



Supply Chain Digitalization & Opportunities in BIMP EAGA

February 2023



Agenda

- **How has ASEAN supply chain transformed?**
- **ASEAN in Building Global Supply Chain Resilience**
- **Selected Case Studies**



BIMP EAGA

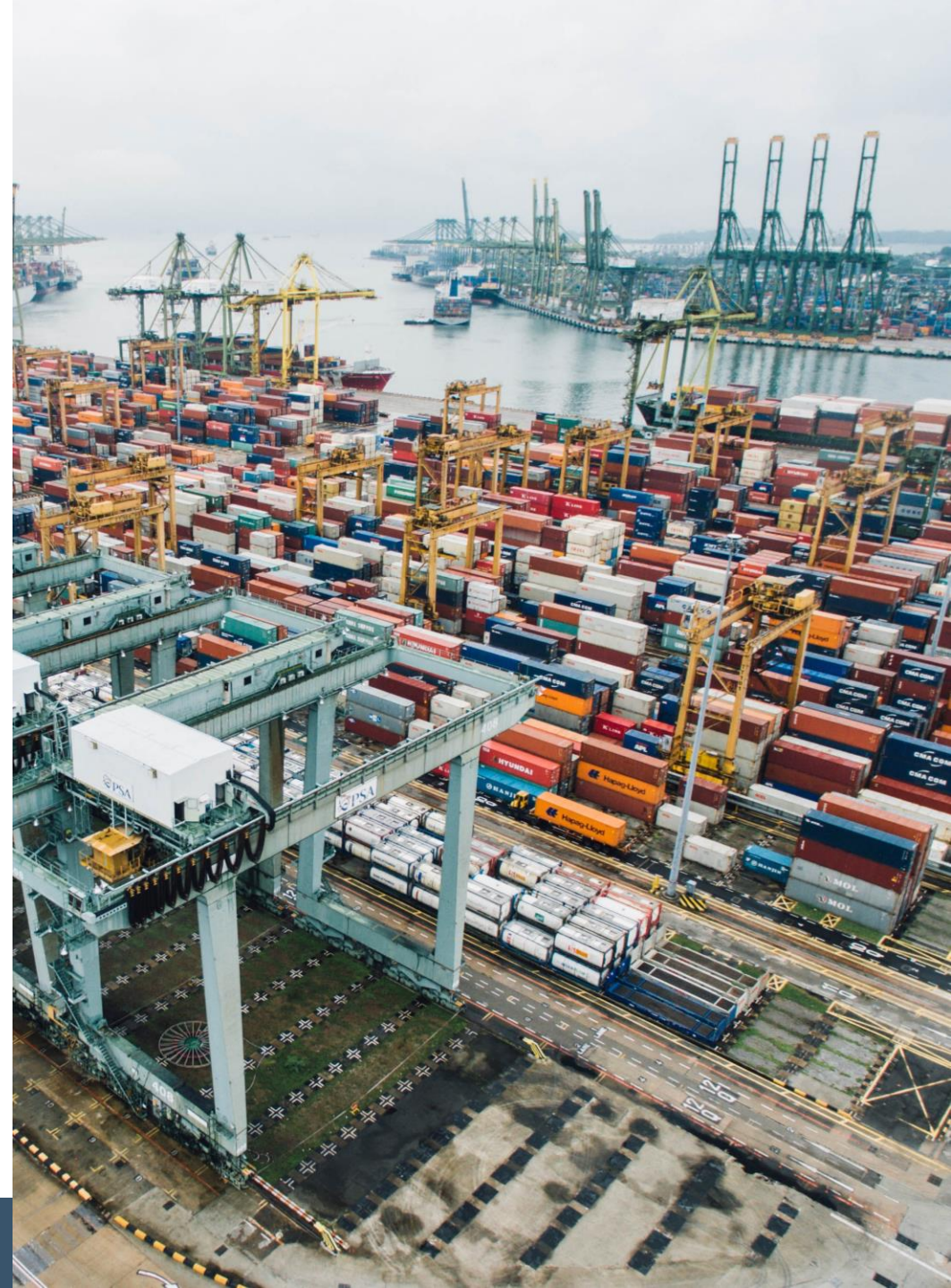
- Launched **March 1994** in Davao City, **BIMP-EAGA** was formed by Brunei Darussalam, Indonesia, Malaysia and the Philippines to generate balanced and inclusive growth. **As a sub-region of the Association of Southeast Asian Nations**, it aims to contribute to regional economic integration in the ASEAN Economic Community.
- The BIMP-EAGA initiative boosts growth in **trade, investments**, and **tourism** through new **intra-region shipping routes and air links** as well as power interconnection projects. Other key areas of cooperation include agribusiness, tourism, the environment, and socio-cultural education.
- **BIMP-EAGA 2025 Vision – Resilient, Inclusive , Sustainable and Economically Competitive (R.I.S.E)** , Provides a way forward for members to continue narrowing development gaps, for sustainably managing natural resources, and for promoting stronger connectivity.



