

PERSPECTIVE

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Did the Natuna Incident Shake Indonesia-China Relations?

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EXECUTIVE SUMMARY

- On 19 March 2016, a Chinese coast guard vessel intervened to free a Chinese fishing boat arrested by the Indonesian navy for “stealing fish” within the Indonesian EEZ. Eight Chinese crew members remained detained by the Indonesian authorities.
- China’s foreign ministry’s spokesperson claimed that the boat had been “in Chinese traditional fishing grounds” doing “regular activities”, and demanded the release of the crew members. Indonesia refused and insisted that there is no concept of traditional fishing grounds in the 1982 UNCLOS.
- This incident breaks a pattern. In the past, similar encroachments into Indonesian waters by the Chinese had been dealt with quietly by both sides.
- Both Beijing and Jakarta have declared that there is no territorial dispute between them in the South China Sea.
- Beijing acknowledges that the Natuna Islands belong to Jakarta without mentioning the EEZ while Jakarta says that there is no territorial dispute as Natuna Islands and its EEZ are Indonesian.
- China claims the nine-dash line which includes part of the Indonesian EEZ while Indonesia does not accept the nine-dash line. Both foreign ministries did not mention the nine-dash line in their exchanges and hence made it ambiguous.
- Both governments prefer to resolve the issue bilaterally. They prefer the status quo as this ambiguity suits Beijing and Jakarta’s interests.
- As long as China does not challenge Indonesian sovereignty openly, the situation can be managed. How long this ambiguous stance can be kept, however, remains unclear.

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AN UNUSUAL OPEN BRAWL

On 19 March 2016, the Chinese fishing boat “Kway Fey” entered Indonesia’s (Natuna) Exclusive Economic Zone (EEZ) and was detained by the Indonesian navy while carrying out illegal trawling. But when the boat was being pulled in towards the Natuna Islands, a Chinese coast guard vessel, which is two to three times larger and more advanced than the Indonesian vessel, intervened and eventually succeeded in freeing the fishing boat. Eight Chinese crew members of the boat however remained detained by the Indonesian authorities.¹

The Indonesian Foreign Ministry summoned the Chinese ambassador in Jakarta and protested that the Chinese coast guard vessel had entered Indonesian waters and intervened in the arrest of the Chinese fishing boat. (Since the ambassador was away in Beijing at the time, the Minister-Counselor went in his place). Hua Chunying, the spokesperson of the Chinese Foreign Ministry, replied thus:

When the incident happened, the Chinese fishing boat was in Chinese traditional fishing grounds, doing normal productive activities. On 19 March the boat was attacked and harassed by the Indonesian armed vessel, and China’s coast guard came to the rescue. It did not enter the Indonesian waters. We demand that the Indonesian authorities immediately release the crew of the fishing boat.²

She also noted: “The sovereignty of the Natuna Islands belongs to Indonesia. China does not have any other opinion. Regarding the dispute on the sea, both sides should resolve it through negotiations”.³

Global Times, the English-language newspaper linked to *People’s Daily*, the organ of the Chinese Communist Party, published an opinion piece written by Ding Gang, a senior editor with *People’s Daily*, arguing that: “There is no territorial dispute between China and Indonesia in [the] South China Sea. Jakarta claimed the area that the Chinese vessel fished in is within the EEZ derived from the Natuna islands, but it also overlaps part of China’s nine-dash line.”⁴

The above statements are useful for us to understand the attitude of China towards Natuna Islands and its EEZ. There is ambiguity here. The spokesman of the Chinese foreign ministry repeatedly argued that the Natuna Islands belong to Indonesia without mentioning the EEZ and the nine-dash line. She also claimed that the fishing boat was in “Chinese traditional fishing grounds” and did not enter Indonesian waters. The Foreign Ministry of

¹ “RI Confronts China on Fishing”, *Jakarta Post*, 21 March 2016. Also Tempo.com 21 March 2016, the Chinese source says that one captain and 8 crew members were detained, *Global Times*, 23 March 2016)

² “印尼就中国海警船‘越境’召见中国大使中方回应“, <http://news.sina.com>, 2016.03.21.

