



PORT AND SHIPPING DEVELOPMENT IN INDONESIA

The 12th ASEAN Port and Shipping Exhibition and Conference

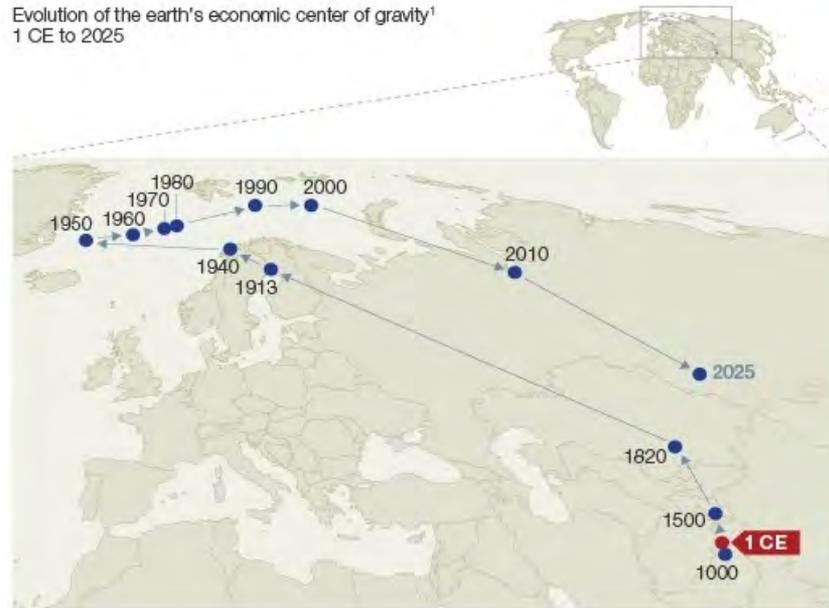
11 June 2014

Jakarta

Bambang Susantono, Ph.D.
Vice Minister for Ministry of Transportation
Republic of Indonesia

Asia to Become the Centre of Global Economic Activity

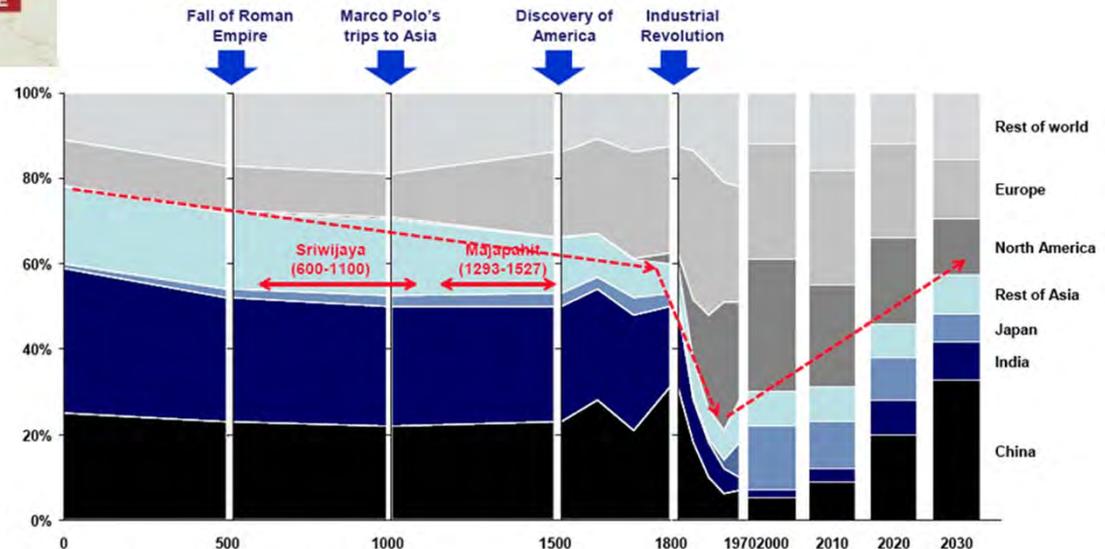
Evolution of the earth's economic center of gravity¹
1 CE to 2025



