

# Feasibility of Port Financing

Jakarta, 24<sup>th</sup> June 2015



## Port Development Priority Projects and Financing Strategies

Moving beyond the usual suspects



Belawan



Tanjung Priok



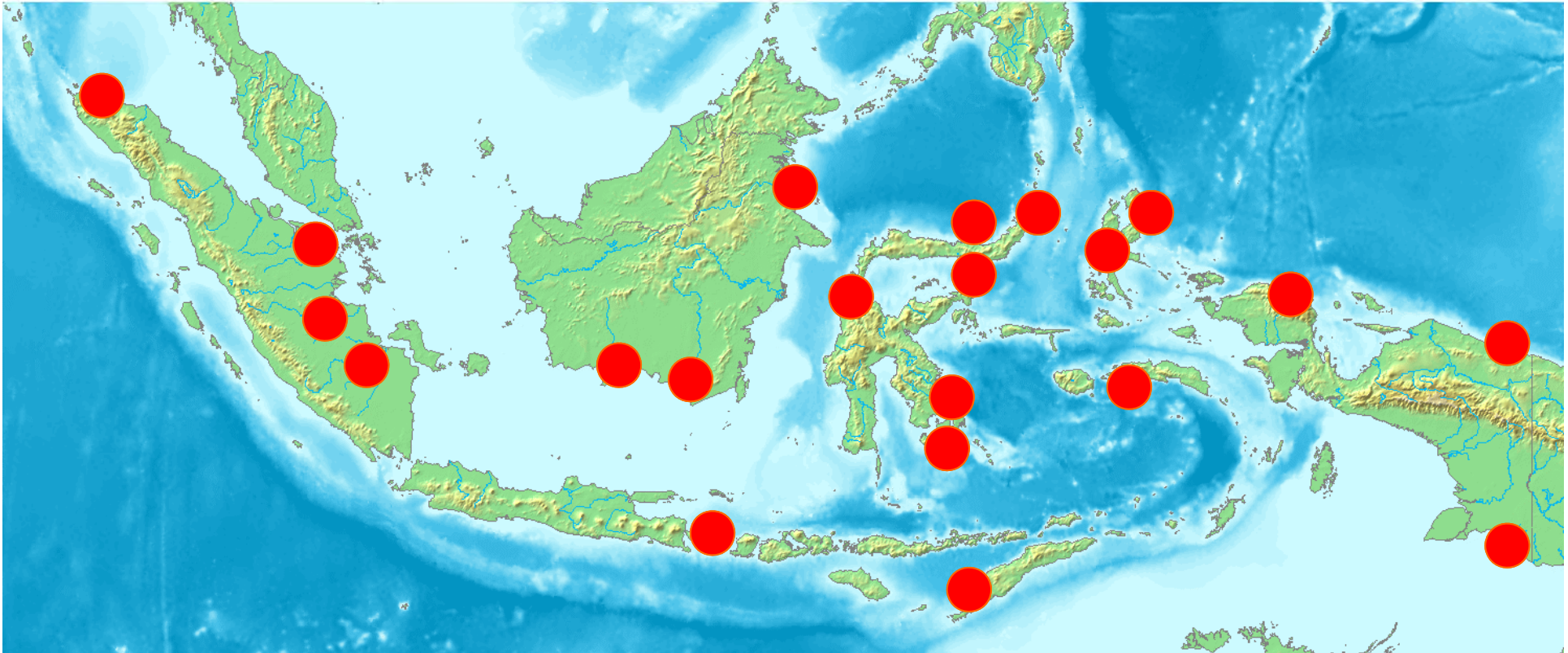
Tanjung Perak



Makassar



# Generic Port Assessment



- General observation of the issues in the ports
- Identify first mover ports

# General Observations

General Cargo Handling



Container Handling





## Berth

- Deck on pile
- Trestles
- Narrow



## Yard

- Limited size
- Paved/unpaved
- Stuffing/stripping activities



## Seaside access

- Limited draft
- Open sea
- River ports



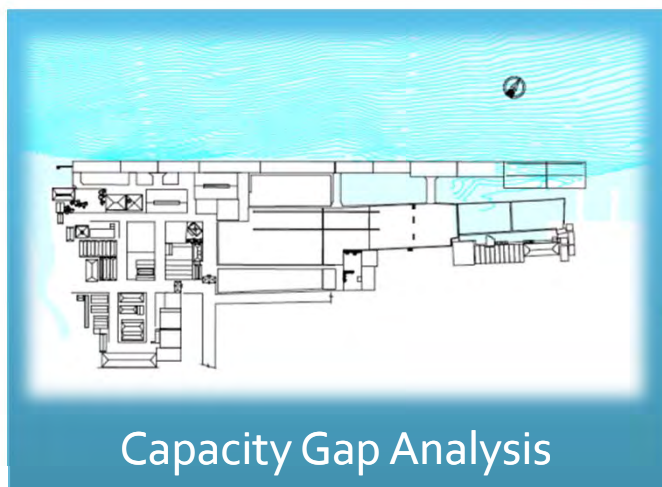
## Landside access

- City center
- Container ban
- Passenger terminal

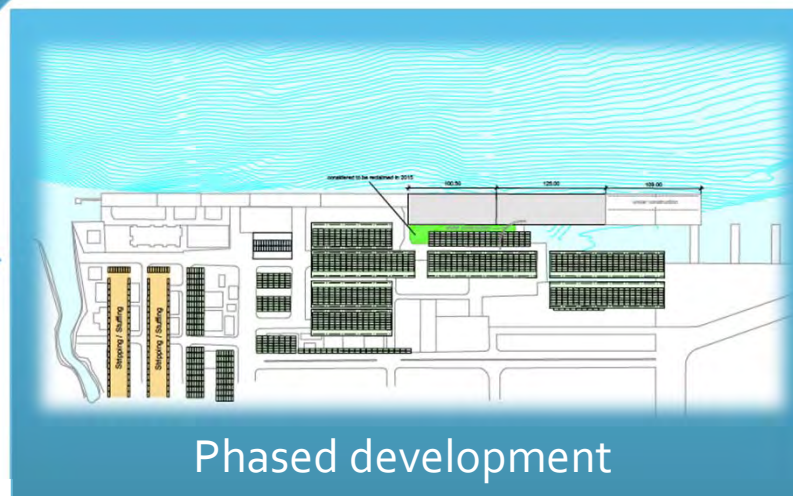


# Port Development

- Building new berths
- Alignment with CY
- Slow process



Capacity Gap Analysis



Phased development

# Pilot Port Development

- 6 first mover ports
- Pre-feasibility
- Estimation of capital expenditure
- Financial Viability *before financing* (IRR, NPV)



# Financing Strategy



- Financing schemes include;
  - Public Financing
  - Corporate Financing
  - PPP or Private Sector Participation
- For a PPP 2 out of 6 ports require a Viability Gap Fund

# Terima Kasih

