

From Budget to Impact: Provincial Government Operational Capacity in Coastal Community Empowerment

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Abstract: The Department of Maritime Affairs and Fisheries is the leading sector in implementing policies for empowering coastal and small island communities. With its extensive jurisdiction, the South Sulawesi Department of Maritime Affairs and Fisheries faces various challenges and obstacles related to its limitations in implementing this policy. This study aims to analyze the capabilities and capacities of the South Sulawesi Department of Maritime Affairs and Fisheries in implementing the policy for empowering coastal and small island communities using Wu et al.'s (2018) policy capacity theory, which encompasses three aspects: analytical capacity, operational capacity, and political capacity. This study employed a qualitative approach with a case study design focusing solely on policy implementation in Makassar City. The results indicate that the analytical capacity of the South Sulawesi Department of Maritime Affairs and Fisheries remains low, as evidenced by the limited number of functional policy analyst staff and low employee motivation to participate in quality improvement training. Meanwhile, operational capacity is also suboptimal. The very minimal budget allocation, less than 3% from 2021-2024, and the partial coordination, also indicate the low commitment of the South Sulawesi Provincial Government to implementing this policy. Political capacity is also suboptimal due to limited participation and involvement of the community and non-governmental actors.

Keywords: Policy Capacity, Community Empowerment, Coastal Areas and Small Islands

1. INTRODUCTION

As the provincial government's authority expands, both in marine management and community empowerment, comprehensive policies are required to address the challenges and various related issues. This is particularly true for regions with extensive geographies and islands.

The challenges in coastal area management in the region encompass various factors, particularly the limited capacity of local governments, particularly the provincial government, to empower coastal and island communities, particularly fishermen. One of the primary causes is the vast territorial reach and limited resources available to them. This is also in line with research conducted by Sony and Edy (2023), which explains that provincial governments face challenges where their authority is expanding but resources remain limited. This complicates coastal resource management and leads to poor community welfare. This is in line with research by Ayunita et al. (2020), which states that Law Number 23 of 2014 has implications for coastal area management. This policy makes it difficult for local governments to ensure the welfare of communities in marine and coastal areas. This certainly presents a challenge for the Provincial Government to strengthen its commitment to managing the coastal areas under its jurisdiction. This aspect is then related to the Provincial Government's authority in empowering coastal communities. Implemented programs often do not align with community needs and expectations. Furthermore, these empowerment programs require adequate funding. However, with their vast territorial scope and various related programs, the Provincial Government frequently faces this challenge. (Tenri & Setiyono, 2023).

The South Sulawesi Provincial Government faces various challenges in empowering coastal communities, particularly fishermen, including inadequate budget support, limited human resources with adequate capacity, poorly coordinated and integrated data and information systems, and minimal community involvement in the management of coastal areas and small islands (South Sulawesi Provincial Maritime Affairs and Fisheries Agency Strategic Plan, 2023).

This budgetary aspect is considered inadequate. Furthermore, in 2020, budget refocusing occurred due to the COVID-19 pandemic. To date, budget constraints remain a challenge for the South Sulawesi Provincial Government in its policies related to fishermen empowerment. One aspect that directly impacts the community is the provision of government assistance to fishermen groups. This can be seen in the following figure.

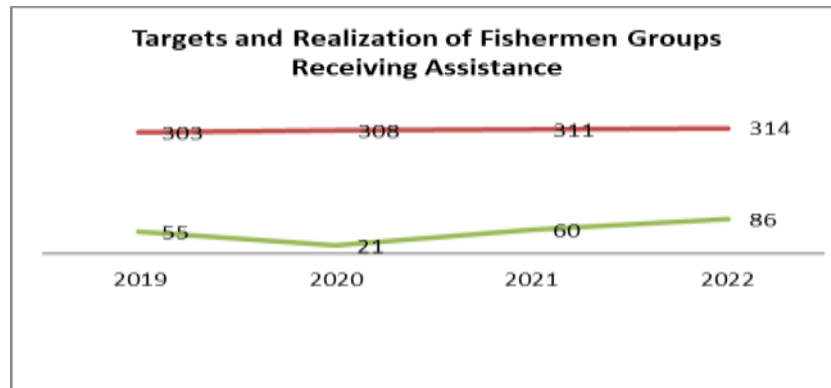


Figure 1. Scope of Fishermen Group Development in South Sulawesi

Source: Strategic Plan of the South Sulawesi Maritime Affairs and Fisheries Service for 2024-2026