The shift in economic power from West to East

- Mapping of the current world economic power has been changed along with the thriving economy in developing countries.
- The shift of economic power from West to East will continue, and Asia will remain as the most attractive economic region for the next 20 years

Composition of World Economy - Time to Time



Converging Asia Scenario: 2050

GDP at market exchange rate (Trillion)	
World	333
Asia	174
United States	38
GDP per capita at Constant PPP	
World	37,300
Asia	40,800
United States	94,900

Asia in 20 Leading Container Ports

- The world's 20 leading container ports for 2010–2012 includes 16 ports from developing economies, all of which are in Asia.
- Asia is becoming a more important region of the world's trade.
- Every year there are over 71,000 ships passing the Malacca Strait, carrying 1/3 of world's sea trade.

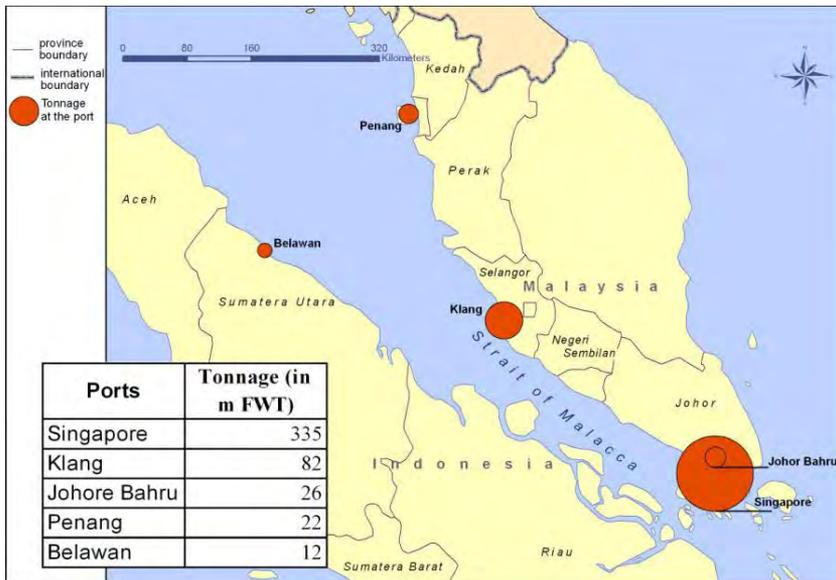


Table 4.2. Top 20 container terminals and their throughput for 2010, 2011 and 2012 (Twenty-foot equivalent units and percentage change)

Port name	2010	2011	Preliminary figures for 2012	Percentage change 2011–2010	Percentage change 2012–2011
Shanghai	29 069 000	31 700 000	32 500 000	9.05	2.52
Singapore	28 431 100	29 937 700	31 600 000	5.30	5.55
Hong Kong (China)	23 699 242	24 384 000	23 100 000	2.89	-5.27
Shenzhen	22 509 700	22 569 800	22 940 000	0.27	1.64
Busan	14 194 334	16 184 706	17 030 000	14.02	5.22
Ningbo	13 144 000	14 686 200	14 973 400	11.73	1.96
Guangzhou	12 550 000	14 400 000	14 520 000	14.74	0.83
Qingdao	12 012 000	13 020 000	14 500 000	8.39	11.37
Dubai	11 600 000	13 000 000	13 280 000	12.07	2.15
Tianjin	10 080 000	11 500 000	12 300 000	14.09	6.96
Rotterdam	11 145 804	11 876 921	11 900 000	6.56	0.19
Port Klang	8 871 745	9 603 926	9 990 000	8.25	4.02
Kaohsiung	9 181 211	9 636 289	9 781 000	4.96	1.50
Hamburg	7 900 000	9 014 165	8 930 000	14.10	-0.93
Antwerp	8 468 475	8 664 243	8 629 992	2.31	-0.40
Los Angeles	7 831 902	7 940 511	8 080 000	1.39	1.76
Dalian	5 242 000	6 400 000	8 060 000	22.09	25.94
Tanjung Pelepas	6 530 000	7 500 000	7 720 000	14.85	2.93
Xiamen	5 820 000	6 460 700	7 200 000	11.01	11.44
Laem Chabang	5 068 076	5 731 063	5 927 000	13.08	3.42
Total top 20	253 348 589	274 210 224	282 96 392	8.23	3.19