BIMP-EAGA Digitalization

Key Facts

- ASEAN is expected to **lead the world** in terms of export growth **2021 - 2026**, followed by South and Central Asia.
- Southeast Asia's **digital economy** is on track to grow **20%** to nearly USD200 billion in gross merchandise value (GMV) by the end of 2022 (3 years earlier than was expected).
- **\$1-Trillion Digital Economy** in Southeast Asia by 2030 - There are now 440 million internet users in Southeast Asia, with 40 million new users added every year since 2019.
- Internet penetration in the region is estimated at **75%**.
- Majority of new users are from **non-metropolitan** areas.



ASEAN Countries

Role in Global Trade

- Significant a, **commodity** b, **natural resources**
- Malaysia & Indonesia combined **produce 85% of the world's crude palm oil**, the major edible oil consumed in China and in India.
- ASEAN countries are also responsible for about **80% of global rubber** production.
- Malaysia and Indonesia have **oil reserves of 9bn barrels**.
- Indonesia - **coal reserves of more than 4,000mn tonnes** and has become one of the key suppliers of thermal coal to both India and China, two of the world's fastest growing energy markets.
- ASEAN **GDP** projected to grow from USD 1.7 Trillion in 2010 to **USD 4 Trillion in 2025**.
- **High tech** hub(s) – Singapore



