

Implementation of the National Logistic Ecosystem Program in Increasing the Performance of the National Logistics System, Improving the Investment Climate, and Increasing the Competitiveness of the National Economy

Pebriana Arimbhi¹, Dwi Agustina², Notika Rahmi³

^{1,2,3}STIAM I Institute of Social Sciences and Management, Jakarta, Indonesia

pebrianasusanto@yahoo.co.id, dwiagustina1808@gmail.com, notika.rahmi@gmail.com

Abstract

Indonesia is one of the countries with the largest logistics costs in ASEAN. In this regard, the government needs to take strategic steps. One of them is the issuance of Presidential Instruction Number 5 of 2020 which is then used as the legal basis for the establishment of a national logistics ecosystem digital platform or National Logistic Ecosystem (NLE). This policy is the responsibility of the General Directorate of Customs and Excise under the supervision of the Indonesian Ministry of Finance. The objective of this research was to analyze the implementation of the NLE program in terms of increasing the performance of the national logistics system, improving the investment climate, and increasing the competitiveness of the national economy in Indonesia. The research method used was qualitative with a descriptive approach. The results of this study indicated that of the six dimensions that were used as benchmarks, four dimensions had worked well. Only two dimensions were not going well. They were the dimension of implementers' attitude and the dimension of communication. This was due to ongoing planning and policies that still needed to be disseminated more widely. By having the NLE platform, it would certainly increase the performance of the National logistics system, improve the investment climate, and increase the competitiveness of the National economy in Indonesia.

Keywords

national logistic ecosystem;
national logistics system;
investment climate; national
economic competitiveness

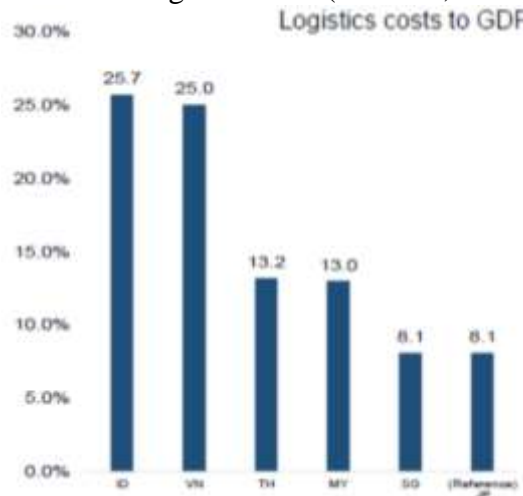


I. Introduction

Indonesia is an archipelago is spread from Sabang to Merauke. The logistics distribution that has been carried out so far still encounters several obstacles. One of them is related to costs. Indonesia is a country whose logistics costs are higher than neighboring countries, especially in ASEAN. For logistics costs and performance, Indonesia spends more than 23.5% of its GDP. This is due to factors of reliability and timeliness, namely the complexity of import licensing, availability of track and trace facilities, and ease of access to logistics services as well as logistics inefficiency in Indonesia related to document duplication and repetition, asymmetric information related to supply and demand, inefficient logistics support infrastructure, and the absence of a logistics platform from upstream to downstream. So far, the solution to the distribution difficulties has been covered by subsidies. If subsidies continue to be used as a mainstay, the state will not be strong enough to continue to cover them. Efficiency in logistics activities will certainly help reduce the burden on the state and business people. One of the efforts made is by issuing Presidential Regulation (*Perpres*) Number 26 of 2012 concerning the Blueprint for the Development of the National Logistics System. The planned strategy is stated in detail in the presidential regulation, but the fact is that so far, the logistics performance in

Indonesia has not shown encouraging growth. In 2014, Indonesia is one of the biggest countries with expenditure logistics costs as reflected in the following table:

Table 1. Logistics Cost (ASEAN, 2014)



Source: BKPM 2020

The large costs incurred make the government need to take strategic steps and continue to find some ways to save expenses and make efficient in the logistics distribution process. As the result, the next president issued instructions through Presidential Instruction No. 5 of 2020 which was then became the right legal basis formation of a national logistics ecosystem digital platform or National Logistic Ecosystem (NLE).

The National Logistic Ecosystem (NLE) is a logistics ecosystem platform that harmonizes the traffic flow of goods and international documents from the arrival of the means of transportation to the goods arrive at the warehouse. The benefits of NLE are not only to reducing logistics costs can also be used as sharing logistics capacity and growing the digital economy, but they can also increase service transparency. NLE can also link existing systems between ministries and agencies and is believed to be able to reduce logistics links, avoid duplication and repetition and eliminate manual processes. NLE is considered capable of overcoming various future challenges related to the logistics sector. All processes of administrative logistics can be processed digitally, so it will make it easier for business people to carry out domestic activities as well as export-import activities. Various legal products have been issued to support the continuity of an efficient logistics process, for instances PMK 97/PMK.04/2020 which regulates the manifest of arrival and departure of transportation means, PMK 108/PMK.04/2020 which regulates the unloading and stockpiling of imported goods, PMK 109/PMK.04/2020 which regulates Customs Areas and Temporary Storage (TPS), and PMK 141/PMK.04/2020 which regulates the supervision of prohibited and restricted goods.

