Decentralizing and Delegating ICM to Regional and Local Communities: A Precarious Balance of Authority, Capacity and Consistency

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ABSTRACT

Decentralizing governance of natural resources has been a recurrent theme since the Rio Declaration in 1992. Since then a large number of countries have attempted to adapt their governance, especially integrated coastal management, to a decentralized and participatory process. A review of the experiences of organizations and governments in decentralizing their programs reveals a number of factors that can affect the outcomes decentralizing efforts and that influence the objectives and sustainability of the resulting programs. These factors include:

- the form of the decentralization effort (de-centralize, delegate or devolve);
- the capacity of local and national governments to manage the change;
- the authority and accountability of the two levels of administration (local versus central;
- the general governance approach (coercive vs. cooperative, voluntary vs. mandatory);
- the level of sustained commitment of the local authority to national program objectives; and,
- the consistency of the programs between local government units.

This paper discusses these factors and provides examples of their influence in decentralization efforts from a few cases around the world. In particular, a new case study of Indonesia is presented reflecting its efforts to develop a new national coastal management program based upon lessons learned from other experiences. The case study from Indonesia illustrates the particular dilemmas faced by a newly established national marine ministry. These include breaking or avoiding old governance habits,

building new capacities within new government units, developing nationally and locally managed marine protected areas, defining a level and form of local authority, empowering communities, redefining the budget process, and maintaining links to the national and international coastal management communities. The outcome of this study is the identified need to balance authority, capacity and consistency over time and in organizational structures specific to integrated coastal management objectives.

BACKGROUND

Centralized Governance

Centralized management of environmental issues by governments emerged for good reasons in the 1970's partially as an outcome of the 1972 United Nations Global Conference on the Human Environment in Stockholm. This conference highlighted that environmental conditions were worsening and local programs could not handle the costs, the scope or the diversity of issues. In addition, centralizing environmental management could moderate the efforts of local governments to pursue economic development over environmental protection by setting national standards, resisting the influence of large industrial lobbyists, addressing transboundary issues and establishing the moral rights of clean environment for a national and global community (Stewart, 1977; Esty, 1996). As a result, several national ministries of environment emerged, as did the UN Environment Program and a number of international agreements including the Convention on the Prevention of Marine Pollution by Dumping Wastes and Other Matter (Cicin-Sain and Knecht, 1998). Even as centralized programs developing, there emerged a contradictory call for more decentralized management of the environment. This call for increased decentralization became a key discussion point in the 1992 Rio Declaration on Environment and Development.

Decentralized Management

In the ten years since Rio, many governments have renewed their commitment to the environment. They prioritized inventorying and valuing their natural resources while creating plans to manage them more wisely. Guided by outputs from Rio and other

sources that identified centralized authority as a problem for integrated environmental management (Cicin-Sain and Knecht, 1998), many national governments made these inventories and plans with the participation of local governmental stakeholders and the public. Whether the participation of these local groups was minor (e.g., only providing awareness and transparency) or whether it was significant (e.g., enabling meaningful participation in decision-making), this experience often created, either formally or informally, new processes in governance. However, for those who embarked on this new approach to environmental management, the critical challenges of budgeting, delegation and implementation awaited.

It has become clear that translating environmental goals into effective action is extremely challenging, and can create an "implementation gap". This gap can refer either to the gap between policy goals created by one body and the activities implemented by another, or to the gap between governmental actions and measurable improvement in environmental conditions (Lowry, 1985, 2001). Clearly, effective integrated management requires coordinated actions and shared roles and responsibilities among a number of governmental and non-governmental agencies in multiple tiers of governance. Designing such a system includes allocating responsibility, creating understanding about roles and responsibilities, insuring adequate resources for management tasks at all levels, building capacity among implementing officials, developing systems for monitoring performance and insuring accountability (Lowry, 2001). This process and the variety of emerging relationships between national and sub-national authorities have become popularized as "decentralization". It is a key governmental reform that is currently underway in more than 80% of larger Southeast Asian and West African nations (Agrawel, 2000).

