
Minutes of Meeting National Logistics Cluster, 19 June 2020

Indonesia

PLACE	Zoom – online https://bit.ly/jadwalhariancovid19
TIME/DATE	Friday, 19 June 2020
FACILITATOR	Ikhsanuddin (WFP)
PARTICIPANTS	Attached
ACTION POINTS	<ol style="list-style-type: none">1. Coordinate with 8 Provinces (Logistics Cluster) regarding capacity building program (South Kalimantan, South Sulawesi, DIY, East Java, North Sumatra, West Sumatra, Banten & Central Sulawesi);2. Establish a team to monitor National Logistics Cluster (NLC) progress and gather materials in preparation of NLC evaluation;3. Develop a logistics capacity strengthening program;4. Formulate a strategy to consolidate capacity of logistics providers, including logistics infrastructure belonged to the State Owned Enterprises (SOEs) (long-term planning);5. Formulate a strategy to develop an integrated information management system (long-term planning).
AGENDA	<ol style="list-style-type: none">1. Opening Remarks & Directives (Director of Network Optimization for Logistics and Equipment-BNPB, Ir. Ibnu Asur, MM)2. Update on Logistics Operation (PMI, ALFI, POS)3. Logistics Capacity and Resources Mapping (WFP)4. Knowledge Sharing on Humanitarian Logistics (WFP)<ol style="list-style-type: none">a. Training Program in collaboration with Pujiono Centre & SEJAJARb. Training Program in collaboration with BPBD & Provincial Logistics Clusterc. Strategic Dialogue on Humanitarian Logistics & Supply Chain5. NLC evaluation planning (expert: Kristanto S.)6. Development of New Normal Policy (academia: Iwan Juhri Agriawan, ST., M.Sc / Research and Development Coordinator, Researcher / Center for Transportation and Logistics Study, UGM)

Opening Remarks by Directorate of Network Optimization for Logistics and Equipment, BNPB (Mr. Ibnu Azur)

The NLC has been established and since then its members have provided huge contributions. However, the fight is far from over. Nationally, there is no integrated information system in place yet. This Information management system aims to facilitate and provide access to information on logistics capacity in disaster-affected regions – allowing the national government to decide on the type of assistance and or identify logistics gaps to support. The target is to develop this integrated information management system in 2021 and for the next 4 years. All elements/members of the NLC are expected to contribute to its development.

In the light of the recent distribution on one of the medical equipment in Bogor District, the lab professionals apparently are not trained to operate the technology. Relevant training should take place, and it should also emphasize important information, such as the ideal temperature to store the equipment.

The NLC is expected to be responsible in preparing required logistics-related data, capacity strengthening, and developing logistics systems. Note that going forward, one of the potential challenges is the emergence of another type of pandemic. This means an entirely different set of medical equipment will be required. Thus, it is more than important to utilize, integrate, and maximize the existing capacity of the NLC in contributing to the COVID-19 response in Indonesia.

1. Logistics Updates (ALFI & PT. Pos Indonesia)

Indonesian Logistics & Freight Forwarder Association (ALFI - Mr. Iman Gandi)

- a. Although the customs clearance policy on the International cargo is not extended, however in the implementations, COVID-19 cargoes entering Indonesia still receive import relaxation and facilities (restricted ban or Lartas & Fiscal exemptions). No significant challenges on logistics operations. However, another reminder on administrative issues: NGOs are expected to complete the required documents prior to cargo arrival in Indonesia. There were cases where goods have arrived but the release permit has not been completed—consequently, they have to bear significant cost on additional storage services at the entry point.
- b. Agree with Mr. Ibnu on capacity strengthening for logistics actors in the field, both for the BNPB (National Disaster Management Agency) and other ministries. This is inline with the current COVID-19 response. Another issue is most of the shipping documents are not equipped with information on how to handle specific cargoes. Capacity training programs are available in the private sector. Consider utilising BNPB Training Center facilities in synergy with different sector to further support the required logistics capacity building program.
- c. ALFI reports no significant issues on the distribution process of medical equipment throughout the country. The government is fully committed to accelerate the COVID-19 response, including facilitating the distribution process of medical devices to remote areas.

PT. Pos Indonesia (Mr. M. Abduh)

- a. The shipment of COVID-19 logistics are categorized into two types: (i) Personal Protective Equipment (PPEs); (ii) social assistance (*bansos*) sourced from the Ministry of Social Affairs (MoSA) and Provincial /District government. The PPEs come from BNPB and the MoH Crisis Center (PKK). The inter-island transportation is a bit challenging, especially air transport. Land transportation is relatively smooth, however numbers of stocks to be distributed are decreasing. PT Pos also collaborates with other partners.
- b. In reference to the NLC previous meeting regarding storage facilities and the plan to open additional 13 hubs throughout Indonesia; PT Pos storage facilities are still available and ready to be used (not including temperature-controlled storage).
- c. The distribution of social assistance consists of (i) cash and (ii) basic commodities. No operational constraints in distributing cash. Data of beneficiaries are not under PT Pos' responsibility as the implementing partner of government.
- d. The distribution process of basic commodities is relatively safe. Good cooperation between PT Pos and its partners (suppliers), including on the distribution schedule. Government is planning to increase the number of beneficiaries in July. PT Pos expects to receive the additional data as soon as possible in order to prepare the required capacities to expedite the distribution process.

