GOVERNANCE AND OPTIMIZATION OF NON-TAX STATE REVENUES FROM THE UTILIZATION OF FISHERY RESOURCES IN INDONESIA

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ABSTRACT
Indonesia's fishery resources hold significant yet underutilized potential for Non-Tax State Revenue (PNBP), with realization rates stagnating at 73.3% due to governance inefficiencies, weak coordination, and outdated policies. This study analyzes PNBP governance challenges, explores optimization strategies (e.g., digitization, PIT policy), and evaluates their potential to enhance revenue while ensuring sustainability. A qualitative case-study approach was employed, using in-depth interviews, document analysis, and observations at Indonesia's Ministry of Maritime Affairs and Fisheries, framed by good governance and fiscal theories (Miles & Huberman, 2014). Key barriers include regulatory mismatches, multispecies management complexities, and low stakeholder engagement. The PIT policy and e-PIT digitization demonstrate promise in boosting revenue (e.g., via quota systems) but require stronger enforcement and cross-sector synergy. The study contributes to fiscal decentralization theory and offers practical solutions (e.g., tariff adjustments, transparency mechanisms). It calls for future quantitative-spatial research to address data gaps and integrate socio-environmental dimensions.
Keywords: PNBP, Governance, Optimization, Fisheries, PIT

INTRODUCTION

Bureaucratic reform is the first step to realizing *good governance*. In other words, bureaucratic reform is an effort to build a more effective government in carrying out national development. The government bureaucracy can be likened to the engine of development and public services. Thus, to provide optimal public services to the community, a transparent, accountable, and free from Corruption, Collusion, and Nepotism (KKN) is needed (Buffat, 2015; Cook, 2014; Cordella & Tempini, 2015; Onjewu et al., 2023; Razak et al., 2021).

The 2023 Macroeconomic Framework and Fiscal Policy Principles (KEM-PPKF) document prepared by the Ministry of Finance sets a PNBP optimization policy in 2023. The PNBP management policy in 2023 to support the direction of fiscal consolidation policy is carried out according to the variety and type of revenue sources. Optimizing PNBP to increase state revenue will increase the funding ability of the state budget so that it can reduce the state budget deficit. This effort is carried out through various general policies in 2023, namely: (1) optimizing the use of natural resources through improving policies, improving the management of natural resource utilization, and increasing added value, while still paying attention to environmental sustainability; (2) optimizing SOE dividends by considering factors such as profitability, corporate funding needs, investor perception, regulations and covenants, and by encouraging performance and efficiency improvements; (3) improving the innovation and service quality of work units and BLU and optimizing BMN asset management; and (4) strengthening governance through increased synergy, expanding the use of technology and information, and increasing supervision and compliance.

The largest state revenue comes from taxes, the potential for considerable state revenue comes from non-tax state revenues or what is commonly called PNBP. According to Law Number 20 of 1997 concerning PNBP article 1 number 1, PNBP is all central government revenues that do not come from tax revenues. PNBP includes natural resources, the government's share of SOE profits, and other non-tax state revenues.

The optimization of PNBP in improving the implementation of government duties and functions in the service or utilization of natural resources is considered necessary to make changes and improve the arrangements for the sustainable management of PNBP in accordance with macroeconomic development, social and community participation in national development. Thus, the PNBP management arrangement can be implemented consistently and consequentially based on the principle of legal certainty, the principle of benefit, the principle of openness, accountability, and to support good governance.

The marine and fisheries sector is still one of the leading sectors of the government of the Republic of Indonesia which is a lever factor for the development of the national economy, especially from Indonesia's marine fisheries resources which have great potential for renewable *resources*. Indonesia has a sea area of 5.8 million km2 (consisting of a territorial sea area of 0.3 million km2, an archipelago of 2.95 million km2, and an area of Indonesia's Exclusive Economic Zone (ZEEI) of 2.55 million km2. The area of Indonesia's sea waters is divided into 11 Fisheries Management Areas (WPP) with the amount of allowable fish resources (JTB) to be caught at around 12.5 million tons, which is set at 80% of *the Maximum Sustainable Catch* (MSY).

