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The Challenges of Public Policy for Sustainable Oceans and Coastal Development: New Directions in Indonesia

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OPENING REMARKS

Before beginning my remarks I would like to thank UNESCO for its sponsorship of this conference, as well as the other Ministers present for their support. In addition, I would like to give a special thanks to the Conference Co-Chairs, Dr. Patricio Bernal and Dr. Biliana Cincin-Sain for their excellent work in putting this Ocean and Coasts Rio-Plus-Ten Conference together. I would also like to thank the organizing committee for inviting me to speak before this distinguished group of international and marine diplomats, experts, scientists and leaders, and to the Coastal Resources Center at the University of Rhode Island for helping to make my attendance and participation possible. It is a rare privilege and an honor to stand among you here.

In the 1992 Rio Conference, we recognized that up to that time approaches to ocean and coastal management on all scales had not always been successful in achieving sustainable development. As part of this recognition, we accepted the Rio Declaration commitment to work in a number of specific areas using approaches that are "integrated in content and are precautionary and anticipatory in ambit". Toward these ends, coastal States further committed to focus on such mechanisms as management and coordination, data collection, science and information, financing, technology and human resources development and capacity building.

In many ways, it is difficult to say exactly what this has meant over the last ten years in terms of implementation. Public policy, especially regarding ocean and coastal resource use and conservation, is a difficult and sometimes hazy process that includes powerful vested interests and complicated issues of access and use-rights. Complicating this is a modern technological and commercial capacity that is speeding the depletion our resources by meeting the increasing global population's desire for consumption of ocean and coastal products. Demands for these resources inland and far away in other countries are now being met, resulting in far more pressure on coastal and marine resources than could have been imagined years ago. This greatly extended ability to service demand for consumption of ocean and coastal resources, combined with other impacts such as global warming and pollution, indeed present a formidable challenge for our governments.

However, since our entire future is intimately tied to achieving sustainable development of ocean and coastal resources, we accepted the sustainable development challenge at Rio and find ourselves here to review our progress.

I am sure that much will be presented in this conference that indicates progress of which we should be proud. I am equally sure that much will be presented revealing that we have still not achieved our goal of finding the right combination of policies and practices through which we can achieve the political transitions, legal evolution and cultural transformation required for sustainable development of our oceans and coasts. We must recognize that establishing a comprehensive framework is a dynamic and never-ending task, a cyclical process of issue identification, program development and formalization, implementation, evaluation, and modification. It is this dynamic process that constitutes the business of making public policy for sustainable ocean and coastal development. And, as politicians and experts, scientists and managers, it is our duty to fully participate in this *public policy process* to achieve our goal.

My choice of the word *process* is intentional. It is *process* that distinguishes the making of good public policy and recognizes the dynamic nature of effective governance. But beyond our broad agreement that this process *is* dynamic and ongoing, what do we mean when we talk about ocean and coastal public policy? Most importantly, we are talking about government commitment and government action. There is no public policy on coastal and marine resources without government commitment followed by government action, or at least not positive public policy. As we all know, public policy set through *lack* of government action can be just as powerful, but in a negative way.

In a broad sense, the work before us in this Conference is about monitoring and evaluating our progress in terms of moving along the continuum of positive public policy making for ocean and coastal resources. As scientists and managers we understand the need to monitor and evaluate our progress based on the best science available, and to adjust our course as needed. But our monitoring and evaluation is not only about using the best science available. For nowhere is the connection between public policy and civil society more direct than in the arena of ocean and coastal resources management. As a result, we are also dealing with human emotions, needs, feelings, culture and other social and political factors that, while often less quantifiable, are no less real and important to our progress toward sustainable development.

The Rio Declaration on Environment and Development identified twenty-seven broad principles to guide national and international actions. Nowhere did it provide practical guidance to individual nations confronting the socio-economic, cultural, political and scientific complexities that we all are confronting. Nor could we expect the Rio Declaration to provide these. Addressing the complexity of practical implementation is the job of each of us gathered here, based on the conditions and culture we find in our own nations. In Indonesia, these complexities are daunting indeed, perhaps more than most other nations as a result of our tremendous bio-physical and human diversity.