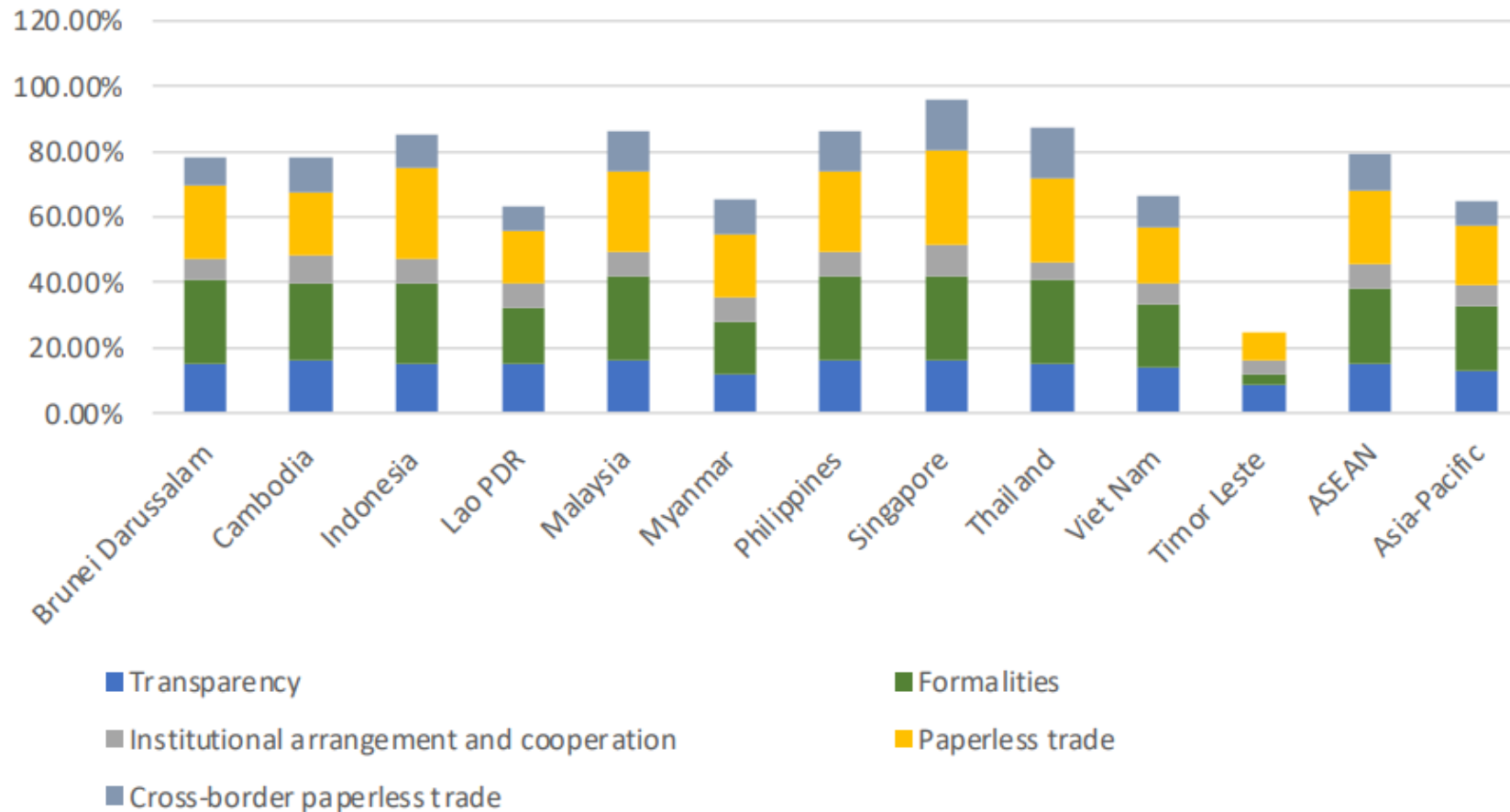
ASEAN Countries

Challenges in Supply Chain

- Systemic inefficiencies e.g. **complex tax** regime
- **E-commerce regulations**
- **Custom** Protocols
