INDONESIA’S CHAIRMANSHIP OF IORA 2015-2017 AND BEYOND

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ABSTRACT
Development of Indian Ocean Rim Association (IORA) as is still an underdeveloped regional cooperation forum is still slow and underdeveloped, even though it has potential to become a strong international organization. This paper aims to analyze how and what are Indonesia’s role, as the chairman of IORA in 2015-2017, in addressing the challenges and opportunities for the next two years. These challenges are, for instance, the low level of enthusiasm of member countries, and how IORA create tangible or concrete results to its state members. This paper also provides several recommendations for Indonesia to revitalize its policy orientation, which should give greater attention to the Indian Ocean and IORA in line with the doctrine of maritime fulcrum.

Keywords: IORA, Indian Ocean, challenges, opportunities, chairmanship, maritime fulcrum.

INDONESIA TOWARDS THE INDIAN OCEAN
Geographically, Indonesia is surrounded by the Indian Ocean. Almost one-third or approximately 626,940 km² of its West and Southern coastline borders the Indian Ocean (Geospatial Information Agency of Indonesia). It stretches from the Island of Sumatera (Aceh, North Sumatera, West Sumatera, Bengkulu, Lampung), Java Island (West Java, Central Java, East Java), Bali, and several islands in eastern territories. Although Indonesia is part of the Indian Ocean and have had strong historical bonds, Indonesia has little interest in this region. Indeed, Indonesia can be considered as neglecting this region for decades. This is well reflected by the orientation of Indonesia’s foreign policy and its diplomacy which have been focused in Pacific regions, such as Association of South East Asian Nations (ASEAN), Asia Pacific Economic Cooperation (APEC), The Forum for East Asia-Latin America Cooperation (FEALAC), Asian Regional Forum (ARF), etc. Since 1970s, the main focus of Indonesia’s diplomacy is ASEAN and its northern region. The ASEAN is the first concentric circle, followed by several regional cooperation such as ASEAN plus 3, ARF, APEC and others. In carrying out its foreign
policy, Indonesia considers that the partnership with mostly developing countries as the third concentric circle. It should be noted that the first president of Indonesia, Sukarno, actually have had a great interest in strengthening his maritime diplomacy. Under his administration, Indonesia was the strongest countries in Asia in term of naval power. Additionally, Sukarno also considered the Indian Ocean as “Samudera Indonesia” or the Indonesian Ocean. But this claim was no longer exist.

The orientation of Indonesia’s foreign policy towards Asia-Pacific is understandable since Indonesia has some great economic and political interests in this region. Several countries in Asia-Pacific are the main trade partners. For example, Singapore, Japan, South Korea, US, and China are several main destinations of Indonesia’s exports. These Pacific countries are also the main sources of foreign investments. In contrast, Indonesia has less economic and political interests with several countries in the Indian Ocean. Most of the countries in the Indian Ocean are both the developing and underdeveloped countries most of which do not contribute to Indonesia either as the source of foreign investment or the export destination.

The claim that Indonesia has not seriously set out its foreign policy in the Indian Ocean as a priority can be seen from several facts, such as the lack of established bilateral and regional cooperations with countries in the region. Compared to the regional architecture in Asia-Pacific, the Indonesian cooperation in the Indian Ocean left behind and be underdeveloped.

The Indonesian lack of enthusiasm to look upon the ocean can also be seen through the lack of its infrastructure and connectivity along the Indonesia’s territory which borders the Indian Ocean (western part of Sumatera and southern part of Java). Rarely seaports, roads, bridges and other infrastructures are built by the government along the west part of Sumatera and the southern part of Java Island. Thus, Indonesia has little number of direct connectivity (seaports and airports) with several countries along the Indian Ocean.

