THE 30th IAPH
WORLD PORTS CONFERENCE
7 - 12 May 2017
Bali Nusa Dua Convention Center, Bali - Indonesia

Connecting Indonesia and the World: Accelerating and Balancing the Development

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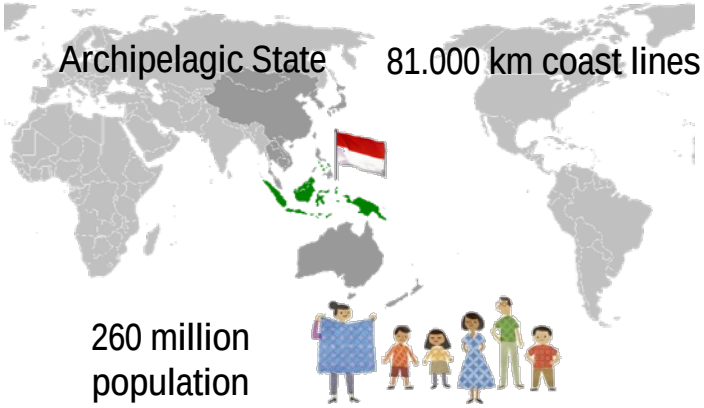
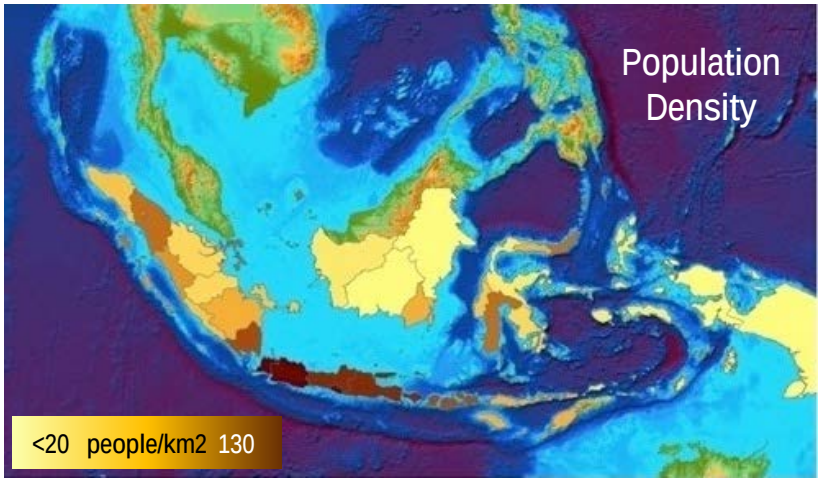
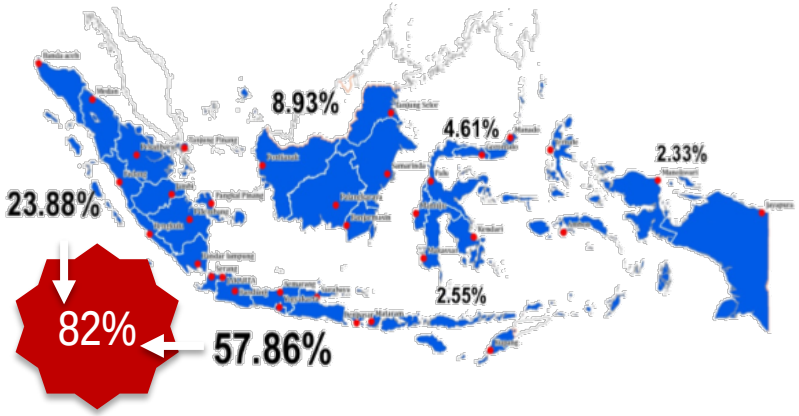
Indonesia at a Glance

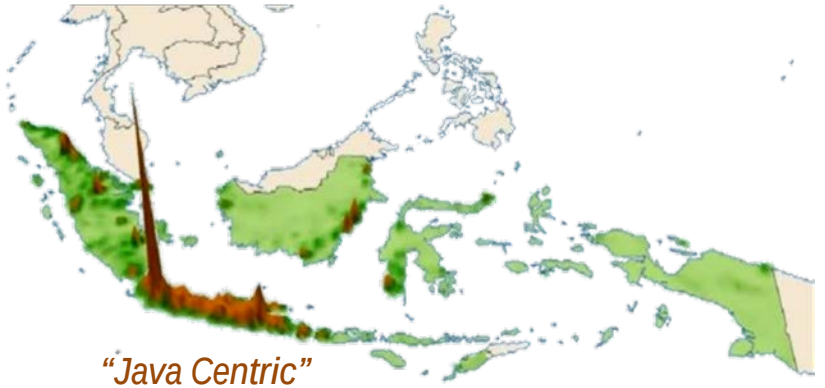




GDP Distribution

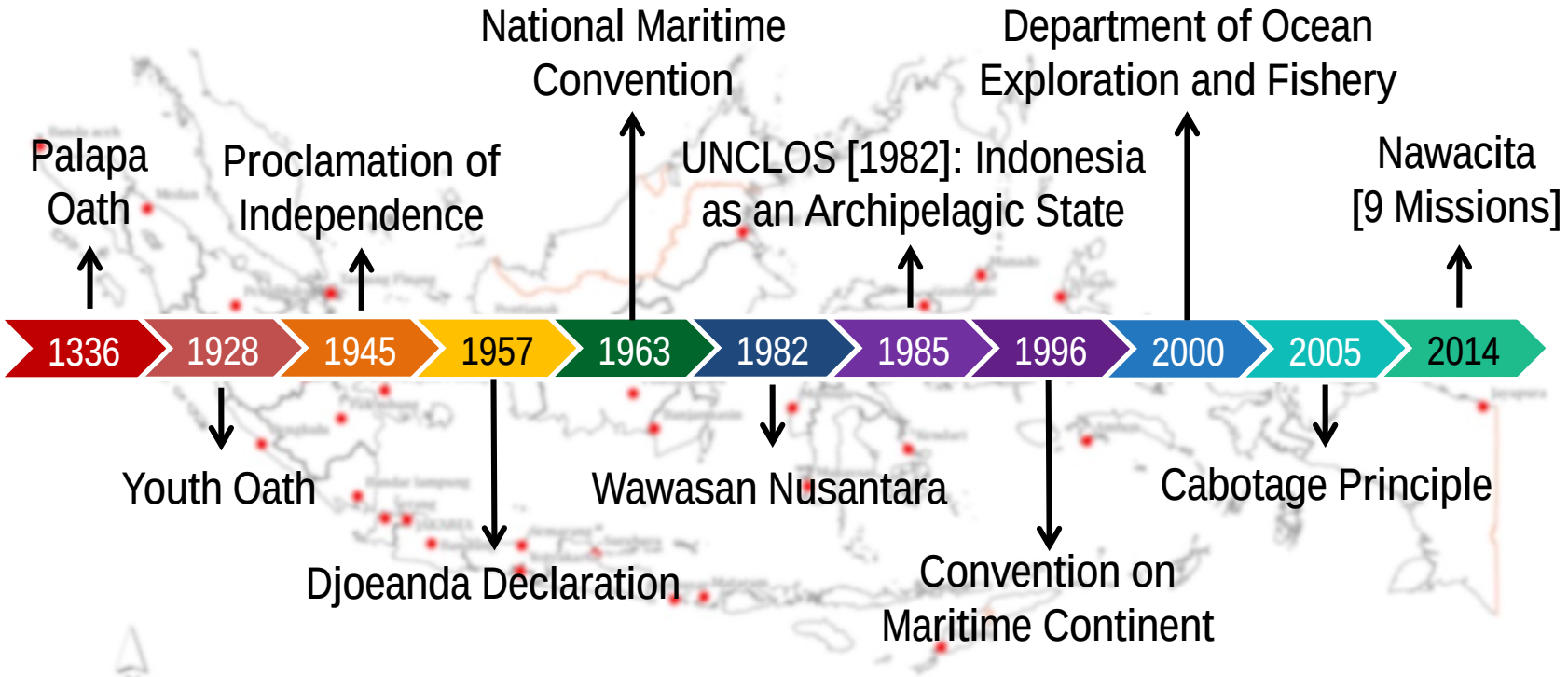


Industrial Growth



"Java Centric"

