

**Third Party Evaluator's opinion on  
Jakarta Fishing Port/Market Development Project (IV)**

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**Relevance**

Construction of Jakarta Seaport and Fishing quay is in line with policy to support economic growth through procurement of infrastructure in order to stimulate productivity and economic activity of smallholders and for investment. The responsible unit in executing the program covers agenda on : providing principal, functional and supporting facilities; clear procedure of operational syste, security and order as well as healthy environment. Relevance to the agenda on poverty alleviation, small holders fishermen has view that the facilities is extremely important not only as a physical support, but also in stimulating production management properly and in encouraging smallholders participatory.

**Impact**

The presence of facility is stimulating know-how of smallholder fishermen in the management of production and markets. The facilities have influenced on Gross Domestic Products and in encouraging the improvements of the capacity of smallholders via an improvement on work relation to relevant agencies. Data shows that the number of vessels entering the harbor is 4856 units in 2003 and 4836 in 2004. The declining number of entering vessels most likely, related to general election agenda in Indonesia, in the year of 2004. For the coming year, might be an increase for more stable political condition. Based on collected findings, facility construction funded by JBIC is generally advantageous to improve the lives of fishermen, especially in facilitating the sales of fish captured. As well as it has influenced to the development of the area, which is considered, as positive impacts. Unfortunately, it has an unpleasant-odor and potentially polluting for the sanitary facilities is not adequate. Meanwhile, the sanitary for sea water by purification principles is working well, except the one for sea-water garbage in which the garbage is still spreading around. It is understandable that such enhancement requiring community awareness. The port, as a part of regional infrastructure, is significantly connected to the concept of area development of West-North Jakarta. Therefore, it is recommended for the future program on the port improvement by taking into consideration the area development concept of West-North Jakarta under Old City Development Program of Jakarta. For area development program, elaborative study for the port-complex in wide sense is required.

**Sustainability**

Sustainability aspect closely related to the operation and maintenance which is requiring good coordination among the government agencies as well as the fishermen participatory. Another aspect is, the regulation which important to be suited to the current situation for optimal parties contribution in getting benefit from the port as well as in improving the function of the port in the future.

**THIRD PARTY EVALUATION ON  
JAKARTA FISHERY PORT PROJECT  
PROJECT**

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## **I. INTRODUCTORY : BACKGROUND, OBJECTIVE, AND METHOD**

The Government of Indonesia in cooperation with Japan Bank for International Cooperation, has constructed Jakarta Fishery Seaport constituting Technical Organizing Unit of Department Marine and Fishery under and responsible for Directorate General of Fish Capture Fisheries, of Ministry of Marine and Fisheries (DKP). For the interest of analysis, observation is made at fishing quay spread in two separate locations, namely, Muara Angke and Muara Baru. The location of fish auction in Muara Angke Fishery Port constitutes the center of traditional fishing activity, while Muara Baru constitutes a location of both marine fishing ground and inter-island trade.

How far this auction activity is arranged by the Government, how the condition of this fish auction is, how such auction is implemented, and what the obstacles to such fish auction are, and what is the challenge and the opportunity will be, and what the role of fish action is toward the improvements of fishermen lives, and what is supposed to be done to fix fish auction in the future, will be discussed in the study.

Study on Jakarta Fishing Port covering Muara Baru and Muara Karang ports in Muara Angke in North Jakarta for evaluation by a third party on JBIC-funded Jakarta Fishing Port Project with taking into consideration the development of the fishery in Indonesia as well the area development of North Jakarta as Muara Baru and Muara Karang are in a united support for the development of Indonesia through fisheries production well income improvement of the fishermen. In line with the purpose of Third Party evaluation, the approach used for such evaluation is focus on the aspect of project functional target, with diagnostic factor of relevancy and project impact. Methods used are desk study and field study. There are two kinds of data used in this study, namely, primary and secondary data. Primary data is collected through interviews and field observation. Interviews are made purposively with respondents, that is, the people considered to have deep knowledge on fishermen community development. The respondents consist of fishermen and employees of Department of Marine and Fishery, Officials of North Jakarta Municipality office of Fishery Affairs, Personnel of Fish Market and Auction Center (TPI), Personnel of Traditional Fish Processing, The Head of Minajaya Fishery Cooperative, fish traders, fishermen as well as fish buyers, motorcycle taxi driver, street traders, etc.