The lack of infrastructure and connectivity are challenges for Indonesia. A report by World Bank mentions inefficiency and high cost of shipping between Sumatera and Java. The report states that the shipping cost from Padang to Jakarta is threefold compared to the shipping cost from Jakarta to Singapore. On the one hand, a shipping cost of each 40-feet container from Padang to Jakarta is US$ 600. On the other hand, the cost of shipping in the same container from Jakarta to Singapore, or otherwise is merely US$ 185 (Sandee, 2011, 13). Because of its ignorance towards the Indian Ocean, Indonesia is not considered as a significant player in this region. In contrast, India, Australia, and South Africa are three pivotal states that engage closely with the Indian Ocean. By nature, they have a huge geo-political and economic interest in the Indian Ocean region. They view the Indian Ocean as a region that they could exert their regional influence and powers. India for example considers the Indian Ocean as its backyard. Australia has a strong interest to establish a regional architecture in the Indian Ocean due to the geographical fact that Australia’s Indian Ocean coastline is much longer than its Pacific Ocean coastline. As stated in their 2016 Defence White Paper, Australia has emphasized its strategic interest on Indian Ocean in term of security and economic perspective. Meanwhile, South Africa also considers the Indian Ocean as of their strategic importance. The former President Nelson Mandela raised the idea of Indian Ocean Cooperation Initiative when he visited India in 1995. Furthermore, he urged the need of cooperation among countries in this region, “..The natural urge of the facts of history and geography should broaden itself to include the concept of an Indian Ocean Rim for socio-economic co-operation and other peaceful endeavors. Recent changes in the international system demand that the countries of Indian Ocean shall become a single platform” (Mfeketo, 2015).

STRATEGIC IMPORTANCE OF THE INDIAN OCEAN

The Indian Ocean nowadays is growing in its strategic political and economic values. As
the world’s third largest ocean, the Indian Ocean is predicted by some scholars to be the most important region for the next coming decades. A well-known geo-strategist, Robert Kaplan (2009) for example mentioned this strategic weight of the Indian Ocean. Furthermore, he argued that this ocean would be the center for security challenges in the twenty-first century. Other scholars, Bateman and Bergin echoed Robert Kaplan’s idea. Both scholars believed that the Indian Ocean is transforming to be more militarized and more nuclearized. It could be seen through the fact that several countries like India, Australia, UK, France, US, and China develop their military power to protect their interests in this region.

The Indian Ocean appears as a new arena of rivalry. This trend is caused by the growing interest of some countries for establishing the food and energy security as well as maintaining and extending their regional political influences. Another scholar is Alfred Thayer Mahan, a prominent geo-strategist have mentioned in 1890 that whoever controls the Indian Ocean, would dominate Asia. This ocean is the key to the seven seas in the twenty-first century, the destiny of the world would be decided in the ocean (Malik, 2014: 4).

Economically, the Indian Ocean is brimming with abundant natural resources. Some countries in this region are the major oil producers. Besides rich of natural resources (oil and gas), this region is also rich in minerals, fish and other marine products. The Indian Ocean could be seen as a biodiversity treasure, where huge of mineral resources have not been explored optimally.

According to the Sea-Line of Communication (SLOC), the Indian Ocean is also a vital economic highway of the world. Approximately two-thirds of the world’s oil resources are concentrated in this region. It is estimated that 30% of global sea trade and 70% of the traffic of petroleum products are carried through this water. The ship traffic also has grown in the last few years. Indian Ocean is a strategic crossroad of the global energy market. Two-thirds of the world’s oil and half of its containers pass through Indian Ocean waters. This ocean is also rich in natural resources. The growing interests of nations are mostly dealing with the trade and energy supplies, and it is a growing trade lifeline. According to the (name of the author), it is approximately more than 80% of the world’s seaborne trade in oil pass through Indian Ocean (Sergei DeSilva-Ranasinghe, 2011).

With the Indian Ocean strategic significance, several emerging and great powers have competed for resources and power. China, for example, has increased its presence in the Indian Ocean. China’s growing geopolitical influence pushed Beijing to secure the sea line of communication by connecting its mainland with several ports ranging from the Middle East until African coast. For example, China has built seaports in several countries in Myanmar (Sittwe seaport), Bangladesh (Chittagong seaport), Sri Lanka (Hambantota Seaport), Pakistan (Gwadar seaport), and others. This policy has triggered rivalry against India that considers this region as their backyard. The United States has also increased its presence in the Indian Ocean. To support and protect its vital interest in Middle East, the United States has strengthened their naval power in the Indian Ocean. This rivalry is one of the real challenges faced by this region (Hasan Yaser Malik, 2014).

