

INDONESIA SELLING ISLANDS AND RELOCATING LOCALS



The Indonesian government is striving to make the country a top tourism hub not only for travelers but for people who want to invest in the region's high-end tourism business as well. Investors have purchased over 100 islands in the last couple of years with islands such as Gili Sunut having exchanged hands recently to pave way for the construction of a six-star hotel.

Negotiations between the government and 109 families who're Gili Sunut's original occupants have however taken an interesting twist. **Activists have joined the islanders to revoke their relocation and have the government put an end to its ambitious plans for the region's hospitality industry** that include future strategies to sell more of the country's 17,508 islands.

According to the People's Coalition for Fisheries Justice Indonesia (KIARA), Gili Sunut evictions were effected in June 2013 and the island handed over to Ocean Blue Resorts, a consortium of Singaporean developers. Though not pleased with the government's compensation efforts, each of the 109 families received between 3 and 5 million rupiah, equivalent of \$246 and \$411, in addition to a bungalow for their housing needs.

Vibrant Tourism Industry

Lombok is amongst the islands teeming touristic activities as Indonesian conglomerates such as MNC have in the past set aside sums in the tune of 700 billion rupiah (\$54.4 million) for the construction of hybrid resorts on the islands. The building of an international airport in the area has also sparked more interest in the tourism sector, a trend that locals and KIARI don't approve of claiming that it is robbing the locals of their ancestral lands.

Amongst islands that have been sold in the past to fuel the industry's boom include Alor, the Mentehage, East Nusa Tenggara, North Sulawesi, Maratua, Sebatik and East Kalimantan Islands. Irrespective of long term benefits such as infrastructural development and job opportunities, the country's legal experts note that the boom is taking place against the Indonesian 1945 basic Law which prohibits the sale of an island.

Island Adoption

Under the current statute, it is possible to manage an island for a period of 50 years. This is a legal move to help pull in investors and improve Indonesians' livelihood. The government's official position on the sale of the islands is that this is the case with Gili Sunut and the other 100 islands that are currently in the hands of private investors within the Indonesian tourism industry.

The government's officials further note that the uproar is as a result of the locals' inability to tell the difference between words such as lease, adopt, sell, buy and manage. Numerous agreement documents signed between the government and the investors show that the islands have not been sold but adopted by the investors, says the officials.

Ocean Blue Resorts, the company that was awarded the tender to run Gili Sunut for 30 to 50 years is set to inject up to \$120 million into the Indonesian economy. This is besides the

undisclosed amount of money that the company used to secure the lease. Optimists therefore believe that though the locals might be infuriated as of now, they stand to reap big as time goes by and the country's tourism gets vibrant.

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