

IMPLEMENTATION OF BLUE ECONOMY PRINCIPLES IN WEAVING NUSANTARA TOURISM AND THE ROLE OF STATE-OWNED PORT ENTERPRISES AS CATALYSTS FOR THE GROWTH OF THE CRUISE SHIP TERMINAL AND MARINA INDUSTRY

K.P. Suharyono Soemarwoto Hadiningrat¹

Bahana Wiradanti²

Yusuf Ferdian Umar³

1. Vice Chancellor of Research, Community Services and Cooperation in Institute of Business and Multimedia ASMI Jakarta, Indonesia. Email address : haryshadiningrat@gmail.com
2. Lecturer in in Institute of Business and Multimedia ASMI Jakarta, Indonesia.
3. Department Head of Tata Kelola dan Kepatuhan PT Pelabuhan Indonesia (Persero)

ABSTRACT

In October 2024, Indonesia begins a new chapter under the administration of President Prabowo and the Red and White cabinet. In this context, the author proposes the sustainable application of the Blue Economy Principles, with a special emphasis on the development of tourism and the creative economy as a strategic step to knit Nusantara Tourism. Support for the role of Port SOEs, especially Pelindo, is expected to function as a catalyst for the growth of the cruise ship terminal and marina industry. This paper will discuss the development of the Bali Maritime Tourism Hub as a model, as well as strategies to develop the cruise ship and marina-based tourism industry. The investment and development of cruise ship terminals and marinas by Pelindo in various regions of Indonesia has great potential to boost the regional economy and increase state revenue, so it is very important for the current government to provide maximum support to Pelindo.

PT Pelabuhan Indonesia (Persero) or Pelindo as a state-owned enterprise engaged in port services in Indonesia has an important role in supporting economic growth through its role as a port manager and development. If sewing threads are analogous to maritime transportation, then strong threads are needed to weave fabric materials so that they are not easily torn. Kain can be anatomized as a region, for which efficient and reliable maritime transportation is the basic strength for the archipelago for economic development throughout Indonesia, increasing trade, tourism, and connectivity between regions.

The Blue Economy is an economic development concept that utilizes resources from the sea wisely, sustainably, so that it can encourage economic growth at the same time while maintaining the marine ecosystem (United Nations, 2022). Within the scope of the Blue Economy, Indonesia not only has great potential in the marine and fisheries sectors, but also in renewable energy from the sea, maritime transportation and marine tourism.

Keywords : Blue economy, Nusantara Tourism, Golden Indonesia 2045.

1. INTRODUCTION

In 2023, BAPPENAS has published the Blue Economy Development Framework for Indonesia's Economic Transformation document which describes various stages and activities for strengthening the blue economy. Moreover, in the Golden Indonesia Vision 2045, it is detailed in the 6th Agenda that Indonesia aspires to realize equitable and equitable regional development. Almost all provinces in Indonesia have coastlines so that they have access to seize economic growth through the blue economy, especially the marine tourism sector.

Sea-based tourism such as cruise ships and marinas is an important opportunity in increasing state revenues and creating jobs. Indonesia has a great attraction with rich marine tourism destinations, such as Bali, Lombok, Labuan Bajo, and Raja Ampat, which attract international tourists. This essay aims to describe the potential of marine tourism in Indonesia where Pelindo is a catalyst for the growth of the Cruise Terminal and Marina Industry. In this essay, it will also be explained the great potential for sectoral and national economic growth that can be generated by the Cruise Terminal and Marina Industry which has an impact on increasing Indonesia's competitiveness compared to tourism in other countries around the world. This essay also contains a projection calculation in 2030 where the additional revenue received by the state can reach up to 88 trillion Rupiah per year from foreign tourists by sea.

