

INDONESIA

Hotspot report

April 2023



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BACKGROUND

Since 2015, the Freedom Fund has been partnering with Humanity United on a program to address forced labour in seafood supply chains in Thailand. In 2020, the focus of this partnership broadened to encompass multiple countries in the Asia-Pacific region through grants supporting national, regional and global programs. Our collaboration aims to enable the work of local grassroots partners through the Freedom Fund's hotspot model, whilst simultaneously engaging across the supply chain, policy and governance spheres with retailers, suppliers, multi-stakeholder initiatives, international NGOs and governments to effect change. In 2022, under the regional Asia-Pacific seafood supply chain program, the Freedom Fund started a new hotspot program in Indonesia with a range of Indonesian partner organisations.

Indonesia is the world's second largest producer of seafood and a global leader in valuable export markets, with significant volumes of tuna, shrimp and other products destined for North America and Europe. At the same time, Indonesia is a major labour-sending country for migrant workers employed in global fishing fleets. The Freedom Fund hotspot focuses on addressing the incidence and risk of forced labour and related labour abuses in the Indonesian domestic wild-capture sector, the Indonesian domestic seafood processing sector, and for Indonesian fishers who migrate to work on the fishing fleets of other countries.

The Freedom Fund has partnered with the following five organisations in Indonesia, and hopes to partner with a further three organisations in 2023:

- Destructive Fishing Watch (DFW): an NGO focusing on fishers working in the Indonesian domestic wild-capture sector and fishers migrating to the commercial fishing fleets of other countries. In 2023, DFW will expand to address the conditions of seafood processing workers.
- Indonesian Ocean Justice Initiative (IOJI): an NGO/think tank undertaking research and advocacy regarding Indonesian fishers migrating to the commercial fishing fleets of other countries.
- Institut Solidaritas Buruh Surabaya (ISBS): an NGO focusing on improving labour conditions in the seafood processing sector.
- Serikat Buruh Migran Indonesia (SBMI, Indonesian Migrant Workers Union): a union providing services primarily to Indonesian fishers migrating to the commercial fishing fleets of other countries, but also working with fishers in the Indonesian domestic wild-capture sector and seafood processing factory workers.
- Asosiasi Pekerja Perikanan Indonesia (AP2I, Indonesian Fishery Workers Association): a union
 providing services primarily to Indonesian fishers migrating to the commercial fishing fleets of
 other countries, but also working with fishers in the Indonesian domestic wild-capture sector.

¹ See Humanity United's website for more information about our partnership: https://humanityunited.org/seafood-supply-chains/

OPERATING CONTEXT

Omnibus law / Job Creation Act

The Indonesian government repealed and replaced the Job Creation Law. The new law weakens minimum wage regulations (both the amount and how to calculate it) and labour protections when subcontracting/outsourcing. There has been a strong response to the new law from civil society and unions, including a strike in January 2023.

Downgrade in US Trafficking in Persons ranking

Indonesia was downgraded in the 2022 US Trafficking in Persons report to the level of Tier 2 Watch List. One of the reasons for this was that "despite taking some action in individual cases of forced labour in fishing and Indonesian migrant workers abroad, the government did not fully prioritise the staffing or funding for effective oversight of these sectors with long-standing, pervasive trafficking problems".²

Covid-19

The first half of 2022 saw a rise in covid-19 cases in Indonesia. In communities across the country, people considered returning migrants to be vectors for the spread of covid-19 and a cause of the Omicron variant outbreaks which occurred at the start of the year. Inaccurate and prejudicial public perceptions of the role of migrant workers in contributing to the spread of covid-19 have been combated by the Indonesian Migrant Workers Protection Agency (BP2MI).

The reduction in the spread of covid-19 later in the year prompted the Indonesian government to lift restrictions on the overseas placement of Indonesian nationals into fishing.



² https://www.state.gov/reports/2022-trafficking-in-persons-report/indonesia/

PROGRESS TOWARDS SYSTEMS CHANGE

Indonesia strengthens protections for overseas migrants working in fishing

In June 2022 the government approved a long-awaited regulation that bolsters protections for migrant fishers. Regulation No. 22/2022 on the Placement and Protection of Migrant Shipping Vessels Crew and Fishing Vessels Crew³ introduces important changes such as the harmonisation of the issuing of permits to private recruitment agencies under the Ministry of Manpower (replacing the overlapping authorities that existed previously) and better alignment between Indonesia's placement scheme and standards set by ILO Convention 188 on Work in Fishing. The regulation was issued following a lawsuit targeting the government that was filed by three migrant fishers in May 2022, with the support of Freedom Fund partner SBMI. The lawsuit alleged that the government had failed in its responsibility to implement protections for migrant fishers within the two-year deadline set by the 2017 Law on Protection of Migrant Workers. The rapid response to this litigation may be instructive for future strategies aiming to pressure the Indonesian government on legislative change.