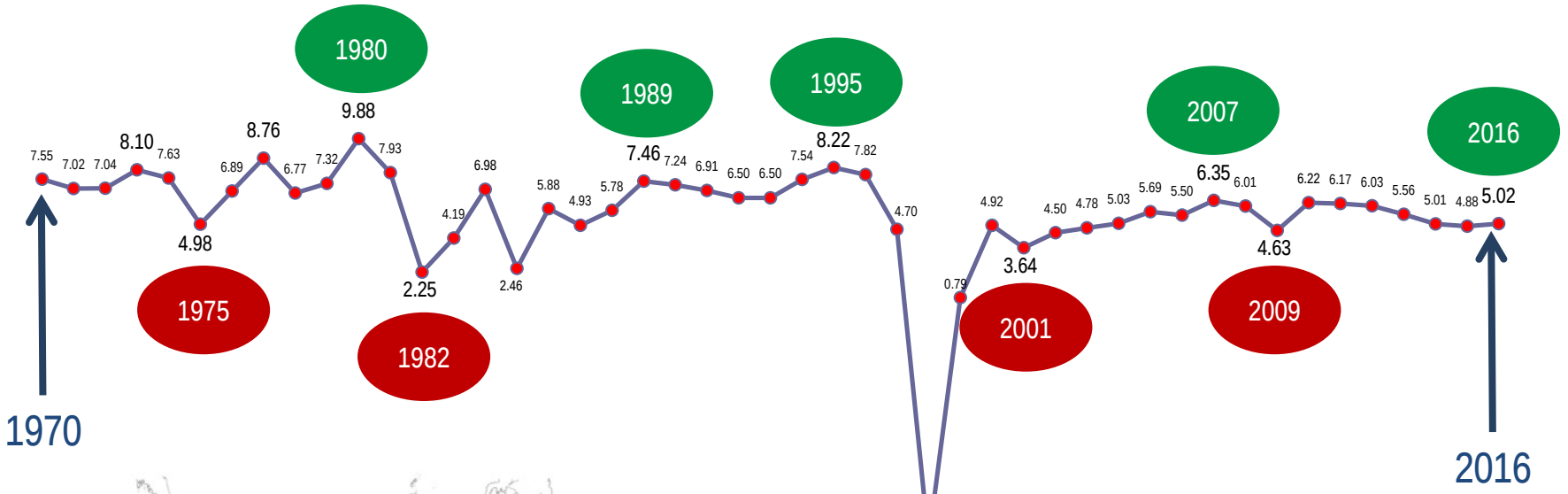
Milestones in Maritime Development

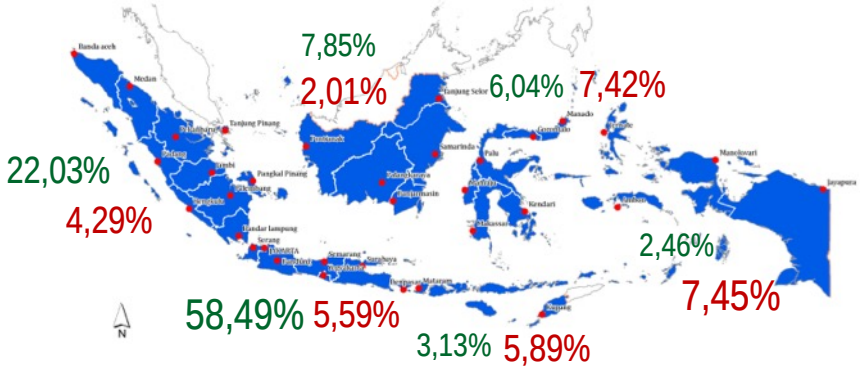


"Sebagai negara maritim; samudra, laut, selat dan teluk adalah masa depan peradaban kita. Kita telah terlalu lama memunggungi laut, memunggungi samudera, dan memunggungi selat dan teluk. Ini saatnya kita mengembalikan semuanya, sehingga 'Jalesveva Jayamahe', di laut justru kita jaya, sebagai semboyan kita di masa lalu bisa kembali"
[Kutipan Pidato Pelantikan Presiden Jokowi, 20 Oktober 2014]

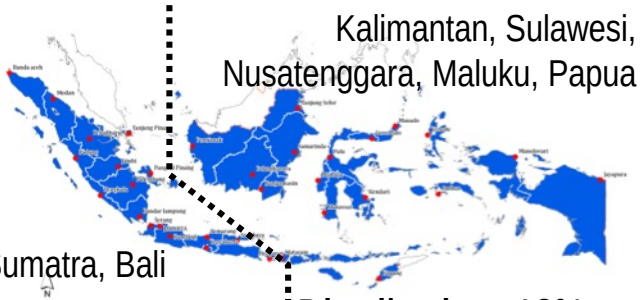
Indonesia GDP Growth

GDP Growth [%] 1970 – 2016





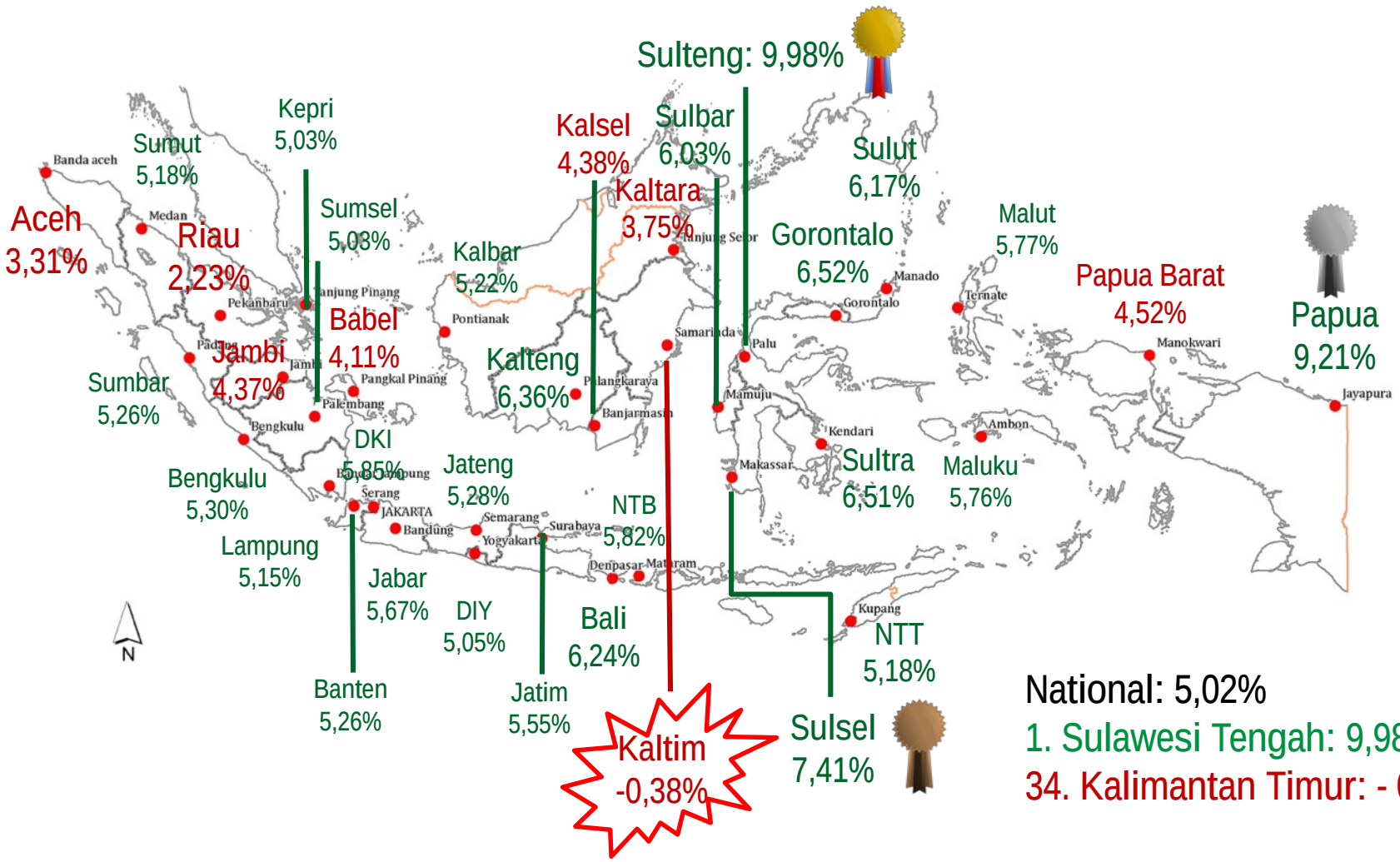
PDB Distribution and Economic Growth 2016



Jawa, Sumatra, Bali
Distribution: 82%
Growth: 5,25%

Distribution: 18%
Growth: 4,75%

Economic Growth by Province 2016



National: 5,02%

1. Sulawesi Tengah: 9,98%

34. Kalimantan Timur: - 0,38%

Indonesia Current Development Strategy

- Promote development and growth outside Java
- Build and develop infrastructures outside Java

- Improve the quality of Human Resources
- Create conducive investment atmosphere
- Develop national logistic connectivity

- Prohibit export of raw/unprocessed commodities
- Develop SME businesses
- Provide incentives