In addition to interviews, primary data is also collected through observation of the entire process of auction and fish sale, daily live of fishermen and their family, social relationship and dynamic, social solidarity, social cohesion, and kinship. Observation result will supplement other primary data, and it will be studied and combined in an analytical framework. In order to complete the primary data, various secondary data is collected.

## **II. ANALYSIS ON PROJECT FUNCTIONAL TARGET**

Project functional target is analyzed using project relevance approach in the case of donor country policy, in this matter, Japan, as well as its relevance with national policy of Indonesian Government and its sustainability

### **2.1. Policy Relevance**

#### **2.1.1. The project relevance to both policies : Donor Policy and Indonesian Government Policy**

Construction of Jakarta Seaport and Fishing quay is in line with ODA policy to support economic growth through procurement of infrastructure in order to stimulate productivity and economic activity of small stakeholders. Such construction is relevant with national policy in both investment increase and national economic growth. It is seen from operational policy of UPT harbor of Department of Marine and Fishery, that is, to create conducive business climate by means of:

- Providing principal facilities, functional facilities, and support facilities in appropriate amount;
- Providing clear procedure of operational system so that it easily understood and comply with by harbor users.
- Creating proper security and order;
- Creating clean and healthy harbor environment

In addition, it also provides prime service to harbor user for facilitating business in the harbor by way of:

- Providing 24 hours service along the year to users of harbor services;
- Providing integrated service (a single roof) together with relevant agencies to users of harbor service;
- Giving explanation on the problem/cases accurately and professionally.
- Providing complete facilities/infrastructure inside harbor area so that the needs of harbor service users may be fulfilled.

#### **2.1.2. The Relevant Contribution to Poverty Alleviation**

To the fishermen as small stakeholder, fishing facility is extremely important not only as a physical support, but also in stimulating production management properly. The Fish Market and Auction Center, to the surrounding communities, will enable them to establish forward business unit, and backward linkages that build provide room for business and job opportunity. The presence of facility is stimulating know-how of fishermen, as the stakeholders, in the management of fish-catching production and markets.

### **2.1.3. The Relevance to National Development**

Harbor facility generates Gross Domestic Product by providing physical facilities. UPT and its management also encourage the improvements of the capacity of fishermen as the small stakeholders by taking measures in improving work relation with relevant agencies. Another significant aspect is the support of fishing production to national development, especially because this harbor also serves international and inter-region (inter-island) loading/unloading. Data shows that the number of vessels entering the harbor is 4856 units in 2003 and 4836 in 2004. The declining number of entering vessels most likely related to general election agenda in Indonesia during the whole year of 2004. For the coming year there might be an increase for to more stable political condition.

In 2003, fish production of seaport by vessels is 30,550 ton and ship-to-ship (transshipment) production is 1,471 ton and the rest is coming from outside Jakarta transported overland. Total production is 37,540 ton. In 2004, the fish grounded is 33,555 ton, and from ship-to-ship is 1305 ton, and from outer Jakarta overland is 7,107 ton. Fish production in 2004 is 40,726 ton. It is also important to inform that realization of fish export is 24,632 ton in 2003, and 26.740 ton in 2004 which export destination covering the countries in Asia, America, and Europe.

## **2.2. Impact Analysis**

### **2.2.1. The Benefits to User and Community.**

In general, fish auction activity in the two places is very advantageous in, among others, increasing selling price gained by fishermen that in turn changes their lives to the more prospective level. Based on collected findings, facility construction funded by JBIC is generally advantageous in the effort to improve the lives of fishermen, especially in facilitating the sales of fish caught from the sea. As a matter of facts the improvements of facilities have influenced the development of the area which is considered as positive impacts of the project.

Level of contamination is considered being a proble. In the future, it is estimated that the level of contamination will be worse so that unpleasant odors will increase, and garbage will get worse, and water will be more polluted. It is because the absence of proper waste treatment or relatively lack sanitation. Report mentioned that the sanitary for sea water by purification principles is working well, except the one for sea-water garbage in which the garbage is still spreading around. It is understandable that for garbage matters requiring fishermen's awareness complementary to the physical facilities.

### **2.2.2. Improvements of Fisherman's Income**

It seems that from economic aspect with the fish auction process, for the fishermen are favorable because of standardized fish selling price. In addition, a buyer is advantageous because the fish price is normal. Meanwhile, regional government has the benefit in form of PAD (Original Income of the Region). The community indirectly feels economic development with the presence of auction activity.