2. THEORETICAL REVIEW

Tourism is the third largest industry after the fuel and chemical export industry, and is a larger industry than the food and automotive products industries (Rasool et al, 2021). The Ministry of Tourism and Creative Economy targets Indonesia to receive 133 billion USD in 2029, where in 2023 it will only reach 64.6 billion USD. According to Bappenas (2023), coastal-based tourism and its contribution to Indonesia's GDP are still low, which is less than 5 percent. This contribution is lower than other G20 countries, including Spain (14 percent), Italy (13 percent), and Turkey (11 percent). Moreover, in the ASEAN country, Thailand, the contribution of coast-based tourism can

reach 12 percent (BAPPENAS, 2023). Indonesia as an archipelagic country has natural wealth and extraordinary tourism industry potential, with beautiful beaches and marine tourism destinations spread from Sabang to Merauke. This potential provides great opportunities for the development of cruise ship terminals and marinas. For this reason, Indonesia needs to catch up with the existing lag and get the maximum potential and opportunities from tourism for the country's foreign exchange.

According to a study by Pelindo and PWC (2024), the percentage of tourist arrivals to Indonesia is 68% through air transportation, 23% by sea and 9% by land. As for expenditure by tourists, in 2021 89.3% of expenditure was obtained from domestic tourists and only 10.7% from foreign tourists. This is unfortunate because the average domestic tourist only spends 24 USD per person, while foreign tourists can spend up to 1,182 USD per person or as much as 4,925% of domestic tourist spending. Thus, strategies and efforts are needed to increase the number of foreign tourists to Indonesia, especially through sea routes. Marine tourism through cruise ships and marinas is the answer.

3. RESEARCH METHODS

This study uses a qualitative descriptive method to find and describe the variables in a narrative (non-numeric) manner regarding an implementation of Blue Economy Principles in Weaving Nusantara Tourism and the Role of State-Owned Port Enterprises as Catalysts for the Growth of the Cruise Ship Terminal and Marina Industry.

4. RESULTS & DISCUSSION

Pelindo's Contribution as a Catalyst in Supporting Economic Growth in the Tourism Sector

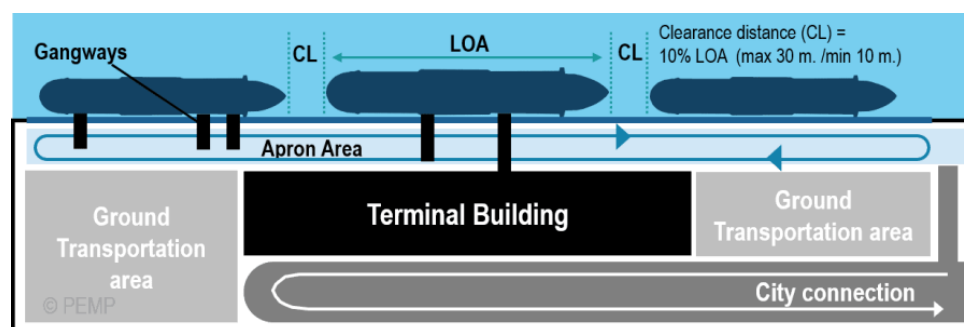
As the largest port company in Indonesia, Pelindo is at the forefront of supporting the blue economy, one of which is by developing cruise ship terminal and marina infrastructure. Pelindo is developing modern cruise terminals in various strategic locations, which will increase Indonesia's *attractiveness* to become a major destination for international cruise ships. The development of the marina also provides facilities for private vessels owned by high-end tourists, encouraging luxury tourism and contributing to the local economy. In addition, this development will strengthen Indonesia's position as an attractive global tourist destination for international cruise ships. An optimal port or terminal for cruise ships can provide the best service and present an '*all-in-one experience*', which is a complete experience for tourists.

