

A photograph of a large, silver fish, likely a tuna, lying on the green-painted deck of a boat. Several people are visible around the fish, some using tools to process it. The scene is brightly lit, suggesting daylight. A dark blue curved overlay covers the bottom left portion of the image, where the title text is located.

INDONESIA: FORCED LABOUR

Annual report 2025-2026



EXECUTIVE SUMMARY

In 2025, workers in Indonesia's seafood supply chain organised, filed cases, marched in the streets and built institutions of their own. The Indonesia Seafood Hotspot's seven partner organisations worked alongside them — and in a year of substantial national transition, that combination produced results that will shape the regulatory landscape for years to come.

The year's most direct measure of progress was personified in Ali Mustofa, a fishing vessel crew member from Pemalang who in 2024 came to Serikat Buruh Migran Indonesia (SBMI), one of the country's migrant workers' unions, after nine months of exploitation at sea. With the union's help, he recovered his documents and wages through non-litigation advocacy and by 2025 was back on a distant water vessel conducting peer outreach among Indonesian crew members.

The hotspot program's data reflect a multi-layered support system bridging the gap between local reality and national policy. By combining village-level outreach with legal and technical support for domestic and migrant fishers, as well as with the collective organising of seafood processing workers, the hotspot strengthens the safety net across the entire supply chain. This integrated approach, from grassroots action to advocating with government

to close jurisdictional gaps, leverages individual cases to support systemic change.

Throughout the year, hotspot partners SBMI, the Indonesia Ocean Justice Initiative (IOJI) and the Indonesian Legal Aid Foundation (YLBHI) maintained a legal and policy pressure to resolve the conflicting dual licensing system that leaves migrant fishers in a jurisdictional vacuum. This gap occurs because the Ministry of Transportation classifies fishers as a "technical" category with limited oversight, while the Ministry of Migrant Workers (KP2MI) treats them as workers with full legal rights. This loophole allows recruitment agencies to bypass safety standards, so a key priority of the hotspot partners is to push for their full inclusion under the remit of the KP2MI.

In 2025, IOJI successfully lobbied the UN Committee on Migrant Workers to issue a formal recommendation that Indonesia adopt a single, rights-based licensing regime under the Ministry of Migrant Workers. Parallel to this international effort, hotspot partner Destructive Fishing Watch (DFW) contributed research on cost-of-living and pay disparities that informed revisions to Ministerial Regulation No. 33/2021, strengthening standardised employment contracts and documentation requirements for fisheries crew. While the regulation does not establish statutory minimum wages, it does improve legal oversight and reduces regulatory gaps that previously enabled underpayment.

During 2025, sustainability was rooted in the growth of an independent worker-led movement. The North Sulawesi Women Fishery Workers Union (SP3SU), a young union that engages women workers in the seafood processing sector, recruited 476 new members. To defend against corporate retaliation and union-busting, our partner Federasi Serikat Buruh Persatuan Indonesia (FSBPI), a multisectoral trade union, registered the Bestari Sejahtera Women's Cooperative in Makassar, giving workers there a collective economic structure to sustain their organising through periods of volatility.

While the challenges of 2025 were significant — company-controlled unions, mass layoffs used to suppress organising and a ministerial dispute that left migrant fishers in limbo — the hotspot program demonstrated that linking grassroots evidence with international pressure can begin to break the connection between Blue Economy growth (industrial seafood expansion) and the exploitation of the people who power it.

OPERATING CONTEXT

In 2025, workers in Indonesia's seafood processing factories and fishing vessels continued to face conditions that fell systematically short of what the law requires: wages below the provincial minimum, unpaid overtime, no written contracts and dismissal of workers who sought to organise. This was the ground-level reality that the hotspot program worked within during the first full year of the Prabowo Subianto administration — a year that brought significant institutional change at the national level but little immediate change at the factory gate or on the vessel deck.

A governance dispute that left migrant fishers in limbo

The most consequential regulatory development of the year was not a new law but a conflict between two ministries. Indonesia's newly established Ministry of Migrant Worker Protection moved to bring manning agencies — the companies that recruit and place fishing vessel crews abroad — under its licensing authority. The Ministry of Transportation resisted, asserting its own jurisdiction and, in September, penalising a company that had tried to comply with the new system. By the end of the year, not a single agency had yet placed a migrant fisher under the new framework, despite three years of advocacy by hotspot partners to reach this point. A coalition of partners filed a formal legal objection, arguing that this is a constitutional compliance issue, not a bureaucratic turf war.

