

Discussion Topic 1: How to make Indonesia the most competitive South East Asia Logistic Hub...

Discussion Topic 2: Development of Sea/Airport Infrastructure to support the targeted growth in Indonesia...

**Transport and Logistics Sector Meeting
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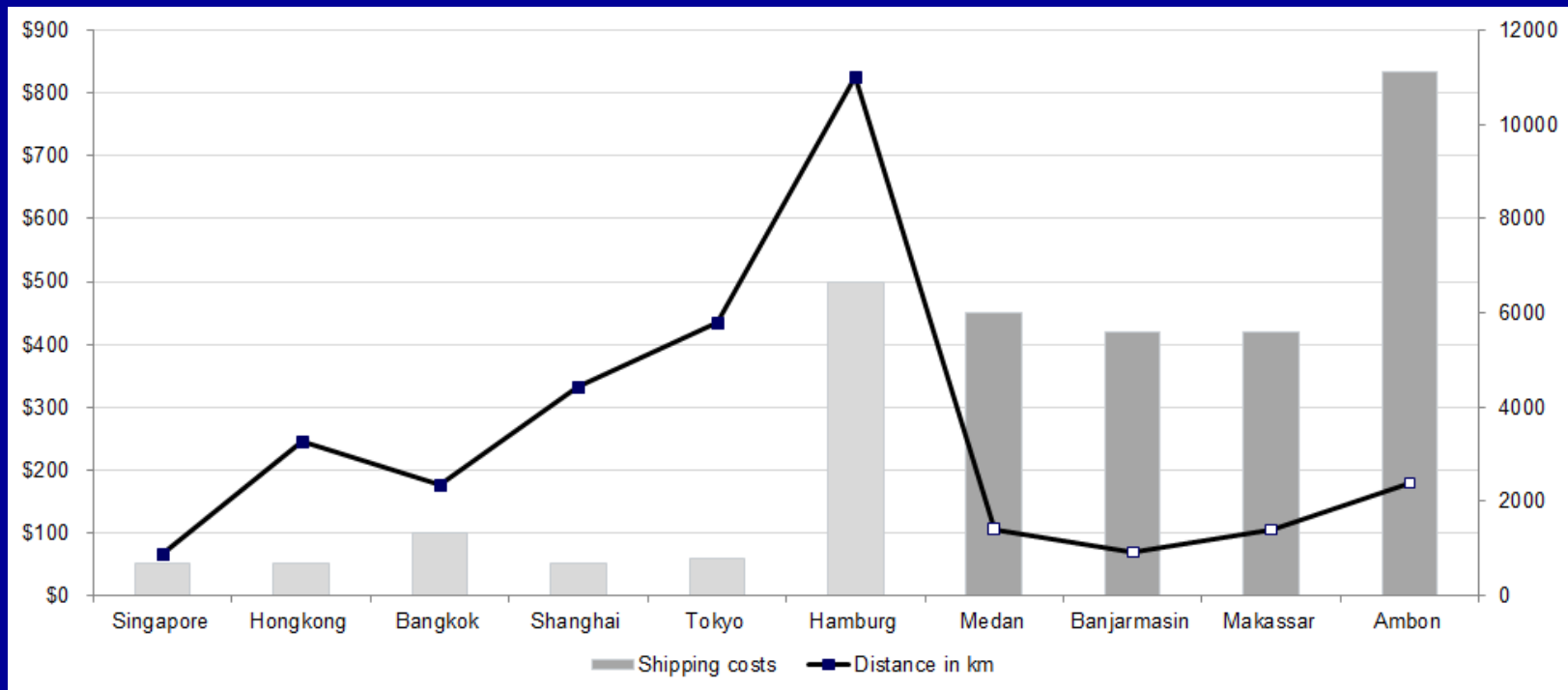
LPI: with a rank of 53 of the 160 surveyed countries...63rd in 2016

