

TOWARDS DECENTRALIZED COASTAL MANAGEMENT POLICY IN INDONESIA: Three years after the Coastal and Small Island Management Act was Enacted

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Introduction

Indonesian marine and coastal resources are found within Indonesia's maritime boundaries, which covers about 5.8 million square kilometers (km²). This consists of approximately 0.3 million km² of sea, 2.8 million km² of defined internal waters, and 2.7 million km² of defined Indonesian Exclusive Economic Zone. Indonesia is also home to over 17,500 islands with a combined coastline of 95,181 km. These resources are to be utilized to generate economic growth, provide employment opportunities and enhance the welfare of coastal communities.

However, rapid economic development in Indonesia, based on the exploitation of natural resources, has been achieved at the expense of the coastal environment. Degradation of coastal resources is caused by many factors, the major ones being: i.) socio-economic factors, such as poverty and lack of public awareness. ii.) population growth; iii.) bio-physical factors such as pollution and sedimentation; iv.) coastal hazards such as earthquake and tsunami; v.) user conflicts between various interest groups and jurisdictional conflicts; vi.) lack of law enforcement; vii.) ambiguity of property regimes; and other factors (Sapta Putra, 2003).

The coastal zone has continuously faced intense pressure from a wide range of sector development activities. Many of the fastest growing sectors of the economy like oil and gas, industry, aquaculture, tourism, and trade need natural resources and environmental services from the coastal zone. That is why, it has been argued that in order to integrate the perspectives and activities between the sectors, Indonesia need to adopt an integrated coastal management approach that endorsed by 'Coastal Management Act' (Idris, Ginting and Budiman, 2007).

Until year 2000, Indonesia did not have any specific legal policy in support of Integrated Coastal Management (ICM). It was for this reason that, in 2000, Indonesia started to drafting a Coastal Management Bill to galvanize the implementation of ICM. The Bill provision emphasizes that implementation of coastal management must include the primary stakeholders in coastal areas and promote integrated management between central, provincial and local government agencies, NGOs, universities, and the private sectors. On 17 July 2007, the House of Representatives (Parliament) finally enacted the Coastal and Small Island Management (CSIM) Act No. 27 of 2007. This Act is a new paradigm of coastal development that a centralistic style of resource management has gradually changed to decentralized coastal and small islands management.

Legislative Framework

The Coastal and Small Island Management Act (CSIM Act) introduces a new system of coastal planning including 20-year strategic plans, 20-year zoning plans, five-year management plans

and annual action plans that will be formulated through cross-sectoral cooperation and public participation. Obligations for collection and management of information on coastal management have been established alongside public rights to access this information. A system of property rights (*Hak Pengusahaan Perairan Pesisir/HP3*) in coastal waters will be established for individuals, legal entities as well as traditional communities. Sectoral commercial licenses will be required to comply with planning instruments in an effort to control activities that have traditionally proceeded in an unchecked way to exploit coastal and marine resources without any consideration of sustainability. New authority has been given for the establishment of conservation areas by each level of government which used to be set up by central government authority. Additional criminal offences have been brought into existence with heavy penalties for example minimum 2 years and maximum 10 years in jail.

However, the new law will operate only as a national framework. A huge effort remains to draft supporting/operational regulations on subject matter ranging from planning framework, management of data, geographic demarcation of jurisdictions within regional autonomy, establishment of conservation areas, licensing the commercial exploitation of coastal resources, management of most outer small islands, rehabilitation of coastal ecosystem, mitigation of coastal hazards, community involvement in management and control activities and the establishment of accreditation programs. To date, 8 ministerial decrees have been enacted, two government regulations have been submitted to the Presidential Office to be enacted, and three presidential decrees (executive order) have been reviewed among concerned government agencies and have been submitted to the Presidential Office.

Regional Autonomy and Decentralized Coastal Management

Indonesia is made up of 33 provinces each of which contains a number of districts/municipals. By 2010, there are 305 coastal districts/municipalities (out of 491) with coastlines. The process of devolving authority for coastal resources management to the provinces and coastal districts/municipals started in earnest in 1999. Act No. 22 of 1999 which was amended to Act No. 32 of 2004 regarding Regional Governance in conjunction with Act No. 27 of 2007, divided up the authority for management of marine resources as follows: (a) central government - sea between 0 and 200 nautical miles from the baseline; (b) provincial government - sea that lies between 0 and 12 nautical miles from the coastline; and (c) district/municipal government – sea beyond the inter-tidal zone up to 4 nautical miles from the coastline.

The regions (provinces and districts/municipals) share authority for: (a) exploration, exploitation, conservation and management; (b) administrative arrangements; (c) spatial planning; (d) law enforcement regarding regulations issued by regional government or referred by central government. Central government authority in relation to marine affairs has been re-defined. According to the implementing government regulation, it extends to the determination of policies on and regulation of the exploration, conservation, management and utilization of maritime natural resources in the maritime territories beyond the 12-nautical mile, including local Indonesian waters and the seabed as well as the Indonesian Exclusive Economic Zone (EEZ) and continental shelf. Central government also has responsibility for law enforcement in the whole maritime territory. In relation to spatial planning and zoning plan, central government has authority for the regulation of spatial planning from terrestrial to Indonesian EEZ and zoning for

national interest areas. In relation to the environment, central government has authority for the regulation of environmental management in the use of marine resources for the all waters.