2. NLC Evaluation Planning (Expert - Mr. Kristanto Sinandang)

- Objective: to compare the agreed terms of reference (ToR) & scope of work against the NLC's current support to government-led COVID-19 response. The evaluation is expected to improve and adjust the ToR & scope of work according to the recent emergency response in the country, including pandemic.
- The NLC ToR have been formulated and agreed by the formulation team. The Indonesian National Cluster consists of 8 Clusters which has been legitimized under the Head of BNPB Decree No. 6/2014, however not all Clusters have established their ToR and scope of work.
- Evaluation is part of the NLC guidelines and members are required to be more innovative and adaptive to the situation. Monitoring the implementation of NLC activities needs to be carried out in order to prepare systematic evaluations by the end of the emergency response. COVID-19 is an important lesson in dealing with similar response in the future. NLC members are expected to contribute and share their experience and lessons learned during the evaluation. This is an opportunity to remind ourselves on the process that have been agreed and arranged earlier.
- **Proposed to establish a small team to monitor and gather materials as part of the final evaluation process.** The NLC members who actively participate and contribute to the Indonesian government's efforts in COVID-19 response are expected to be part of the team.

3. Development of New Normal Policy (Scholar, Research and Development Coordinator, UGM Researcher - Mr. Iwan Juhri Agriawan, ST.,M.Sc)

Presentation attached.

Currently, UGM is closely working and collaborating with the Ministry of Transportation (MoT) in developing New Normal policies, specifically on transportation.

Important issues:

- When does this pandemic end? The definition of 'end' is very vital to start the new normal
- Who bears the 'loss'? Most of the economic investment takes place before the pandemic occurs
- There is a possibility of underutilized infrastructure services, because in the future, infrastructure will be designed for smaller capacities with greater space (for physical distancing)
- How to conduct *new normal* when the conditions are still *not normal*?
- Logistics disaster in the context of COVID-19
- Redefining the category of victims: does it include those affected economically? (Commonly assisted with social assistance). Note that this may have a long term impact.

4. Logistics & Supply Chain Expert - Mr. Nofrisel

1. Integrated information system
2. Training Programs on medical equipment
3. Consolidating logistics efforts from both government and private sectors (including SOEs) during COVID-19 response:
 - Coordination across line ministries and agencies is a challenging issue. The National Cluster is one of the platforms utilized in coordinating disaster response in Indonesia. The role of the NLC is expected

to be further enhanced and integrated into the government's systems, logistics associations, and academics.

- Sharing the experience from post-tsunami Aceh, when visited one of the neighboring countries, specifically an agency in charge for military logistics; the logistics unit were handled by 'pure' logisticians/logistics experts recruited from private sector (third party). In Indonesia there is a misleading assumption that logistics processes are '*easy to understand*' and can be done by non-logistics personnels. Based on the expert's 30 years of experience in the logistics field, one cannot simply read manual/guideline to be able to implement a logistics process. Knowledge and experience are key to be able to do the job. A logistics training program should provide an understanding of import, export, distribution process and warehouse management systems.
- The NLC is an opportunity to start collaborating and strengthen coordination. Concern on coordination issues within the government has been conveyed to BNPB, MoSA, and Coordinating Ministry of Human Development & Culture (CMHDC) in the previous meetings. NLC can contribute to (i) organize training programs; (ii) develop an integrated information system.
- The recent Presidential Instructions on Logistics mentioned 'National Ecosystem Logistics' including need for technology. Does the NLC have the authority to develop the systems needed, given the fact that the platform consists of various organizations? Propose to appoint one or two companies who are experts in developing such systems. Similarly, the implementation of training programs can be done through collaboration with private sector.
- Consolidation between logistics infrastructure owners and logistics service providers – Most of the logistics infrastructure belongs to SOEs. There has been no middle grounds between the two parties. During an emergency response, transactional approach is often used in providing/accessing logistics services and infrastructure, which means the infrastructure is available to use for a fee. There has been a discussion on consolidating logistics capacities from respective fields which can be utilized by the national clusters. Focus on maximizing these potentials.
- Is there any government program on sustainability of humanitarian logistics services? If so, under which ministry/leadership? Indonesia is one of the most disaster-prone countries. Thus, implementing humanitarian logistics preparedness should be consistent. The current pandemic COVID-19 has no significant impact on logistics infrastructure, however the coordination issue remains a challenge.