Microeconomic developments are the foundation for economic growth in Indonesia. This show is small and medium industries have good prospects to be developed and have competitiveness and competitive advantage well and contribute to employment safety (Pradata *et al*, 2020). One form of microeconomics that can combine large amounts of labor with small capital is small and medium micro enterprises (Ulfha, 2019). This policy is the responsibility of the General Directorate of Customs and Excise as one of the agencies of echelon units 1 which are brought to Ministry of Finance of Indonesia. With all the efforts that have been made to encourage these logistics activities, the author was interested in conducting an analysis related to the Implementation of the National Logistic

Ecosystem (NLE) Program and the author also looked at its relation to increasing the Performance of the National Logistics System, improving the Investment Climate, and increasing Competitiveness of National Economy in Indonesia. The objective of this research was to analyze the implementation of the NLE program in terms of increasing the performance of the national logistics system, improving the investment climate, and increasing the competitiveness of the national economy in Indonesia.

II. Research Methods

This study used a qualitative method with the approach of a descriptive approach. A qualitative approach is a method for exploring and understanding a meaning which is considered by several individuals and groups of people coming from social and humanitarian problems (Cresswell, 2014). This research was conducted using an analysis related to the implementation of a descriptive NLE policy. In the book written by (Silaen & Widiyono, 2013), the purpose of doing descriptive research is to provide a description, description of the facts, and the nature and relationships between the phenomena studied. The data collection techniques were observation, interviews, and documentation. The author's observations were made by visiting various relevant agencies such as the General Directorate of Customs and Excise (DJBC), the Investment Coordinating Board (BKPM), the Indonesian Logistics and Forwarders Association (ALFI), and the Coordinating Ministry for Economic Affairs of the Republic of Indonesia. The interviews were also conducted with related parties using open-ended questions where the informants could provide answers without any limitations and could further explore the problems being discussed (Jacobsen, Eggen, & Kauchak, 2009). The documentation and data sources used were started from the Presidential Regulation to the Minister of Finance Regulation relating to NLE activities as well as some data related to the condition of Logistics activities in Indonesia

III. Results and Discussion

Indonesia as a region on the earth's surface also has characteristics as well as its potential that is different from other regions, astronomical potential, geographical potential, geological potential. In addition to this potential, Indonesia also has the potential for natural resources (SDA), human resources (HR), and cultural resources. Indonesia's potential is very strategic and important related to the economic sector. Indonesia should be able to become a world supplying country with a wealth of natural resources owned and processed industrial products, as well as a large market in the global supply chain because of its large population.

For this reason, an integrated National Logistics System is needed to support the realization of this role which has been stated in Presidential Decree No. 26 of 2012 concerning the Blueprint for the Development of the National Logistics System. The National Logistics System has a strategic role in aligning progress between economic sectors and between regions for the realization of a better system of economic growth.

However, until 2019, the performance of the National Logistics System has still not been optimal. This can be seen from the logistics costs in Indonesia which are the highest compared to 5 other ASEAN countries, 24% of GDP is equivalent to Rp. 3,560 trillion, transportation costs are the largest component, and unreliable transportation makes inventory costs also increase, and there has been no significant increase in time and cost efficiency in the last two years. As for the logistics problems themselves are:

1. Maritime Connectivity

There are many ports, airports, stations, and warehouses, but they have not been managed in an effective and efficient integrated manner
2. Infrastructure
 - a. Issues of infrastructure capacity in Java and lacks of infrastructure outside Java
 - b. Ineffective intermodal transportation and interconnection between port and transport infrastructure
3. Information and Communication Technology
 - a. Asymmetric information supply and demand
 - b. There is no track and trace system
 - c. Paper-based system
 - d. Limited coverage of non-cellular service networks

In terms of problems related to the application of technology and information in the national logistics sector, they are as follows:

1. Duplicate & Repetition

The users of service in the import/export process submit the same documents to several agencies, such as:

 - a. Document of goods manifest: is submitted by Shipping Agent to Harbormaster and Port Operator (SIMLALA), Agricultural Quarantine (Manual), and Customs (CEISA).
 - b. Import of meat: the application is submitted to the Ministry of Agriculture and the Ministry of Trade to obtain an Import Approval Letter (SPI) for meat.
2. Level of Automation Implementation
 - a. Full automation/online: Customs, BPOM
 - b. Semi-automation (combination of manual and online): SIMLALA-Ministry of Transportation
 - c. Manual: ordering containers at the Container Depot company in Tanjung Priok
 - d. Silo (attitude of sectoral ego)

