#### **CHAPTER I**

#### INTRODUCTION

## A. Background

This thesis tries to analyze the factors that influenced Indonesian Government decision in ratify the Agreement on Post State Measures (PSMA) in June 23<sup>rd</sup>, 2016

Indonesia's status as an archipelagic state has been established since the Djuanda Declaration in 1957 and has been strengthened by the United Nations Convention on the Law of the Sea (UNCLOS). Indonesia has around 17,504 islands, with 108,000 km of coastline. Approximately 77% of Indonesia's territory is sea and water, this is confirmed from the data of the Coordinating Ministry for Maritime and Investment Affairs, the total area of land is 1.9 million km² while the total area of water reaches 6.4 million km² (Menko-maritim, 2018).

The richness of Indonesia's maritime natural wealth which stretches from the west to the east has great potential in the present and future, especially in the fisheries industry sector. This condition can be a priority for Indonesia in developing the economy so that Indonesia's economic can be better and reduce poverty (Syahrin, 2018). The sustainable potential of Indonesia's marine fish resources is increased from 6.67 million tons in 2015 to 7.3 million tons in 2018 with 23.2% growth which are spread in the territorial waters of Indonesia or called as Indonesian Exclusive Economic Zone (ZEEI) (BAPPENAS, 2015). Geopolitically, Indonesia has a very strategic role because it is located between the continents of Asia and Australia, and between the Pacific Ocean and the Indian Ocean which placing Indonesia as

the world's maritime axis in the context of global trade that connects the Asia-Pacific region with Australia (Syahrin, 2018).

Indonesia's economic development can be done by maximizing the potential of the sea through increasing management of the marine and fisheries industry. Increased management of marine and fisheries can be used as an instrument of diplomacy by Indonesia to compete competitively in the field of marine and fisheries. Improving quality in marine and fisheries management is one of the challenges for the government or the people of Indonesia. However, behind the increasing Indonesian fisheries production sector, there are various challenges that are the focus of the current Indonesian government, which is illegal fishing.

Illegal fishing refers to any form of fishing activity that violates the law that has been implemented in any state. According to Food and Agriculture Organization of the United Nations, Illegal fishing is one of the greatest threats to marine ecosystems because of its potential to harm the national or regional efforts in maintaining fisheries biodiversity sustainability (FAO, t.thn.). It occurs both by foreign actors and not responsible actors from Indonesia. Illegal fishing that occurs in Indonesia usually in the form of fishing activities without a permit, manipulating fishing permit, using prohibited exploitation fishing tools, and catching fish species that are not accordance with the permit (Mahmudah, 2015).

In Indonesia, there are a lot of cases of illegal fishing. Illegal fishing crimes themselves become obstacles in achieving optimal management of fishery and marine resources. Here is the data of the number of vessels that practiced illegal fishing that have been inspected by the Ditjen Pengawasan Sumber Daya

Year	Local	Foreign	Amount
	Vessels	Vessels	
2010	24	159	183
2011	30	76	106
2012	42	70	112
2013	24	44	68
2014	23	16	39
2015-March	23	13	36
Amount	166	378	544

Kelautan KKP:

Table 1 The number of vessels inspected by Ditjen Pengawasan Sumber
Daya Kelautan KKP
Source: Ministry of Maritime and Fisheries Affairs

Illegal fishing in Indonesia brings so many disadvantages. According to Ministry of Maritime and Fisheries Affairs, Indonesia suffered losses estimated reaches 300 trillion rupiah each year due to illegal fishing practicess (SEKJENKKP, 2015). This loss has become an obstacle for Indonesia in maximizing fisheries potential that support the economic. It also gives impact in the decreasing of fish population in Indonesia that directly links to the Indonesia's productivity in fisheries sector. So that needs more serious settlement to fight against illegal fishing.

Indonesian government declared war on illegal fishing, because illegal fishing is a problem that must be addressed immediately because it is very harmful to the

sustainability of the marine and fishery biodiversity and economically detrimental to the state. One of the efforts made by Indonesian Government in handling illegal fishing is actively involve in an international convention about illegal fishing. In the International scope, Indonesia consistently joins a convention in order to fight against illegal fishing because there is no state that can handle illegal fishing alone. Indonesia's effort in handling illegal fishing issues was carried out in a convention under Food and Agriculture Organization of the United Nations (FAO) and become one of the party since June 23<sup>rd</sup>, 2016 which is the Agreement on Port State Measures (PSMA). This agreement was formulated in 2005, but approved by FAO in 2009.