- Difficult-to-navigate **logistics-supply** markets
- Manual collection of **inventory data**
- **Low-to-no tracking** of local (ocean) vessels



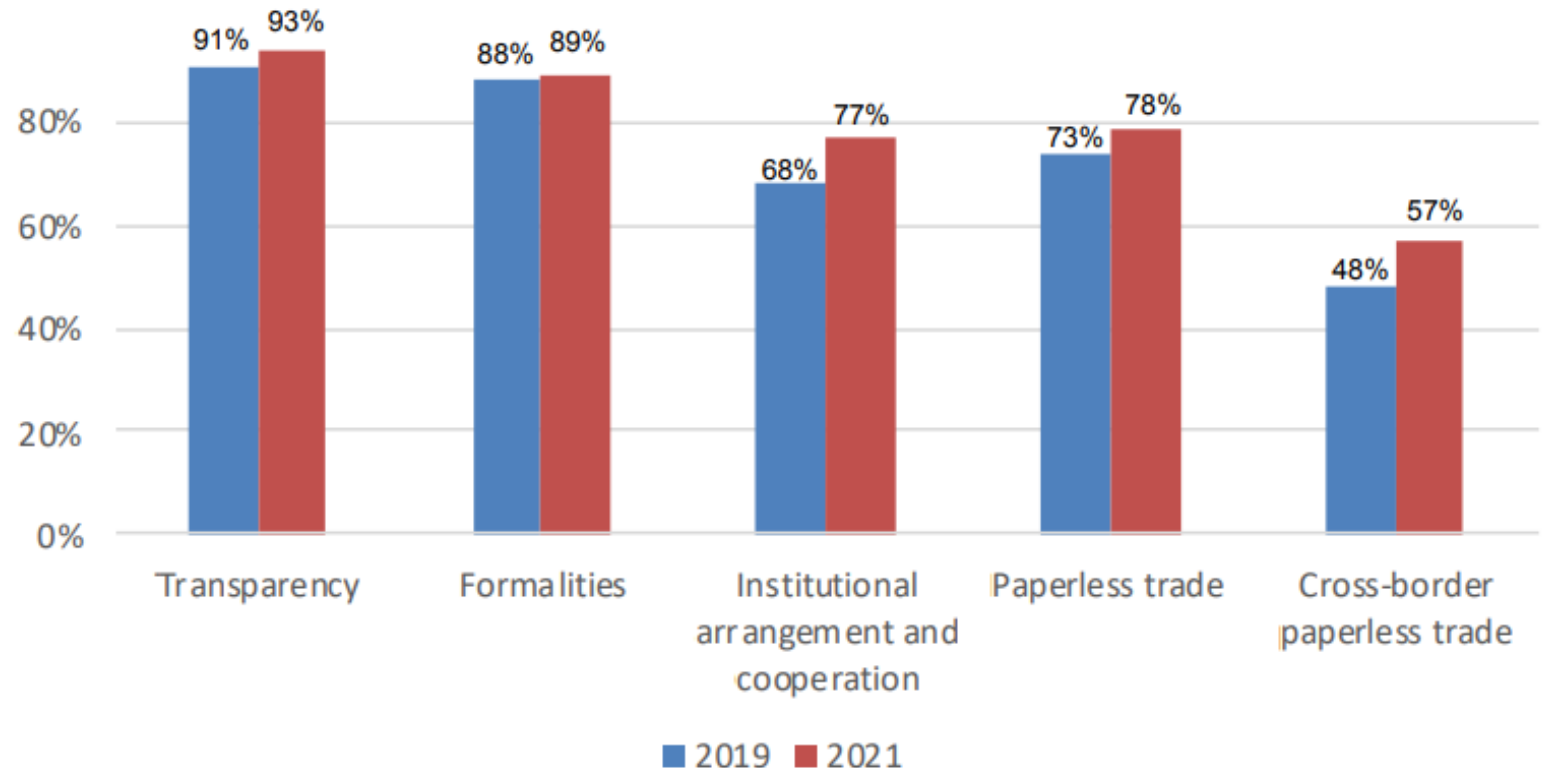
How has ASEAN supply chain transformed ?