In relation to the sea, as mentioned above, district government has responsibility for one third of the provincial maritime zone and essentially this means that most management responsibility in this area falls to district/municipal governments. This puts a heavy burden on district governments in the new arrangements for coastal management.

At the regional level, a number of governments have embarked on law-making programs. This started in 2002, with the passing of regional government regulations in the province of North Sulawesi and district of Minahasa. Until mid 2010, 34 more regional government regulations on coastal management have been passed and a further 26 are in draft form and/or being discussed in local parliaments. All these regulations endorse the principles of integrated coastal management. Each region is finding its own way on how best to coordinate relevant sectors in fisheries, forestry, industry, tourism, mining and so on. Some have proposed a new management organization, whilst others have opted for adaptation of existing institutional arrangements. The more recent regulations have given legal status to planning instruments anticipated in the CSIM Act. An area that needs further attention is the control of sectoral licensing.

Decentralized Coastal Zone Management Achievements

In view of the development of the decentralized coastal management policy, the government has undertaken a number of management initiatives to address particular aspects of pressing need in coastal and marine resource management. These management initiatives include: i.) Development of Coastal Management Plan; ii.) Implementation of Community Based Management; iii.) Marine Conservation; iv.) Small Island Management; v.) Coastal Community Empowerment; vi.) Rehabilitation, Mitigation and Adaptation; and vii.) Development of Marine Property Rights System.

Development of Coastal Management Plan

The decentralized ICM policy has been tested through the implementation of Marine and Coastal Resource Management Project (MCRMP), Coastal Resource Management Project (CRMP) and Coral Reefs Rehabilitation and Management Project (COREMAP II). These pilot projects applied a cross-sectoral decentralized approach. They integrated various sector development plans and regional development plans, to collect, analyze and use data for integrated coastal management plan, and to develop business opportunities based on the characteristics of local coastal resources. The MCRMP project is a model of decentralized integrated coastal management that focuses on strengthening the capacity of local governments to prepare and implement ICM plans in 15 provinces and 41 districts/municipals. The COREMAP II is located in 8 provinces and 15 districts. This project is being carried out over seven years from 2004/2005 to 2011. The CRMP is a model to empower the capacity of local government agencies and local community organizations and to promote community based management approach.

Through lesson learnt from the mentioned projects, the MMAF has formulated the national guideline for ICM, and other 7 guidelines. These guidelines are legally binding under the authority of the CSIM Act and they are endorsed by Ministerial Decrees, which gives them legal

significance. The provinces and districts will be required to make coastal plans and all sectoral licensing will be linked to these plans. It is expected that the regions will pass their regional government regulations to implement provisions of the Act regarding such matters as access to information, community empowerment and establishment of conservation areas. Through MCRMP and local government initiatives, 222 coastal planning documents have been made, which consist of 56 strategic plans; 54 zoning plans; 56 management plans and 56 action plans.

Implementation of Community Based Management

Another step towards ICM policies has been to promote Community-Based Management (CBM) or Co-Management, particularly in remote coastal areas. Heavily developed coastal areas have been considered too complex for this approach. Through CBM, the local community is empowered to make their ICM plan, to generate alternative income activities, to reduce population pressure on coastal resources and to exclude the intruders. Then the coastal villagers will develop a permanent marine sanctuary of around 10–20 ha for rehabilitation and protection of coastal resources. This model has been applied successfully in Blongko and Tumbak villages in North Sulawesi through the CRMP and COREMAP II Project.

Major obstacles in implementing CBM are top-down decision making from government, the interests of big developers and IUU fishing mafia. These external factors can have a very strong influence. It has happened that agreements made at the community level are not honored at higher levels of government. A bureaucrat in Jakarta or in a provincial government may impose a sectoral project in a coastal region or provide a permit to powerful developer against the wishes of the local community. As long as such external factors do not impinge on places where a CBM approach is being applied, it can succeed. Our role is to empower coastal communities, so that they can effectively manage their own resources and to facilitate them in accessing funding schemes through block grant and/or credit schemes from government program.

Marine Conservation

A decision by the Government of Indonesia to set aside 13.5 million ha of marine waters (5% of the total marine territory) as marine conservation zones by year 2010. To date, the MMAF has declared the Savu Sea National Marine Parks which covers of 3.5 million ha of sea, micro islands and coasts. The MMAF and concerned local governments have also declared 35 local marine parks covering a total area of 4.6 million ha. The rest 6 national marine parks and marine sanctuaries about 5.4 million ha was established under the jurisdiction of Ministry of Forestry.