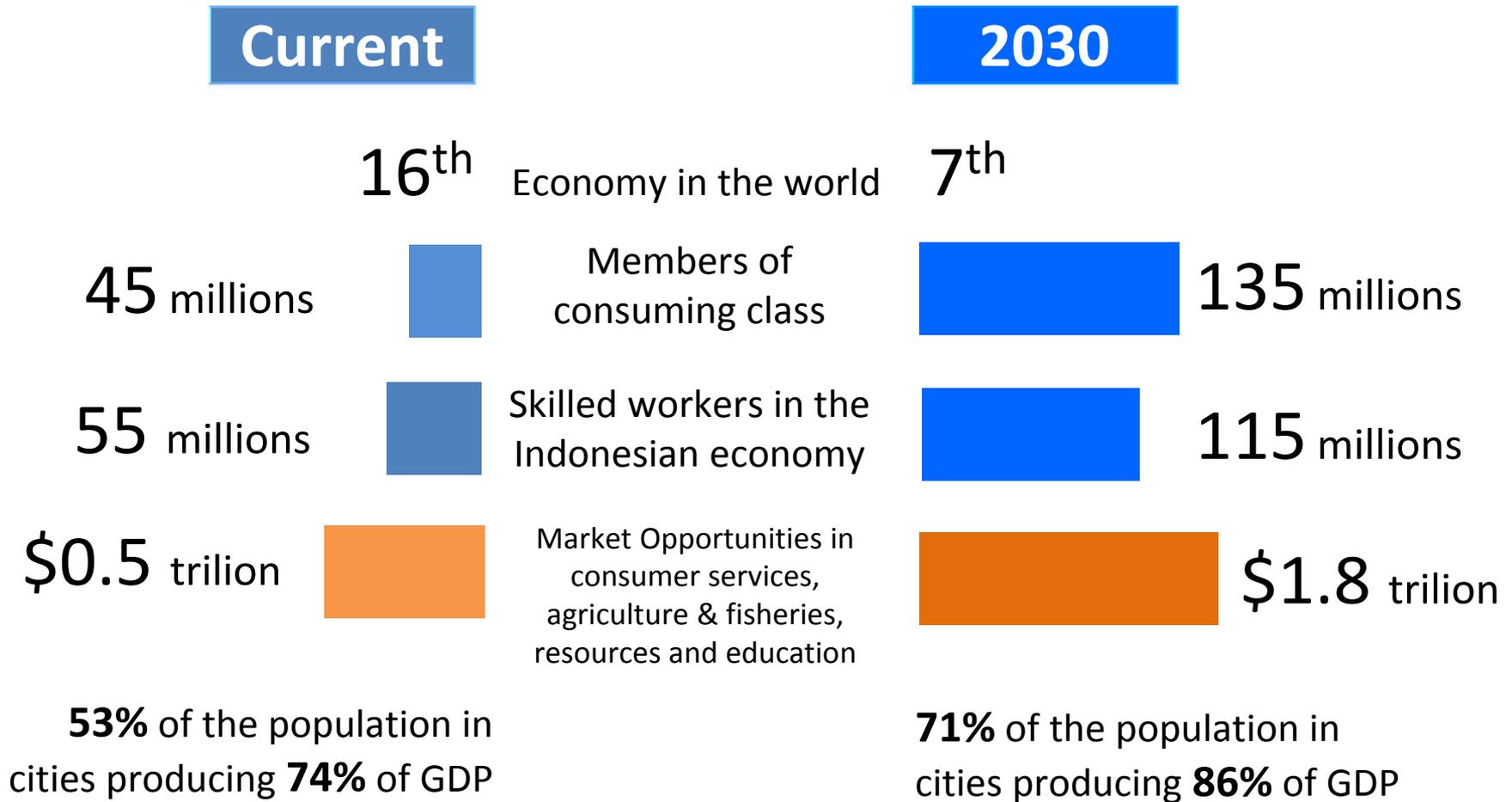
Source: UNCTAD secretariat and Lloyd's List Intelligence, July 2013.