The Agreement on Port State Measures (PSMA) is a tool to fight against Illegal fishing where the port state has an important role to play in controlling each fisheries vessels that will take advantage of fishing ports from the marine territory of a state. The role of the port state (PSMA parties) in PSMA implementation is expected to eradicate unsustainable fishing activities arising from the failure of the flag state to effectively control fishing operations. PSMA includes requirements relating to:

- Notification before entering the port,
- Use of designated ports,
- port restrictions only for (landing/transhipment of fish),
- restrictions on supply and services,
- port documents and inspections,
- as well as related measures, such as a list of vessels related to Illegal fishing and other actions and sanctions (Sunyowati, 2013).

Indonesia as one of the most disadvantaged state from illegal fishing finally ratified PSMA in 2016 when the other states such as Myanmar, Mozambique, Gabon, Sri Lanka and even the Seychelles swiftly ratified the agreement. Ratification of the agreement planned by the government in 2012 to 2014, Indonesia which at that time carried out the vision of a "maritime axis" and most disadvantaged by the issue, should lead the eradication of illegal fishing on the international area, not silence (Alghifari, 2016). Indonesia still prioritizes its national interest and chooses other options in eradicating illegal fishing, one of which is to implement a policy of sinking vessels. The policy is considered effective in eradicating illegal fishing, so there has been no insistence on Indonesia ratifying the agreement. On the other hand, international agreement can be enforced if as Hathaway argues "much of international law is obeyed primarily because domestic institutions create mechanisms for ensuring that a state abides by its international legal commitments" (J.Jeremy Wisnewski, 2009). Mechanisme is the key for a state to obey an international agreement. Mechanisme itself refers to regulation, related institutions to run the agreement, the infrastucture, etc. In 2009-2015 Indonesia still lacked of the availability of infrastructure and human resources quality and adequate.

Illegal fishing was a complex problem because of their impacts in various sectors including its sensitive interactions with economic and environmental aspects. As Sunoko (Sunoko, 2014), Indonesia's marine and fishery situation in some Indonesian waters are under pressure, most of fishery species have been exploited or even fully exploited. Indonesia has to strengthen its effort in order to strengthening its conservation of stock. Indonesia has implemented some effort such as enumerator for statistics and Vessels Monitoring System (VMS), but these programs are not fully successful due to the limitness of

operators of VMS itself. So that Indonesia signed an Agreement on Port State Measures by FAO, but its needs further discussion before ratification. Illegal fishing also depletes the fish stock and the verge of extinction and impacting in the socio-economic stability of coastal societies, including in Indonesia as one of the member of ASEAN (SEAFDEC S. A., 2016). According to them, implementation of PSMA is one of the requirement for ASEAN member states due to its effective means of combatting illegal fishing, and the need to build capacity and develop human resources to implement port State measures had been emphasized because Indonesia still lack of its quality and adequate resources to implement the agreement.

This means that illegal fishing is not only a simple fisheries management issues, but its impacts in various aspects has been on the reason this issue becomes one of global concerns, including for Indonesia. As previous researcher (Larasshinta, 2017) found that Indonesia's ratification on the PSMA because of some reasons which are the increasing of the number of Illegal fishing, the lack of Indonesian law enforcement about the issue, and the need to overcome the practice of Illegal fishing by cooperation in the global level or simply the previous researcher focused on illegal fishing problem and its marine resilience. Meanwhile, this research also focuses on the reason behind Indonesia in ratifying the PSMA, but also emphasize on its economic aspects or Indonesian economic stability because of the fisheries sector and the influence of other states's behavior towards Indonesian government in taking its action due to this issue.

## **B.** Research Ouestion

Based on the background above, the following research question was formulated:

"Why did Indonesian Government ratify the Agreement on Port State Measure (PSMA) by FAO in 2016?"