Source: UN Global Survey on Digital and Sustainable Trade Facilitation 2021, [untfsurvey.org](https://www.untsurvey.org).

How has ASEAN supply chain transformed?

Average implementation of different subgroups of trade facilitation measures by ASEAN Member States between 2019 and 2021

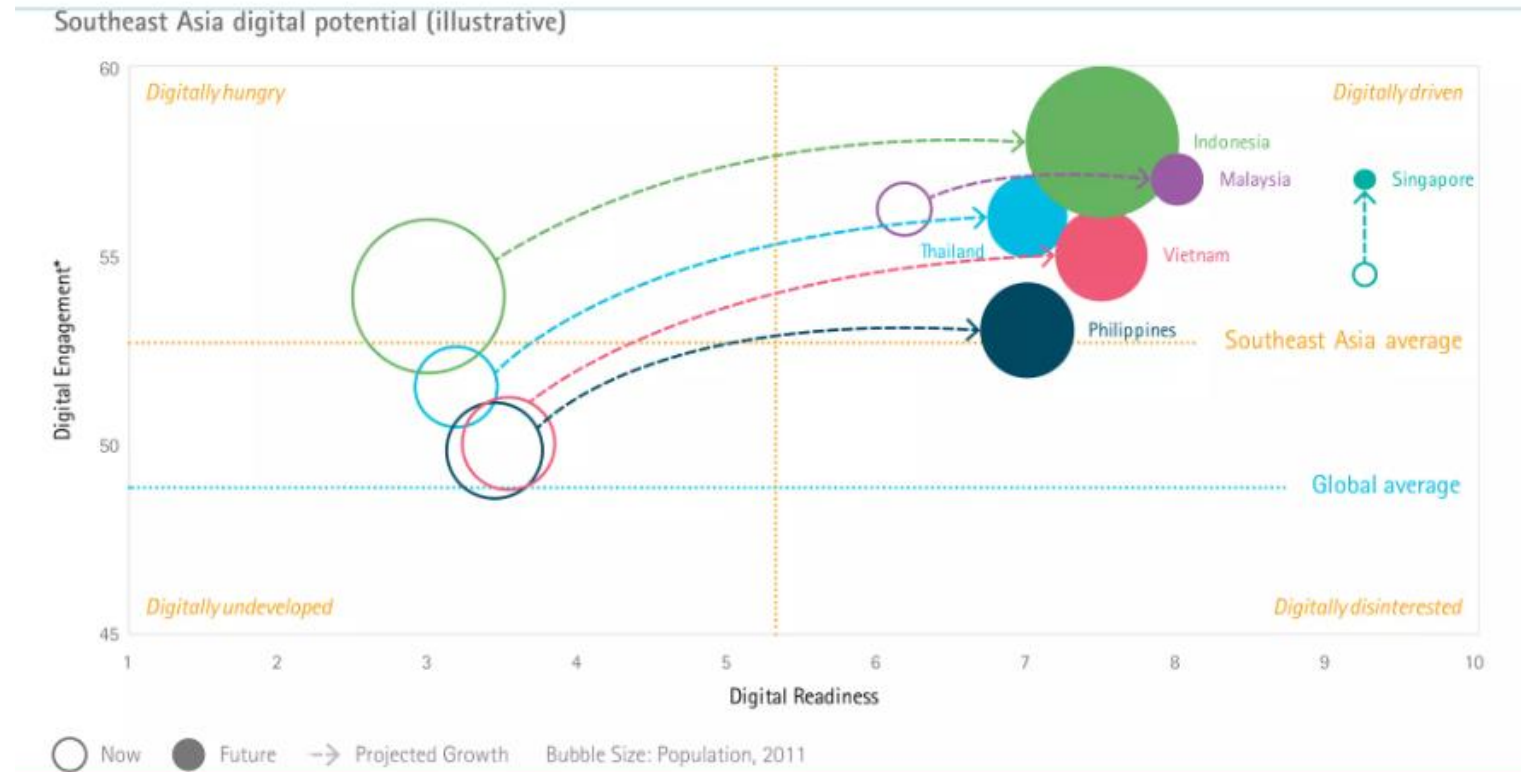


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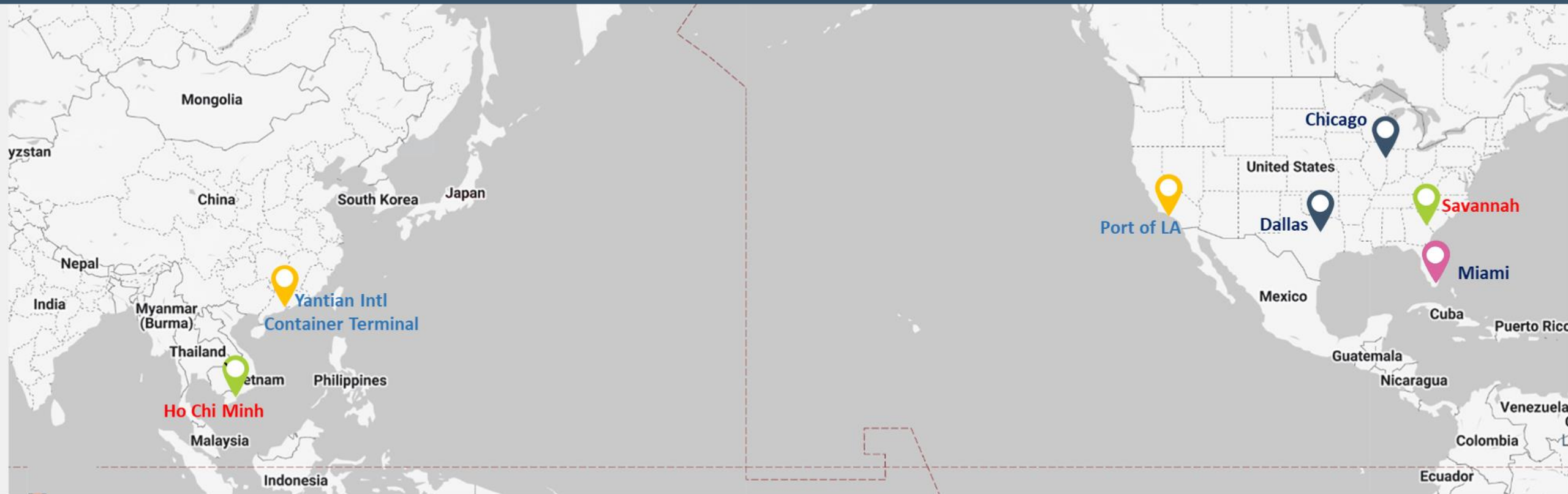
Role of ASEAN in Building Global Supply Chain Resilience

