



# Public-Private Partnership Agreement in the Management of Sustainable Coastal Areas in Banyuwangi Regency

Dharu Triasih <sup>1,a)</sup>, Efi Yulistyowati <sup>1,b)</sup>, Farhan Fahkryzi Saputra <sup>1,c)</sup>

<sup>1</sup>*Faculty of Law, Universitas Semarang, Semarang, Indonesia*

<sup>a)</sup> Corresponding author : [dharu.triasih@usm.ac.id](mailto:dharu.triasih@usm.ac.id)

<sup>b)</sup> [efi.yulistyowati@usm.ac.id](mailto:efi.yulistyowati@usm.ac.id)

<sup>c)</sup> [farhanfahkryzi11@gmail.com](mailto:farhanfahkryzi11@gmail.com)

**Abstract.** This study analyzes public-private partnership agreements in sustainable coastal zone management in Banyuwangi Regency. The study was conducted to understand the effectiveness of partnerships in responding to ecological, social, and economic challenges arising from the rapid growth of marine tourism. Using a descriptive qualitative approach, this study collected data through document studies, in-depth interviews, and field observations. The results show that public-private partnerships are an important strategy for overcoming the budgetary and technical capacity constraints of local governments, but the substance of the agreements does not yet fully integrate measurable environmental sustainability indicators. Implementation in the field reveals an imbalance of roles between actors, weak supervision, and minimal community participation in the process of drafting and implementing the agreements. Other findings confirm that the dominant economic orientation has resulted in ecological aspects being given less priority in the partnership scheme. Nevertheless, the cooperation agreement continues to make a positive contribution to the development of tourism facilities and local economic growth. This study recommends strengthening the substance of the agreement, increasing institutional capacity, integrating ecological indicators, and formally involving the community to realize sustainable coastal governance in Banyuwangi.

**Keywords:** coastal ecosystems, coastal management, marine tourism, public-private partnerships, sustainable collaborative governance

## 1 INTRODUCTION

Coastal areas play an important role in sustainable development because they are home to diverse ecosystems and centers of socio-economic activity for communities. As an area located at the meeting point between the sea and the land, the coast contains valuable strategic resources, ranging from fisheries and tourism to environmental services. However, increased exploitation of coastal resources that is not balanced with good governance has the potential to cause ecological degradation. Therefore, sustainable coastal management is an urgent need in maintaining the balance between human activities and environmental sustainability.[1]

In the Indonesian context, pressure on coastal areas continues to increase in line with regional economic growth and investment expansion. Many coastal areas face challenges such as abrasion, pollution, land conversion, and deterioration of mangrove and coral reef ecosystems.[2] Efforts to address these issues require innovative governance and the active involvement of various stakeholders. The government, private sector, and local communities need to work together in a partnership framework to achieve effective and long-term management.

Banyuwangi Regency is one of Indonesia's coastal regions that has experienced rapid regional development. With its extensive coastline and diverse ecosystems, Banyuwangi has great potential in the marine tourism, fishing, marine aquaculture, and ecological conservation sectors. The success of tourism development in recent years has contributed to increased economic activity, population mobility, and pressure on coastal ecosystems. This situation calls for adaptive management strategies that are able to maintain a balance between economic growth and environmental quality.[3]

On the other hand, local governments have limited resources in terms of funding, technology, and managerial capacity to optimally manage coastal areas. Fiscal constraints and human resource limitations often pose obstacles to implementing ecosystem restoration programs, coastal infrastructure development, and the provision of public

services related to environmental management. This situation highlights the need for a cooperation model that can bridge development needs with available capacity.[4]

Public-private partnerships (PPPs) offer a collaborative approach that enables risk sharing, resource utilization, and improved management efficiency. Through this scheme, the private sector can contribute to financing, operational management, and technological innovation, while the government retains regulatory control and ensures that sustainable development goals are met. In the context of Banyuwangi, the PPP scheme has become a relevant option for addressing the complexities of coastal management, especially in areas that have high economic value but are ecologically vulnerable.

Cooperation agreements are an important instrument in regulating the partnership between the government and the private sector. Through these agreements, both parties can establish rights, obligations, risk sharing, operational standards, and sustainability indicators that must be met.[5] In coastal zone management, the substance of the agreement needs to cover aspects of ecosystem protection, coastal space utilization, monitoring mechanisms, and the empowerment of coastal communities as key stakeholders. Without a well-structured agreement, potential conflicts of interest and imbalances in benefits may arise.

Banyuwangi, as an area synonymous with the growth of the marine tourism sector, needs to maintain the quality of the environment as its main attraction. Therefore, private sector involvement in the management of coastal tourist attractions, the development of supporting facilities, and ecological conservation must be carried out within a framework of sustainability. A good cooperation agreement is expected to ensure that economic activities do not sacrifice the ecological functions of the coast and continue to benefit the local community.