The figure above shows that the Key Performance Indicator (KPI) target was not achieved, as from 2019-2022, the total number of fisher groups receiving assistance did not reach half. This is evident in 2019, when out of a total of 314 fisher groups, only 55 received assistance. Meanwhile, in 2021, there were only 21 groups, a significant decrease. One reason was the COVID-19 pandemic, which led to budget refocusing. Furthermore, in 2021, there were only 60 groups, and in 2022, there were 86 groups. Although the graph above shows a continuous upward trend each year, this is still far from the Key Performance Indicator target.

This situation is caused not only by an inadequate budget but also by the ineffective implementation of coastal area management policies. This is because the assistance program requires fisher groups to meet certain requirements, which has resulted in some groups requesting assistance not being able to receive it. This requires coordination with the Central Government, whose jurisdiction the extension workers are responsible for. Thus, one of the obstacles in the process of implementing coastal area management policies is also related to coordination between various levels of government, which sometimes requires quite a long time to handle.

Based on data from the South Sulawesi Provincial Maritime Affairs and Fisheries Service in 2023, there were 28,248 coastal communities categorized as poor. This number is spread across 19 regencies/cities with marine and coastal potential in South Sulawesi. The South Sulawesi Provincial Government then targeted reducing the poverty rate through various efforts such as providing facilities and infrastructure and mentoring (South Sulawesi Maritime Affairs and Fisheries Service Strategic Plan, 2023). However, these efforts were interpreted as not achieving the desired conditions by 2023. The South Sulawesi Maritime Affairs and Fisheries Service Strategic Plan stated that the provision of facilities and infrastructure to support community productivity and businesses was inadequate. This condition certainly impacted the income of coastal communities, which became increasingly vulnerable. This was then interpreted by the Maritime Affairs and Fisheries Service as a condition where a good Fishermen's Exchange Rate had not been achieved. This Exchange Rate is one measure that can be used to assess the welfare of coastal communities, especially fishermen. This interpretation was due to the relatively high index issued by fishermen. This occurred between 2020 and 2022. This can be seen in the following graph:

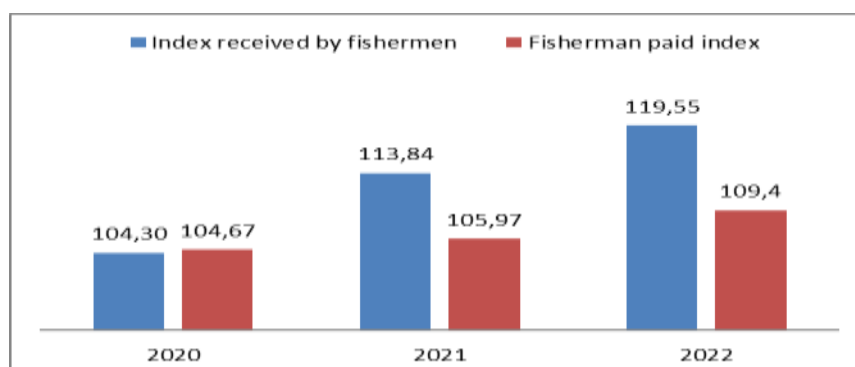


Figure 2. Fishermen's Exchange Rate in South Sulawesi Province 2020-2022

Source: Strategic Plan of the South Sulawesi Maritime Affairs and Fisheries Service for 2024-2026

The figure above shows the Fishermen's Exchange Rate (RRP) in South Sulawesi from 2020 to 2022,

where the value received index consistently increased each year. This is also reflected in the value paid by fishermen, which continues to increase each year. Although the value received is consistently higher than the value paid by fishermen, the difference is not significant. This indicates that the value paid by fishermen remains high to meet their needs, including supporting their work productivity. A value above 100 is considered high.

Wu.X et al. (2018) then formulated the concept of capacity at the organizational level in the policy process. In the context of coastal area management policy in Makassar City, the problem description above indicates that the South Sulawesi Provincial Government still faces challenges related to, poorly coordinated and integrated data and information systems, and minimal community involvement in coastal area and small island management. According to Wu.X et al. (2018), this indicates a lack of government capacity in policy implementation.

