A STUDY REPORT

on

Implications of Blue Economy in Indonesia

by

KIARA-INDONESIA & SNEHA-INDIA

RESEARCH TEAM

A. Gandimathi, JESU RETHINAM, JONES SPARTEGUS & R.SRIDHAR
What is Blue Economy in Indonesia

• The ecosystems of the Ocean and Coast to be opened up by coastal nations to private investors in sustainable way through ecosystem integrity to fulfil food security, decent livelihoods and economic growth.

Our Assumptions

❖ *Ecological externalities* such as loss of biodiversity as an inevitable consequence of exploitation of coastal and marine resources.

❖ *Exclusion* of Marine and Coastal Communities from their habitats, governance and user rights on marine and coastal commons, and resulting in loss of livelihoods by allowing oceans and coasts as open access systems.

❖ *Enforcement* of Maritime Security as a deliberate strategy of blue economy towards increasing global governance.
ADOPTION OF BLUE ECONOMY – INDONESIA

- 2012 - United Nations Conference on Sustainable Development (Rio+20)
- 2012 - Changwon Declaration Sustainable Development Strategy in Partnerships In Environmental Management For The Seas Of East Asia (PEMSEA)
- 2014 - Global Maritime Fulcrum
- 2017 - Indonesia Ocean Policy “Decree of the Republic of Indonesia Number 16 of 2017”

Oceans as the front liner sector in supporting a more Sustained Economy Development and in making the oceans as the essential connector between Islands and States
Global Maritime Fulcrum - 2014
Reforms of Marine and Coastal Policies

New Marine Fisheries Laws of 2014
- Removal of powers from local government for fisheries management.
- Establishment of 11 fisheries management areas with central having more powers.
- TAC based fisheries licensing system under MMAF.
- Welfare measures, but no women

Marine Spatial Planning 2014-2019
- Initially, Legalisation of MSPs made by Provincial Governments (2014)
- Legalised Long-term permits to Private Players
- Centralization of the Powers with Centre Government (2019)
National Strategic Tourism Programme

- 25 sites selected for Strategic Tourism Development
- "10 New Balis" Plan - 10 sites are developed

Target - 20 million Foreign Tourists.

"City without Slums" Programme

- "100-0-100 Plan": 100% Drinking Water Supply, 0 Slum Areas, 100% Sanitation Facilities
- Jakarta Bay Reclamation - Giant Sea Wall
- 23,600 hectares of Slum Areas replaced across Indonesia

Global Maritime Fulcrum - 2014
Reforms of Marine and Coastal Polices
Omnibus Law 2020
‘Job Creation Law’

- Freedom to Foreign Ships in Indonesian waters
- Single door Clearances Mining Entrepreneurs in coastal areas and small Islands
- Red carpet and easiness for investors to exploit marine, coastal, and small islands resources.
- Accelerate and Extend the Destruction of the sustainability of coastal and marine ecosystem.
- Exclusion on fisherfolks and coastal community including fisherwomen in process of drafting the law
- Displacing more than 8 million of fisherfolks households in Coastal Areas and Small Islands

POST COVID 2020
Reforms of Marine and Coastal Policies
**FIELD VISITS**

**BE Components**

- Tourism
- Coastal Beach Sand Mining
- Marine Conservation
- Fisheries – Traditional SSF and Fisherwomen
- Fisheries – Capture & Culture
- Marine Spatial Planning (MSP)
- Infrastructure Projects
  - Slum Clearance
  - Giant Sea Wall

- Pari Island Fishing community - National Strategic Tourism Programme
- Coastal fisherfolks of Bandungharjo, Jepara (Central Java) Private coastal mining projects
- Karimunjawa and Parang Islands Fishers - Impacts of Conservation and Tourism Projects
- Demak Fisherwomen - Persaudaraan Perempuan Nelayan Indonesia (PPNI), “Indonesia Fisherwomen Sisterhood”
- Sayung Province coastal community on shrimp and fish culture, massive erosion and coastal inundation, and restoration projects.
- Muara Angke Fisherfolks on the Jakarta Sea Wall project Reclamation as well as ‘City without slums’ projects
In Muara Angke, the Government’s claim that a sinking Jakarta city requires a giant sea wall for protection rests on rationale that as the Giant Sea Wall will block the natural currents and the river drain channels which may create more flooding.

**Implications:**
- Development Induced Disasters
- Marine Pollution and Biodiversity
- Erosion and Inundation
- Casualisation of Labour from Primary Livelihood to Daily Wage Labours by migrating to Urban Areas
- Fisherfolk are pushed to dire poverty
FINDINGS - Socio-Economic Implications

Ministry of Marine Affair and Fisheries (MMAF) – Ministerial Decree No.18/2014 established 11 Fisheries Management Areas (FMAs) throughout the Territorial Waters and EEZ.

The government promotes commercial fisheries within these Areas. It mandates annual fishing licenses for fishing vessels more than 30 GT to be issued by the MMAF and establishes an MSY-TAC based system and stipulates license fees for various categories of fishing vessels running from 30 GT onward to those over 200 GT.

While, the Ministerial Decree of MMAF No.18/2014 explicitly banned foreign vessels in fishing operations, the enactment of Omnibus Law 2020 has opened up Indonesian sea/waters to the foreign fishing vessels where the Registrations, Permits and Licenses needed for industrial fishing were condensed into a single permit to be issued and centralised by the central government.

