

IPC Through Pandemic: Challenges and Future Opportunities

TRANSPORT EVENTS WEBINAR

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#BUMNUntukIndonesia

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[Pelabuhan Indonesia II / IPC](https://www.youtube.com/channel/UC...)



Short Biography



Education

- Master of Engineering, Graduate School University of Electro-Communications, Tokyo
- Bachelor of Science, University of Electro-Communications, Tokyo
- Mechanical Engineering, Bandung Institut of Technology (ITB)

Professional Career

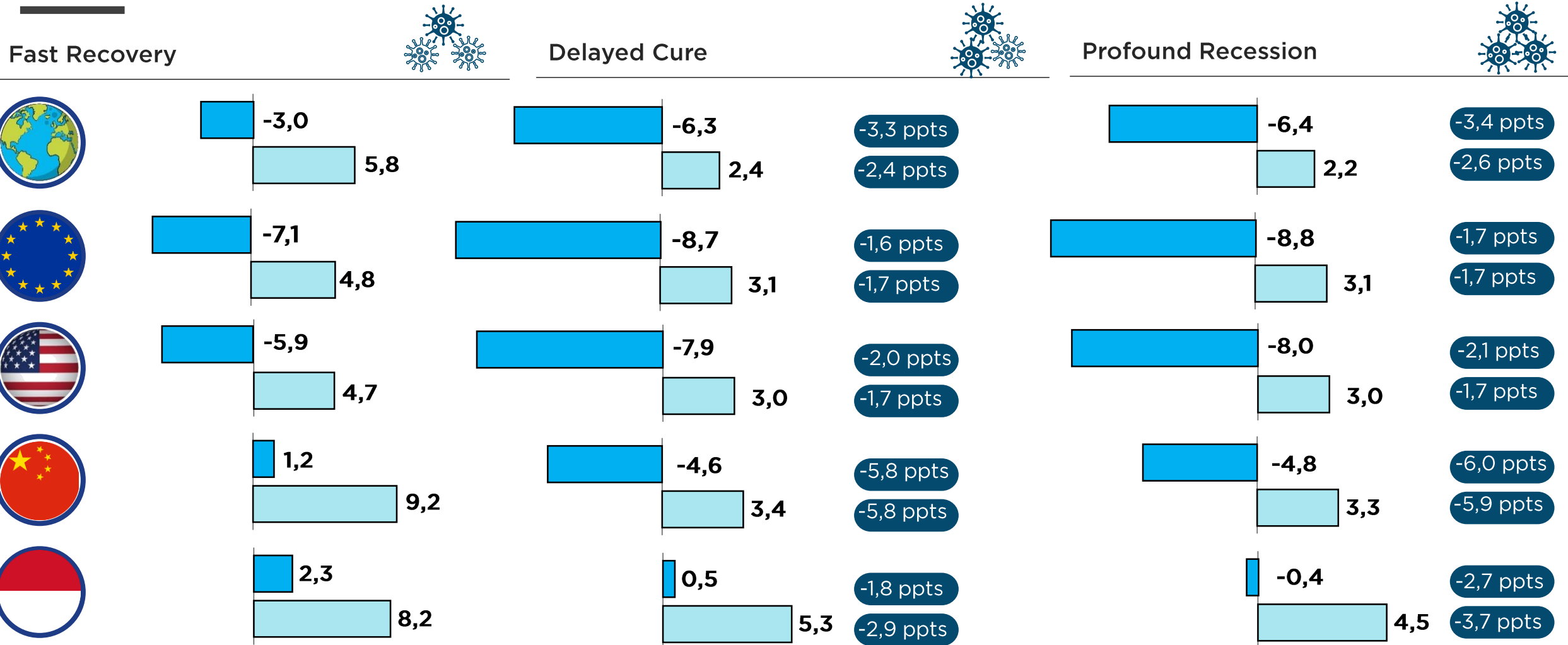
- Director of Transformation & Business Development PT Pelabuhan Indonesia II (Persero) (Present)
- Director of Logistics & Business Development PT Krakatau Steel (Persero) Tbk (2018)
- Director of Logistics PT Krakatau Steel (Persero) Tbk (2015-2018)
- Director of PT Portco Infranasantara, member of Rajawali Corpora
- Business Development General Manager of PT Nusantara Infrastructure Tbk, Rajawali Corpora
- Regional Process Leader for ASEAN South of Mitsui OSK Lines Ltd.
- National Logistic & Operation Manager of PT Mitsui OSK Lines Indonesia
- Account Manager of PT Dentsu Indonesia
- Business Development Executive of Mitsui & Co. Ltd.

