Aceh (Nanggroe Aceh Darussalam)

Overview:
Aceh is a special territory of Indonesia. Its full name is Nanggroe Aceh Darussalam. Past spellings of its name include Acheh, Atjeh and Achin.

Territory:
Aceh occupies 55,392 sq km (21,387 sq mi), or about 3 percent of Indonesia's total area. Most of the region is located on Sumatra. It also includes some offshore islands as well.

Location:
Located on the northwestern tip of the island of Sumatra. It is bordered by North Sumatra Province.

Latitude and Longitude:
3°57'13.21"N 96°38'57.27"E

Time Zone:
GMT+ 7

Total Land Area:
5736557

EEZ:
200

Climate:
Aceh has a tropical climate, with a dry season lasting from March to August. Temperature averages range from 23Â° to 32Â° C (73Â° to 90Â° F) on the coast and from 13Â° to 22Â° C (55Â° to 72Â° F) in the mountains. Humidity is high in coastal areas. Rainfall ranges from 1,000 to 3,000 mm (40 to 100 in) annually.

Natural Resources:
Coffee, rubber, pepper, tobacco, fish, gas and oil

ECONOMY:

<table>
<thead>
<tr>
<th>Total GDP:</th>
<th>4,500,000,000.00 USD</th>
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<tbody>
<tr>
<td>Per Capita GDP:</td>
<td>0.00 USD</td>
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<tr>
<td></td>
<td>3,200.00 USD</td>
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<thead>
<tr>
<th>% of GDP per Sector:</th>
<th>Primary</th>
<th>Secondary</th>
<th>Tertiary</th>
</tr>
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<tbody>
<tr>
<td>2003</td>
<td>20%</td>
<td>48%</td>
<td>32%</td>
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<table>
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<tr>
<th>% of Population Employed by Sector:</th>
<th>Primary</th>
<th>Secondary</th>
<th>Tertiary</th>
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<tbody>
<tr>
<td>2006</td>
<td>12%</td>
<td>32%</td>
<td>55%</td>
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External Aid/Remittances:
U.S. and Indonesia sign agreement for US$400 million for relief and reconstruction. Reconstruction of the 240 kilometer Banda Aceh to Meulaboh road; shelter; credit and grants to rebuild local infrastructure; activities to help restore communities and drive economic rejuvenation; teacher training and vocational education; and technical support aimed at critical local government services and local capabilities. Since December 2004, the U.S. government has provided $68.1 million in emergency food, supplies, shelter, water and sanitation, health, and other support for affected communities in Aceh and North Sumatra. Private contributions toward the relief effort are estimated at well over one billion US dollars.

Growth:
As of September 2007, over $240 million (USD has been disbursed to projects which have helped build 1,212 new houses and rehabilitated 1,873 more. Another 6,419 new houses are now under reconstruction, while 2,513 are being rehabilitated. Communities have helped build over 1,900 kilometers of roads, 720 bridges, 240 school buildings, 2,450 irrigation and drainage projects and water and sanitation units and 40 health clinics.

Labour Force:
2005     2,750,000

Unemployment
Year: Unemployment Rate (% of pop.)
2003    9.5%

Industry:
Aceh's economy is mainly agricultural. Nevertheless, the Province has large deposit of minerals which can be found in 9 regencies in the Province, such as cooper, gold, iron, sulphur, quartz sand, magnet, marble, coal, limestone, natural gas,

Niche Industry:
Fishing, Fertilizer and paper

Tourism:
Tourism plays a vital role in the new economy of Aceh. Tourist Attractions include The Baiturrahman Great Mosque, Aceh State Museum, The Graves of Sultan Iskandar Muda and of Teuku Syah Kuala, Ujang Battee and Lampuk Beaches, Tjul Nyak Dien Museum, Rubiah Sea Garden, Simpang Balok Hot Water Pool, Linga Isaqg Hunting Area, Leuser National Park, Caikra Donya Bell, remains of the Samodra Pasai Kingdom and Teuku Cik Ditiro Heroes Cemetery. Tourist development in Aceh has recommended that some integrated tourist resorts in the province should be set up. The most urgent in this regard are the tourist resort surrounding Banda Aceh itself such as Weh Island and Pulo Aceh. Other tourist resorts include those in Leuser National Park in Aceh Tenggara, and on Simelue Island and Banyak Island which offer marine tourism activities.

