DEVELOPMENTS AND OPERATIONS
INTERMODAL CONNECTIVITY IN INDONESIA

Presented at Bangkok, 21 November 2012
Outline

- Background
- Cikarang Dry Port Profile
- Government Program and Regulations
- Threats
- The Way Forward
Background

☑️ Estimated more than 60% throughput of Tanjung Priok Port come from Corridor Toll Road Bekasi-Cikampek, a significant contribution to the nation and effective to build facilities for export and import.

☑️ Alignment with Government of Indonesia, ie. CATS (Customs Advance Trade System), KPPT (Kawasan Pelayanan Pabean Terpadu) initiatives to streamline inefficiencies in the current logistics landscape and to relieve congestion in Jakarta

☑️ To participate in a profitable business through provision of integrated logistics services in a growing market: *Improve competitiveness*, Requirement on Integrated Logistics System (*Fast and efficient distribution system, Achieve zero inventory, Deliver security system (24/7), Fast container handling clearance system, Efficient warehousing service management system; Delivery of goods (Timely, not costly, accountable, predictable, No congestion)*
Integrated PORT & LOGISTICS Facilities

Coverage Area

HUB
(Tj. Priok Port)

SPOKE
(Cikarang Dry Port)

Distance = 50 kms
As International Port that provides Integrated Port, Customs, Quarantine, and Logistics services for export-import and also domestics distribution cargo handling with easily accessible by highway and railway system with supported Real Time Monitoring System, Security and Safety comply to International Standard.
Concept

EXISTING

INDUSTRIES

TANJUNG PRIOK

MT Depot

Shipping Line

Forwarder

Customs

SEA PORT

Integrated / One Stop Services

KPPT-Cikarang Dry Port

Cikarang Dry Port

INDUSTRIES

Systematically connected

Integrated PORT & LOGISTICS Facilities
Development View

Port Code: IDJBK
Total Area 200 Ha

Railway
• Domestics
• Internasional

Port:
• 70 Ha
• Customs
• Quarantine
• CY
• Reefer
• CFS
• Empty Depot

Logistics Park:
• 130 ha
• Warehouse
• TPP
Integrated PORT & LOGISTICS Facilities

- Port / Terminal (70 Ha)
- Logistics Park (130 Ha)

Kawasan Industri

Quarantine

TPP

AREA MASTERPLAN
200 Ha
Facilities

Integrated PORT & LOGISTICS Facilities
Integrated PORT & LOGISTICS Facilities

Operational Scheme

Flow Chart

Import Process

Multimodal B/L
B/L @ CDP  
"Place of Delivery"

Non Multimodal B/L
B/L @ Tj Priok

Export Process

Multimodal B/L
B/L @ CDP  
"Place of Receipt"

CIF/CNF @IDJKT

By CDP using BC 1.2
as requested by consignee
& approved by Customs

By Carrier

By Consignee / Forwarder

CIF/CNF @IDJBK

By Carrier

Consignee

By Consignee / Forwarder

By Shipper / Forwarder

On Truck/Train
On Board
@IDJBK

Consigee

By Consignee / Forwarder

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Consigee
Strategic Partnership with Other Stakeholders

**Shipping Liners**
- Maersk Line
- MCC Transport
- Salamini
- MOL
- APL
- Kereta Api

**Terminal Operators**
- JICT
- PT Mustika Alam Lestari

**Empty Depot Operators**
- Kharisma Astra Nusantara
- Sarjasa Kontainer

**Logistics Service Provider**
- APL Logistics
- Iron Bird
- SGL
- DB Schenker
- DAMCO
- CEVA
- UTI
- Yusen
- KLT
- PT. Mitsu-Soko Indonesia

**Industry Customers**
- P&G
- Epson
- Samsung
- Meliaglas
- Dunlop
- Honda
- Toyota
- Toshiba
- Kimberly-Clark
- Yamaha
- Pindo Deli
- Coca-Cola
- Cargill
- Fajar Paper
- Kao
- Tekpak
- LG
- Multi Stead
- Walsin
- Bridgestone
- Unicharm
- Kraft