Note: In this list Singapore does not include the port of Jurong.

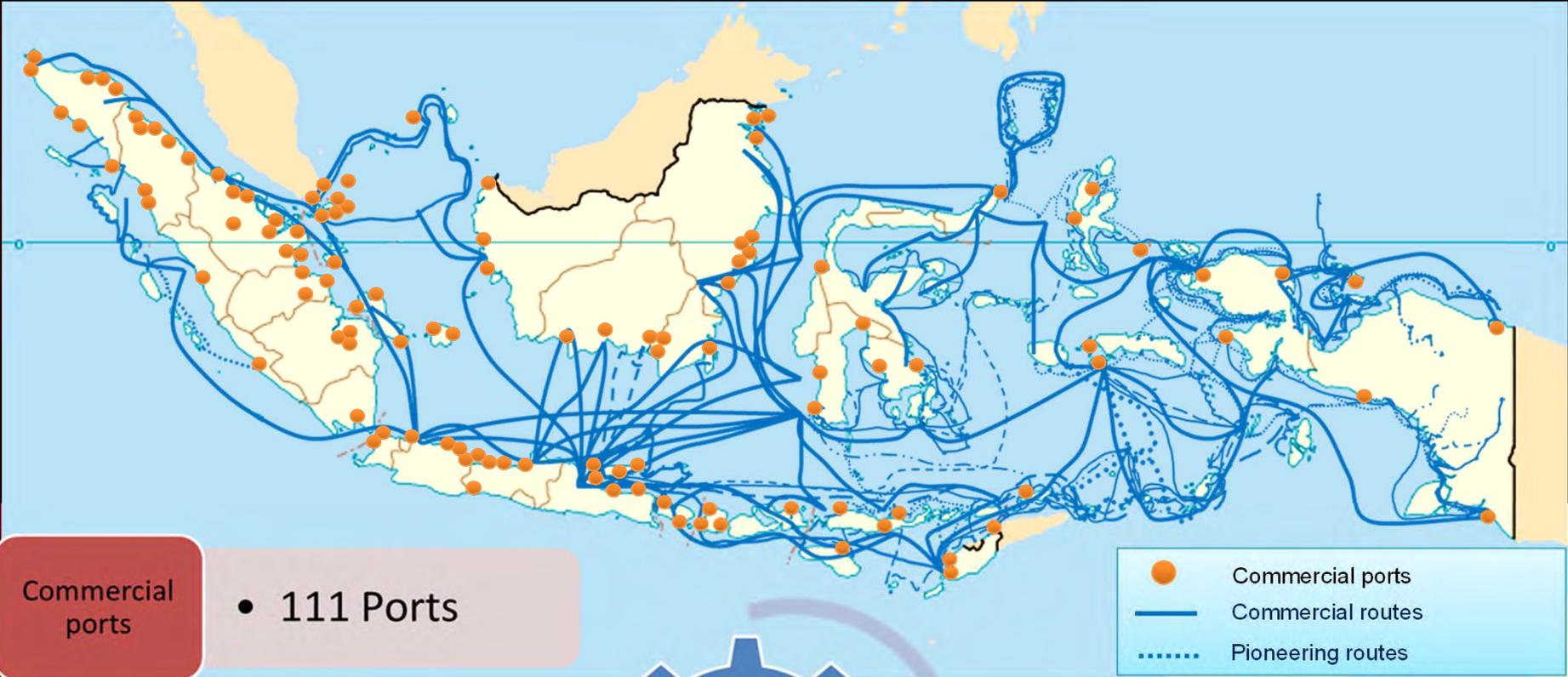
Asia Port

- There are 5 international ports in the area: Singapore, Klang (near Kuala Lumpur), Johor, Penang, and Belawan (Medan)

The Economy of Indonesia Will Keep Growing



Indonesia Port Structure



Commercial ports

- 111 Ports

Non Commercial ports

- 1129 Ports

Terminals/dedicated private ports for industries

- 914 Terminals

TOTAL:
2154
PORTS

Indonesia has the 4th longest coastline in the world. With 95,181 km, there is 1 port every ± 40 km coastline.

