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Study Case on Pilot Projects for  
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Rhapsagita Malist Pamasiwi  
Novrima Rizki Arsyani

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Setting : Rini Budiastuti

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Institute for Economic and Social Research  
Faculty of Economics and Business  
Universitas Indonesia (LPEM-FEB UI)

Salemba Raya 4, Salemba UI Campus Jakarta, Indonesia 10430  
Phone : +62-21-3143177  
Fax : +62-21-31934310  
Email : [lpem@lpem-feui.org](mailto:lpem@lpem-feui.org)  
Web : [www.lpem.org](http://www.lpem.org)

# Beyond Indonesia's Sustainable Movement in South Pacific Area: Study Case on Pilot Projects for Timor Leste and Fiji

Rhapsagita Malist Pamaswi<sup>1,★</sup>, & Novrima Rizki Arsyani<sup>1</sup>

## Abstract

This paper aims to review Indonesia's breakthrough on providing technical assistance under South-South Cooperation (SSC) scheme in Pacific countries. For years, Indonesia has been engaging with the main beneficiary countries: Timor Leste and Fiji. From one-off technical assistance programs, Indonesia tried to shift into more sustainable design in the form of pilot projects. By the given two case studies namely Country Partnership Strategy (CPS) Timor Leste and Gender Responsive Planning and Budgeting (GRP) for Fiji, this article articulated Indonesia's national interests in term of economics and political level. Both countries also represented as a part of Indonesia's strategic way in to the South Pacific area.

**JEL Classification:** F50; H11; O19

## Keywords

Indonesia — South-South Cooperation — Pilot Project — Timor-Leste — Fiji

<sup>1</sup> *Institute for Economic and Social Research, Faculty of Economics and Business, Universitas Indonesia (LPEM FEB UI)*

**★Corresponding author:** Institute for Economic and Social Research (LPEM) Universitas Indonesia Building. Campus UI Salemba, Salemba Raya St., No. 4, Jakarta, 10430, Indonesia. Email: rhapsagita@usip1center.org.

## 1. Introduction

Indonesia has a long history on building cooperation with South Pacific countries. Indonesia even stipulated a certain policy applied on this cooperation reflecting Indonesia as part of the South Pacific area. The activities include dialogues and cooperation in different development areas (bilateral, regional, multilateral) i.e. democracy, fighting inter-border crimes, capacity building, marine and fisheries, disaster management, industry, transportation, and tourism. Cooperation in maritime is one of the significant cooperation as a mainstream among islands countries.

Realizing the urgency to play a bigger role in South Pacific area, Indonesia through the National Coordination Team for South-South Cooperation (hereinafter NCT for SSC) has its eyes focus on Indonesia's technical assistance to other developing countries, especially south pacific countries, as well as preparing the establishment of Indonesia's independent aid agency. This NCT for SSC consists of four ministries namely Ministry of Foreign Affairs (MoFA), Ministry of State Secretary (MoSS), Ministry of Finance (MoF), and Ministry of National Development Planning (*Bappenas*). The Indonesia's NCT for South-South Cooperation was established in 2010 through a ministerial decree No. 67, 2011. Subsequently, Indonesia's NCT for SSC also become one of President's priority mentioned in Nawacita<sup>1</sup>.

Among various cooperation between Indonesia and South Pacific Countries, two countries were stood out compared to the others in terms of technical assistance, namely Timor Leste and Fiji. Both countries were reported as the two biggest beneficiaries of Indonesia's NCT for SSC programs

for the last two years. Not only the biggest, Timor Leste and Fiji also carry out a rather different program than before called pilot projects.

Since its establishment, Indonesia's NCT for SSC hasn't do much of pilot project. Indonesia preferred to do one-off project of technical assistance to other countries. Eventually, there was no monitoring and evaluation maintained by Indonesia as well as the record and blueprint on what Indonesia's have contribute to other countries. This condition explained the unsustainability of Indonesia's technical assistance to other countries. Learning from the aforementioned condition, Indonesia has started to shift the direction from its preference to conduct a one-off project into a sustainable one through Pilot Project. It was reflected from two pilot projects called Country Partnership Strategy for Timor Leste which was started in 2016 and Gender Responsive Planning Budget program for Fiji which was started in 2017. Both of projects are medium term cooperation consisting a full cycle of pilot project. To date, these projects are still on progress and they have become Indonesia's breakthrough on technical assistance for south-south countries.

## 2. Indonesia's NCT for SSC – Pilot Project on Country Partnership Strategy with Timor Leste

Country Partnership Strategy (CPS) document serves as a strategic framework for the Government of the Republic of Indonesia (GoI) and beneficiary countries in conducting development cooperation under the scheme of South-South Cooperation (SSC). This document is aimed to establish any form of assistance which is not a one-off activity in its nature—once it finished, there would be no follow-up actions

<sup>1</sup> A specified term for Mr. President Jokowi's 9 priority agenda for Indonesia

on what shall be done next and no evaluation on what has been achieved from the previous activities. These one-off activities tend to give low impact on partner's development agenda. In this regard, drafting of CPS document is believed to be very beneficial as it is expected to enable more focused, measurable, and beneficial commitment in a longer term. More important, the GoI will have a more comprehensive guideline in guiding the distribution of assistance which in line with Indonesia's national interest.