Therefore, this study focuses on analyzing the policy capacity of the South Sulawesi Provincial Government in empowering coastal and small island communities.

2. METHOD

This study uses a qualitative approach, focusing on analyzing the policy capacity of the South Sulawesi Provincial Government in empowering coastal and small island communities. The research design used is a case study. In the analysis process, the researcher utilized the policy capacity theory proposed by Wu, X et al. (2018) regarding policy capacity, focusing on analysis at the organizational level. At the organizational level, the analysis focused on the operational capacity especially in the aspect of budgeting of the South Sulawesi Provincial Government.

Data collection was conducted through observations and interviews with several informants, including the Head of the Marine, Coastal, and Small Islands Management and Spatial Planning Division of South Sulawesi Province, fisheries extension workers, fishermen groups, the Marine Conservation Foundation, and Mongabay Indonesia. In addition, the researcher also collected various documents, including research results and other relevant documents, to enrich the analysis. The collected data were then analyzed using data analysis techniques proposed by Creswell (2018): Organizing and Preparing Data, Reading Through All Data, Coding the Data, and Interpreting the Meaning of Themes/Descriptions.

3. FINDINGS AND DISCUSSIONS

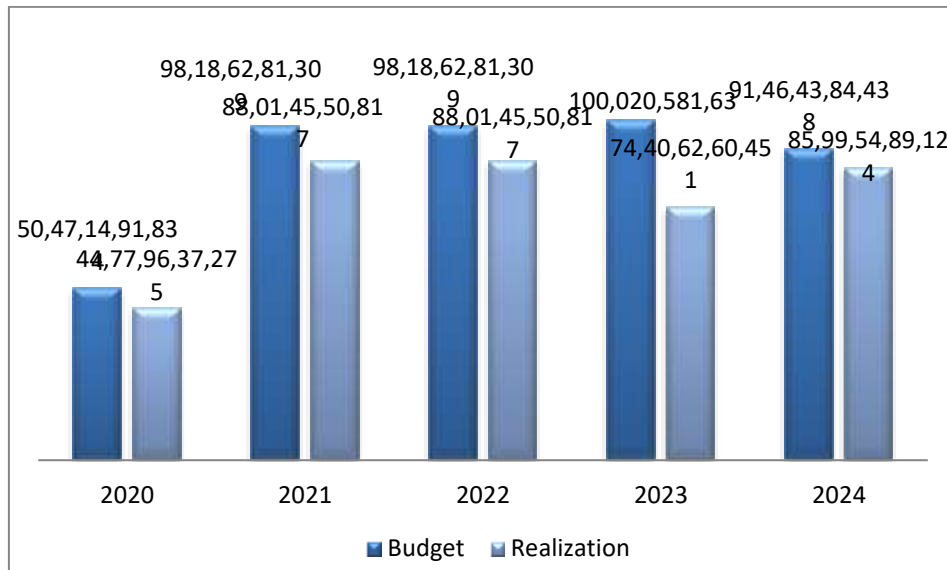
Operational capacity at the organizational level is defined as the ability of an organization to mobilize and deploy the resources necessary to carry out policy tasks (Wu, et al 2018). This capacity can be seen from budget ability to implement community empowerment programs. Thus, the aspect of operational capacity includes the financial capabilities of the organization in carrying out its responsibilities. In the context of this study, the analysis of operational capacity refers to the fiscal or financial/budgetary capacity of the South Sulawesi Provincial Marine and Fisheries Service in implementing policies for the empowerment of coastal communities and fishermen..

Fiscal/Financial Capacity

Financial capacity is defined as the financial or monetary capacity possessed by an organization as a resource in supporting the successful implementation of policies. In this case, the financial or monetary capacity of the South Sulawesi Provincial Marine and Fisheries Service can demonstrate its ability to implement policies for the empowerment of coastal communities and fishermen in Makassar City.