The contribution of Fisheries PNBP to state revenue in 2021 was only around Rp.707.7 billion, only reached around 73.9% of the target of Rp. 957 billion and in 2022 it grew to Rp.1,192.8 billion with a realization of around 73.3% of the target of Rp. 1,627 billion. From this data, the realization of PNBP achievement is always below the set target, so this shows that there is still a need to optimize PNBP. Seeing the low realization, this study is interested in examining governance practices, optimization opportunities, and PNBP potential derived from the utilization of fishery natural resources at the Ministry of Maritime Affairs and Fisheries.

The literature review includes three main components that form the theoretical and conceptual foundation of the research, namely the concept of governance, PNBP management, and underlying theories such as *Dominion Revenue* and *Earmarked Revenue*. From previous literature and research studies both domestically and abroad, it was found that the implementation of PNBP faces challenges such as weak governance, tariff mismatches, and lack of reporting accountability. However, there is a great opportunity to optimize PNBP through improving governance, digitizing the system, and implementing sustainability-based policies.

This study advances existing literature by focusing on the Measured Fishing Policy (PIT) as a novel approach to optimizing Non-Tax State Revenue (PNBP) in Indonesia's fisheries sector, integrating quota-based management, digitization (e-PIT), and ecosystem-based zoning—elements underexplored in prior studies (Anderson et al., 2018; Huang & He, 2019). Unlike earlier research that emphasized governance challenges (Fiscal Policy Agency, 2020) or generic PNBP inefficiencies (DAS & DAS, 2022; Hanuranto et al., 2023; Imo, 2023; Putri, 2021), this work uniquely evaluates PIT's dual role in enhancing revenue and ensuring sustainability, drawing comparative insights from Japan and China (Pomfret, 2022; Su et al., 2020). It also introduces updated reference pricing and stakeholder capacity building as optimization levers, addressing gaps in regulatory implementation highlighted by Trenggono (2023). The study's qualitative case-study methodology provides deeper contextual analysis of inter-agency coordination barriers, a limitation noted in broader PNBP studies (De Castro et

al., 2016; Mourre & Reut, 2019; Szymańska, 2017; Thangamayan et al., 2019; Yurdadoğ et al., 2022).

METHOD

This study uses a descriptive qualitative approach with a single case study strategy, which aims to provide an in-depth overview of the governance and optimization of non-tax state revenue (PNBP) from the utilization of fishery natural resources at the Ministry of Maritime Affairs and Fisheries of the Republic of Indonesia. Case studies were selected to enable a comprehensive and integrated understanding of specific and complex phenomena.

This qualitative research places the researcher as the main instrument, with data collection carried out through triangulation of three main techniques, namely:

1. In-depth interviews, conducted with relevant informants in a purposive manner such as Directors, Work Team Heads, and experts.
2. Passive participation observation, which is direct observation in the field without direct involvement in activities.
3. Documentation, in the form of laws and regulations and previous performance reports, including data from the official website of the Ministry of Marine Affairs.

To ensure validity and reliability, the source triangulation method is used, where the results of the interviews are reinforced with observation and documentation, resulting in conclusions.

The data was analyzed using the Miles and Huberman interactive model which consisted of four stages: (1) data collection, (2) data reduction, (3) data presentation, and (4) conclusion/verification. Conclusions are tentative and will be retested in the verification process to ensure consistency and credibility.

This method was chosen because it is able to describe in detail and contextually the dynamics of governance as well as the opportunities and challenges of PNBP optimization in the fisheries sector.