A new minister, new regulations — and unfinished business

The Ministry of Migrant Worker Protection issued a substantial set of new regulations during the year, covering everything from placement costs to complaint handling to migrant worker identity cards. Each one explicitly named migrant fishers — a direct result of years of sustained advocacy by

program partners. However, a presidential cabinet reshuffle in September slowed momentum. The digital system needed to make the new framework operational was still under development at year's end.

A Labour Bill that delayed what workers needed most

Throughout 2025, the government drafted a replacement Labour Bill following a Constitutional Court ruling against the controversial Job Creation Law. This process created a significant “administrative distraction” that stalled specific fishery protections, while the bill's focus on “labour flexibility” emboldened employers to increase the use of precarious, short-term contracts. In Makassar, seafood processing employers used the regulatory uncertainty to restructure workforces, not renewing contracts of workers approaching the five-year limit — a practice that hit union members disproportionately. One positive development at the end the year was that the Ministry of Manpower committed to make protection of seafood processing workers a regulatory priority for 2026.





PROGRAM OUTCOMES

In 2025, the Indonesia Seafood Hotspot maintained a portfolio of seven partner organisations championing change at all levels — from national policy advocacy to village-level organising. The portfolio has matured into a genuinely specialised configuration: IOJI and YLBHI operate at the national legal and policy level, DFW through the National Fishers Center (NFC) bridges industry research and worker rights, SBMI organises at the village focal-point level in migrant fishing communities in Central Java, and FSBPI, SP3SU and labour NGO Inti Solidaritas Buruh (ISB) focus on seafood processing workers and union-building in Bitung, Makassar and Banyuwangi.

Fund direct impact in communities affected by modern slavery

This hotspot focuses on project-level impact through the restoration of rights, access to social security and direct legal assistance for migrant and domestic fishing vessel crews as well as seafood processing workers.

Legal assistance and rights restoration

In 2025, the National Fishers Center, a grievance and support platform managed directly by DFW Indonesia in partnerships with maritime authorities, handled 39 case complaints involving 129 victims, focusing on non-litigation resolution pathways such as mediation to recover unpaid wages.

SBMI received 98 new cases, primarily in the distant-water fishing sector. Through direct negotiation, the union achieved an 85% resolution rate, securing the recovery of confiscated documents, the cancellation of fraudulent debts and financial restitution, including from cases carried over from the previous period.

Expanding access to social protection

A primary focus of direct impact in 2025 was bridging the gap between vulnerable workers and social safety nets.

ISB successfully facilitated the registration of 56 small-scale commercial fishers for subsidised employment schemes. Bringing these fishers into the formal social protection system reduces their vulnerability to the financial shocks — such as injury, illness and loss of vessel — that push workers deeper into debt and exploitation.

SP3SU officially became a “BPJS PERISAI” (Social Security Activist), facilitating the registration of 210 new participants from the fish processing sector in Bitung into the national social protection schemes.

Work with businesses and employers

In 2025, DFW deepened its engagement with the private sector through two complementary approaches: embedding the national fisheries complaint mechanism into the Indonesian Pole & Line and Handline Fisheries Association (AP2HI) to make labour compliance a prerequisite for sustainable exports, and piloting competency training for 29 tuna processing workers — 18 men and 11 women from 13 companies in Benoa — in collaboration with the Ministry of Marine Affairs and Fisheries training centre, with certification planned as a follow-up step. By moving these workers toward formal ministry certification, the program pressures employers to adopt standardised labour protections and safety protocols required for access to high-value international export markets.

In 2025, partners moved beyond individual cases to address structural gaps. DFW integrated primary labour rights data into the revision of Ministerial Regulation No. 33/2021, strengthening contract standards for domestic fishers. Simultaneously, SBMI and IOJI maintained legal pressure to resolve the “the overlapping dual licensing system ” that leaves migrant fishers in a jurisdictional vacuum. On land, the Indonesian Seafood Workers’ Advocacy Coalition (KAPPI), which includes ISB, DFW, FSBPI and YLBHI, countered the rise of company-controlled unions by advocating for standardised labour inspections in seafood hubs. These efforts culminated at the Makassar community of practice (CoP), where partners established a joint referral and ethics protocol. This unified framework prevents isolated “private deals” with employers and provides the evidence base for collective advocacy, including for the 2026 submission to the U.S. Department of State’s Trafficking in Persons (TIP) Report.