In addition to environmental aspects, cooperation agreements also play a role in improving local government governance. Through partnership mechanisms, local governments can strengthen institutional capacity through knowledge transfer, service quality improvement, and the implementation of more professional operational standards. Private sector involvement encourages the government to be more transparent, accountable, and efficient in implementing coastal management programs.[6]

However, the implementation of public-private partnerships in coastal management does not always run smoothly. Challenges such as differing interests, weak coordination, lack of oversight mechanisms, and resistance from local communities can arise.[7] Therefore, it is important to evaluate cooperation agreements and their implementation practices to understand the extent to which these partnerships can support the sustainability of the Banyuwangi coast.

Based on this background, this study seeks to conduct an in-depth review of public-private cooperation agreements in the management of sustainable coastal areas in Banyuwangi Regency. This study includes an analysis of the substance of the agreement, its implementation, and its impact on the ecosystem and coastal communities. Through an empirical approach and collaborative governance theory, this study is expected to contribute to the development of a more adaptive, inclusive, and long-term sustainability-oriented coastal management model.[8]

## 2 RESEARCH METHOD

This study uses a qualitative approach with a descriptive-analytical design to gain an in-depth understanding of the dynamics of public-private partnership agreements in sustainable coastal zone management in Banyuwangi Regency.[9] A qualitative approach was chosen because it is capable of describing phenomena holistically, especially in relation to inter-actor relations, the substance of agreements, and their implementation in social, institutional, and ecological contexts.[10] With this design, the study seeks to provide a comprehensive understanding of the effectiveness of partnerships and their impact on coastal governance.

Data collection was carried out using three main techniques, namely document studies, in-depth interviews, and field observations. Document studies included analysis of cooperation agreements, regional regulations, coastal zone planning documents, activity reports, and relevant government and private sector planning documents. The purpose of this document analysis was to examine the content of agreements, institutional structures, and sustainability principles that had been stipulated within the formal framework of the partnership.[11] In addition, national policy documents and academic literature were also used as a basis for theoretical comparison.

In-depth interviews were conducted with purposively selected informants, namely parties considered to have knowledge, authority, or direct involvement in coastal zone management. Informants consisted of local government officials, particularly those from agencies related to marine affairs, the environment, and tourism; representatives from the private sector involved in cooperation; coastal community groups; and academics or environmental activists. This technique allowed researchers to explore informants' perceptions, experiences, and assessments of the process of drafting, implementing, and evaluating cooperation agreements.

Field observations were conducted at several coastal locations in Banyuwangi that were the objects or areas of cooperation, such as marine tourism areas, mangrove conservation areas, and jointly managed fisheries areas.[12] Observations serve to verify actual conditions in the field, identify forms of partnership implementation, and assess their impact on the environment and society. Visual observations and field notes are systematically recorded to obtain an empirical picture of coastal management practices.

The collected data is analyzed using Miles and Huberman's interactive analysis technique, which consists of three stages: data reduction, data presentation, and conclusion drawing.[13] Data reduction was carried out by sorting important information related to the substance of the agreement, the actors involved, the cooperation mechanism, and sustainability indicators. Data presentation was carried out by organizing the analysis results in the form of narratives and thematic tables to facilitate the identification of patterns and relationships between variables. Furthermore, conclusions were drawn based on the integration of empirical findings with the theoretical framework.

Data validity is tested through source triangulation, technique triangulation, and time triangulation.[14] Triangulation was conducted to ensure that information from documents, interviews, and observations supported each other and did not contradict each other. In addition, interviews with key informants were double-checked to increase the credibility of the findings. Validity was strengthened by comparing empirical findings with theories related to public-private partnerships and sustainable coastal governance.

Using these approaches and techniques, this study is expected to produce a comprehensive and accurate analysis of public-private partnership agreements in coastal zone management in Banyuwangi Regency. The results of the study not only explain the effectiveness of partnerships but also provide a basis for policy improvement, institutional strengthening, and the development of more sustainable coastal management models.

### 3 RESEARCH RESULTS

The results of the study show that the public-private partnership agreement in Banyuwangi Regency emerged as a response to increasing pressure on coastal areas, mainly due to the growth of marine tourism and other economic activities. Local governments face budgetary constraints, technical capacity, and human resources, so partnerships with the private sector are seen as an approach that can strengthen coastal management. However, analysis of the substance of the agreements reveals that environmental sustainability has not been comprehensively addressed. Although there are articles on environmental protection obligations, success indicators and evaluation mechanisms have not been formulated in a measurable manner, making it difficult to monitor implementation.