Proponenets argue that decentralizing integrated environmental management promotes the design and implementation of programs that better reflect local needs, conditions, and sensitivities as well as promote improved administrative efficiency. Numerous factors, however, can negate these same benefits. For instance, local design is not feasible if it requires complex chemical, biological or engineering analysis where there is little capacity to meet these needs. These studies may not be applicable for every locale as

conditions vary and local knowledge may provide sufficient basis for actions. In addition, the advantages of local knowledge and priorities also can be undermined in several ways. This includes the lack of an effective means for meaningful public participation due to lack of awareness or representation, technical complexity of an issue beyond the understanding of local stakeholders, lack of specific skills needed to implement programs, and the influence of local elites. This complex array of factors reveals the need to consider various characteristics of decentralizing integrated environmental management, in particular its implementation phases, in order to understand how to best unlock its potential.

Characteristics of Decentralization

Forms of Decentralization

Decentralization takes different <u>forms</u>, and has a variety of characteristics. ***De-concentration,*** the weakest form, happens when national agencies shift responsibilities to their own regional offices basically creating only extensions of the national government. ***Delegation*** occurs when national agencies shift responsibility to lower authorities that are not wholly controlled by the national agency, but whom are still accountable to the national authority and its objectives in some manner, for example through the budgeting process. The strongest form of decentralization is ***devolution,*** where authority is transferred to independent local governmental units giving them substantial autonomy regarding how environmental activities and functions are to be implemented (Agawal and Ribot, 2000).

Important in any form of decentralization is the question of how to achieve effective shared management between agencies at different levels of governmental and the issue of mutual and public accountability. What is the ideal balance between ***cooperative*** and voluntary programs supported with incentives such as increased local funding as a reward for compliance versus ***coercive*** or mandatory programs with sanctions or penalties for non-compliance? Should local offices of the national agency be responsible for gaining compliance from the independent local authorities or should the two levels of government

share the responsibility and the authority? How does the central government ensure compatibility between programs and progress toward national objectives? Important for this discussion is the question of what should a government consider in creating a new decentralized process or program that addresses integrated management of coastal and marine resources?

Research on the use of cooperation and coercion in intergovernmental relationships reveals that there are strengths and weaknesses to both approaches. Coercive arrangements may encourage token compliance but it may not result in sustainable commitments to environmental management, and these arrangements can be undermined by the political resistance of local officials (May et al., 1996). Cooperative arrangements can foster local "ownership", but not all local authorities may comply, which can leave gaps in overall management implementation. Without sanctions (which contradict the spirit of cooperation) it is difficult to encourage compliance from reluctant partners or to prevent inequitable trade-offs (e.g., local benefit at the cost of regional safety in coastal hazards mitigation) (May et al., 1996). In addition, both cooperative and coercive regimes can unravel over time. Coercive regimes weaken if monitoring or enforcement is relaxed whereas cooperative arrangements fall apart if disagreements in objectives or on other issues develop between partners. These results imply that no one prescriptive solution exists but that these factors should be anticipated in the design of any shared management regime from the beginning of the partnerships.

Capacity to Manage
Capacity at both central and local levels is a recurrent issue in the process of decentralizing coastal mamangement program implementation. Capacity requires more than just competence within a technical function (e.g., biophysical monitoring of coral reefs). It also includes other professional skills such as leadership, ability to identify problems and solutions, confllict resolution, decision making, resources mobilization and self-monitoring and evaluation of program results (Leonard, 1985).

"Organizational culture" also directly relates to decentralization success. Senior bureaucrats and technical staff at the central levels may not wish to shift from working on large-scale projects with the national agency to coordinating village-level activities. On the other hand, local staff may not feel the need to include consideration of national priorities or standards in addressing what are perceived as local problems. New organizational networks must often be built, sometimes over existing ones. Building new internal and network capacities at all relevant levels of government is an important part of putting in place a new and successful decentralized regime.