GoI through the National Coordination Team (NCT) for Indonesia SSC in cooperation with US-Indonesia Partnership for SSTC Component 1 (USIP-1) has developed the document for Timor Leste starting from 2016. Until the end of 2018, the GoI has successfully undertaken important progress whereas the CPS document has been agreed internally on GoI. At the first place, this project is aimed to provide the NCT members learning experience in designing and conducting a comprehensive program that applies a complete project cycle management which consists of planning, implementation, and monitoring and evaluation activities. The process of developing Indonesia's CPS for Timor Leste is regarded as Indonesia's effort in the planning phase. In the near future, GoI will carry out the next two activities; implementation and evaluation.

In 2016, the focus was on activities focusing on an initial plan of a draft by hiring a team of consultants to lead and undertake drafting process of the country strategy development efforts. The consultant has consulted and involved the NCT in developing the document. In this phase, a consultant was hired to produce a background study for CPS Timor Leste. The consultant succeeded in providing justification for the selection of Timor Leste as the first exercise in CPS development. Besides, the information of a mapping of potential areas for development cooperation, analysis of past and existing cooperation between GoI and Timor Leste and also a recommendation for future cooperation are made. Public works (infrastructure), health, ICT, trade (metrology) and disaster risk management became the five areas that were recommended to be developed into a pilot project.

2017 marks the conduction of more advanced effort of the implementation of Indonesia's SSC on drafting the CPS Timor Leste as a strategic document study pilot project to determine the direction of Indonesia's development policy. Pre-Advanced Mission (Pre-AM) for the Preparation of Country Partnership Strategy for Timor Leste had been conducted on May this year. The Pre-AM was conducted by a team comprises of delegation from *Badan Kependudukan dan Keluarga Berencana Nasional (BKKBN)*, *Badan Pengawasan Obat dan Makanan (BPOM)*, Tsunami and Disaster Mitigation Research Center (TDMRC), Ministry of Foreign Affairs (MoFA), Ministry of State Secretariat (MoSS), and USIP-1. The delegations were dispatched with an aim of conducting needs assessment, collecting information and establishing network in Timor Leste. By conducting the Pre-AM, the GoI was able to determine the prospect area of cooperation that may be established between two countries; health and disaster mitigation.

After Pre-AM, the GoI had to undertake Scoping Mission to Timor Leste by mission to meet and consult to technical level of counterparts. Nevertheless, Scoping Mission had just been conducted by the end of 2018 concerning political

situation in Timor Leste. The parliamentary elections held on July 2017, meant to create a five-year government, ended in deadlock. Fretilin, the former guerrilla movement that became a political party after Timor Leste gained independence in 2002, had the most votes at 29.7 percent, beating out rival Conselho Nacional de Reconstrucao (CNRT) by about a thousand votes or 0.02 percent. Fretilin formed a minority government with a smaller party but were not able to pass a budget. In December, the minority government collapsed and the president Fransisco Guterres called for new elections. Ever since the government has been operating at reduced capacity and many projects have been put on hold pending the formation of a stable government (Dennehy, 2018).

Due to unstable political situations in Timor Leste, the GoI had to continue holding off the Scoping Mission. At the end, Scoping Mission had finally conducted on September 2018. Delegations from MoFA, MoSS, Central Bureau of Statistics, National Population and Family Planning Board, Ministry of Agriculture-Planning Bureau, Urban Institute, USIP-1 and NCT Secretariat had been dispatched to visit important stakeholders in the mission. The Scoping Mission succeed in giving several essential outputs for developing the CPS document, for instance, knowledge about priority sectors from Timor Leste counterparts (government, NGOs and INGOs, development partners, and private sectors) in sector capacity building in education (gender, health and governance), economy, infrastructure, health and education facilities.

In formulating the document, it must be put into notes that Indonesia considers Timor Leste's Strategic Development Plan (SDP) and Indonesia's National Medium-Term Development Plan (RPJMN 2015–2019) to decide areas of cooperation will bring more mutual benefit for all. Timor Leste has an integrated package of strategic policies to be implemented in three stages: the short-term (one to five years), in the medium term (five to ten years) and in the long-term (ten to twenty years). This twenty-year vision reflects the aspirations of the Timorese people 'to create a prosperous and strong nation'. The strategy aims to develop sore infrastructure, human resources and the strength of society, and to encourage the growth of private sector jobs in strategic industry sectors (a broad-based agriculture sector, a thriving tourism industry and downstream industries in the oil and gas sector). The current SDP (2011–2030) mainly covers three key areas namely (i) social capital, (ii) economic development, and (iii) infrastructure development.

On December 2018, the draft of CPS Indonesia for Timor Leste has finally agreed and finalized internally in GoI, after a series of study which resulted on dynamic information on prospect areas and development objectives by the study from 2016–2017. The government has agreed on the focus of Indonesia's development assistance to Timor Leste is on three priority areas, namely Economic and Structural Development, Good Governance, and Human Capital and Social Development. Based on those priority areas, it has also been identified three Development Objectives (DO) for development cooperation; (i) Strengthening the Economic Sector and Supporting Infrastructure, (ii) Enhancing Institutional Capacity, (iii) Improving the Human Resources Quality and Public Participation in Development. These three

DOs for development cooperation align with Timor-Leste's SDP. The first DO emphasizes on the readiness of Indonesia to provide capacity building programs to Timor Leste to improve its agricultural products. The second DO is a commitment to support Timor Leste in developing its research and statistical bureau through capacity building programs under the scheme of SSC. While the last one focuses on providing capacity building programs for doctors, nurses and midwives, training in border areas on communicable diseases, and scholarship diploma program for nurses.<sup>2</sup>