THE DEVELOPMENT OF IORA AND ITS CHALLENGES

The Indian Ocean Rim Association (IORA)\(^1\) is an international organization consisting of coastal states surrounding the Indian Ocean. It was established in 1997 by 14 member states, such Australia, India, Indonesia, Kenya, Madagascar, Malaysia, Mauritius, Mozambique, Oman, Singapore, South Africa, Sri Lanka, Tanzania, and Yemen.

This organization is based on the principle of open regionalism. Its main purposes are to

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\(^1\) It was previously known as the Indian Ocean Rim Association for Regional Cooperation (IOR-ARC).
strengthen the cooperation on trade facilitation, investment, and social development. The Coordinating Secretariat of IORA is based in Mauritius which functions to manage, coordinate, and monitor the implementation of policy, programs and projects adopted by the Council of Ministers. Currently, KV Bhagirat is the Secretary General of IORA.

The membership of IORA has kept growing since its establishment in 1997. Until 2016, the IORA consists of 21 countries. Somalia has been just welcomed as a new member in 2015. This growing membership is seen as a token of IORA’s strategic importance. There are seven dialogue partners that have engaged in programs and working projects of IORA, such as US, China, France, UK, Germany, Japan, and Egypt. The Germany is a new comer that has just joined in 2015.

Since 2011, IORA at 11th Council of Ministers in Bengaluru, India has set up six priorities as the guidance for member countries to cooperate by which encompassing the maritime safety and security; trade and investment facilitation; fisheries management; disaster preparation management; academic and technological cooperation; tourism and cultural exchanges. The establishment of these six priorities aims to promote the sustainable growth and balanced development for the region and member states, and to create a common ground for the regional-economic cooperation (IORA, 2016).

There are also several projects or working activities conducted by IORA under three separate working groups, namely the Working Groups on Trade and Investment (WGTI), the Indian Ocean Rim Business Forum (IO-RBF), and the Indian Ocean Rim Academic Group (IORAG) (IORA, 2016).

Beside its strategic importance as an international organization in the Indian Ocean, IORA still faces several challenges. Firstly, the IORA could not yet perform as an effective institution. Several criticisms highlighted the different level of development and interests among member countries with which causing the lack of clarity of objectives. For example, island countries like Seychelles, Comoros, Mauritius, and Sri Lanka more concern with the climate change and environmental issues. In contrast, well developed member countries such as Australia, India, and South Africa pay more attention to the
security issues.

Secondly, the IORA is designed for dealing with too many complex areas such as maritime security, trade and investments, fisheries management, cultural exchanges. This broad area perplexes IORA to cover these areas effectively and hardly to define a common interest among various members. The decision of IORA to put together six priorities aims to addressing these challenges. However, the broad area of IORA implies the necessity of focusing on the real benefits for the people in the region.

Thirdly there is a lack of political will among member countries to push forward IORA as an effective regional institution. Many member countries still consider IORA as their third or fourth circle within their foreign policy. This is apparent in the low frequency of meetings as well the absence of foreign ministers to take apart in the meeting of Council of Ministers (COM).

Fourthly, the IORA is not optimal to engage the Dialogue Partners such as China, US, Japan, France, Germany, UK, and Egypt to play constructively. A serious criticism is the current arrangement in IORA has not given an adequate scope for the dialogue partners to contribute constructively (Santikajaya, 2014).

INDONESIA’S STRATEGIC INTEREST ON IORA

Indonesia joined the IOR-ARC in 1997, and has been engaged actively in this forum. As a founding member, Indonesia in the beginning has been optimistic towards the establishment of IOR-ARC. This organization could generate some great benefits for Indonesia, other member states, as well as the region. The Government of Indonesia welcomed the agenda of trade and investments especially the idea to develop and strengthen the cooperation among business communities in various member countries.

The decision of Indonesia to join IOR-ARC in 1997 could not be separated from the vision of President Soeharto. He reiterated that Indonesia as an archipelagic state between the Indian and Pacific Ocean has strategic interest and is committed to support this organization. Thus, Indonesia has a vital stake in the stability and development of the region. Soeharto also viewed that Indonesia’s engagement in the IOR-ARC complements Indonesia’s cooperation with other countries in the framework of ASEAN and APEC.