From an institutional perspective, the government retains primary control over spatial planning and supervision, while the private sector plays a greater role in operational implementation and facility provision. This role structure is clearly evident in regulatory documents, but practices in the field reveal an imbalance in capacity that affects the effectiveness of partnerships. Government officials stated that private sector involvement had accelerated the development of coastal tourism facilities, such as at Pulau Merah Beach and Grand Watu Dodol. However, a number of agreement negotiations were conducted within a short period of time, so that the substance of the cooperation agreement was not always formulated in depth in accordance with sustainable partnership governance standards.[15]

From a private sector perspective, the main focus is on developing tourism services, increasing visitor numbers, and strengthening the image of coastal areas. Although there is a commitment to sustainability, its implementation tends to be symbolic, such as beach clean-up activities that are not accompanied by long-term conservation programs. Field observations also show that the private sector makes a real contribution to the management of public facilities through infrastructure development, improved security, and the organization of tourism services. This has increased tourist comfort and strengthened the local economy.

However, several environmental problems have arisen as a result of increased tourism activity. The volume of waste in some coastal areas has increased, sensitive zones are under pressure from uncontrolled tourism activities, and some coastal vegetation has been damaged. This indicates weak supervision of the implementation of agreements and a lack of detailed regulations regarding the limits of private activities.[16] From the perspective of coastal communities, perceptions of the partnership vary considerably. Some feel that they have benefited economically in terms of employment and business opportunities, while others feel that their access to coastal areas has been restricted due to the establishment of special tourist zones managed by the private sector.

The lack of community involvement in the agreement drafting stage has contributed to resistance to some management policies. Without meaningful participation, communities feel they have no space to advocate for their interests, especially those related to the use of traditional resources. Analysis of the agreement documents also shows that conflict resolution mechanisms have not been systematically regulated. As a result, tensions between actors are

often resolved through informal approaches that do not guarantee clarity of responsibility or the sustainability of solutions.

In terms of governance, the existence of these agreements has generally encouraged the government to implement more transparent monitoring procedures. However, limited resources mean that the monitoring process is not carried out routinely and comprehensively. Field findings show that private sector contributions are more dominant in the provision of tourism facilities than in strengthening ecological aspects.[17] Conservation activities such as mangrove rehabilitation are mostly driven by local communities and environmental organizations, rather than being an integral part of private sector obligations in the PKS.

The government has actually developed coastal zoning policies oriented towards sustainability, but the integration of these policies into cooperation agreements is still weak. The academics interviewed assessed that Banyuwangi has the potential to become a model for partnership-based coastal management, but fundamental improvements are needed in terms of institutional aspects and the affirmation of ecological indicators. The collaborative governance theory study referenced in this research emphasizes the importance of trust, equal participation, and clear rules in building collaboration. In Banyuwangi, these elements are beginning to develop, but have not yet reached a level of maturity that would enable ideal collaborative governance.

The dominant economic orientation of this partnership has a direct impact on the investment structure. The private sector prefers to allocate budgets to tourist facilities with high economic value, while environmental programs are considered an additional burden that does not provide direct benefits. The absence of clear ecological obligations in the agreement exacerbates this situation. Therefore, the government needs to reaffirm that coastal management is not merely an economic issue, but also includes the protection of ecosystems that form the foundation of long-term sustainability.

In addition, research confirms that community participation is a key factor that has not been maximized. Coastal communities in Banyuwangi have strong social and cultural capacities to engage in conservation activities, such as mangrove management and monitoring of traditional fishing grounds.[18] However, their role has not been formally accommodated in the partnership structure. Strengthening the role of the community is considered important to increase policy legitimacy and ensure sustainability of implementation at the local level.

Communication between actors also remains a challenge. Formal meetings are only held at the initial stage, while implementation in the field rarely involves regular dialogue. As a result, a common understanding of coastal management objectives has not developed optimally. With strengthened multi-stakeholder communication, this cooperation has the potential to develop into a more solid and responsive collaboration to the dynamics in the field.

In addition to these main findings, this study reveals that the effectiveness of cooperation agreements is greatly influenced by the quality of coordination between local government agencies. Several agencies have overlapping roles in coastal management, such as the marine affairs, environment, tourism, and fisheries agencies. The lack of synchronization between agencies' programs has resulted in inconsistent policies related to coastal supervision or conservation.[19] This situation creates administrative loopholes that are sometimes exploited by private parties to avoid certain obligations in agreements, especially those related to environmental aspects.

This study also found that limited data and coastal information systems are a major obstacle in planning and evaluating cooperation. Local governments do not yet have an up-to-date and integrated coastal ecosystem database, whether related to water quality, mangrove area, or ecological vulnerability. As a result, cooperation agreements are often not based on strong scientific data.[20] This has the potential to cause errors in determining utilization zones and the expected sustainability targets of the partnership.