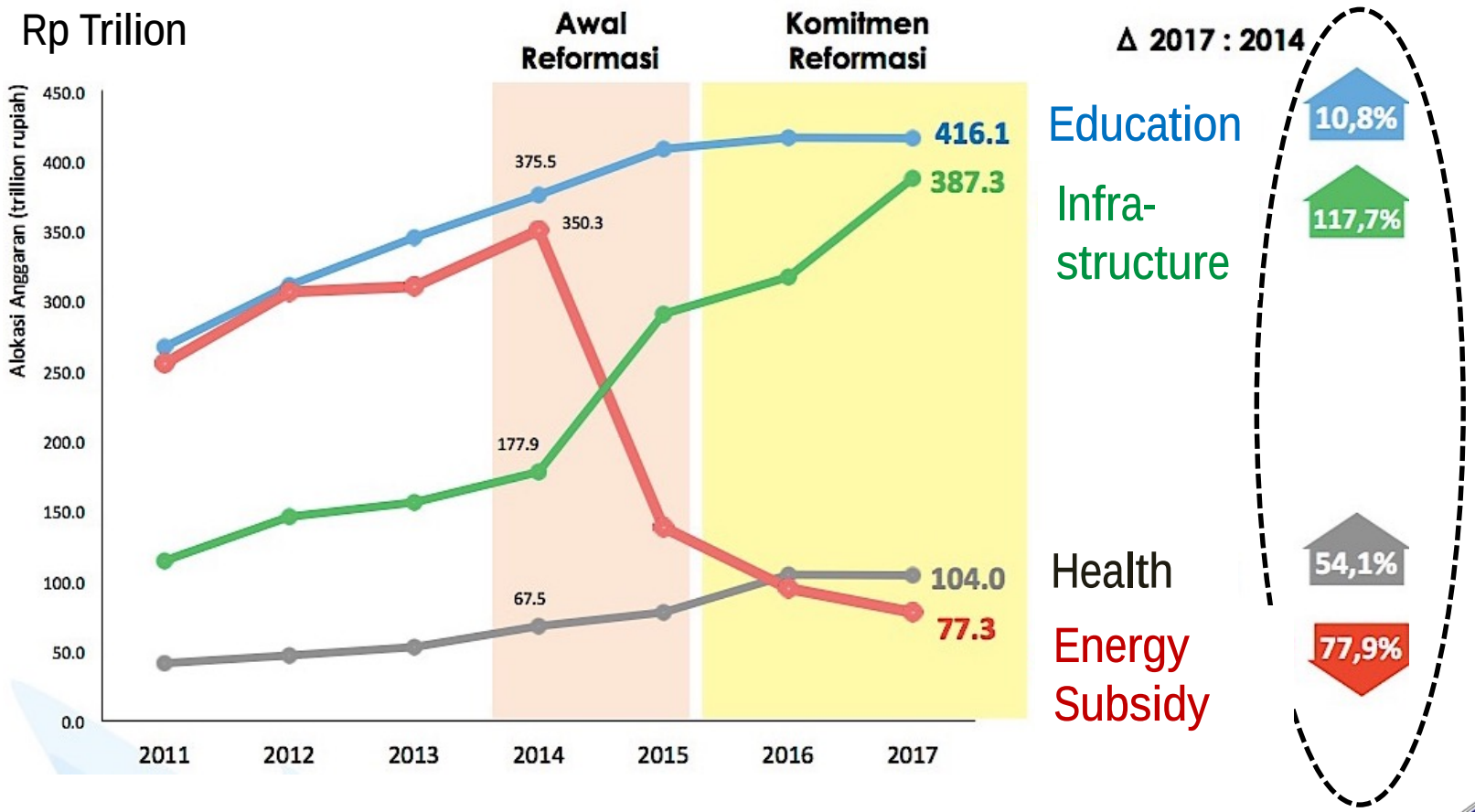
Infrastructure as the Primadona of Indonesia Development Program

2016	Accelerate infrastructure development to strengthen quality development foundation
2017	Accelerate infrastructure development and economy to provide job opportunities, poverty alleviation, and reduce regional development gap
2018	Accelerate investment and infrastructure for growth and equality

3 Pillar of Acceleration

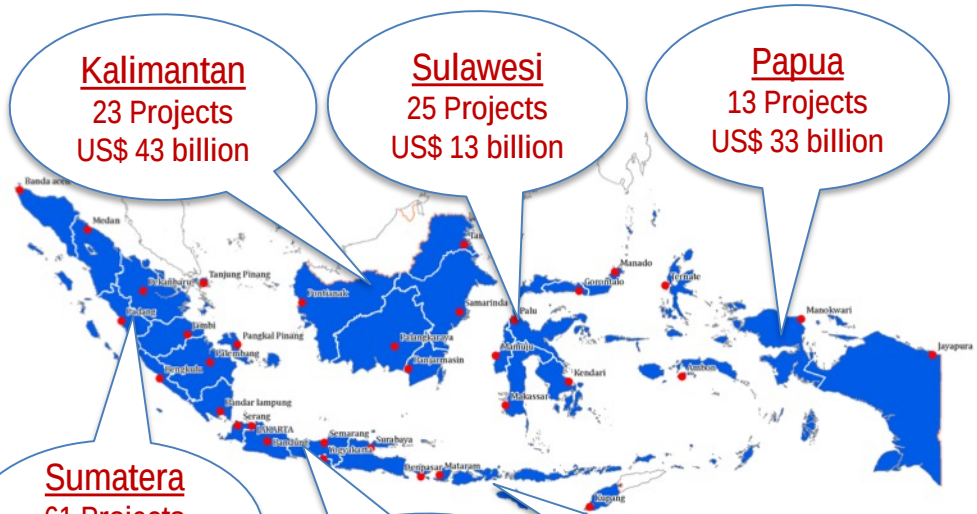
Infrastructure | Human Resources | Deregulation

More Productive Government Expenses



National Strategic Projects

- 243 Projects and 2 Programs
- Total investment: US$ 305 billion



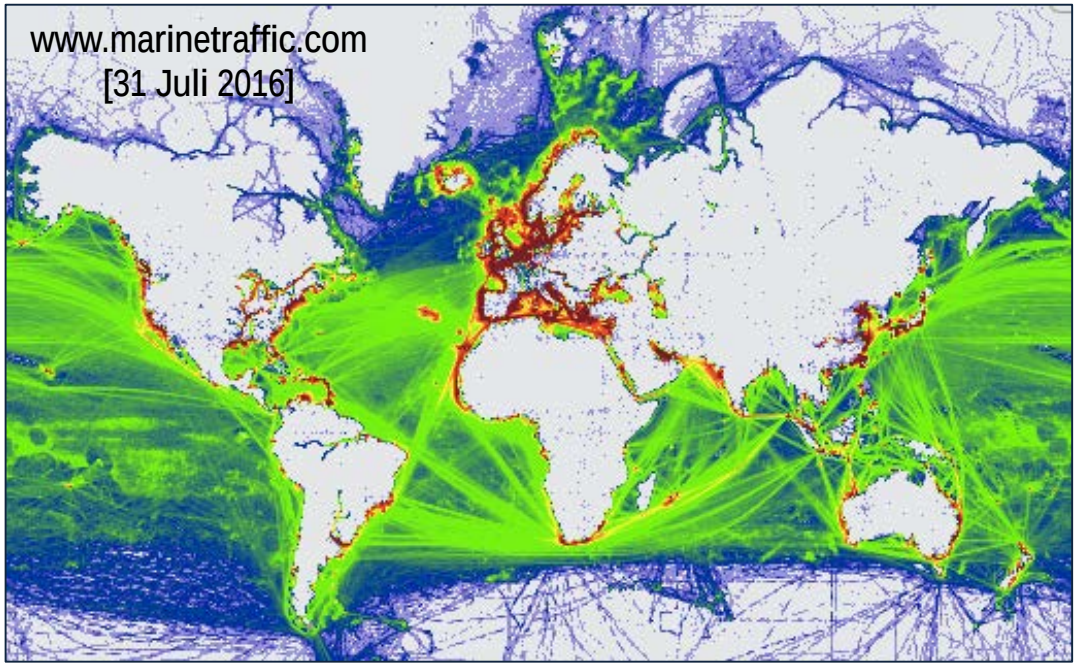
Region/Nation-wide: 11 Projects + 2 Programs [US$ 98 billion]

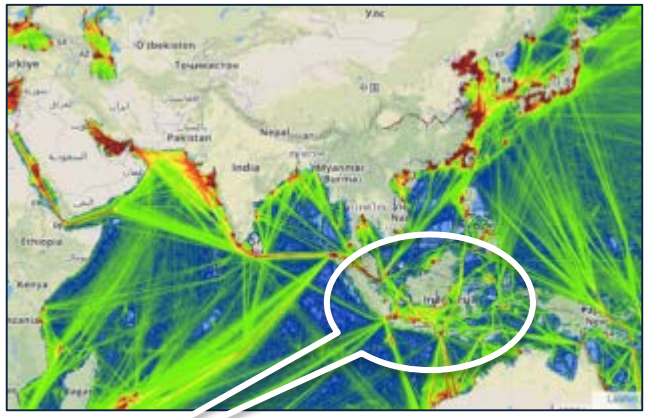
- Road: 74
- Railway: 23
- Port: 10
- Airport: 7
- Estate: 30
- Housing: 3
- Bonded Zone: 3
- Water & Sanitation: 9
- Dam: 55
- Irrigation: 7
- ICT: 4
- Smelter: 6
- Energy: 12

