



ASEAN Shipping and Logistics

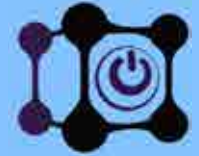
“Developing Efficient & Effective Logistics Networks in ASEAN”

Jakarta, June 2014

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Mark Millar leverages over 25 years of global business experience to develop and deliver enlightening keynote speeches, and to provide Consulting, Education and Advisory services that create value for clients by improving the performance of their logistics and supply chain activities in China and the Asia Pacific region.

Acknowledged as an industry thought leader, clients have engaged Mark as Speaker, Moderator, Master of Ceremonies or Conference Chairman at more than 300 events in over 20 countries.

Mark is a Visiting Lecturer at Hong Kong Polytechnic University and serves on the advisory board of several leading organisations. His industry contributions have been recognised with a number of accolades, including being named in the “Who's Who of Power Players in Supply Chain Management in China”, the “Pro's-to-Know Thought Leaders in Supply Chain” and as “One of the most Progressive People in World Logistics”.



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Roadmap: **Developing Efficient & Effective Logistics Networks in ASEAN**

1

Why?

2

What?

3

How?

ASEAN - Diverse, Complex, Full Spectrum

- Emerging, Developing, Developed



Global Ocean Container Flows

>50% Global Ocean Trade Flows are Asia-related

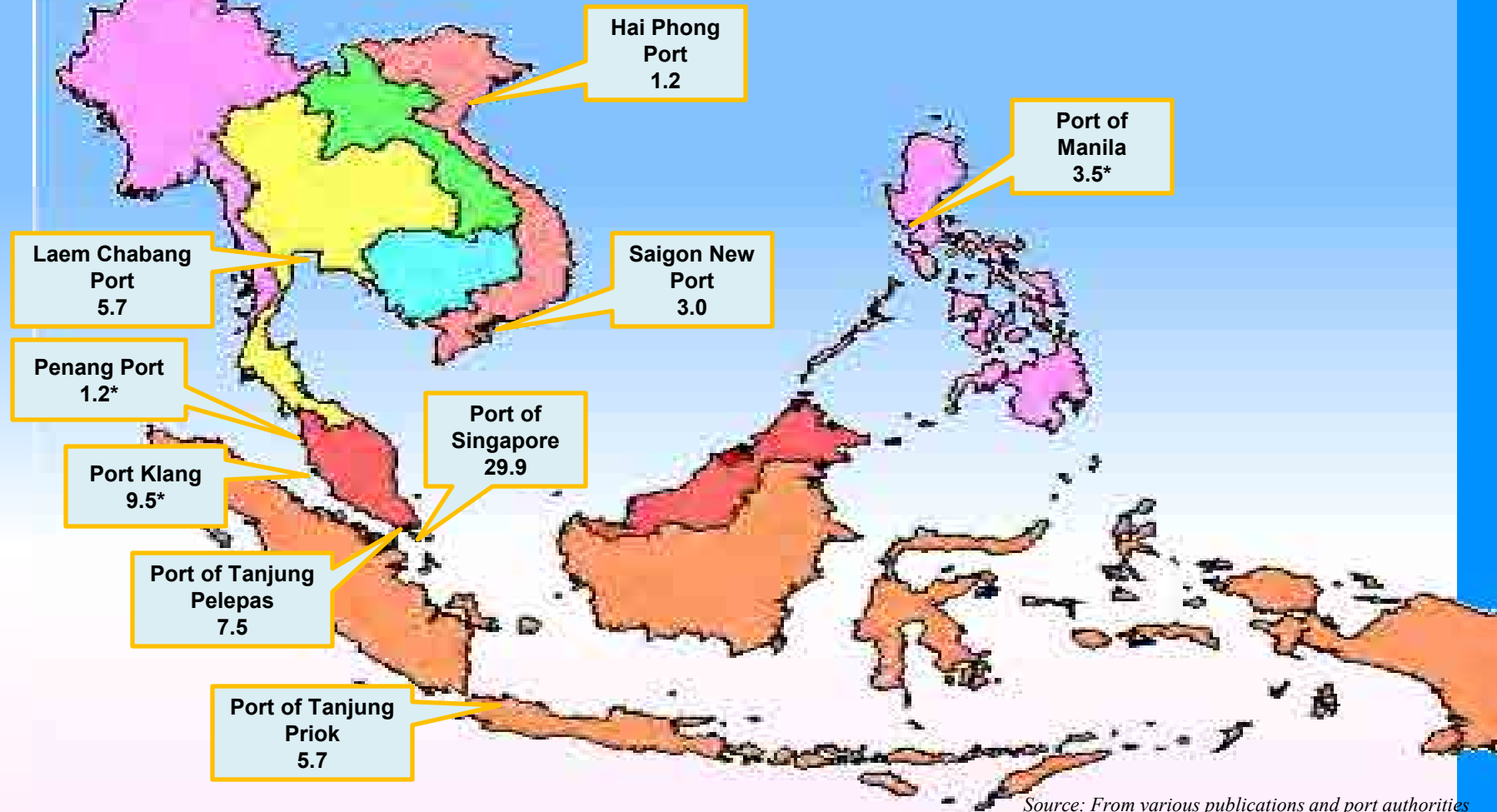


Global Containerized Ocean Freight Trade Flows by Region

ASEAN Containers – 90m TEUs pa

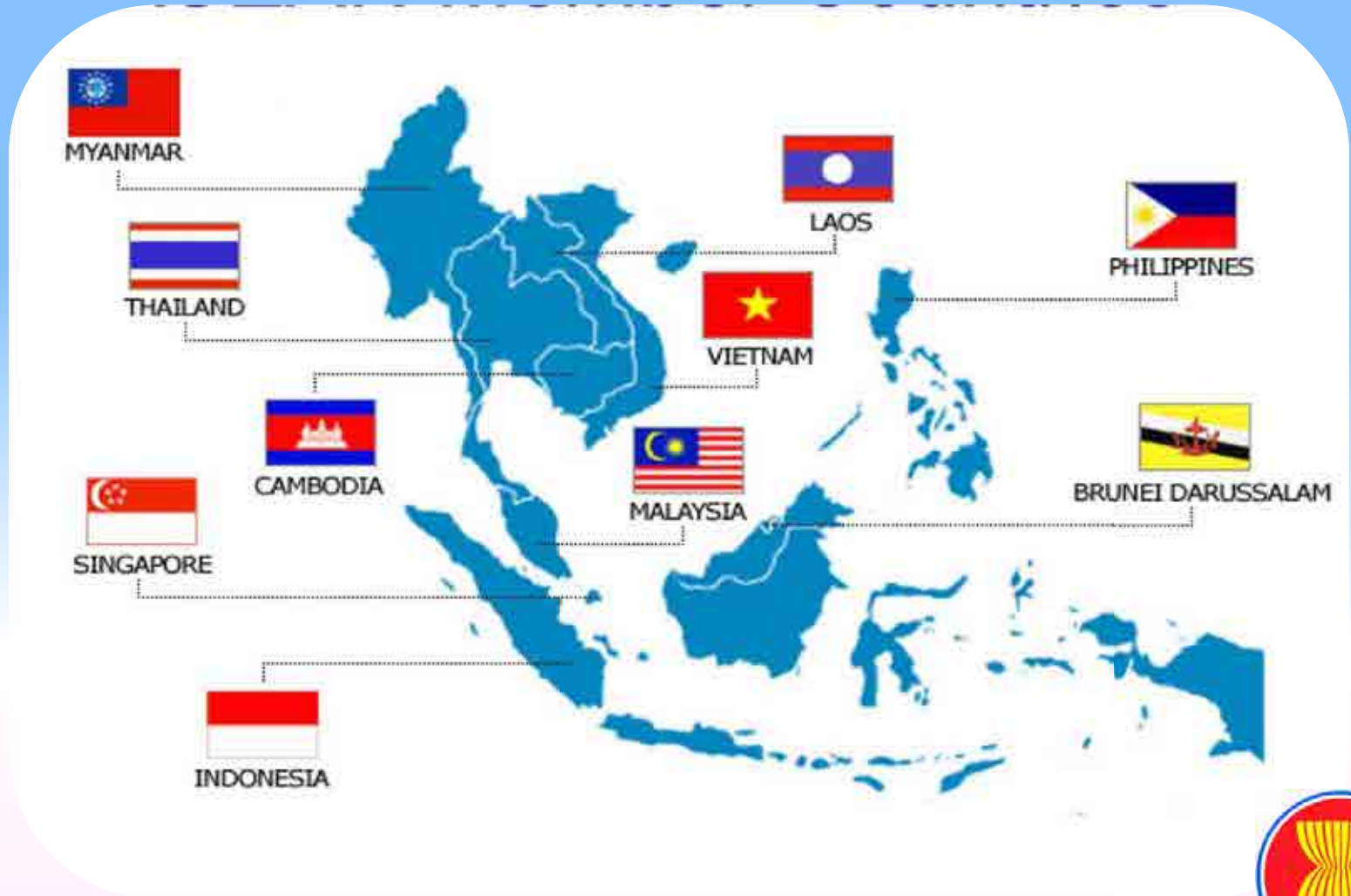
9 key ports handle ~75% ASEAN container throughput