The process of developing the CPS document itself is a breakthrough as this project is expected to be the pioneer of GoI's effort in developing similar development cooperation strategies in other South countries. While also on the other hand, this seems to be a breakthrough on how the GoI by the end of the finalization process was able to independently develop and finalize the document. As a follow-up, several activities will be undertaken in 2019–2020. *First*, joint consultation with Timor Leste will be the next agenda after finalizing the CPS. Whereas the ownership of the document will be for both countries, thus, agreement reached by Indonesia should also reach a consent from beneficiary countries; while in this case is Timor Leste. Joint consultation will be conducted by a visitation to Timor Leste. In this agenda, the GoI is expecting agreements reached which are strategic in nature, thus. *Second*, launching and finalization will be targeted for line ministries in Indonesia after both countries are agreed on the document. As the line ministries will be the party who will directly running the programs, this sharing-knowledge agenda is exceptionally important. These first and second activities are targeted to be undertaken on the first quarter in 2019. *Third*, the GoI had set their target to apply the CPS in 2020.

### 3. Indonesia's NCT for SSC – Pilot Project for Fiji on Gender Responsive Planning and Budgeting

The partnership between the Ministry of Women Empowerment and Child Protection (MoWE-CP) of Indonesia and the Ministry of Women, Children, and Poverty Alleviation (MWCPA) of Fiji was started in 2013 when a Memorandum of Understanding (MoU) between the two institutions was signed. It is also strengthened through Joint Technical Working Groups (JTWGs) held alternately in Indonesia (in 2015 and 2017) and Fiji (2016) discussing the importance of policy exchanges and economic empowerment as the keys to enhance the status of women and children in both countries. The partnership is established based on mutual understanding that both countries have similar challenges on women and children resulting in urgent call for immediate actions to overcome the challenges. Gender equality, women economic empowerment, and child welfare and protection are key areas being agreed to be further cooperated. Both countries understand the four areas are both challenges as well as comparative strengths of Indonesia and Fiji of which the two countries can share and exchange knowledge and best practices to invent prospective programs and activities.

<sup>2</sup>Draft of Country Partnership Strategy (CPS) for the Democratic Republic of Timor-Leste 2020–2024.

Three strategic programs were yielded as part of the MoU signed namely (1) joint trainings on Gender Responsive Planning and Budgeting (GRPB) towards gender sensitive policy transformation, (2) strengthening two countries' women entrepreneur relations, and (3) women economic empowerment activities. The three programs are expected to strongly contribute to overcome the issues of women and children in both Fiji and Indonesia with the supreme goals of gender equality, women empowerment and child welfare and protection. Among the three programs, this article concentrate to the progress and achievement of the GRPB program implementation as it is currently the main focus of the partnership.

Gender Responsive Planning and Budgeting (GRPB) has become the eminent strategy to achieve gender equality. GRPB correlated two issues that are not commonly associated with one another: gender equality and public financial management. It argues that gender equality principles should be incorporated into all stages of the planning and budgeting process. Eventually, GRPB initiatives seeks to improve the results effectiveness of budgets in general, and gender equality and women empowerment in particular.

GRPB focus on revealing the key economic and social issues that are often overlooked or obscured in conventional budget and policy analysis, and decision-making (Sharp and Elson, 2012). Budget has been considered as a vital element in development since it outlined the social and economic plans as well as priorities of a government. Therefore, the integration process of gender perspective to the budgeting frameworks and the legislation, or the other policy measures, has been presumed to be able to address the problem of gender gap, bias, and discrimination. It will be an important step to achieve the interconnected goals of accountability to women's rights, greater public transparency and inclusive economic policies when the series of program is implemented strategically.

In Indonesia, gender equality and women's empowerment have become a national priority as indicated in the issued of Presidential Instruction No. 9/2000 on the implementation of gender mainstreaming in the programs and policies of all government levels, including the sub-national structures. Moreover, it also has been integrated into the national long-term and mid-term development goals (2005–2025). Another essential national commitment is the issuance of Ministry of Home Affairs Regulation No. 67 of 2011 on general guidelines for the implementation of gender mainstreaming at sub-national level. Therefore, these regulations could be an effective framework to ensure the implementation of GRPB in the Provincial and municipal government levels. Since then, advocacy to line ministries have been carried out by establishing an MoU between MoWE-CP, the Ministry of National Development Planning (MoNDP), the Ministry of Finance (MoF) and the Ministry of Home Affairs (MoHA). The MoU results in the mandatory of Gender Budget Statement (GBS) in any proposed programs and activities submitted by ministries and state institutions during program planning and implementation processes. Since its inception, GRPB has strongly contributed to the development of gender-responsive programs in all sector of development. GBS has become pre-requirement as well as key indicator of gender responsive program planning

and budgeting.

Subsequently in 2012, 4 (four) strategic ministries: The Indonesia's Ministry for National Development Planning (*Bappenas*), the Ministry of Home Affairs (MoHA), the Ministry of Finance (MoF), and the MoWE-CP had signed an agreement on the formulation of National Strategies to accelerate the implementation of gender mainstreaming through GRPB. This national strategy allows a more systematic and coordinated mechanism to integrate gender perspective into the planning, budgeting, monitoring and evaluation process.

In case of Fiji, GRPB policies have also been in place through Fiji's National Gender Policy issued in 2015 and Women Plan of Action 2009–2019. The essence of these two policies has been reflected in the National Development Plan issued by the end of 2017. These policies have also been used as the primary reference for the document template of planning and budgeting proposal issued by Fijian Ministry of Economy. To date, gender issue has been integrated into various strategic policies in national level covering wide range of issues. However, it is not yet manifested further into more technical policies which resulted in the absence of technical guidance to implement the GRPB framework in each ministerial office. Moreover, Fiji's MoWCPA has not yet established programs to mainstream gender issues in ministries and local government agencies due to budgetary constraints.