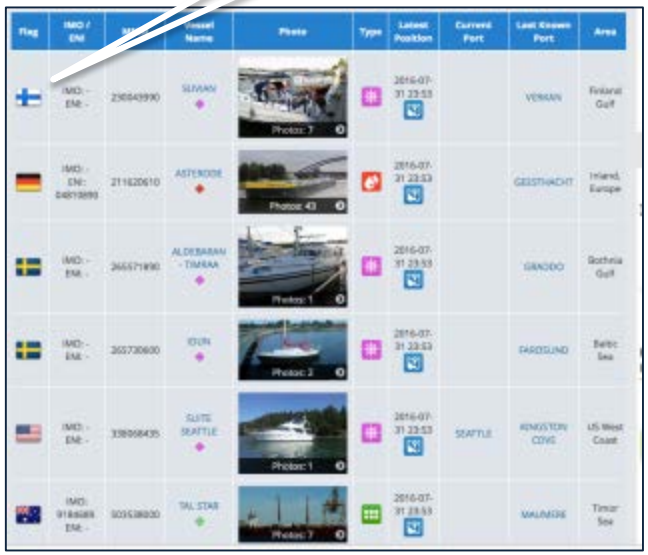
- 35 GW Electricity
- Aircraft Manufacture

Source: KPPIP, March 2017

Ship Traffic in the World and in Indonesia



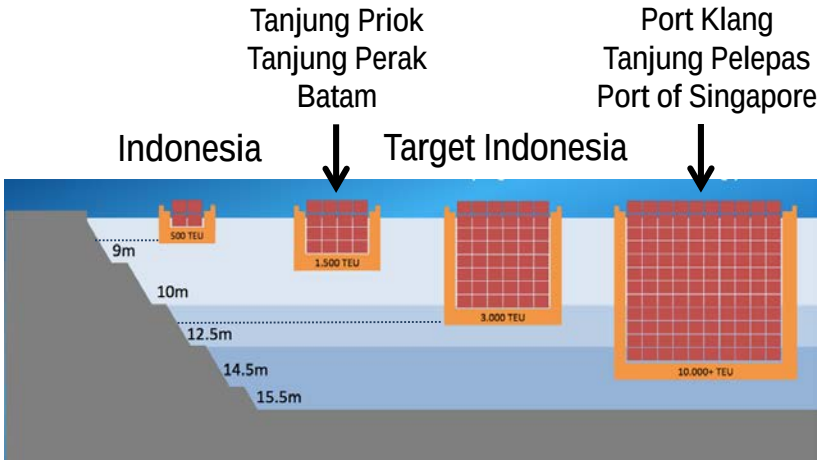




- Singapore: 33 million TEUs [2013],139.000 ship calls
- Tanjung Priok 6 million, Tanjung Perak 3 million TEUs
- National ship armada: 14.300 [general cargo 2.730; tanker 840; container 279; passenger 560]

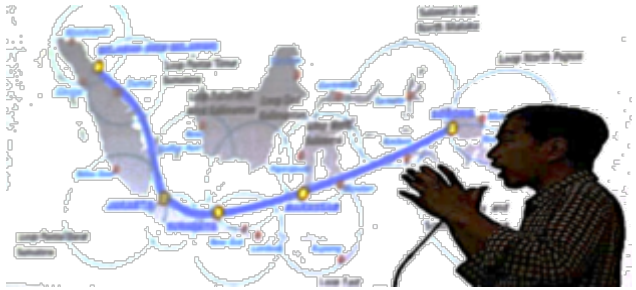
Indonesia Geostrategic Position

- Global Maritime Axis
- 70% of global trade in Asia Pacific Region, 45% through sea lanes
- Indonesia must improve the quality and performance of its ports



Average depth of ports in Indonesia: 8 meters [500 TEUs Containers]
To lower the logistic cost by 50%, the depth must be at least 12 meter [3.000 TEUs]

Deep–Sea Port Development



Kuala Tanjung
27 Januari 2015

Tanjung Priok II
[2014 – 2040]

Teluk Lamong
Beroperasi 2015

Makassar New Port
Mei 2015

KEK Sorong
June 2016

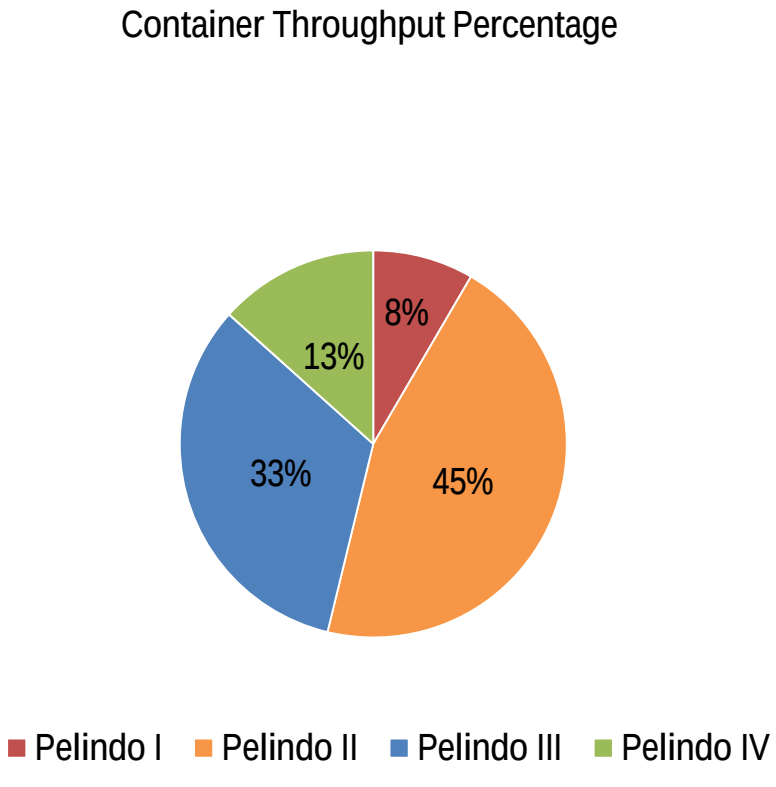
Map of New Port Development and Port Capacity Improvement Project

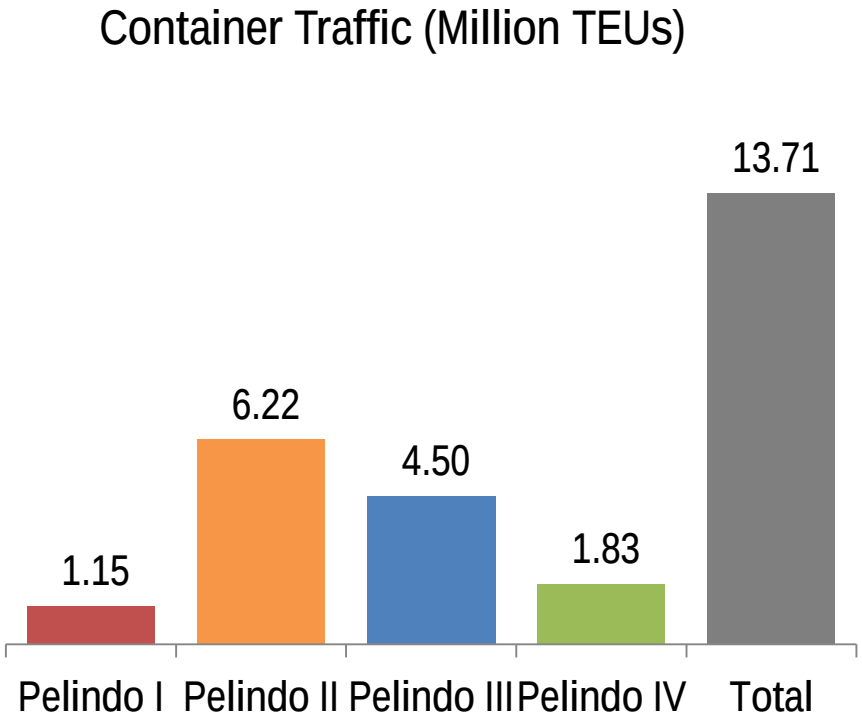
Connecting Indonesian Archipelago

- 5 Deep-sea Ports: Kuala Tanjung, Tanjung Priok, Tanjung Perakm, Makassar, Bitung
- 19 Feeder Ports
- 100 sub-feeder ports

- 15 New Airports
- Upgrading 9 Cargo Airports
- Upgrading 25 Airports in outermost and disaster-prone areas

