

The Politics of Misinformation: Cilamaya Port is Not a Threat

BY RAJ KANNAN



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The debate over the Cilamaya Port has been in the news ad nauseum, premised on one misinformation after another. Initially it was all about how the Cilamaya Port, which won't start construction until after 2020, will adversely impact the Kalibaru Port, which is nearing completion. Then the story was how the port will cause an existing gas pipeline to shutdown and lead to the blackout of all of Java, and very recently, the misinformation has taken a bizarre turn and is now branding the port as a covert effort to shut down future oil wells and keep Indonesia as a net oil importer to benefit the so-called "oil mafia."

Let's address these issues. The Kalibaru Port is a feather in the cap of the Indonesia Port Corp., admirably led by a visionary chief executive who requested the delay of Cilamaya until his project reached 70% capacity. The government

agreed as its view is similar to the market's view—that we need more ports and Cilamaya should only be delayed but not cancelled. All agree Cilamaya Port could address the massive growth of demand from the Karawang industrial corridor, which has 60% of the country's industrial production and thus needs a port to be nearby.

Now let's look at the gas pipeline that ships using Cilamaya Port have to cross. In fact, ships have been safely crossing gas and oil pipelines in almost every major port in the world for decades—including in Tanjung Priok.

As for idea to close oil wells because of the port, this is just misinformation. The port's proposed location is outside of the required international standard distance of two kilometers from all existing oil wells. If there are new as yet unexplored oil reserves to explore later, the current world standard in Extended-Reach Drilling for oil and gas is so technologically advanced that in some countries oil is being drilled from under existing structures. So, the notion that the Cilamaya Port will lead to less oil production is false to say the least.

The Coordinating Ministry of Economic Affairs (CMEA) and the planning agency BAPPENAS have done an exemplary job in inviting inputs from those

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that oppose port development. The government appointed some international firms with deep knowledge of the oil and gas sector and port sector to assess the port's impact on regional oil and gas activities. These firms' recommendations were adopted by the government.

The president elect Jokowi has identified a concept called "sea toll," presumably not just within the country but also within the region and beyond. For this plan to function Indonesia needs good ports and supporting port access infrastructure from where the goods are produced and to where the goods are needed. The Cilamaya Port is designed to perform both functions and as such I hope the Jokowi administration will see the strategic value of the port and support it. **F**