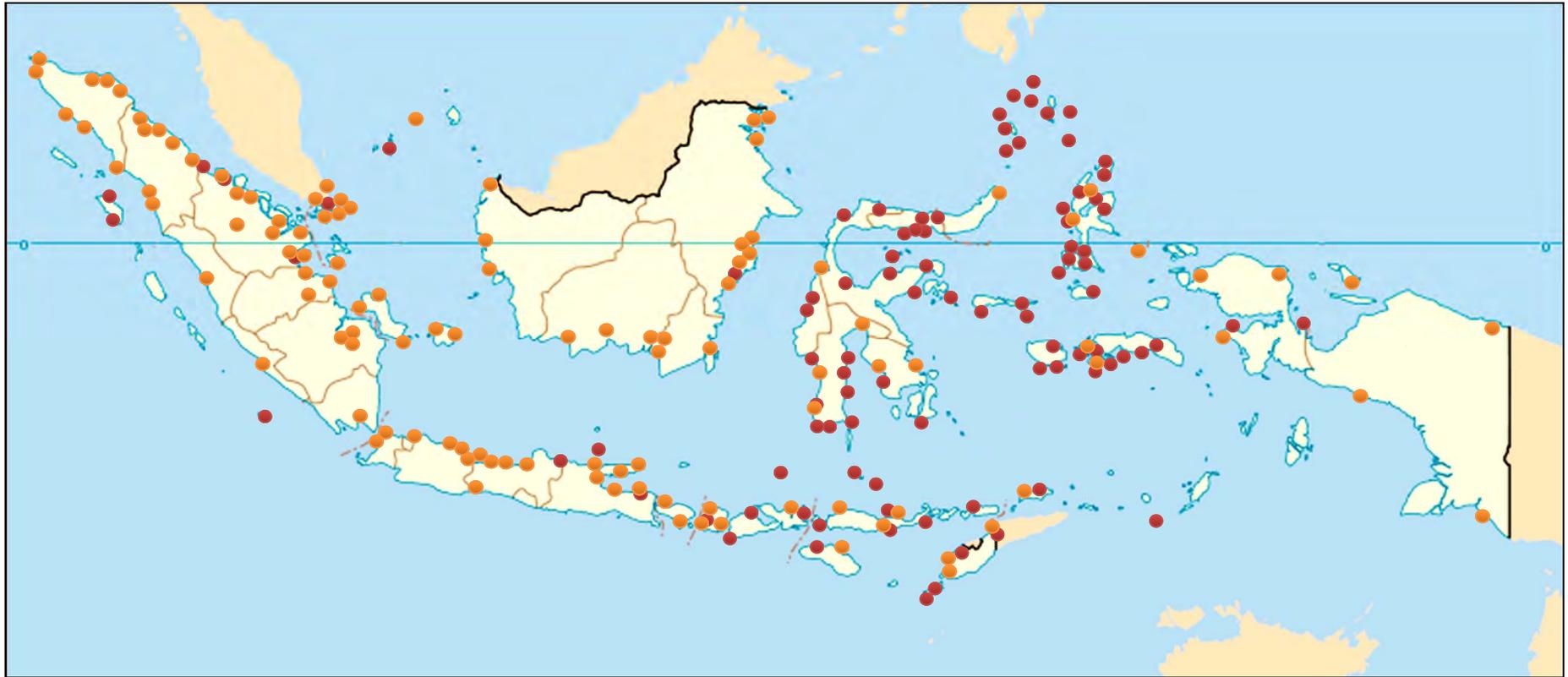
Source: MoT, 2013

Logistic Cost is Still High...

- Indonesia's logistics costs comprise 14 % of total production costs, compared with 5 % in Japan.
- In Indonesia, logistics cost accounted for 24 % of total GDP, compared with 10.2 % in US and 18.1 % in China.
- The government decides to accommodate a more competitive business conditions in the ports operation.



Distribution of Existing Commercial Ports and New Non-Commercial Ports (operating in 2013-2014)



- Commercial Ports
- New Non-Commercial Ports (operating in 2013-2014)