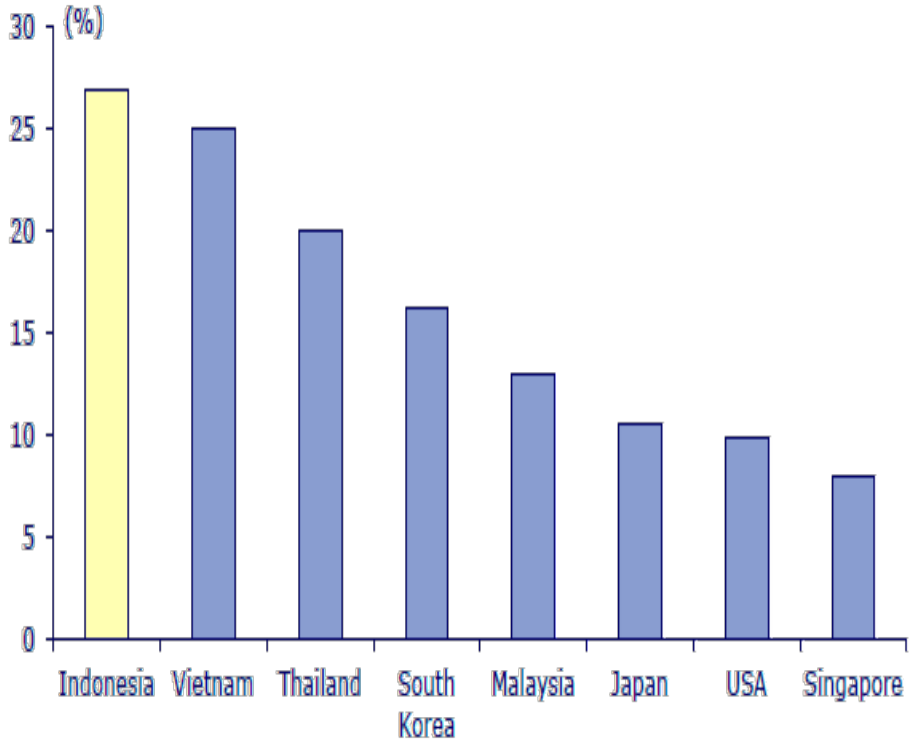
Container Traffic in Indonesia



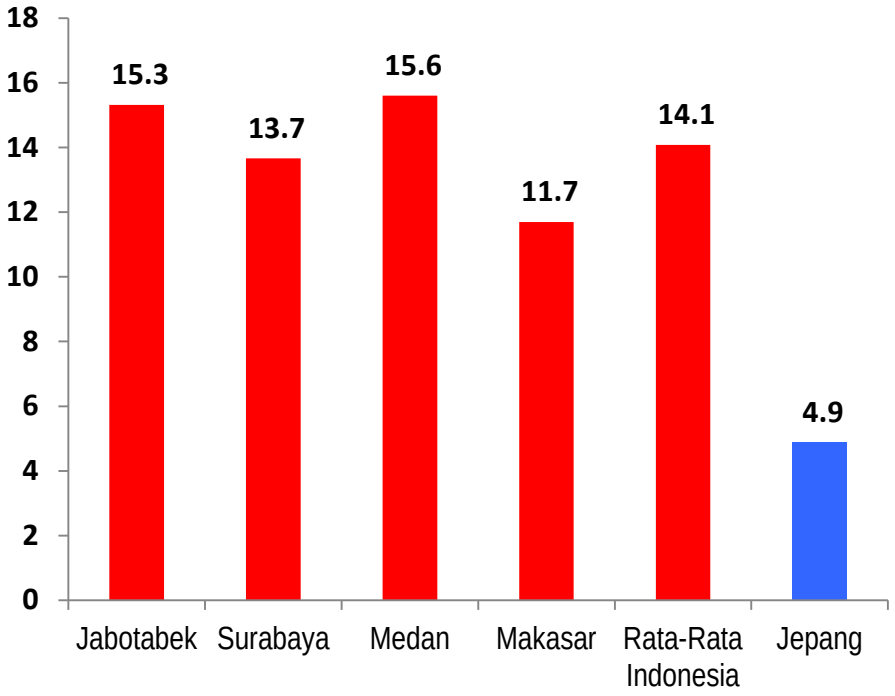


Transportation Cost and Logistic Cost in Indonesia

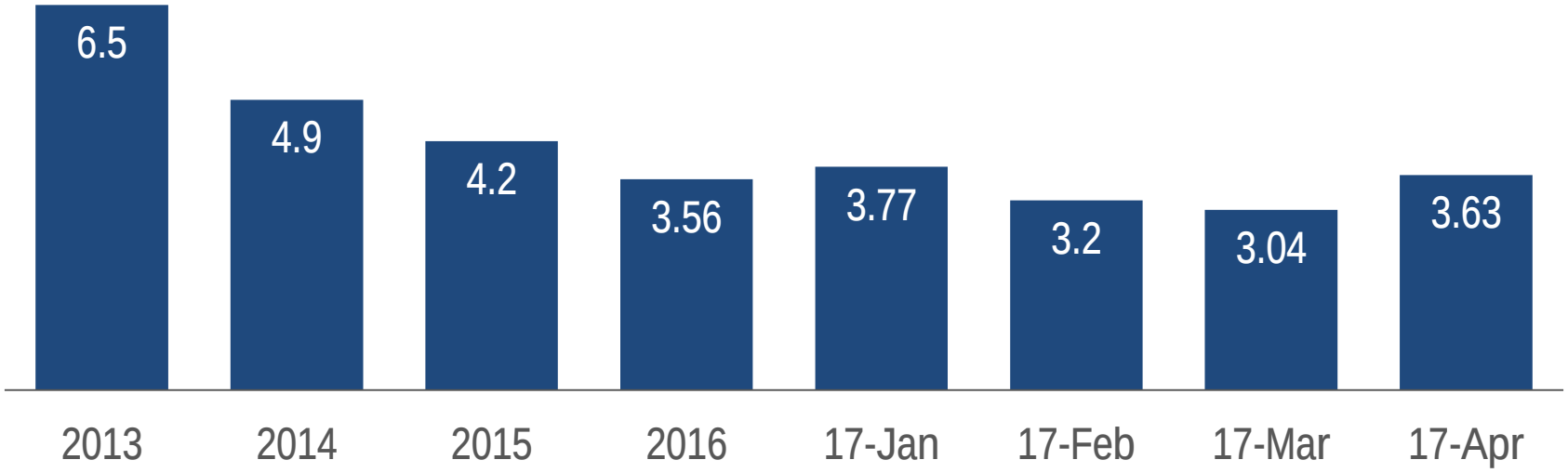
Logistics Cost to GDP



Transportation costs To Total Cost [%]



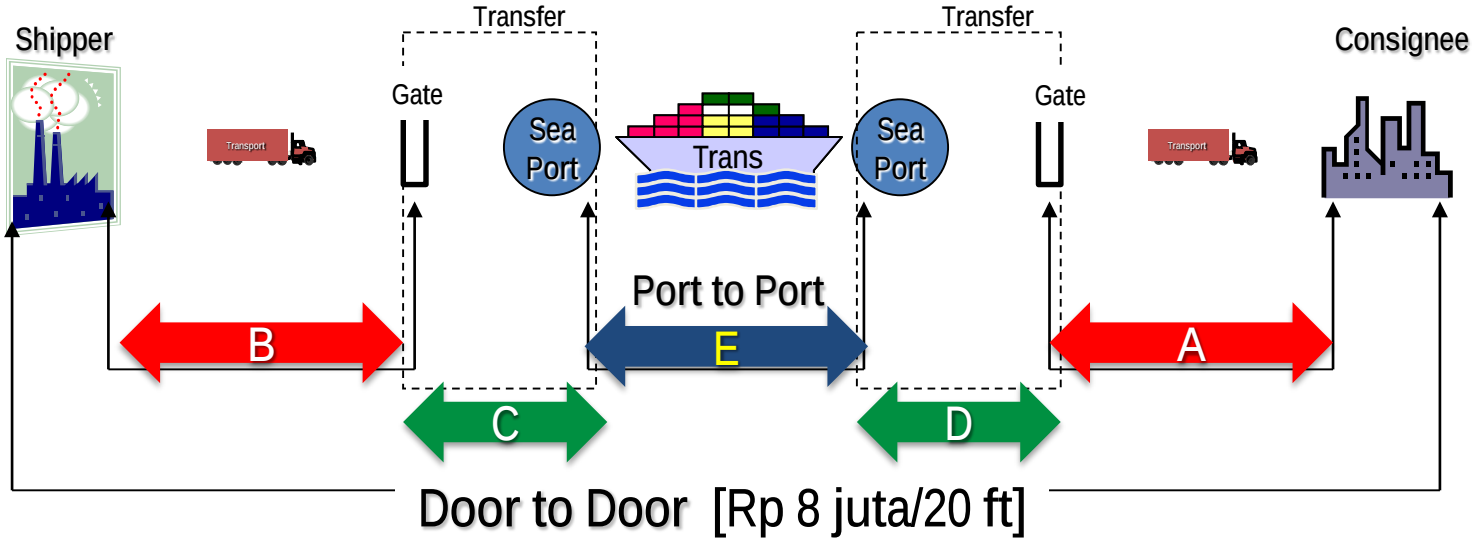
Dwelling Time [days]