Of the 18 existing Ministries Institutions (K/L) systems, currently, only 4 use a shared reference (profile). Thus, the treatment between 1 K/L and another K/L can be very different.
3. In-Efficiency of Goods Distribution

The information system between K/ L in the harbor with service providers (truck) is not connected; thus, it causes the information on the availability and the needs of conveyance is not synchronous, the high idle capacity of transportation, brokerage fees, and tariffs that are not transparent
4. No Upstream to Downstream Logistics Platform yet

There is no available-accurate information from upstream to downstream includes the existence of the charge, the availability of trucks/ warehouse, transparency of rental rates and transport costs warehouse trucks, the status of the documents, and the presence of goods in real-time.

In the problem of the national logistics system mentioned above, the government issued a new policy, namely Presidential Instruction Number 5 of 2020 concerning Structuring the National Logistics Ecosystem. The purpose of the Presidential Instruction is to increase the performance of the National Logistics System, improve the investment climate, and increase the competitiveness of the Indonesian economy. In implementing Presidential Instruction Number 5 of 2020, one of the steps taken by the Government is to launch the National Logistic Ecosystem digital platform which is appointed to the Ministry

of Finance as the person in charge of the program for implementing the national logistics ecosystem arrangement with the Directorate General of Customs and Excise acting as the executor of the establishment of the National digital platform. Logistic Ecosystem (NLE). The purpose of the platform is to collaborate on export and import logistics activities as well as domestic logistics activities across all modes.

From the results of our research related to the Implementation of the National Logistic Ecosystem (NLE) Program in Increasing the Performance of the National Logistics System, Improving the Investment Climate, and Increasing the Competitiveness of the National Economy using the theory of Policy Implementation from Van Meter and Van Horn (Nugroho, 2018). This uses six dimensions, as follows.

3.1 Policy Standards and Objectives

NLE is a Logistic Ecosystem harmonizing the traffic flow of goods and documents from the arrival of a carrier at the port to the goods arrive at the warehouse (interland). It was oriented to cooperation between government and private agencies through data exchange, process simplification, elimination of repetition, and duplication using information technology and digital technology. In general, the purpose of developing NLE is to answer the challenges of Indonesia's logistics performance and help the needs of logistics business entities that are simple, fast, effective and efficient, and low cost, while maintaining the effectiveness of supervision and encouraging optimal state revenue potential. The purpose of NLE is divided into four main points, namely:

1. Simplify government and private business processes
2. Collaboration Public and Private Logistics
3. Digital Payment Service
4. Spatial

The main target of the NLE is 17% of GDP related to logistics costs by 2024, including:

1. Transaction transparency
2. Symmetrical supply and demand information
3. Point of identified logistic inefficiency

The National Logistic Ecosystem is expected to have an impact on the national economy, namely:

1. Easy - simple logistics business process
2. Fast - fast licensing management based on SLA
3. Transparent - an open and transparent NLE platform

In addition, the National Logistic Ecosystem is also expected to be able to lower its EODB rating from 116 to 87 in 2023 as well as various other targets, namely:

- a. Reduce logistics costs by 20% (above from Malaysia and Thailand) from 24% of GDP to 17% of GDP
- b. Cut logistics time by 20% from 186 hours to 148 hours (BKPM)
- c. Reduce congestion on roads by reducing the traffic of empty truck

In planning the NLE implementation action, the government makes eight programs to be implemented, but in this draft project charter proposal only a few are detailed regarding the relationship between NLE application development and the Directorate General of Customs and Excise. The following eight programs are:

Table 2. Eight NLE Programs

| No | Program |
|----|--|
| 1 | Increasing the efficiency of the logistics process by facilitating access to services for releasing containers/goods from the port by business actors at the port |
| 2 | Increasing the efficiency of the logistics process by simplifying the process of checking goods by the authorized agency at the port |
| 3 | Increasing the efficiency of logistics processes by accelerating licensing services through the implementation of an integrated risk management system between Ministries and Institutions (K/L) |
| 4 | Increasing the efficiency of logistics processes by facilitating access to logistics services through collaboration of the NLE platform with logistics platforms |
| 5 | Increasing the ease of access to logistics services through collaboration of government systems related to logistics activities |
| 6 | Improving the efficiency of logistics processes by facilitating access to payment services through online payment platforms |
| 7 | Increasing the efficiency of logistics processes by utilizing the domestic manifest system for monitoring trade in certain goods in the country |
| 8 | Increasing the efficiency of logistics processes by structuring the spatial main port and TPS - One Gate One Billing One System |

Source: General Directorate of Customs and Excise, 2021

The factors that determine the success of the NLE platform program are:

1. Adequate IT capacity and budget
2. Stakeholders' participation and support
3. Completion of *probis* integration and related regulations
4. The Success of Change Management
5. Measurable Work Plans and Milestones

The legal basis for the policy related to the implementation of the National Logistic Ecosystem Program policy is as follows.