³ Ibid.

⁴ Ding Gang, “Fishing clash offers chance to move forward”, *Global Times*, 23 March 2016

China never went so far as to state to Jakarta that Indonesia only owns the Natuna Islands but not the EEZ.

Indonesia in turn has never recognized the nine-dash line. From the Indonesian point of view, since China and Indonesia are both signatories of the 1982 UN Convention of the Law of the Sea (UNCLOS), they hence recognize the EEZ formula, which in effect entitles the Natuna Islands to 200 nautical miles of EEZ. Indonesia assumes that China accepts this EEZ, based on Indonesian ownership of the islands.

For this reason, *both* Beijing and Jakarta repeatedly claim that “there is no territorial dispute” between them. However, the *Global Times* article openly stated that in fact, there is a dispute over the Natuna EEZ as “its overlaps with the nine-dash line”. It suggested that Beijing and Jakarta should cooperate to resolve the South China Sea issue “with the basic principle of ‘shelving and carrying out joint development’ put [forward] by [the] late Chinese leader Deng Xiaoping.”⁵ What *Global Times* did not mention about Deng’s proposal was that this joint development is based on the pre-condition that “the sovereignty of the disputed area is with China.”⁶

The *Global Times* article therefore openly raised the issue of Indonesian sovereignty around the Natunas, and put Jakarta in the category of claimant states instead of non-claimant states. How is the recent incident in the Natuna Islands to be resolved? Will Beijing and Jakarta openly argue the issue of the EEZ? Or will both sides continue to keep things ambiguous?

RESPONSES OF INDONESIA

According to Susi Pudjiastuti, the Maritime and Fishery Minister, this was not the first time a Chinese fishing boat has entered Natuna waters. In fact, on 26 March 2013 (during Yudhoyono’s presidency), Indonesia stopped a Chinese fishing boat from fishing in the Indonesian waters.⁷ Even in that incident, the boat escaped thanks to intervention from the Chinese coast guard. However, both Jakarta and Beijing handled matters quietly. However, this time around, she openly accused the Chinese fishing boat of stealing fish and criticised the Chinese coast guard for intrusion and intervention in Indonesian waters. She even threatened to bring the case to the International Tribunal, and she summoned the Chinese ambassador in Jakarta.⁸

Retno Marsudi, Indonesia’s Foreign Minister, upon receiving news of the incident, also summoned Beijing’s ambassador to explain the behaviour of the Chinese coast guard. Even

⁵ Ding Gang, *Ibid*.

⁶ This is the basic principle of China in dealing with the South China Sea dispute; it was first mentioned by Deng Xiaoping. See “搁置争议，共同发展”， Foreign Ministry of China website.

⁷ “Coastguard Cina lindungi pencuri ikan, Susi protes keras”, *Tempo.Co*, 21 March 2016.

⁸ “Menteri Susi akan laporkan Cina ke Pengadilan Internasional”, *Tempo.Co*, 21 March 2016. Also Tama Salim, “RI-China Sea Spat Continues”, *Jakarta Post*, 22 March 2016.

the Minister of Defence, Ryamizard Ryacudu, a retired general, expressed his wish to summon China's ambassador.⁹ The situation was confusing. According to diplomatic protocol, only the Foreign Minister is entitled to summon the ambassador. This suggests a lack of co-ordination in the Joko (Jokowi) Widodo government.

Be that as it may, the March 2016 incident attracted a lot of public attention in Indonesia. Beijing's response angered many among the Indonesian elite. Jakarta newspapers such as *Kompas*, *Tempo*, *Suara Pembaruan* and the Muslim daily *Republika* published editorials and reports, some of which were very critical of Beijing.¹⁰ The majority condemned the Chinese coast guard vessel for encroaching into the Indonesian waters and urged the Indonesian government to be firm in protecting Indonesian territorial integrity. Hikmahanto Juwana, an International Law professor at the University of Indonesia, published an article in *Kompas* arguing that in the 1982 UNCLOS there is no concept of "traditional fishing grounds", only "traditional fishing rights". These are also supposed to be based on bilateral agreements. No such agreement exists between Jakarta and Beijing, he added. Professor Juwana even advised the Jokowi administration to review existing China-Indonesia projects and end economic collaboration with China, since this would not be in Indonesia's national interest.¹¹

