

NIGERIA-INDONESIA PARTNERSHIP



5/18/2011

A Cooperation Proposal

1. BACKGROUND

The world has 'shrunk'. We feel that, it will 'shrink' even further. Globalization is working at its highest speed now. Trade barriers are getting smaller, communication becomes easier and cheaper. This opens new opportunities for countries to leverage their positions in the world economy and politics.

We enter a new era of South-South co-operation. Globalization provides us an opportunity to redefine international relations. It is a window to reduce dependence upon existing international partners through establishing South-South co-operations, based on mutual benefit.

Nigeria is a prominent country in Africa. Nigeria is rich of natural resources, in particular oil and gas which makes Nigeria the sixth largest OPEC exporting country in the world. Nigeria with a population of 150 million people in an area of almost 1 million sq km, is one of the strongest maritime countries, which controls some 60% of maritime traffic in West and Central Africa.

Nigerian maritime portrait: huge potential. Through its eight main ports, over 3 million MT of cargoes are transported to and from Nigeria annually. Approximately 5,000 vessels of various sizes serve the domestic trade, some 10% of the fleet are controlled by indigenous companies.

Cabotage Law implementation in Indonesia. With its 2000 ports, Indonesia is geographically a maritime nation with its over 17,000 islands. Since the implementation of the Cabotage Law in 2005, all domestic trades must be served by Indonesian vessels. Local shipping companies contribute increasingly in domestic and foreign trade.

Businesses related to shipping become increasingly more competitive. In the past decade, nearly all businesses underwent major restructurization programs to conduct good and clean governance. Many of them are now increasingly more efficient and fit for new initiatives in international co-operations. Few of them, Indonesian Ship Classification Society (Biro Klasifikasi Indonesia/BKI) and Surveyor Indonesia, are very keen to open a closer dialog towards establishing a partnership with a Nigerian company very soon.

Nigeria seriously aims at strengthening its maritime sector. Nigeria currently sends numerous students to pursue MSc & PhD degrees in few other countries. Nigeria needs further education of their ships' crew, surveyors. Enhancement of maritime sector goes hand in hand with the capacity building. Indonesia is willing to provide BSc, MSc and PhD education in the field of marine transport, ship building, marine engineering and offshore engineering at the Sepuluh Nopember Institute of Technology (ITS) in Surabaya, to name a few.

2. OBJECTIVES & PLANS

The objective of the Indonesian mission to Nigeria is to establish partnerships with Nigerian partner institutions and companies.

Short term (July-Dec 2011)

To establish constructive G2G and B2B dialog platforms between Indonesia and Nigeria in the fields of marine transport and related areas, a.o. marine survey, ship classification and education. The activities include a series of meetings and correspondences between both parties. The expected outcome would be an agreement (a letter of intent) in which fields both parties seriously intend to cooperate, and their respective action plans.

Mid term (January 2011-)

To set-up a partnership or joint-venture between Nigerian and companies, and to run the cooperation.

3. AREA OF COOPERATIONS

Needs for co-operations. D8 Working Group on Shipping endorses a South-South cooperation and information exchange. The role of private sector in implementing co-operations in order to improve the d8 intra-trade is underlined.

Investment and cooperation opportunities. D8 countries promotes PPPP (Public private professional Partnership) alliance and Networks in the D-8 in order to foster cooperation between governments, private sector, academia, and training institutions for the development of training materials including internet-based training and research facility for capacity building. NIMASA (Nigerian Maritime Safety Authority) highlights few areas in which Nigeria welcomes investment and cooperation initiatives, in the field shipping (tanker, container, bulkcarrier), port infrastructure & logistic operations and shipbuilding.

Bilateral meeting Nigeria-Indonesia, in Abuja, November 2011. The meeting was held shortly after the D8 Working Group on Shipping. The Director General of NIMASA expresses an immediate request for 3000 ship's crew training, marine inspection/ marine superintendence services & training, ship classification services and establishment of own classification society.

Indonesia is keen to co-operate. Indonesian companies realize the importance of a South-South co-operation. In the very short term, Indonesian Ship Classification Society (Biro Klasifikasi Indonesia/BKI) and Surveyor Indonesia, plan to open a partnership with Nigeria. Besides, Sepuluh Nopember Institute of Technology (ITS) aims to cooperate with Nigeria in the field of education and research.

BKI's fields of business. BKI is one of Asia's classification societies, established in 1960. BKI aims at supporting Nigeria's efforts to enhance its maritime safety. BKI plans:

- to open a representative in Nigeria, covering whole African continent.
- To provide marine safety training for all Nigerian maritime stakeholders.
- To provide all safety measures for all Nigerian ships.
- To provide all statutory services for all Nigerian ships trading for worldwide routes.

SI's fields of business. As a prominent surveying company in South East Asia, SI aims to expand their business and expertise in Africa. SI aims:

- to provide marine superintendence, marine cargo survey and consultancy services, especially in oil and gas.
- to provide training in the fields of cargo surveys.
- to establish a branch office in Nigeria in cooperation with local partners.