Integrated PORT & LOGISTICS Facilities
Policy and Regulations Relevant to Dry Port (1)

Source: Hanaoka, Shinya and Regmi, Madan B., “Promoting Intermodal freight transport through the development of dry ports in Asia: An environmental perspective”, IATSS Research, 2011
Policy and Regulations Relevant to Dry Port (2)

- Approval No:55123/4320/Bappeda
  - 27-Jan-04

- Location Permit No. KP. 131
  - 19-Jun-06

- Operation Permit, No. 527
  - 02-Feb-10

- Manifest through KPPT-CDP, Perdirjen No 5/BC/2011
  - 03-Apr-11

- Kawan Pelayanan Pabean Terpadu (KPPT), KEP-706/KM.
  - April 2011

- Online Services at e-BPOM
  - Jun 2011

- Approval No:536/202/Sarek
  - 19-Nov-97

- Construction Permit no. PU60
  - 19-Apr-04

- Pilot phase, as implementation of CATS, KM-07/WBC.08/2010
  - 17-Dec-09

- International Port Code, ID JBK
  - 31-Jan-11

- Entering Point for Animal and Plantation Product
  - 02-Feb-10

- Start full operations in April 2011

Ministry of Transportation
Ministry of Finance, cq. Customs
Governor of West Java
District of Bekasi
Ministry of Agriculture, cq. Quarantine
National Agency of Drug & Food Control
Policy and Regulations Relevant to Dry Port (2)

Ministry of Transportation
- **Location**: Permit by Minister of Transportation, No:KP.131 Year 2004,
- **Construction**: Permit by Directorate General of Sea Transportation, No:PU60/3/8/DJPL.06,19 June 2006
- **Operation**: Permit by Minister of Transportation, No. 527, Year 2009
- **International Port Code, ID JBK, 2010**

Ministry of Finance, cq. Customs
- Permit for Temporary Storage Area (TPS), as implementation of Customs Advance Trade System (CATS), KM-07/WBC.08/2010
- Kawasan Pelayanan Pabean Terpadu (KPPT), KEP-706/KM.4/2010
- Manifest Sarana Pengangkut melalui KPPT Cikarang Dry Port, Perdirjen No 5/BC/2011

Ministry of Agriculture, cq. Quarantine
- Place of Entering Point for Import and Export of Animal and Plantation Product, Ministry of Agriculture Regulation No. 94/Permentan/OT.140/12/2011

The National Agency of Drug and Food Control (BPOM)

Integrated PORT & LOGISTICS Facilities
ACCELERATION AND EXPANSION OF INDONESIA ECONOMIC DEVELOPMENT (MP3EI) 2011-2025

MAIN STRATEGI

1. ECONOMIC POTENTIAL DEVELOPMENT THROUGH ECONOMIC CORRIDORS
2. STRENGTHENING THE NATIONAL CONNECTIVITY
3. STRENGTHENING NATIONAL HUMAN RESOURCES CAPABILITY AND SCIENCE & TECHNOLOGY

BASIC PRINCIPLE

1. BASIC PRINCIPLES AND SUCCESS PREREQUISITES FOR ACCELERATION AND EXPANSION OF ECONOMIC DEVELOPMENT
**Strengthening The National Connectivity**

**Posture Forming Components of the National Connectivity**

<table>
<thead>
<tr>
<th>SISLOGNAS</th>
<th>SISTRANAS</th>
<th>REGIONAL DEVELOPMENT (RPJMN and RTRWN)</th>
<th>ICT</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Decide Key Commodities</td>
<td>1. Transportation Safety</td>
<td>1. Local Economy Improvement</td>
<td>1. Migration Toward Convergence</td>
</tr>
</tbody>
</table>

**Strengthening National Connectivity Carried Out by Integrating and Synergizing Sislognas, Sistranas, Regional Development, and ICT Plans**

Integrated PORT & LOGISTICS Facilities
National Connectivity Framework

ICT

Regional Development (RPIMN & RTRWN)