Fishing vessel, Bali ©Hikari Stories/The Freedom Fund

Foster systems change to shift power

The hotspot program’s advocacy was anchored in robust, evidence-based research that provided a factual basis for policy demands.

Findings from DFW and the National Fishers Center (NFC) regarding wage exploitation were formally presented to the Ministry of Maritime Affairs and Fisheries (KKP) and the Ministry of Manpower. These insights were subsequently adopted as formal inputs for the ongoing revision of Ministerial Regulation No. 33 of 2021 concerning Fisheries Crew Governance.

The Indonesian Seafood Workers’ Advocacy Coalition secured a formal commitment from the Ministry of Manpower to prioritise seafood processing protections in 2026. By unifying labour unions, maritime specialists and legal experts under the KAPPI banner, the program has created a single, authoritative voice for technical policy input at the national level.

Challenging regulatory dualism and asserting authority

A central theme of 2025 was resolving the jurisdictional conflict between the Ministry of Transportation (which issues SIUKAK permits authorizing recruitment and placement of crew members on national and foreign-flagged ships) and the Ministry of Migrant Workers Protection (which issues its own KP2MI—SIP3MI authorizing permits for migrant crew members). IOJI and SBMI played a critical role in the PPMI Watch Advocacy Network, a coalition of civil society organisations, trade unions and migrant-rights groups that monitor and advocate for policies affecting Indonesian migrant workers. The group successfully lobbied to ensure that migrant fishers remain categorised as “migrant workers” under Law 18/2017, despite institutional resistance to removing them from this protection regime.

While the Minister of Migrant Workers Protection issued a formal letter to all Indonesian Representatives abroad on July 23, 2025, asserting sole licensing authority over sea-based placements, this directive triggered immediate institutional resistance. By September, the Ministry of Transportation actively challenged this claim by penalizing an agency that attempted to comply with the new framework, leaving the placement system in a complete deadlock at year’s end.

Provincial and local policy wins

Systems change was equally emphasised at the regional level to create enforceable “legal umbrellas” for workers.

Following multi-year advocacy by DFW and its coalition partners, Bali Governor Wayan Koster signed Decree No. 372/03-R/HK/2025 on May 31, 2025, establishing a multi-stakeholder forum for the protection of fisheries workers in Bali.

IOJI, in collaboration with SBMI and the Central Java government, facilitated the drafting of two provincial decrees establishing a trafficking task force and integrated service centre. These policies mark the first integrated human trafficking response systems at the provincial level in Central Java.

Breakthrough in inspection transparency

In November 2025, the KAPPI (the coalition of four hotspot partners and other organisations) secured approval from the Ministry of Manpower’s Director of Labour Inspection for a joint inspection of seafood processing companies in Muncar — a mechanism that would bring trade unions, NGOs and media alongside government inspectors for the first time in Indonesia. The inspection had not yet been scheduled at year’s end but it is hoped that it will be put into practice in 2026.

DFW and SBMI leveraged the high-profile Run Zeng and KM MUS trafficking cases — where fishers were forced to jump overboard to escape — combining legal representation with digital amplification through Greenpeace and media outlets to reach 6.8 million views. This strategic visibility transformed a criminal rescue into a matter of national public accountability, successfully pressuring authorities to accelerate investigation into the manning agencies involved.

SBMI, together with Greenpeace Indonesia and SAKTI, participated in the 22nd Regular Session of the Western and Central Pacific Fisheries Commission (WCPFC) in Manila. As the only registered trade union observer at the Commission, SBMI advocated for vessel ownership transparency, the gradual elimination of at-sea transshipment (the practice of transferring catch and crew between vessels in the open ocean) and the integration of labour standards into fisheries management.

Invest in the strengthening of trade unions, organisations and movements

In 2025, hotspot partners moved further along the continuum from externally supported organisations toward self-sustaining, worker-led movements — building independent governance structures, economic resilience mechanisms and coalitions that operate beyond the program’s direct reach.

Fostering independent, worker-led unions

A primary success of the 2025 period was the institutional maturation of grassroots organisations.