Container Throughput at Major ASEAN Ports, (million TEUs)



Source: From various publications and port authorities

WHY? Develop Efficient & Effective Logistics Networks in ASEAN



Logistics Networks: empower and enable Supply Chain Ecosystems - Every Business, Every Where . . .

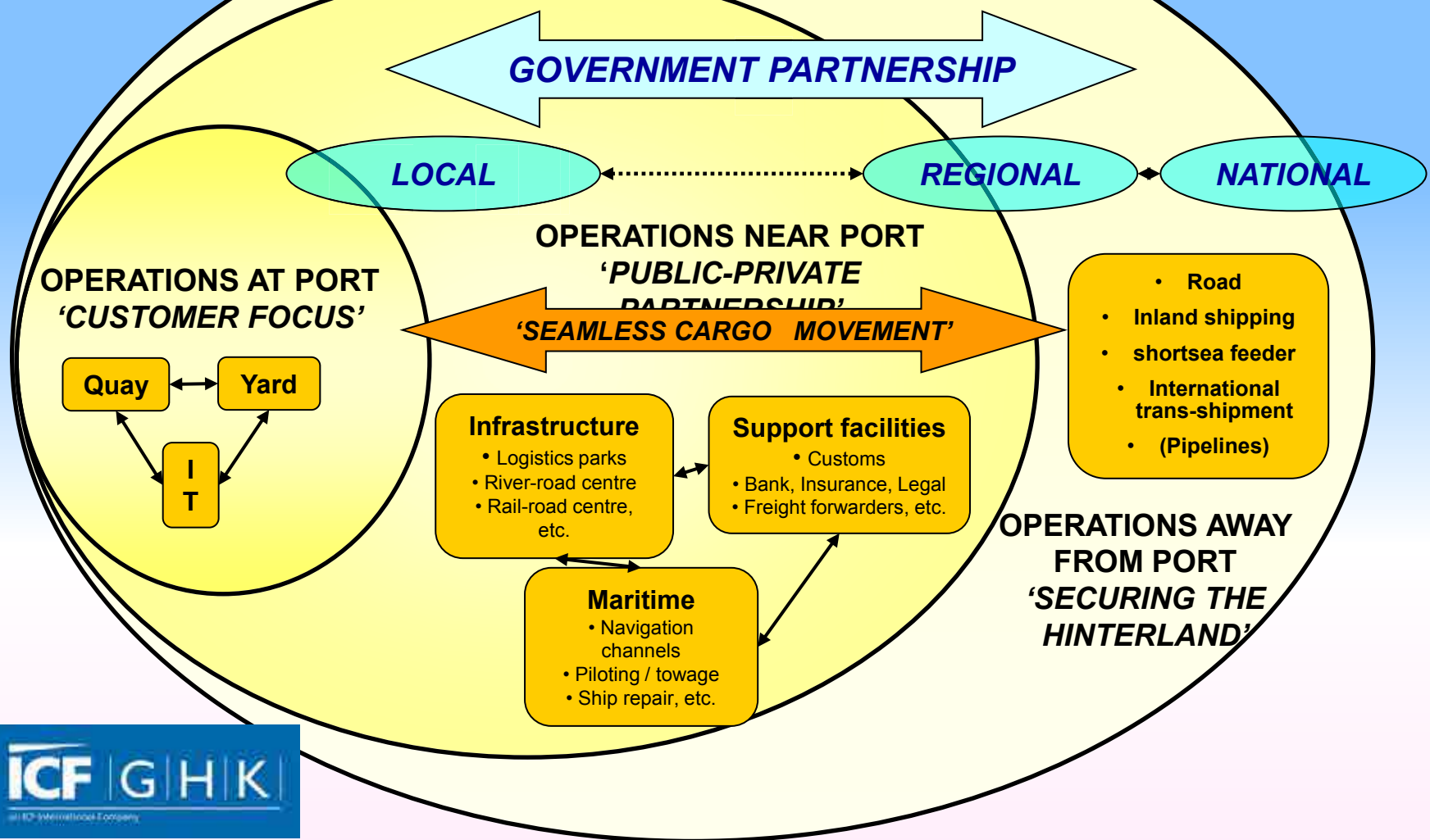


The Business of Logistics

Logistics Networks: beyond the Port

Supply Chain is as strong as the weakest link

Ports / Terminal Operators do not control all the supply chain links



Logistics Networks:

- Create Jobs across the Spectrum



Logistics Networks:

