

**Semi-annual Reports:
SANREM CRSP Year 3 – Marketing Indonesia**

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I. Executive Summary of overall progress for the past six months

Agriculture is the most common activity practiced by rural farmers. Lack of market information, remote location and poor accessibility to production resources are common problems faced by the farmers. The marketing activities over the past six months focused to address the limitation of VAF's farmers on market information. As a first stage, market surveys were conducted to identify market opportunities for selected VAFs. It is important for farmers to know for which product there is a demand, which quantities and qualities are in demand, when and where there is a demand and at what price.

Rapid Market Appraisal (RMA) is a method used to collect market information in short period of time for a specific purpose. The method helps provide a quick understand of complex market relationships to guide the producer make decisions regarding the orientating their production towards market opportunities. Focus Group Discussion (FGD) is an information collection/sharing tool used to identify farmer's preference in VAF development and select the most marketable VAF. A literature review was conducted to complement and enrich the research findings.

Nanggung's farmers do not have competitive advantage in producing vegetables. They also have little experience to producing vegetables under Agroforestry system. It was a challenge for the team to recommend best practice VAF management as well as to motivate the farmers to develop vegetable agroforestry production systems in Nanggung. Using the previous RMA results augmented by additional species specific vegetable market information, we recommended the farmers to develop Katuk and Kucai as prospective and marketable vegetables. These vegetables require low capital investment, can be grow under the shading (20-25% for Katuk), and promise good return for the farmers. In efforts to enhance farmer's knowledge and skills, the project is targeting VAF production and marketing activities for the next 6 months. Production demonstration plots have been established in three selected villages. Commercially oriented, production and profitability data from the plots will be evaluated and disseminated for broader farmer's adoption. Comparative studies have been conducted through visits to successful Katuk and Kucai's farmers in two neighboring villages. Those field visit enhanced farmer's knowledge regarding VAF production/marketing and motivation to participate in project activities. The project has distributed 60,000 of Katuk's seedlings (stem cuttings) and about 150 kg of Kucai's seeds to farmer partners in Parakan Muncang, Hambaro and Sukaluyu villages. To ensure market acceptability of the products, we have facilitated collaboration between farmers and a local trader. The trader will buy all vegetable yields that meet the market standard at an agreed price. For now, farmers will follow existing marketing channel as a strategy to penetrate the market and collect in-depth market information to improve and innovate the marketing decision in the future.

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II. Research progress by objective

The objective of marketing aspect is to develop a market value chain at the local, regional and national levels that builds upon existing marketing strategies and develop interventions to overcome constraints, enabling farmers to benefit from existing market opportunities. To achieve the objective, six activities will be undertaken during year 3:

1. *Dissemination of VAF baseline survey result and technology recommendation to improve the quality and quantity of VAF through farmers' workshop.*

This will be achieved through a *Farmers' Day* held in May or June in collaboration with the entire SANREM Indonesia team. The date will be finalized to meet the restraints of farmer partners, other interested stakeholders and the team.

2. *Identify & establish interest group (farmers & market agents) on development VAF production & market linkage.*

The team has selected farmers groups at three villages and also collaborated with BPPT (Agency for Assessment and Replication Technology) Indonesia in establishing production plot at Kebun Agro Medika BPPT at Hambaro village, Nanggung. There are also traders interested in cooperating with farmers to develop market production of VAFs.



Picture 1. Participants of short-course on best management practices for Katuk and Kucai at Ciampea, Bogor.

3. *Create marketing action plan with interest groups.*

The marketing action plan is in progress and will be completed when farm management analysis has been completed. The actual income data from Katuk and Kucai farming will be generated from the production plots discussed above. The data from the plots is essential as no reliable production data currently exists for Katuk and Kucai under the conditions common to farmers in Nanggung. The marketing action plan will be complemented by an in-depth marketing channel assessment for selected VAFs.

4. *Farmer cross-visit for comparison study.*

The activity was conducted by visiting Kucai farmers in Ciaruten Ilir village and Katuk farmers in Cinangka village, Ciampea sub district, Bogor. Both locations are considered to follow 'best practices' for the respective crops and are about one hour from Nanggung. The villages have good accessibility and longer experiences in producing and marketing the Katuk and Kucai, mostly to Jakarta markets. There were 30 participants as representatives from three villages joined the trip and 5 of them are women.



Figure 2. Kucai garden at Ciaruteun Ilir, Ciampea, Bogor that employees best management practices.



Figure 3. A successful Katuk farmer, who earns USD4000/year/ha.

