Analysis of Fish Export Management in Panipahan, Rokan Hilir, Riau Province

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Abstract. This survey research was conducted in Panipahan, Rokan Hilir Regency, Riau Province, Indonesia on 1 March - 15 July 2019. The purpose of this study was to determine the profile of marine fish export companies, to analyze the management of marine fish exports, and to analyze the contribution of marine fish exports in Panipahan. Respondents consisted of 10 fishermen are determined purposively, and two export companies taken by census. The data collected is analyzed using descriptive methods. The results showed that the marine fish export from Panipahan to Malaysia carried out by two companies. The frequency exports is 15 times a month. The average volume of fish per export is 43.22 tons. The types of fish that are exported are senangin (Eleutheronema tetradactylum), kembung (Scromberomorus sp.), bawal (Pampus argenteus), kelong shrimp (Fenneropenaeus indicus), and bawal bintang (Manta sp.). The contribution of foreign exchange from fish exports of Panipahan was IDR15.32 billion or 38% of the total foreign exchange contributed by Rokan Hilir (IDR40.320 billion).

Keywords: marine fish, export management, panipahan, rokan hilir

1. Introduction
The marine fisheries sector is one of the mainstays of Indonesia’s exports, because it is a driving force of industrial and national economic growth. This is because Indonesia is a maritime country, having a sea area of 3.1 million km² and waters of Zone Economic Exclusive (ZEE) covering an area of 2.7 million km². The sea has various types of fish that have high economic value [1].

One of the marine fish exporting areas in Indonesia is Riau Province, especially Panipahan, Rokan Hilir Regency. This regency is located on the east coast of the Sumatra Island, at the coordinates of 1°14’ - 230’ North Latitude and 100°16’ - 101°21’ East Longitude. Panipahan is the most potential marine fish export center in Riau because its territory is dominated by the sea, located in the waters of the Malacca Strait, which is rich in fish, and close to the country of Malaysia [2].

As many as 2,000 out of 8,331 (24.01%) fisherman in Rokan Hilir Regency, fishing in Panipahan. Panipahan marine fish production is 20,113 tons a year or 35.25% of total Rokan Hilir marine fish production. As many as 38.68% of Panipahan fish production is exported to Malaysia [3].

However, how the management of Panipahan marine fish export works, and how much the contribution of fish exports to the Rokan Hilir fisheries sector, has not been much studied. Based on these reasons, it is necessary to conduct research on the management of marine fish export in Panipahan, Rokan Hilir Regency, Riau Province.
2. **Research Methods**

This survey research was conducted in Panipahan, Rokan Hilir Regency, Riau Province on 1 March - 15 July 2019 (Figure 1). The research location was determined purposively, because it is the most potential sea fish export center in Riau Province. Respondents consisted of two marine fish export companies (CV. Barokah Panipahan and CV. Alam Mulia Bahari) taken by census, and 10 fishermen supplying fish which were taken randomly [4].

![Figure 1. Map of Panipahan, Rokan Hilir Regency, Riau Province](image)

Primary data were obtained from interviews with respondents (export companies and fishermen), while secondary data were obtained from documentation belonging to the Fisheries and Marine Service of Rokan Hilir, Fish Quarantine Office of Panipahan, and Fisheries and Marine Service of Rokan Hilir. Data were analyzed descriptively.

3. **Results and Discussion**

The number of fishermen in Panipahan reached 2,000 people or 24.01% of the total Rokan Hilir fishermen, totaling 8,331 people. The fishing boat operating in the area numbered 1,703 units, consisting of 958 units of motorized boats and 115 units of non-motorized boats [5]. Panipahan marine fish production is 20,113 tons a year, or 37.59% of the total production of Rokan Hilir which is 57,056 tons. A total of 7,779 tons (38.68%) of which were exported abroad with a value of US$25,003,929 or IDR350.055 billion [3].

Panipahan marine fish exports are handling by two companies, namely CV. Barokah Panipahan and CV. Alam Mulia Bahari. Both companies have export licenses since 2017. The export destination country is Malaysia, because the distance is only nine hours using a ship from Panipahan (Figure 2).
Facilities owned by the two export companies are fish collection place, export vessels, loading docks, and mini ice factories (Table 1).

### Table 1. Company Profile of Marine Fish Exports in Panipahan

| No | Facilities Owned           | Unit | CV. Barokah Panipahan | CV. Alam Mulia Bahari |
|----|---------------------------|------|-----------------------|-----------------------|
| 1  | Employee                  | people | 25                      | 10                    |
| 2  | Loading and unloading docks | unit   | 1                       | 1                     |
| 3  | Fish collection place     | unit   | 1                       | 1                     |
| 4  | Fish export ship          | unit   | 2                       | 1                     |
| 5  | Mini ice factory          | unit   | 1                       | 1                     |

**Source:** Primary data

The fish collection place owned by the two companies take the form of wooden floors built on the sea. This house is equipped with a simple dock, where fishermen land fish, and load the fish to the ship before being exported.

The number of employees of *CV. Barokah Panipahan* more than *CV. Alam Mulia Bahari*, because the business scale of the company is bigger. *CV. Barokah Panipahan* exports marine fish 10 times per month using ship, while *CV. Alam Mulia Bahari* only five times. The average volume of marine fish for each export is 43.22 tons. The two companies export alternately.

Total fish exports from to Malaysia are 7,779 tons a year. Means fish export uses ships. *CV. Barokah Panipahan* has two export ships, namely *KM. Cinta Damai* measuring 94 gross ton (GT) and *KM. Kuala Kapias* (86 GT), while *CV. Alam Mulia Bahari* has one ship namely *CV. Mitra Bahari Jaya* (86 GT).

