

# Policy Brief on Governance and Integrated Coastal Management

INDONESIA



Mori Demak, North Coasta, Central Java, Indonesia © M. Epps, MFF Secretariat

*Indonesia is an archipelagic nation lying between the Indian and Pacific oceans, comprised of an estimated 17, 500 islands, 6,000 of which are inhabited. It has the longest coastline of any country in the world — 81,000 km. It claims an Exclusive Economic Zone (EEZ) of 6.1 million km<sup>2</sup> — more than three times its land area<sup>1</sup>. Its population is an estimated 235 million people, most of whom live along the coast. Its coastal areas include 51,020 km<sup>2</sup> of coral reefs and 42,550 km<sup>2</sup> of mangroves— almost 50 percent of the total area of mangroves in Asia. Over the past 30 years about 31 percent of Indonesia's mangroves have been lost due to human pressures on coastal areas, especially increases in logging and conversion to other land uses, including shrimp ponds and rice paddies<sup>2</sup>.*

<sup>1</sup> Fisheries Centre, University of British Columbia, Sea Around Us Project at [www.seaaroundus.org/eez/eez.aspx](http://www.seaaroundus.org/eez/eez.aspx).

<sup>2</sup> Food & Agriculture Organization of the United Nations (FAO), 2007. *The World's Mangroves, 1980-2005*. FAO Forestry Paper No. 153, Rome, Italy. 78 p.

## ***What Is Governance in the Context of Integrated Coastal Management?***

Governance, in the context of integrated coastal management (ICM), includes the laws and other norms, institutions, and processes through which power and responsibility are exercised to make and implement decisions affecting the available social, cultural, natural, technical, and financial and other economic resources available for development.

## ***What Is the "Coastal Zone" in Indonesia?***

The Coastal and Small Island Management (CSIM) Law No. 27 of 2007 provides the legal basis for ICM in Indonesia.

The CSIM Law defines the coastal area as the shifting area between the terrestrial and marine territories, influenced by changes on the land and sea. The inland extent of the coastal zone is

defined as the area covered by administrative sub-districts adjacent to the sea. "Coastal waters" is the sea adjacent to the land, including the 12 miles of sea measured from the coastline. A "small island" is defined as an island smaller or equal to 2,000 km<sup>2</sup> with all its ecosystems.

### ***What Authorities Exist for Coastal Management in Indonesia?***

The CSIM Law streamlines the institutional framework for ICM in Indonesia. The Ministry of Marine Affairs and Fishery (MMAF) is the responsible authority at central level, with offices dealing with marine and fishery issues at provincial and regency/city levels.

MMAF created the National Committee for Marine Conservation (NCMC) prior to the adoption of the CSIM Law to promote coordination and collaboration among coastal zone stakeholders. The NCMC has three focus areas: establishing a marine protected area network; (b) conservation of biodiversity; and (c) sustainable fisheries. By establishing a focal area for sustainable fisheries, the MMAF has tried to reconcile fisheries within the conservation management framework.

Until the new decree implementing the CSIM Law is issued, the decree which governed ICM prior to adoption of the CSIM Law remains valid to the extent that it does not conflict with the CSIM Law. The planning provisions of the current MMAF decree, which have been for the most part incorporated into the CSIM Law, require a Strategic Plan, a Zoning Plan, a Management Plan, and an Action Plan for the coastal zone. Planning is to be done cross-sectorally and implementation is to be coordinated by MMAF, the Local Development Office, and local technical institutions.



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Before the enactment of the CSIM Law, the coastal zone was managed through single-sector legislation governing at least 14 economic development sectors. Management of coastal areas had become a continuous conflict of interests among the government institutions whose authorities are named in each sectoral law. This fragmented coastal zone management resulted in overlapping policies, regulations, and planning, and the conflicts of authority led to legal uncertainty for stakeholders and investors and to degradation of coastal resources.

An overlap remains between the central government's authority to designate protected areas and local governments' authority to demarcate coastline. It is still unclear what the authority of the local government really is. To address this issue, MMAF has compromised by initiating Local Marine Conservation Areas (LMCA). These efforts cannot, however, solve the problem of jurisdictional conflict between the national park authority, which is under the Ministry of Forestry, and local government, which means that the planning and implementation of a national marine protected area network remains problematic.

There is potential for conflict between two laws adopted in 2007 – the CSIM Law and the Spatial Planning Law No. 26/2007. The plans to be created under both laws will govern space as well as resources, are valid for 20 years, and are implemented through local regulations.

### ***Is There a Monitoring and Evaluation Framework for Integrated Coastal Management?***

The CSIM Law explicitly mandates monitoring, controlling and surveillance (MCS) programmes. The level of participation of civil society in MCS is limited to "report and complain".