However, international agencies such as UNDP, UN Women, and DFAT has strongly advocated this issue and provided significant assistance to implement the gender mainstreaming activities. Apparently, the assistance is considered inadequate that prompt the gender focal points in Fiji remain powerless despite receiving several trainings in either home or foreign countries. Based on this issue, a sustainable and comprehensive program for GRPB is required to engender development planning and budgeting process to ensure inclusive benefits of development, especially to the underprivileged members of Fiji's society. Those requirements of program can be facilitated through a pilot project as it is able to cover comprehensive stages of program needed by Fiji within certain period of time. Given constraint in the availability of resources, Ministry of Women Empowerment and Child Protection (MoWECP) obtained support from the Ministry of State Secretariat (MoSS) and Ministry of Foreign Affairs (MoFA) through the Indonesia's NCT for SSC scheme. In addition to the support for the program, the US-Indonesia Partnership for South-South and Triangular Cooperation Component 1 (USIP 1), as a partnership between the Government of Indonesia (GoI) and United States Agency for International Development (USAID), has also agreed to be involved in the implementation of this program.

A series of activities have been conducted gradually. The first step of this pilot project covers a scoping mission to Suva, Fiji, resulted in several prominent information about Fiji. Through this mission, Indonesia identified that Fiji's Institutions for gender mainstreaming has not been established yet. Although Fiji's MWCPA has set up gender focal points in 24 related Ministries, these focal points do not have an adequate understanding of the tasks and functions that are structured. Some officials from several

ministries have been trained, but the task structure remains unclear. So, the GRPB implementation at the technical level is far to be achieved. Even though the Gender mainstreaming has become part of national policy and is contained in the Government of Fiji's long-term National Development Plan, apparently there is no institutionalized and integrated mechanism or system to implement gender mainstreaming. Thus, national policy has not yet been implemented in the society.

Considering the Fiji's condition, the Government of Fiji needs help to develop a system and mechanism to implement gender mainstreaming, especially at the technical level. The development of a comprehensive system is needed for the implementation of gender mainstreaming to proceed in a sustainable manner and carry out the real impact. The results of the scoping mission visit were being used to formulate the GRPB training design project and adjust to the main needs of the Government of Fiji by taking into account the existing policies and programs.

GRPB Training is to focus on delivering knowledge of Indonesia's experiences and best practices in engendering sectors of development by ensuring planning and budgeting process is gender responsive. This training will elaborate the importance of national women machinery in building gender commitment of primary line ministries responsible for national planning and budgeting process as well as ministry responsible for supervising local governments. It will further analyze process of development planning and budgeting and how to integrate gender perspective in the process and to set gender-responsive goals of the proposed outputs and outcomes. It will end up in the practical approaches of ensuring the already engendered process of planning and budgeting well implemented including establishing appropriate tools and mechanism of monitoring and evaluation.

The second step of the project is the GRPB Training of Trainers Phase I which was held in Yogyakarta, November 2017. 13 Fiji development officials participated the training. This activity targeted (1) common understanding, awareness and political will among 5 key priority ministries to integrate gender issues into development programs and activities, (2) eliminating gender inequalities and discrimination, and (3) Showcasing Indonesia's experience in establishing, advocating and implementing GRPB. The training on GRPB was a crucial action for Fiji to engender development planning and budgeting process to ensure inclusive benefits of development. Apparently, this training is considered insufficient to enhance Fijian capacity on GRPB.

To further support the Fiji government, Indonesia conducted the third step for the project by formulating a Project Design Matrix (PDM) for GRPB program consisting the whole mechanism of the program started from goals, activities, output, as well as the monitoring and evaluation tools and mechanism. This step is considered a breakthrough, even for Indonesia. This step serves dual function for both Indonesia and Fiji. For Indonesia, this step requires a capacity improvement to formulate a sustainable GRPB project design suitable for Fiji. On the other side, this step will result in sort of guidelines for the program aimed for gender mainstreaming in Fiji. Hence, the purpose of the Project is to strengthen gender mainstreaming capacity of personnel

from four key ministries in Fiji namely Ministry of Women, Children, and Poverty Alleviation, Ministry of Economy; Ministry of Maritime, and Office of the Prime Minister.<sup>3</sup>

Entering the second semester of 2018, Indonesia started to prepare the upcoming agenda of the program. Indonesia and Fiji agreed to implement the Phase II of the program through a workshop focusing on institutional strengthening of the Fijian MoWCPA as the Gender Mainstreaming Machine. The outputs generated from this Workshop activity include: (i) Mapping of Gender Mainstreaming conditions in Fiji; (ii) Mapping of Opportunities and Needs for GRPB in Fiji; (iii) MoWCPA Internal Planning for Implementing GRPB in Fiji; and (iv) MoWCPA Plan to prepare Fiji GRPB drivers.

To enhance the impact on GRPB workshop, a continuation agenda of GRPB phase II was implemented through an internship program for Fiji officials. The internship focused on the formulation of GRPB framework, Gender Analysis Tools (Gender Analysis Pathway and Gender Budget Statement), advocacy design, module outlines, and a follow-up plan. The participants studied about Indonesia's institutions and regulation on GRPB through MoWECP, Bappenas, and MoF. They participated in classes, field visit, and open discussion to formulate an action plan to be initiated into their own regulation (annual corporate plan – ministerial level, annual business plan (department level), and annual unit plan (Unit level) or national policies.