Tempo called China's behaviour "arrogant", while *Republika* noted that this was the test for Indonesia-China relations. The People's Coalition for Fishery Justice (Koalisi Rakyat untuk Keadilan Perikanan) stated that after this incident, China had become the "common enemy of ASEAN".¹² In parliament, members were critical of China, and the defence and foreign affairs committee wanted Jokowi to manage the issue personally, arguing that Chinese boats had been encroaching the Natuna waters multiple times, which should be seen as an indication that Beijing wanted to lay claim over the area. The Indonesian parliament also approved a budget for developing military facilities in the Natuna Islands. The navy in turn stated that it had strengthened its presence there. It was noted that the authorities were intending to transform Natuna into a "Pearl Harbour".¹³

Indonesia refused to release the detained crew members unless the issue was resolved.¹⁴ However, Minister for Defence Ryamizard Ryacudu has refused to link the incident to China's unilateral claim on the South China Sea. He said that it was possible that the Chinese coast guard acted without instructions of the Chinese government. He noted:

⁹ "Ikan laut dicuri, menteri Ryamizard panggil dubes Cina," *Tempo.Co*, 21 March 2016.

¹⁰ Editorial, "Demi Keadilan, Kita harus tegas", *Kompas*, 24 March 2016; Editorial, "Pemerintah Tiongkok dukung nelayannya mencuri ikan di wilayah NKRI?", *Suara Pembaruan*, 22 March 2016; Opini, "Cina yang bukan Pedagang", *Tempo*, 28 March 2016, "TNI AL awasi ketat Natuna", *Harian Republika*, 23 March 2016; Editorial, "Restrained on the sea", *Jakarta Post*, 22 March 2016.

¹¹ *Kompas*, 30 March 2016.

¹² 余歌沧, "中国印尼南海渔事纷争再起", 《亚洲周刊》, Vol. 30, no.14 (10 April 2016).

¹³ *Ibid.*

¹⁴ Francis Chan, "Indonesia to charge Chinese fishing crew with poaching", *Straits Times*, 23 March 2016.

We know very well that the army should be well disciplined, but there are always members of the army who are undisciplined. It is possible that the incident was caused by undisciplined personnel within the army. Therefore I would like to [seek clarification from] the Chinese ambassador myself.¹⁵

It is unlikely that he was able to summon Beijing's ambassador to his Ministry as this would not have accorded with diplomatic protocol. What is noteworthy is that his initial response to the incident was a conciliatory one. It should also be noted that Ryacudu's view on the South China Sea issue has tended to deviate from mainstream military thinking in Indonesia.

RYACUDU'S ON JOINT PATROLS SUGGESTED (PATROLI PERDAMAIAN BERSAMA)

As a rule, Indonesia's Minister of Defence and its military are very critical of Beijing, especially when it concerns Indonesian territorial matters. However, Ryacudu appears to differ from this stance, at least on South China Sea issues. He was the one to propose the concept of "Joint Patrol" (Patroli Bersama) to General Fan Changlong, the Deputy Defence Minister of China who attended the Shangri-la Dialogue held on 29-31 May 2015 in Singapore. Ryacudu added that "this Joint Patrol is not a Security Patrol (Patroli Securiti), but a Peaceful Patrol (Patroli Perdamaian)... He (General Fan) agreed with my proposal."¹⁶ No further explanation about the difference between Peaceful Patrol and Security Patrol was provided. However, Ryacudu later said that after he reported this four-eye-meeting with General Fan to his ASEAN counterparts, they agreed that he be the contact person and coordinator for ASEAN members.¹⁷ Again it is not clear if he serves as a contact person on the South China Sea issue in general, or the "Patroli Bersama" in particular.