Accountability and Authority

National accountability refers to the authority and procedures that allow for the central government to oversee the actions of the local government and other stakeholders in order to insure compliance with the objectives and implementation of integrated management programs. It implies that errors will be found and that actions can be taken to remedy them. Accountability requires establishing guidelines and addressing specific administrative dilemmas. For example, for what activities or behaviors will local government be held accountable and what information is needed to monitor and support this accountability? Further, by what criteria will the actions of the local government be judged and evaluated, and who selects those criteria? In terms of the overall reporting structure, should review be based upon local authorities reporting their actions upward for or does the central authority authorize specific actions with oversight downward and how will problems be addressed when identified? Monitoring the actions of organizations are administratively challenging, labor intensive and politically difficult to implement. Even more challenging is the task of monitoring and achieving accountability from non-governmental organizations and communities (Lowry, 2001).

Another approach recommends political accountability be imbedded, i.e., that elected officials at all levels and in all partner organizations address accountability through self-scrutiny of programs under their jurisdiction. For example, legislative forums and investigative reporting can identify problems including those related to intergovernmental process or structures. This implies that administrative officials, as well as elected officials

become accountable in part to the larger body of stakeholders in environmental management, and that imbedded systems be put in place to empower accountability by these stakeholders. Political accountability requires improving the transparency of the agency's planning and decision-making processes, providing opportunities for the community and interest groups to become involved, and sharing authority with the broad range of other stakeholders.

Commitment

Research has shown that sustained commitment in the implementation of plans and programs is a key indicator of success, but that acquiring and maintaining the commitment of lower authorities in a decentralized system is problematic (Sabetier and Mazmanian, 1983; May et al, 1996). Local political resistance can be a factor in reducing commitment due to the lack of understanding or the lower priority given an issue by the local authority, a reluctance to apply the implementation mechanism to local residents (such as restrictive permits or fines), or the influence of local interest groups. Practical considerations such as limited technical capacity and resources, even simply the lack of a tool or a qualified person to monitor activities may prevent the local authority from prioritizing or mandating the program's implementation. Identifying and addressing local resistance, whatever its source, is critical for sustainable commitment to the decentralized program.

While sanctions or coercive approaches can sometimes address local resistance, most agencies prefer to apply positive strategies. Three strategic approaches have been shown to be most effective: a) building a better understanding and awareness of the issue, the central government's approach and the objectives of the program(s), b) building a stronger local constituency for the program, and c) developing collaborative planning and management strategies that involve all levels of staff. Research has shown that when stakeholders understand the issue and agree with the approach taken to manage the problem, they are more willing to resist local interest groups and elites, and that widespread commitment is more sustained (Sabatier and Mazmanian, 1983). While a key factor in successful decentralized management of natural resources is the commitment

from local officials and their constituents, this commitment needs to be continually built and reinforced over the life of the program.

Consistency

A decentralized program needs to address the importance of consistency across sub-national governance units in order to achieve the objectives of a national environmental management program. Requiring consistency creates a coercive context. As a result it is generally agreed that approaches should be flexible and general unless the national importance of the program (e.g., national security, hazards mitigation, international compliance) is significant and clearly presented to the local authorities to encourage compliance. Consistency within a de-concentrated or delegated program is expected to be higher than in a devolved program as the issues, approaches and desired outcomes of the local devolved program are by definition locally selected and therefore diverse. Importantly, consistency can be viewed in terms of consistency of process rather than content. This includes such elements as public participation, integrated interdepartmental cooperation and power-sharing, administration (similar forms, checks and balances, staff titles and functions), programs elements (protected areas, fishery) or desired outcomes (zoning, fishery quotas, pollution controls) while leaving other details open to considerable variation. Usually consistency relates to the local program being consistent with national program objectives, but it can be applied in the reverse direction as well. For example, the U.S. Coastal Zone Management Act states that states with approved programs can review plans for federal actions requiring permits based on consistency of these federal actions with state coastal management plans (that can be more strict but not more liberal than federal guidelines) in local waters and coasts. In the U.S. program, the vast majority of federal projects receive approval for implementation by the states. Still, the continuing right to review and approve has been a powerful incentive for states to participate in the national coastal management program. (Cicin-Sain and Knecht, 2000)

Reviewing these characteristics of decentralized management leads to useful comparison and evaluation of alternative governance structures in specific situations. There are certainly additional components and effects to consider in decentralizing, but they are

beyond the scope of this work. However, a number of case studies of decentralization relating to coastal management have been analyzed, and a summary of those examples are presented and discussed below.