Table 3. Legal Basis of the NLE Program

| No | Regulation | Regarding | Information |
|----|---|--|--|
| 1 | Presidential Instruction Number 5 of 2020 | Arrangement of National Logistics Ecosystem | The legal basis for the establishment of a National Logistics Ecosystem (NLE) digital platform |
| 2 | Minister of Finance Regulation Number 97/PMK.04/2020 (Amendment to P MK Number 158/PMK.04/2017) | Procedure for Submission of Notification of Planned Arrival of Transportation Means, Manifestation of Arrival of | <ol style="list-style-type: none"> 1. Connect with NLE 2. Providing online DOs (Delivery Orders) |

| | | | |
|---|---|---|---|
| | | Transportation Means and Manifestation of Departure of Transportation Means | |
| 3 | Minister of Finance Regulation Number 108/PMK.04/2020 | Unloading and Stockpiling of Imported Goods | <ol style="list-style-type: none"> 1. Loading and unloading services can be via NLE 2. Exchange of loading and unloading data through NLE for monitoring purposes |
| 4 | Minister of Finance Regulation Number 109/PMK.04/2020 | Customs Area and Temporary Storage | <ol style="list-style-type: none"> 1. Providing SP2 Online service 2. Mandatory TPS and outogate 3. Give some rewards to TPS entrepreneurs who collaborate with trucking platforms |
| 5 | Minister of Finance Regulation Number 141/PMK.04/2020 | Supervision of the Import or Export of Prohibited and/or Restricted Goods | <ol style="list-style-type: none"> 1. Exchange of goods agreement data via NLE 2. Utilization of NLE in consignment control |

Source: Directorate General of Customs and Excise, 2021

3.2 Resource

In carrying out the Presidential Instruction Number 5 of 2020 concerning Structuring the National Logistics Ecosystem, it is directly under the Coordinating Ministry for Economic Affairs and the Coordinating Ministry for Maritime Affairs and Investment. There are 4 (four) matters related to the National Logistics Ecosystem Arrangement, namely:

- a. Business Process, related to unified inspection via Single Submission (SSm), port services, and licensing. The parties involved are the Ministry of Finance, the Ministry of Transportation, the Ministry of Trade, the Ministry of Agriculture, the Ministry of Industry, the Ministry of Maritime Affairs and Fisheries, the Investment Coordinating Board (BKPM), the Batam Entrepreneurs Board, and other Ministries of Institutions.
- b. Platform, related to transportation, shipping, and port. The parties involved are the Ministry of Finance, the Ministry of Transportation, the Ministry of Trade, the Indonesian Logistics and Forwarders Association (ALFI), the Indonesian Trucking Entrepreneurs Association (APTRINDO), and the Indonesian National Shipowners' Association (INSA).
- c. Payments, linked to payment and banking platforms. The parties involved are Bank of Indonesia (BI), the Ministry of Finance, and the Association of State-Owned Banks (HIMBARA).
- d. Spatial Planning, related to the arrangement of the main port, the placement of the Container Depot, and the establishment of the Inland Consolidation Center. The parties involved are the Ministry of Finance, the Ministry of State-Owned Enterprises, and the Ministry of Transportation.

The principles of Collaboration in NLE are:

- a. Does not eliminate the authority, business processes, and service systems that are already owned by each entity.
- b. Connect all sectors from upstream (ship arrivals) to downstream (warehouse/factory) both export and import processes by connecting the output of one system into input for another system so that it is more efficient. For instances, Customs approval for releasing containers connected to a trucking platform, so the importers can directly order through NLE, with the best option.
- c. Can monitor Service Level Agreement (SLA) of Ministries/Agencies (K/L) as well as a compliance control tool in its implementation.
- d. Can make automatic decisions (Auto Approve) when certain services from a K/L exceed the specified promise limit.
- e. NLE collaboration makes it possible to implement:
 - 1) Single Submission for licensing services, export/import documents, transport documents (manifest)
 - 2) Single billing in a series of business processes for state revenues, such as payment of Taxes, Import Duties, and PNBP, and Single Payment Channel for other bank payments
 - 3) Single Risk Management between K/L, where the profile that one K/L has on its clients can be used by another K/Ls. Such as the company profile Authorized Economic Operator (AEO) can be utilized by other entities to provide faster services.
- f. Encouraging standardization: among others: eligibility standards (truck, forklift), professional certification (driver, forklift operator)