There are two important aspects that must prepare by the company before exporting marine fish to Malaysia, namely export documents and products (fish) to be exported. There are 15 types of export documents that must be prepared, consist of main documents, supporting documents and additional documents (Table 2).
Table 2. Marine Fish Export Documents in Panipahan

| Document Type       | Document Name                                                                 |
|---------------------|-------------------------------------------------------------------------------|
| **Main Documents**  | 1. Company Name                                                               |
|                     | 2. Company Establishment Deed                                                 |
|                     | 3. Taxpayer Identification Number (NPWP)                                      |
|                     | 4. Fisheries Business License (IUP)                                           |
|                     | 5. Business Location Permit (SITU)                                            |
|                     | 6. Trading Business License (SIUP)                                             |
|                     | 7. Company Registration Certificate (TDP)                                      |
|                     | 8. Letter of Credit (L/C)                                                      |
| **Supporting documents** | 1. Processing Eligibility (SKP)                                                   |
|                     | 2. Certificate HACCP                                                          |
|                     | 3. Approval Number (AN).                                                       |
| **Additional documents** | 1. Invoice                                                                   |
|                     | 2. List of Product Packing (Packing List)                                     |
|                     | 3. Notification of Goods Export (PEB)                                          |
|                     | 4. Bill of Landing                                                            |

**Source:** Primary data

Both marine fish export companies already have all the documents. Furthermore, the process of exporting marine fish in Panipahan, is carried out through several stages (Figure 3).

![Figure 3. Stages of Marine Fish Export in Panipahan](image)

Figure 3 shows that, the two export companies received a supply of marine fish from fishermen. The fishermen bring their fish to the company’s fish reservoirs. Then, the company weighs and pays the fish. The amount of fish supply from fishermen is only 35%. The drawback, taken from fish collectors. However, usually these traders only pay for boat rental.

If fish stocks are lacking is insufficient, exporters supply it from Tanjungbalai Asahan (North Sumatra Province). The distance between Panipahan and Tanjungbalai Asahan is only four hours by boat cruise. Conversely, if fish stocks are abundant, exporters will market them to Tanjungbalai Asahan. The types of fish to be exported are Senangin (*Eleutheronema tetradactylum*), Mackerel (*Scromberomorus sp.*), Pomfret (*Pampus argenteus*), Kelong Shrimp (*Fenneropenaeus indicus*), and Bawal Bintang (*Manta sp.*).
After weighing, the fish are then washed with clean water to remove impurities. However, the handling of cleanliness carried out by the two export companies in Panipahan, looks not yet optimal. It can be seen that when company employees wash fish, some pets, rats, and insects, are still seen passing around the fish cleaning site.

The next stage is to standardize fish (grading) based on the weight and type of fish requested by importers in Malaysia. After that, the fish is packaged into a glass fiber box. The fish is arranged neatly according to the grade. Then given ice cubes to keep the fish fresh and not easy to rot. Each box has a fish capacity of 120 kg. Furthermore, the boxes are labeled with information about the weight and type of fish.

The next stage is to include export documents (main document, supporting documents, and additional documents). After that, the fish boxes are taken to the ship for export. The frequency of marine fish exports from Panipahan to Malaysia is 15 times a month. Every time the export uses one unit of ship, with a fish loading volume of 43.20 tons. The two companies dispatched their ships in turn. The distance from Panipahan to the port of Port Klang (Malaysia), nine hours by ship.

Marine fish export volume from Panipahan is 7,779 tons per year, with a value of IDR311.160 billion, or 32.41% of fish export value of Rokan Hilir, namely IDR960 billion. The marine fish export from Panipahan has provided foreign exchange to Indonesia for IDR15.321 billion or 24.76% of the total foreign exchange contributed by Rokan Hilir (Table 3).

### Table 3. The Export Performance of Marine Fish from Panipahan in 2019

| Indicators                  | Panipahan District | Rokan Hilir Regency | Proportion (%) |
|-----------------------------|--------------------|---------------------|----------------|
| Fish Production (tons)      | 20,113             | 57,056              | 35.25          |
| Export Volume (tons)        | 7,779              | 24,000              | 32.41          |
| Percentage (%)              | 38.68              | 42.06               | -              |
| Export Value (IDR)          | 311,160,000,000    | 960,000,000,000     | 32.41          |
| Foreign Exchange (IDR)      | 15,321,600,000     | 40,320,000,000      | 38.00          |

**Source:** [1], [2] and [3]

### 4. Conclusions and Suggestions

#### 4.1. Conclusions

1. The marine fish export from Panipahan to Malaysia carried out 15 times a month by two companies in rotation. Both companies already have export licenses since 2017, have 15-25 employees, 1-2 ships and block ice factories.

2. Management of marine fish exports in Panipahan is quite good, except for the quality control of the product before exported, which is still low. There are five types of commercial fish that are exported. If fish stocks is limited, will be imported from North Sumatra Province, but if the stock is abundant, fish are sold to local markets and North Sumatra.

3. Marine fish export in Panipahan is 7,779 tons a years, or 32.41% of total fish export from Rokan Hilir (24,000 tons). The export value is IDR311.160 billion (US$22,225 million). The contribution of foreign exchange from fish exports of Panipahan was IDR15.322 billion or 38% of the total foreign exchange contributed by Rokan Hilir (IDR40.320 billion).
4.2. *Suggestion*

1. Exporter must increase of quality control, especially aspects of fish hygiene before being exported.

2. The government is expected to provide regular guidance to exporter in Panipahan.

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