The regulation however still leaves several issues unresolved. These include the absence of integrated data between ministries and institutions, which is one of the root causes of weak protections for migrant fishing vessel crews. Another shortcoming is the lack of a mechanism for managing complaints and resolving disputes, including the availability of an easily accessible complaints mechanism administered by the government.⁴

In December 2022, after meeting with the General Secretary of the Ministry of Manpower, Freedom Fund partner IOJI was invited to provide advice to the ministry on the technical guidelines required to implement the regulation at the national level. In addition, IOJI was asked to provide advice on an action plan to empower and protect migrant fishing workers at both the national level and at the Central Java provincial government level. IOJI personnel have also been included in the Central Java Governor's Task Force to Protect Indonesian Migrant Workers.

Taiwan introduces a Fisheries and Human Rights Action Plan on the protection of migrant workers in distant water fishing

In April 2022, the government of Taiwan issued an action plan on migrant worker protection that mandated: an increase of US\$100 to minimum monthly wages; direct wage payments to workers from end-user employer or Taiwan-based agencies; minimum rest periods; minimum management systems standards for agency licence renewals; and a prohibition on the collection of service fees from workers by Taiwanese agencies. Indonesian partners IOJI and SBMI indirectly contributed to this outcome through their engagement of the media and the Indonesian government on the exploitative recruitment and working conditions of migrant workers in the Taiwanese fleet.

Participation in discussion of MoU between Indonesia and Taiwan

After the launch of an IOJI report, the Indonesian Ministry of Foreign Affairs indicated agreement with one of the report's recommendations regarding the purpose and objective of an MoU between Indonesia and Taiwan to improve the protection of Indonesian migrant fishers. IOJI has been requested by the Indonesian government to advise on any MoU developed.

HOTSPOT OUTPUTS AND OUTCOMES

- Regulation under the Law on Protection of Migrant Workers (No. 18/2017). chrome-extension:// efaidnbmnnnibpcajpcglclefindmkaj/https://jdih.setkab.go.id/PUUdoc/176757/Salinan_PP_22_Tahun_2022.pdf
- 4 https://www.thejakartapost.com/front-row/2022/06/13/govt-ratifies-regulation-on-indonesian-migrant-fisheries-seafaring-workers.html
- 5 Follow-up meetings and actions had not yet taken place at the time of writing of this report.

Headline results

The Indonesia program started in early 2022, as part of the wider Asia-Pacific regional program jointly implemented by Humanity United and the Freedom Fund. In 2022, many of the activities were preparatory and consisted of our partners undertaking steps to plan, launch and socialise programs of work. Despite just beginning their work, during the year partners provided:

- social and legal support services to 710 workers
- support to 14 worker groups, networks or unions, reaching 300 workers
- assistance in relation to 140 legal matters.

Partners also influenced some important systems change outcomes as described in the section above.

Progress towards hotspot objectives

Hotspot Objective 1: Build civil society capacity to create sustainable change

In 2022, our partners began to build their programs and outreach to communities (more details are given below under Objectives 2, 3 and 4). Partners also worked with the Freedom Fund to identify key areas where they would like support with organisational strengthening, using a specially developed Organisational Capacity Assessment Tool. After the partner identified the area they wished to prioritise and developed a plan, the Freedom Fund provided financial support to the partner to implement this plan. Additionally, the Freedom Fund worked with partners to understand their specific needs in relation to safeguarding, finance, and monitoring, evaluation and learning, and provided specialised consultants to work with each partner to strengthen these areas in the way that best suited the partner. Partners also participated in a legal needs assessment, to identify areas that the partners would like to strengthen to enable the provision of human rights based, victim-centred legal assistance to the community and workers. In 2023, a legal partner will join the hotspot to work together with the other partners on strengthening identified areas and collaborating on strategic litigation.

Hotspot Objective 2: Build/strengthen sustainable worker power mechanisms

AP2I: working in Central Java to build a grassroots union

AP2I joined as a Freedom Fund partner in mid-2022, and has been undertaking outreach and awareness-raising and providing training to fishers. AP2I is a registered union with approximately 1,000 members and focuses on helping members (and non-members) with any employment dispute that they have, including assisting members with legal cases.