The High Cost of Domestic Shipping

The distance from Jakarta seems to be "closer" to Singapore than to Padang or Jayapura

Transportation Cost Structure
Jakarta – Bitung

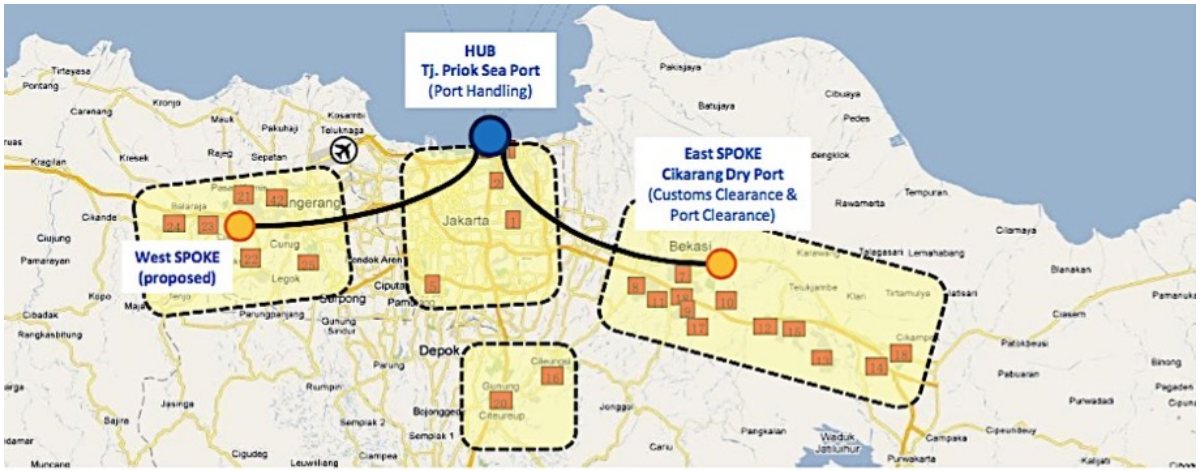


20 ft. Container Jakarta – Bitung
[A+B] = Rp 4 million [50%]
[C+D] = Rp 2,5 million [30%]
E = Rp 1,5 million [20%]

20 ft. Container shipping cost
Jakarta – Padang: Rp 7,5 million
Jakarta – Jayapura: Rp 25 million
Jakarta – Shanghai: Rp 4,5 million

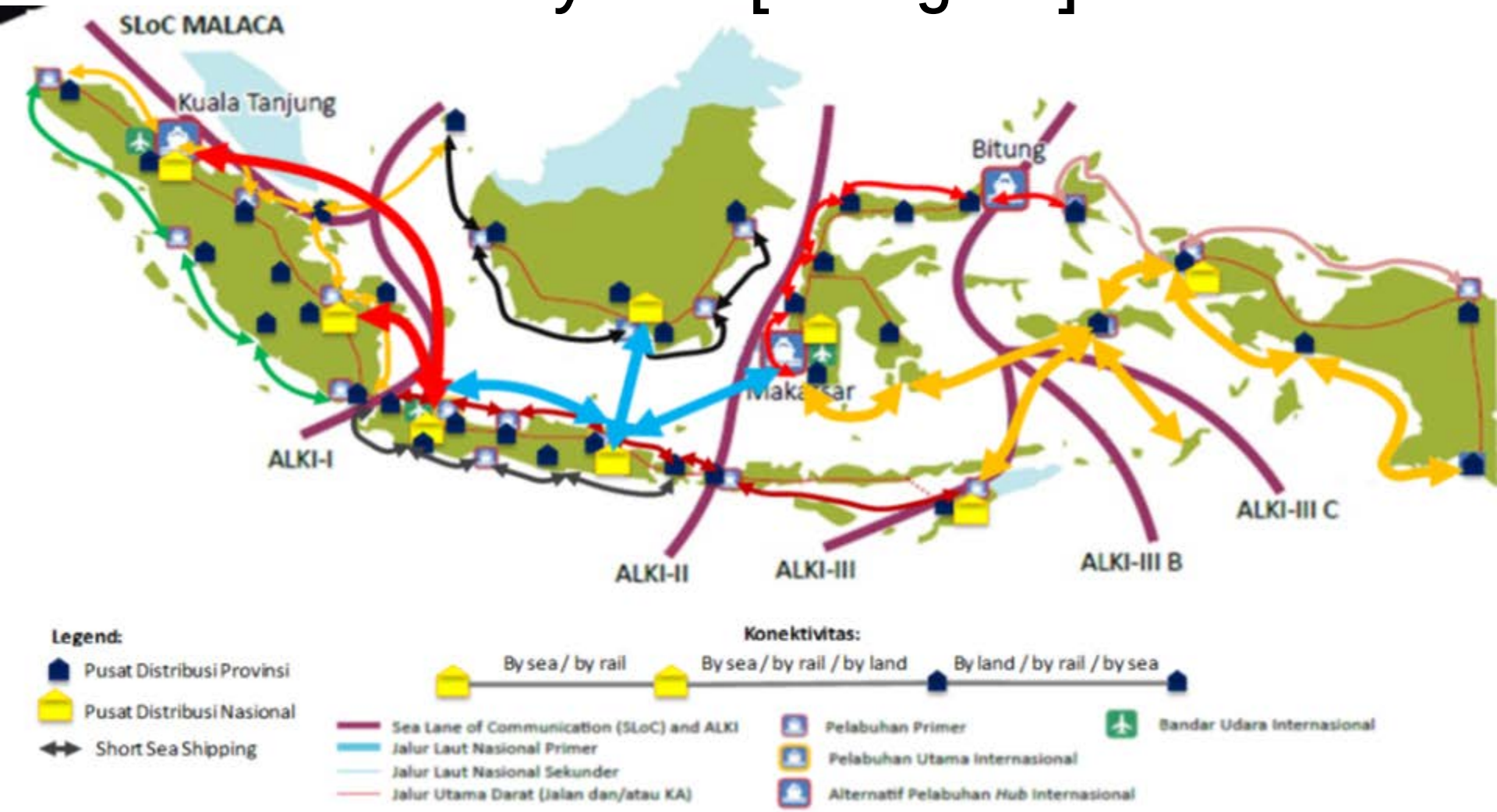
Source: Yusmar Anggadinata, 2011

Hub and Spoke: Dry Port Development



	Now	Hub & Spoke
Dwelling Time	4 – 5 hari	2 – 3 hari
Throughput	4 million TEUS per year	8 million TEUS
Land transportation	Heavy traffic	~ 30% less
Fuel consumption		~ Rp 190 billion/year less
Road maintenance		~ 30% less

Short Sea Shipping in The National Logistic System [Sislognas]



Short Sea Shipping

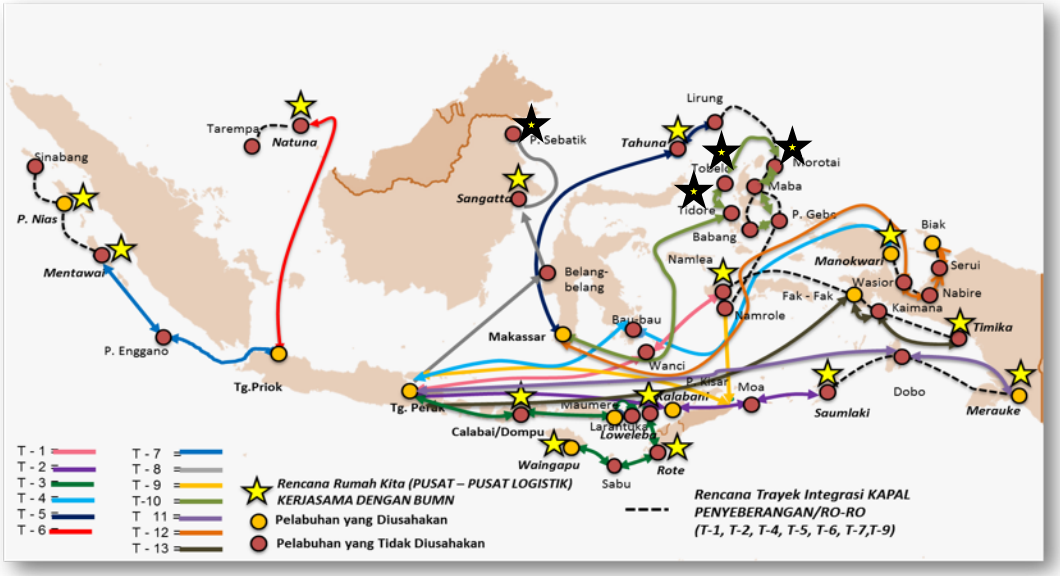
Moving at least 30% overland transport goods that have been overloaded to sea transportation through the following programs::