In the concept of public policy, the financial/fiscal capacity of government agencies is very important and is a prerequisite for the effective implementation/execution of policies (Osborne & Geabler, 1996). In general, the budget of the Marine and Fisheries Service for the 2020-2024 period is fluctuating. This can be seen in the following figure:

Figure 1. Allocation and Realization of the South Sulawesi
DKP Budget 2020-2024

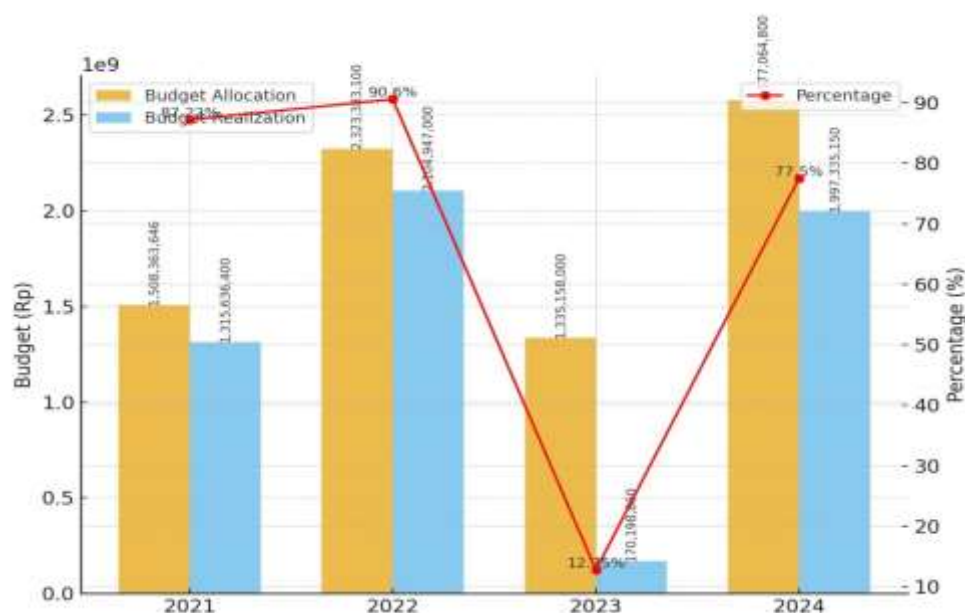


Source: LAKIP DKP South Sulawesi 2020-2024, compiled by the author.

The image above shows the fluctuating financial condition of the South Sulawesi Marine and Fisheries Service over the past five years. This is influenced by various internal and external factors such as changes in national policy, regional development priorities, and provincial fiscal conditions. This condition shows that budget stability has not been fully achieved, especially since budget realization or absorption is still not optimal. When the budget tends to fluctuate or rise and fall over the past few years, program planning, especially long-term programs such as coastal community and fisher empowerment, becomes suboptimal. This is similar to the findings of Arsani & Sihombing (2020), which show that fluctuations in local government budgets often lead to adjustments in performance targets and reductions in the scale of programs, especially long-term programs in the marine and coastal management sector. This has a direct impact on the effectiveness of the implementation of various programs in the marine and coastal sector, including the empowerment of coastal communities and fishermen.

The budget is then allocated to several expenditure items in accordance with the main tasks and functions of the Marine and Fisheries Service. However, of the total budget, programs for the empowerment of coastal communities and small islands are still quite minimal. This can be seen in the following table;

Figure 2. Realization of the Budget for Empowering Coastal Communities and Small Islands for 2020-2024



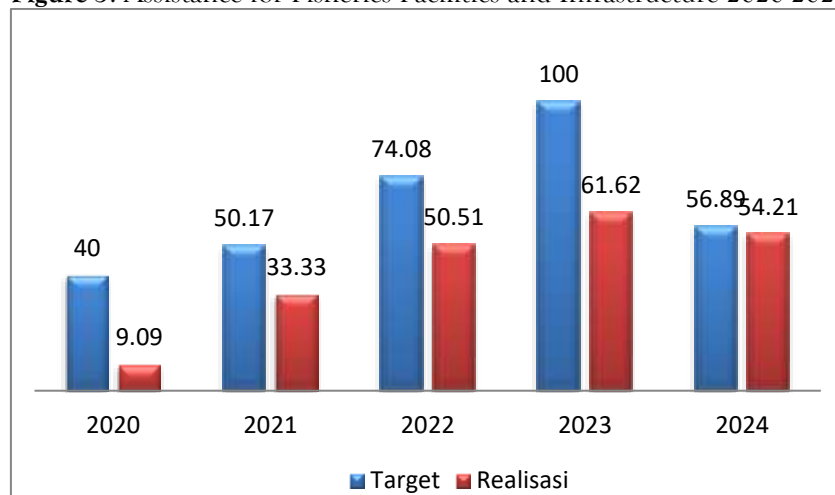
Source: LAKIP DKP South Sulawesi 2020-2024, compiled by the author.