Figure 1. Miles and Huberman Interactive Model Data Analysis Components
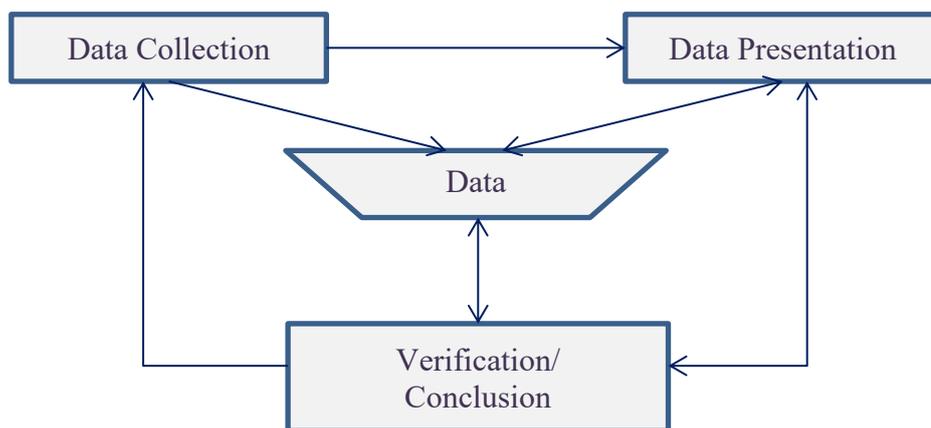
RESULT AND DISCUSSION

This study examines governance practices, optimization strategies, and the potential for non-tax state revenue (PNBP) from the utilization of fishery natural resources, especially the capture fisheries sector in Indonesia. PNBP governance is regulated through Government Regulation No. 85 of 2021 and Ministerial Regulation No. 17 of 2024 which stipulates the legal basis for the Fisheries Business Levy (PPP) and the Fishery Product Levy (PHP). Collection is carried out with a pre-production, post-production, and contract system scheme that is

integrated through OSS and Simponi. The types of PNBP that come from the use of fishery natural resources and obtain business licenses from the Minister are as follows:

1. Fisheries Business Levy, in this type of levy is further divided into 3 levies, namely:
a. Fishery Exploitation Levy for Fisheries Business Permits (SIUP) for business licensing of fishing sub-sectors or fish transportation in sea waters or inland waters, new or extended;
b. Fishery Business Levy for business licensing of fish transportation sub-sector in sea waters or inland waters, new or extended that has obtained a business license from the Minister of Maritime Affairs and Fisheries; and
c. Fishery Business Levy for new or extended Rumpon Placement Permit (SIPR).
2. The Fishery Revenue Levy on fishing business licenses for new or extended fishing vessels is imposed on business actors in the fishing subsector using fishing vessels that have obtained a business license from the Minister of Maritime Affairs and Fisheries.

Governance analysis shows that the main control of the reforms lies with the Ministry of Finance and the Ministry of Maritime Affairs and Fisheries, while implementing agencies and non-governmental organizations still play a minor role. It can also be seen that this initiative comes from the need of the central government, especially for the Ministry of Finance, to prepare a new formulation for the Fisheries PNBP. *Interest* in the Ministry of Finance is considered to be in the high category, but it is also identified that the *power* to implement the formulation lies in the Ministry of Finance. To a lesser extent, the interests and priorities of this formulation are in the Ministry of Transportation, the Ministry of Health, and the Ministry of Communication and Industry, which relatively did not take a major initiative to carry out policy reforms regarding PNBP. So the challenge found at this stage is to find an understanding and interest between the Ministry of Finance and the Ministry of KP to carry out policy reform regarding Fisheries PNBP.

The role of other institutions, both government at the field level such as Port, Syahbandar, Polairud/Bakamla/Navy, is relatively minor in the initiative to change the PNBP policy. The role of non-governmental institutions such as fishermen's associations and employers' associations is also relatively low, although their interests are actually high. This indicates that there is *a gap* in the negotiation space where associations are more passive and accept decisions made by the government (tend to *comply*). Meanwhile, CSO institutions, although considered to have an interest in terms of representation of fishermen's groups, have so far only been marginal *stakeholders* in policy reform. Regulatory evaluation shows that the governance of licensing, tariff system, and PNBP withdrawal basis do not fully represent the actual economic value of fishery resources. Some high-value resources have not been included in the levy calculation, causing significant potential losses.