Imports and Exports:
In Aceh, 98 percent of export value is derived from liquefied natural gas and condensate. Only 2 percent is derived from agricultural and industrial products. Coffee is the prime agricultural export commodity: 98 percent of the total agricultural export. Diversification of exports presents a good opportunity to boost growth but is not an easy task. The existing diversification potential for cocoa, vanilla, and patchouli, is constrained by small-scale production and volatile output.

<table>
<thead>
<tr>
<th>Tot. Value of Imports</th>
<th>0.00 ()</th>
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<tr>
<td>From EU:</td>
<td></td>
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<tr>
<td>Import Partners (EU):</td>
<td></td>
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<tr>
<td>Partners Outside EU:</td>
<td></td>
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</table>

Import Partners:
The Indonesian Government has passed a Regulation in 2007 on the creation of local political party in Aceh.

**Political Parties:**

**Jurisdictional Resources:**

Providing larger vessels, rather than replacing the small boats destroyed, would substantially boost output.

**Critical Issues:**

Acehnese fishers still rely on small boats with limited catching capacity. Aceh’s Exclusive Economic Zone (EEZ) covers 238,807 sq km of sea area. The EEZ has fishstock estimated at 1,000 times larger than

**Fishing:**

Acehnese fishermen are still using small vessels with limited catching capacity. Aceh’s Exclusive Economic Zone (EEZ) covers 238,807 sq km of sea area. The EEZ has fishstock estimated at 1,000 times larger than

**Road:**

In all the Indonesian government estimated the tsunami destroyed or damaged 2,617 km (1,635 miles) of roads in Aceh province as well as 2,267 bridges.

**Sea:**

Other Forms of Transportation:

**Economic Zones:**

Industrial zones are considered as prospective fields of investment and offers job opportunities. From this standpoint, the local government prioritized Industrial Zone of Aceh Besar and Lhokseumawe as one of the Prime Estate Development in order to attract investors contributing to many industrial sectors.

**Energy Policy:**

The Indonesian Government’s "Master Plan for the Reconstruction of Aceh" advocates that all facets of the reconstruction of Aceh be consistent with long-term environmental health and sustainable development. The reconstruction of the energy sector (including infrastructure to generate energy supply for rural and remote communities) focuses on clean and renewable energy sources that minimize emissions and are made available at a competitive price. Reconstruction Strategy: Assess the energy needs for reconstruction of urban and rural communities and associated infrastructure; Assess the current and potential availability of clean and renewable energy sources, paying particular attention to opportunities for local sourcing of raw materials; Promote the use of natural gas from local reserves to generate electricity in urban areas; Promote the use of biomass, solar, and wind to generate energy for rural and remote areas, for both community and individual basis; Incorporate clean and renewable energy in the medium and long-term planning for the energy sector; Provide incentives for the use of clean and renewable energy options in the reconstruction of infrastructure for communities in rural and remote areas; and Ensuring that power plant and its facilitation will be constructed in low-risk area. Indicators of Success: Sustainable energy is considered in medium-term (5-10 years) and long-term (10-15 years) energy strategies; Energy infrastructure is available to communities in rural and remote areas; Electricity is available to an increasing number of households; and Renewable energy increases as an overall proportion of the energy supply.