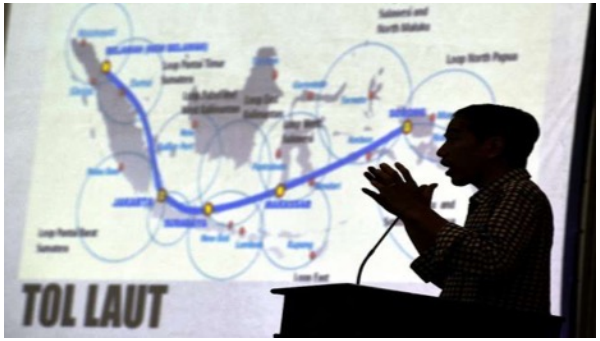
1. Short Sea Shipping or Coastal Shipping in Jawa and Sumatra islands as well as others by mapping the sea lanes that may be served by short sea shipping support vessels throughout Indonesia.
2. Setting a special rate for short sea shipping port in Indonesia. In the early stages, prepared ports in Marunda, Semarang, Surabaya, and Lampung.
2. Opening and maximizing railway tracks to and from ports and accelerating the completion of double track projects on the island of Java, both north and south.

Sources: Ministry of Transportation RI

“Sea Toll” Program

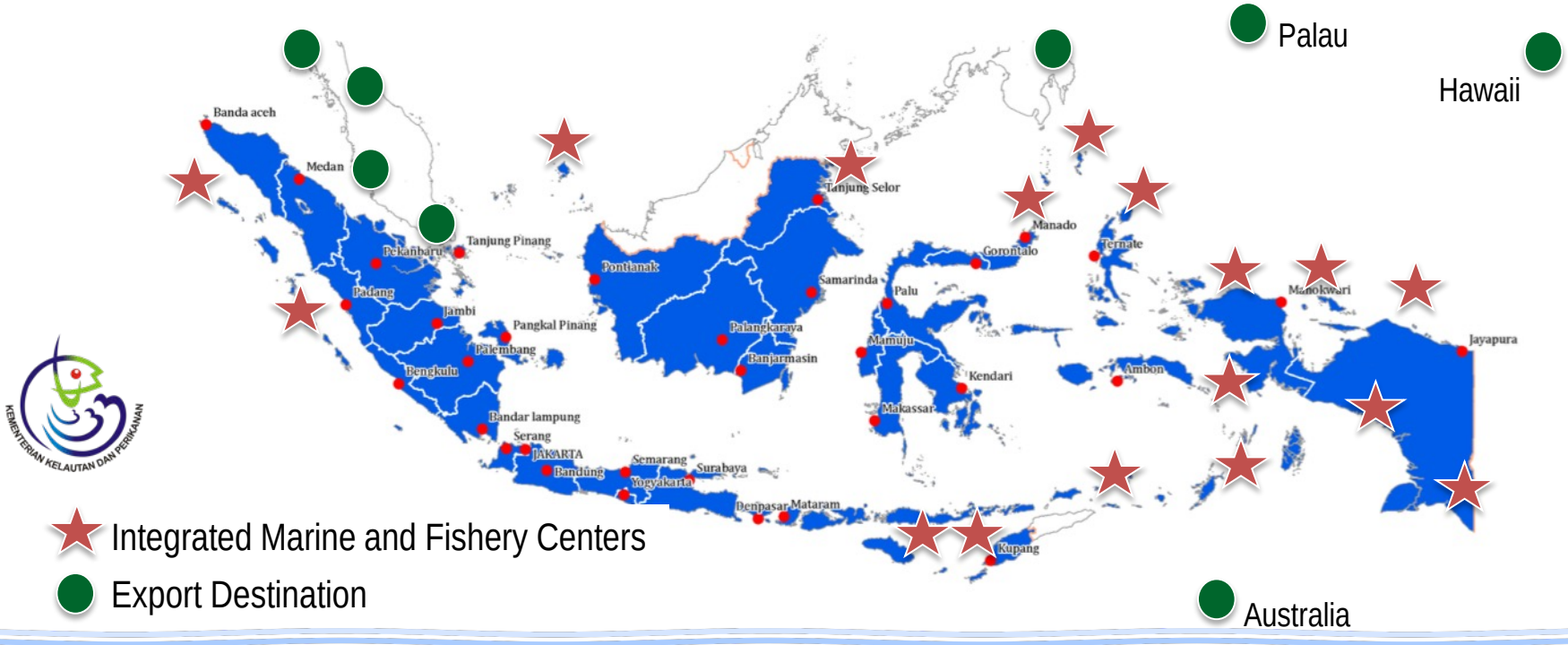
- Maintaining the availability, accessibility, and affordability of the basic needs in the outermost, remote, and least developed islands
- Government provides subsidies to transportation and logistic costs
- Multimodal transportation: sea, air, land, river
- Synergized efforts by State-Owned Enterprises in providing logistic centers in ~30 remote locations