5 Immediate Trends

- Investment in supply chain technologies
- Real-data insight
- Lean supply chain
- Talent Development
- Sustainability and resilience



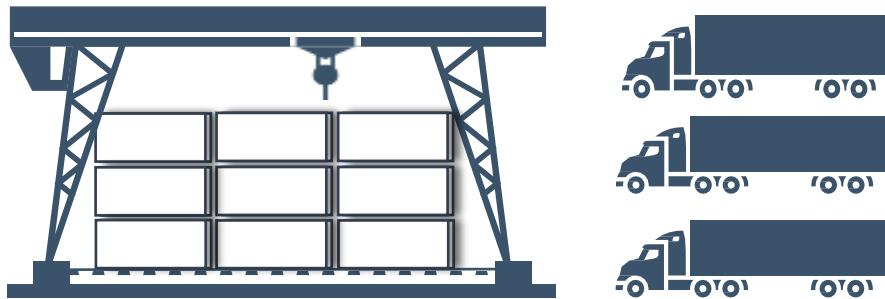
Example 1 : AI- ML - Sustainable Path of Green Sweaters



Example 2: Port –terminal Congestion

Less predictability of Traffic Flow in Terminals leads to an impact in motor carrier productivity and efficiency

Congestion and Delays at Terminals



Congestion and delays at ports and terminals due to limited visibility into truck arrival times

No Single Source of Truth for booking and managing appointments



Multiple systems across terminals and DCs require manual efforts in data and stakeholder management

Trucker Impact



- Idle time and Turnaround for truckers
- Carbon Emissions
- Detention and Demurrage



- Driver satisfaction
- Carrier Productivity and Efficiency

Example of a Terminal Solution

A digital partnership to increase terminal predictability and velocity for shippers and their carriers



Marine Terminal Operator Services

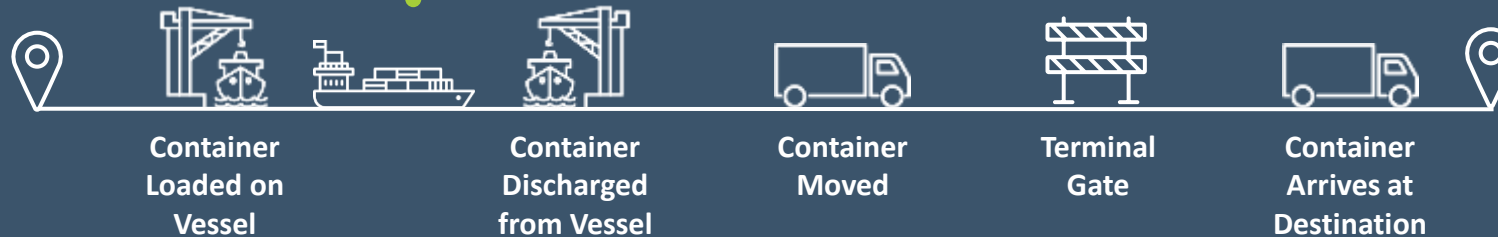
1. Push Appointment Service (PAS): Predictive Availability
2. Optimized Delivery Service (ODS): Delivery Optimization
3. VIP Expedited Service: Value Added Terminal Service

LSPs and Shippers

1. Customer request, visibility, settlement
2. Blume Integration to enable Functional Execution and Ecosystem Connectivity