Figure 1 LPI Ranking 2014 by income group

TOP 10 COUNTRIES UPPER MIDDLE INCOME		TOP 10 COUNTRIES LOWER MIDDLE INCOME		TOP 10 COUNTRIES LOW INCOME	
Country	LPI Rank	Country	LPI Rank	Country	LPI Rank
Malaysia	25	Vietnam	48	Malawi	73
China	28	Indonesia	53	Kenya	74
Turkey	30	India	54	Rwanda	80
Hungary	33	Philippines	57	Cambodia	83
South Africa	34	Ukraine	61	Burkina	98
Thailand	35	Egypt	62	Liberia	102
Romania	40	El Salvador	64	Ethiopia	104
Panama	45	Pakistan	72	Nepal	105
Bulgaria	47	Nigeria	75	Burundi	107
Mexico	50	Guatemala	77	Bangladesh	108

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“It is cheaper to ship goods from Jakarta to Hamburg than to Ambon”

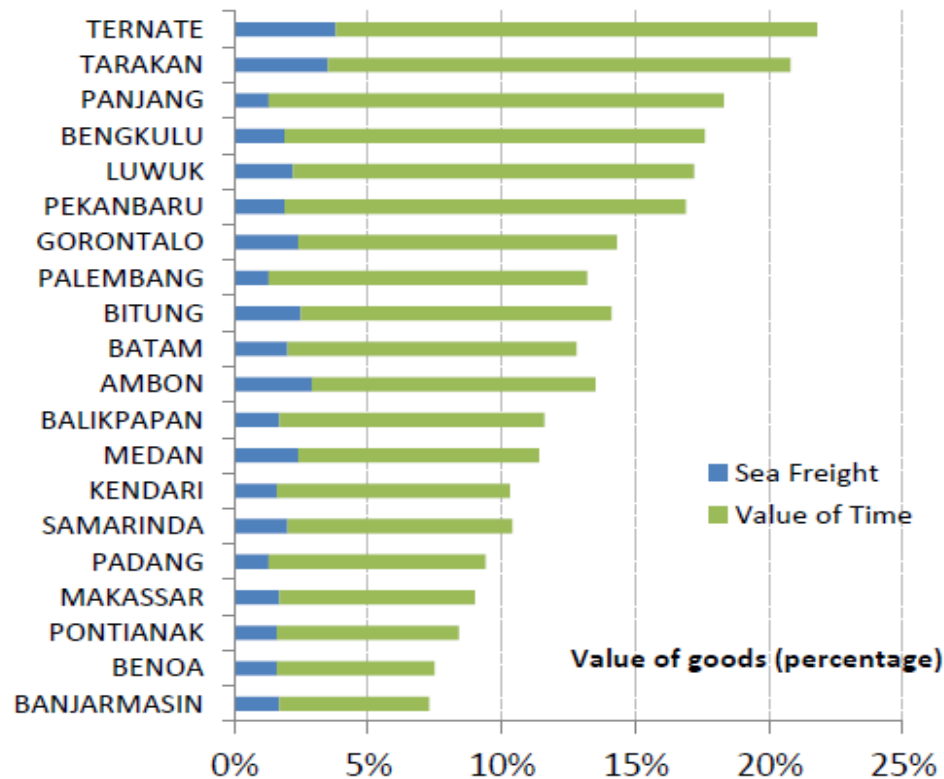


Note: the distances are displaying the direct distance and not the shipping routes. Therefore they only serve as a general orientation.

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Domestic Transportation cost is 7% to 23% of the total Sales Value!

Figure 10. Sea freight cost vs. value of shipped from the two hubs in Java (Jakarta and Surabaya)



Source: World Bank staff estimates, 2014.

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How can CEPA and Transport & Logistic Working Group help ?

- 1- Supporting the development and quality increase of logistics services**
⇒ Discuss “Full foreign ownership to be permitted” on all transportation and logistics services. Increasing the quality and reduce the cost...
- 2- Evaluating Best in Class solutions in Indonesia and neighboring ASEAN countries**
=> Reduce administrative burden of managing logistic facilities
=> Publication of dwell time in major airports and sea-ports
- 3- Support authorities in publishing and implementing regulations**
⇒ Improve the availability of facts and data for informed policymaking
⇒ Improve compliance in transport and logistics services (rules, safety, insurance)

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Presentation 1 :
**How to make Indonesia the most
competitive South East Asia Logistic Hub...**

Presentation 2:
**Development of Sea/Airport
Infrastructure to support the targeted growth in
Indonesia...**