However, Indonesia’s optimism on IOR-ARC during 1997-2000s gradually lost its grip. The meeting and programs seem like paper tiger with no concrete results and benefits. This organization was full of programs and activities but poor in implementation. Thus, many people in Indonesia in the level of government, businessmen, academicians, and community or public have lack interest of IOR-ARC. Not only Indonesia, several IORA member countries often sent lower rank officers to attend the meetings.

The Indian Ocean has again received attention of Indonesia policy makers when the country was jolted by devastating of Tsunami in December 2004. This Tsunami experience drew the attention of Indonesia towards the Indian Ocean as a source of vulnerability. The natural disaster of Tsunami has then generated the awareness and the need to establish regional cooperation. Further, Indonesia hosted the Special ASEAN Leaders’ Meeting on Aftermath of Earthquake and Tsunami on 6th January 2005. This meeting domestically was successful to raise the national awareness toward the Indian Ocean.

The eagerness of Indonesia to look to the Indian Ocean and IORA has gradually grown since President Joko Widodo launched the doctrine of Maritime Fulcrum or “Poros Maritim” in 2014. Through this doctrine, he emphasized the need for Indonesia to look and be more engaged more in Indian Ocean. Pointing out the strategic of Indian Ocean, he stated that this ocean could play as a bridge of development of Asia and Africa. This statement was launched when he delivered a speech on the 60th Anniversary of Asian African Conference Summit that was held in Bandung from 21-25 April 2015.
The strategic importance of the IORA is actually mentioned in the Medium Term Development Plan 2015-2019 (RPJM 2015-2019) which was launched in 2014. In strengthening its economic diplomacy (trade, investment, and tourism), Indonesia could play its role in the IORA among other regional cooperation. Since April 2014, Indonesia also appoints a senior diplomat namely Mr. Firdaus Dahlan as one of directors in the IORA Secretariat (Directorate of Asia Pacific and African Intra-Regional Cooperation, Ministry of Foreign Affairs of Indonesia).

### INDONESIA’S CHAIRMANSHIP OF IORA: OPPORTUNITIES AND CHALLENGES

Indonesia hosted the 15th IORA Council of Ministerial Meeting in Padang on 20-23 October 2015 in Padang, West Sumatera. This ministerial meeting also marks the handing over of the IORA chairmanship from Australia to Indonesia for the period of 2015-2017. Representatives from member countries attended this meeting, except Comoros and Somalia. Seven dialogue partners and two observers also participated. In total, 290 delegations attended the meeting and welcomed the chairmanship of Indonesia. Looking at its participation, this 15th IORA of Ministerial Meeting is considered as the most well attended by member countries in the history of IORA.

Taking up the role of chair in IORA, the Minister of Foreign Affairs, Retno Marsudi highlighted the strategic value of Indian Ocean and IORA in Indonesia’s foreign policy. She stressed that IORA is the premier organization for engaging other Indian Ocean countries in closer cooperation. As the chairman of IORA in the period of 2015-2017, Indonesia underscored the need for IORA member countries to strengthen maritime cooperation through its six priority areas. Moreover, Indonesia has proposed “Strengthening Maritime Cooperation in a Peaceful and Stable Indian Ocean,” as the theme of its chairmanship for the next two years.

Besides proposing maritime cooperation, Indonesia launched the idea to bring the IORA into higher level of international organization by hosting IORA Leaders’ Summit on 2-7 March 2017. The proposal was welcomed and supported by the member countries. If it is materialized, the first IORA Leaders’ Summit will be the milestone of this organization in its 20th anniversary in 2017 since its establishment in 1997. It would be the first time for IORA leaders to meet and discuss the future of this organization in addressing the opportunities and challenges.