Support of K/L & Stakeholders to collaborate in the NLE program:

1. There are 18 related K/L, such as:
 - a. Ministry of Finance, Ministry of Trade, Ministry of Industry, Ministry of Agriculture, Ministry of KKP, Ministry of Energy and Mineral Resources, Ministry of Environment and Forestry, Ministry of Transportation, Ministry of Health, Ministry of Defense, Police Headquarters
 - b. BPOM, BAPETEN, BKPM, and others.
2. Association;
 - a. Indonesian Logistics and Forwarders Association (ALFI)
 - b. Indonesian National Shipowners' Association (INSA)
 - c. Indonesian Truck Entrepreneurs Association (APTRINDO)
 - d. Priority Line Company Association (APJP)
 - e. Indonesian National Importers Association (GINSI)
 - f. Indonesia Logistics Community (ILC)
3. Logistics Platforms:
 - a. PT. Logistik Pintar Indonesia (PINTAR)
 - b. PT. Visi Transportasi Indonesia (RADAR)
 - c. PT. Gatotkaca Trans Systemindo (Clickkargo)
 - d. PT. PELINDO II/PT. EDI (LOGO)
 - e. PT. Bank Mandiri (e-payment)
 - f. PT. Toms Daya Integra (I-Truck)
4. Other logistics entities:
 - a. Ten operator terminals within the scope of Pelindo I to IV,
 - b. Warehousing: TLC, AEO Warehouse
 - c. Container Depot

This NLE program is a piloting part for the General Directorate of Customs and Excise, which is one of the functions of DGCE, namely providing trade facilitation through various strategic efforts with the aim of:

1. Enhancing smooth flow of goods and trade
2. Forcing high cost economy
3. Creating conducive trading environment
4. Preventing the illegal trade.

NLE is part of the CEISA 4.0 application architecture that facilitates integration and collaboration between G2G (Government to Government), B2G (Business to Government) and B2B (Business to Business). This application was only released in 2020 as an alignment in the development and improvement of information technology systems that support DGCE services in the face of the Industrial Revolution 4.0 era.

The NLE platform application is carried out directly by the Directorate of Customs and Excise Information, the Directorate General of Customs and Excise. The project stakeholders at the Directorate General of Customs and Excise are:

Table 4. NLE Program Stakeholders

| No | Stakeholders |
|----|--|
| 1 | Directorate of Customs and Excise Information (Dit. IKC) |
| 2 | Directorate of Revenue and Strategic Planning (Directorate of PPS) |
| 3 | Directorate of Customs Technical |
| 4 | Inspector of Customs and Excise Service and Receipt |

Source: Directorate General of Customs and Excise, 2021

The composition of the NLE platform application development and business process project team at the General Directorate of Customs and Excise is:

Table 5. NLE Business Process Project Team

| No | Position | Name |
|----|---------------------------------|--|
| 1 | Board Of Directors | Director of Customs and Excise Information |
| 2 | Field Of Business Process | Head of Sub-directorate of Information System Strategy and Planning, Directorate of Customs and Excise Information |
| | | Mirza Chaidir Rachman, Junior Computer Officer at the Directorate of Customs and Excise Information |
| | | Danu Firmansyah, the First Computer Administrator, Directorate of Customs and Excise Information |
| 3 | Field Of Information Technology | Head of Sub-directorate of Information System Development, Directorate of Customs and Excise Information |
| | | Head of Sub-Directorate of Information |

| | | |
|---|----------------------|---|
| | | Security Control, Service Management, and Evaluation of the Directorate of Customs and Excise Information |
| | | Head Section of Planning and Governance Manage Policies Technology Information, Directorate of Customs and Excise Information |
| | | Amir Hamsah, Junior Institution Computer of Directorate of Customs and Excise Information |
| | | Dartono, Junior Institution Computer Directorate of Customs and Excise Information |
| | | Deny Febrianto, First Computer Institution Director of Customs and Excise Information |
| 4 | Field Of Secretariat | Head of Information Technology Service Evaluation Section, Directorate of Customs and Excise Information |
| | | Indra Praja, Executor at the Directorate of Customs and Excise Information |
| | | Nova Esterina, Executor at the Directorate of Customs and Excise Information |
| | | Molysa Triagina, Implementing Functional at the Directorate of Customs and Excise Information |

Source: Directorate General of Customs and Excise, 2021

The number of Human Resources for the development of the NLE system is as follows:

Table 6. Number of Human Resources for NLE Development

| No | Role | Amount |
|-------|-------------------|--------|
| 1 | Project Manager | 1 |
| 2 | Business Analyst | 2 |
| 3 | System Analyst | 3 |
| 4 | Programmer | 6 |
| 5 | IT Infrastructure | 2 |
| 6 | Tester | 2 |
| 7 | Technical Writer | 1 |
| Total | | 17 |