Ryacudu's proposal of "Joint Patrol" did not seem to have received much attention at the beginning. However, on 21 October 2015, *Suara Pembaruan*, a Jakarta daily, published an article discussing it.¹⁸ Nuning, an Indonesia observer on security affairs, commented that the "Joint Patrol" concept differs from the "Coordinated Patrol" concept in that the former requires a supreme command, which means that the Indonesian navy would be under the command of the Chinese navy. This would not be acceptable to Jakarta. Most importantly, this proposal would drag Indonesia into disputes between big powers and hence jeopardize Indonesian interests.

The same article also reported that Ryacudu as Defence Minister visited Beijing (no date was mentioned, but this was most likely on 15 October 2015). He met General Chang Wanqian, his Chinese counterpart, to discuss deepening bilateral cooperation. Ryacudu was quoted as saying to General Chang, that "If the claimant countries in the South China Sea

¹⁵ "Ikan laut dicuri, menteri Ryamizard panggil dubes Cina," *Tempo.Co* 21 March 2016.

¹⁶ "Cerita menhan yang berhasil 'merayu' soal Laut China Selatan," *DetikNews* 4 June 2015.

¹⁷ *Ibid.*

¹⁸ "Soal 'Joint Patrol' di Laut China Selatan, RI harus hati-hati," *Suara Pembaruan*, 21 October 2015.

were able to reduce the tense situation and manage the dispute, other sides (pihak lain) do not have to intervene”. He also suggested that “those ASEAN claimants in the South China Sea and China should establish the ‘Peaceful Joint Patrol’ (Patroli Perdamaian Bersama) to ensure peace and stability in the South China Sea”.¹⁹

General Chang agreed with the proposal. He was quoted as saying: “The above proposal is very constructive; we welcome the Indonesian proposal and its efforts in maintaining peace and stability in the South China Sea through the formation of a ‘Peaceful Joint Patrol’. In order to realize the above proposal, Indonesia and China have to strengthen dialogues; ASEAN and China should also strengthen dialogues.” General Chang also stated: “Indonesia is a country with influence, and also plays an important role in ASEAN. Therefore China would rely on Indonesia to have dialogues with ASEAN states so that the ‘Peaceful Joint Patrol’ would be formed for the South China Sea.”²⁰ The proposal is controversial though, and may not be welcomed by some Indonesian generals and ASEAN state leaders.

In fact, a few days earlier, Merdeka.Com²¹ and SindoNews.Com²² had reported General Chang proposing that claimant states hold a joint military exercise in the South China Sea to maintain peace and stability. Indonesian Commander-in-Chief, General Gatot Nurmantyo, responded negatively to this idea, noting that “any military action in the South China Sea would affect peace and stability in the region. No matter which country invites Indonesia to have a joint military exercise, the Indonesian military will not accept. This is the foreign policy of Indonesia and to have a joint military exercise is against Indonesian foreign policy principles.”²³

Ryacudu in turn responded that Gatot had misunderstood the proposal. Indonesia was not invited to have a joint military exercise but a joint patrol.²⁴ Despite its unpopularity among the military elite, Ryacudu continued to talk about his concept of Joint Patrol with China in November 2015, but the concept became more confused since he also talked about a Joint Patrol as proposed by the United States and Japan.²⁵

¹⁹ Ibid.

²⁰ Ibid.

²¹ “Panglima TNI tolak ajakan China latihan perang di Lautan China Selatan,” Merdeka.Com. 19 October 2015;

²² “Panglima TNI tolak ajakan latihan perang menhan China,” SindoNews.Com, 19 October 2015.

²³ Ibid.

²⁴ “Ketika menhan-panglima TNI beda pernyataan soal latihan perang”, Suara.Com, 19 October 2015.

²⁵ “Menhan Ryamizard usul Patroli Bersama di Laut China Selatan”, Kompas.com, 12 November 2015.

THE MILITARY AND THE DIPLOMATS DISAGREE

On 11 November 2015, Coordinating Security Affairs Minister Luhut Pandjaitan, a retired general, told the Indonesian press that if the issue of the EEZ of the Natuna Islands and the nine-dash-line could not be resolved, Indonesia would bring the case to the International Criminal Court.²⁶ Though widely publicised and noted internationally, it is not clear why Luhut made such a statement and on what occasion.