Cross-visit findings:

- The Katuk and Kucai have good prices in the market and tend to increase over time.
- The traders identified that the demand for Katuk and Kucai is higher than the supply, especially for Jakarta markets.
- One trader is willing to harvest the vegetables and pick up from the production area. All harvesting cost and transportation will be covered by the trader.
- The price is Rp 1800,-/kg (USD 0.2/kg) both Katuk and Kucai at farmer's gate.

- Based on farmers' experiences, the yield of Katuk is 4-5 tons/ha and can be harvested 5-6 times per year (planted in open area with cassava as intercrop). Through this system a farmer can also produce 8-10 tons of cassava per year.
- The yield from Kucai is 7.6 tons/ha and can be harvested 7-8 times per year (planted in open area, monoculture).
- The crops can be harvested for 5 years before replanted the new seeds.
- Chicken and goat manure are the recommended fertilizers for both crops.
- Katuk grows well under 20-25% of shading; farmers believe Katuk produces better if planted under cassava compared to papaya.
- There is no experience to plant Kucai under the shading.
- Katuk and Kucai farmers are willing to share their knowledge and skills by providing technical assistance through cross-visits to Nanggung farmers.
- Partner farmers have shown their enthusiasm and interest on developing Katuk and Kucai farming in Nanggung.
- The project will provide 100 kg of Kucai's seed and 60,000 stem cuttings of Katuk to facilitate the development of commercial plots by farmer partners in three villages. The plots will also function as future sources of germplasm to expand commercial plantings.

5. Post-harvest training on VAF products.

The training will be held when Katuk and Kucai plots reach commercial maturity. Tentative plans are to conduct the training parallel with the *Farmers Day* event in May or June 2008.

6. *Promote indigenous vegetable species to raise awareness amongst market actors.*

This activity will also be conduct at the *Farmers Day* event in May or June 2008.

III. Significant training, capacity building, and networking activities.

1. A short-course on best management practices for Katuk and Kucai was conducted on 22 January 2008. The purposes of the course are:
 - To improve farmers' knowledge and skill in good management of VAF.
 - To facilitate learning from the success stories of Katuk and Kucai farmers.
 - To replicate the best management practices for VAFs in Nanggung.
 - To collect marketing information and evaluate possible collaboration with market and production stakeholders to develop the market potential of Nanggung farmers.
2. Linkages have been developed between farmer partners and a local trader who I willing to buy and market all of farmer's production, especially Katuk, Kucai, and cassava.
3. ICRAF has been developed collaboration with BPPT (Badan Pengkajian dan Penerapan Teknologi – Agency for Assessment and Replication Technology) to use their land as production plot trial at Kebun Agro Medika Hambaro, Nanggung sub district, Bogor.

IV. Research strategy and development objectives.

1. Describe progress achieving TOP Framework milestones.

The work accomplished in the last six months has contributed towards achievement of TOP Framework milestones as follows. Under Technology objective the knowledge and skills of farmer partners and other stakeholders have been enhanced. Viable VAF systems and practices have been developed and are being evaluated, including the use of limited tillage, minimum irrigation, and the testing of varieties of priority vegetable species. In Marketing farmer partners have been empowered by enhancing market awareness and developing market linkages. Farmer groups are expanding their market roles. These conditions, plus improvements in the quality and quantities of vegetables produced, will result in increased farmers' incomes in the next six months. Under the Environmental and Socioeconomic objective, traditional soil erosion practices are being maintained and strengthened; access to food and farm incomes are being enhanced; and overall environmental and socioeconomic conditions improved.

2. Indicate how this contributes to progress along the development impact pathway.

Knowledge, Attitudes, Skills, Aspirations and Capacities (KASAC) are being addressed under the TMPEGS objectives that our team is involved with. The baseline study documented that due to its location Nanggung held high potential to develop commercial vegetable production, agricultural professionals agreed with this assessment. However the farming community is unable to take advantage of this potential for a number of reasons. Most farmers in the Nanggung area lived below the poverty line, produced crops of unreliable quantity and quality, have limited access to extension and training assistance, use germplasm of uncertain genetic and physical quality, and suffered from a lack of market information and not permanent market linkages. All these shortcomings have been addressed in the last 6 months. Additionally traditional sustainable agricultural ethic has been maintained and strengthened.

3. Discuss any lessons learned relevant to development goals.

Lesson learned over the last six months confirm the team's belief and experience that stand-alone activities are ineffective in meeting the technology, marketing and socioeconomic needs of farming communities. Success has been achieved by providing partners with an integrated series of technical and marketing activities (trainings, farmer workshops, cross-visits, market studies, species trials, demonstrations plots) that seek to instill changes in the medium term, and not promote quick cosmetic fixes. It is equally important to be sure that the project plans fit with community development objectives, even when those objectives are informal or identified through priority setting exercise implemented through the project.