Since July 2024, the Women Fishery Workers Union of North Sulawesi (SP3SU) transitioned from being a wing of a larger union to a fully independent organisation. In 2025, SP3SU established its own governance structure, created specialised training modules for women seafood processing workers and successfully recruited 476 new members through direct, home-based outreach, bringing total membership to 515.

Building movement resilience through economic empowerment

In Makassar and Banyuwangi, the urgent need for structural resilience was underscored in 2025 by mass layoffs, including a single case in one company where 113 workers were fired specifically for union activity. To counter this climate of fear and the resulting hesitation to join formal labour groups, hotspot partner FSBPI finalised the legal registration of a women-led cooperative in late 2025. By producing soap and providing affordable *sembako* (basic necessities), it offers immediate, tangible value to workers who are currently too intimidated by the threat of firing to organize. With its legal foundation now secure, the cooperative is cleared to officially launch these services in 2026, building the collective trust and economic independence needed to sustain worker representation against employers who use mass layoffs as a tool of control.

Strategic alliances and movement building

Hotspot partners built cross-sectoral alliances laying the foundation for collective action that centred workers.

In December, ISB established the Indonesian Seafood Workers' Advocacy Coalition (KAPPI), a platform bringing together five civil society organisations (including hotspot partners DFW and YLBHI), five trade unions (including hotspot partner FSBPI) and two prominent fisheries labour experts from major universities. The national coalition's purpose is to provide coordinated policy inputs and monitor the development of a Ministerial Regulation on seafood processing workers — a policy instrument that does not yet exist in Indonesia. Its first test will be the 2026 regulatory process, where KAPPI has been requested by the Ministry of Manpower to submit concrete policy proposals.

In Bali, YLBHI convened Hapera Bali, bringing together DFW, four labour unions and Independent Journalists Alliance (AJI) Denpasar into a new workers' alliance. The alliance's first action was collective: a coordinated complaint mechanism that channelled 136 workers' grievances to the provincial government in a single, unified submission.

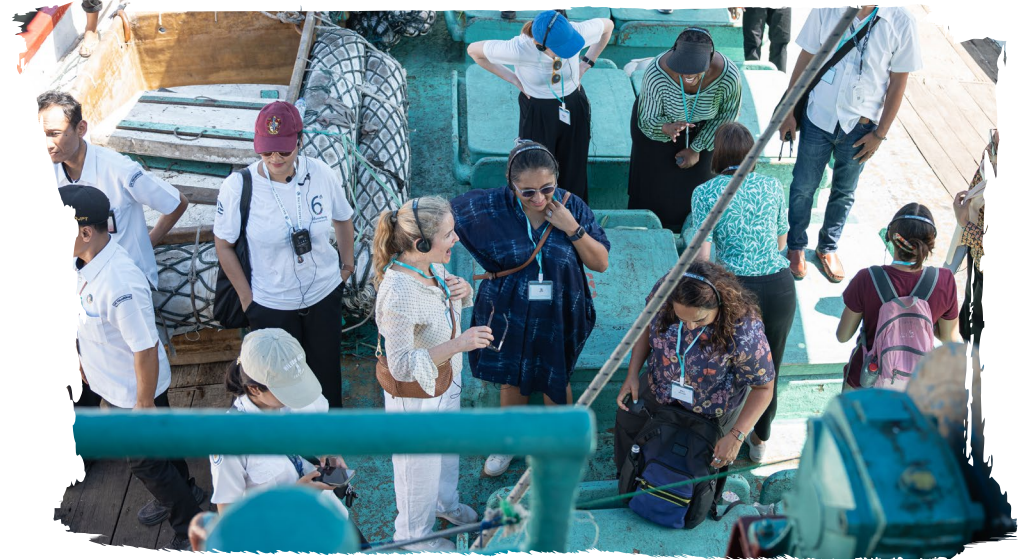
Institutional resilience: Organisational strengthening

In 2025, the Freedom Fund facilitated a reflective process, based on its Organisational Capacity Assessment Tool, for all partners. This was the second time in five years that partners have received this support. DFW and SBMI focused on professionalising their governance through updated financial systems and the rollout of the Sapu Bumi case database. ISB used psychological assessments to align staff self-management with protection policies, fostering team solidarity despite the challenge of personnel transitions. By supporting these shifts, including DFW's decision to refocus on its core maritime expertise and IOJI's management of a leadership transition, partners are demonstrating an increasing prioritisation of the internal stability required to sustain their frontline work.