Geographically, our country extends over three time zones and more than 6000 km from our borders in the east in the Philippine Sea to the west in the Indian Ocean. We have and 82,000 km coastline, the second longest in the world. Our seas contain what is considered by some to be the greatest marine biodiversity in the world within a single nation. This blessing is balanced by nature, as we are also host to almost every natural hazard known, including explosive volcanoes, intense earthquakes, floods, and tsunamis, all of which directly impact our coastal populations and ocean resources.

Our people reflect this tremendous natural diversity with hundreds of distinct languages and cultures. Indonesia is the fourth most populous country in the world with over 200 million people. Despite growing levels of trained professionals, high technology and college-education, the vast majority of our people have fairly low skill levels. There are very few mid-sized enterprises: most industry is large-scale factories or small family operations. Marine transportation and shipping has shifted from labor-intensive to technology-intensive activities. Commercial fishing, which shifts the distribution of wealth from large numbers to a few, has become high-tech and large-scale as well, and is operated mostly by foreign interests. Sixty percent (60%) or 130 million of our lower-skilled people and eighty percent (80%) of our industry are located along the coasts. It has been estimated that over 50% of protein intake in Indonesia is from marine products.

Indonesia is an example of a "large coastal nation" in the same category as Australia, the United States and Canada. We have large-scale geographic issues such as a broad range of climates, ecosystems, community structures and diverse socio-cultural groups. Distance and remoteness are significant factors for communication and governance. Indonesia can also be seen, paradoxically, as a "small island nation" in the same category as the Philippines and Micronesia with small-scale issues. About 17,000 islands in our archipelago are identified as small islands. Less than 9,000 islands have names, and less than 6,000 are inhabited. Many islands are occupied by traditional communities who continue to embrace different customary marine tenure rights. Two ethnic groups, Bajo and Buton, are classified as sea nomads who still move from one island to another and practice open-access property. Increasing coastal populations have led to significant conflicts among our ocean and coastal resource users. As a result, many of our policies and programs must address extremely varied sets of characteristics and needs. Herein lies Indonesia's great challenge—enormous diversity spread over a vast area.

Entering the Conference at Rio, Indonesia's tropical forests and minerals were considered our principal resources and were the focus for both exploitation and conservation activities. As we focussed on the depletion of our terrestrial resources, our marine resources "quietly" suffered. Except for ports, our coasts were utilized for little other than small-scale subsistence fishing and some recreational use by the more privileged.

Foreign fishing fleets, many of them fishing illegally, were harvesting our offshore stocks because we had not developed the capacity or priority to harvest pelagic fish stocks. Due to the size of our Exclusive Economic Zone (EEZ), the number of ports and the kilometers of coastlines, enforcement of international agreements was problematic. Unsustainable local fishing practices such as using cyanide and dynamite on the reefs had

existed for more than a generation and were considered "indigenous" practices. The depletion of coastal fish was becoming evident, even to subsistence fishers, yet most coastal villagers did not realize the scale or sources of threats to their resources.

Activities such as the gleaning of the reefs for fish and invertebrates to supply the international market of marine ornamentals were likewise becoming unsustainable. Depletion and degradation were coupled with new concerns such as overpopulation of Crown-of-Thorn Starfish and local bleaching events on the reefs. Conversion of coastal habitats for aquaculture was followed by loss of critical habitat, flooding and coastal erosion in the villages. Non-coastal residents and foreigners were enjoying the greatest benefits from ocean and coastal exploitation in our country.

In addition, the Asian monetary crisis, our own internal political evolution toward democracy, and the international events of the past few months, coupled with a weakening of the global economy are adding additional economic and political pressures that have the potential to further complicate ocean and coastal management in Indonesia. But our response has been strong and I can add Indonesia's report to this conference as one of those showing significant progress. And, our internal response to these complexities are in fact also examples of how we have responded to our commitment to the twenty-seven broad principles outlined in the Rio Declaration on Environment and Development.