The flagship project being developed by Pelindo is the Cruise Ship and *Marina home-port* terminal, namely the Bali Maritime Tourism Hub (BMTH) at Benoa Port, Bali. The development progress that is currently being carried out considers the following 5 (five) important aspects.

a) Upgrading Basic Infrastructure and Cruise Terminal Capacity

In simple terms, the design of a cruise ship terminal consists of 4 main areas, namely *the apron area*, the land transportation area, the terminal building area and the area for connectivity to the city (Notteboom et al, 2022). Once a cruise ship terminal is designed and built, the operating costs of a cruise ship terminal are generally smaller than other types of port terminals because they do not require heavy equipment and do not consume a lot of energy (Notteboom et al, 2022). The main portion of operational costs is terminal management staff, security personnel, and baggage handling. Pelindo will certainly pay close attention to security issues in cruise ship terminals and comply with applicable international security regulations. The following in Figure – 1 is the Basic Infrastructure Design of the Cruise Terminal according to Notteboom et al (2022).

Figure -1 Cruise Terminal Design



Source: Notteboom et al (2022)

b) Development of Green *Port* Terminals and Environmental Sustainability Principles

Pelindo telah merencanakan pola operasi terminal pesiar dan marina yang efisien, penggunaan elektrifikasi maupun energi baru terbarukan seperti panel surya, pengelolaan limbah yang terstandar, serta usaha-usaha pengurangan emisi gas rumah kaca sebagaimana yang dilaksanakan dalam pelabuhan-pelabuhan lainnya.

c) Development of Hinterland *All-in-one Experience*

At BMTH, Pelindo is preparing a complete experience for tourists who come through cruises, namely they can directly access everything they need from lodgings, shops, restaurants, *entertainment* areas, health facilities, cultural areas, marinas to dock *yachts* and small boats, even to educational facilities.

d) Tourism Connectivity to Other Islands and Information Technology Systems

Pelindo also considers inter-island connectivity for tourism purposes. Therefore, the pattern of developing cruise terminals is designed to follow the cruise ship route that passes through Indonesia with all its tourist attractions from Sabang to Merauke (*Cruise Route*). As for the islands around the BMTH, connectivity services are prepared for routes that resemble butterflies (*Butterfly Route*). Both are depicted in Figure – 2. The improvement of services and technology is carried out by adopting the latest technology for cruise ship terminal and marina operations.

Figure – 2 Terminal Services for *Cruise Route* & *Butterfly Route* Prepared by Pelindo



Source: Pelindo dan PWC (2024)

e) Support for Local Industries

Pelindo also provides support to local industries through environmental social responsibility programs, in various port branch areas, which are also included in the scope of the tourism industry.

Impact on the Regional Economy

The development of cruise ship terminals and marinas by Pelindo in various regions has the potential to have a significant impact on the local economy. This development can be an economic catalyst through 4 stages, the first is the increase in foreign tourists. Uniquely, foreign tourists can provide expenses per person up to 50 times more than domestic tourists (Pelindo and PWC, 2024). Through more international cruise ships to dock in Indonesia, hundreds to thousands of foreign tourists will enter the local area at the same time, which has the potential to increase spending in the tourism sector, such as hotels, restaurants and others.

Second, is by creating jobs. The construction and operation of cruise terminals and marinas will require local labor. In addition, the presence of cruise ships docked will create jobs in the tourism sector and other supporting sectors, such as tour guides, craftsmen, and workers in the service industry. The third is the development of Local Industries and the introduction of culture and nature. With the influx of international tourists, the demand for local products such as handicrafts, food, and regional souvenirs will increase. This encourages the development of small and medium enterprises (SMEs) and local industries to meet the needs of tourists. Fourth, the *trickle down effect* is the increase in Regional Revenue. With the increase in economic activity around the port, regional original income (PAD) will also increase. Taxes from the tourism, restaurant, hotel, and other business sectors will add to the regional treasury, which can be used for infrastructure development and public services.