## C. Theoretical Framework

A process of a state in taking its foreign policy is an interesting topic to analyze. Foreign policy itself is a set of way of a state in achieving its national interest. There are several factors that influence the decision maker in taking the decision. To explain the urgency of Indonesian Government in ratifying the Agreement on Port State Measures (PSMA) in 2016, the writer uses the theory of Decision Making Process by William D. Coplin.

According to William D. Coplin there are three main factors that influence the head of a state or government in deciding the foreign policy. Those three main factors are Domestic politics (state's politic situations), economy and military capabilities (state's power in economy and military), and international context.

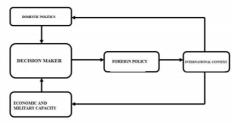


Figure 1 Foreign Policy Decision Making Process

According to the figure above, there are three factors which influence the foreign policy decision making. Those three factors are related each other, so that becomes the consideration of the head of a state or government resulting or deciding a foreign policy.

#### 1. Domestic Politics

Domestics politics of a state has a big impact on foreign policy decision making, according to William D.Coplin domestic politic situation of a state determine the way its foreign policy. This is closely related to the condition of Indonesia, decision makers who invest in the foreign policy making consider the values of Indonesian societies in order to continue to prioritize its national interest. In several states, the head of the state such as President, Prime Minister, or King, plays a dominant role in the decision making process (Coplin, 2003).

In taking the decision, the head of a state or government needs support from the other actors or policy influencer. According to William D. Coplin there are four types of policy influencer, which are Bureaucratic Influencer, Partisan Influencer, Interest Influencer, and Mass Influencer.

Bureaucratic Influencer is an individual or organization in executive body or government institution that has function to support the decision maker to arrange the policy. This bureaucratic influencer has an important position in the policy making. Bureaucratic influencer takes its role in giving the information related to the issue to the decision maker also assisting the decision maker in the foreign policy decision making process. Partisan Influencer refers to political parties in a democratic system. Partisan Influencer is a group of people who brought the interest of society by suppressing the authorities related to the policy. Interest influencer is an individual or a group of individuals who have the same interest by using some methods such as writing a letter for decision maker also for bureaucratic influencer and partisan influencer. If their interest does not play a role in the foreign policy decision making, they tend to critizise the decision makers. The last,

*Mass influencer* refers to public opinions formed by the mass media (Coplin, 2003).

In this case, the Indonesian Government (President) and the Ministry of Maritime and Fisheries Affairs as the bureaucratic influencers consider the foreign policy regarding the increasing of the number of illegal fishing also influenced by the awareness of the government that handling the problem of illegal fishing that can not be done only by Indonesia, but needs help from various parties, one of the assistance which is through Indonesia's involvement in the international convention which is the Agreement of Port State Measures (PSMA) by FAO.

## 2. Economy and Military Capabilities

Economic and military capabilities are some of the main factors in the foreign policy decision-making process. Economic and military capabilities refer to financial power of the state. It means analysis of the economic growth, a country's welfare, and the level of wealth that could fulfil the needs of the people are an assessment of a country's economic capability. Also, the government should have compared their economic capability with other countries (Coplin, 2003).

Indonesia, as an archipelagic state with vast territorial waters, the potential of large natural resources and its strategic location (at the intersection of two oceans, the Indian and Pacific), is indeed supposed to be a maritime axis according to the wishes of President of the Republic of Indonesia elected Joko Widodo in 2014 to make Indonesia the world's maritime axis. So, Indonesia wants to develop its economy through the maritime and fisheries sector. Where in 2013 the potential total economic value of the Indonesian marine and fisheries sector reached more than 1 trillion US dollars (Muhamad, 2014).

With the existence of cross-border illegal fishing, of course affects Indonesian economy. Economic capacity will have an impact on military capacity. Indeed, the economy and the military are two essential things to achieve the national interests where Indonesia wants to eliminate illegal fishing means to increase the maritime security which officially will spend some funds, this imposes a significant cost (FKPM, 2014).

#### 3. International Context

International context is the influence of other states related to the issue, where it also influeces the foreign policy making of a state. According to William D. Coplin "International condition is a product of foreign policy of states in the past, present, or even future that might be or be anticipated". There are three elements of the international condition that might affect the foreign policy. Those three elements are geographic, economic, and political condition. Actually, the geographic factor is related to international trade and the state's behavior in any kind of relations (Coplin, 2003).

