Analysis of Fisheries Export Commodities in Banyuwangi Regency, Indonesia

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Abstract: Banyuwangi is one of the districts in East Java that has potential in the field of fisheries. With its potential, Banyuwangi Regency is one of the leading exporters of fisheries to various countries. The export commodity in the form of fish catches, both raw fish and processed fish so that it contributes to the Regional Original Revenue (ROR). Based on this background, researchers are interested in researching about fisheries export commodities in Banyuwangi. The method used in this research is a qualitative approach with descriptive data analysis techniques. The purpose of this research is to analyze the fishery export commodities in Banyuwangi Regency, especially in the Muncar District. The results showed that Muncar Banyuwangi District had exported fishery commodities to 59 countries in the world. In 2016 total fishery export revenues reached Rp. 229,414,958,814, but in 2017 total export revenue only reached Rp. 183,473,619,534.

Based on these results, it can be seen that a decrease of Rp. 45,941,339,280. This is caused by a decrease in production caused by several factors, including the influence of natural factors such as weather. In addition, the decline in export revenues from the fisheries commodity sector was also caused by external factors, among which was a decline in demand from several countries due to the country's sluggish economy. The decline in fishery export commodities in the Muncar sub-district had an impact on the contribution of the fisheries sector in contributing to the Banyuwangi Regency's Original Revenue. Therefore, exporting companies and the government are pursuing a number of anticipatory strategies to reduce the decline in export numbers and seek to increase exports. This research was useful and important for many municipal governments to identify the factors behind the export of fish commodities and solutions to this problem.

1. Introduction
Economic development is a process of increasing an income both total income or income per capita of a country followed by changes in the structures of the country's economy. The development of a country is not only shown to increase economic growth, but also to changes in economic structure such as in the fisheries sector. In the development process, it is necessary to consider the impact of each economic activity both social impact and environmental impact. More than that, in the process of development efforts were made aimed at changing the structure of the economy towards a better direction [1].

Economic development can be done through the export of goods of a country. Exports are imported goods from Indonesian customs to be sent abroad by following the provisions that apply according to customs regulations[2]. There are 2 types of exports, namely indirect and direct exports. Direct exports are economic activities to sell goods or services to other countries that have intermediary services in export destination countries and their sales activities are carried out by distributors and company sales representatives, whereas indirect export is an activity of selling goods to intermediaries or exporters who are both in the country of origin of the exported goods which will then be sold to other countries by intermediaries or exporters through export management companies and exporting companies.

Export activity is one of the efforts of a country to expand production markets through trade. Trade is positively related to growth performance[3]. Therefore, exports become an important activity for companies, industries and countries by considering the feasibility, development and competitiveness of the production sectors to operate effectively in the global market. Specifically,
competitiveness reflects the ability of companies and industries to maintain and improve their position against competitors[4] and is a major determinant in future opportunities and the dynamics of the food industry[5]. Thus, the macro marketing environment increases the competition among exporting countries[6].

Banyuwangi is a district in East Java that located in the eastern part. In the marine and fisheries sector has abundant fish potential. Banyuwangi has a coastline of 175.8 km which has 11 districts. 7 sub-districts facing east towards the Bali Strait, 1 sub-district facing north towards the Java sea and 3 sub-districts facing south towards the Indonesian ocean. One of the districts that have abundant fishery potential is Muncar District. Muncar is the largest fish producer in Indonesia, this is proven by the many fish processing industry companies around Muncar. Not only domestic industry but also from foreign investors. This abundant fishing potential makes Muncar one of the districts that conducts international trade activities in various countries in the form of fish catches, both raw fish and processed fish so that it contributes to the Original Revenue of the Banyuwangi. Fishing catches in muncar sprouts vary a great deal, including lemuru and shrimp. Ashari[7] research shows that Indonesian shrimp competitiveness is lower than Thailand because Thailand is very focused on improving quality, efficiency and productivity. According to Adolf[8] International trade is a process of economic globalization that occurs with the exchange system of goods or services through international money based on the will of every individual who voluntarily related without any element of compulsion[9]. In the agricultural sector, the role of fishery export commodities in 2007 reached 26.7% of the fisheries sector. This shows that the fisheries sector has a significant effect on a country's income[10]. However, this research will provide a new perspective that fish export activities have a positive impact on Regional Original Revenue(ROR). In addition, what distinguishes it from other studies is the analysis of the decline in fishery export commodities, especially in the Muncar region, Banyuwangi. Therefore, with the abundant potential of fisheries researchers are interested in examining data related to "Fisheries Export Commodities in Banyuwangi Regency Indonesia".