It appears that the realization of the budget for coastal and small island community empowerment has decreased significantly in 2023, reaching only 12% of the total budget. This situation certainly reflects that the South Sulawesi DKP's budget priority for coastal community empowerment has decreased, even though this should be one of the most important policies and programs in the development of coastal areas and small islands, especially in maritime regions such as South Sulawesi.

Budget allocation and realization are certainly a form of commitment in the implementation of policies carried out by government agencies. However, the above conditions show that the commitment of the South Sulawesi Marine and Fisheries Service to empowering coastal communities and fishermen is still quite low, with a drastic decline in the budget allocation and realization, one of the causes being a shift in policy or organizational program priorities. The results of research by Kusumasari and Alam (2019) show that the weak budgetary capacity of government agencies, as indicated by very minimal budget allocations, will affect the continuity and quality of coastal community empowerment programs. The results of research by Kuzminchuk, N (2022) show that the effectiveness of various policies can be seen from their budget allocations, which are above 10%. This condition indicates that the policy is a priority policy or program of the government or related agencies. Thus, it is known that in the context of this study, the implementation of coastal community empowerment policies is not a priority policy/program, which has an impact on the lack of policy effectiveness.

One of the impacts of budget fluctuations and minimal budget allocation on empowerment is on capacity building programs through the provision of facilities and infrastructure to increase fishermen's productivity.

Figure 3. Assistance for Fisheries Facilities and Infrastructure 2020-2024



Source: LAKIP DKP South Sulawesi 2020-2024, compiled by the author.

The figure above shows that in the last five years, the provision of facilities and infrastructure to increase fishermen's productivity has never reached the specified target. In its explanation contained in the LAKIP, the South Sulawesi Maritime Affairs and Fisheries Service stated that budget constraints for empowerment, particularly in terms of capacity building through programs to provide assistance in the form of infrastructure to improve the productivity of fishermen, was one factor that caused the realization of assistance to be much lower than the set target.

However, in long-term policies and programs such as empowerment, a sufficient budget allocation will greatly influence the equitable and sustainable implementation of these policies. This condition is experienced by fishermen in Makassar City, as expressed by informant J (Head of the Tanjung Merdeka Village Fishermen's Group):

"The empowerment programs carried out by the South Sulawesi Marine and Fisheries Agency (DKP Sulsel) are uneven and lack consideration for sustainability. DKP Sulsel does not sufficiently engage with fishermen in the coastal areas of Makassar City. They usually only provide empowerment in the form of socialization or education to the community, but this is very rare. We also receive more assistance in terms of infrastructure and equipment from the Makassar City Government and other relevant regional government agencies." (April 28, 2025)

The insufficient budget allocation for empowerment policy implementation also leads to uneven program distribution, and sustainability remains a key focus. Furthermore, this demonstrates that the

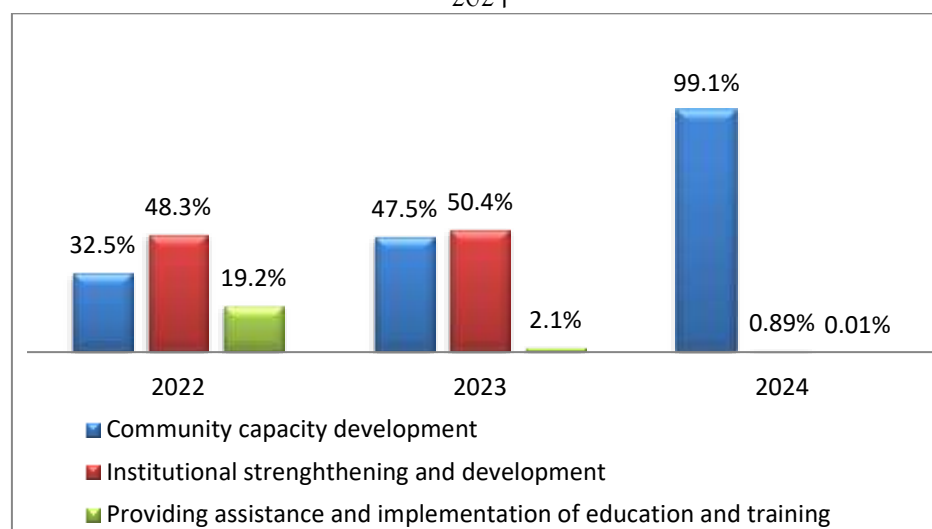
empowerment approach remains largely symbolic and not yet transformative. Empowerment programs still rely heavily on aid, but under-emphasize critical aspects such as community mentoring and training, which would directly impact the capacity of coastal and fishing communities, which are economically vulnerable groups.