Small Island Management

The MMAF has identified more than 13,500 small islands and out of those, 4981 islands have been deposited to UN (United Nation) in 2008. The rest will be reported officially for the 2012 UN meeting. Prior to the implementation of CSIM Act, more than one hundred small islands have been utilized, especially for private resorts. However, most small islands were under-develop, isolated and to some extent neglected. The MMAF has promoted investment in some small islands subject to the provision of CSIM Act. The investor may utilize the sea potency of small islands but limited for conservation, research, education, eco-tourism, small scale agriculture, mariculture, sustainable capture fisheries and livestock. New investments which comply with the provision of the CSIM Act have been started in Berhala Island, Nipa Island, Anak Sambu Island, Tabulu Island, Bawal Island, and Miang Besar Island.

Coastal Community Empowerment

The provision of CSIM Act is to empower coastal communities and their participation on coastal management starting from the planning stage, implementation and controlling. In line with that, the MMAF has carried out a national program for empowering economic of coastal communities (*Pemberdayaan Ekonomi Masyarakat Pesisir/PEMP*) since 2001 in more than 200 coastal districts/municipals out of 305 districts/municipals. This program covers micro finance and micro business development, applied technology adoption, fisher's regeneration, and coastal women program. To date the PEMP Program has resulted 256 micro finance units, 242 fuel suppliers for fishers, and 197 mini coastal shops (Ginting, et al., 2009). By 2009, most of PEMP activities were incorporated into a national Community Empowerment Program (PNPM M-KP). During 2009 – 2010, the PNPM M-KP is implemented in 120 coastal districts/municipals.

Rehabilitation, Mitigation and Adaptation

Indonesia lies in the ring of fire; almost every month tectonic earthquake comes out from the sea. Some of these earthquakes are potential to cause tsunami. If a tsunami occurs then, many coastal communities will be the victims. Under the CSIM Act provision, the central and local government agencies have obligation to carry out mitigation plan and public awareness. In line with that, rehabilitation of degraded coastal ecosystem is also important to mitigate coastal communities from the impact of coastal hazards and the physical impact of coastal erosion. A coastal strip must be conserved to reduce the impact of coastal hazards, beach erosion and tsunami. The coastal hazard area is being mapping out for coastal planning, and the vulnerable coastal areas must be incorporated into local development plan. Furthermore, Indonesia also faces the impact of global warming. Hence, MMAF promote coastal community resilience to enhance the readiness of communities to adapt the impact of sea level rise, cyclones or big winds

Development of Marine Property Rights System

Under the provision of CSIM Act, a new marine property rights system, which called *Hak Pengusahaan Perairan Pesisir/HP3*, is being introduced for individuals, legal entities as well as traditional communities. HP3 for Individuals is aimed to protect artisanal fishers and to provide property rights for local fishers who live on the costs for generation with less pre-requisite and the area is less than 5 ha per household. HP3 for legal entities is aimed to promote economic growth on the sea and to ensure long-term investment of private companies, state companies as well as cooperative entities. HP3 for traditional communities is aimed to protect the marine tenure rights. If a traditional community system is still exist with clear delineation of the marine management area, then the tenure rights will be recognized and will be granted HP3. The government regulation for this matter is being formulated and discussed with the primary stakeholders and will be submitted later to Presidential Office to be enacted.

In order to facilitate decentralized ICM and to supplement lack of institutional capacity, we have promoted a Sea Partnership Program (Kemitraan Bahari), Professional coastal management experts (HAPPI), and Center for coastal community empowerment (P3MP). The local Marine Affairs and Fisheries Agencies, universities, private enterprises form a consortium of Sea Partnerships in their region and share the resources among themselves. This consortium will empower coastal communities and local public institution to implement the ICM subject to local characteristics. These new organizations are partner of government agencies to oversee the ICM.

Conclusion

An inadequate legal and integrated coastal management framework coupled with inadequate coordination among government agencies has led to ineffective coastal management. Complex relationships and conflicts of interests among sector agencies partly explain the failures in Indonesian marine and coastal management. Ineffective coastal management cannot regulate the utilization of coastal resources in a sustainable way. It triggers competition and conflict among resource users, which eventually lead to 'the tragedy of the commons'.

All these factors are known but the real problem that we encounter is the absence of effective integrated coastal management regimes necessary to ensure the sustained use of the coastal marine resources over time. The effectiveness of ICM depends on how the legislative framework can empower the ICM approach. Therefore the Coastal and Small Island Management Act and the national government regulation, presidential decrees as well as ICM guidelines have been seen as an important step to crystallize decentralized ICM policy as has been the initiative taken by the regions to commence their own law-making program on coastal management.

The CSIM Act will lead MMAF to better positions to empower coastal communities in overcoming their management obstacles. Key decisions such as those made in policy formulation, planning and licensing, will only be made after genuine public consultation and sectoral government agencies will be bound by development plans for coastal management. The national or provincial government will not be able to interfere and override decisions about activities in coastal areas. In this way, regional autonomy coupled with the Coastal and Small Island Management Act will ensure true decentralization of coastal management policy.

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