From a regulatory perspective, there is still uncertainty regarding the minimum standards that must be met by the private sector in nature-based tourism activities. Technical regulations regarding the carrying capacity of the area, restrictions on the number of tourists, and regulations on environmentally friendly infrastructure have not been integrated in detail into the agreement. The absence of these guidelines has led the private sector to prioritize commercial interests without considering the long-term impact on coastal ecosystems.[21]

Other findings show that some private actors are actually willing to implement corporate social responsibility (CSR) programs related to coastal conservation. However, the lack of good coordination between the government and the private sector has prevented the potential of CSR from being optimally channeled. Some CSR activities are even sporadic, unplanned, and not integrated with the ecological needs of the region. In fact, if properly directed, CSR can be an instrument to support ecosystem rehabilitation within the framework of partnership.[22]

From a local economic perspective, the study found that although partnerships have opened up new business opportunities, the distribution of benefits has not been evenly spread across coastal villages. Some villages located near major tourist areas have reaped significant benefits, while other villages not directly involved in tourism activities

have not experienced similar impacts. This disparity can lead to social discontent and hinder the stability of relations between the community and the private sector.[23]

Meanwhile, from a socio-cultural perspective, there are concerns among the community that the development of coastal tourism will displace local cultural identity. Several traditions related to the use of coastal areas, such as traditional fishing activities or cultural rituals on the beach, have begun to be disrupted due to access restrictions or adjustments to the interests of tourists. These changes have the potential to erode local values that previously supported the sustainability of coastal management based on traditional wisdom.[24]

Research also shows that environmental awareness among tourists remains low. Many visitors do not understand the importance of maintaining the cleanliness and sustainability of coastal areas, so their behavior often conflicts with the principles of sustainable tourism. In this context, the private sector has not yet maximized the provision of environmental education facilities or the promotion of responsible behavior. The lack of educational intervention exacerbates the ecological impact of partnerships.[25]

In addition, the study identified that climate change exacerbates coastal management challenges in Banyuwangi. Rising sea levels, increased abrasion, and weather uncertainty increase the risk of damage to coastal ecosystems.[26] Existing cooperation agreements do not yet consider climate risks as part of the management framework, creating vulnerability to the long-term sustainability of areas managed through partnerships.

In terms of technological innovation, it was found that the use of environmental monitoring technology is still very minimal. The government and the private sector have not yet utilized tools such as water quality sensors, digital mapping systems, or drone-based surveillance to monitor coastal conditions. The absence of technology-based monitoring systems makes it difficult to detect ecosystem damage early on and hinders rapid response efforts in addressing environmental issues.[27]

Finally, research shows that the success of partnerships is largely determined by the long-term commitment of the government, private sector, and community. Partnerships that run well in the early stages can experience a decline in effectiveness if one of the parties fails to maintain consistency in implementation. Therefore, a periodic evaluation mechanism involving all stakeholders and a communication forum that allows for open dialogue is needed. Thus, cooperation agreements are not merely administrative in nature, but truly become instruments for adaptive and inclusive sustainable coastal management.[28]

#### 4 CONCLUSION

Research on public-private partnerships in sustainable coastal zone management in Banyuwangi Regency shows that these partnerships were created as a strategic effort to address the government's limited capacity to optimally maintain and utilize coastal areas. The involvement of the private sector has proven to contribute significantly to the improvement of tourism facilities, infrastructure development, and local economic growth. However, the results of the study reveal that the substance of the agreement has not fully integrated comprehensive environmental sustainability principles, so that the ecological impact of tourism and development activities has not been adequately addressed. This partnership also faces institutional challenges in the form of an imbalance in capacity between the government and the private sector, weak monitoring mechanisms, and a lack of indicators that can be used to assess the success of the agreement's implementation. In addition, the participation of coastal communities is still limited, both in the drafting of the agreement and in the management process. This situation has caused some communities to feel disempowered and even restricted in their access to coastal areas that were previously their living space. On the other hand, research findings show that the potential for developing collaborative governance in Banyuwangi is quite large, mainly due to the local government's commitment to adopting principles of sustainability and openness to partnerships. In order for public-private partnerships in coastal management to be more effective, it is necessary to strengthen ecological indicators in agreements, improve monitoring capacity, and develop structured and accountable conflict resolution mechanisms. Formal community involvement is an important aspect of strengthening the legitimacy and sustainability of management at the local level. Overall, this study concludes that public-private partnership agreements have great potential to support sustainable coastal management in Banyuwangi Regency, but still require reformulation of the substance of the agreement and institutional strengthening in order to optimize its benefits. The success of the partnership depends heavily on the extent to which all parties are able to balance economic goals with ecological responsibilities and build inclusive, transparent, and long-term synergies.

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