2. Methods
This research uses a qualitative approach. The research activity carried out is to find data directly related to Indonesian fisheries as an export commodity to the Department of Industry and Trade as well as the Office of Fisheries and Maritime Affairs of Banyuwangi Regency. The determination of the research location used is the purpose area method, namely the determination of the research location is done deliberately, adjusted to the research objectives. Another reason researchers choose the place because it can provide accurate data that can be accounted.

Researchers used data collection techniques with data documentation and interviews obtained from the Department of Industry and Trade as well as the Office of Fisheries and Maritime Affairs of Banyuwangi Regency. Interview technique is a technique of finding data by direct question and answer with informants who are in the Department of Industry and Trade. As for data analysis, researchers analyzed the findings of existing data in the field. Furthermore, the results are systematically arranged both the data obtained through documentation and interviews of various categories in accordance with the formulation of the problem. The researcher chooses the data and information used as the basis for making conclusions.

3. Results and Discussion

3.1 Banyuwangi Regional Fisheries Potential
Banyuwangi is a regency located at the eastern end of the island of Java, because of its geographical location makes Banyuwangi bears the title of regency with the longest coastline in East Java with a length of about 175.8 km of coastline directly bordering the Indonesian ocean (south), Regency Situbondo (north) and Bali Strait (east) make Banyuwangi has a very abundant marine wealth and become one of the leading sectors in economic development in Banyuwangi. The fisheries sector is the leading sector in economic development in Banyuwangi, both raw and processed fish, Banyuwangi fishery products have quality that can compete in the international market both European and Asian markets.
The potential of Banyuwangi fisheries can be seen from the catches obtained by fishermen who reach an average rate of ± 20,998,745.5 kg per year, consisting of various kinds of catches such as lemuru, squid, song, crab, gray cobs, cakalang, mashed fish, mackerel, yellow-tailed fish, pepperek, mud grouper, mullet, white snapper, red snapper, pigeon, lobster, coral grouper, curiton, mud grouper, mackerel, bat stingray, bathing fish, oyster, grouper, crab, shrimp and other species [11]. This abundant fishery potential is utilized by Banyuwangi to conduct an international trade, because Banyuwangi Regency is able to produce a separate product that is not able or has not been produced in other countries. The theory of absolute superiority states that a country will specialize and export certain types of goods where the country has an absolute advantage and does not produce similar goods [12].

Abundant fishing potential can be put to good use and be developed as optimal as possible by implementing development programs aimed at the welfare of the community and can contribute to the original income of the region for regional progress in the future. "Each regional government is given broad authority in carrying out all government affairs ranging from planning, implementation, supervision, control, and evaluation except the authority in the field of foreign politics, security defense, justice, monetary, fiscal, religious, and other authorities stipulated by government regulations. The form of contribution from fishery products can be in the form of tax and regional retribution" [13]. In addition, the government needs to form an informal regulation or agreement with the fishing community so that the potential for fisheries remains sustainable, namely (1) Prohibiting all fishermen from using mini-trolls and the like, (2) Prohibiting fishermen from using tools and materials that are not environmentally friendly such as bombs and potassium because can threaten the potential of fisheries (3) need to establish a cultivation zone based on where fishermen live [14]. Government policies such as simplifying business licenses, improving ports and building cold storage have a positive and significant effect on the production of Indonesian tuna for export [15].