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3 Scenarios of global economy impact

Covid-19 is becoming a challenge to the global economy – based on IMF & Oxford Economics analysis there are 3 scenarios ranging from a fast recovery to a profound recession with expected bouncing recovery in 2021



Forecast GDP Growth 2020 [%]
 Forecast GDP Growth 2021 [%]
 Percentage Point – Cumulative impact on GDP (Compared to the fast recovery scenario)

Impacts of Pandemics on Port Operational

Compared to several other ports, PT Pelabuhan Indonesia II (Persero)/IPC is considered quite stable and has experienced an insignificant decline

Port of Rotterdam



Port of Hamburg



Port of Barcelona



Port of Le Havre



IPC



Note:

Container throughput 2019 (Million TEUS)

Q2 2019 VS Q2 2020 (%)

Source: <https://www.porteconomics.eu>



CONTAINER
In Million TEUS



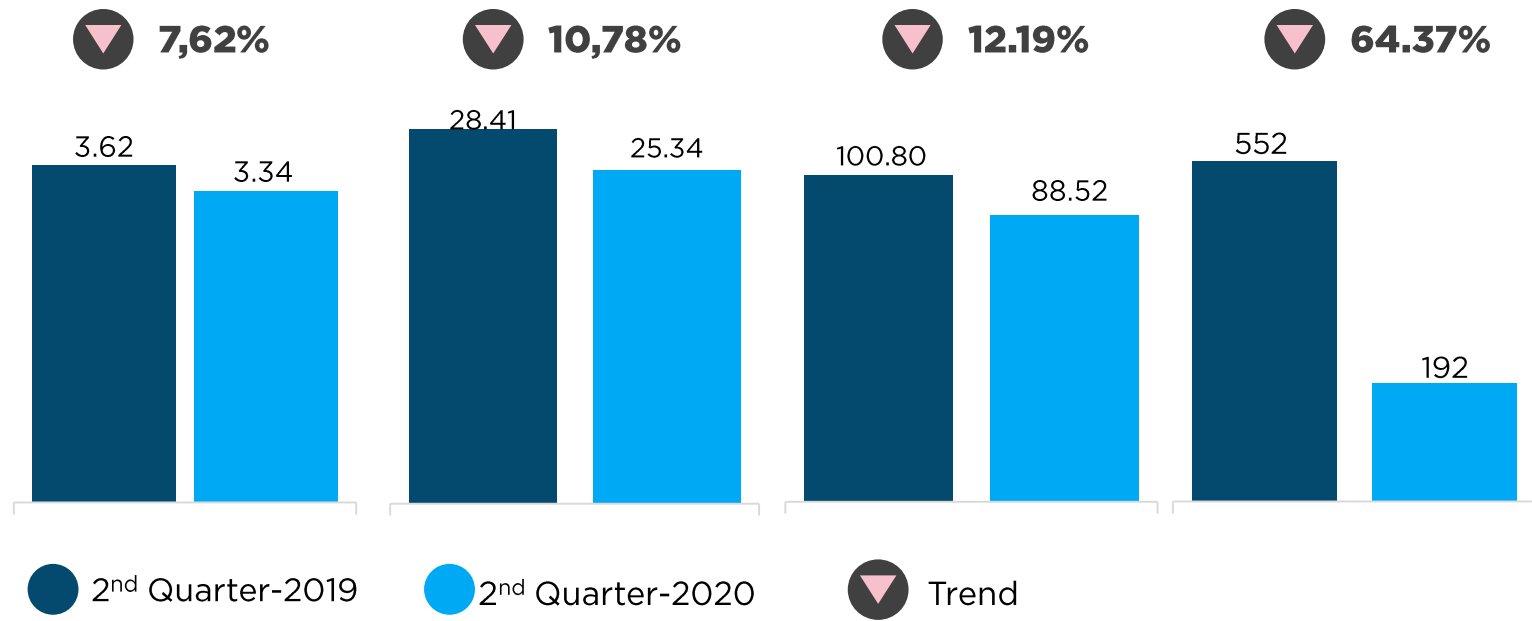
NON - CONTAINER
In Million Tonnage



SHIPPING CALL
In Million GT



PASSENGER
In Thousand People



Crisis in Japanese language has two meaning..

Behind the challenge there must be an opportunity to be captured..



CRISIS = RISK + OPPORTUNITY

“ The Chinese use two brush strokes to write the word “**crisis**”
One brush stroke **stands for danger,**
the other for opportunity....

*In a crisis be aware of the danger –
but recognize the opportunity.*

John F Kennedy

Challenges vs Opportunities during pandemic..