Through this series of activities, Fijian officials acknowledged there is a significant increase in their knowledge and understanding about GRPB. The increase of the participants' knowledge was also reflected on the participants' ability in developing GRPB Framework, Advocacy Design, Module Outlines, and an action plan matrix. Several sections from the Action Plan Matrix resulted from the training were adjusted to clarify the contribution from Fiji and Indonesia and added with capacity building activities for driver ministries and M&E training. Currently, the revised matrix is in progress and is to be approved by Department of Women, Fiji.

Considering to all the progress achieved so far, Indonesia and Fiji have started to create achievements on both sides. Indonesia has managed to make a breakthrough to slide its best practices and knowhow on GRPB to Fijian policy as well as enhancing its capacity on conducting a full project cycle of technical assistance program. In the other side, MoWCPA Fiji is now mastering a better understanding about GRPB implementation and is able to expand the GRPB implementation in cooperation with and Indonesia's Ministry of Health to conduct a GRPB training for health care professionals focusing on gender-based violence in Fiji. Fiji is now able to arrange its own a regulation on GRPB to regulate their government internally (for officials). It is expected that the upcoming agenda to follow up this progress will lead Fijian to establish their institutions and organizational matters on GRPB which can also be considered as

<sup>3</sup>Selection of those four Fijian ministries reflects the four appointed Indonesian ministries based on the Indonesian Presidential Instruction No. 9/2009 on Integration of Gender Mainstreaming in National Development (Ministry of Women Empowerment and Child Protection, Ministry of National Development Planning, Ministry of Finance, and Ministry of Home Affairs).

one of Indonesia's achievement on marking a sustainable blueprint to Fiji, especially in GRPB.

## 4. Articulating Indonesia's Maneuver on Sustainable Movement in South Pacific Area: Timor Leste and Fiji

### 1. Timor Leste

Had been a part of Indonesia until 1999, Timor Leste shared similar historical background. Indeed, it is not difficult to discern this country became a priority for Indonesia to be an active partner for Timor Leste's development. Since 2002, the two countries securing their diplomatic relations by signing the 'Joint Communique concerning Diplomatic Relations between the Republic of Indonesia and the Democratic Republic of East Timor'. This marks the development of many cooperation agreements which made to support Timor Leste's development. Have a look on foreign aid disbursement under SSC scheme, according to NCT annual report for SSC, since 2014 to 2017 Timor Leste placed as the first recipient country program SSC Indonesia. Below are data shown from the past 2 years to examine the position of Timor Leste.

Indonesia and Timor Leste have long been engaged in various development cooperation in the past ten years. As of 2018, Indonesia's capacity building programs to Timor Leste have been participated by more than 1,500 Timorese. In addition to bilateral schemes, both countries have also strengthened technical cooperation through triangular cooperation in democracy, good governance, peace building and disaster risk management.<sup>4</sup> In the discipline of International Relations, any form of cooperation initiated and given by Indonesia to Timor Leste was not initially free from motives. Donor countries sometimes provide aid for humanitarian and development reasons, but they also seek to promote their own political and economic interests. But for liberals, aid provided by the donor is a positive-sum game that not only bring commercial benefits to the donor country but also help promote socio-economic and political development of recipient country (Cohn, 2012). In Jokowi era, Indonesia's SSC is aimed for giving more contribution which not only as a form of charity on its nature and as a spirit to struggle for interest between South countries, but also directed as one of the efforts to become a political investment and Indonesia's instrument of diplomacy, including to push economic diplomacy. Through technical cooperation, Indonesia has a great opportunity to promote products and markets which also serves as a bridge for business people.<sup>5</sup>

Process of drafting the strategic document for Timor Leste indicates that the country has been as a significant partner for Indonesia. Indonesia is by far Timor Leste's larger trading partner, accounting for approximately 50% of its imports. Meanwhile, Indonesia's low-cost airline 'Citilink' has recently opened a new route connecting Bali to Timor Leste's capital Dili (Indonesia and Timor-Leste: from Occupation to Cooperation, 2015). As well as Timor Leste

<sup>4</sup>South-South Cooperation between Indonesia and Timor-Leste in the Draft of Country Partnership Strategy (CPS) for the Democratic Republic of Timor-Leste 2020–2024.

<sup>5</sup>Background Study: Cooperation between Indonesia and Timor-Leste in the framework of SSTC by USIP-1.

