

Blue Economy Policy Model in Increasing the Resilience of Coastal Msmes in Tanjung Jabung Barat Regency

Ahmad Nur Budi Utama¹, Wirmie Eka Putra², Idham Khalik³, Ade Irma Suryani⁴, Liona Efrina⁵

^{1,2,3}Universitas Jambi

⁴Universitas Muhammadiyah Jambi

⁵Universitas Adiwangsa Jambi

ABSTRACT: The blue economy is a development paradigm that integrates economic growth, environmental sustainability, and social welfare, especially in coastal and marine areas. West Tanjung Jabung Regency has a high dependence on the marine and fisheries sectors, so the sustainability and resilience of coastal micro, small, and medium enterprises (MSMEs) are important factors in maintaining regional economic stability. However, coastal MSMEs still face various risks, such as seasonal fluctuations, climate change, commodity price instability, limited access to financing, and policy support that is not fully adaptive. Therefore, the development of the blue economy needs to be directed not only at increasing economic added value, but also at strengthening the resilience of coastal MSMEs.

This study aims to analyze the factors that affect the resilience of coastal MSMEs and formulate a blue economy policy model that is adaptive to economic, environmental, and social risks in West Tanjung Jabung Regency. The research method uses a descriptive qualitative approach with a policy study design, through SWOT analysis and thematic analysis of regional planning documents, government agency reports, and related scientific publications. The results of the study show that the resilience of coastal MSMEs is influenced by income stability, adaptability to seasonal changes, strengthening business institutions, access to financing that is in accordance with the characteristics of coastal areas, and protection of regional policies. This study recommends an integrated blue economy policy model to strengthen the resilience of coastal MSMEs in a sustainable and inclusive manner.

KEYWORDS: Blue Economy, MSME Resilience, Policy, Coastal Development

I. INTRODUCTION

Tanjung Jabung Barat Regency is a coastal area that has a high dependence on the marine and fisheries sectors as the main driver of the regional economy (Lewandowski, 2016). Capture fisheries, aquaculture, and seafood processing activities are the main source of livelihood for most coastal communities (Lestari et al., 2023). In the local economic structure, coastal micro, small, and medium enterprises (MSMEs) play a strategic role as a link between marine resource production activities and the market. Therefore, the sustainability of coastal MSMEs greatly determines the stability and economic resilience of coastal communities in West Tanjung Jabung Regency (Sarmiati et al., 2022).

Despite having great potential, coastal MSMEs in West Tanjung Jabung Regency still face various forms of structural vulnerability (Sarangi, 2023). Fluctuations in fishing seasons, climate change, instability in fishery commodity prices, as well as limited infrastructure and market access cause coastal MSME income to tend to be unstable (Utama & Suryani, 2023). On the other hand, low financial literacy, limited access to formal financing, and weak institutional support and policy protection further increase the business risks faced by coastal MSMEs. This condition shows that the development

of the coastal economy is not enough to focus only on increasing production and added value but must also be directed at strengthening business resilience in the face of various economic and environmental shocks (Budi Utama, 2023).

In this context, the concept of the blue economy becomes relevant as a development policy framework that integrates economic growth, environmental sustainability, and social welfare. However, the implementation of the blue economy at the regional level needs to be designed adaptively by considering the level of resilience of coastal MSMEs as the main actor of the local economy (Kedia & Gautam, 2020). Therefore, this research is focused on the formulation of a blue economy policy model that is able to increase the resilience of coastal MSMEs in West Tanjung Jabung Regency (Narwal et al., 2024). The formulation of this research problem is: (1) what factors affect the resilience of coastal MSMEs in West Tanjung Jabung Regency? and (2) how is an effective and sustainable blue economy policy model to strengthen the resilience of coastal MSMEs in the face of economic, environmental, and social risks?

MSME resilience is the ability of businesses to survive, adapt, and develop in the face of various internal and external pressures (Phang et al., 2023). Internal pressures can be in the form of limited capital, low managerial capacity, weak financial records, and limitations in product and marketing innovation (Midlen, 2021). Meanwhile, external pressures include fluctuations in market demand, changes in raw material prices, business competition, and environmental and policy risks. MSMEs that have a high level of resilience are not only able to maintain their business continuity in crisis situations but also are able to adjust business strategies and take advantage of new opportunities to grow sustainably (Rahayu et al., 2023).

In the context of coastal areas, the resilience of MSMEs has more complex dimensions than other sectors. Coastal MSMEs are greatly influenced by seasonal factors, weather conditions, climate change, and the sustainability of marine resources (Augtiah et al., 2023). High dependence on natural resources makes coastal MSMEs more vulnerable to environmental disturbances and production uncertainty. Therefore, the resilience of coastal MSMEs is not only determined by economic and managerial aspects, but also by the ability to adapt to coastal ecological dynamics as well as institutional and policy support that is responsive to the characteristics of coastal areas (Osorio Novela et al., 2024). The blue economy provides a policy framework that balances economic growth and coastal environmental protection through the principles of sustainable, efficient, and inclusive utilization of marine resources (Martínez-Vázquez et al., 2021). From the perspective of MSME resilience, the blue economy encourages the strengthening of coastal businesses through increasing added value, diversifying products, strengthening value chains, and protecting marine ecosystems as the basis for business sustainability. Thus, the implementation of the blue economy is expected not only to improve the economic performance of coastal MSMEs, but also to strengthen business resilience in the long term through the integration of economic, social, and environmental aspects (Nagy & Nene, 2021).