Decentralized Administration for Coastal Management

Several forms of decentralized administration for national coastal management programs have already been initiated throughout the world. Examples of various forms (coercive vs. cooperative, and de-concentration vs. delegation vs. devolution) from the United States, the Philippines and Indonesia are presented in Table I. Observations are included for each example on the capacity for management, authority/accountability, commitment to the program and consistency that can result from each type of decentralization. The examples we present are listed below:

- *Classic De-Concentration*: Coastal Wetland Management in the U.S.A.
- *Coercive Devolution*: Florida's (USA) Growth Management Plan
- *Cooperative Devolution:* U.S. Coastal Zone Management Act and Program
- *Local Entrepreneurship:* Apo Island, Philippines Coral Reef Management
- *Cooperative Devolved Experimentation leading to Devolution:* Indonesia's Coastal Management Law (in development).

These cases are discussed more fully in the noted reference, and are presented here simply to demonstrate how a different form of decentralization can affect other management factors. Additional examples of integrated management efforts with multi-level agencies are presented in other publications (Gustavson et al, 2000) This discussion will focus on the Indonesian example of decentralizing coastal management.

The Case of Indonesia

Background

Indonesia has a long history of diverse uses and experience with the sea and its coasts that recently has become more organized and linked. Earlier in the 20th century, much of

this capacity came from foreign researchers and programs. During the past few decades, Indonesia has been developing its own capacity to address its coastal and marine issues and now participates in numerous national and international marine programs. During the past decade, Indonesia utilized some of its donor programs and its own resources to focus on strengthening its capacity. In particular, programs focused on building capacity to analyze and formulate national policies related to the management and economic exploitation of marine and coastal resources, and to prepare and implement management plans for protected areas (State Ministry for Environment, 1997). Decentralization was one of the recurring concepts in these efforts that were led, in part, by a steering committee of key central agencies and by the local authorities themselves from the diverse settings and needs of different communities (NRM/EPIC 1999). Through these efforts it became clear that a decentralized, multi-stakeholder process that included power-sharing and co-management must be a fundamental requirement to achieve wise and appropriate policy decisions. In particular, conservation choices required the commitment of the local communities and recognized the need to develop awareness and capacity to make decisions and provide implementation on the local level (Mitchell, 1999; Knight, 2000). These observations were in concurrence with the national perspective that was codified in 1999 with the passage of Indonesian Law 22, initiating increased regional autonomy that addressed all national agencies.

It was also recognized, however, that more than ten different ministries and national agencies had management and administrative authority over aspects of coastal and marine resources. Therefore, also in 1999, Indonesia established a new central Ministry of Marine Affairs and Fisheries (DKP), the first ministry exclusively focused on marine and coastal affairs. This Ministry has the unique opportunity to develop itself from the start as an organization designed to address a decentralized approach to resource management. This presents both opportunities and challenges to the new ministry as it must build a portfolio that intersects the prior jurisdiction of other ministries, develop its own capacity and structure, develop and manage a national program while simultaneously establishing a decentralized regime. Several factors are described below that face the new Ministry of Fisheries and Marine Affairs.

New Political Setting vs. Old Habits

Indonesia has rapidly developed as a democratic nation and is building autonomy within its provinces and states. However central and local progress is slow and resistance to new governance arrangements is sometimes high as the people and agencies confront the need to outgrow old organizational habits, fears, practices and views. Previously, Indonesia had a centrally controlled, top-down autocratic governance system that discouraged experimentation and independent thinking. There is still a great deal of caution among many local and national leaders that leads them to quietly comply with higher authority in order to preserve benefits and professional advancement. The public and private sectors, and some local governmental authorities, balance this reserve by enthusiastically testing their new freedoms with new local interest groups and actions. It will take time and many discussions and experiments before the awareness of the potential for new policies is widespread, new policies have been tested and applied, and innovation has been rewarded. This era of intense discussions and trials may take one or more generations, thereby leaving the new Ministry with these contradictory cultural elements in the meantime.