**Official Currency:**

Rupiahs

**Banking and Insurance:**

Number of Banks and Credit Unions: 18
Number of Agricultural Credit Unions:
Number of Insurance Companies:

Profil and assets in the banking sector have grown two years into the reconstruction effort. Preliminary Bank Indonesia (BI) data to June 2007 confirm this trend, with assets and credit growing YoY. A large and increasing share of deposits is government funds, estimated at 37 percent of all deposits in June 2007. Banks’ intermediary functions improved slightly in the first half of 2007. Despite an increase in the loan-to-deposit ratio (LDR) to 29 percent by June 2007, this is still well below the national LDR of around 60 percent. The lower LDR in Aceh is to be expected in the short run, given the large increases in deposits and the fact that Aceh’s economy is unable to absorb such large inflows of additional funds. Consumer credit dominates bank credit allocations in Aceh. At the national level, consumer credit accounts for only 30 percent of allocated credit, compared with 44 percent in Aceh. While consumer credit dominates the credit portfolio of both government-owned and foreign banks, national private banks are predominantly lending to businesses. Preliminary Bank Indonesia data to June 2007 show an increase in credit of 21 percent, a trend that is likely to continue as long as inflows of reconstruction funds continue.

**Financial Services:**

There are 13 various banks in Aceh which offer branch services throughout the territory. The total number of facilities is 68.

**Communications/ E-Commerce:**

**Public Ownership:**

**Land Use:**

Large areas of suitable land are not yet used. The total is estimated at 293,000 hectares (ha). Cultivating them would enable the expansion of modern farming.

**Agriculture/Forestry:**

The agriculture sector also has a good potential if developed beyond subsistence farming. (Although large-scale plantations do exist, they are not the core of agricultural production.)

**Marine Activity:**

Fishing:

Acehnese fishermen still rely on small boats with limited catching capacity. Aceh’s Exclusive Economic Zone (EEZ) covers 238,807 sq km of sea area. The EEZ has fishstock estimated at 1,000 times larger than the stock available in the territorial area but only large boats are able to fish in these waters.

**Marine Life:**

Fish Products include sea and fresh water species. These include the clownfish, the damselfish, the wrasse, the butterflyfish, the bannerfish the surgeonfish and pearl oysters.

**Critical Issues:**

Providing larger vessels, rather than replacing the small boats destroyed, would substantially boost output.

**Jurisdictional Resources:**

**Capital:**

Banda Aceh

**Political System:**

Aceh is governed not as a province but as a special territory (daerah istimewa), an administrative designation intended to give the area increased autonomy from the central government in Jakarta. Administratively, the province is subdivided into 18 regencies (kabupaten) and 5 cities (kota). The territory is lobbying for the free election of a Governor and the following political issues: The right to use regional symbols including a flag, a crest and a hymn The right to establish local political party Protection of local culture Establishment of commission for Truth and Reconciliation

**Political Parties:**

The Indonesian Government has passed a Regulation in 2007 on the creation of local political party in Aceh. The regulation states that the political party must be a political organization voluntarily formed by a
important legislation:
the implementation of the memorandum of understanding between the government of indonesia and free aceh movement, signed on august 15, 2005, in helsinki, provides another opportunity to build a better aceh and to deliver services to conflict-affected areas. the 30-year conflict between the government of indonesia and the free aceh movement (gam) claimed some 15,000 lives, displaced several thousand families and caused massive destruction to public and private properties. the conflict also prevented the delivery of minimum public services in the areas worst affected by the conflict. the implementation of the helsinki agreement has been broadly on track and gives aceh a chance to rebuild a peaceful society and regain economic prosperity. also, the government of indonesia recognized the need for land rights protection in its official master plan for rehabilitation and reconstruction of aceh and nias, which was published in march 2005. the document proposed two measures: i) an audit of the physical condition of tsunami-affected land, and ii) replacement of lost land documents and the issuance of new records for those who never held them. the government's rehabilitation and reconstruction agency for aceh and nias (badan rehabilitasi dan rekonstruksi untuk aceh dan nias, or brr) has also committed itself to the protection of land and property rights of affected communities, and regards this as a pre-condition to the reconstruction of housing and infrastructure as well as the recovery of livelihoods. many civil society groups, including the aceh legal aid foundation and a network of the five largest ngo's in aceh. they also acknowledged a lack of experience working on land and property rights issues, due to the fact that before the tsunami the majority of acehnese civil society focused on human rights advocacy and community empowerment activities.

