ABSTRACT

Indonesian shipping industry was dominated by foreign carrier vessels. This was happened because of the Indonesian government maritime policies, which were started in 1980s, were not at the side of national shipping industry. In 2005, the government has intended to revitalizing shipping industry by enacted the Presidential Instructim number 5 of 2005 (Inpres 5/2005). This Article discusses the implementation of this Instruction that was launched on 28 March 2005. This Instruction consists of cabotage principle that should be imposed in Indonesia. However, there are many other considerations to be observed to the proper implementation of this principle. This Article analyzes these considerations as well as anticipatory policies should be done.

Key words: Kabotase, Inpres 5/2005, Industri Pelayaran, Maritim, Shipping Industry.