Building Capacity

Previously in Indonesia, most of the technical and managerial capacity was centrally located in the national agencies. The local authorities were primarily field agents of the national ministries and needed minimal levels of skills in terms of autonomous management or leadership action. In addition, marine and coastal management capacity was distributed throughout the numerous single-sector agencies (e.g., the forestry ministry managed mangroves and the agricultural ministry managed shrimp aquaculture). The new Ministry of Marine Affairs and Fisheries is now tasked with building a central pool of technical and capacity in integrated coastal management and simultaneously developing capacity within local governance units that are now responsible for program implementation and more.

Although some discussions about marine and coastal issues have taken place over the last ten years throughout the central line agencies, the extent of these discussions is very limited. In recruiting staff for the new Ministry, there are only a handful of staff who have any theoretical understanding of coastal management and fewer still who have any practical experience. Most were hired from other line ministries and bring with them their old sectoral views about how government work should be conducted and accomplished. For example, in the entire Directorate General for Coasts and Small Island Affairs, there were only two staff who had any experience or real knowledge of coastal management - the Director General himself and one other staff member.

This situation is even more stark when looking at existing capacity in the regions. Branch offices of line agencies have sectoral responsibilities that in some ways exclude integration as a result of historically operating independent of other agencies. And certainly there is no existing capacity or understanding of the complex nature of coastal issues and other concepts such as watershed based planning for coastal management. In this case, completely new coordination structures must be built while simultaneously building the capacity of a new pool of local officials and counterparts. This effort essentially requires starting at zero and using very different approaches and programs than have ever been in place.

The Ministry of Marine Affairs and Fisheries is addressing these decentralized needs through extensive pilot programs in local areas where related projects are already underway. This is accomplished through both donor and domestic budgets and focuses on building a domestic portfolio of successful examples of coastal management from which to expand integrated coastal management throughout the country.

However, even with successful demonstration projects in the regions, and sweeping new authorities for regional governments provided by the new law on regional autonomy (Law 22/1999), the effects of thirty-five years of strong centralized control under the former President Soeharto are still visiable. Local governments are still slow to act on

their own and are continuing to voice the need for national guidance direction in many areas, including coastal management.

To meet this need, the Ministry of Marine Affairs and Fisheries is currently proposing a national coastal zone management law (Undang-Undang or UU) to the Indonesia Parliament. This national legislation establishes mechanisms through which local authorities can get financial and technical support to build their coastal management capacities in exchange for voluntary compliance with national standards for creating their integrated coastal management programs. The proposed standards are performance-based process standards that leave detailed decisions to regional governments but ensures certain minimum standards are met such as public participation and transparency, completion of bio-physical inventories to identify critical and sensitive habitat, establishment of effective coordination mechanisms between sectoral agencies and the broad implementation of community-based coastal management programs.

Two Levels of Marine Protected Areas

Historically, Indonesia has had an extensive protected area program, including 375 national parks, strict nature preserves, nature recreation parks, wildlife reserves, grand forest parks and hunting parks that cover an area of more than 16.5 million hectares of terrestrial area and 4.5 million hectares of marine area. Responsibility for most of these areas still resides in the Ministry of Forestry (PKA, 1998). Local communities live in and around many of these protected areas and are critical in maintaining their boundaries. Any successful protected area program should include these people's perspectives in order to insure compliance with regulations. The progress made in North Sulawesi in gaining the shared management and concurrence of the local communities in Bunaken National Marine Park is becoming a model for replication within Indonesia and potentially internationally. Community participation in patroling, initiating and supporting enforcement actions has been phenomenal and is critical to the long-term survival of this large national park.

In addition to this demonstration of effective national marine park management, there is a growing interest in the potential of community-based efforts in marine protection and already there are several examples of successes in creating community-based marine sanctuaries.

In 2000, supported by the new Law 22/1999 on regional autonomy, the first ever village ordinance was passed established the first village developed and sanctioned community-based marine sanctuary in Blongko, North Sulawesi. The village ordinance establishing this small sanctuary includes provisions for penalties, to be collected at the village level, for non-compliance with the ordinance requirements. These provisions have already been effectively applied when residents of a neighboring village infringed on the new marine sanctuary. This has created tremendous interest among villages in the area. The Ministry of Marine Affairs and Fisheries is responding by creating a new National Community-Based Marine Sanctuaries Program. This new program envisions a string of small community developed and sanctioned marine sanctuaries throughout Indonesia's 81,000km coastline that has the potential to provide more actively protected marine area than the national marine park system itself.