5. Discussion

- Mr. Musawir:
With regard to the new national logistics regulation, it is relevant that the coordination and collaboration on the top-level can be narrowed down to NLC action plans. The Presidential Instruction No. 5/2020 mentions several Coordinating Ministries who are connected to other ministries in drafting technical regulations. Hence, BNPB as the NLC coordinator as well as a leading agency on humanitarian logistics should be involved. The questions are (1) what kind of policies that the top-level decision makers should develop to support more seamless implementation, and (2) what is the role of the NLC in managing the distribution during disaster response?
- Mr. Adi:
Highlighted the synergy between logistics providers and infrastructure owners. I hope that the consolidation and synchronization of efforts can be realized as soon as possible. What are NLC's next steps?
- Mr. Ridwan:

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I am interested in Mr. Nofrisel' idea. Logistics is my favorite subject, especially humanitarian logistics. Agree that the use of technology should have been implemented properly in Indonesia, given the infrastructure available (internet connection, GIS) is quite advanced compared to other countries. I believe WFP, considering its technical expertise in Logistic Cluster at the global level, can be supportive of this. The issue of utilizing technology and capacity strengthening programs have been discussed long before the pandemic. Logisticians are essentials and one of the key actors during emergency response. The current pandemic will not end anytime soon and we will have to live with it. The New Normal is the opportunity for NLC to improve the humanitarian logistics system because it is likely that there will be a next pandemic which will last longer. The opportunity includes developing a grand design and improving humanitarian logistics. Technology can also be optimized to achieve the goal.

Comments from Mr. Nofrisel:

Point 2 in the annex of the Presidential Instruction no. 5/2020 stated: 'collaboration of international and national logistics systems amongst logistic actors in public and private sectors'. The statement is clear, however Indonesia has no leading actor in logistics. Researchers from Gadjah Mada University (UGM) and University of Indonesia (UI) have the same concern. At the operational level, for example in Tanjung Priok port, there are 18 logistics providers operating based on their respective roles, without having a common coordinator to organize the overall operations. Consequently, both additional costs in logistics services and high cost for customers occurred. This is undesirable.

Propose to immediately appoint the national logistics coordinator through the NLC and BNPB. In 2012, when the National Logistics System (Sislognas) was first launched, the government appointed the Ministry of Trade (MoT) as the coordinator. However, the roles were not being implemented accordingly.

Humanitarian logistics has utilized several different management systems. However, digitalisation such as automation systems, artificial intelligence, etc has not yet been fully maximized. Tsunami Early Warning System (pre-disaster technology) is one the technologies that has been utilized to detect tsunamis. **Kutilang** (Box for Earthquake-Prone Areas) is a technology used to disseminate warning and information to the public, which is located in mosques, government offices, etc – is this still used? For logistics, information system needed includes warehouse management, transportation, courier services, and track & tracing. Micro technology has been used by both SOEs and private companies. The challenge is to consolidate logistics capacity of these companies. Suggest to encourage the consolidation of macro and micro technologies.

Conclusion:

1. Endorse the appointment of a logistics coordinator to achieve an effective coordination
2. Develop a system to support the humanitarian logistics
3. Develop a logistics capacity strengthening program

Input from Ikhsanuddin:

- A research conducted by Kuehne Foundation in the end of 2019 stated that 73% of overall expenditure of an emergency response were in the supply chain including procurement.
- The NLC in collaboration with an NGOs coalition (Sejajar & Pujiono Center) has conducted a logistics training for community;
- NLC plans to conduct logistics training together with provincial logistics clusters;
- Strategic dialogue on humanitarian logistics and supply chains (commercial) will be conducted by involving logistics experts.

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Contact

Ikhsanuddin/WFP

ikhsanuddin@wfp.org

Theresia Laura/WFP

theresia.laura@wfp.org

In supporting the Indonesian Government-led efforts in responding to COVID-19 outbreak, WFP, as the lead agency of the IASC Logistics Cluster, supports the National Disaster Management Agency (BNPB) in the activation of the National Logistics Cluster and facilitates the engagement of private sector partners to ensure necessary logistics services are available and accessible by Government and the humanitarian community.

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List of participants:

No	Name	Organization
1	Ibnu Azur	Directorate of OJLP, BNPB
2	Nofrisel	Logistics & Supply Chain Expert
3	Kristanto Sinandang	Disaster Expert
4	Iman Gandi	ALFI
5	Musawir M. Abduh	PT. Pos Indonesia
6	Iwan Agriawan	Pustral UGM
7	Adi	PT. Pos Indonesia
8	Ridwan Gustiana	National Logistics Cluster Member
9	Mindaraga Rahardja	OCHA
10	Rifky Wibowo	OCHA
11	Alfian Nur Fitroh	LPBI NU (Nahdlatul Ulama Institute of Disaster Mitigation and Climate Change)
12	YMH Sipayung	WFP
13	F. Sundoko	Catholic Relief Services
14	Ikhsanuddin	WFP
15	Sherry Panggabean	WFP
16	Theresia Laura	WFP