Another legacy that Indonesia would do is to propose the IORA’s Concord as a code of conduct and good governance of this organization. Again, if it is realized, the IORA would become a premier regional cooperation. In realizing this goal, Indonesia together with IORA member states has established Ad hoc Committee on the IORA Concord. The task of this Ad hoc Committee is to draft the IORA Concord. Indonesia so far has been successful in hosting the first and second Ad hoc Committee Meeting (AhCM) in Bali (March, 2016) and Yogyakarta (May, 2016). In the second Ad hoc Committee Meeting has worked on the first draft of IORA Concord and draft of IORA Action Plan. As a strong commitment to strengthen the IORA, Indonesia has also committed to donate US$ 250,000 as a Special Fund (Directorate of Asia Pacific and African Intra-Regional Cooperation, Ministry of Foreign Affairs of Indonesia).

The chairmanship of IORA period 2015-2017 also gives an exposure of Indonesia to expand its interest in the Indian Ocean. It could provide opportunities for Indonesia to expand its influence in the Indian Ocean as a pivotal country in the Indo-Pacific region. Thus, this chairmanship can give the opportunity and modality for Indonesia to get benefits along with the realization of doctrine of Maritime Fulcrum or “Poros Maritim.”.

As the chair of IORA, Indonesia actually has momentum as well challenges. As chairman, Indonesia has a strategic role to develop the IORA as a strong, mature and well-known regional forum. The leadership of Indonesia is ASEAN
could be useful as best practices in chairing the IORA. Indonesia could play an important role to revitalize the IORA, which was previously considered as a lackluster and underperforming organization. Since its establishment in 1997, the IORA is often being criticized due to its failure to deliver practical and useful outcomes.

The two years ahead of IORA chairmanship is also a great momentum for Indonesia to take an important role in line with its maritime diplomacy and the implementation of its maritime fulcrum. As one of key objectives of Jokowi’s Maritime Fulcrum is to enhance inter-island connectivity and to upgrade port infrastructure, Indonesia needs also to focus in developing the infrastructure in Sumatera, Java, and some island that border the Indian Ocean. Domestically, the government of Indonesia could develop national or public awareness about the strategic merit of the Indian Ocean.

Given the importance of the Indian Ocean economically and strategically, Indonesia and member of IORA have to work together to sustain and manage peace and stability in this region. Safeguarding its security is a must. Not only addressing traditional security challenges, Indonesia and IORA have to cooperate in tackling non-traditional challenges such as IUU fishing, human trafficking, illicit drugs trade, natural disasters, and climate change. To maintain peace and stability among the countries in the region, Indonesia has modalities, such as to promote norms, in IORA through ASEAN Treaty of Amity and Cooperation (TAC)-like treaty and Zone of Peace, Freedom and Neutrality (ZOPFAN)-like declaration.

**RECOMMENDATIONS**

To summarize, the following are several policy recommendations that Indonesia might undertake to address challenges and opportunities as the chairman of IORA in the 2015-2017 period. The Ministry of Foreign Affairs of Republic of Indonesia has a strategic role in conducting its maritime diplomacy, especially in the Indian Ocean. As the focal point of Indonesia’s IORA, the ministry has to be the forefront in creating and directing its policy to achieve its national interest. The ministry could also engage others national stakeholders, such as the Ministry of Marine and Fisheries (DKP), the Ministry of Trade affairs, the Investment Coordinating Board (BKPM) and others to strengthen Indonesia’s leadership during its chairmanship. The recommendations are as follows:

1. Indonesia could propose the road map of the six priorities of IORA with its target, time frame, implementation, and evaluation. The establishment of a working group in each priority chaired by champion countries could be one of the options on how maximize the results. Thus, each champion country should also coordinate each other to create more comprehensive outcomes.

2. Indonesia has to engage and conduct lobbying intensively to other IORA member countries, at least to several key players such as India, Australia, and South Africa about the proposal to host the first IORA Summit in 2017. Moreover, Indonesia could also appoint a special envoy to approach the IORA member states about the initiative.

3. Indonesia could also promote the membership of IORA to be inclusive, by inviting some countries belonging to Indian Ocean region. The more inclusive its membership is, the stronger IORA’s legitimacy will become. For example, Indonesia could trigger idea to invite countries as new member of IORA, such as Myanmar, Timor Leste, or even Pakistan which is always opposed by India.