In addition, other new national programs are being developed to further assist decentralization with technical and financial assistance for communities, links between universities and communities and links between coastal universities themselves. Both systems of marine protected areas require some similar capacities at the local and national level. However, in the short term when enforcement in national parks is difficult for a number of reason (most important the lack of budget for enforcement staff and equipment), the community-based sanctuaries offer tremendous potential as locally community-based and managed protected areas.

Empowering NGOs and Communities
Emphasized in the Rio Declaration, and in the autonomy law of Indonesia, is the need to empower and strengthen non-governmental organizations and communities. While already reflected in DKP's community-based marine sanctuary program, successfully

accomplishing these goals requires skills and programs not normally found in a technical marine affairs ministries. Since these capabilities are critical to democratic processes and local management, technical ministries are seeking outside assistance to bring programs into new and existing project sites and pilot areas. DKP is currently taking lessons from global examples and learning how to apply these lessons to accomplish coastal management transformation in an Indonesian context. Until these skills are developed, however, central authorities remain cautious about the result of transferring authority to the local governance units and the public.

Authority: Voluntary versus Mandatory

The new coastal management law under development proposes a system of voluntary compliance with national standards in exchange for certain benefit incentives. This type of approach is very new in Indonesi in its management of resources. Based in part on the lessons learned from 30 years of the U.S. Coastal Zone Management Act, this law will povide financial grants and technical assistance to local authorities that develop and implement coastal management plans according the the process standards laid out in the national legislation. The criteria for the approval and renewal of the grants will be flexible and emphasize the policy process rather than the details of outcomes. Current projects and programs are being adjusted in form and substance to comply with the proposed national law in order to get a few local programs approved quickly after the law is in place through the law's provisions for national certification of local programs. This law for the first time will provide a mechanism for interdepartmental coordination and integrated government action in the management of coastal resources in Indonesia.

Budgets, Budgets, Budgets

As decentralization proceeds, additions or changes in coastal management efforts must be reflected in national and local budgets to have any real effect. This requires a major shift in how budgets are prepared, reviewed, approved, implemented and monitored. Efforts to develop strategic planning capabilities at all levels are underway to build this capacity where needed, but the process will take numerous budgets cycles to become smooth and clear.   Mechanisms to ensure appropriate allocation of funds to coastal resources

management (both funds originating from central government and local government budgets) are still being considered. The creation of special allocations at the central level, plus the conditioning of general allocation funds provided as block funding to local governments both present some potential. In whatever form is finally derived, local contributions to activities will be required and demonstration of sufficient legal and budgetary commitment will be an important criteria for national certification of local programs. All approaches under consideration require innovations in governance that are encountering both enthusiasm and resistance.

Consistency and Linking to the Outside World

Decentralizing a program or service carries with it the risk of losing perspective of the larger national or international developments as managers focus locally. In order to combat this isolation, Indonesia is developing a number of mechanisms to build internal networks of coastal managers and to maintain linkages to the global coastal community. These include establishing a network program of Indonesian coastal universities to share information and resources (INCUNE), and holding a national conference every two years for coastal management professionals (2000 and 2002, with 2002 expected attendance of more than 1000 persons). It also includes linkage to the global community by establishing a Marine World Heritage Site, participating in programs of the International Coral Reef Initiative and other international NGO programs, and hosting an international coral reef conference (ICRS, 2000 in Bali). These connections are critical to keeping the national program up to speed with the global community and on-course internally.

COMMENTARY - *Lessons from a Mature Coastal Management Program: The Experience of Decentralized U.S. Coastal Zone Management*

The U.S. Coastal Zone Management Act is one of the oldest national programs and therefore is considered mature and worth review in the context of decentralized coastal management and the potential for new and more recent coastal management efforts. However it is only one of the national mechanisms to address coastal issues in the United States. The U.S. national programs for managing activities in the coastal zone are

somewhat fractionated, with various actions falling under the jurisdiction of different agencies from the U.S. Geological Survey, the Environment Protection Agency, The Department of Transportation, the National Oceanic and Atmospheric Administration (NOAA) and others. This creates the lack of a coastal leader in the federal agencies. Only the consistency provisions of the Coastal Zone Management Act and the review process required by Environmental Impact Assessments are available to identify and address coastal problems at the national level. *Coastal states are emerging as the leader for the coordination and oversight of these various agencies mandates and activities within their waters and along their coasts* (Cicin-Sain and Knecht, 2000). This strengthens the argument to continue a decentralized approach in the U.S. context.

