

Beyond the Blue Economy

When it applies a Blue Economy approach to protect and strengthen its small-scale fisheries subsector, Indonesia must encourage economic incentives for fishing communities

Indonesia's national planning agency, BAPPENAS, published *The Indonesian Blue Economy Roadmap* in 2023. The document holds up the Blue Economy as the "pathway towards a diversified and sustainable maritime economy". It is defined as "an approach to enhance sustainable marine management and conservation of marine and coastal resources and ecosystems in order to realize economic growth with the principles of community involvement, resource efficiency, minimizing waste and generating multiple revenues" (Paragraph 1 of Article 14, in Law Number 32 passed in 2014). The aim is also to decrease the potential economic, social and environmental risks of ocean ecosystem sustainability.

The roadmap for the Blue Economy identifies two categories of projects. One: those in already established sectors; and two, those in new emerging sectors. The first category focuses on four subsectors, namely: marine capture fisheries and aquaculture; marine-based industry (including marine-based food processing, shipbuilding, and salt and chemical industries); maritime trade, transportation and logistics; and tourism.

The new emerging sector will be focused on renewable energy, biotechnology and bio-economy, research and education, and marine conservation and sustainable management of ecosystem services. The intention is to exploit more of marine and coastal resources, and invite actors to be part of the multi-stakeholder set-up under the flagship of Blue Economy initiatives.

The Ministry of Marine Affairs and Fisheries (MoMaF) has proposed five

programmes: one, expansion of marine protected areas (MPAs); two, quota-based/measured capture fishing; three, development of sustainable marine, coastal and inland aquaculture; four, supervision and control of coastal areas and small islands; and five, cleaning plastic waste in the ocean through fisher participation, also called the monthly Loving Ocean agenda.

... small-scale fisheries (SSF), which forms the backbone of the national fisheries sector, remains marginalized

Meanwhile, small-scale fisheries (SSF), which forms the backbone of the national fisheries sector, remains marginalized. It confronts several issues like minimum protection for tenure rights, competition with industrial fishing vessels and trawlers, limited access to social protection and markets, coastal development and environmental degradation, as well as policy challenges. The new legislation offers a broader and more general definition of a fisher as a person who engages in capture fishing for subsistence, whether in a vessel or otherwise.

A study on the impact of Indonesia's Blue Economy policies on SSF focused on three projects: capture fishing and the quota system; industrial-scale shrimp aquaculture in the Central Java province; and the premium luxury tourism project in Labuan Bajo in South East Nusa province. The research aimed to understand the impacts of

This article is by Marthin Hadiwinata (hadiwinata.ahmad@gmail.com), Co-Founder of Ekologi Maritim Indonesia and National Coordinator of FIAN Indonesia, Indonesia

MARTHIN HADIWINATA



Traditional fishing craft at Labuan Bajo fishing town, Indonesia. The Labuan Bajo Premium Tourism Site, designated as a National Tourism Strategic Area (KSPN), is one of the government's five Super Priority KSPNs

54

these projects on small-scale fishers comprising the majority of actors in Indonesia's fishery business.

Government Regulation No. 11 of 2023, concerning measured capture fishing (MCF), was enacted as a policy to control, limit and restrict certain fishing zones and quotas of capture fishing in marine waters. The regulation will control the output efforts of capture fisheries in three types of quota in the MCF zone, namely: industrial quota; local fishers' quota; and quota for activities not for commercial purposes. MCF also opens up foreign investment in the form of limited liability companies and co-operatives that utilize industrial quotas in zones one, two, three and four. SSF access to industrial quota is limited to individual business persons, while priority is given to small-scale fishers who had joined co-operatives.

There are also other specific provisions for SSF to deal with special situations. The shrimp estate programme for large-scale upstream and downstream processes in shrimp aquaculture is a case in point that

uses modern technology. Other Blue Economy projects tend to undermine SSF due to lack of public consultation and participation, corporate control of shrimp farmers, and the issue of environmental impacts of aquaculture.