Indonesia Changes in Governance and Institutions Since Rio

Following Indonesia's signing of the Rio Declaration in 1992, our government began an important process of elevating ocean and marine resources on the political agenda. As a result, Indonesia separated marine sector management from other institutional and economic sectors for management purposes in 1994 through its Sixth Long Term Development Plan. Following this, and in order to address the growing need to integrate ocean and coastal issues previously handled by more than ten different Ministries, Indonesia established my new Ministry of Marine Affairs and Fisheries in 1999. My Ministry contains five Directorate Generals including Coastal and Small Island Affairs, Research and Technology, Enforcement and Surveillance, Capture Fisheries, Culture Fisheries, and Institutional and Capacity Development. In addition, my Office of the Secretary General provides experts on law and governance issues that span and support all other Directorate Generals. This was a tremendous event that has been equated with the creation of NOAA in the United States.

Simultaneously, our government reform movement triggered a momentous push toward decentralization and participatory governance after almost fifty years of strong central government control during which all mandates emanated from the closed central government in Jakarta. A new National Maritime Council was formed consisting of politicians, private sector representatives, NGOs and government officials. Law 22 in 1999 provided the legal mandate for decentralization of broad authorities to local governments. Law 25 in the same year provided local control of financial resources that empowers local governments to implement these new. A significant element of Law

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22/1999 was district control of marine resources out to four nautical miles and provincial control of marine resources out to 12 nautical miles. As a result, local communities and governments have control over ocean and coastal resources for the first time since the 1945 Constitution, which provided for complete central government control of all oceans and coastal resources.

My Ministry has now assumed the unique challenge and opportunity to design from the beginning a program that supports and horizontally links local government actions and policies, and simultaneously builds a vertically integrated national program around national standards that represent national interests. Our priorities are to increase supervision, control and production of coastal, marine and small-island resources, and to improve economic efficiency in their utilization; to develop information, policies and mechanisms for participatory integrated management; to expand the understanding of marine resources to our population; and to empower the local communities to manage their own coastal resources.

Central to our national interest is the protection and management of our ocean fish resources and increased production from cultured stocks to reduce pressure on ocean-based resources. For example, we are establishing a vessel monitoring system for foreign fishing vessels in order to regain control of our pelagic resources and retain more of the benefits related to these resources. We are also elevating the importance of enforcement at sea in protecting these resources. At the same time, I have initiated a number of programs to help local entrepreneurs develop culture fisheries operations and other programs that support sustainable use of local fish resources.

However, local communities and governments in Indonesia have historically looked to the central government to create policy, to protect resources, to enforce rules and to generate activities, particularly in the last several decades. Even in the era of decentralization, a recent attitudinal survey about ocean and coastal resources management indicates that this perspective is still held by the vast majority of the population surveyed (more than 70%). To succeed in empowering local communities and government, we must change the residual belief that the central government is solely responsible for ocean and coastal resources and change the expectations for central government's provision of services related to these resources. And, as most of our technical capacity still resides within the central governmental agencies, we must also bridge the capacity gap to enable local stewardship and initiative.

One of my first steps to bridge the capacity gap and encourage local action was to initiate development of national coastal management legislation, through which technical assistance and resources can flow to local communities and governments. This legislation encourages horizontal and vertical integration among government agencies, provides guidelines for regional and community coastal management planning and implementation, and takes a non-regulatory, voluntary approach to local participation and actions under a national program. I am proud to say that this is being discussed throughout the country and will be presented to Parliament for ratification in 2002.

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In preparation for the passing of this legislation, the Ministry has started to develop numerous policies to guide capacity development and action by the government and communities. These include coastal management, small islands management, coastal area spatial planning, coastal and ocean hazard mitigation, habitat rehabilitation, capture and culture fisheries development and licensing and tracking for foreign fishing operations among many others. These form the backbone of my public policy regime in terms of both empowering the public to take control at the local level, and giving expression to public aspirations at the national level.