In this case, Indonesia increases its awareness of this issue because the tendency of many states that are deeply concerned about the increasing of illegal fishing which has negative impact on fish stocks, marine ecosystems and the livelihoods of legitimate fishermen as well as the increasing need for global food security, also the existence of foreign fishing vessels that violated the law become the main factor of Indonesia's involvement in the Agreement on Port State Measures (PSMA) in 2016 (Indonesia, 2016).

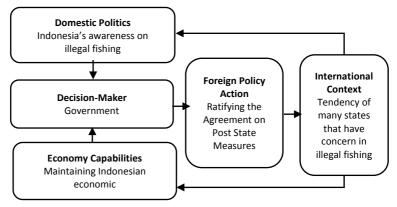


Figure 2 Indonesia's Foreign Policy Decision Making

As a result, foreign policy decision making theory is a theory that can answer the factors that caused Indonesia ratify an international framework which is the Agreement on Port State Measures (PSMA). Indonesia seeks to prioritize its national interests and President as the decision maker considers the opinions from the Ministry of Maritime and Fisheries Affairs also from the DPR.

# D. Research Argument

Based on the foreign policy decision making theory, this research explains the factors that influenced Indonesian Government ratifying an international framework which is the Agreement on Port State Measures (PSMA) consists of domestic politics, economy and military capabilities, and international context factors, so the writer takes three factors as the hypothesis which will answer the research question, those are:

 On domestic politics, the President with the Ministry of Maritime and Fisheries Affairs with the encouragement in the form of awareness that illegal fishing can not be done only by Indonesia. But it needs the intervene or help from various parties, which is through international agreement. So that Indonesia can handle the problem of illegal fishing and maintain its position as a world maritime state. Since illegal fishing practice impacted Indonesia's in various aspects including its fisheries industries and securities.

- On economy capabilities, there is an opportunity for Indonesia to develop its economic through maritime and fisheries sector also considering the maritime security.
- 3. On international context, there are a tendency of many states that deeply concerned about the illegal fishing and the existence of foreign fishing vessels that violated the law, both violated the international law and national law, those activities of illegal fishing.

## E. Scope of Research

The author focused on the motive behind Indonesia ratify the Agreement on Port State Measures (PSMA) in 2016.

## F. Research Methodology

## 1. Type of Methodology

The research method used to examine the motive behind Indonesia ratify the Agreement on Port State Measures (PSMA) in 2016 is a qualitative research method that emphasizes more on the process of occurrence of phenomena.

# 2. Type of Data

This research used the secondary data of the information about Indonesia's involvement in the PSMA to achieve its national interest.

# 3. Data Collecting Method

The Data collected from qualitative research methods form words or images, thus not

emphasizing the numbers. The technique of word writing used in this study is through a library research, by collecting, studying and analyzing the data or materials obtained from books, scientific papers, journals, magazines, newspapers and the internet as well as other materials that are in accordance with the topics being researched.

## 4. Type of Analysis

The research is explanatory research which is to explain the facts and data that exist objectively and explain the relationship between variables based on the theory and fact that used as analysis materials that are then interpreted in such a way that came to the conclusion.

#### G. Outline

The writing system of this research consists of the framework of clear outline from three chapters, the following are the description of outline.

#### **CHAPTER I: INTRODUCTION**

Describes the background, research question relevant to the background, theoretical framework, research argument, research scope, research methodology, and writing system.

#### CHAPTER II: DISCUSSION

- A. Explains about the Agreement on Port State Measures (PSMA)
- B. Explains about the condition of domestic politic of Indonesia and potential of Indonesia's fisheries sector also performance of the Ministry of Maritime and Fisheries Affairs and related institutions in the fight against illegal fishing, Indonesian economic supported by fisheries sector, since fisheries is one of the superior sector that Indonesia have. Also Indonesia's economic losses caused by this issue, and the Tendency of many states in ratified the PSMA.

C. Explains about Indonesia's decision maker in ratifying the Agreement of Port State Measures (PSMA). Further, the writer describes the inhibitory factors that influenced Indonesia's postponement of the ratification of the agreement.

#### **CHAPTER III: CONCLUSION**

The author closes the thesis by concluding the whole chapters explained previously.