

Stories from the Field



“I think this business has great potential and I can see us being known as a source of high quality pig.”

- Dr Leo Kawak, veterinarian



Dr Leo Kawak inspecting new pens at Bhoanawa. (Photo: PRISMA/Nina FitzSimons)

Making Pig Markets Work for the Poor in NTT

An example of commercial pig breeding showing promise in Flores under PRISMA

A new approach to rural development is enjoying great success in Flores Island in the pig sector. Through the PRISMA program, the Dutch NGO, HIVOS, along with local partner YMTM, is working with a number of local companies to improve the quality of commercially bred pigs, with the aim of improving smallholder farmer incomes.

There are currently three local pig breeders based in the city of Ende that provide piglets to farmers in the area. However, farmers are unable to meet the high demand for fattened pigs. HIVOS saw that better know-how in breeding and pig fattening, and providing farmers with access to financial services could make a big difference to their incomes.

HIVOS has brought together PT. Setoko Jaya Mandiri, a consulting company with combined 28 years' experience in pig exports to Singapore, with three local pig breeding companies - Yayasan Bintang Firdaus (YBF), Kebun Misi Bhoanawa Ende, and Biara Bruder - for a four-month period from October 2014 to February 2015 to provide intensive support to local farmers to improve their pig breeding practices.

Dr Leo Kawak, a veterinarian and Head of PT. Setoko Jaya Mandiri, was very interested in being involved in this program as Flores is his birth place and

he is excited to see such a program succeed on his home turf.

“I was actually part of the advisory team to the Governor of NTT in 2008 to improve pig services in the province and we recommended a similar approach,” admits Dr Leo. “However, the program in the end focused only on the farmers and provided them with free piglets. This approach was less successful because there was little technical support and therefore changes in piglet fattening methods. So, I was very pleased when HIVOS approached me with this business idea.”

Dr Leo says the main challenges confronting pig breeders in Ende are their lack of technical know-how, poor management practices and poor infrastructure.

“When I first came to YBF it was chaotic. All the sows and hogs were in one pen together, there was no breeding schedule, there was high mortality of piglets, and poor quality of stock due to in-breeding and poor nutrition.”

Ibu Merry from YBF concedes things were not good, “We started this business as a way to raise income for the church. But so far we have been running at a loss.”



Ibu Merry with a 'grower' ready for sale to fatten.
(Photo: PRISMA/Nina FitzSimons)

One of the first things Dr Leo and his staff did with all three of the local companies was to assist them in implementing new management practices. Ibu Merry proudly shows the new pen arrangements at YBF pointing to those sows that have just been mated, those that are gestating, those about to farrow (give birth) and those that are suckling.

"Before Dr Leo's support we lost many of our piglets from crushing. Dr Leo showed us how to modify the pens to protect the piglets from the sow while still giving them access to suckle," she explains.

Within a very short period from December 2014 to January 2015, YBF's stock went from zero to 103 piglets. With a new mating schedule, the target for the end of September 2015 is to get 663 saleable piglets from 40 breeding sows.

The story at Kebun Misi Bhoanawa Ende is very similar. The changes in breeding practices over the last two months have been so successful that Bhoanawa management has invested Rp. 500 million in pen renovations, which will be completed by March 2015. The renovations will enable the company to reach 750 saleable piglets by year end. The plan for the next two years is to reach 1,700 piglets per year with 100 breeding sows which will then be sold to farmers for fattening.

The island of Flores has the advantage of being free of the common swine fever, or Hog Cholera. This makes Flores an excellent source of disease-free pigs for other islands. "Once we can get our pig stocks up," says Ibu Merry, "we have an excellent business opportunity to export pigs to Kupang and Sumba, where demand is particularly high and the price for pigs much higher. We already have a pig collector in Ngada district who wants to do this."

Another dimension of the improvements being introduced by Dr Leo is feeding practices. To date, all breeders have been using traditional fodder, including nutrient-poor banana trees. Dr Leo has introduced high-nutrient commercial feed supplemented with high-nutrient local fodder, such as corn, sweet potato, beans, coconut, fish flour and high protein lamtoro leaves, all of which are now processed on site.

"We've seen a significant change in the condition of our stock since introducing the new feeding regime," admits Ibu Merry. "Our weaners are reaching an average weight of 15kg by the time they are two months old."

HIVOS are now assisting the three breeding companies to package their services for on-selling to farmers. "We are now offering a range of support to farmers," says Ibu Merry. "Our base package is the 2-month old grower, to promote good fattening practices. Our next package includes fodder. The third package includes medicine and veterinary services."

To improve access of low income farmers to these packages, HIVOS has negotiated a loan service with the Bank of NTT, which finances the pig breeding companies to provide their packages to farmers as a form of credit. Many farmers have already signed up for the service with a target of 2000 farmers within two years.

While the intervention is still in its early stages, all indications point to success and Ibu Merry already has her sights set on expansion for YBF.

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The Australia-Indonesia Partnership for Promoting Rural Income through Support for Markets in Agriculture (PRISMA) is a multi-year program that is part of the Indonesian Government's long term strategy to encourage economic growth. With the support of the Australian Government, the program aims to achieve a 30% increase in the net incomes of 300,000 male and female eastern Indonesian farmers by the program's end by providing innovative solutions to increase productivity and market access.

PRISMA focuses on agriculture sectors that are the main source of income for a large number of smallholder farmers and have strong growth potential in areas of East Java, West Nusa Tenggara, East Nusa Tenggara, Papua and West Papua. Partnering with key market stakeholders, the program help spur growth along the value chain by reducing barriers and constraints within the agriculture sector.