

Geographical Indication (GI) story: Bali Amed Salt

With sacred mountains and tropical waters, an island paradise provides the ideal setting for salt production. On the eastern shores of Bali, local producers carry on century-old traditions to source salt from the rich waters washing onto the sandy beaches. Through careful filtration practices utilizing natural resources and materials, Bali Amed Salt and *fleur de sel* crystalize to offer a purely unique product. By establishing itself as a geographical indication, Bali Amed Salt's reputation and demand is growing throughout Indonesia and abroad.

Once known to be exclusively gifted to the kings of Karangasem, a former East Balinese kingdom between the 16th and 18th centuries, Bali Amed Salt continues to be sourced locally through traditional practices, preserving the cultural heritage of its producers. In view of the local production techniques employed and the natural resources tapped, experts have identified Bali Amed Salt and its *fleur de sel* as unique in taste and of high quality.

As such, Bali Amed Salt lent itself as an authentic good under the Indonesian-Swiss Intellectual Property Project (ISIP) to receive support to obtain registration as a geographical indication (GI).

Indonesian – Swiss cooperation

This cooperation project, financed by the Swiss State Secretariat for Economic Affairs (SECO) and implemented by the Swiss Federal Institute of Intellectual Property (IPI), sought to capitalize on Indonesia's traditional specialties through the use of intellectual property rights (IPRs), to build on the added-value and competitiveness of Indonesian products, and to promote rural development. This fell in line with the Indonesian Directorate General of Intellectual Property (DGIP)'s policy goals, the project's main partner.

What's in a geographical indication (GI)?

As a first initiative under the project, an assessment was made by a GI expert to identify potential GIs in Indonesia, with the aim of supporting selected producers with registration and protection, increasing

the quality and quantity of these specialty products; and improving market access.

The products selected for further support included Soe Mandarins (Timor), Bali Amed Salt (Bali), Sidoarjo Smoked Milkfish (Java), and Sikka Ikat Textiles (Flores). Support was later extended to Bajawa Arabica Coffee (Flores).

A GI is a collective form of IPR based on the name of a territory or region. This indication identifies that the product's quality and certain characteristics are attributable to the geographical origin, including factors such as climate, terrain and soil specific to that territory, traditions and local culture. Owing to the collective ownership, those who produce and market the GI product, while being subject to self-written codes of practice, are also beneficiaries of the product's reputation, sales and trade. The profits and reputation obtained can aid the care and preservation of local resources and traditional cultural knowledge to allow them to contribute towards sustainable development.



Harvested Bali Amed Salt
(picture: Reto Meili)

Identifying Bali Amed Salt

The assessment carried out under the project identified the production methods of Bali Amed Salt as original and distinctive of Amed and its cultural heritage. In addition, at the request of Bali Amed Salt producers, further discussions between French experts and Bali Amed Salt producers were held, including a study visit by the producers to Guérande in France. There, salt production dates all the way back to the 9th Century and Sel de Guérande was the first protected geographical indication (PGI) to be granted in Europe. Following their visit and the transfer of know-how, Bali Amed Salt producers decided to remain with their traditional methods and expand on these to include the production of “fleur de sel”.

With a population of 270 million, Indonesia is the most populated country in South East Asia. While its rapid growth is impressive, disparities and regional imbalances persist.

In a move to integrate further into the international IPR system, the Government of Indonesia noted the value of GIs as a tool to uphold the livelihood and traditional practices of rural populations and to provide a means of raising local revenues and job opportunities in order to reduce poverty. In parallel, this can contribute in the long term to the conservation of traditional cultural knowledge and biodiversity.

Production methods and the establishment of a producer association

The method of obtaining Bali Amed Salt has been passed down through hundreds of years. Water is collected along the north-eastern coast of Bali and poured onto clay soil. This is left for a few days until it evaporates. The dry salted-clay soil, called tanah sari, is then taken and put in large bamboo funnels. More fresh seawater is poured through the funnels to increase the salt content. The salt-rich brine formed from the funnels is then left to dry in a trough made from the trunk of a coconut tree, called a palungan. Salt crystals form at the bottom of the trunk and fleur de sel floats to the top of the water. The fleur de sel is harvested before the water evaporates, while the salt crystals on the bottom of the coconut trunks are harvested afterwards.