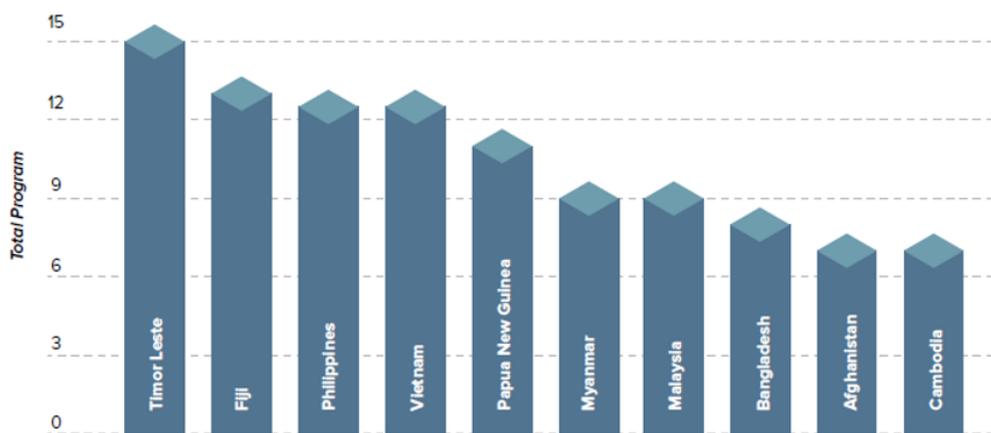


Figure 1. Top 10 Beneficiary Countries of Indonesia's SSC Programs 2016

Source: Annual Report of Indonesia's SSC 2016

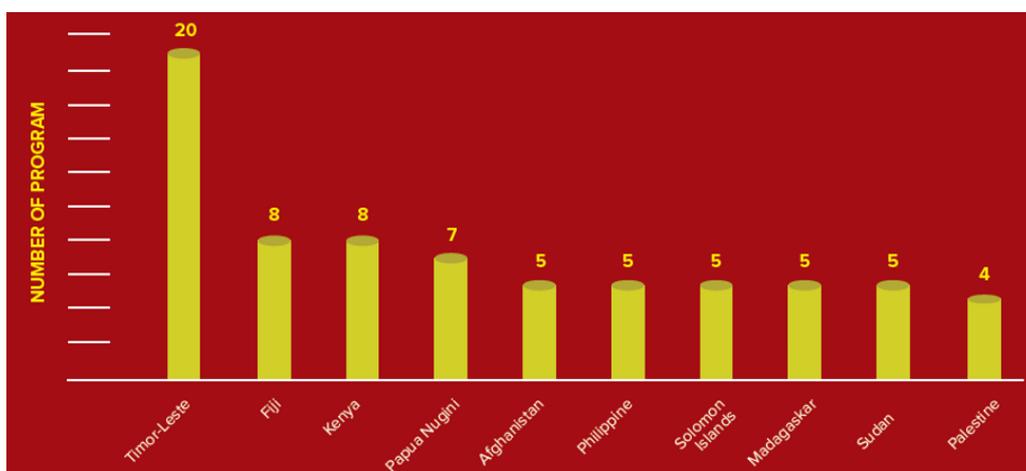


Figure 2. Top 10 Beneficiary Countries of Indonesia's SSC Programs 2017

Source: Annual Report of Indonesia's SSC 2017

allowed NAM Airlines to operate its flight from Denpasar to Timor Leste, Sriwijaya Group consists of Sriwijaya Air and NAM Air actually dominate flight route between Timor Leste and Indonesia (Hardoko, 2017). Due to active and vigorous transportation mode owned by Indonesia, the country is seen will attain benefit from evolving business and enterprises which at once help to push more mobility between two countries, in attempt to boost tourism and its economy.

For Indonesia, Timor Leste's strategic position is also seen by trade activities between two countries. Indonesia perceive more opportunity to enter market in Timor Leste. There have been many established cooperation in various sectors which are potential to be explored and developed. Indonesia is the main importer for Timor Leste with considerable prospects focusing on non-oil and gas. Data collected from trademap.org shows positive trend from these economic relations.

Table 1.

Value in	Indonesia's exports to Timor-Leste	Trade Balance between Indonesia and Timor Leste
2015	216,482	215,957
2016	225,914	224,417
2017	228,150	226,254

Source: Data collected by the author from [www.trademap.org](http://www.trademap.org)<sup>6</sup>  
 Note: \*Value in USD

As displayed in the table, the last three years shows increasing valuation in USD of Indonesia's export to Timor Leste. This trend indeed creates positive atmosphere into optimism of trade with Timor Leste. What needs to be considered is the fact that main products to be exported to Timor-Leste are mainly (i) vehicles other than railway or tramway rolling stock and parts and accessories, (ii) preparations of cereals, flour, starch or milk; pastry cooks' products, (iii) tobacco and manufactured tobacco substitutes, (iv) beverages, spirits and vinegar, and (v) salt, sulphur, earths and stone; plastering materials, lime and cement. These data show that Timor Leste relies on more non-oil and gas products, as a sign of positive start for more cooperation in the future since this sector is open for exploration and developed into more progressive cooperation, such as training for making a product to be given additional value and other capacity building programs as also finally became one of the development objectives in CPS document. Hence, it will also open opportunity for investment in various sectors, for instance, infrastructure and agriculture. For Timor Leste, progress of cooperation with Indonesia shows more

<sup>6</sup>see also: [https://www.trademap.org/Bilateral\\_TS.aspx?nvpm=1%7c360%7c%7c626%7c%7cTOTAL%7c%7c%7c2%7c1%7c1%7c2%7c2%7c1%7c1%7c1%7c1](https://www.trademap.org/Bilateral_TS.aspx?nvpm=1%7c360%7c%7c626%7c%7cTOTAL%7c%7c%7c2%7c1%7c1%7c2%7c2%7c1%7c1%7c1%7c1) and [https://www.trademap.org/Bilateral\\_TS.aspx?nvpm=1%7c360%7c%7c626%7c%7cTOTAL%7c%7c%7c2%7c1%7c1%7c3%7c2%7c1%7c1%7c1%7c1](https://www.trademap.org/Bilateral_TS.aspx?nvpm=1%7c360%7c%7c626%7c%7cTOTAL%7c%7c%7c2%7c1%7c1%7c3%7c2%7c1%7c1%7c1%7c1)

opportunity and benefit in the future. They can obtain and enhance efficient solution and diverse knowledge from Indonesian experienced expert which share similar condition. Thus, it can be understood that more focused and strategic cooperation for Timor Leste also means to strengthen what has already been done and established.