- Attract Extended Economic Activities



Logistics Networks: AEC 2015 ASEAN Economic Community



2018 Cambodia, Laos, Myanmar and Vietnam

WHAT? Develop Efficient & Effective Logistics Networks in ASEAN



Connecting to Complete Trade Logistics in the Global Economy

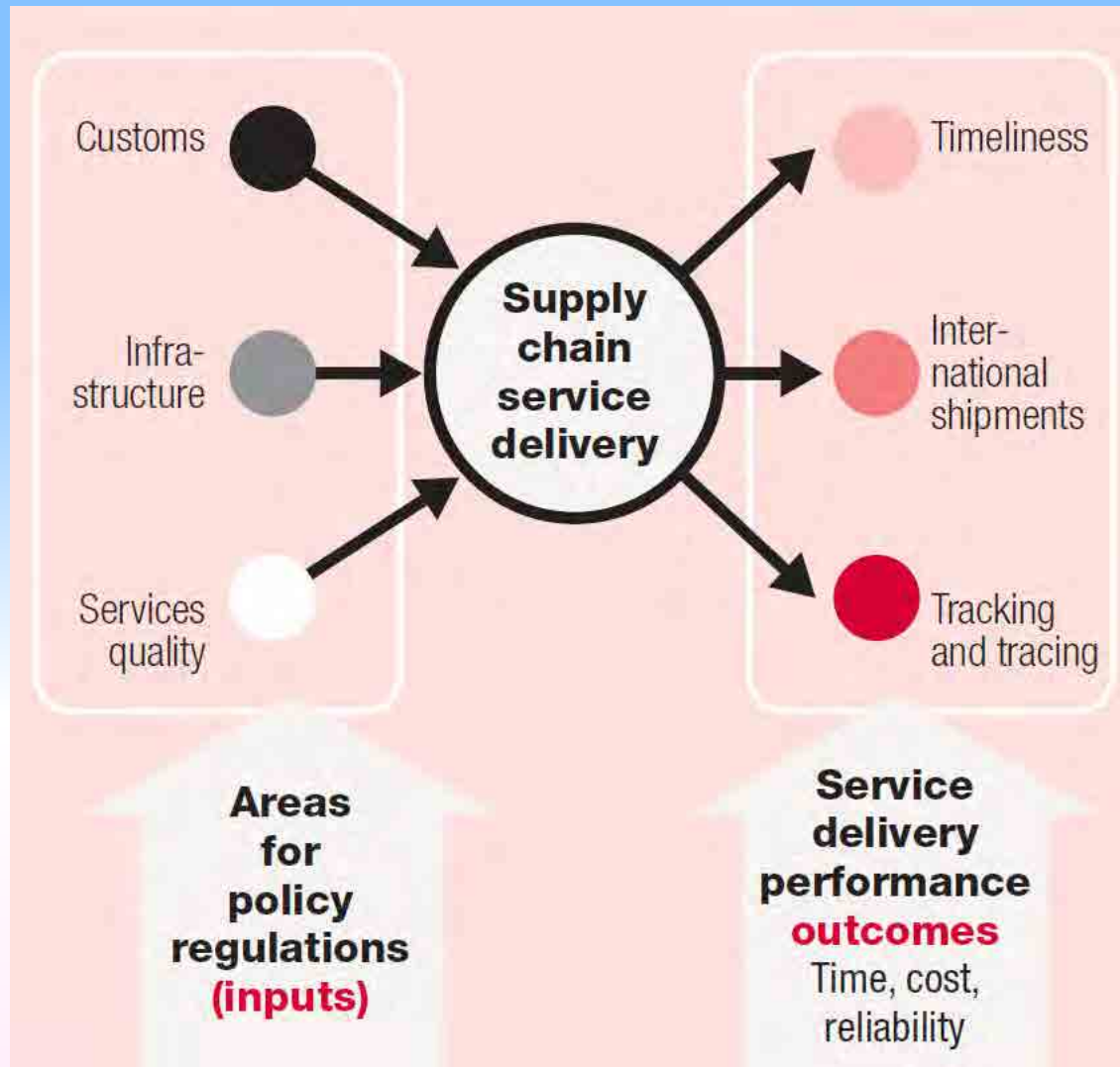
Logistics Performance Index

World Bank



Logistics Performance Index

Input and Outcome LPI Indicators



ASEAN: Logistics Performance Index 2014

ASEAN Rank	Economy (total 160)	2014 Global LPI	Cust oms	Infra-structure	Int'l Shipments	Logistics Quality	Track & Trace	Time-liness
1	Singapore	5	3	2	6	8	11	9
2	Malaysia	25	27	26	10	32	23	31
3	Thailand	35	36	30	39	38	33	29
4	Vietnam	48	61	44	42	49	48	56
5	Indonesia	53	55	56	74	41	58	50
6	Philippines	57	47	75	35	61	64	90
7	Cambodia	83	71	79	78	89	71	129
8	Laos	131	100	128	120	129	146	137
9	Myanmar	145	150	137	151	156	130	117