In general, the implementation of the coastal and fishing community empowerment policy is carried out through a scheme of implementing 3 empowerment activities. The three types of community empowerment activities or scopes carried out by the South Sulawesi Provincial Maritime Affairs and Fisheries Service are capacity building for coastal and small island communities, strengthening and developing coastal and small island community institutions, and providing assistance, facilitating access to science and technology as well as organizing education and training. The budget allocated for the implementation of various empowerment activities or activities has been dynamic in the last three (3) years. The budget allocation is also not equal among the three types of empowerment activities. This is also as explained by informant M (Head of the Marine, Coastal and Small Island Spatial Management Division):

"There are three types of empowerment activities, but the budget allocation is not equal. This is adjusted according to the respective duties and priorities each year. Essentially, our primary role in the province is community capacity development through the provision of infrastructure assistance and the strengthening of institutions such as community development groups (Pokmaswas). Meanwhile, providing mentoring is the primary role of the city government." (May 26, 2025)

The information above shows that community empowerment programs are a priority among the three types of programs implemented by the South Sulawesi Maritime Affairs and Fisheries Department. This can be seen in the proportion of budget allocations for these three types of programs;

Figure 4. Budget Allocation Post for Coastal and Small Island Community Empowerment 2022-2024



Source: LAKIP DKP South Sulawesi 2020-2024, compiled by the author.

The figure above shows the significantly different budget allocations for the three types of empowerment programs implemented by the South Sulawesi Maritime Affairs and Fisheries Agency. The South Sulawesi Maritime Affairs and Fisheries Agency clearly emphasizes budget allocation on community capacity development programs. However, the capacity development programs implemented by the South Sulawesi Maritime Affairs and Fisheries Agency emphasize the provision of infrastructure, such as salt tunnel houses, community salt business infrastructure, and boat moorings. This indicates that the provision of productive infrastructure is the primary activity undertaken by the South Sulawesi Maritime Affairs and Fisheries Agency.

In the concept of public policy, budget priorities reflect the steps, strategies, and focus of government institutions in a

achieving policy objectives (Howlett, 2019). However, the figure above clearly demonstrates significant differences or inequalities in the budget allocations for programs providing mentoring, facilitating access to science and ICT, and providing education and training. This suggests that the South Sulawesi

Maritime Affairs and Fisheries Agency's community empowerment focus is solely on infrastructure or physical capacity development, rather than institutional and community mentoring, which can enhance individual and social capacity.

Furthermore, the above conditions reflect that the planning and use of the coastal and small island community empowerment budget by the Ministry of Marine Affairs and Fisheries (DKP) is not fully based on long-term needs and sustainable programs. A very large portion of the budget is allocated to community capacity building programs through the provision of facilities and infrastructure, and a smaller portion is allocated to mentoring and training. Research by Jumanah et al. (2023) shows that in the marine and fisheries sector, providing facilities and infrastructure assistance to fishermen without mentoring, training, and strengthening individual and institutional capacity is ineffective and, in the long term, does not contribute to improving fishermen's welfare.

4. CONCLUSION

The South Sulawesi Provincial Government's policy capacity remains quite low, particularly in analytical and operational capacity, particularly in budgetary capacity. This is demonstrated by the lack of human resources within the Maritime Affairs and Fisheries Agency, both in quantity and quality, to support the successful implementation of community empowerment policies. Furthermore, operational capacity, particularly in fiscal/budgetary capacity, remains very low, with the budget allocation for empowerment policies remaining below 5% in the past four years. This situation also indicates that empowering coastal communities and small islands is not a priority policy in South Sulawesi Province. Political capacity also needs to be optimized. While good practices such as the "buka tutup gurita" (open and close octopus) program have been demonstrated, this has not been the case for several other programs.

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