### **2.2.3. Perspective on North-West Jakarta Area Development**

Sub district Penjaringan covering Muara Baru and Muara Angke is one of economic growth area in the coastal of Inter Jakarta influenced by the dynamic of change and the dynamism of value system resulted by economic expansion in the area. Involvement of various societies in social and economic dynamic of fishery business in Muara Baru as well as fishermen in Muara Angke can be seen from the social and economic benefit to the fishermen in general. The ports, as part of regional infrastructure, is significantly connected to the concept of area development of Old City Development Program. In this regard, the setting of Port and production facilities in Muara Baru and Muara Angke in particular needs to be considered and viewed proportionally from setting of Old City Development Spot whose character is complementary, and from the harmonious side of the role and the support of the government, both, the Marine Ministry (DKP) and Fishery Office of Jakarta. For this purpose, there are studies and support from Japanese government needed for this area, for example through technical cooperation from JBIC to GOI. It is fairly potential considering that Japan has the experience in maintaining tradition, culture, and culture facilities.

### **2.3. Sustainability**

Sustainability of harbor development contains the operation and maintenance as well as the involvement of stakeholders for the services. The operation and maintenance for the benefit need to be supervised by the government and the participation of the community in managing TPI by the involvement of fishermen group supposed to be organized and integrated as regional development unit and maintaining multiplier effect.

The auction is stipulated for the first time in government regulation No.64/1957 concerning the transfer of central government authority in the field of marine fishery, forestry, and small holders rubber plantation to regional area of the first level. In this Government Regulation, fish auction is implemented by regional government. Furthermore, central government through joint agreement between Minister of Agricultural and Minister of Internal Affairs as well as Minister of Cooperative and Small Industry No.139/1997, 902/kpts/pi-402/9/97 and 03.SKB/M/IX/1997 concerning the organization of fish auction. Regional Regulation concerning auction for fishermen community interest should be

reconsidered due to the application of regional autonomy, by collecting all interest of fishermen community.

### **III. PROBLEMS IDENTIFIED**

Physical construction both in Muara Baru and in Muara Angke is not adequately considering the area development concept of Northern Jakarta as an integrated. It is indicated that the activity in the harbor is sectoral in nature, respectively handled by different unit of government agencies, and there is no single system of harbor management. The coordination among the government agencies i.e. the Marine Ministry and The Provincial Government of Jakarta is seemed not adequate.

Big fishermen are actually fishery businessmen running their business skillfully, using various modern, expensive facilities, employing dozens, even hundreds, of peasant fishermen. They have big modern, fishing vessels, supported by big financial (fund) power. In fish auction place, they have market because they have big capital and appropriate transportation facility. Marketing of fish is extremely wide, not only domestically but also overseas. They are not only the supplier of fish and marine product for consumers in Greater Jakarta, but also outside Greater Jakarta using tailor-made marketing and selling system.

On the contrary, small (traditional) fishermen only have small boat that can not compete with these fishery businessmen. They can not produce a lot of fish as that by big fishermen because they can not reach deep sea area away from the beach possessing a lot of fish. The fish they caught is generally small, and most of the fish is used for their family consumption. They sell their fish cheaply and they use the money to buy rice and other daily needs. They did not possess live insurance or sea accident insurance as that possess by big fishermen. The powerless of small fishermen, both socially and economically, has made them not possess appropriate bargaining position.

The cooperative unit is supposed to be for the fishermen, but in reality, it doesn't accommodate the interest of fishermen fully. They cannot borrow money from the cooperative because the fish they caught is not enough for paying the installment. Borrowing from the banks is even more difficult because of the requirements of collateral, installment and high interest rate that for small fishermen are difficult to fulfill.

### **IV. CONCLUSION AND SUGGESTION**

Support from Japanese government in building Jakarta Fishing Port is in fact has provided benefit to the government for production and exports which covers not only for Jakarta but includes inland loading form the fish auction form many other areas in Indonesia.. It is

recognized that the port facilities managed by the Maritime Ministry with lack coordination among Government agencies in particular The Provincial Government of Jakarta. Most likely there has been very little consideration to the traditional fishing port of Muara Angke in developing Muara Baru. It is recommended to improve the Muara Baru facilities as well Muara Karang under the concept of area development of West-North Jakarta as proposed by the Provincial Government of Jakarta that is, under the Old-City Program of Jakarta. From various descriptions, there is still improvement required for the facility and infrastructure, are among others: harbor pool, pier management, fishing ground, clean water supply, fuel, cleanliness, security, accurate statistical data, fish quality control, post harvest handling, supervision in selecting and weighing the caught fish, packing, facilitator in price formation and fish auction regulation

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