

Harmonization of regulations and logistics professional certification in Indonesia

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ROADMAP FOR THE INTEGRATION OF LOGISTICS SERVICES

I. OBJECTIVES

The objectives of this initiative are to:

- Create an ASEAN single market by 2015 by strengthening ASEAN economic integration through liberalisation and facilitation measures in the area of logistics services; and
- Support the establishment and enhance the competitiveness of an ASEAN production base through the creation of an integrated ASEAN logistics environment.



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ROADMAP FOR THE INTEGRATION OF LOGISTICS SERVICES

II. MEASURES

This Roadmap provides concrete actions that ASEAN Member Countries shall pursue to achieve greater and significant integration of logistics services in ASEAN, through progressive implementation of the measures, which include the liberalisation of logistics services, enhancing competitiveness of ASEAN logistics services providers through trade and logistics services facilitation, expanding capability of ASEAN logistics service providers, human resource development, and enhancing multi-modal transport infrastructure and investment.



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ROADMAP FOR THE INTEGRATION OF LOGISTICS SERVICES

III. COVERAGE

The scope of the measures will cover freight logistics and related activities. The implementation of the specific measures shall be subject to the relevant national laws and regulations.

IV. COORDINATION

The Senior Economic Officials Meeting (SEOM) shall be the overall coordinating and monitoring body in the implementation of this Roadmap, with Viet Nam as the Country Coordinator.



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I. Member country shall endeavour to achieve substantial liberalisation of logistics services in the following sectors:

- Maritime cargo handling services
- Storage & warehousing services
- Freight transport agency services
- Other auxiliary services
- Courier services
- Packaging services
- Customs clearance services
- International Freight Transportation excluding Cabotage
- Liberalisation of Air Freight Services
- International rail freight transport services
- International road freight transport services



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II. Enhancing Competitiveness of ASEAN Logistics Services Providers through Trade (including Documentation Simplification) and Logistics (Transport) Facilitation

II. A. Trade and Customs Facilitation

1. Implement provisions in the WTO Agreement on Customs Valuation.
2. Implement the WCO Immediate Release Guidelines and review, as appropriate, the minimum levels (value thresholds) for express delivery of air shipments and implement/introduce EDI to speed up customs clearance.
3. Promote the implementation of the WCO Framework of Standards to Secure and Facilitate Global Trade.



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II. A. Trade and Customs Facilitation

4. Identify suitable standards to secure the interoperability and interconnectivity in facilitating trade within customs jurisdiction, including those of Information and Communication Technology.
5. Enact domestic legislation to provide legal recognition of electronic documents/ transactions
6. Encourage application of standardised trade data and documents for trade facilitation through the adoption of International standards like WCO data model, UNTDED-United Nations Trade Data Elements Directory, UN-eDocs and the electronic submission of trade data and documents for customs clearance.



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II. A. Trade and Customs Facilitation

7. Adopt service commitments (Client Service Charters) by ASEAN customs authorities.
8. Encourage implementation of 24x7 customs operations to accelerate the cargo customs clearance as requested by the industry and subject to the relevant national regulations.
9. Promote relevant technologies for advanced information systems to be shared among governmental agencies, shippers, and industry, in advancing supply-chain security initiatives.
10. Develop the Single Window approach for customs clearance.



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II. A. Trade and Customs Facilitation

11. Promote the use of RFID (Radio Frequency Identification) applications to facilitate cross-border use of RFID in trade and customs as well as cross border tracking of goods.
12. Facilitate cross border electronic transactions, information sharing, electronic payment and electronic signatures
13. Encourage enterprises to adopt/develop interoperable supply chain management systems in ASEAN to link up planning solutions, automated storage and retrieval systems and wireless tracking technologies
14. Enhance cooperation and communications between customs and the business sector including through electronic means.



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II. A. Trade and Customs Facilitation

15. Implement risk management practices to facilitate trade, while maintaining effective customs control
16. Enhance transport security and safety in the regional supply-chain networks, through capacity building initiatives, technical networking, and regular exchange of relevant technologies, best practices and information
17. Conduct regular formal dialogues between private sectors, relevant associations and government related bodies



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II. B. Logistics Facilitation

1. Enhance the transparency of domestic regulation for logistics related regulation through timely publication of investment regulation, licensing criteria, licensing decisions by the Governments and may facilitate consultation to the private sectors in the policy-making process .
2. Conclude and sign the ASEAN Framework Agreement on Facilitation of Inter-State Transport
3. Operationalise the ASEAN Framework Agreement on the Facilitation of Goods in Transit and the ASEAN Framework Agreement on Multimodal Transport, to promote efficient door-to-door cargo transport and cross-border transport facilitation



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II. B. Logistics Facilitation

4. Improve land transport network infrastructures and services to achieve better inter-connectivity, inter-operability and inter-modality with the national, regional and international maritime and air transport gateways .
5. Strengthen intra-ASEAN maritime and shipping transport services .
6. Establish enabling and conducive policy environment for increased private sector involvement and/or public-private partnerships in the development of transport logistics infrastructure and the provision and operation of transport logistics facilities and services.
7. Identify and develop other mechanisms to further facilitate the movement of natural persons involving logistics services .