II. RESEARCH METHODS

This study uses a descriptive qualitative approach with a policy study design that aims to gain an in-depth understanding of the role of the blue economy in increasing resilience Coastal MSMEs in Tanjung Jabung Barat Regency (Murdiyanto, 2020). This approach was chosen because it is able to explain social, economic, and policy phenomena contextually according to the characteristics of coastal areas. The policy study was used to analyze the linkages between regional regulatory frameworks, coastal development programs, and the empirical condition of coastal MSMEs as the main actors of the local economy (Moleong, 2020). Research data was obtained from secondary data sources which include regional planning documents (RPJMD, RKPD,

and OPD Strategic Plan), reports from government agencies related to marine, fisheries, and MSMEs, as well as scientific publications relevant to the blue economy and resilience of coastal MSMEs. Conceptually, the research dataset can be formulated as:

$$D_s = \{D_1, D_2, D_3\}$$

with = regional policy documents, = government agency reports, and = scientific publications. The data collection technique is carried out through literature study () and policy document review (), so that the data collection method can be stated as: $D_1 D_2 D_3 LT$

$$M = L \cup T$$

Data analysis is carried out gradually and systematically through the process of data reduction (), data presentation (), and conclusion drawing and verification (). The stages of analysis can be formulated as: $R_d P_d K_v$

$$A_d = \{R_d \rightarrow P_d \rightarrow K_v\}$$

Furthermore, to formulate a blue economy policy model, a SWOT analysis is used that identifies internal and external factors of coastal MSMEs, namely the strength of (S), Weaknesses (W), Opportunities (O), and threats (T). This combination of factors results in alternative policies through strategies SO , ST , WO , dan WT , which is used as the basis for the formulation of an adaptive, sustainable, and oriented blue economy policy model to increase the resilience of coastal MSMEs (Fadli, 2021).

III. RESULTS AND DISCUSSION

The results of the study show that the resilience of coastal MSMEs in West Tanjung Jabung Regency is influenced by a combination of economic, environmental, institutional, and policy factors. From the economic aspect, the income stability of MSMEs is greatly influenced by fluctuations in the fishing season and prices of fishery commodities. Conceptually, the economic resilience of coastal MSMEs (K_e) can be understood as a function of income stability (P_s), Cost Efficiency (E_c), and business diversification (D_u), which is simply formulated as:

$$K_e = f(P_s, E_c, D_u)$$

MSMEs with product diversification and value-added processing tend to have a better level of economic resilience than MSMEs that only sell raw products.

From an environmental aspect, the results of the study show that the resilience of coastal MSMEs is closely related to the sustainability of marine resources and the condition of coastal ecosystems. High dependence on natural resources makes coastal MSMEs vulnerable to climate change, extreme weather, and environmental degradation. In this context, the blue economy serves as a management framework that balances economic activity and environmental protection. Environmental resilience of coastal MSMEs (K_l) can be understood as the ability of businesses to adapt to coastal

ecological dynamics (A_e) and resource sustainability (S_d), So:

$$K_l = f(A_e, S_d)$$

The application of blue economy principles contributes to strengthening the long-term resilience of coastal MSMEs through the sustainable use of resources.

Furthermore, from the institutional aspect, the results of the study indicate that coastal MSMEs that are members of cooperatives or joint business groups have a higher level of resilience than MSMEs that operate individually. Institutions function as production aggregators, price stabilizers, and facilitators of access to financing and markets. Institutional resilience (K_i) can be understood as a function of organizational strength (O_s), Networking Efforts (J_u), and access external support (D_e):

$$K_i = f(O_s, J_u, D_e)$$

Institutional strengthening is an important element in the blue economy policy model because it is able to increase the bargaining position of coastal MSMEs and reduce vulnerability to market pressure.

From a policy perspective, the results of the study show that the resilience of coastal MSMEs has not been fully supported by policies that are adaptive to the characteristics of coastal areas. Sectoral and partial policies tend to be less effective in increasing business resilience. Therefore, an **integrated blue economic policy model** is needed that combines economic, environmental, institutional, and financing aspects. Conceptually, the resilience of coastal MSMEs (K_u) can be formulated as:

$$K_u = f(K_e, K_l, K_i, K_p)$$

with K_p show support for regional policies. The integrative blue economy policy model is expected to be able to strengthen the resilience of coastal MSMEs in a sustainable manner while supporting inclusive and environmentally friendly coastal economic development.

IV. CONCLUSIONS AND SUGGESTIONS

The development of the blue economy in West Tanjung Jabung Regency has a strategic role in strengthening the resilience of coastal MSMEs as the foundation of the local economy. The results of the study show that the resilience of coastal MSMEs is not only determined by economic factors alone, but also influenced by the sustainability of the coastal environment, the strength of business institutions, and the support of adaptive regional policies. Coastal MSMEs that have the ability to diversify their businesses, adapt to environmental dynamics, and have strong institutional support tend to be better able to survive and thrive in the face of economic, social, and environmental pressures. Therefore, the implementation of the blue economy needs to be directed not only at increasing added value and productivity, but also at strengthening business resilience as a whole and sustainable.

As a suggestion, the local government of Tanjung Jabung Barat Regency needs to formulate and implement a blue economy policy model that is integrated with the agenda of strengthening the resilience of coastal MSMEs. These policies need to include improving the literacy and financial management of MSMEs, developing financing schemes that are adaptive to the seasonal characteristics of coastal businesses, strengthening cooperative institutions or joint venture groups, and protecting and managing coastal ecosystems. In addition, strengthening cross-sector collaboration and the use of digital technology is expected to increase the competitiveness of coastal MSMEs while ensuring the sustainability of marine resources, so that coastal economic development can run in an inclusive, resilient, and long-term oriented manner.

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