principal taxes:
aceh continues to press for an independent status. therefore it seeks to gain control over its finances in the following manner: a. the right to set interest rates different from those set by the central bank of indonesia. b. retain 70 percent of revenue from oil & gas and hydrocarbon and other natural resources. c. transparency in revenue sharing allocation, audited by foreign auditor. d. additional revenue from 2% of national daus allocation for 15 years and 1% for 5 last years. it also taxes it citizens through various programs which include motor vehicle tax, water vehicle tax, motor/water vehicle ownership charges motor vehicle fuel tax, water(ground and surface) utilization tax

associate power:
citizenship: the people of aceh are considered to be citizens of indonesia.

paradigmacy:

human resources
aceh has the resources to fight poverty, but it has not yet made much progress. paradoxically, once aceh's revenues started to increase disproportionately in 2001, its poverty levels remained unchanged at 36 percent although the rest of indonesia experienced a massive decline of poverty to below 20 percent.

migration:
villages with a dominant agricultural sector experience a larger population outflow and a reduced population inflow, the presence of a manufacturing industry in a village acts as a retaining factor. civil conflict might even work as an accelerator of the ongoing urbanization process.

crude birth rate:
1999 2.1%

life expectancy:
male life expectancy at birth (1996) 65.02 female life expectancy at birth (1996) 68.95

crude death rate:
1993 7.9%

ethnicity:
most of the people of aceh belong to the acehnese ethnic group. gayo and alas people live mainly in the highland areas.

class division:
in july of 2006, the indonesian parliament passed a landmark legislation called "the citizenship act" which states that "irrespective of heritage of race, color, religion and country of birth," it would be "guaranteed equal treatment under law." the act provided assurance that indonesian female spouses of foreign nationals, for example, retain their nationality and guaranteed fair and equal treatment. it also assured nationals of a foreign descent that they would be protected from discriminatory behavior.

languages:
bahasa indonesia is the official language, but many other languages are also used including acehnese.

religion:
the region has a strong islamic tradition, and about 96 percent of the population is muslim. islam (98.6%), christianity (0.7%), hinduism (0.08%), buddhism (0.55%)

literacy:
literacy rates in aceh stood at 95.8% in 2004 (as opposed to the national 89.5%) and years spent in school (7.8, national rate 7.1). the adult literacy rate was 93.1% in 1999 with an increase to 95.8% in 2002. the female literacy rates were 94.1%, compared to a national average of 85.7%

education system:
response to more than 25 years of violence and armed struggle in the province of aceh, indonesia, a group of academics and activists have undertaken the task of creating a peace education curriculum grounded in the core islamic peace beliefs and rooted in the acehnese social and cultural values. peace education is currently being implemented in 13 out of the 20 districts of aceh, stretching from the provincial capital of banda aceh south to central and east aceh districts, reaching west aceh in the west coast of sumatra, and spanning the benggala strait to the island of sabang. the programme is supported by 211 teachers, and is presently being taught in 100 high schools or nearly one fourth of the total high schools in aceh, targeting more than 35,000 students and approximately six cultures and ethnicities. in terms of gender breakdown, one third of all teachers are women and at least half the students are female. after the tsunami, unicef made plans to building 367 child-friendly and earthquake resistant schools in aceh and nias. by december 2006, 10 schools were to be finished and 60 more were to be under construction. unicef also built 235 semi-permanent school units in aceh and nias.

villagers want to increase the education levels of their children but are constrained by limitations in being able to access education. this is true both for the families of returnees and the broader community. there are four major factors that constrain access to quality education. first, the cost of schooling limits the ability of village children to attend school; this is compounded by the distances of schools from many villages. third, a large proportion of school infrastructure was damaged or destroyed in the conflict. fourth, schools are lacking resources, including teachers, and this impacts on the quality of education provided.