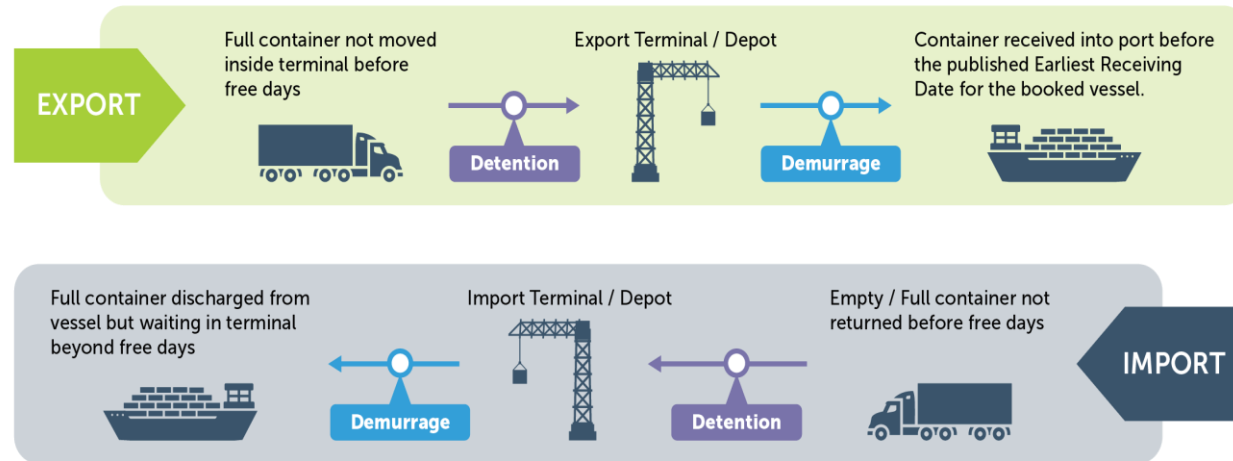
Motor Carriers

1. Motor Carrier Work Order Processing & Linkage to TOS
2. Blume Integrations to Enable Visibility for LSPs and Shippers



Example 3: Detention & Demurrage Challenges

Surging Fees Negatively Impacting Profit Margins



- Detention & Demurrage charges surged by
- 12% in 2022 - higher than pre-pandemic levels
- \$650+ per container - Average Detention & Demurrage charge globally
- \$2,600+ per container - Average Detention & Demurrage charge at major US ports

Source: *Supply Chain QUARTERLY*

- Significant **congestion and lack of visibility** at seaports, airports and rail ramps in today's supply chain, logistics service providers are incurring avoidable demurrage fees
- **Shortage of drivers and chassis** are causing containers to be stuck in seaports and rail ramps and incurring demurrage
- Constantly shifting Early Return Dates (ERD) are causing exporters avoidable demurrage costs at seaports and rail ramps
- Difficult to identify root cause of detention and demurrage charges resulting in payment of disputable fees



Blume Global is delivering the only **intelligent digital operating platform** to orchestrate **global supply chain** processes through a **digital map of the supply chain world**

10,000+

Logistics Companies on the Network

1.5M+

Intelligent Locations

170+

Countries

\$300MM+

Investment in R&D

1,100

Terminals & Depots

6

North American Class 1 Railroads

Gartner®

Magic Quadrant for Real-Time Transportation Visibility Platforms (2022)

- Global presence: ★★★★★
- Carrier networks: ★★★★★
- Data quality: ★★★★★
- Usability & user experience: ★★★★★

Google Cloud


On Google Cloud Platform



Blume Global Network

24 Languages 170+ Countries 81M+ Shipments Tracked Per Month 150K+ Users 70+ TMS Integrations 24x7x365 Customer Support 99.99% Billing Accuracy \$80M+ Invoiced and Collected Per Month