An analysis of the state coastal zone management programs indicated that the five core objectives of the national Coastal Zone Management Act were being effectively addressed. These objectives are protection of estuaries and wetlands; protection of beaches, dunes, bluffs and rocky shores; provision of public access to the shore; revitalization of urban waterfronts; and accommodation of seaport development (with an emphasis on maritime uses). For coastal zone management to be successful, the report recommends that the right issues be chosen for attention, program policies and processes must work well, and the institutions that do the work of management must be well-structured and effective (Hershman et al., 1999).

However, the review of outcomes from the state programs was not conclusive in determining the ultimate success of the programs. Indeed, state program managers and national officials have not agreed upon the indicators of success, thereby limiting monitoring and evaluation of the outcomes. Although monitoring outcomes and evaluating program performance are expensive and time-consuming, the effort should still be made if the results will influence management decisions. This was considered to be a key, missing piece in the US CZMA program over the last 20 years, and a result of the voluntary and lower accountability aspects of the program. Other analyzes (economic, the efficiency of public administration, etc.) are also required before major modifications in the program should be made (Hershman et al., 1999).

It isn't clear why the previous section is included. There are no references as to what we are learning or how they are applied. Needs work. There needs to be something drawn from the first section on US experience and connected here.

Creating a New Decentralized Coastal Management Program in Indonesia

The mix of challenges and opportunities that Indonesia faces in developing its decentralized national program are both familiar and new. The challenge that Indonesia faces is overwhelmingly one of capacity as the national program must undergo the organizational development of a new ministry as it is tasked with building capacity in the regions. Political considerations are also familiar as the new ministry defines its jurisdictions with the other ministries that are also undergoing some resistance as they decentralize their programs. The opportunity to begin with a national law that can define the national program, essentially starting from a clean slate, is exciting and freeing, but burdened with the complexities of some of the prior examples discussed. Hundreds of decisions in design and planning require full discussions and concurrence from other parties that will be impacted; transparency is critical. By selecting a voluntary approach to developing local plans, the ministry is responding not only to the political climate of autonomy, but to the realities of Indonesia's great ecological and cultural diversity. The lower levels of consistency that mark the US CZMA voluntary program are an acceptable cost to introducing widespread coastal management as quickly as possible in a consensual manner, and allows the central agency a little time to mature its capacity to address larger national and international issues.

CONCLUSIONS and RECOMMENDATIONS

- For a national decentralized coastal program, most analyses recommend a voluntary or cooperative sharing of authority to manage (i.e., devolution), with national incentives provided to local units encouraging compliance with national goals that might conflict with local objectives. Coercive and mandatory approaches are best reserved for issues of national importance or for short-term programs.

- When awareness and consensus are established with the stakeholders (i.e., the effected communities) and with the authorities that will implement the management program, success and sustained commitment are more likely as an outcome. This applies to promoting transparency in the decision-making and implementation processes as well.

- Consistency throughout the program is a negotiable factor, and may depend most on the specific issue (dredging guidelines might be uniform, the ratio of reserves to recreational parks might be flexible), and may be an acceptable loss in a new program.

- Innovation is needed as the number of problems and different circumstances far outnumber the available solutions. Decentralization should encourage further experimentation and innovation at the local levels.

- Monitoring and evaluation, even in voluntary programs with little accountability should be designed into the program from the start. Evaluation components should be agreed-upon between parties, and could be amended amending over time if the management questions change.

- Decentralized ICM still requires a central coordinating and management body with medium to high levels of capabilities, particularly in larger nations. This agency needs to address the consistency issues, the linkages between programs, the design and adaptation of the national program, and international aspects of ICM, in addition to providing the expert knowledge required to address and support local programs.