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III. Expanding Capability of ASEAN Logistics Service Providers

1. Adopt best practices in the provision of logistics services and support the development of SMEs in the sector, including the formation of SME networks.
2. Promote regional cooperation to assist CLMV countries especially least developed countries.
3. Develop and update an ASEAN database on logistics services providers with a view to enhance the development of networking activities



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IV. Human Resource Development

1. Develop and upgrade skills and capacity building through joint trainings and workshops.
2. Encourage the development of national skills certification system for logistics service providers.
3. Encourage the development of an ASEAN common core curriculum for logistics management .
4. Encourage the establishment of national /sub-regional centre of excellence (training centre)



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V. Enhance Multi-Modal Transport Infrastructure and Investment

1. Identify and develop the ASEAN transport logistics corridor network and formulate the necessary infrastructure development requirements, to support the improvement of inland transport network infrastructure, the inter-modal linkages between connecting modes of transport, to match inland with maritime transport infrastructure and to improve connectivity between ASEAN logistics gateways, among others.
2. Promote the usage of trade terms and practices related to multimodal transport, including the INCOTERMS (International Commercial Terms) .



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Legal Aspects of Logistics in Indonesia

In the face of ASEAN logistics integration of businesses in Indonesia is facing a serious problem of legal certainty because the four existing legislation is more concerned about passenger transport, namely:

Act No.23 of 2007 about Railways

Act No.17 of 2008 about Shipping

Act No.1 of 2009 about Flight

Act No.22 of 2009 about Traffic and Road Transport



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Legal Aspects of Logistics in Indonesia

In order to support multimodal transport system in ASEAN, four transport legislation has slipped articles on multimodal transport, so that issued Government Regulation No.8/2011 about the Multimodal Transport with implementation instructions Transportation Regulation No.8/2012 about the organization and operation of multimodal transport.

The freight forwarding business ILFA members, most of which also acts as a multimodal transport operator, using the legal basis Decree of the Minister of Transportation No. KM-10/1988 about Transportation Management Services, who completed a revised and awaiting the signature of the Minister of Transportation.



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Legal Aspects of Logistics in Indonesia

Currently, the logistics players operating in Indonesia using a business license from the different government agencies, among others, to get permission from:

- Ministry Of Transportation.
- Ministry of Communication and Information.
- Ministry Of Trade.
- Capital Investment Coordinating Board.

The issue arises because Indonesia does not have rules about the transportation of goods or logistics laws.



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Legal Aspects of Logistics in Indonesia

Related regulations in customs and trade facilitation in Indonesia is still facing problems sectoral ego.

There are 18 ministries involved in the process of international trade has not been integrated in the system of Indonesia National Single Window (INSW).

Licensing of these related ministries are the main cause (approximately 70%) to high dwelling time. It required a one-stop service center.



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HUMAN RESOURCE SUBJECT

- ❑ In order to prepare human resource in the field of logistics ILFA now been prepared through ALFI Institute training and establish professional certification agency
- ❑ ALFI Institute has conducted FIATA material training program since 1996, thereby ALFI Institute training program is validated by FIATA
- ❑ The Last Revalidation of FIATA Diploma in ALFI Institute was obtained in October 2014 in Istanbul, Turkey, which valid for 4 years until the next revalidation.



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ALFI INSTITUTE

- founded by INFA Foundation, constantly improving the human resource capacity in Freight Forwarding and Logistics.
- Having an internationally accredited program and conduct regular development.
- Improve human resource capacity either through cooperation with educational institutions.