We have also initiated a number of pilot programs to develop Indonesia-based models for local community and local government coastal management. In East Kalimantan we developed the first watershed-based Bay Management Plan in Indonesia and facilitated the establishment of the first ever local government inter-departmental working group focused exclusively on interdepartmental coordination and budgeting regarding coastal and ocean management. In South Sumatera, we created the first GIS-based provincial coastal atlas and strategic plan that was so successful a tool that eight other provinces have developed similar atlases and strategic plans own using their own resources to complete the tasks. In North Sulawesi, we have the first ever village-based and enforced community marine sanctuaries in Indonesia and are beginning the national community-based marine sanctuaries will ultimately form a string of protected areas throughout the thousands of coastal villages in Indonesia, serving as breeding areas and multiple-use reserves.

Education of future generations is also a critical part of my agenda. I am currently leading the establishment of a new Marine Policy Research Center at the Bogor Agricultural Institute, the premiere coastal university in Indonesia. This initiative has already resulted in establishing student and faculty exchanges with the University of Rhode Island in the United States. We have developed the Indonesian Coastal University Network to link and build capacity in coastal universities across the nation and a national internet-based network of marine NGOs is similarly linking non-governmental organizations focused on coastal issues.

In addition, my Ministry supports a national bi-annual conference for coastal management professionals that in 2000 was attended by more than 1000 national and international participants. Our next national conference is in May 2002 and I encourage all of you to attend and present papers that contribute to our continued progress. In addition to our national and local conferences, we are increasing our linkages to the global community by participating in programs such as the International Coral Reef Initiative and international NGO programs, as well as hosting international marine science conferences such as International Coral Reef Symposium 2000 in Bali. These developments and activities are critical for keeping current with the global community and on-course internally. It also allows us to borrow, adapt and disseminate innovations for and from our experimental programs.

We have made significant progress in managing our national marine parks, such as Komodo National Park near Bali, by empowering local communities to manage these

resources. In Bunaken National Marine Park in Northern Sulawesi, local government, NGOs and communities are working together with donors to develop and enforce a tiered zoning program, begin a reef monitoring and rehabilitation program, and develop a shared management system with community patrols. New partnerships with dive operators include the first user-pays fee system in Indonesia with 90 percent of the funds going to park management. Bunaken Marine Park has also recently been proposed as a World Heritage Site and we hope to establish it as a national center of excellence for national capacity-building purposes.

The economic and social development of coastal communities is also a major mandate of my Ministry. Work is slow amidst increasing populations and rapid internal migration that increases the potential for conflict around resource access and use. I have initiated a significant micro-enterprise development program, with special emphasis on alternative income streams for women, to improve the standard of living while also increasing awareness in coastal villages of the implications of local actions for ocean and coastal resources.

These are just a few examples of the progress we are making. In all, my Ministry is currently coordinating ocean and coastal resource management projects in over half the provinces in the Indonesia and in 45 separate districts and cities. As with all of us, our challenge is to draw from experiences around the world, try to understand the underlying principles of the models available, and then adapt them to our local context. In Indonesia, our awareness and capacity to do this is improving, but we need much more knowledge and experience in coastal management, and in many cases we are addressing these needs for knowledge and experience with the generous support of the donor community, for which we are grateful. Especially important now are programs that focus on building capacity to analyze and formulate national policies for fisheries management and coastal resources management, as well as preparation and implementation of local management plans for coastal and areas.

CONTINUING CHALLENGES

Indonesia is not alone in facing the challenges ahead. We are struggling to balance several competing priorities, all of which need resources and attention. From land-based sources of marine pollution to marine transportation issues, sea level rise, coral reef degradation and small island management - how is one to choose? In Indonesia, we have taken the best possible first steps forward by recognizing the need to manage ocean and coastal resources through an integrated rather than sectoral approach, and establishing a new Ministry of Marine Affairs and Fisheries through which to realize this need. However, the challenge we accepted at Rio of balancing and finding our way through the many socio-economic, political and scientific complexities we face in establishing that elusive integrated framework of sustainable ocean and coastal development will remain with us long into the future.

The last 10 years have gone by quickly. And, just as in the Rio Declaration, I believe that offering practical guidance here for implementing all ocean and coastal management

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programs is impossible. However, we have learned much in the past few years in Indonesia and I believe that there are a few important lessons that I can offer to this Rio Plus 10 Conference in terms of public policy for sustainable oceans and coastal development.