Under the CSIM Law's MCS programme, an accreditation system will be established by decree to reward local governments and communities that successfully develop ICM. Accredited authorities and communities will receive both technical and financial support for better coastal management. MMAF is preparing the accreditation decree, specifying criteria and key performance indicators for good ICM practice.

Although compliance monitoring is mandated by law and penalties for non-compliance are high, mechanisms for enforcement agencies and the courts to enforce compliance with the CSIM Law remain to be established.

### ***Does the Public Participate in Coastal Management Decision-Making?***

Two decrees issued prior to the adoption of the CSIM Law provide for co-management in small island development, explicitly grant management rights to coastal communities, allow management based on customary law, and enable the participation of local institutions in monitoring. A third decree, on decentralized coastal management planning, provides for consultation with civil society during the planning process and for public participation in implementing the plans.

In spite of these Decrees, significant inequities remain, with the private sector maintaining advantages over coastal communities in coastal management and development. The CSIM Law was formulated to establish a balance between popular and pro-market approaches.

One stated purpose of the CSIM Law is to strengthen community participation and to support community initiatives. The Law specifically recognizes customary law and guarantees the protection of traditional communities and their knowledge. The relationship of customary authorities to statutory authorities is not clarified, however.



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Provisions of the CSIM Law are inconsistent on the issue of public participation, however. While public participation is generally mandated, specific provisions on planning provide that only central and local government and the private sector may make proposals for strategic, zoning, management or action plans. Public participation at the proposal stage is limited to consultation. On the other hand, the Law specifies a collaborative mechanism for developing zoning plans and, through the accreditation scheme, offers an opportunity for communities to develop ICM programmes.

While the CSIM Law facilitates stakeholder participation by enabling the formation of a Marine Partnership program (*Mitra Bahari*) as a mechanism for cooperation among the central government, local government, universities, civil society, and the private sector, it does not explicitly require that the results of community participation must be documented. Since the CSIM Law is new, it is not yet clear whether government institutions are adequately staffed to manage the participatory approaches required for ICM.

The CSIM Law creates Coastal Waters Utilization Rights (CWUR), which may be granted to individuals, communities and the private sector. The Law clearly provides that the grant of CWUR must ensure the sustainability of coastal and small islands ecosystems and traditional communities, as well as innocent passage rights for foreign vessels.

### ***Is Information about Coastal Management Decisions Easily Available to the Public?***

The CSIM Law provides for access to information and specifically guarantees this right for coastal communities. The Fisheries Law No. 31/2004 also contains a guarantee of public access to information related to the fishery sector.

During the preparation of the CSIM Law, MMAF disseminated information through mass media, including print, radio and television. MMAF, like almost all government institutions from local to central levels has a website with information on laws and regulations, but the content is often not updated and incomplete and the only users are educated urbanites.

Currently, internet use in villages is minimal, due to the lack of computer facilities and of technological competence among village people. The Ministry of Communication and Information is conducting the 'internet going to villages' program and the Ministry of National Education is also carrying out internet application programs

in schools, though not all villages are included in this program.

In some places, public awareness of how to participate actively in coastal management is still low. The information and dissemination processes conducted by the government have not yet reached the general public in all parts of the country and a common understanding **between the government and society is yet to be** fully developed. A proposed State Secret Law (Undang-undang Rahasia Negara) may limit public rights to access information, but currently the authorities responsible for ICM have no regulations **which enable the government to hide information from the public.**

### Policy Issues and Recommendations

The CSIM Law provides a solid foundation for ICM in Indonesia. As the Law is being implemented, the policy focus should be on ensuring that the spirit of the Law is applied in practice.

- The CSIM Law eliminates fragmented sectoral administration of the coastal zone. ▫ *In order to consolidate this important advance for ICM, the existing jurisdictional conflicts over marine protected areas and the potential conflict with the Spatial Planning Law should be resolved early in the process of implementing the CSIM Law.*
- Creation of Coastal Waters Utilization Rights is another significant innovation of the CSIM Law. Ensuring equitable allocation of CWUR will be key to the effectiveness of the CSIM Law and its potential for alleviating poverty by providing opportunities in coastal management.
  - *Safeguards must be built into the mechanisms for allocating CWUR to prevent private sector domination of these rights and privatization of coastal waters.*
- The accreditation programme created by the CSIM Law is an important incentive for ICM. The Law codifies public participation as the key to successful ICM. Implementing both will require substantial support from MMAF and its provincial and local offices.
  - *National resource allocations should ensure budget and staffing levels that are sufficient to allow MMAF to facilitate public participation in ICM and to administer incentive schemes to support it.*



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