Efforts to optimize PNBP are highlighted through updating the reference price of fish, strengthening the post-production mechanism through the e-PIT application, and improving regulations that include the seasonal index and the proportion of catches. However, implementation still faces technical obstacles and resistance from business actors who are not familiar with the digital system. Post-production recall also poses challenges in terms of fairness and self-assessment.

Post-production PNBP is a source of state revenue derived from the exploitation of fishery natural resources in accordance with the provisions stipulated in Government Regulation Number 85 of 2021 concerning Types and Tariffs of PNBP applicable in the KKP. The determination of the amount of PNBP tariffs derived from the use of fishery natural resources is based on the value of fish production at the time the fish is landed. This production value is calculated through calculations that take into account the weight of the landed catch multiplied by the price of the fish. Fish weight measurement is carried out using kilograms and is carried out by capture fisheries business actors. This heavy data is processed by data processors using electronic scales. However, if the electronic scale is unavailable or

malfunctions, the weighing can be carried out manually and the weight output is then entered into the application system by the data processor. This process ensures that the weight data of fish catches is entered into the application system based on the results of comprehensive weighing at the base port.

Improving and/or improving governance in terms of PNBP collection rules will be closely related to optimization efforts through minimizing *the potential losses* offered. Several governance issues related to efforts to optimize PNBP are the Operationalization of Ministerial Regulation No. 98 of 2021 concerning Fishing Vessel Productivity, Operationalization of Ministerial Regulation No. 29 of 2024 concerning Reference Prices of Fish, Operationalization of Ministerial Regulation No. 17 of 2024 concerning Requirements and Procedures for the Imposition of Tariffs on Non-Tax State Revenues Applicable to the Ministry of Maritime Affairs and Fisheries Derived from the Utilization of Resources Fisheries Nature, as well as related to the Acceleration of Business Licensing Management.

The potential increase in PNBP is conveyed through the Measured Fishing (PIT) policy which aims to regulate the number of catches, fishing zones, and operating vessels. PIT is expected to maintain the sustainability of fish stocks, increase PNBP, and create economic justice. Its implementation adopts practices from other countries such as Japan and China, which have been shown to increase fishermen's income and avoid overfishing.

The PIT policy implemented through Government Regulation Number 11 of 2023 and Regulation of the Minister of Maritime Affairs and Fisheries of the Republic of Indonesia Number 28 of 2023 concerning Implementation Regulations of Government Regulation Number 11 of 2023 concerning Measured Fishing is the latest step taken by the government in an effort to improve the welfare of fishermen and communities dependent on the fisheries sector through sustainable management of fishery resources (Trenggono, 2023).

Figure 2. Measured Fishing System
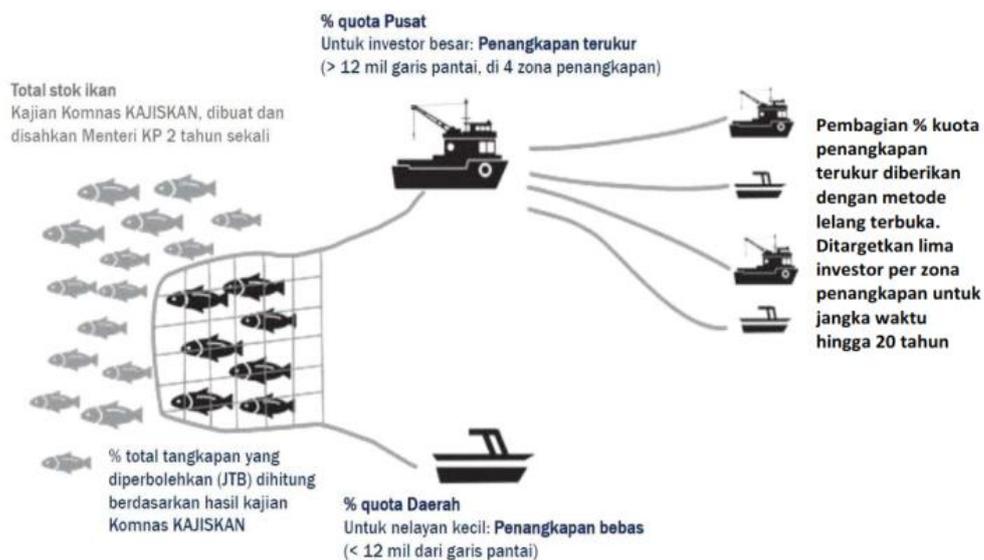
A measured fishing policy certainly has its own advantages and impacts for coastal areas. The benefits that can be obtained from this program include: 1) Maintaining the availability of fish and marine health; 2) the ability of entrepreneurs to determine the optimal allocation of ships to maximize profits; 3) Achieving regional economic equity and growth (ports adjust to fishing areas); 4) Accuracy of data collection; 5) Industrial optimization at the landing port. 6) High PNBP revenue. The externality of measured fishing is the restriction of the number of vessels that obtain a high *barrier to entry*, due to operational considerations of