At the other end, what is more essential from Timor Leste's position for Indonesia is the political security interest. Giving a priority to Timor Leste implies Indonesia's strategic interest to create a positive image among Pacific countries in particular and the world in general. As Indonesia emerges to be a middle-power country, having prominent relationship with Timor Leste which before engaged in hostile affair is exceptionally necessary. On one hand, it implies Indonesia's favorable image as a donor and partner country while on the other hand, it shows the commitment of Indonesia in creating mutual benefits among development countries which is expected in creating prosperity together.

In addition, shared borders with Timor Leste, Indonesia needs to secure its domestic security. Every means to manage more organized assistances is aimed to support betterment in Timor Leste economically, social and even governmental. This means are to support political and security stability of Timor Leste which eventually support Indonesia's stability, particularly on the border regions. There are two land borders separating Indonesia and Timor Leste. On the east side, a borderline span about 150 kilometers which split *Pulau Timor* into two regions. On the west, a 120 kilometers borderline, fence off Oecusse—an enclave of Timor Leste located in Nusa Tenggara Timur Province of Indonesia. Whilst borderline on the east side had been agreed, dispute in the territory near Oecusse still waiting for its settlement (Prabandari and Triastiwi, 2018). Disputed territory is prone to conflicts, whereas it might be worse by the existence of numerous communal conflicts such as land disputes. This situation often escalates conflicts and violence. In this way, by giving priority and assistance to Timor Leste, it would eventually help to prevent outbreak of conflicts or other security problems in the future. Activities related to securing borderline supported by Indonesia, for instance training and knowledge sharing for national police as well as securing from contemporary threat such as communicable disease are easier to maintain.

## 2. Fiji

As it was reported in the Annual report of Indonesia's SSC 2017 and 2016, Fiji has placed the second biggest beneficiary of Indonesia's SSC for two years straight.<sup>7</sup> This condition does not happen spontaneously. It is rather a result of a long story. Among many south-south countries, Fiji draws a significant attraction to Indonesia's bigger role both bilateral and regional. This section will discuss several possible assumptions on Indonesia's preference to give significant assistance to Fiji both specifically in GRPB programs and generally as a beneficiary country.

Indonesia's bilateral relations with Fiji was started in 1974 marked by the "Memorandum of Understanding" signed by Indonesia's ambassador and High Commissioner of

Fiji in Wellington, New Zealand. In August 2002, Indonesia's embassy finally established in Suva which also initiated a wider entrance to a further bilateral dialogue with Government of Fiji, parliament, politicians, NGOs, media, religious communities, and specifically discussion on Papua's matters. Indonesia-Fiji relations keep growing positive vibes of partnership. Fiji's policy on the bilateral relations with Indonesia reflects its support to national unity and setting aside any tendentious movement to support Papua's separatism. As part of development countries in Pacific area, Indonesia and Fiji has built their relations strong enough to support each other in International forum such as UN, IMO, ECOSOC, World tourism, etc.

In 2016, Indonesia's relations with Fiji was strengthened through a signing of MoU on development cooperation which later be stipulated as Indonesia's Presidential Decree No. 36/2016. Indonesia's eagerness to strengthen its relationship with Fiji also reflected from the number of cooperation and activities across many sectors since the signing. It is recorded that in 2016, 14 programs were held<sup>8</sup> and it was added up with another 8 programs during 2017.<sup>9</sup> This number seems likely to keep growing during 2018. It is no wonder that Fiji is one of 10 top beneficiary countries of Indonesia's SSC.

Several questions raised as the relations between Indonesia and Fiji getting warmer recently. Indonesia and Fiji boosted their engagement intensity across so many sectors, such as Economy, Tourism, Good Governance, fisheries, capacity building, even military ties. All sectors were wrapped in the modest box called development cooperation. Some assumptions raised to answer the biggest question on "Why should Indonesia tighten its relationship to Fiji and what happen beyond?". In this case, geopolitics seems to have a reasonable answer to the question. The assumptions are closely related to the geographical proximity of both countries. First, Fiji becomes significant to Indonesia because it holds an important role as the hub to the South Pacific countries as well as one of the most influencing countries among South Pacific countries, both in economics, politics, and security. Having Fiji close to Indonesia can ensure the gate to South Pacific area is secured.

The proximity of geographical condition in the region also gives privilege to enhance Indonesia's relations to South Pacific countries since they have common issues raised in several international forums as well as the cultural similarity between the population of South Pacific countries and eastern population of Indonesia. These privileges will relate to the second assumptions concerning Indonesia's political support from Fiji toward South Pacific countries. The aforementioned privileges can sometimes be a two-side of a knife, especially on the case of the similarity between Fiji and Indonesia's eastern society as it mentioned.

Before gaining its trust, Fiji was once against Indonesia by supporting the separatist movement in Papua through the Melanesian Spearhead Group (MSG), a forum of Melanesian countries to promote economic growth among Melanesian countries (Saripudin et al., 2013). Back at the time, Fiji

<sup>8</sup> Annual Report of Indonesia's South-South and Triangular Cooperation 2016.

<sup>9</sup> Annual Report of Indonesia's South-South and Triangular Cooperation 2017.

<sup>7</sup> Annual Report of Indonesia's South-South and Triangular Cooperation 2017.

supported Free Papua Movement (FPM) to declare its independence against Indonesia. This condition has turned as Indonesia eagerly approach and engage Fiji through intensive development cooperation across many sectors started from the strategic document agreement on development cooperation in 2011 to date. Indonesia can finally entrust Fiji to turn its side to Indonesia and ensure that Indonesia is a part of Melanesian society in South Pacific region and Indonesia is far from colonization practices. Fiji's support for Indonesia to join the MSG implies on Indonesia's bargaining position in the forum. Indonesia was able to join forum and gradually strengthen its membership. Indonesia started as an observing member in 2011, levelled up associate member in 2015, and is now pursuing as the permanent member of the MSG. The acceptance of Indonesia as an Associate Member and the rejection of the FPM's goal to become a Permanent Member of the MSG shows that Indonesia's interest in maintaining national sovereignty has been achieved through a stable relationship with Fiji (Percaya, 2016).