The spokesman of the Ministry of Foreign Affairs, Arrmanate Nasir, told pressmen that he did not want to comment on Luhut's statement, and affirmed instead that there is no territorial dispute between Indonesia and China. Nevertheless, he reiterated Indonesian stand on the nine-dash line, arguing that Jakarta has never recognized the nine-dash line as it has no legal basis in international law.²⁷ He also mentioned that Indonesia had submitted its question on the legal basis of the nine-dash line to the relevant department in the United Nations but there has been no reply. In other words, as China already recognized Indonesian sovereignty over the Natuna Islands, China would also recognize the Natuna EEZ.

The difference between the military and the Foreign Ministry on the issue can also be seen in an earlier event. On 12 March 2014, Indonesia's Commodore Fahu Zaini, assistant deputy to the chief security minister for defence strategic doctrine, was reported to have commented that "China has claimed Natuna waters as their territorial waters. This arbitrary claim is related to the dispute over Spratly and Paracel Islands between China and the Philippines. This dispute will have a large impact on the security of Natuna waters."²⁸ On 18 March 2014, Indonesian Foreign Minister Marty Natalegawa disavowed Zaini's statement, and was quoted as saying that "There is no territorial dispute between Indonesia and China. No dispute". He noted that there is ongoing maritime cooperation between China and Indonesia at the deputy foreign minister level. One of the projects being discussed is direct foreign investment in the Natuna islands for fish processing and canning. Nevertheless, Natalegawa also noted that Indonesia rejected the nine-dash line in the South China Sea and had asked China for its legal basis but had received no reply. He stressed that this request had nothing to do with the Natuna islands.²⁹

In 12 November 2015, Chinese Foreign Ministry spokesperson Hong Lei responded to the Luhut statement: "Indonesia did not claim any territory in the South China Sea. The Natuna Islands belong to Indonesia, China does not have any disagreement."³⁰

²⁶ "Clarify South China Sea Claims, China told", *Straits Times*, 13 November 2015, p. A16. Probably he meant "International Tribunal".

²⁷ China includes part of Natuna waters in its map—Antara...[www.antaranews.com/...](http://www.antaranews.com/); Zachary Keck, "China's Newest Maritime Dispute", *The Diplomat*, 20 March 2014, Accessed 18/4/2014

²⁸ Zachary Keck, *ibid.*

²⁹ "Indonesia pernah sampaikan keberatan atas peta Natuna", Antara News, 19 March 2014, accessed 21/4/2014

³⁰ "印尼对中国的南沙群岛没有提出领土要求。纳土纳群岛主权属于印尼，中方也没有表示异议。" See 2015年11月12日外交部发言人洪磊主持例行记者会，中国外交部网站（Foreign Ministry of China Website）

CONCLUDING REMARKS

On 13 April 2016, Song Tao, the head of the international department of the Chinese Communist Party (CCP), visited President Joko Widodo amid the Natuna tension. Soon after the meeting, Pramono Anung, the cabinet secretary, stated to the press that “the matter is considered to have been settled and it is also considered as a misunderstanding.”³¹

There was no explanation on the process of settlement. However, Pramono noted that both sides agreed that the South China Sea issue “would be settled peacefully without the involvement of outsiders”. He also believed that “in the future, China and Indonesia will respect each other’s territorial waters.”³²

It is worth noting that the statement is ambiguous and it was made not through the Ministry of Foreign Affairs but the cabinet secretary. The *Jakarta Post* reported that “Pramono said that the incident had been settled after Beijing acknowledged Indonesian’s full sovereignty over the Natuna waters.”³³ It was also reported that “Jakarta and Beijing expressed a strong desire to improve relations at all levels.”³⁴ It would seem that the Natuna incident has been settled, at least for the time being.

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³¹ “Indonesia-China sepakat insiden di Natuna dianggap Selesai”, Kompas.com, 13 April 2016 (Its original text: Hal itu sudah dianggap selesai dan dianggap kesalahan)

³² Ibid.

³³ Ina Parina, “RI, China Strengthen economic, political relations”, *Jakarta Post*, 14 April 2016.

³⁴ Ibid.