fishing which ultimately create a more efficient fishing business and in accordance with the status or condition of fish stocks.

Fishing restrictions are one of the Indonesian government's efforts to preserve its fish resource stocks. Efforts to control catches can be carried out in two ways, namely conventional fisheries control and measured fisheries control. Conventional fisheries control is carried out through licensing, without involving the distribution of quotas per ship. Therefore, entrepreneurs can compete to catch as many fish as possible, without catch *limits*.

In its implementation, the measured fishing policy will regulate the provisions of the fishing area (DPI), fishing season, type of fishing equipment, number and size of vessels, fishing ports for fish landing/loading and unloading, the use of local crew members, domestic market supply and exports according to the predetermined WPP. Measured fishing will implement post-production PNBP which is a reform step of the Ministry of Maritime Affairs and Fisheries (KKP) to improve national fisheries management to be better and sustainable.

Optimizing the potential of state revenue through PNBP can only be achieved with policy support that balances economic and conservation interests. And still maintain social benefits. This balance is stimulated by a measured fishing policy accompanied by strict law enforcement efforts in all zones or eleven State Fisheries Management Areas of the Republic of Indonesia (WPPNRI). In order for law enforcement to run smoothly, the KKP focuses on preparing a legal umbrella that regulates measured fishing activities. Thus, all related activities can be carried out in accordance with applicable regulations.

Benchmarks from Japan, China, and the United States show that data-based quota systems have been proven to be successful in increasing fishermen's profits, reducing overfishing, and creating economic stability in the fisheries sector. However, the implementation of PIT in Indonesia faces challenges of fish stock data, multispecies management, and resistance from small business actors. It is necessary to strengthen supervisory capacity, supporting regulations, and cross-stakeholder education.

In terms of theory, the field findings are compared with the principles *of good governance,* Domanial Revenue *Theory,* and *earmarked revenue*. The results show that there is still limited transparency, accountability, and the lack of PNBP reallocation to strengthen the fisheries sector. Therefore, a theory-based and empirical evidence-based approach is urgently needed in formulating PNBP policies to be in line with the principles of fiscal justice and sustainability of natural resource management.

CONCLUSION

This study highlights Indonesia's significant yet underutilized potential for non-tax state revenue (PNBP) from fishery resources, with only 73.3% of the target achieved due to governance challenges such as weak inter-agency coordination, ineffective regulations, and suboptimal stakeholder involvement. Opportunities for optimization include updating fish reference prices, digitizing monitoring systems, enhancing business actor education, and improving institutional synergy, with the Measured Fishing Policy (PIT) offering a strategic approach to boost revenue, efficiency, and fairness, though it faces technical and multispecies management hurdles. Practical recommendations involve integrating technology (e-PIT), adjusting tariffs, capacity building, and increasing transparency, while theoretical contributions emphasize natural resource value internalization, shared governance, and fiscal resilience. Study limitations include limited data, a qualitative focus, and insufficient stakeholder participation, prompting recommendations for future quantitative, spatial, and participatory research to develop sustainable, equitable PNBP strategies integrating social, economic, and environmental dimensions.

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