Indonesia LPI: 2010 75, 2012 59, **2014 53**

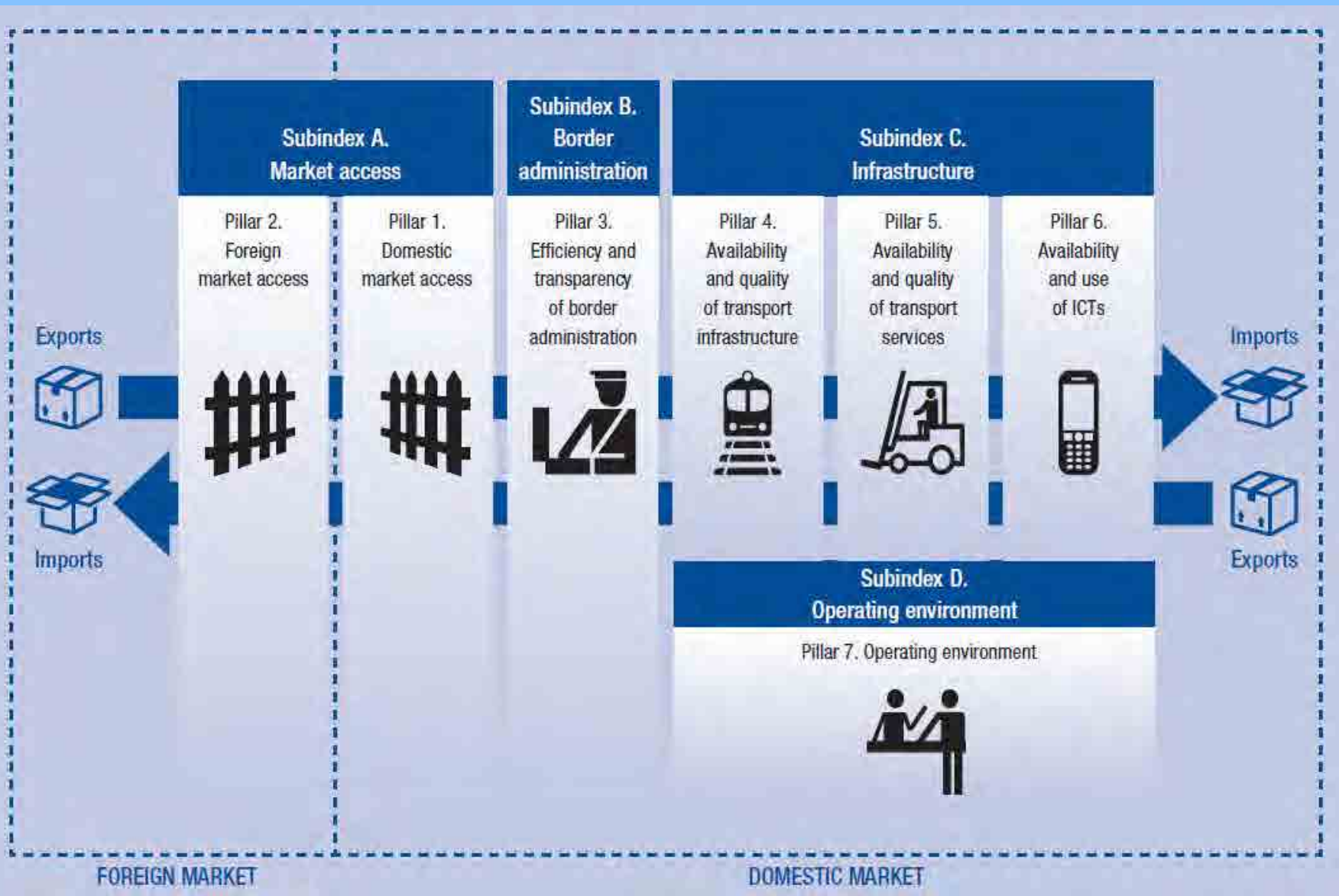


COMMITTED TO
IMPROVING THE STATE
OF THE WORLD

Insight Report

The Global Enabling Trade Report 2014

The Enabling Trade Index Framework



Enabling Trade Index: ASEAN

ASEAN Rank	Economy (total 138)	Global Rank	Score 1-7	Market Access	Border Admin	Infra-structure	Operating Environment
1	Singapore	1	5.9	2	1	1	2
2	Malaysia	25	4.8	40	33	23	27
3	Thailand	57	4.2	51	56	46	75
4	Indonesia	58	4.2	20	69	64	61
5	Philippines	64	4.1	11	71	89	82
6	Vietnam	72	4.0	34	86	60	81
7	Cambodia	93	3.7	36	108	101	74
8	Laos	98	3.6	39	114	115	68
9	Myanmar	121	3.2	25	117	136	134