According to the Ministry of Tourism and Creative Economy (2024), the number of foreign tourists entering Indonesia in 2022 was 5.47 million people. If a rough calculation is made, the following projections are obtained. It is assumed that 23% of foreign tourists who enter Indonesia by sea are those who go through cruise ships and other types of passenger ships, so the total number of foreign tourists is 1.25 million people per year. Assuming foreign tourist expenditure of 1182 USD/person as obtained from the Pelindo and PWC study (2024), the income that the state can receive is around Rp 22 trillion per year. If it is projected that Pelindo can develop cruise ship terminal facilities and marinas throughout Indonesia which can increase the number of foreign tourists up to four times by 2030, the revenue received by the state can reach Rp 88 trillion per year through sea routes. This figure does not take into account the magnitude of *the multiplier effect* of

the creation of new jobs and the development of new local industries which will certainly increase the income figure.

According to research by Rasool et al (2021), there is a relationship between the tourism industry and economic growth in BRICS countries (Brazil, Russia, India, China and South Africa), namely for every 1% increase in tourism revenue per capita, the GDP per capita of BRICS countries will increase by 0.31% in the long term. What's more, the development of a country's tourism industry will ultimately result in higher economic growth and, furthermore, further economic development through spillover impacts and other multiplier effects. Therefore, Pelindo is optimistic that the development of cruise terminals and marinas that are currently being run in various regions will be very beneficial and contribute to the country.

Challenges in Development

Despite its great potential, the development of cruise ship terminals and marinas also faces several challenges. Among them is the need to improve supporting infrastructure such as land transportation access, readiness of health facilities, and the availability of electricity and clean water. In addition, it is necessary to design and build inclusive facilities so that they can accept tourists with various backgrounds such as age, disability, culture, economic level, and other things. Government policies that support the development of maritime tourism areas and regulations that facilitate investment in this sector are also needed. The Regional Government needs to prepare *an all-in-one experience* in each of its regions to attract visiting cruise tourists. Moreover, the biggest challenge is innovation in cooperation models that can be beneficial for actors in the marine tourism industry and the surrounding community, so that all parties can grow from this industry. These challenges can certainly be overcome through good cooperation between all related parties.

5. CONCLUSION & RECOMMENDATION

The development of cruise ship terminals and marinas by Pelindo in various regions in Indonesia has great potential to become a catalyst for the regional economy. Especially the largest is the cruise *home-port* terminal built at the Bali Maritime Tourism Hub (BMTH), Benoa, Bali. By attracting more foreign tourists and creating new jobs, this development can increase regional income, encourage the growth of SMEs, and introduce Indonesian tourist destinations to the international arena. The country can get new revenue of up to Rp 88 trillion per year from foreign tourists who enter by sea in 2030. By continuing to invest in infrastructure and technology development, as well as strengthening connectivity between regions, Pelindo is further strengthening its role as a catalyst for economic and industrial growth in Indonesia, including the

tourism industry. Better integration between ports and other economic sectors will support more inclusive and sustainable economic growth. Overall, Pelindo not only plays a role in managing the port, but also in knitting the archipelago and advancing Indonesia through a significant contribution to the economic development of the tourism sector of the National Blue Economy corridor.

REFERENCES :

- BAPPENAS. 2023. *Kerangka Pengembangan Ekonomi Biru untuk Transformasi Ekonomi Indonesia*. Jakarta.
- Kementerian Pariwisata dan Ekonomi Kreatif. 2024. *Statistik Kunjungan Wisatawan Mancanegara*. <https://kemenparekraf.go.id/statistik-wisatawan-mancanegara/statistik-kunjungan-wisatawan-mancanegara-bulan-januari-2023>. Diakses 9 September 2024.
- Notteboom, T., Pallis, A., & Rodrigue, J. P. 2022. *Port economics, management and Policy*. New York: Routledge.
- Pelindo dan PWC. 2024. *Kajian Terminal Kapal Pesiar dan Marina di Pelindo*. Jakarta.
- Rasool, H., Maqbool. S., & Tarique, M.D. 2021. The relationship between tourism and economic growth among BRICS countries: a panel cointegration analysis. *Future Business Journal*, 7:1.
- United Nations. 2022. *Konsep Ekonomi Biru*.
<https://sustainabledevelopment.un.org/content/documents/2978BEconcept.pdf>