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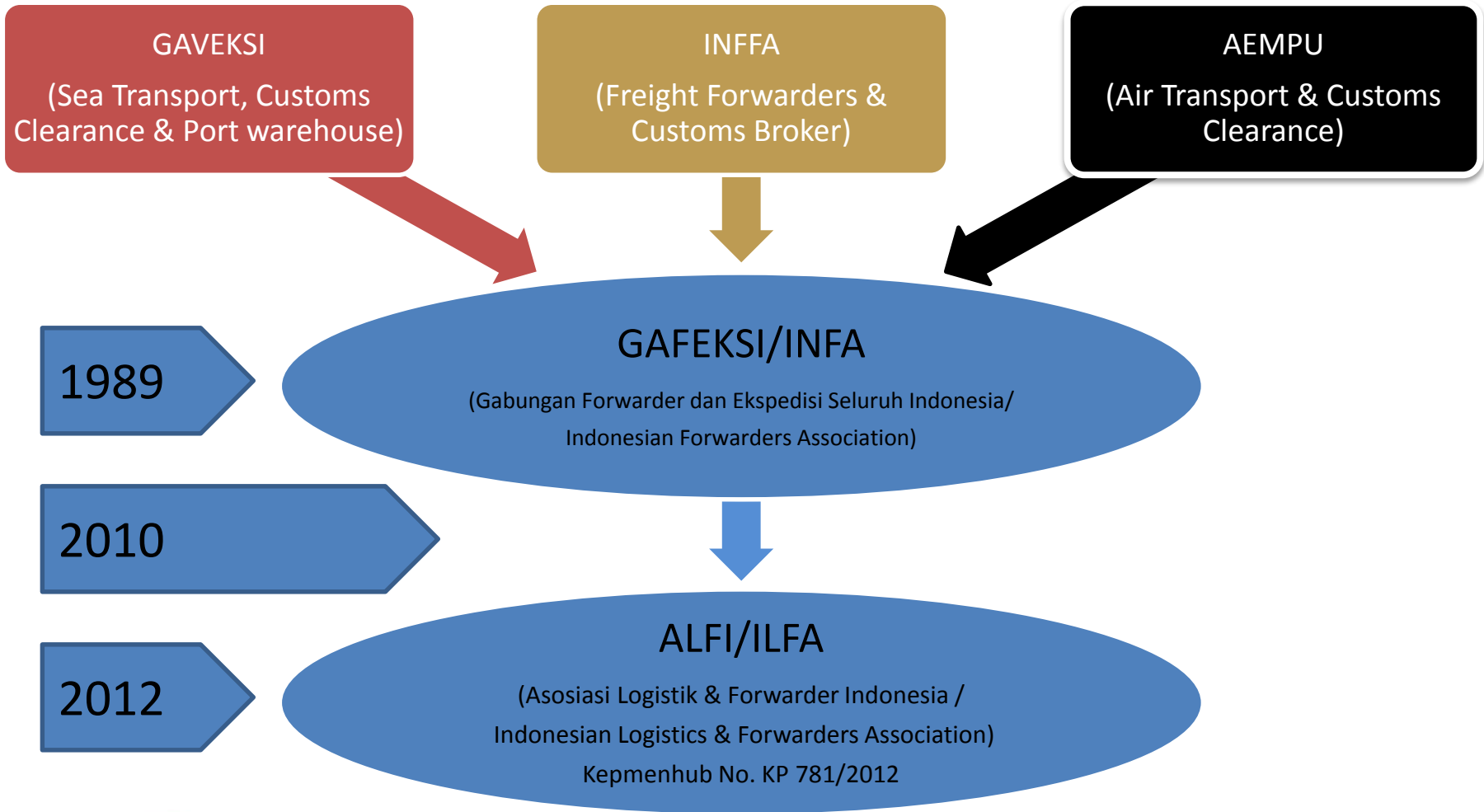
RECOMMENDATION

- Propose rules about transportation of goods or logistics.
- Propose regulations relating to customs and trade facilitation
- Establish professional certification agency for fields related to logistics services



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HISTORY BY CHART



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BRIEF HISTORY

- It Began with the birth of GAFEKSI / INFA (Gabungan Forwarder dan Ekspedisi Seluruh Indonesia / Indonesian Forwarders Association) on July 25, 1989 as the only association for Freight Forwarding and Customs services industry in Indonesia;
- GAFEKSI/INFA is a merger of three existing associations, namely:
 1. GAVEKSI was performing ocean freight and customs services at the port licensed by the Directorate General of Sea Transportation
 2. INFFA was Freight Forwarding and Customs Broker Association and licensed by the Department of Trade and Customs Office
 3. AEMPU was an association of air transport services including customs services, licensed by the Directorate General of Civil Aviation and the Customs Office.
- GAFEKSI/INFA members activities encompass Freight Forwarding, Multimodal transport, Customs Brokers and its supporting works, licensed by Provincial Government under Minister of Transportation Decree.
- At the Extraordinary General Assembly in Denpasar, Bali in 2010, agreed to change the name of the association into ALFI / ILFA (Gabungan Forwarder dan Ekspedisi Seluruh Indonesia / Indonesian Logistics and Forwarders Association).
- Minister of Transportation Decree No. KP 781/2012 dated August 8, 2012 confirmed the change.