 750+
Air Cargo Carriers

 236K+
Motor Carriers

 11K+
Drayage Carriers

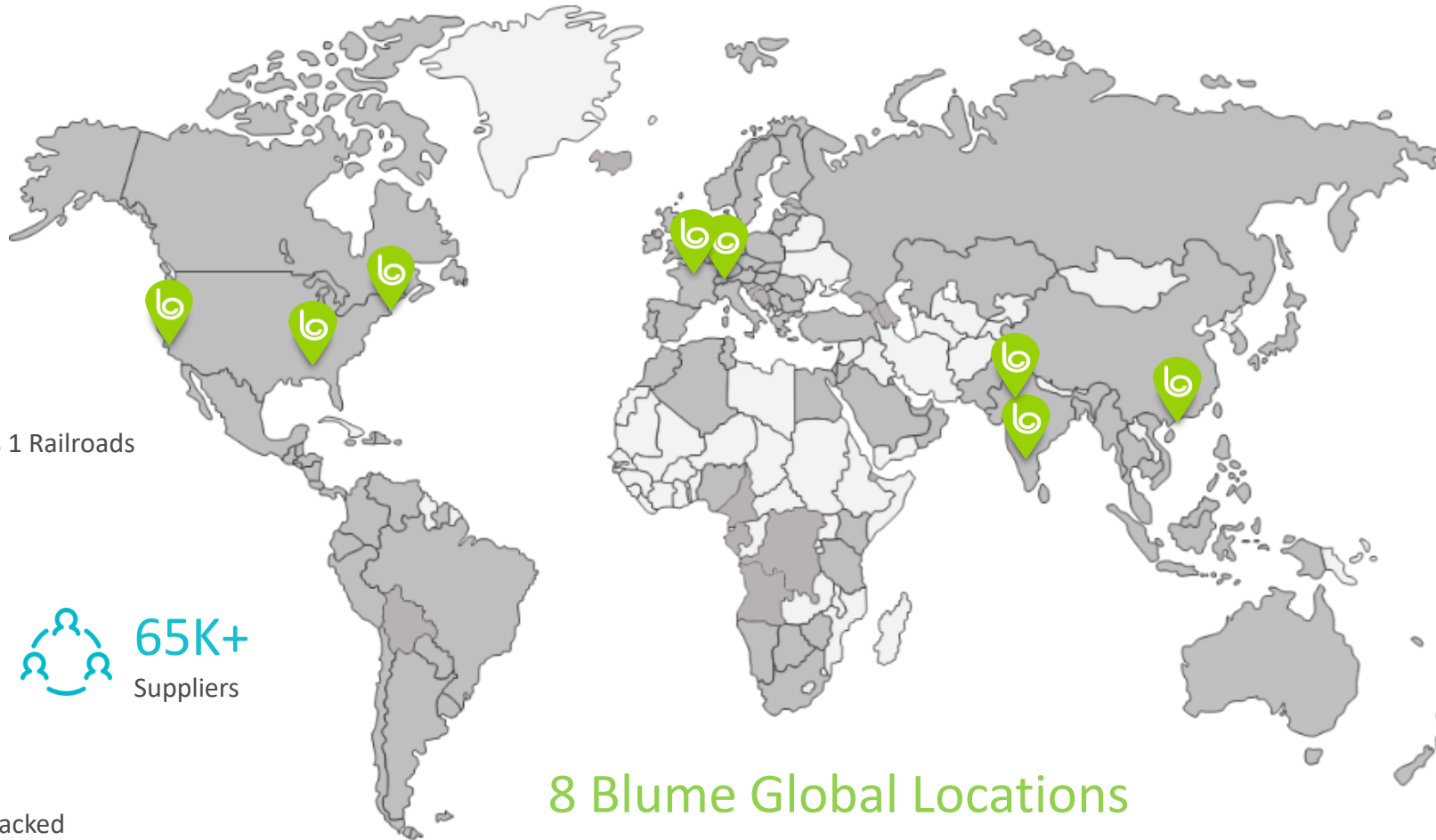
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North America Class 1 Railroads

 1.5M+
Intelligent Locations

 48
Ocean Carriers

 5K+
Container Vessels Tracked

 65K+
Suppliers



8 Blume Global Locations

 12.4M+
Containers Tracked

 350K+
Chassis Tracked

 IoT Sensor
Visibility



Blume Maps Provide Intelligent Locations and Routes

Digital Mirror of the Supply Chain World

1. Predict Lead Time

Before the order ships, **plan optimal routes** using a variable lead time with costs implications. Monitor any changes as scheduled ship date approaches

2. Real-Time Visibility

Ensure orders are traveling on time and know when orders may be late or early (**tracking**)

3. Alternate Paths

Change routes instantly with options to expedite orders through locations



Components

Route Intelligence

Location Intelligence

Schedule Intelligence

Blume leverages the industry's largest multi-modal carrier network, combining data and location intelligence, to understand the experience of other carriers traveling ahead on the same or similar routes. This enables Blume to forecast potential delays impacting ETA's, using AI/ML based models.



Terima Kasih!