DFW: working with communities to build awareness and referral mechanisms

In 2022, DFW helped established the survivor-led Friends for Protection of Fishing Boat Crews (SPAN) community group in North Sulawesi. This group works with local government to raise awareness about human trafficking and forced labour in the fishing sector, help improve prevention, and provide support and referrals for services when community members are subject to labour rights violations or forced labour. SPAN is a registered community group that is now independent and has received support from DFW to strengthen its organisational skills, as well as funding support from the Freedom Fund's Survivor Leadership Fund.⁶

⁶ https://freedomfund.org/programs/community-building/survivor-leadership-fund/

ISBS: mapping village needs

ISBS, which is working in the village of Kedungrejo in Banyuwangi on labour rights in seafood processing, commenced its work with a community mapping exercise. ISBS designed the community mapping to obtain household-level data on access to various forms of capital (economic, financial, human, physical, etc) to help understand the dynamics of the seafood processing village and to include community members in program activities from the outset.

ISBS: helping establish union and community groups

ISBS have supported a number of seafood processing workers to come together to discuss common issues they face and brainstorm collective action they could take. In December 2022, after a range of ISBS-supported meetings, 70 seafood processing workers decided to come together and form a village level labour union called the Kudungrejo Workers Association. The formation of a labour union at the village level is an important achievement in providing a platform and tool for pursuing basic labour rights. Previously, only one labour union had existed in the seafood processing village, at one company site. However, this union faced severe intimidation, including dismissal of union members. The Kudungrejo Workers Association is the first union for the sector to be formed at the village level.

In addition to working with seafood processing workers, ISBS also supported local fishers to meet and discuss common issues. After a series of meetings throughout the year, the fishers also decided to join together in one organisation.

SBMI: expanding affiliate union groups

SBMI, a large union for Indonesian migrant workers, established new local affiliate union groups in three communities to reach fishers and seafood processing workers in Banyuwangi and Indramayu regencies as well as North Jakarta municipality. These new union groups participated in a series of training sessions throughout 2022 to help strengthen their ability to provide services to fishers and seafood processing workers.

SBMI: working with the community to understand key needs and gaps

In the Indramayu and North Jakarta areas, SBMI is collaborating with Paramadina University to undertake participatory action research withcommunities. This research aims to understand the main issues facing fishing and seafood processing communities, and will feed into evidence used in advocacy by IOJI.

SPPI: strengthening worker rights before and during migration

Although our partner Serikat Pekerja Perikanan Indonesia (SPPI) is funded under the Freedom Fund's regional Asia-Pacific program rather than the specific Indonesian hotspot program, its work is relevant to the hotspot objective of strengthening sustainable worker power mechanisms. SPPI is an Indonesian union that works to improve the rights of Indonesian fishers migrating to the commercial fishing fleets of other countries, and is working both in Indonesia with workers before and after they return, and also, through legal aid posts, in Taiwan and South Korea where fishers on distant water fleets commonly need assistance. Over the coming years, SPPI will be focusing on strengthening the support they provide fishers as a union and the work they do with staffing agencies in Indonesia to negotiate improved conditions for fishers.

Hotspot Objective 3: Influence and strengthen government and business policies and processes

DFW: working to influence and strengthen government policies and processes

DFW conducted a rapid assessment of working conditions and terms of employment among Indonesians employed on domestic fishing vessels operating out of Nizam Zachman port, the largest in the country. This rapid assessment was designed to build DFW's understanding of fisher access to fundamental rights in the domestic catching sector and generate evidence for advocacy. DFW surveyed a total of 45 participants including vessel operators, senior crew and deckhands to explore three main issues: qualifications and competencies, wages, and social security. DFW produced a short briefing summarising key findings and recommendations to the government. The briefing focused



on three main issues: (1) recruitment processes; (2) competency and qualifications for offshore work; (3) pay systems. DFW arranged meetings with the Ministry of Manpower and the Ministry of Marine Affairs and Fisheries to present findings and recommendations from the rapid assessment.

In North Sulawesi, DFW worked with and supported the Fisheries Crew Protection Regional Forum (FORDA PAKP) that was created under local bylaws. The North Sulawesi Provincial Government has welcomed the creation of a mechanism for coordinating supervision of fishing vessel crews between central and local government agencies through the implementation of joint inspections. The head of the North Sulawesi Provincial Manpower Office has discussed the possibility of enshrining the FORDA PAKP in a provincial government decree (instead of through the current use of local bylaws).

