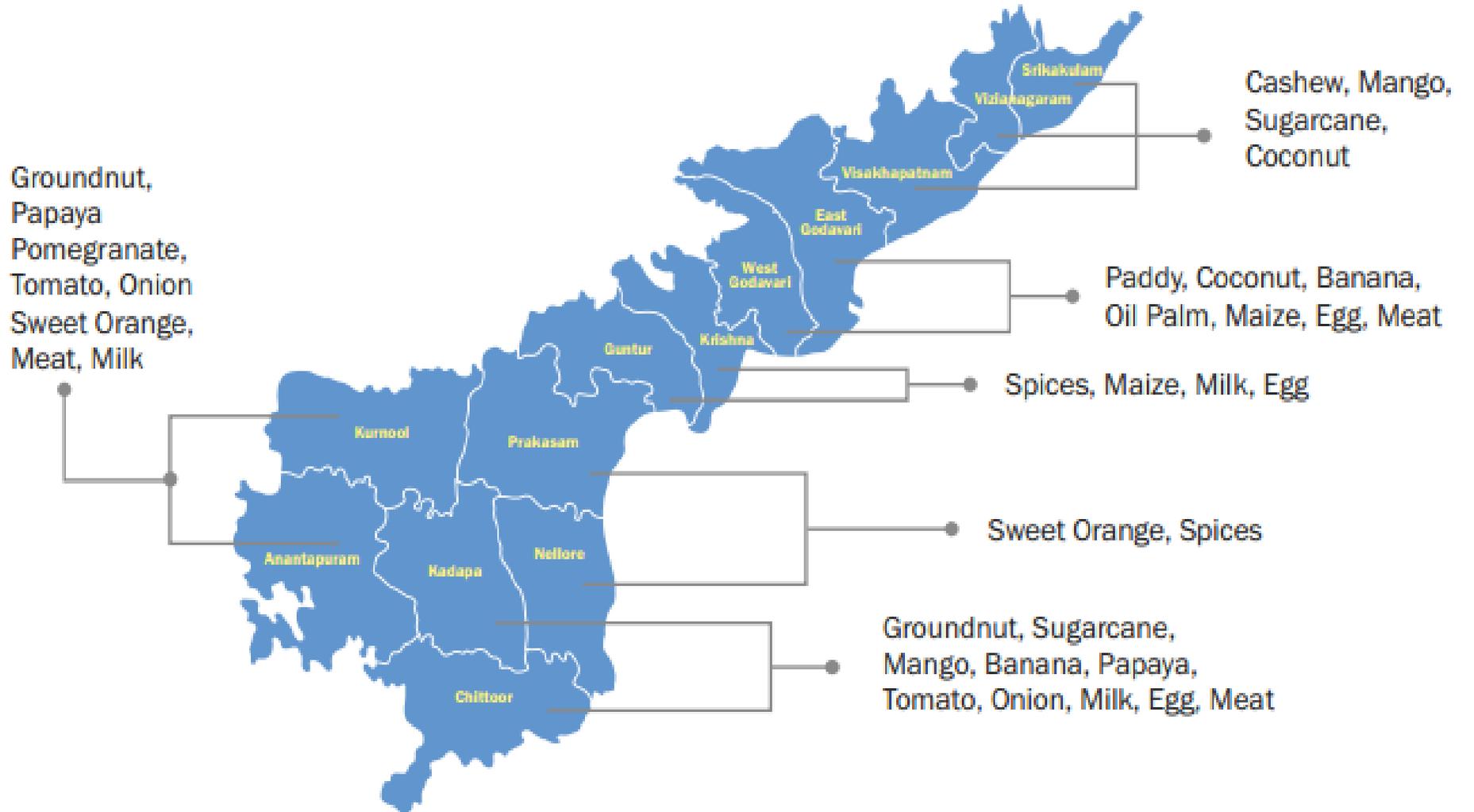
Sericulture



Animal Husbandry



Fisheries



ANDHRA PRADESH AN AGRARIAN STATE



- Agri Exports from India is about \$16bn, growing @13% CAGR
- India share is 2% of Global Agri exports

A.P. in All India Rankings:

- Overall **2ND largest** exporter of Agri Products from India
- **4th Fastest** growing state in Agriculture
- **Rank 1** in Chilli & Turmeric
- **Rank 1** in Mango, Tomato, Papaya
- **Rank 2** in Paddy, Maize, Groundnut
- **Rank 3** in Banana
- **Rank 1** in Egg & **Rank 2** in processed Meat

CURRENT IMPERATIVES



- Leverage the agrarian potential of A.P. to add to the State's GDP
- How do we make A.P. the most preferred gateway for India's Agri Exports
- Leverage the ~ 1000 KM long A.P. coast line through port-led development
 - *3 Major Ports viz. Vishakapatnam, Krishnapatnam & Gangavaram*
 - *Still huge volume of exports / imports are handled through Chennai Port, since many shipping lines are yet to operate from A.P. ports*
- Challenges faced by logistics industry - Connectivity, non-availability of skilled labour, shortage of drivers & Transport union syndicates leading to high operational cost

CURRENT IMPERATIVES



- Availability quality warehousing infrastructure - a 'Must' for Agri growth
- End-to-End Rail & Road network connectivity from source to Ports
- Deployment of contemporary technology in areas of Quality assurance, Port operations, logistic parks etc.
- Creating an 'Agri Focussed' Logistics Policy framework for A.P. fulfilling the objective of 'Ease of Doing Business'

AREAS TO BE ADDRESSED

- Setting up of a comprehensive Logistics Policy with specific focus on Agri sector
- Create a 'Differentiation' to incentivize exporters to ship through A.P. Ports
- Need to expedite the proposed Green Field Ports to facilitate Port-Led growth
- Existing ports can be upgraded to handle bigger ships and become a substitute for Chennai, leading to higher volumes and create employment opportunities



AREAS TO BE ADDRESSED



- Setting up of a full-fledged accredited Government testing facility near the port for FSSAI certification for Agri Exports
- Integrate the Ports within the state and create a 'Green Corridor' for export cargo movement from hinterland to any Port under One-Supply Chain policy framework
- Setting of Free Trade Zone within a 30 KM radius from major ports

AREAS TO BE ADDRESSED



- Expedite Inland Waterways Projects initiated by state Govt. through Inland Waterway Authority of India
 - *Alternate cheaper mode of transportation for Agri Commodities, directly benefiting the Farmer*
- Setting up of Logistics Infrastructure viz. Multi-modal Logistics Parks, Dry Ports (ICDs/CFS/AFS), Warehouses, Cold Chains, etc. either through PPP model or Government Investment with specific incentives for Agri sector
 - *would encourage Agri entrepreneurs from other states to move into A.P.*

AREAS TO BE ADDRESSED



- Incentive based Warehouse investment policy for Agri sector under the PPP model for setting up of Food Grade Compliant warehouses
- Incentives for Infrastructure Investment could be in terms of Investment subsidy, subsidized Interest on Loan for investment, Tax holidays, etc.

**THANK
YOU**