



Pelindo Participates in Driving Down Logistics Costs in Eastern Indonesia: Two years after the merger, Pelindo has contributed to lowering logistics costs by transforming a number of ports and terminals, including in Eastern Indonesia.

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Jakarta 13 October 2023 Coordinating Minister for Economic Affairs Airlangga said that one of the reasons for the high national logistics costs is the disparity between Eastern and Western Indonesia. The National Development Planning Agency (Bappenas) in mid-September launched a new calculation that resulted in

2022 national logistics costs of 14.29 percent of Gross Domestic Product (GDP).

This figure is down almost 40 percent compared to the logistics costs released by the World Bank in 2018 of 23.5 percent. However, the 2022 national logistics costs are still much higher than the logistics costs for Indonesia's 2022 import activities, which have reached 8.98 percent. The government itself targets national logistics costs of nine percent by 2045.

According to Airlangga at the "New Era of Logistics Costs for Golden Indonesia 2045" event on September 14, 2023, so far national development has been focused on Western Indonesia. As a result, the flow of goods is not balanced between Eastern Indonesia and Western Indonesia. This can be seen from the utilization of ports in both regions. Tanjung Priok Port has a utilization of up to 90 percent, Tanjung Emas (Semarang) is 95 percent, and Tanjung Perak (Surabaya) is around 87 percent.