The Freedom Fund regularly convened a community of practice of all partners to ensure learning, alignment and collaboration towards shared goals. In November, the eighth such meeting was convened in Makassar. Moving away from "performing progress," partners addressed the gritty realities of state failure and industry blacklisting. This led to a shared ethics framework and the Three-Key Referral Protocol, a mandatory system requiring survivor consent, organisational sign-off and a designated lead to prevent isolated "private deals" with employers. These are not just administrative

rules; rather, this protocol protects the coalition's integrity as its members pivot toward high-stakes advocacy, such as a Citizen Lawsuit against the state. By pooling multi-partner data for a joint submission to the 2026 U.S. TIP Report, the program creates international leverage for systems change. Highlighting structural gaps like the overlapping ministry licensing conflict in these forums links human rights directly to Indonesia's broader economic ambitions, including market access, tariff negotiations, and its ongoing pursuit of OECD accession.

In May 2025, partners co-hosted the Freedom Fund and Humanity United Board Meeting in Bali, a high-profile engagement that moved beyond traditional reporting to centre the voices of those most impacted by labour exploitation. By facilitating direct dialogue between global board members, local partners and survivors, the meeting anchored the program's direction in the survivor reality of debt bondage and the risks of organising. This immersion ensured that the strategic plans of both major donors are not just top-down documents, but are directly informed by locally led solutions being forged in Indonesia's seafood hubs.



Participants on the board trip aboard a fishing vessel, Bali ©Hikari Stories/The Freedom Fund

CASE STUDY

From exploitation at sea to movement leadership in Pemalang

For many young men in Desa Pesantren, Pemalang, working as a fishery crew member on international vessels is seen as the only viable path to escape economic hardship and provide for their families. Ali Mustofa shared this hope when he departed for a foreign fishing vessel, but his nine-month journey quickly turned into a fight for survival.

While at sea, Ali found himself trapped in a system of severe exploitation. He was subjected to inhumane working hours and persistent physical violence that left him with serious injuries. The abuse did not end when he reached the shore. Upon his return to Indonesia, the recruitment company confiscated his personal documents and refused to settle his remaining wages. Instead of receiving his hard-earned pay, he was hit with unilateral fines that exceeded his earnings, leaving him in a deeper state of debt and vulnerability than when he had left.

In June 2024, Ali reached out to the SBMI Pemalang branch. Rather than pursuing a lengthy and often inaccessible criminal process, SBMI used a tiered advocacy approach. The union first initiated direct negotiations (bipartite) with the recruitment agency. By securing a resolution at this stage, the union avoided the need for government-mediated (tripartite) proceedings, which can be bureaucratic, slow and fail to hold perpetrators accountable. While this non-litigation pathway provided Ali with immediate financial and document restoration, partners recognize that such out-of-court settlements do not substitute for state regulatory enforcement, which the coalition continues to pursue by aggregating case data to apply collective policy pressure on predatory agencies.

This success — recovering Ali's confiscated documents, cancelling his fraudulent fines and securing IDR 5,000,000 (USD 288)¹ in restitution — demonstrates the union's growing power to hold companies directly accountable. The resolution of his case and his subsequent transition into peer advocacy took place over the course of 2025, marking a shift from individual recovery to collective movement building.

This resolution marked a fundamental shift in Ali's life. He chose not to return to his village in silence. He joined SBMI and began working as a peer advocate, traveling through Pemalang to warn other prospective fishers about recruitment fraud and the specific indicators of forced labour.

Today, Ali is back at sea on a distant water vessel, this time with a thorough understanding of his rights and a commitment to act as a peer advocate among his fellow Indonesian crew members. He conducts outreach directly on the deck, warning others about recruitment fraud, explaining their rights and building the kind of solidarity that means workers do not face abuse alone.

Ali's story does not end with his own recovery. It begins there. For the program, it is a reminder that the most effective protection for workers in remote and hard-to-reach places is often another worker who has been through it, come out the other side and chosen to stay.

¹ The average exchange rate during 2025 was USD 1 = IDR 17,344.30. Source: [USD IDR Historical Data - Investing.com](#).

VISION

Our vision is a world
free of slavery.

MISSION

We invest in frontline organisations
and movements to drive a measurable
reduction of modern slavery in high-
prevalence countries and industries.

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