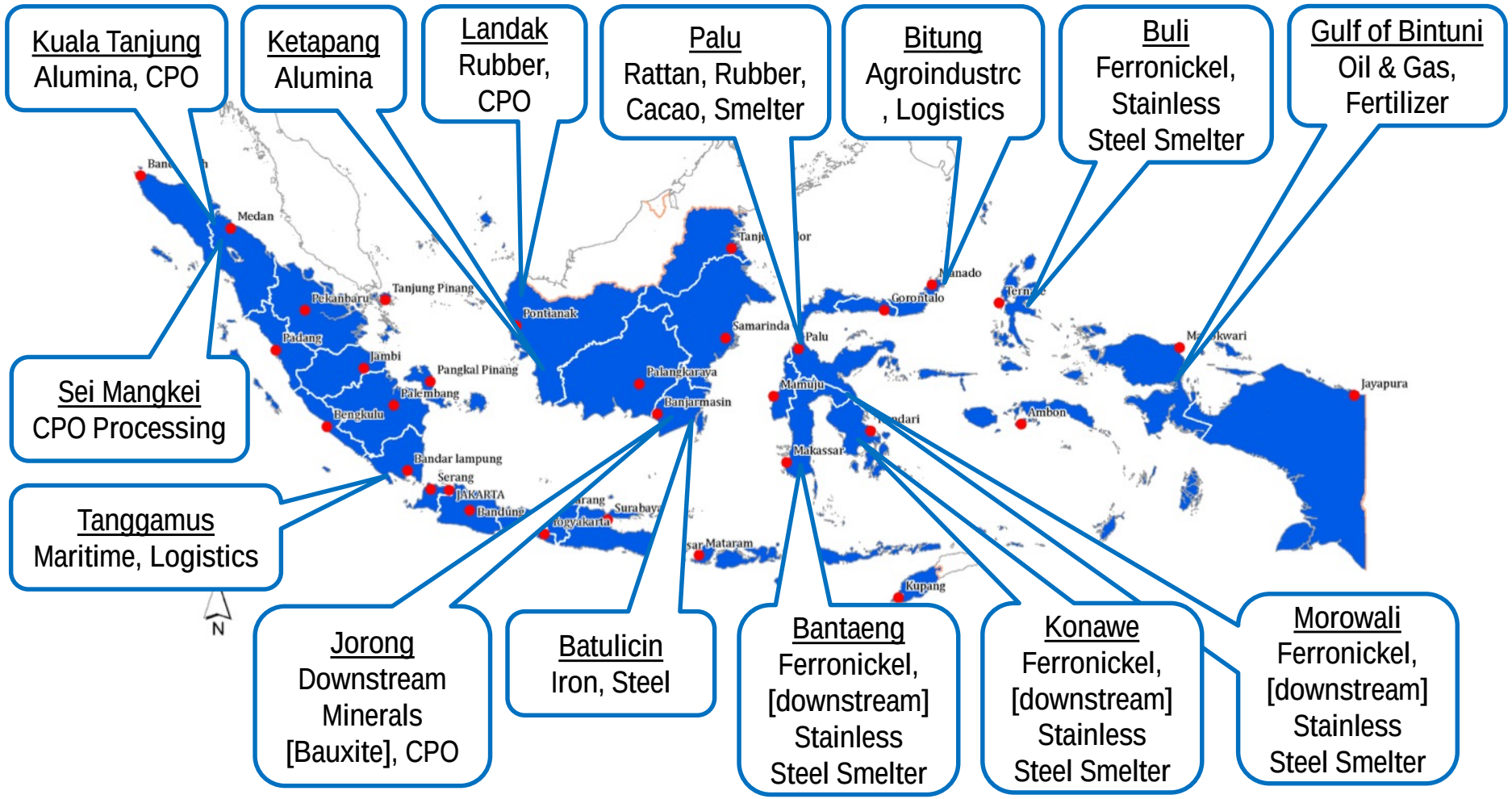


Development from the Periphery

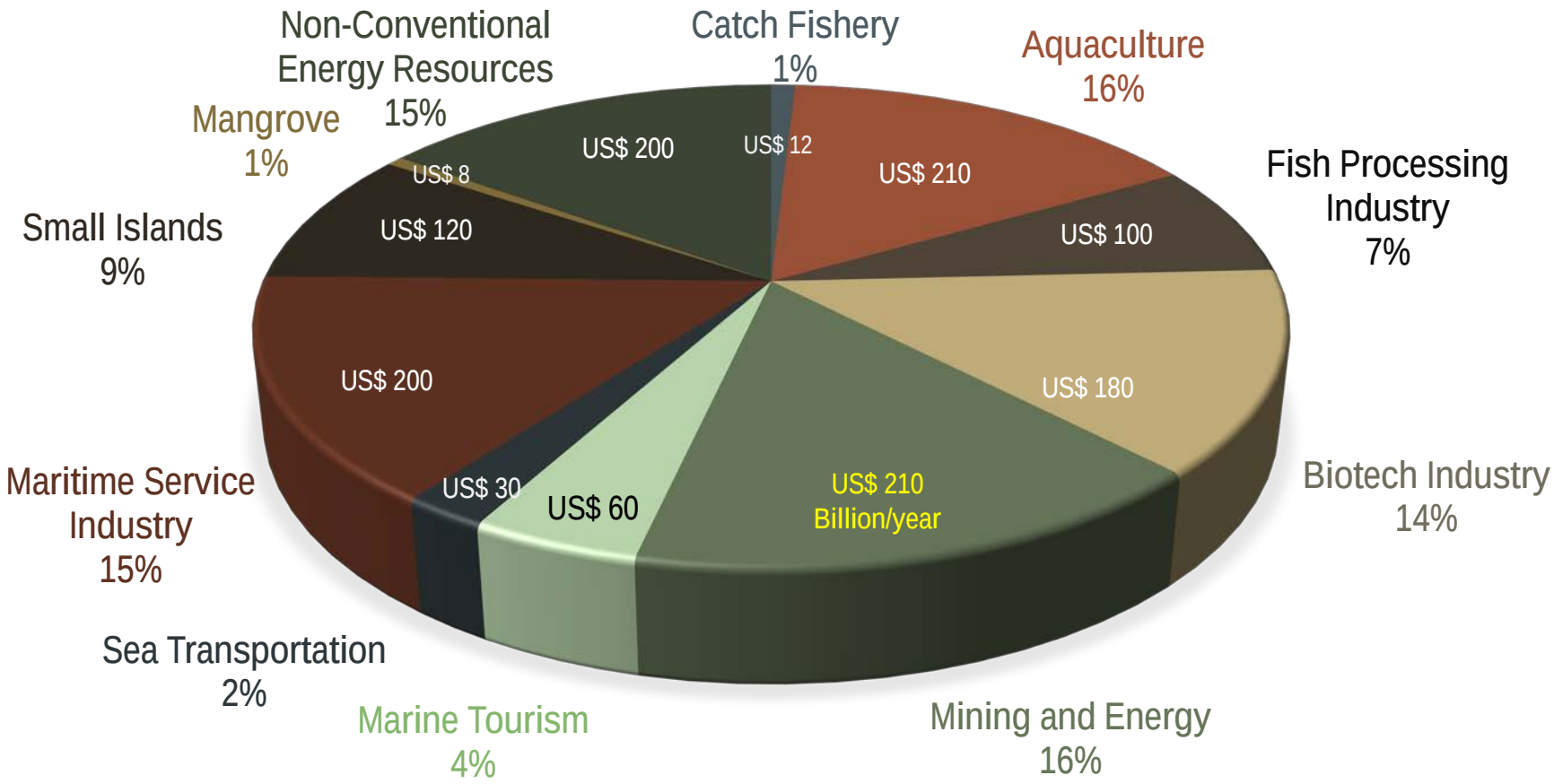
- Developing Integrated Marine and Fishery Centers in the border and small-outermost islands
- Natuna | Simeulue | Tahuna | Timika | Nunukan | Biak Numfor | Tual | Mentawai | Rote Ndao | Merauke | Sarmi | Moa | Talaud | Saumlaki | Morotai



14 Industrial Zones Outside Java

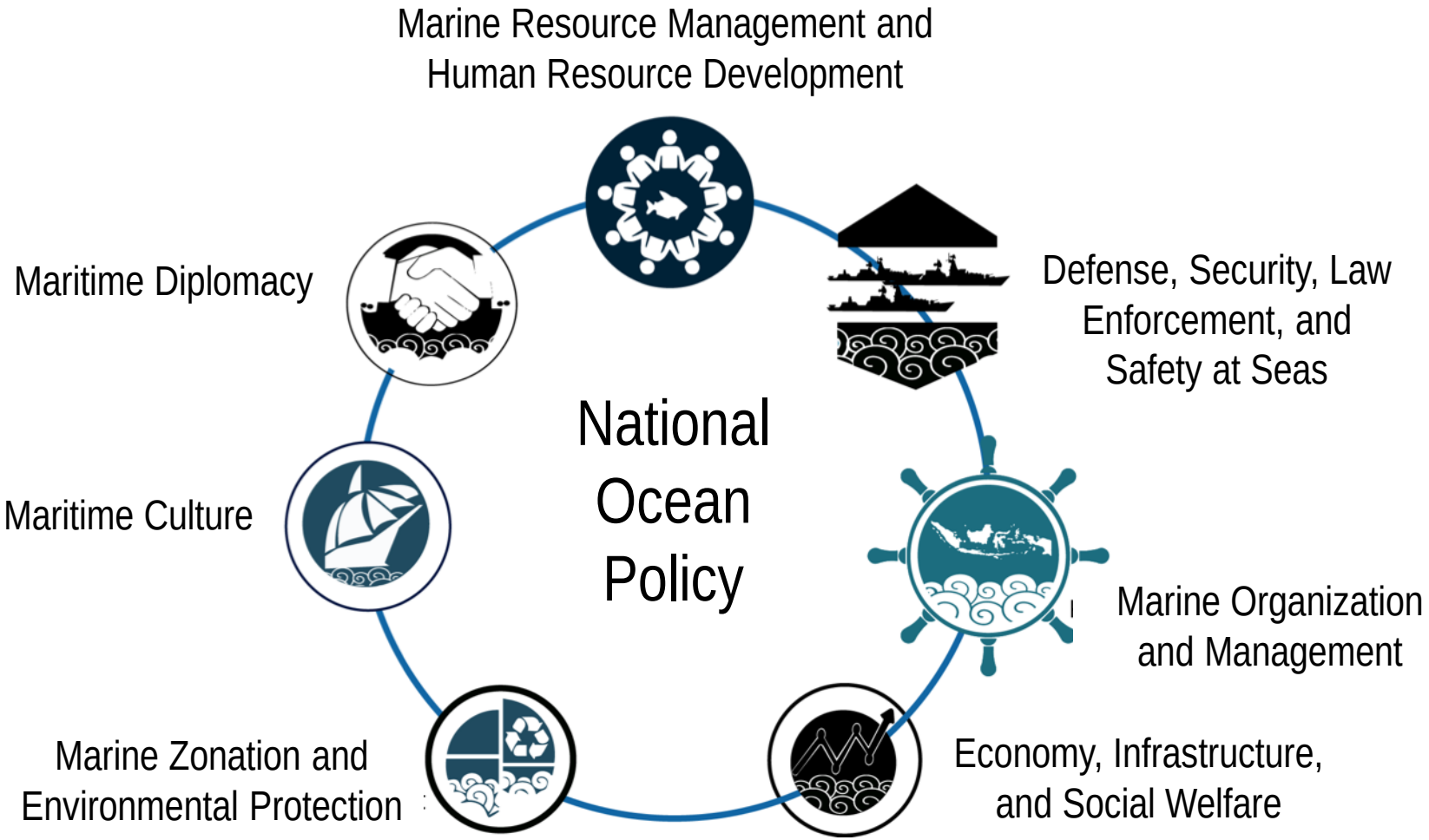


Maritime Economic Potentials



Indonesia Maritime Economic Potentials US$ 1,33 triliun per Year

Presidential Regulation No. 16/2017
7 Pillars of National Ocean Policy



Thank You

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7 - 12 May 2017, Bali Nusa Dua Convention Center, Bali - Indonesia

IAPH International Association of Ports and Harbors

PELINDO 1 INDONESIA GATEWAY

IPC PT Pelabuhan Indonesia II (Persero) Energizing Trade. Energizing Indonesia.

PELINDO III

PELINDO 4 Lokomotif Indonesia Timur