IOJI: legal landscaping and responding to the new regulatory framework

IOJI conducted a landscaping study of the migrant fisher protection framework and finalised this into a policy brief. Pointing to legal gaps demonstrated in the policy brief, IOJI started to engage the Ministry of Manpower, Ministry of Foreign Affairs, and Migrant Worker Protection Agency on the need to address these gaps. Additionally, after the new Regulation No. 22/2022 on the Placement and Protection of Migrant Shipping Vessels Crew and Fishing Vessels Crew⁷ was introduced, IOJI conducted a gap analysis and undertook advocacy to government on key areas that required strengthening. After these engagements, the government invited IOJI to advise on technical regulations to address gaps and the Ministry of Foreign Affairs agreed that an MoU between Indonesia and Taiwan should be explored.

ISBS: working with the Kedungrejo village government to drive a participatory Village Development Work Plan

After undertaking the village mapping exercise (described under Hotspot Objective 2 above), ISBS worked with the Kedungrejo village government to undertake a participatory review of its village development work. ISBS provided training to key government officials on the participatory review and development process. Two labour representatives and two fisher representatives took part in the participatory review and development process. The newly developed Village Development Work Plan now has a work program that accommodates the needs and wishes of seafood processing factory workers and local fishers. This change is important because village governments are one of the main stakeholders representing the Indonesian government to ensure the welfare of citizens at the local level, in this case workers and fishers who are part of the supply chain for the fishing industry, which is the largest/majority profession in Kedungrejo village. In addition, when the village government has a program that addresses the needs of workers and fishers, it will then become a bridge and protector in the efforts of workers and labour unions in promoting their welfare and seeking fulfilment of rights.

SBMI: judicial review of an important regulation

SBMI, in collaboration with Humanity United and Freedom Fund international grantee Greenpeace, is taking a judicial review to the Supreme Court regarding the Ministry of Transportation regulation (No. 59/2021) that revived the authority of the Ministry of Transportation to grant permits to recruitment agencies that send fishers overseas. This regulation is now at odds with Regulation No. 22/2022 where the authority to grant permits was given to the Ministry of Manpower. (For more details, see above under 'Progress towards systems change'.) If the judicial review is successful, only the Ministry of Manpower will have the authority to grant permits to recruitment agencies sending workers overseas. This joint legal case between two partners of Freedom Fund and Humanity United - one a local civil society group and the other an international NGO - demonstrates the benefit of working with and funding both types of groups who bring different expertise, skills and connections.

DFW: discussions with business about providing information to fishers about their rights

DFW began discussions with two tuna associations about how to reach out to fishers and ensure awareness of their rights and ability to request assistance from DFW's National Fishers Centre (see below for more details).

⁷ chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://jdih.setkab.go.id/PUUdoc/176757/Salinan_PP_22_Tahun_2022.pdf

Hotspot Objective 4: Directly assist workers, reducing vulnerabilities and gaining trust

Responding to worker complaints and grievances

All partners - except for IOJI that primarily works on policy advocacy - have provided assistance to fishery and seafood processing workers on a range of workplace-related complaints including wage withholding, illegal deductions, document retention and non-payment of benefits. A number of partners also assisted with trafficking/forced labour cases.

DFW re-activated the National Fishers Centre in 2022, receiving and responding to 13 cases in the first six months. In May, DFW began consultations to develop standard operating procedures and guidelines for the National Fishers Centre. DFW also started to design information, education and communications materials to promote the National Fishers Centre among workers. Two sets of materials, one covering fundamental rights and obligations and the other addressing working conditions in the sector, were created and disseminated across DFW's social media channels.



SUPPORTING A COMMUNITY OF PRACTICE

Agreeing priorities for collaboration at the inaugural Community of Practice meeting

The inaugural Community of Practice meeting was held in Bali in April 2022. At this meeting, the partners committed to collaboration and cooperation under each of the hotspot's strategic pillars. Under building civil society capacity, they identified a need to collaborate closely on strengthening data management and documentation around casework, particularly in the context of reporting and referrals. There was also discussion around how collaboration could benefit the use of data visualisations and narratives for educational and advocacy purposes. Under the strategic pillar focusing on sustainable worker power mechanisms, partners identified a need to collaborate on promoting the role of community-based paralegals in protection efforts as well as rights-based education of fishers and seafood processing workers. With respect to advocacy targeting government and business under the third strategic pillar of the hotspot, partners agreed that collaboration on village-level advocacy especially the establishment of village regulations and processes strengthening worker protections should be a priority alongside advocacy to central government on key national regulations and laws.