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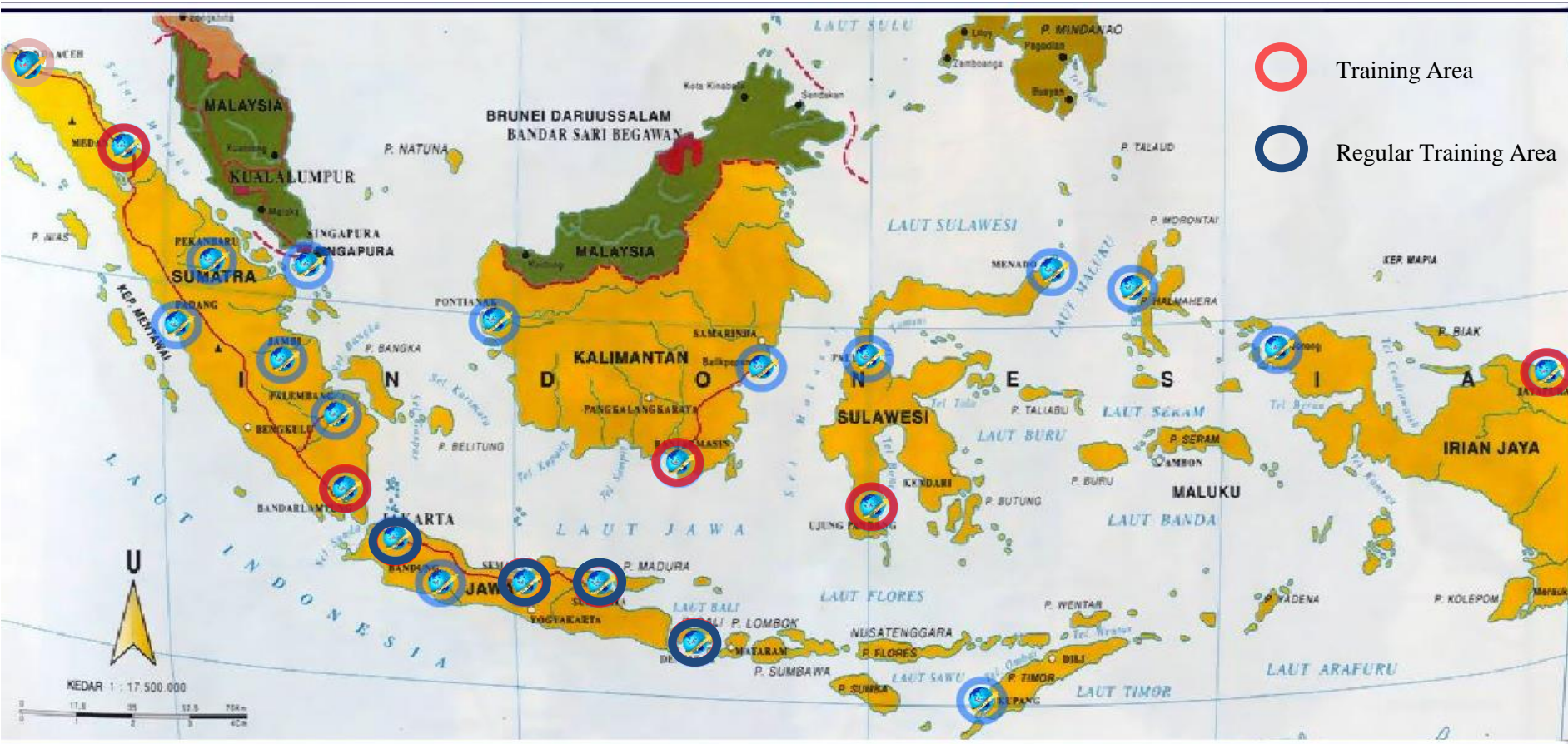
REGIONAL OFFICES

1. DPW Propinsi Aceh
2. DPW Propinsi Sumatera Utara
3. DPW Propinsi Sumatera Selatan
4. DPW Propinsi Sumatera Barat
5. DPW Propinsi Riau
6. DPW Propinsi Lampung
7. DPW Propinsi Jambi
8. DPW Propinsi Jawa Tengah
9. DPW Propinsi Jawa Timur
10. DPW Propinsi Banten
11. DPW Propinsi Jawa Barat
12. DPW Propinsi DKI Jakarta
13. DPW Propinsi Bali
14. DPW Propinsi Kalimantan Barat
15. DPW Propinsi Kalimantan Selatan
16. DPW Propinsi Kalimantan Timur
17. DPW Propinsi Sulawesi Utara
18. DPW Propinsi Sulawesi Tengah
19. DPW Propinsi Sulawesi Selatan
20. DPW Propinsi Nusa Tenggara Timur
21. DPW Propinsi Maluku Utara
22. DPW Propinsi Papua Barat
23. DPW Propinsi Papua
24. Perwakilan Khusus Batam



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ORGANIZATION SPAN



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THANK YOU



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