With abundant potential, the Banyuwangi district government has built Muncar port and built cold storage as a form of culture for lemuru, shrimp and others.

3.2 Analysis of Export Commodities Kec. Muncar Kab. Banyuwangi

3.2.1 Country Purpose
Exports are imported goods from Indonesian customs to be sent abroad by following the provisions that apply according to customs regulations [2]. There are 59 countries which are export destinations of marine and fishery products in Muncar, Banyuwangi. The purpose of exporting goods to various countries is to open new markets abroad as an expansion of the domestic market and to get used to competing in the international market [16]. There were 59 countries which become the export destinations of marine and fishery products from Muncar District in 2016 and 2017. Of the 59 export destinations for sardine products, Malaysia is the highest export destination with a value of $5,679,711.94, followed by Singapore and Iran, with a total value of $1,958,569.37 and $1,575,370.13, respectively. The countries with the lowest total export value of sardine products were Liberia and South Africa of $44,800. Of the commodity shrimp products, the largest export value was aimed at the United States of America at $515,697 and Iran at $225,650 while in fresh fish product commodities, Malaysia again outperformed other countries with a total value of $238,253.44 followed by Hong Kong at $129,098.68 [17].

In contrast to other fishery product commodities that export to most countries canned mackerel products are only exported to Singapore with a total value of $1,160.64, as well as ornamental fish products only exported to one country, namely the United States of America with a value of $293,880. Based on research data, through the sum of each total of each product commodity are sardine products, shrimp, fresh fish, ornamental fish and canned mackerel valid data is obtained that Malaysia is an export destination country with the largest value of the total total fishery products of $5,970,502.34 [17]. Therefore, in 2016 Malaysia needs more fish supply from Indonesia, both fresh and processed fish based on high demand and demand.

3.2.2 Price and Commodity
A commodity is an item or object that is easily traded and can be used or stored for a certain period of time. These goods can be delivered physically and are easily bought or sold by investors through the
futures exchange. Fisheries export commodities in Banyuwangi has some various forms. In 2016 and 2017 there were four commodity products that were exported to various countries, namely ornamental fish, fresh or frozen fish, sardines and shrimp. From various kinds of commodities there are various prices of goods exported to foreign countries. Where shrimp commodities have the highest selling value up to US $ 51,152,809.12 during 2016 and sardines occupy the second position which has a selling value of up to US $ 21,583,674.39

However, for the Muncar region in 2016, only 2 commodity products were exported overseas, namely sardines and shrimp. The following is the fishery export data of Muncar District, Banyuwangi Regency. The following is a list of commodities in Muncar District, Banyuwangi Regency.

| Commodity | Volume | Gross  | FOB   | Rupiah     |
|-----------|--------|--------|-------|------------|
| Sardines  | 17194930.15 | 228,589,401,414 |       |            |
| Shrimp    | 62100  | 825,557,400     |       |            |
| Total     | 17257030.15 | 229,414,958,814 |       |            |

Source: Dinas Perindustrian dan Perdagangan Kab. Banyuwangi (2016-2017)

In table 1, in 2016 the total export income of the Muncar regional fishery reached Rp 229,414,958,814. Sardine commodity has the highest selling value of $ 17,194,930.15 or around Rp. 28,5,589,401,414. While shrimp have a selling value of $ 62,100 or Rp. 825,557,400. Sardine is the product of fishery products which are packaged in cans with the basic ingredients of fish which are packaged into ready-made products, these products have the highest selling value in export commodities because fish catches are reproduced into ready-to-serve products before being exported abroad. The production process is a way, a technique or a method whose purpose is to add value to a product or service by utilizing the factors of production. Because sardine is a processed product from fish that goes through several production series and additional costs that intersect with the production process, sardine products have a higher selling value compared to raw fish products. In 2017, fishery export commodities rose from the beginning of only two export commodities to four export commodities consisting of sardines, ornamental fish, fresh fish and shrimp.