ITS offers education and research cooperation. ITS is one of the largest institutes of technology in South East Asia, especially in the fields of marine technology. ITS aims to provide education of bachelor, master and doctorate degrees for international students. In cooperation with local and international partners a series of tailor-made courses are offered, a.o. in the fields of port management, ship management and marine engineering for ship operations. Research cooperation in the fields of port design, energy transport and transport telematics are welcomed.

4. PROFILE

1. BKI/ PT Biro Klasifikasi Indonesia

BKI is a state-owned ship classification society, established in 1964. They were among the first few Asian ship classification societies. BKI conduct ship classification and statutory services, such as Load Line, ISM Codes and ISPS Codes certification. In cooperation with international classification societies such as Germanischer Lloyd, BKI provides services for over 5,000 ships of various sizes and types.

Besides classification and statutory services, BKI provides consulting services for offshore industries and related technical services.

More information: <http://www.klasifikasiindonesia.com/>

2. SI/ PT Surveyor Indonesia

SI or PT Surveyor Indonesia is a state-owned company in the fields of survey, inspection and consulting. The company was established in 1991. Initially, the company's mission was to assist the Government of Republic of Indonesia in expediting the flow of capital goods and equipment from all over the world to Indonesia, to the world class standard Pre-Shipment Inspection. As of 1997 the mission was extended to a number of services, namely technical inspection, survey, assessment, appraisal, monitoring, auditing and consulting.

Their market covers various sectors from governmental institutions (regional and central governmental bodies) till industrial companies (minerals, oil and gas, agriculture, chemicals, banking, insurance, logistic and transport services), both for domestic and international services. The company has an affinity to technology and innovation, this makes the company maintain the knowledge updated. This is a string added value for their customers.

More information: www.ptsi.co.id.

3. ITS/ Institut Teknologi Sepuluh Nopember

With its 18,000 students, located in a 180 ha well-equipped campus, ITS is one of the largest institutes of technology in South East Asia. ITS has a wide range of programs (bachelor, master and doctorate degree) managed by some 30 departments under five faculties, i.e., Faculty of Mathematics and Natural Sciences, Faculty of Industrial Technology, Faculty of Civil Engineering and Planning, Faculty of Marine Technology and Faculty of Information Technology. In addition, two polytechnics are operated under the Institute's management, i.e., Electronic State Polytechnics and Shipbuilding State Polytechnics.

ITS currently opens few international programs, a.o. International Class Dual Degree Bachelor Programme in Marine Engineering for Ship Operations (ITS, Semarang Growth Centre (SGC) & Wismar University of Applied Science, Germany) and International Class Dual Degree Master Programme in Marine Transport for Business Development (ITS & University of Newcastle,UK). Besides, tailor-made courses are organized in cooperation with renown institutions and professionals. Research collaboration in the fields of port design and construction, waterway and multimodal transport and transport telematics are welcomed.

More information: www.its.ac.id.

4. SCHEDULE

May 2011

- 1) Establishing intensive contacts with Nigeria:
 - a) NIMASA
 - b) Indonesian Embassy in Abuja
 - c) Nigerian D8 delegation
 - d) Nigerian shipping industry

- 2) Preparatory meetings in Indonesia:
 - a) Nigerian Ambassador/ Consulate in Jakarta
 - b) Ministry of Transport
 - c) Chamber of Commerce

- 3) Document preparation:
 - a) Cooperation proposal
 - b) Recommendation letters from D8 Secretary General, Ambassadors, Chamber of Commerce
 - c) Official letter from Ministry of Transport.
 - d) Draft of Letter of Intent

July 2011

- 1) Visit Nigeria mid July:
 - a) Participation at WG on Shipping - D8
 - b) Participation at Nigerian Maritime Expo
 - c) Bilateral meeting Nigeria – Indonesia (G2G and B2B)
 - d) Letter of Intent, signing

August- Dec 2011

- 1) A series of meetings in Indonesia and Nigeria:
 - a) Visits to companies, education facilities
 - b) Drafting more detailed plans
 - c) Setting up a partnership/ joint venture

5. CONTACTS

1. BKI/ PT Biro Klasifikasi Indonesia, Jakarta
 - Mr. Sjaifuddin Thahir
 - Position:
 - Website: <http://www.klasifikasiindonesia.com/>
 - E-mail: hiranandani1@yahoo.co.uk
 - Mobile phone: +62-8171 88831
2. SI/ PT Surveyor Indonesia, Jakarta
 - Mr. Negari Karunia Adi
 - Position: Vice President for Business Development
 - Website: <http://www.ptsi.co.id/>
 - E-mail: negari_karunia@hotmail.com
 - Mobile Phone: +62-8553 204080
3. ITS/ Sepuluh Nopember Institute of Technology, Surabaya
 - Mr. Setyo Nugroho
 - Head of Graduate Programme of the Department of Naval Architecture Shipbuilding
 - Website: www.its.ac.id and www.seatrans.its.ac.id
 - E-mail: snugroho@na.its.ac.id
 - Mobile phone: +62-81335 260040