HOW? Develop Efficient & Effective Logistics Networks in ASEAN



Logistics Networks: Infrastructure & Connectivity

Economic Corridors - East West and Southern



Logistics Networks: Infrastructure & Connectivity

- Asia Road Networks



Logistics Networks: Infrastructure & Connectivity

Maritime ASEAN Economic Corridor



Improving Logistics Efficiencies drive 20-40% more trade – three approaches

Reduce

1



Admin Burdens

Reform

2



Customs, Security

Focus

3



Infrastructure

“High paperwork requirements post a challenge that pushes complexity in logistics procedures and Administration can be the most time consuming element in the life of a shipment,”

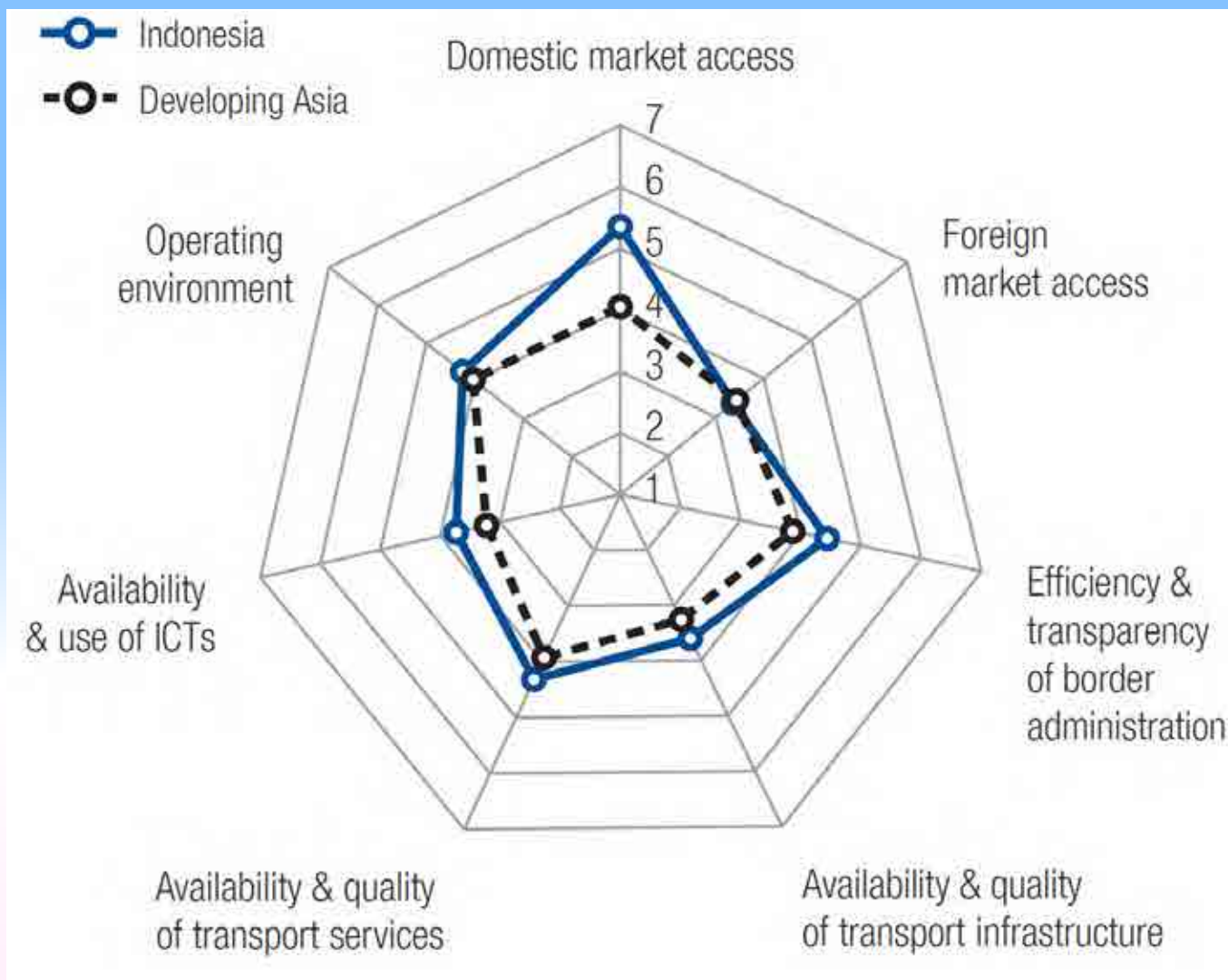
Supply Chain Barriers to Trade

Definition: Lack of Infrastructure, institutions, policies and services facilitating the free flow of goods over borders

Market access	Border administration	Telecom and transport infrastructure	Business environment
<p>1. Domestic and foreign market access</p> <ul style="list-style-type: none">- Quotas- Import fees – not tariffs (e.g. tax schemes)- Local content requirements- Rules of origin- Technical, sanitary and phytosanitary measures or other requirements- Import/export licenses	<p>2. Efficiency of customs administration</p> <p>3. Efficiency of import-export procedures</p> <p>(e.g. coordination between border agencies; administration burden of complying with standards)</p> <p>4. Transparency of border administration</p> <p>(e.g. facilitation payments)</p>	<p>5. Availability and quality of transport infrastructure</p> <p>6. Availability and quality of transport services</p> <p>7. Availability and use of information and communication technologies</p> <p>(e.g. tracking, electronic-tolls, communication)</p>	<p>8. Regulatory environment</p> <ul style="list-style-type: none">- Investment policy- Hiring foreign workers- Other regulatory environment issues (including trade finance) <p>9. Physical security</p>

Enabling Trade Index 2014

Indonesia 2014 58 from 68 in 2010