In addition to the political assumptions, the third assumption is the social and economic potential of Fiji. Although the recent trade balance of Fiji is often minus (FJD - 320.118.000 as per August 2018)<sup>10</sup> and Fiji's import from Indonesia is still relatively small with a percentage of 1,3%<sup>11</sup>, Indonesia sees Fiji as a potential gate to enter South Pacific market. According to Indonesian Center for Statistics, the trade balance to Pacific countries was heavily in favor to Indonesia that enjoyed trade surpluses for years. In 2017, Indonesia-Fiji trade balance amounted to US\$ 23.5 million, with a surplus on the Indonesian side. Considering that Fiji also relied on certain import commodities, access to trade and investment are open for Indonesia to plant a significant economic influence in the country through development cooperation. Through the strategic document on cooperation priorities covering agriculture, fisheries, and other development sectors signed in 2011, people to people contact between Indonesia and Fiji is expected to liven up, so the relationship between two countries can get deeper and wider.

Indonesia's effort to engage Fiji also reflected through "Go East Policy" developed by the government of Indonesia to support 4 pillars of South Pacific Development, namely economic growth, sustainable development, good governance, and security. Numerous technical assistances from Indonesia has been implemented in Fiji through capacity building activities such as Trainings, Workshop, Scholarship, etc. As we know, Fiji has a very good potential, especially in agriculture, maritime, fisheries, and tourism, but apparently Fiji does not have sufficient human resource capacity, infrastructure, also good governance as the tools to maximize its potential. By helping Fiji to acquired them, Indonesia is to secure Fiji's trust to Indonesia and strengthen its political support from Fiji in South Pacific area.

After all the general assumptions on Fiji, Indonesia's interest on Fiji also reflected into one of capacity building project between Indonesia and Fiji, namely the pilot project on Gender Responsive Planning and Budgeting (GRPB)

for Fiji officials. As the program tends to influence Fiji's internal government policy, several assumptions for Indonesia's political interest have appeared. As it explained in the previous section, Indonesia is considered advance to GRPB implementation among other countries in the region so that Fiji would like to learn and adopt the GRPB implementation into their own as one of effort to pursue the good governance. Having Fiji to learn and adapt the GRPB implementation from Indonesia apparently might give Indonesia greater privileges, such as:

First, Pilot Project on GRPB implementation will mark Indonesia's tangible and sustainable footprint inside Fiji's government. Indonesia will acquire a mid or long term of access to monitor and evaluate the development of GRPB implementation inside Fiji's government until it is well established at the least. Second, by holding privilege as Fiji's reference to implement GRPB, Indonesia can lead Fiji to adopt GRPB implementation which favor Indonesia's political interest at a later time. The third privilege occurred during the GRPB regulatory drafting process escorted by Indonesia through the GRPB program. This process provides a chance to lead Fiji in narrowing its regulation to other countries with different regulations. Once the regulation on GRPB implementation in Fiji is issued, Fiji's policy will avail Indonesia to gain a wider access across development sector. Thus, increasing the opportunity for Indonesia to engage a larger role in Fiji while maintaining the sustainability of the existing relationship.

## 5. Conclusion

CPS and GRPB program as Indonesia's pilot projects serve purpose to maintain Indonesia's sustainable footprint through the technical assistance given and ensure the continuity of bilateral relations and support. This cooperation scheme also provides an opportunity to learn and practice the process of providing international assistance project in its intact (project cycle management). Thus, the benefits of cooperation become more targeted and measurable for both Indonesia as a donor and for South Pacific countries as beneficiaries.

In particular with Timor Leste, Indonesia seems to seek the opportunity to secure the possible conflict of border issue between the countries as well as its economic and development relations. In addition to that, developing a harmonious relationship with Timor Leste is vital to maintain Indonesia's positive images in the region. On the other side, Indonesia-Fiji bilateral relationship possesses strategic advantages on their geographical location. It is expected that Fiji can facilitate a smooth entrance to Pacific area and all of its potential as well as holding the role as a hub for Indonesia to other Pacific countries. This engagement also important to boost people-to-people contact and is expected to further establish strong entrepreneur association between the two countries to exchange experiences, to provide mentoring and counseling services, and to build trade relationship. Strong relationship and building trust with Fiji and Timor Leste will favor Indonesia's interest in South Pacific area both in economics and political sectors.

After all, it is a matter to be concerned that a stable relation with South Pacific countries is required to smoothen

<sup>10</sup>Source: [https://atlas.media.mit.edu/en/profile/country/fji/#Trade\\_Balance](https://atlas.media.mit.edu/en/profile/country/fji/#Trade_Balance) retrieved on January 1st 2019.

<sup>11</sup>Source: <https://tradingeconomics.com/fiji/indicators> retrieved on January 1st 2019.

Indonesia's development as a middle power in the region. While, unstable relations with South Pacific countries may affect not only Indonesia's bargaining position in the region, but also Indonesia's stability and national defense. Therefore, Indonesia as one of the pacific rim countries should always keep a close eye on its geopolitical situation.

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Jl. Salemba Raya No. 4, Jakarta 10430

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