Maersk Group
Operates mainly in the shipping and energy industries

Company facts
- 88,900 employees
- 135 countries
- $49b revenue
- $3,777m profit
Maersk Line contribution for enabling trade in Indonesia

- Contribute to the socio-economic development of out-port communities in Eastern Indonesia through a multi-stakeholder effort aimed at **enhancing transportation connectivity and trade competitiveness**

- **Geographic scope** will be on the port of Bitung which has been named as one of five strategic ports of national significance by the GoI with the intention of boosting maritime connectivity and infrastructure
Three main focus areas on enabling trades

**MODEL PORT**
- Turn Bitung into a model port based on international and domestic best practices
- Stakeholder dialogue with the Indonesian Government and World Bank
- Technical assessment of port needs and required upgrades
- Capacity building and training

**NSW**
- Establish one standard set of export/import rules and regulations
- Conduct NSW benchmarks (Jakarta) and feasibility assessment
- Capacity building and training

**COMMODITY VALUE CHAIN**
- Enhance competitiveness for local fishermen through targeted value chain interventions
- Build and formalize value chain coalition
- Commodity value chain impact study
- Stakeholder dialogue and policy/private sector recommendations
- Establish effective monitoring

Maersk’ main contributions
- Technical expertise
- Facilitator of dialogue
- Co-funding of relevant research activities
Challenges and opportunity for shipping lines in Indonesia

- Improvement of ports in term of port facilities, productivity and infrastructure. Uneven focus between development of ports in West and East Indonesia

- Infrastructure access in and out of ports is one of the main problems which creates transport inefficiencies, resulting overall high logistics cost

- Ability of ports to handle peaks and valleys, especially on festive season

- Ports enhancement and development plan is encouraging. However, trade balance remain the key

- Bigger port might attract shipping lines to bring bigger vessel, but.... will we have enough cargo?
Freight rates volatility remain concern, restore and sustaining profitability is high on the agenda of shipping lines, even with falling oil prices.
Locally integrated, globally connected: what does it take to get there...

- **Adequate and modernised Infrastructure.** "Low hanging fruits" approach will no longer sufficient

- **Increase private sector participation** as building infrastructure requires massive investment

- **Inter-coastal connectivity** at competitive cost to drive both domestic trades and increase export

- **Synchronized regulations and laws**, avoid overlap and provide clear direction for conducive business climate

- **Human resource** in transport and logistics sector, addressing both capability and availability

- **Enhancement of information and communication technology**

- **Export commodity**, shifting from extractive and natural based commodities to **value-added commodities**

- **International gateway** to fit with global trade routes
Thank You