Cikarang Dry Port, Indonesia (O-D Port IDJBK)

- save time, save money



International Port Code: **IDJBK**
Surrounded by 12 Industrial Estates and
more than 3,000 manufacturing companies

Logistics Networks: critical enablers that empower supply chain ecosystems

1

Infrastructure



2

Hinterland Connectivity



3

Regulatory



4

Talent



Logistics Networks: Challenges and Opportunities





Unlock the power of your supply chain.
Gain access to a network of experts with
over 100 years' experience in Asia



Mark Millar

Supply Chain Operations

Tangible improvements in lead times, inventory & working capital

Infrastructure Master Planning

Strategic planning & economic analysis for ports, airports and logistics parks

Sustainable Supply Chains

Environmental programs that reduce costs & enhance carbon footprint

Market Research and Intelligence

Expert research and analysis on all aspects of the global logistics industry

Logistics Outsourcing

International best practices in benchmarking, evaluation and selection of your 3PL

Executive Search and Recruitment

High performance recruitment services for supply chain and logistics talent

M Power Associates is your gateway to empowering superior performance in supply chain and logistics, through an exclusive network of best-in-class business partners.
Contact Managing Partner, Mark Millar on enquiries@mpowerassociates.com



Delivering with impact for your audience

Clients have engaged Mark Millar as Speaker, Moderator or Master of Ceremonies at more than 300 events in over 20 countries.

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"Mark connects very effectively with the audience" "thought-provoking, inspiring and humorous"
"the best Moderator in the business" "a highly skilled communicator with an energetic presence"
"a truly inspiring Speaker" "his engagement with the audience is second to none"

Mark Millar is Managing Partner of M Power Associates in Hong Kong

Knowledgeable, Professional, Memorable !