Source: Directorate General of Customs and Excise 2021

In addition, here is the schedule for the implementation of NLE work, as follows:

Table 7. NLE Performance Implementation Schedule

| Action | 2020 | | | | 2021 | 2022 |
|--|------|----|----|----|------|------|
| | Q1 | Q2 | Q3 | Q4 | | |
| NLE Project Strategic Planning | x | | | | | |
| Formulation of comprehensive logistics business process design (shipping to retailing) | x | | | | | |
| Preparation of technical policies (to reduce time and cost): | | | | | | |
| o Procedural logistics system policy (flow of goods) | | x | x | | | |
| o Billing system policy (money flow) | | | x | x | | |
| NLE IT System Development: | | | | | | |
| o Short-term | x | x | x | x | | |
| o Long-term | | | | | x | |
| NLE piloting | | | | | x | |
| Monitoring and Evaluating (Money) of NLE | | | | | x | |

Source: Directorate General of Customs and Excise, 2021

In terms of financing the development of the NLE, it will be charged to the State Revenue and Expenditure Budget.

3.3 The Characteristics of Implementing Organizations

The roles and responsibilities of each stakeholder according to Table 4 above are as follows:

Table 8. Roles and Responsibilities of the Stakeholders of NLE Program at DGCE

| Project Team Role | PIC | Responsibilities | |
|---|---|---|--|
| NLE Project Strategic Planning | Directorate of PPS, Directorate of Technical and Directorate of IKC | 1. Drafting project charter 2. Project charter finalization | <ul style="list-style-type: none"> • Draft NLE Charter • Project Charter |
| Formulator of comprehensive logistics business process design (shipping to retailing) | Directorate of Technical and Directorate of IKC | 1. Preparation of the NLE Grand Design 2. Initial mapping of <i>probis</i> simplification (eliminating repetition & duplication) 3. Audience with stakeholders 4. Finalization of comprehensive logistics <i>probis</i> design | Comprehensive logistics <i>probis</i> design |

| | | | |
|--|---|---|---|
| | | (shipping to warehousing) | |
| Technical policy maker (to reduce time and cost) | Directorate of Technical and Directorate of PPS | <ol style="list-style-type: none"> 1. Procedural logistics system policy (flow of goods) <ol style="list-style-type: none"> a. <i>Probis</i> billing system simplification analysis b. Completion of regulations supporting the simplification of <i>probis</i> 2. Billing system policy (money flow) <p><i>Probis</i> billing system simplification analysis</p> <p>Completion of regulations supporting the simplification of <i>probis</i></p> | <p>Filled with achievement indicators by Directorate of Technical</p> <p>Filled with achievement indicators by Directorate of PPS</p> |
| Developer of NLE IT System | IKC Directorate and Technical Directorate | <ol style="list-style-type: none"> 1. Short-term <ol style="list-style-type: none"> a. Inaportnet's collaboration with INSW phase I (Coverage of Anchoring Permits – Permits for Reservations) b. Implementation of Single Stakeholder Information (SSI) c. Collaboration with Platform Shipping Line/ Agent 2. Long-term <ol style="list-style-type: none"> a. Collaboration with Platform Shipping Line/ Agent (continued) b. Collaboration with Transportation Platform c. Collaboration with the Warehousing Platform d. System Operator Terminal Collaboration e. Payment Platform Collaboration (Banking) f. TPS (One Gate One Billing One System) arrangement g. Implementation of Single Stakeholder Profile (100%) h. Collaboration with Transport Platforms (100%) | Filled with achievement indicators by Directorate of IKC |

| | | | |
|-----------|---|---|--|
| | | i. Collaboration with Warehousing Platform (100%) | |
| Piloting | Directorate of PPS, Directorate of Technical and Directorate of IKC | Piloting | Filled with achievement indicators by Directorate of PPS |
| Monev NLE | PPS | 1. Monitoring 2. Evaluation 3. Follow-up | Filled with achievement indicators by Directorate of PPS |

Source: Directorate General of Customs and Excise, 2021

3.4 Communication between Organizations related to implementation activities

The coordination system in formulating and making NLE policies has been carried out by the Directorate General of Customs and Excise maximally by:

- a. Regular and scheduled discussions every week for all NLE teams
- b. Communication built with the private sector uses an informal and non-bureaucratic approach

The socialization of the NLE program has been carried out internally by the Directorate General of Customs and Excise by:

- a. Socialization was carried out several times through webinars about the basic understanding of what NLE is
- b. Holding a distance learning conducted by the customs education and training center on NLE

The external socialization between the Directorate General of Customs and Excise and interested parties such as the Ministry of Other Institutions (Government), Private Parties, as well as socialization with academics has been carried out by holding FGDs, joint webinars, and other socialization activities.