4. Indonesia together with IORA member countries should engage the dialogue partners to be more active in the agenda of IORA. The key countries like US, UK, France, China, Japan, and Germany definitely have great interest in the Indian Ocean and IORA. For example, U.S and
UK certainly have strong interest since they have military base on Diego Garcia, a small strategic location in the Indian Ocean. France also has several islands in the Indian Ocean, like Réunion and Mayotte which have been inhibited by approximately one million population.

Thus, Indonesia with IORA member countries could also invite other regional organizations or developed countries that have strategic interest in the Indian Ocean to be the new dialogue partner, such as EU, ASEAN, Russia, and South Korea.

5. Indonesia could propose the idea to establish sub regional cooperation in IORA. The best practices of ASEAN, such as The Brunei Darussalam Indonesia-Malaysia Philippines East Growth (BIMP-EAGA), Greater Mekong Sub-region (GMS), Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT) could be used or modified to boost the development of connectivity among the member countries. The IORA member countries which span from Asia, Middle East and Africa become common challenges to develop connectivity among them. By creating sub region cooperation in certain issue would create the opportunity to boost interlink among IORA member countries.

Despite of Indonesia’s strategic interest to develop IORA as the premier international organization, Indonesia actually has its own strategic interest nationally. As one of the biggest countries in the Indian Ocean and the manifestation of Indonesia maritime fulcrum, Indonesia could play its role to get benefits as the chairman of IORA. To this end, there are several recommendations as follows:

1. The government of Indonesia has to develop public awareness regarding on the importance of the Indian Ocean. This region could become the future ocean for Indonesia. The ministry and missions can also propose sister city or sister port between the Indonesia and other IORA member countries to establish connectivity. However, the related ministries such Ministry of Home Affairs and local government (provinces) have to be involved in this agenda.

The Ministry of Foreign Affairs of Indonesia has been conducted “IORA Outreach Program” in several provinces which border with the Indian Ocean in 2016. This outreach was done in several provinces, such as Aceh, Bengkulu, and Yogyakarta to introduce the strategic importance of the Indian Ocean for Indonesia’s interest. This public campaign however should be continued and developed in future.

2. The government of Indonesia has to promote investment for development of infrastructure in western part of Sumatera Island and other parts which border with the Indian Ocean. This is related to RPJM 2015-2017 which highlights the need of Indonesia’s diplomacy to boost the investment, trade, and tourism.

3. The government should support local governments (provinces) in Indonesia along the Indian Ocean rim to make coordination and cooperation to develop infrastructure, common interest and other cooperation for the benefit of our peoples. The establishment of the Indonesia-Indian Ocean Rim Local Government Forum (IOLGF) is one of the options and should be strengthened.

4. The government of Indonesia could propose its candidate as the next Secretary General of IORA in 2018. This could be a good campaign to develop public awareness about the strategic importance of the Indian Ocean for Indonesia’s future as well as to keep momentum of the implementation of maritime fulcrum.

CONCLUSION
There is no doubt that Indonesia should pay greater attention to the Indian Ocean. Indonesia’s chairmanship of IORA is a great momentum for
Indonesia to look at this region. Thus, the vision of maritime fulcrum and Indonesia’s chairmanship of IORA should be strong modality for the country to play its maritime diplomacy in that region. It can be stated that, the maritime fulcrum will not be complete without our engagement in the Indian Ocean. The vision of Indonesia to expand Indonesia’s foreign policy as middle power, maritime state, and the global maritime nexus even will fail without increasing or strengthening its maritime diplomacy in the Indian Ocean.

Thus, the IORA could be the most strategic regional forum or vehicle for Indonesia to exercise its maritime diplomacy in the Indian Ocean. The IORA could bring together some countries from three continents to create tangible outcomes and benefits for the people. Indonesia must look to the Indian Ocean, which provides great challenges and opportunities.

The chairmanship of Indonesia in IORA period 2015-2017 is also great momentum for government to raise public awareness in Indonesia. Moreover, there is a need to conduct campaign to all stakeholders that the Indian Ocean is the future ocean for Indonesia. Looking at the strategic importance of Indian Ocean, Indonesia has to define its strategic and economic interest in this region.

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