| Commodity         | Volume | Gross  | FOB   | Rupiah     |
|-------------------|--------|--------|-------|------------|
| Sardine           | 3923008 | 5657373.93 | 11740240.7 | 157,319,225,112 |
| Decorative fish   | 2461   | 33905.2  | 293880 | 3,937,992,000 |
| Fresh fish/frozen | 37583  | 338303.94 | 1020659.15 | 13,676,832,610 |
| Shrimp            | 36505  | 415198.61 | 674415.18 | 9,037,163,412  |
| Total             | 3999557 | 6444781.62 | 13729195 | 183,473,619,534 |

Source: Dinas Perindustrian dan Perdagangan Kab. Banyuwangi (2016-2017)

From Table 2 shows the total fishery exports in 2017 reached the quantity of 3,999,557 kg with a total FOB (income) of $ 13,729,195 or around Rp. 183,473,619,534 billion. Sardine commodity has the highest contribution with the quantity of goods amounting to 3,923,008 kgs carton with a selling value of Rp 157,319,225,112 billion. While the lowest contribution was exports of ornamental fish with a quantity of 2,461 kg cartons with a selling value of Rp 3,937,992,000.
From Figure 1 above shows the decline in the value of exports of marine and fishery products Muncar District Banyuwangi Regency by Rp. 45,941,339,280. The decline in the value of fishery exports began from the transition of the 2015 period to 2016 and peaked in 2017 where in February, March, April and June had a very large impact on the decline in the total value of fishery exports, although it had experienced a quite drastic increase in the month May in fact does not have a major influence on the overall total exports. Based on the results of interviews found that the decline in the value of fishery exports caused by internal and external factors.

Internal factors caused by global climate conditions that are not friendly, so that the Bali Strait is deserted from fish, many fishermen have to go home with a small catch of fish. The limitations of fish raw materials on the market cause many fish processing companies to experience a decline in production such as the company PT. Perfect International Food Muncar, and not a few fish processing companies that have to stop production activities for a while because of limited fish raw materials. Other internal factors due to ecosystem pollution are caused by household waste and industrial waste discharged into the river and ultimately empties into the sea so that it causes excessive phytoplankton and tends to rot quickly so that it impacts on fish populations [19]. While external factors are caused by declining demand from export destination countries.

Demand According to Sarnowo and Sunyoto[20] is the amount of goods demanded at a certain market at a certain price level. Sardine processed fish commodity in Muncar experienced a decrease in demand due to the stringent requirements applied to importing countries, especially related to high health and safety standards. Another cause is the decline in shrimp prices on the global market, especially in the United States and Japan markets, the decline in shrimp tariffs on the global market due to several major world producers such as India, Argentina and Mexico increasing their supply on the global market with relatively lower prices. The decline in the value of exports to crabs caused by internal and external factors. On internal factors, the government is less concerned with marine ecosystems that exploit crabs laying eggs, large-scale exploitation by fishermen without looking at the amount of commodities and using cyanide in catching causes crabs do not meet international standards. While external factors are due to competition in the crab market from other countries and there are non-tariff barriers in the form of rejection from USFDA.[21]

Efforts that can be made to minimize the decline in the number of exports in terms of decreasing demand is the way the company can improve the quality of processed fish products through improving the quality of production equipment and product quality control, especially from diseases and various issues regarding food safety that hamper international trade in the market. Increasing law
enforcement of marine sustainability in particular controlling violations of industrial waste disposal to maintain marine ecosystems to be maintained and protected.

3.3 Export Contribution to Banyuwangi ROR

Regional Original Income is revenue derived from the regional wealth itself which is managed by the local regional government. In other words, local revenue is regional government income from the use or utilization of resources or potential that exists in the area where the sources are treated as regional income.