There are several challenges that transport & Logistic Sector due to Pandemic, but there are also several opportunities surface

The Challenges in transport & logistics sector due to pandemic..

Global economy falls sharply in 2020 with GDP below -3% & followed by merchandise trade falls around -10,5%..

China's decline as manufacturing hub..

The number of blank sailings jumped from 2 to 45 on the main deep-sea trades last week, according to Copenhagen-based consultancy Sea-Intelligence.

There are idle container ships at the port due additional procedure to prevent the pandemic spreading..

Within a month, millions of employees around the world were working from home. Organizations faced tactical and logistical challenges. IT teams had to work 24/7..

The Opportunities in transport & logistic sector due to pandemic..

➤ **Global economy will bounce back** around 5,8% (2021) and followed by merchandise trade. Time to invest and prepare to expand capacity

➤ **How to attract manufacturing growth for Indonesia?** (Bonded & Special Economic Zones, New ports with industrial area zoned, Tax incentives)

➤ Shipping lines have realized the **benefits of consolidation** during the Covid19 crisis, with the sector seeing a “new competitive”

➤ The decrease in demand caused by a decrease in production capacity and an **increase in inventory of some commodities** (Coal, CPO, consumer goods). **Shifting focus & agile**

➤ **Port & Logistic digitalization reinforcement** to capture the customer needed

How IPC Capture the opportunities in the new normal era..

In order to capture these opportunities, IPC will implement several initiatives divided in 3 aspect and IT as key enablers

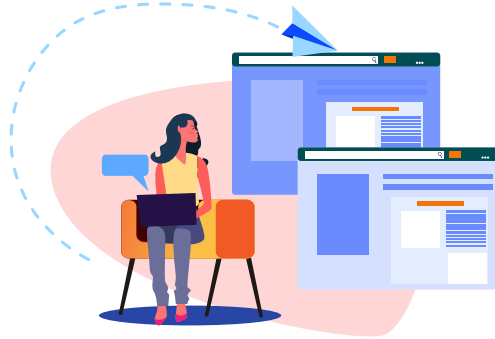


Operational Aspect

Expansion of the port area, Add the new facilities such as NPCT 2, Kijing Port & Business expansion outside IPC group

Enhancement & standardization of port operation services through development of digitalization in IPC group

Ensure flow of document & goods, **Improve port operation safety** and follow additional procedure

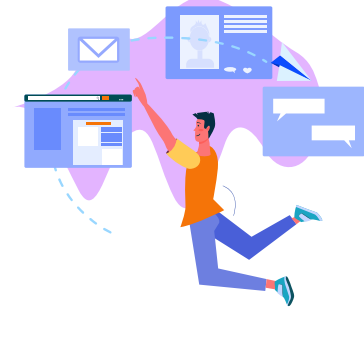


Commercial Aspect

Collaboration among Stakeholder, International organization (IPC Sister Port) & expand market for transshipment activities through development of partnership with key shipping lines

Improve customer acquisition and retention through strong Key Account Management by enabling several communication channel

Enable additional new port services to meet customer needs & Synergy of subsidiaries by staying focused on the core business



Back Office Aspect

Organize **clear & effective communication structure**. **Build & enhance ecosystems** (cross sector solution with others)

Implement corporate governance to maintain zero accident & achievable / executable programs, while remaining aggressive

Accelerate smart work (virtual work system) and **Enhance health & hygiene**

Key Enablers: Optimize IT Utilization in all sector

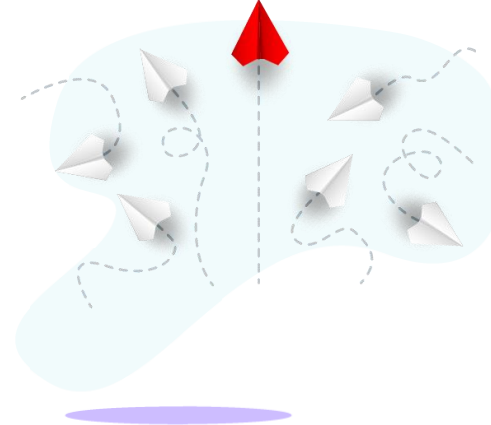


Key Success Factors



Commitment

Commitment from all stakeholders is needed to succeed in IPC transformation in all aspects included digitalization & digitization.



Change Management

Organizing Change Management activities on an ongoing basis through socialization activities, workshops, seminars and others.



Collaboration

Collaborate in the exchange of data between stakeholders and the support of key stakeholders, the government.

Thank You