



# A crab restaurant protects mangroves

## Executive summary

Managed by a local fishermen's association, Kampong Kepiting Ekowisata Bali (Crab Village Ecotourism Bali) is an ecotourism business involving a restaurant that also offers water sports services and educational tours in the mangrove forest of Tuban in Bali, Indonesia. The enterprise purchases seafood directly from local fishermen and hires local community members for its restaurant staff. This close collaboration saves costs and helps control the quality of products and services. It has also helped local fishermen multiply their revenues by nearly fivefold since the launch of the business.

This case study provides insights into how a purely local fishery enterprise can achieve social, environmental and financial returns by managing a restaurant for tourists while providing income sources for local fishermen and conserving the indigenous mangrove forest.



**COUNTRY**  
Indonesia

**NAME**  
Kampong Kepiting Ekowisata  
Bali

**TYPE**  
Restaurant and  
fishery business

**FIELDS OF INCLUSION**  
Maintenance and services,  
food and beverages,  
natural conservation



## How the business model works

Kampoeng Kepiting Ekowisata Bali is managed by the Wanasari Fishermen's Association, a local cooperative established to improve the welfare of Wanasari fishermen. In 2009, many of the association members were affected by the development of the Nusa Dua Highway, which claimed a substantial part of the Tuban mangrove forest, altered the landscape and interfered with fishermen's activities. Local fishermen have traditionally relied on the mangrove forest to make a living through fishing and crab collection.

### A sustainable method of crab cultivation

While looking for new sources of income, one of the association members, Made Sumasa, discovered a sustainable method of crab cultivation that minimises environmental damage. The method involves placing bamboo pens beneath the mangrove trees in which crabs can live in their natural habitat.

### A locally owned and managed ecotourism business in the mangrove forest

Under the leadership of Made Sumasa, the Wanasari Fishermen's Association received a USD 32,000 start-up grant in 2010 from a state-owned company's corporate social responsibility (CSR) programme to develop an ecotourism business in a one-hectare mangrove forest, Kampoeng Kepiting Ekowisata Bali (Crab Village Ecotourism Bali). The ecotourism business was designed with four pillars in mind: crab cultivation, culinary experience, water sports and environmental education. With the annual renewal of its CSR funding, the business has succeeded in gradually expanding its capacity and infrastructure. The purpose of each year's CSR grant depends on the submitted proposal. For example, in late 2013, the business managed to open its main pillar, a 160-seat restaurant. Targeting mostly domestic tourists, the restaurant provides a high-quality seafood dining experience amid beautiful scenery in the mangrove forest. The cost of an average meal ranges from USD 5 to USD 10, which is an affordable price range in the Bali restaurant market. Run by a management team of five community members, the business today employs 30 restaurant and ecotourism staff members from local

families as cooks, waiters, cashiers and cleaners. Kampoeng Kepiting is proud of the fact that their business is owned and managed by fishermen for fishermen.

### Seafood sourced from local fishermen

The restaurant sources seafood products from local fishermen at USD 5.50 per kilogram. Groups of five to seven fishermen manage the bamboo crab pens, with each group producing up to 25 kilograms a day to supply the restaurant. In order to ensure a healthy, sustainable supply from all pens, the restaurant purchases crab alternately from each, rather than consecutive days from a single pen.

### Supplementing revenues through touristic activities

Kampoeng Kepiting also offers water sports attractions and educational boat tours within the compound. Visitors can learn about the importance of mangrove as a natural habitat for many species and see fishermen in action cultivating crab in a sustainable manner. A one-hour boat ride guided by local fishermen costs USD 6. The fishermen retain 40% of this fee and the rest is kept by the business. Local fishermen can supplement their income by renting out their boats and canoes for these water activities. The business also offers a gazebo with a 100-person capacity for meetings, weddings and corporate gatherings at a rate of USD 250 per hour. This generates limited but steady revenues for the business.

In order to attract visitors, the ecotourism enterprise works closely with an advertising agency to enhance its media presence. In 2014, the enterprise's novel approach was covered by two national television shows and several culinary and travel blogs. Shortly afterwards, the restaurant observed an increase in the number of tourists visiting.

Members of the Wanasari Fishermen's Association use environmentally friendly bamboo pens for crab cultivation.



## Challenges and solution strategies



*Made Sumasa explains,*  
 "We do not want to **overexploit crab cultivation, because it is our backbone.**  
 Without the kerambas, the restaurant business will not sustain itself."



Made Sumasa, member of the Wanasari Fishermen Association is one of the leading forces behind the ecotourism project Kampong Kepiting.



In addition to crabs, fishers at Kampong Kepiting catch fish to diversify their income and avoid the overexploitation of the natural crab stock.

## Mutual benefits

### Business benefits

Kampoeng Kepiting's locally oriented business model has resulted in tangible outcomes. The company today attracts up to 150 visitors per day and generates a monthly net profit of USD 7,000 to USD 10,000. The management team is excited about the business potential since these figures were achieved within six months of the restaurant's opening.

By working closely with the fishermen who manage the crab pens, Kampoeng Kepiting ensures the quality of the products they serve at the restaurant. This partnership also reduces transportation costs, because the supplies are on site. The fact that the new cultivation method is predictable, productive and does not involve high operating costs helps keep the restaurant's prices low. The menu developed by the local cooks is a fusion of traditional Balinese fishing-community recipes, Indonesian dishes and Western-style preparations. The local flavours give the restaurant an edge in Bali's fiercely competitive restaurant market. In addition, the mangrove tours help spotlight the mangrove's role in preventing coastal erosion, while giving a glimpse of three fishermen actually engaged in sustainable crab cultivation. Making use of local fishermen's knowledge of their own environment separates Kampoeng Kepiting from other ecotourism attractions in Bali.

### Development benefits

For the fishermen, crab sales and boat rental revenues add up to USD 150 per month on average. This represents a significant increase compared to before the opening of Kampoeng Kepiting, when these sources yielded just USD 30 to USD 50 a month. In addition to the financial benefits, the fishermen received training in a more productive method of crab cultivation. The business also creates a reliable market for the fishermen's products, allowing them to take on less risk as they take advantage of bigger opportunities.

The business has provided 30 jobs for the fishermen's families, 60% of which are held by women. This employment also comes with regular training in hospitality and other services, which has immediate use at Kampoeng Kepiting, but also supports these individuals in other career opportunities should they seek employment in other tourism enterprises.

## Outlook

Kampoeng Kepiting plans to increase its staff size from its current 30 to 60 in one year and provide further English-language training to its staff in anticipation of an increase in international guests. Financially, the enterprise aims to generate revenues of USD 2,500 per day. The management also plans to build more facilities, such as a fourth gazebo for meetings and a yoga

space in the mangrove forest. Extra services such as outbound tours and corporate reforestation packages are also planned. Kampoeng Kepiting plans to keep the business strictly fishermen-owned and managed, and to forego working with big investors.

### INTERVIEWS

Made Sumasa, Chairman of the Wanasari Fishermen's Association

Agus Diana, Secretary & Treasurer of the Wanasari Fishermen's Association

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### DATE

Research for the case study was conducted in May and June 2014

### PHOTOS

Courtesy of Kampoeng Kepiting Ekowisata Bali