Implications

➔ Denial of Access to Fishery Resources for traditional SSF resulting in Loss of Livelihood
➔ Displacement of Women from Value and Supply Chain
➔ State Polices and Legislations are not recognizing the fisherfolk as Right-holders, but as Beneficiaries.
The National Medium-Term Development Plan (2015-2019) promotes tourism sector as one of the main and important sectors for the development agenda.

The Government targets an increase in number of tourists up to 20 million foreign tourists and 275 million Domestic Tourists.

**World Bank National Strategic Tourism Programme 2018**
- 88 National Strategic Tourism Areas were developed,
- 10 areas have been decided as the Priority Tourism Destinations to be developed as the “10 New Bali”

**Implications**
- Land Grabbing and Displacement
- State Repression on Coastal Community
- Denial of Infrastructures, Waste management measures, Water Facilities, Adequate Housing
- Denial Social Security Measures to the displaced families
- Denial of Dignity and Recognition as Lawful Citizens
Pari Islands, part of the 1000 Islands area near Jakarta, included in the National Strategic Tourism Plan.

- **1991**: Fisherfolks submitted all their land record documents to the subdistrict office for updating.
- **1993**: the Government had handed over all the land records over to a Private company, PT. Bumi Raya Utama Group.
- **2008**: Private security staff began to prevent Fisherfolks access in Island - new construction or even repair works
- **2014**: Fencing in Island
- **2015**: Company Negotiations for Relocation and Resettlement Island Community
- **2018**: State Repression on Pari Island Community
Double Burden on Fisherwomen PPNI in Demak

Women play major roles in Capture as well as Culture Fisheries, in addition to their gendered roles in sociological and biological reproduction.

The Welfare Laws does not recognize or protect the Rights of the fisherwomen.

The Exclusion of the Women from the sector itself due to infrastructure projects like Tourism and jeopardisation of the physical safety of women.

Industrial Fishing leads to exclude women from supply and value chain and pushed to earn their livelihood as wage labourers in export oriented processing units with foreign investments.

FINDINGS - GENDER Implications

A Cartoon produced by KIARA depicting the exclusion of women from Law of the Republic of Indonesia Number 7 of 2016
**FINDINGS - Political Implications**

- The Indonesian government is resorting to leasing off entire islands to investors including foreign investors to execute its development projects under Blue Economy including construction of new capital.

- Due to Indonesia’s peculiar geographic location itself as an archipelagic country connecting the Indian Ocean to the Pacific Ocean, global powers like China, Japan and US have always been interested in exerting influence, since many of the strategic maritime shipping lanes passing through Indonesia such as the Straits of Malacca, Lombok and Sunda.
Indonesia as part of ASEAN has several trade and economic ties with China, but has maritime boundary disputes over the **9-dash line** in South China Sea. This is coupled with the fact that two of its maritime neighbours, Australia and India are part of the ‘Quad’, an informal alliance of Australia, India, Japan and the US competing against China for control over the Indo-Pacific region.

Indonesia’s Global Maritime Fulcrum Vision, seeks to enhance its maritime defence to the status of a Green Water Navy, while military officers are playing increasing roles in civic matters which is against the civic rights of coastal communities.

Militarisation of the coast is promoted to ensure security to foreign investments / global capital. But the coastal communities are facing the state repression when the protest against the forced eviction from their habitats and resulting livelihood options.
CONCLUSION

Despite the Indonesia’s claim to Sustainability and Inclusivity, we have brought out several instances.

Legalized dispossession of communities from their rights over land as well as marine resources.

State Repression against coastal communities accompanied with large scale destruction to the coastal and marine topography and ecology leading to the risk of Disasters and forced Relocation of many villages in Sayung.

The Global Maritime Fulcrum, Indonesia BE Growth Vision promotes plans for

- Commodification of the natural resources and enabling the process of land and ocean grabbing for global capital and
- Marginalising the coastal communities in the short term and the jeopardizing the present and future generations.
RECOMMENDATIONS

- Mega construction and infrastructure projects on vulnerable coastlines have to be revisited as they will exacerbate flooding for all low-lying areas.

- As the existing Comprehensive Environmental Impact studies highlighted the threat of floods and implications on biodiversity and livelihoods of coastal communities, the voice of the fisherfolks must be kept paramount for any coastal protection measures.

- The Constitutional Court of Indonesia in a PIL against marine spatial planning in 2010 have upheld the right to customary governance of natural resources for the coastal communities as per Article 33 of the 1945 Constitution.

- A clear devolution of powers from the centre is to be restored to Customary governance institutions, the local and provincial governments to protect the rights of the coastal communities and coastal ecology.
Enforcement of existing laws against destructive gears used by the Industrial fishing vessels.

Government should ensure that 50% of the members from traditional SSF to be enrolled in the ‘Area wise Fisheries Management Committees’.

The state repression against coastal communities has to be stopped and the captive victims should be given fair trial against the false cases foisted on them.

The Job Creation Law of 2020, known as Omnibus Law must be revisited and redrafted to safeguard the rights of the coastal communities and environmental protection.

The marine spatial plans do not reflect perspectives for holistic protection of the coastal and marine environment, biodiversity loss and ecological integrity nor does it safeguard the livelihood rights of the fisher folk.

Hence, the Research Team is of the view that the MSP systems must be stopped as they have resulted in environmental unsustainability and livelihood loss of coastal communities.
Let us **Restore** the **Identities of Traditional SSF and Fisherwomen**

by **Ensuring** their **Customary Rights to Ocean and Coastal Commons**

*Ina soro budi, Budi noro apadike, Pai Pana Ponu, Tehama hama*

“**Sea is our mother, She’s taking care of us, We should protect and keep her from any kind of destructions**”

*(Lamalera, East Nusa Tenggara)*