The distinctive characteristics of Bali Amed Salt are its vibrant white colour, the small to medium-sized crystals that dissolve easily, its specific profile of

flavour, and its non-bitter aftertaste. Bali Amed Salt serves as a key ingredient in the seasoning of fish and other seafood to provide these dishes with a distinctly local flavour.



Salt Production Sites (pictures: Sahabat Cipta)



Salt left out to dry in coconut trunks next to growing tourist spots on the beach (picture: Reto Meili)

The word Amed itself is composed of two letters: “a”, meaning “no” (or “not”) and “med” meaning “boring”. Perhaps the name was chosen in reference to the surrounding landscapes of sea, volcanoes, rugged rocky slopes, and beach, or maybe it refers to the rich cultural heritage of Bali... And so, it is within this non-boring, idyllic setting that Bali Amed Salt can be found.

In assisting with the registration of Bali Amed Salt as a GI, the ISIP project brought together relevant stakeholders to enable the establishment of a producer association (Masyarakat Perlindungan Indikasi Geografis, MPIG) of Bali Amed Salt as well as the formulation of the Code of Practice and the Book of Specification in 2015. These important documents contain the reasons and evidence for the specificity of Bali Amed Salt and the rules of production. These rules are the result of in-depth discussions and a consensus among the producers, partly with the facilitation of external experts.

The MPIG, which currently (2021) consists of 25 salt-producing families as well as businesses and

members of the industry, received the GI certificate in December 2015 from the DGIP.

By 2017, the MPIG had developed a business strategy for the GI and, as a result, they now monitor the collection of salt, assortment and quality control as well as packaging, labelling and traceability, promotion and marketing. The traceability system entails the placement of a code number on each package, which is then recorded in a book by the board of the MPIG. This traceability system ensures the quality of the salt and therefore reinforces the guarantee provided by the GI logo on packets. As a result of the certification and the guarantee of quality provided, as well as extensive promotion, increased visibility and the interest of the media in the Bali Amed Salt story, demand has grown in both local and national markets. Prices have equally risen steadily, as much as IDR 5000 (USD 30 cents) per kilo every year on average since the registration of the GI in 2015. In other words, the price per kilo of Bali Amed Salt (as per 2021) has roughly doubled compared to 2015. In turn, the MPIG can regularly purchase, stock and sell Bali Amed Salt to generate income for the organisation and provide continued remuneration to the producers. Furthermore, local jobs could be

secured as part of the salt's value chain, which had previously seen a steady decline in production volumes and producer households due to an ageing population, low profitability, and the loss of production land.

Phase II of the project – achievements and work to be done

In view of the achievements of the ISIP project, a second phase (ISIP-II) was planned and implemented until April 2021. However, while demand for Bali Amed Salt is increasing and the producers are better organised, problems continue with regards to land conflict between the producers and the development of real estate in view of the growing tourism sector.

The artisanal production of Bali Amed Salt itself is highly labour-intensive and the only village that still produces traditional Bali Amed Salt faces an ageing population. The expansion of tourism in the north and east of Bali and the facilities required has encroached on the beach where salt is produced.

In parallel, tourism and construction linked to real estate development offer seasonal jobs, which are more attractive to Amed's younger population as such jobs are better paid compared to salt production. Prior to the start of the project, only 16 families were still producing salt using the traditional methods. This number had been in decline as, previously, the market did not adequately provide a profitable return on Bali Amed Salt, making it economically less appealing for a producer to keep up this century-old tradition.