National Connectivity

National Transportation System

National Logistic System

VISION

Locally Integrated, Globally Connected
Role in The National Connectivity

- Streamlining access between Port with Hinterland (Industrial Estates)
- Reduce traffic and bottleneck at Tanjung Priok
Role in Improving Domestics Distribution

LANDBRIDGE BASIS, Pattern of Indonesian domestic cargo movement

Source: Y. Anggadinata, Pusat Studi Logistik dan Rantai Pasok ITB, (Dioolah dari berbagai sumber)
Benefits with Cikarang Dry Port

**CERTAINITY**
- Predicted Lead time and Cost using Multimodal B/L
- *Export*: Closing Time and transfer responsibility at CDP
- *Import*: Avoide Overbrengen and Predicted Lead Time

**TRACEABILITY**
- Transfer of responsibility at CDP
- Reduced risk
- Managed bonded transportation with Electronic Seal for better security & monitoring

**PROFITABILITY**
- Better planning, inventory reduction and increasing productivity
- Streamlined process, time & cost
- Storage & demurrage start counting at CDP (Multimodal B/L)

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**Cost & time SAVING compared to existing scheme:**

<table>
<thead>
<tr>
<th>Import (40' FCL)</th>
<th>Cost</th>
<th>Time</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Red lane</td>
<td>30%</td>
<td>55%</td>
<td>Cost &amp; time saving</td>
</tr>
<tr>
<td>Green lane</td>
<td>30%</td>
<td>55%</td>
<td>Cost &amp; time saving</td>
</tr>
<tr>
<td>Export (40' FCL)</td>
<td>Even</td>
<td>50%</td>
<td>Time saving</td>
</tr>
</tbody>
</table>

*Source: World Bank Study, 2011*
Benefits with Cikarang Dry Port

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>EXISTING</th>
<th>WITH DRY PORT</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TRANSPORTATION</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Traffic</td>
<td>Heavy traffic jam around Priok</td>
<td>Reduced it by 30% of containers moved to CDP</td>
</tr>
<tr>
<td>Fuel Consumption</td>
<td>IDR 220 M/year for 60% containers from/to East Coridor</td>
<td>Reduced it up to IDR 73 M/year, for 60% container from/to East Coridor</td>
</tr>
<tr>
<td>Air Polution</td>
<td></td>
<td>Reduce air pollution</td>
</tr>
<tr>
<td>Road maintenance</td>
<td></td>
<td>Reduce maintenance cost</td>
</tr>
</tbody>
</table>

| **INDUSTRIES** | |
| Inventory | Overflow warehouse | Reduce overflow warehouse |
| Hidden cost | Yes | Reduce hidden cost |

| **TANJUNG PRIOK** | |
| CY Capacity | 3,000,000 TEUs | 4,800,000 TEUs |
Threats

Marketing and Sales

There is need more efforts to offer Cikarang Dry Port Services to Shipping Lines and industry

Government

There is more support from Government to issue regulations that strengthen Cikarang Dry Port as a hub form Tanjung Priok Port

Infrastructure

Inadequate infrastructure supporting for access road to Cikarang Dry Port and also railway access to Tanjung Priok Port
The Way Forward

Legend:
- New Toll Road (km 29.2 and 34.7)
- New Industrial Estate Connecting Road
- Existing Industrial Estate Connecting Road

To Tj Priok

Exit toll km 24

To Bandung

Exit toll km 31

Exit toll km 29

Exit toll km 34.7

CDP

Jababeka Existing road
Integrated PORT & LOGISTICS Facilities
New Toll Gate of Cikarang Barat (operated)

New Toll Gate at Km 29 (operated)

Toll Road Jakarta – Cikarang 4 lane (operated)

New Toll Gate at Km 34 (ongoing)
Railway Services connecting Jakarta-Surabaya

1. Daily Schedule, One Day Services
2. Integrated facilities: International Port, Logistics Park, Industrial Park and Commercial Area
3. Flexibility to choose nearest pick up point and loading point to customer premises
4. Electronic Seal for better security and monitoring
Integrated PORT & LOGISTICS Facilities

PREMIER HUB OF RAIL FREIGHT SERVICES
Connecting West - East Major Cities in Java Island
For further information:

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