In 2016 the original income of the Banyuwangi region reached 2,805.62 (trillion) from all economic sectors in the Banyuwangi Regency. In 2017 the original income of the Banyuwangi region decreased to 2,732.02 (trillion). The total reduction of Rp. 73,600,000,000; One of the reasons for the decline in Banyuwangi ROR was the declining value of exports of marine and fishery products from Muncar sub-district by Rp. 45,941,339,280, although a decline in the value of fishery exports still contributes to regional income (ROR) in the form of regional taxes and levies. Article 28 of Law No. 28/2009 concerning regional taxes and levies states that local user fees are regional levies for certain services or licensing payments provided by the Regional Government that are used for the benefit of a particular body or individual.

Sources of ROR from Banyuwangi exports come from: 1) Levies on the use of regional assets, these fees are in the form of levies or payments for the use of regional assets in the form of buildings or land; 2) Fish business permit levies, these levies come from the results of the cost levy for granting permits for fishing, cultivation and collectors of fishery products; 3) Fish auction place levies, these levies come from local levies for the use of facilities, infrastructure and places provided by the local government for fish auction activities. Revenue from fishery exports Kec. Muncar is used as a source of regional development to increase income and welfare of the community.

These fishery and marine export regional levies become one of the sources of regional income (ROR) allocated for education, health, social and regional development. In addition to increasing regional income Banyuwangi, fisheries export activities can also expand market share that has not been reached by competitors.

3.3.1 Strategy to Increase Export Commodities

strategy is a comprehensive plan carried out by a company in achieving a goal set according to the specified mission. The company in question is the government in determining a mission.[22] The government in protecting fisheries needs to carry out a comprehensive strategy so that export commodities remain stable, such as (1) The government can implement a strategy of supervision and tighten industrial waste management laws so as not to have an impact on fisheries in Muncar District so that fish resources are maintained and sustainable. (2) In addition, the waste producing company must have an WWTP (Wastewater Management Installation). (3) development and management strategies for fishermen and fish farmers need to be implemented so that during the transition season aquaculture farmers can switch from marine fisheries to fish farming to maintain the stability of fishery export commodities. There are several programs that can support the improvement of fisheries facilities and infrastructure, namely (1) development of fish farming, ports, processing and marketing of fish products, (2) development of existing processed products and creating new processed products and the use of information technology in the fishing process by using satellites to detect the position of fish. This is very impacting on fish productivity.[21]

4. Conclusions

The potential of Banyuwangi fisheries is very abundant because it can be seen from the catches obtained by fishermen who reach ± 20,998,745.5 kg of catch per year which consists of various kinds of catches namely lemuru, squid, song, crab, crab, gray cobs, skipjack, mashed fish, mackerel, yellow-tailed fish, pepperek, mud grouper, mullet, white snapper, red snapper, pigeon, lobster, coral grouper, curition, mud grouper, mackerel, bat stingray, bathing fish, oyster, grouper, crab, shrimp and other species other types of fish. This potential is one of the export commodities relied upon by the government.

The fish catch is exported to 59 countries with various forms of products, one of which is processed sardines. However, the export results in 2016-2017 decreased the amount of exports by Rp.
45,941,339,280 caused by declining fish catches due to climate and sea conditions, declining number of requests from importing countries and decreasing shrimp commodity tariffs on the global market. Some efforts that can be done to overcome the decline in the amount of fishery exports include, law enforcement of other sustainability and maintenance and improvement of the quality of processed fishery products. Despite the decline in exports, the fisheries sector has a large contribution to regional income in the form of regional fees allocated to education, social and health. The results of this analysis can be used as information material and input to the fisheries sector, especially fishery commodity export activities in Muncar District, Banyuwangi Regency. For further research, it is expected to examine the extent of the competitiveness of Indonesia's fisheries export commodities to other countries.

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