The number of producers has, however, since grown to 25 and some measures have been facilitated by the project or actively contributed by the MPIG. For example, there are commitments by private investors to purchase a solar dryer in order to counter the challenges posed by climate change, which causes rainfall during the dry season (production season) and thereby inhibits seawater evaporation. The solar dryer also permits an extension of the production season beyond the dry season. Furthermore, a larger storage house was built by the MPIG itself to guarantee adequate storage, free of humidity, which had previously spoilt parts of the salt harvest, too. Another step has been to move salt production from the beach (where it has to compete with an increasing number of fishing boats, tourists, and holiday houses) to

communal land purchased by the MPIG, located behind the village, away from the crowded beach. To avoid having to carry heavy tanks of seawater too far, a water pump was also installed with public funding. However, tourism is not only seen as competition for salt production. On the contrary, nowadays, an increasing number of hotels and guesthouses promote Bali Amed Salt production as a tourist attraction, showcasing the beach's local traditions. They install traditional salt production facilities on their land and show traditional production to tourists, thereby indirectly acting as promoters of Bali Amed Salt. With the newly opened Bali Amed Salt Center in Purwakerthi village, the producers and the MPIG now also have a centrally located sales and information point in addition to the Jakarta-based buyers, making Bali Amed Salt the "flagship product" of the tourism destination Amed / north-eastern Bali. These dynamic developments around a small, but highly specific local GI product, result in many local inhabitants seeing artisanal salt production as a business option and thus they remain in the salt business, enter the salt business and, in one or two cases, even return from cities to Amed to start artisanal salt production.

In addition to facilitating domestic market access, the ISIP Project also assists the producers with market access. While the main market is always expected to be the domestic market, international market access is also seen as a viable option by the MPIG. A market study for specialty salt in Europe was conducted by a Swiss university and concrete market access strategies were proposed. Negotiations with possible importers of Bali Amed Salt to Switzerland are ongoing. In parallel, Bali Amed Salt is currently in the process of registration as a protected designation of origin (PDO) in the European Union and, if this is granted, Bali Amed Salt would be the second Indonesian GI registered in the EU. This will allow the producers to use the EU logo on their packages, which is expected to further increase market access in Indonesia and abroad. In Indonesia, the producers are now able and active in selling Bali Amed Salt through two major Indonesian e-commerce channels, tokopedia and shopee.

At the same time, awareness of the benefits gained by offering and marketing a GI-certified good remains low in Indonesia, particularly among producers, but also among buyers, traders, and specialty product shops. On a positive note though, interest in unique, traditional and local products is growing quickly in the country, mainly among the urban middle class. This trend clearly offers opportunities for GIs, provided that the producers succeed in communicating the meaning and benefits of GIs for consumers and traders.

To respond to this need, the project provided further help by increasing the MPIG's internal management capacities and market access skills to bolster the support given to producers. As such, activities are being carried out to accompany these objectives and to raise the overall awareness of the benefits of GI certification for producers, traders, and consumers at local, national, and international levels.

As part of the awareness-raising activities, a two-week Bali Amed Salt festival was held in October 2019, in the producers' village of Purwakerthi. The festival included the inauguration of the Bali Amed Salt Center, a photo exhibition on salt production, a cooking demonstration, a demonstration of the various stages of the harvesting process and finally, a jukung (a small, wooden Indonesian fishing boat) boat race.

The aim of the Bali Amed Salt festival was not only to introduce and promote Bali Amed Salt as a GI product to the wider community and attract interest, but also to encourage the preservation of the culture and tradition, which contribute to the uniqueness and high quality of the salt's production.

Conclusion

Bali Amed Salt, as a mineral, product, business and heritage, has undergone quite the transformation in the last few years. The added-value obtained through its registration as a GI has contributed to increased recognition and demand, both locally and nationally. The distinctive characteristics of the GI reflect the rich history and culture of Amed, alongside Bali's sacred mountains and tropical beaches.

Notably, the establishment of the MPIG as an association that collectively represents producers and

their product has enabled the continued passing down of a century-old tradition and strengthened a source of income to support livelihoods. While challenges remain, the work of the Bali Amed Salt association and the increased recognition of the salt's quality are solidifying its success.



Performance at the Amed Salt Festival (picture: Sahabat Cipta)



Pak Suanda, head of MPIG
Picture: Reto Meili

"The project helped us find solutions on how to keep producing our traditional salt and make a living out of the heritage of our ancestors even today"
- Pak Suanda

For more information, contact

Reto Meili – ISIP Project Coordinator
Swiss Federal Institute of Intellectual Property (IPI)
reto.meili@ipi.ch • +41 31 377 72 71 • www.ipi.ch