Continuing collaboration between the partners

Throughout the year, partners started to implement some collaborative actions, including IOJI incorporating relevant findings from DFW's rapid assessment of labour conditions in Nizam Zachman fishing port into their policy brief submitted to the Ministry of Manpower. SBMI and IOJI also collaborated to channel the findings from SBMI's participatory action research into IOJI's gap analysis on the recently issued regulation on the placement and protection of migrant fishers with overseas fishing vessels. (See above under 'Hotspot Objective 3' for more details.)

Challenges and learning

Partners have different viewpoints on issues from time to time, such as on how to work with and hold recruitment agencies accountable. In these instances, the Community of Practice provides an opportunity to explore these different perspectives. The aim is not to have consensus on every issue, but to have a discussion and learn from others' points of view.

CASE STUDY

On 5 January 2022, the National Fishers Centre managed by Freedom Fund partner DFW received a report from a complainant regarding the withholding of his salary after working for three months on an Indonesian squid vessel. He had worked from the end of September to December 2021, and should have received a salary of Indonesian Rupees 2,700,000.

The worker also reported neglect by the skipper and lack of proper care when he got ill during the trip. On 14 December 2021, near the end of his working period, the worker had suffered severe stomach pain. The skipper did not provide any support or assistance and instead required the complainant to keep working. When the vessel docked on the island of Karimata, the worker went on shore to obtain medical assistance. Although his Sea Employment Contract required the provision of social security insurance (which would cover medical expenses), the complainant had to pay IDR 1,500,000 for medical care. In order to pay these costs, the fisher had to sell his mobile phone.

In addition, the worker's ID card was withheld by the captain during his working period and was only returned when he got off the vessel.

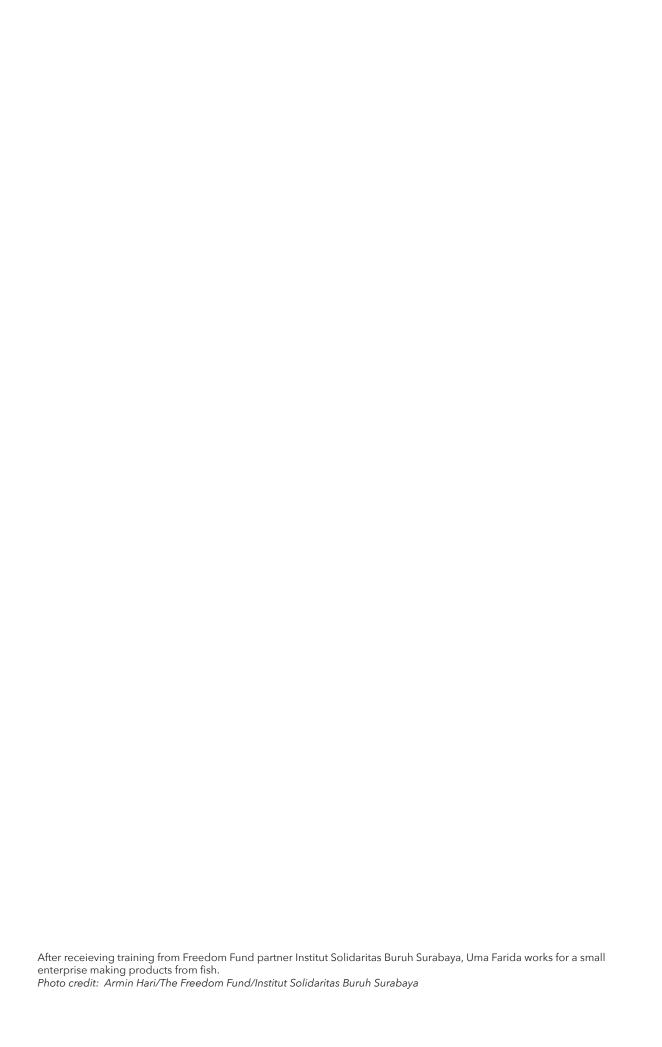
The worker submitted a request to DFW to help obtain his withheld wages and claim his medical expenses. DFW assisted in mediation with the Ministry of Maritime Affairs and Fisheries and was able to successfully obtain payment of the worker's wages and compensation for all medical expenses.

INDEPENDENT EVALUATION AND RESEARCH

- The Freedom Fund has contracted the University of Sydney to identify and discuss labour organising techniques used in Indonesia both by partners and by similar organisations working in other industries.
- An assessment was commissioned to examine the legal assistance provided to beneficiaries by each partner and identify capacity building and resourcing needs connected to the provision of legal aid.







VISION

Our vision is a world free of slavery.

MISSION

Our mission is to mobilise the knowledge, capital and will needed to end slavery.

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