Port Soft Infrastructure Development

SOFT INFRASTRUCTURE

24/7 operation

Handling method improvement

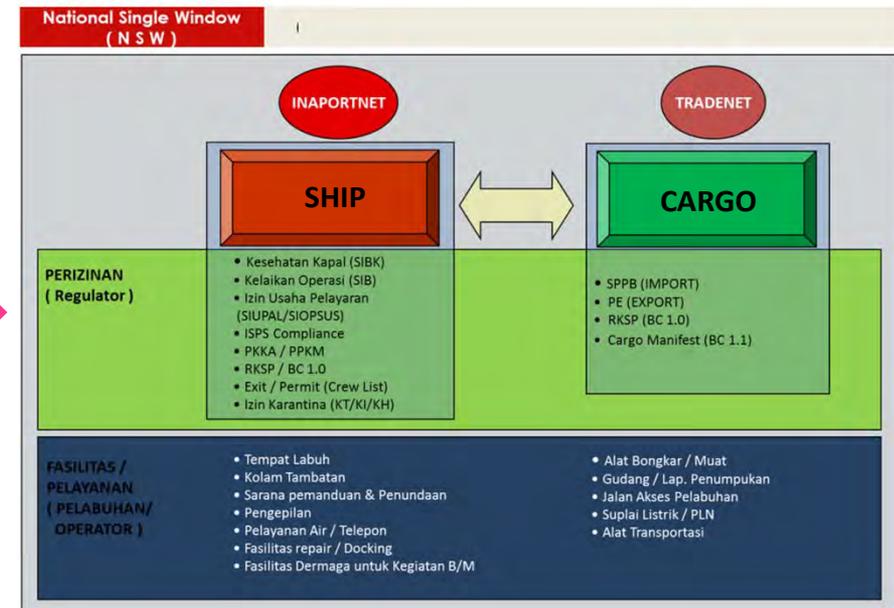
ICT improvement

Human resource development

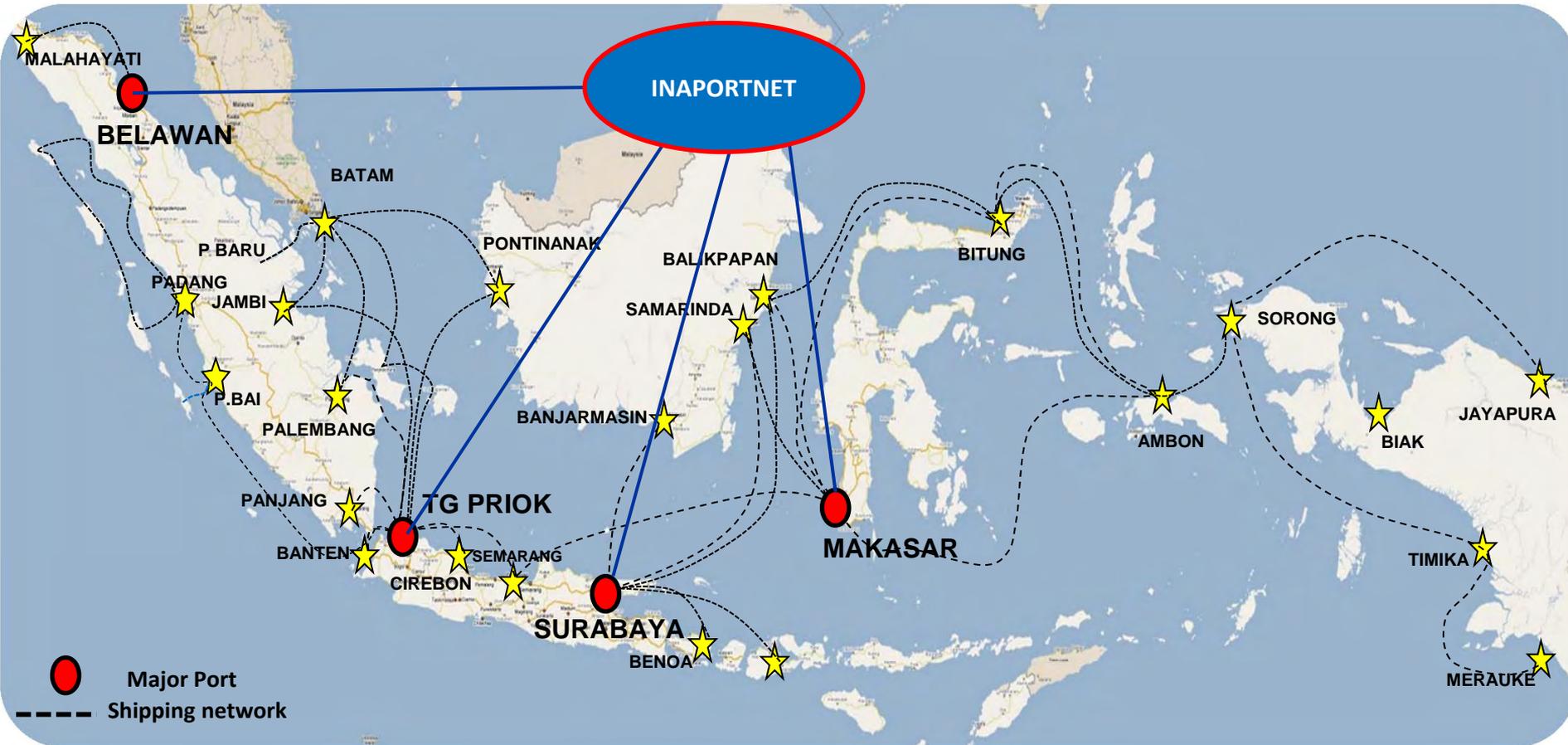
Terminal management improvement



Inaportnet is a part of Indonesia National Single Window

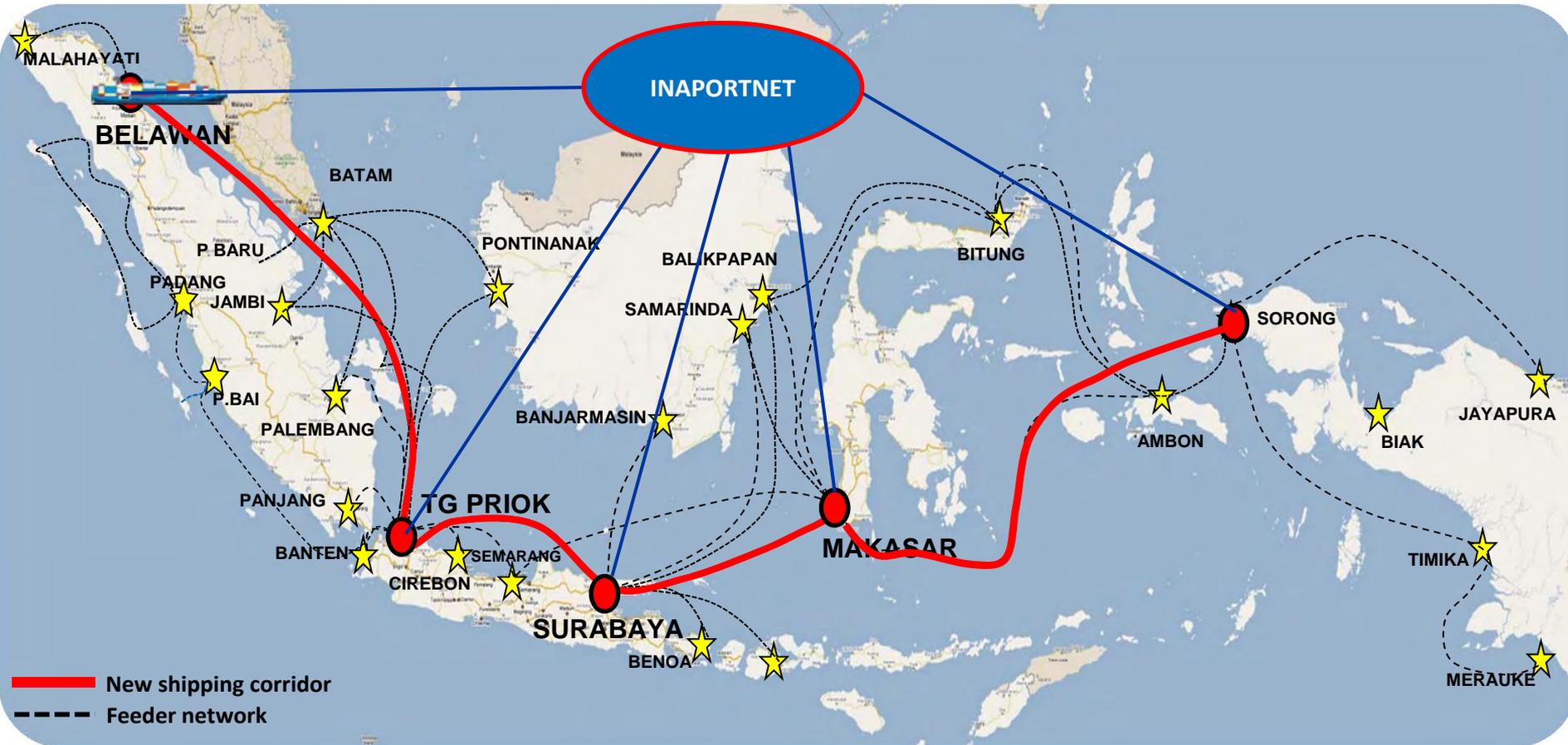


Revitalizing Inaportnet at 4 Major Indonesia Ports



The revitalization of Inaportnet will include the implementation of domestic manifest, strengthening of the in-house system of the Port Authority, integration of in-house systems of the Indonesian Port Cooperation (Pelindo I - IV), as well as the integration of the Indonesian Government to the e-logistic platform.

Domestic Sea Transport Improvement Plan



This national domestic container backbone is designed to strengthen domestic connectivity and boost domestic trade. The new domestic shipping corridor will form a new sea-way corridor connecting the Eastern and Western Indonesia, passing 5 main ports of Belawan, Jakarta, Surabaya, Makassar, and Sorong. The ships sailing on this corridor will follow a certain schedule with an integrated, electronic platform, port management system.



Thank You