3.5 Attitude of Executors

This NLE program policy is a direct instruction by the President of the Republic of Indonesia to be implemented by all parties, both the government and other stakeholders. The President instructed to immediately take the necessary steps in accordance with their respective duties, functions and authorities in a coordinated and integrated manner to carry out the arrangement of the national logistics ecosystem.

In this case, the designer and implementation of the NLE platform by the Directorate General of Customs and Excise, Ministry of Finance took strategic steps, namely:

- a. Simplification of business processes of government services in the field of technology-based logistics for dismissing any repetition and duplication;
- b. Collaboration of logistics service systems, both international and domestic, between actors in logistics activities in the government and private sectors;
- c. Ease of state revenue payment transactions and payment facilities between business actors related to logistics processes.

Based on the strategic steps mentioned above, DGCE immediately prepared several phases in the NLE arrangement designed for the short, medium and long term, as follows:

Table 9. Phases in the NLE Program

| Short-term 2020 – 2021 | Medium-term 2022 – 2023 | Long-term 2024 |
|---|---|---|
| 1. Development and <i>piloting</i> of government service systems: <ol style="list-style-type: none"> a. SSm Customs - Quarantine b. SSm Transportation (International and Domestic) c. SSm Licensing d. Risk management 2. Construction and piloting of private logistics service platform collaboration 3. Payment platform system development | 1. Implementation and expansion of the government service system: <ol style="list-style-type: none"> a. SSm Customs – Quarantine b. SSm Transportation c. SSm Licensing d. Risk management 2. Implementation and expansion of logistics service platform collaboration 3. One-billing system and one-gate one-system at the main port | a. Main port layout arrangement: container terminal zoning b. Synchronization of railroads with containers at the port |
| 1. Ease of access and transparency of logistics service processes 2. Improving the quality of logistics services 3. Accuracy of estimated service time and logistics costs | | 1. Free flow goods 2. National logistics cost reduction |

Source: Directorate General of Customs and Excise, 2021

From these several phases, the following are the achievements of NLE up to July 2021:

1. Provide a system/facility that allows business actors to process import-export-related permits to all Ministries/Agencies through one system/one door, so that with only one superset of data they can complete their obligations.
 - a. SSm Vaccine Import Permit (Nov 2020), SSm Medical Device Export Permit (June 2020)
 - b. Development of SSm Licensing for ex-im in accordance with PP 29/2021 which uses Commodity Balance (sugar, salt, rice, fish, beef)
 - c. Several actions in Presidential Instruction 5 (sugar-salt) have changed as a follow-up to the issuance of PP/5, PP/28, PP/29 of 2021:
 - 1) For SSm Export Licensing: testing process
 - 2) For Import Licensing SSm: on the policy side, there are still business processes at the Ministry of Trade that are not yet in sync with business processes in other Ministries/Agencies
2. Provide a system/facility that allows the captains (transporters) to carry out the clearance process for all work units at the port through one system/one door, so that with only one delivery of superset data they can complete their obligations.

- a. The inter-island cargo list (SIPT) application has been implemented (Dec 2020) and will be mandatory 12 November 2021
- b. International Arrival Carrier SSm: Piloting at Tanjung Priok Port on 6-9 July 2021
- c. International Departure Carrier SSm: Trial stage
- d. Number of transactions in the Inter-island Cargo List 606 documents (period 29 December 2020 to 15 July 2021)
3. Streamline the inspection process with DJBC-Quarantine so that there is no duplication of physical inspection activities, both for imports and exports.
 - a. Has been implemented in 4 main ports: Tanjung Emas, Belawan, Tanjung Perak, and Tanjung Priok
 - b. Number of transactions: 63,057 documents, with number of containers: 279,403 (period Nov 2020 to June 2021)
 - c. Joint inspection: 9,942 documents; number of containers: 19,776
 - d. Time efficiency: from 4.36 days to 3.63 days (16.8% less than before the implementation of SSm)
 - e. Cost efficiency calculated from stockpiling and withdrawal fees is Rp. 53.16 M or 29.67%
4. Provide a system/facility that allows the responsible cargo to carry out the online Delivery Order (DO) redemption process, including the process of validating requirements and paying off fees that must be paid.
 - a. Container: implementation in Tanjung Priok, Tanjung Perak, and Belawan
 - b. Non-container: implementation in Tanjung Priok (Indonesia Vehicle Terminal)
 - c. Number of transactions: 218,857 documents, totaling 600,205 Containers (November 2019 to June 2021)
 - d. Time efficiency compared to before the implementation of DO Online from 179 minutes to 173.5 minutes (reduced by 3.07% or 5.5 minutes).
 - e. Cost efficiency calculated from savings of Rp. 100,000/document, a total of Rp. 21.89 Billion
5. Provide a system/facility that allows goods owners to take out/import goods from and to temporary storage places at the port, both TPS line 1 and TPS line 2 without having to submit physical documents
 - a. The container has been implemented in KOJA Terminal
 - b. For non-containers, the SP2 Non-container system is ready and open to the public (waiting for trial and readiness from cargo owner to use live data)
6. Cargo Owners can submit truck orders through the available trucking platforms, thus service users have information and options for Trucking service offerings from several trucking companies/platforms through NLE
 - a. It has been implemented at Tanjung Priok Port and tested in Batam
 - b. 7 system ready platforms (Itruck, Clickargo, Logol, Logee Trans, Waresix, Radar Darad)
 - c. 4 on progress (Gologs, Logisly, Persero Batam, Translog)
 - d. Direct message scheme & contract scheme can be done
7. Goods owners can place Warehousing orders through the platforms available on NLE. In addition, the owner of the goods also gets information and comparisons of the availability and specifications of the Warehousing space including the costs required
 - a. There are already several platforms in development stage with NLE (Dunex, Icons, Transcon)
 - b. There is an agreement on location search parameters, time in, and time out (Icons)