After the job creation law was passed, there have been setbacks in environmental safeguards, especially related to the environmental impacts of shrimp or crustacean farming. The Labuan Bajo Premium Tourism Site, designated as a National Tourism Strategic Area (KSPN), is one of the government's five Super Priority KSPNs. The Labuan Bajo area includes the Komodo National Park as a conservation area for the komodo (*Varanus komodoensis*), designated even before Indonesia's independence.

Long before the Labuan Bajo area was designated as a KSPN, in the 1970s the residents of the Loh Liang indigenous community were forced to move for conservation purposes. In fewer than 30 years, the people of Komodo Island have had to change their livelihoods several times. They

used to hunt and gather food, and work as traditional fishers; now they have become sculptors and sellers of souvenir merchandise. The establishment of a national park as a nature conservation area that maintains the original ecosystem through a zoning system, was meant to be supported by science, research, education, cultivation, tourism and recreation. However, these so-called benefits have been achieved at a high cost—human activities in the area are limited and largely forbidden.


Any effort to protect SSF and help it go beyond the Blue Economy perspective needs to fully identify and recognize the principal actors and subjects of the subsector. Once that is done, it is necessary to collect data on them, an activity that should not be left to the government. Otherwise many SSF actors will remain unregistered; the data generated by the government may be invalid, which will affect efforts to protect the basic rights of SSF actors.

Indonesia has accepted the Voluntary Guidelines for Securing Sustainable Small-scale Fisheries in the Context of Food Security and Poverty Eradication (the SSF Guidelines). However, its implementation is still to take off. Neither the MOMAF nor the government has yet issued a national action plan on the implementation of the SSF Guidelines, as mandated. A law concerning the protection and empowerment of fishers, fish aquaculture and salt farmers was enacted in 2016, two years after the SSF Guidelines were endorsed in 2014. However, no directives on implementation have been issued. The 2016 law has been criticized for not recognizing gender justice and equality.

Tenure protection is fundamental to avoiding agrarian conflicts between SSF and other actors who also access and utilize coastal land and water, as well as marine and fisheries resources. Tenure rights in the form of access rights, control and participation in the utilization of marine and fisheries resources, are still limited. Even where access rights are granted, the rights to control and participate in the

management and utilization of marine and fisheries resources are still non-existent.

Social protection and insurance for SSF are crucial, considering that fishing activities themselves are considered dangerous. Added to that are other social problems such as the right to access services and programmes designed for health, education, food and nutrition, and land for housing. The employment insurance scheme covers only 486,000 fishermen and crew members, without any specific preference for SSF.

The SSF subsector needs economic incentives for its activities, considering that it plays a strategic role as an economic and social engine, guaranteeing food and nutritional security, and employment, apart from providing other multiplier effects to the local economy, while supporting the livelihoods of coastal communities. Nonetheless, fishermen's access to equipment and fuel is still limited and not easily obtained. Also, the working population in fishing communities is not being regenerated adequately, mainly because SSF is not considered an economic solution to community problems. Most of the youth do not want to fish or work in the SSF subsector because they do not see it as a viable economic path to a secure future. One way out of this dilemma may be to encourage the absorption of fishery products from small-scale fishers. Such market intervention can provide sufficient and stable incomes, while also increasing the fishing communities' personal consumption of their catches. 

For more

Local Knowledge and Fishery Management: This report was commissioned by ICSF, as a background study for the 2009 Lombok workshop

<https://www.icsf.net/wp-content/uploads/2009/09/930.ICSF033.pdf>

The Indonesia Workshop Report: Indonesia Workshop Report: Customary Institutions in Indonesia: Do They Have a Role in Fisheries and Coastal Area Management?, 2-5 August 2009, Lombok, Indonesia

<https://www.icsf.net/wp-content/uploads/2010/09/930.ICSF128.pdf>

Reclaiming Rights

https://www.icsf.net/wp-content/uploads/2021/06/4358_art_Sam_79_Reclaiming_Rights_Susan.pdf

Ring of Fire

https://www.icsf.net/wp-content/uploads/2021/06/3193_art09.pdf

Revitalization of traditional fisheries rights of indigenous people in sustainable fisheries management in Indonesia

https://www.researchgate.net/publication/350866430_Revitalization_of_traditional_fisheries_rights_of_indigenous_people_in_sustainable_fisheries_management_in_Indonesia