Firstly, the importance of setting the public agenda cannot be overstated. In order to achieve integrated governance of ocean and coastal resources there must be an alignment of vision and mission in terms of the public agenda. This is probably the single most important action for rapid success in sustainable ocean and coastal development. It is also probably the most difficult. And, while local and national public agendas must necessarily move along their own individual timelines, vertically and horizontally linking local and national agendas has been directly linked with our rapid expansion of ocean and coastal management in Indonesia. As a result, I believe this linking should be constantly in the mission of national and donor efforts. To achieve this, national agendas must be designed downward looking and local agendas must be designed upward looking, each incorporating the others aspirations and enabling the other's success.

In practical terms, setting the public policy agenda means looking for, and/or creating, the triggering mechanisms required to catalyze rapid change and open the door for policy innovations in integrated ocean and coastal governance. Good fortune came from bad fortune as the Asian monetary crisis acted as a powerful triggering mechanism and produced a refocusing of the national economy on natural resources conversion. Ocean and coastal resources were suddenly hot topics in terms of foreign currency capture, the national budget, food security and conflict over access and use-rights.

Following closely behind setting the public policy agenda for oceans and coastal governance is the need to engage our governments in much larger geographic-scale efforts for implementing ocean and coastal initiatives. Isolated community-based activities and small ocean fisheries pilot projects taught us much in the early phases of ICM about the potential results of management opportunities. And, continued scientific research is critical to inform our programs. However, we must admit that integrated management of ocean and coastal resources is by nature a governance function that must be conceived, proposed and carried out on large scales in order to produce the results we want. While certainly a more complex task than smaller demonstration projects, large-scale efforts are required in order to produce the results necessary to maintain a position in the competitive public agenda and address the critical issues that exist.

Finally, it is important to use the support garnered through the public agenda to rapidly set the policies that provide practical guidance for action at all levels. In Indonesia we are doing this through the new national coastal management legislation and guidance documents that I described earlier. It is important to move quickly. While triggering mechanisms open the governance door for innovation and rapid progress, and working at large scales offer the promise of bigger and more attractive results, the public agenda doors often close with the announcement of the latest crisis.

As we are learning in Indonesia, it is important to rapidly put in place the governance infrastructure for support and action to continue after our day in the spotlight has faded. This infrastructure must be designed to quickly accomplish the first order outcomes of formalized institutional structures and constituencies while preparing the way for second and third order outcomes leading to integrated governance of ocean and coastal resources.

These are some of the lessons we have learned internally. We have learned some things that are somewhat external to our nation. Although it would be nice to think that nations will place the global condition and needs above their own, this is unrealistic. We need to continue to work together directly, and through international bodies, to continue to improve our understanding of the importance of the externalities we incur and create, and to continue to develop innovative approaches to mitigate these externalities without major detriment to our own people. Without international consensus and willingness to sacrifice equally, the needs of the world will usually come second in priority to the needs of a nation.

It is our job to find solutions that are compatible with our own national needs, and to make conscious and well-considered decisions to intentionally change our behaviors and policies based on these needs. We can experiment, adapt the models of others, discuss widely the possibilities and implications, but the decisions are ultimately ours to make and the work is ours to do. It is a challenge of the spirit as well as the mind to integrate change with historic and cultural identity. It is a difficult balance to recognize some things cannot move too quickly while recognizing that speed may be the determining factor in the preservation of our renewable ocean and coastal resources.

In Indonesia we are still looking for the correct pace and best approaches for our nation, remembering that managing ocean and coastal resources means managing those peoples' complex behaviors and feelings. While we struggle to push innovation, we also spend time facilitating and listening. In cooperation with our international partners, which have been extraordinarily generous with Indonesia, we are moving forward with experimentation, adaptation, and discussion of the options for integrated governance of our commonly held oceans and coasts, and are emerging with our own capacity and public agenda to take action. Together we are all on the road to search for a comprehensive framework for integrated governance of ocean and coastal resources. And through this search, I am sure we will find solutions to the problems caused by old behaviors that are no longer sustainable while holding on to the essence of our national cultures.