8. Service users can book slots for domestic & international vessels independently through NLE or domestic vessel platforms. Related parties: DJBC, Platform Vessel, LNSW, and the Ministry of Trade, currently there are 2 domestic platform vessels and 1 international platform vessel collaborating with NLE.
9. Service users can connect with the container depot independently through the NLE or the container depot platform, without having to physically come to the depot. Relevant party: Ministry of Transportation, currently an initial discussion has been held with one of the container depot business actors who are interested and ready to join NLE
10. Service users can make payments via NLE for logistics services, taxation, PNBP and financing facilities for NLE users. Related parties: DJBC, Ministries/Agencies, Government/Private Banks
 - a. The current status for banks that have joined is Bank of Mandiri.
 - b. The process of finalizing the PKS as the legal basis for banking to carry out payment activities in NLE
 - c. *Probis* map for simplification of PNBP payments and State Revenue has been prepared
11. The establishment of a port system and layout as well as a national logistics infrastructure that supports logistics efficiency. Related parties: DJBC, Ministries/Agencies, Government/Private Banks
 - a. The current status for banks that have joined is Bank Mandiri.
 - b. The process of finalizing the PKS as the legal basis for banking to carry out payment activities in NLE
 - c. The business process map for simplification of PNBP payments and State Revenue has been compiled

3.6 Social, Economic and Political Environment

The last thing to see if a policy has been implemented well is to look at the extent to which the external environment has contributed to its success. The social, economic, and political environment that is not conducive can be a source of problems from failure in the implementation of this policy, which is strongly supported by the internal and external environment to encourage the success of the policy.

In this NLE program, it could be seen how the social environment is very supportive of the NLE program. Also, it can be seen from several ports that have been connected to the NLE system. Then, this showed a ready social environment. Ports that have supported the current NLE program are: Tanjung Priok Port, Tanjung Emas Port, Tanjung Perak Port and Belawan Port. Where the form of social environment readiness is the integration and harmonization of Logistics Policies and Services with the integration, commodity traffic is monitored to reduce administrative, stockpiling, and handling costs so that the goal of economic benefit is achieved. In addition, from an economic perspective, the funding for the 2020-2024 National Logistics Ecosystem Structuring Action Plan is charged to the State Revenue and Expenditure Budget of Ministries/Agencies, Regional Revenue and Expenditure Budgets, and/or other legal and non-binding sources of income according to the laws and regulations.

In the Political Aspect, the NLE Program has been politically supported since the issuance of Presidential Instruction No. 5 of 2020 regarding the arrangement of the National Logistics Ecosystem. This Presidential Instruction explains in detail how the instructions from the president to the Ministers, Cabinet Secretaries, Heads of the Indonesian National Police, Non-Ministerial Government Institutions, and Governors.

Activities up to the output to the agency in charge of implementing this activity so that the collaboration that occurs will immediately achieve the desired goals of this NLE activity.

IV. Conclusion

From this discussion, it can be concluded that of the six dimensions that were used as benchmarks, four dimensions have worked well. Only two dimensions were not working well because the implementation of the policy was still ongoing. The dimensional attitude of the implementers of still has not run since the original agenda will continue until 2024. Related to the dimension of communication, the socialization is still more intense with other stakeholders that this policy is widely known and can be utilized by all parties. With the NLE platform, it will certainly improve the National logistic performance system, develop investment climate, and improve the competitiveness of national economy in Indonesia.

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