the main limitation in improving education standards is the cost burden of sending students to school. this is related to both direct school costs and other costs, particularly for transportation. villagers understand the importance of education for their children. they are, however, often faced with the very real choice of supporting their children's continued education or withdrawing their children from school and pushing them into the workforce. for this reason, the education level across the villages visited was generally quite low with most villagers only having completed elementary or, at most, middle school.

number of schools per island:

<table>
<thead>
<tr>
<th>Total Pre-schools:</th>
<th>2006</th>
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<tbody>
<tr>
<td>First Level:</td>
<td></td>
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<tr>
<td>Second Level:</td>
<td></td>
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<tr>
<td>Third Level:</td>
<td></td>
</tr>
<tr>
<td>Total Secondary Schools:</td>
<td>395</td>
</tr>
<tr>
<td>Total Professional Schools:</td>
<td>31</td>
</tr>
<tr>
<td>Universities:</td>
<td>8</td>
</tr>
</tbody>
</table>
In education, striking long-term structural problems outweigh the short-term challenges after the tsunami. Reconstruction has progressed well in these sectors. Most school facilities have been rehabilitated or are under reconstruction. However, fewer than half of elementary school facilities are well maintained, and the majority of teachers do not have the legally mandated qualification.

**Medical Services:**
There are 3 major hospitals in Aceh. Many medical facilities have been severely damaged or destroyed by the massive earthquake and tsunami, and deterioration of the medical services has been serious problem for people in Aceh. In major cities, such as Banda Aceh and Meulaboh, medical services is being recovered gradually, however, in remote areas and in the outskirts of major cities, access to the appropriate medical services is still limited.

**HISTORY AND CULTURE**

**History:**
Situated at the westernmost point of the Malay Archipelago, Aceh was an important port of call for Indian, Arab, and later, European traders en route to the East Indies during the historic spice trade. While trade in spices has occurred since prehistory, development of the major spice trade routes was initiated by European traders starting in the 12th century. The greatest expansion of the trade occurred during the 15th and 16th centuries. Aceh was an important regional power during the period of Portuguese, British, and Dutch colonial expansion starting in the 16th century. Maintaining its independence and trading with Singapore and Britain. In 1824 Britain and The Netherlands signed a treaty transferring British possessions in the Malay Archipelago to the Dutch. At this time Aceh was independent, but it was eagerly sought by the Dutch, who declared war on Aceh and invaded in 1873. Resistance to European rule continued into the 20th century, until the Malay Archipelago was occupied by the Japanese in 1942, during World War II. After the Japanese surrendered in 1945, Indonesia declared its independence. Aceh became a province of Indonesia in 1949. Acehnese political organizations grew during this period, and Danial Islam, an armed rebel movement seeking to establish an Islamic state, emerged. This group instigated a popular rebellion and proclaimed Aceh an Islamic republic in 1953. In 1959, Aceh won an agreement from the government that resulted in a degree of autonomy as a “special region.”

**Referenda:**
Recent Significant Events:
On 26 December 2004, a 9.1-magnitude underwater earthquake caused a tremendous tsunami that devastated Aceh Province, Indonesia, resulting in the deaths of some 128,715 people (as of 18 April 2005). It also destroyed hundreds of schools, hospitals, roads, bridges and home. This tragedy evoked great concern internationally. Governments, multilateral organizations, international, national and local NGOs, religious organizations, ethnic organizations, professional organizations, educational institutions and others have rushed to provide aid to the people of Aceh.

**Music, Dance, Handicraft and Patrimony:**
Gold Works and Rattan Plaings. The songs and dances of Aceh generally reflect prayers art. Aceh’s dances are dynamic and performed collectively rather than individually.

**Sources:**
http://www.iucn.org/places/asia/coastalinfo/docs/Green%20construction%20WWF.pdf
http://www.id.emb-japan.go.jp/news05_17e.html
http://www.aceh.net/index.html
http://www.id.emb-japan.go.jp/news05_17e.html

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